Lithuania
Exchange rate: US$1.00 = 0.83 euro (€).

Old Age, Disability, and Survivors

Regulatory Framework

First law: 1922.

Current laws: 1994 (social insurance); 1994 (social assistance); 1999 (pension funds), implemented in 2004; 2002 (pension system); 2003 (individual account), implemented in 2004; and 2012 (pension reform).

Type of program: Social insurance and social assistance system.

Note: Individual accounts were introduced in 2004. While participation is voluntary for employed persons, once enrolled, an employed person may not opt out. Employees contribute 2% of monthly earnings, employers contribute 2% of monthly payroll (diverted from their social insurance contributions), and the government provides a subsidy of 2% of the employee’s average monthly salary in the previous calendar year.

Coverage

Universal: Residents of Lithuania.

Social insurance: Public- and private-sector employees, self-employed persons, military personnel, conscripts, the clergy, at-home caregivers for persons with disabilities.

Social assistance: Needy residents of Lithuania.

Source of Funds

Insured person

Universal: None.

Social insurance: 3% of monthly earnings.

The minimum monthly earnings used to calculate contributions are the legal monthly minimum wage.

The legal monthly minimum wage is €400.

There are no maximum earnings used to calculate contributions.

Social assistance: None.

Self-employed person

Universal: None.

Social insurance: 25.3% of monthly declared earnings.

Social assistance: None.

Employer

Social insurance: 22.3% of monthly payroll.

The minimum monthly earnings used to calculate contributions are the legal monthly minimum wage.

The legal monthly minimum wage is €400.

There are no maximum earnings used to calculate contributions.

Social assistance: None.

Government

Universal: The total cost.

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

Social assistance: The total cost.

Qualifying Conditions

Old-age pension (Senatves pensija, social insurance): Age 63 and eight months (men, gradually rising by two months a year until reaching age 65 in 2026) or age 62 and four months (women, gradually rising by four months a year until reaching age 65 in 2026) with at least 15 years of contributions. The full pension is paid with at least 30.5 years (gradually rising to 35 years in 2027) of contributions.

Early pension: Must be up to five years younger than the normal retirement age with at least 30.5 years (gradually rising by six months a year until reaching 35 years in 2027) of contributions.

Deferred pension: The pension may be deferred for up to five years after the normal retirement age if the insured meets the contribution requirement for a full pension.

The old-age pension is payable abroad under reciprocal agreement; otherwise, benefits are payable abroad to insured persons with at least 15 years of contributions.

Old-age pension (social assistance, income tested): Age 63 and eight months (men, gradually rising by two months a year until reaching age 65 in 2026) or age 62 and four months (women, gradually rising by four months a year until reaching age 65 in 2026) and not entitled to the social insurance old-age pension.

Disability pension (Netekto darbingumo pensija, social insurance): Must have an assessed loss of working capacity of at least 45%. The minimum coverage period increases with age: at least two months of contributions if younger than age 22; increasing by two months a year from age 22 to 35; and increasing by six months a year from age 36 to 63, until reaching 15 years of contributions. The full pension is paid with at least one year of contributions if younger than age 24, increasing by four months a year from age 24 to age 29; by six months a year from age 30 to 33; by eight months a year from age 34 to 39; and by 12 months a year from age 40 onwards, up to 30.5 years of
contributions. The Disability and Capacity for Work Establishment Office assesses the loss of working capacity.

The disability pension ceases at the normal retirement age and is replaced by the old-age pension.

The disability pension is payable abroad under reciprocal agreement; otherwise, benefits are payable abroad to insured persons with at least 15 years of contributions.

**Social assistance benefit (Pinigine Socialine Parama, social assistance, means tested):** Paid for children younger than age 18 (age 24 if a student) under guardianship or with assessed needs for special care; for persons assessed with disabilities before age 24; for caregivers who have provided constant attendance to a person with a disability for at least 15 years; for mothers with at least a 60 percent loss of work capacity who have given birth to five or more children and raised them up to age 8; and for persons with a disability who have reached the normal retirement age or who are registered as unemployed.

If a child also receives an orphan’s pension or any other periodic benefit, the social assistance benefit is reduced.

Means test: Family income and assets must not exceed certain limits.

The Disability and Capacity for Work Establishment Office assesses the loss of working capacity.

**Long-term care allowance (Slaugos Ir Pagalbos Islaidu Tikslines Kompensacijos, universal):** Paid to persons with a need for permanent care, including children assessed with a moderate or severe degree of disability, persons of working age with an assessed loss of work capacity of at least 60%, and persons who have reached the normal retirement age.

**Survivor pension (Nasliu pensija, social insurance):** Paid if the deceased received or was entitled to receive a social insurance old-age or disability pension and had at least 15 years of contributions.

Eligible survivors include a widow(er) who has reached the normal retirement age; a widow(er) who was assessed with a disability before, or within five years after, the spouse’s death, or before reaching the normal retirement age; a widow(er) without children who was married to the deceased for at least five years; and dependent children younger than age 18 (age 24 if a student; no limit if disabled since childhood). If there is no widow(er), a partner who had children with the deceased or provides at-home care for the deceased’s children.

The widow(er)’s pension ceases upon remarriage.

The survivor pension is payable abroad under reciprocal agreement; otherwise, benefits are payable abroad to insured persons with at least 15 years of contributions.

### Old-Age Benefits

**Old-age pension (Senatves pensija, social insurance):**

The monthly pension consists of a general pension and an individual pension.

**General pension:** The pension is calculated as the ratio of the insured’s years of contributions to the years of contributions required for a full pension, multiplied by the amount of the basic monthly pension.

The basic monthly pension is €152.92.

**Individual pension:** The pension is the total of the insured’s accumulated pension points multiplied by the pension point value.

A pension point is earned if contributions are paid on an income of 12 times the national average monthly wage (partial pension points are possible). Up to five pension points can be earned in a year.

The national average monthly wage is €876.40.

The pension point value is €3.27.

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

Deferred pension: The pension is increased by 8% for each full year the pension is deferred after the normal retirement age.

Benefit adjustment: Benefits are adjusted based on changes in the value of the basic pension and the pension point value.

**Old-age pension (social assistance, income tested):**

0.9 times the basic monthly pension is paid.

The basic monthly pension is €152.92.

### Permanent Disability Benefits

**Disability pension (Netekto darbingumo pensija, social insurance):** The monthly pension consists of a general pension and an individual pension.

**General pension:** The pension is the ratio of the insured’s years of contributions to the years of contributions required for a full pension, multiplied by the amount of the basic monthly pension and a loss of work capacity factor.

The basic monthly pension is €152.92.

**Individual pension:** The pension is the total of the insured’s accumulated pension points multiplied by the pension point value and a loss of work capacity factor that varies depending on the assessed loss of work capacity.

A pension point is earned if contributions are paid on an income of 12 times the national average monthly wage (partial pension points are possible). Up to five pension points can be earned in a year.

The national average monthly wage is €876.40.
The pension point value is €3.27.

There is no minimum or maximum disability pension.

Benefit adjustment: Benefits are adjusted based on changes in the value of the basic pension and the pension point value.

Social assistance benefit (Pinigine Socialine Parama, social assistance, means tested): The monthly benefit level is 100% of the difference between the monthly state supported income for each person and the actual per capita income of a single resident for the first family member, 80% for the second, and 70% for the third and subsequent members.

The monthly state supported income is €122.

Lump-sum grants for housing, heating, water, and drainage expenses are also paid.

Long-term care allowance (Slaugos Ir Pagalbos Islaidu Tiklines Kompensacijos, universal): 2.5 times the target compensation base is paid if assessed with a special need for care; one times the target compensation base for children with a severe disability and persons of working age with an assessed loss of work capacity of at least 75%; 0.5 times the target compensation base for children with a moderate disability, persons of working age with an assessed loss of work capacity of at least 60% up to 70%, and persons who have reached the normal retirement age.

The target compensation base is €112.

Survivor Benefits

Survivor pension (Nasliu pensija, social insurance)

Spouse’s pension: The survivor basic pension is paid. The survivor basic pension is €22.46 a month.

Benefit adjustment: Survivor benefits are adjusted based on changes in the value of the survivor basic pension.

Orphan’s pension (Naslaiciu pensija): 50% of the social insurance old-age or disability pension the deceased received or was entitled to receive is paid; 100% for full orphans.

The maximum combined orphan’s benefit is 100% of the social insurance old-age or disability pension the deceased received or was entitled to receive.

Benefit adjustment: The orphan’s pension is adjusted based on changes in the value of the basic pension and the pension point value.

Administrative Organization

Ministry of Social Security and Labor (http://www.socmin.lt/) supervises the programs.

State Social Insurance Fund Board (http://www.sodra.lt/) administers the programs, collects contributions, and pays benefits.

Sickness and Maternity

Regulatory Framework

First law: 1925

Current laws: 1991 (social insurance), 1996 (health insurance), and 2000 (sickness and maternity).

Type of program: Social insurance system.

Coverage

Cash benefits: Certain public-sector employees, private-sector employees, and self-employed persons.

Special programs for certain public-sector employees.

Medical benefits: Residents of Lithuania.

Source of Funds

Insured person

Cash benefits: None.

Medical benefits: 6% of earnings.

The minimum monthly earnings used to calculate contributions are the monthly minimum wage.

The legal monthly minimum wage is €400.

There are no maximum earnings used to calculate contributions.

Self-employed person

Cash benefits: 3.6% of earnings.

Medical benefits: 9% of earnings.

Employer

Cash benefits: 3.6% of payroll.

The minimum monthly earnings used to calculate contributions are the monthly minimum wage.

The legal monthly minimum wage is €400.

There are no maximum earnings used to calculate contributions.

Medical benefits: 3% of monthly payroll.

The minimum monthly earnings used to calculate contributions are the legal monthly minimum wage.

The legal monthly minimum wage is €400.

There are no maximum earnings used to calculate contributions.

Government

Cash benefits: Finances any deficit.

Medical benefits: Contributes on behalf of certain groups of persons.
Qualifying Conditions

Cash sickness benefit (Ligos ismokai): Must have at least three months of contributions in the last 12 months or at least six months of contributions in the last 24 months.

Occupational rehabilitation benefit (Profesine reabilitacija): Must participate in an occupational rehabilitation program and have at least three months of contributions in the last 12 months or at least six months of contributions in the last 24 months before participating in the program.

Cash maternity benefit (Motinystes ismoka): Must have at least 12 months of contributions in the last 24 months before the first day of maternity leave.

Paternity benefit (Tevystes ismoka): Must have at least 12 months of contributions in the last 24 months before the first day of paternity leave.

Child care benefit (Ismoka vaikui prizureti): Paid to one parent (including an adoptive parent) or guardian caring for a child younger than age 1 or 2, depending on the payment option selected. The insured must have at least 12 months of contributions in the last 24 months before the first day of childcare.

Pregnancy grant (Vienkartine ismoka nesciai moteriai): Paid to a pregnant unemployed woman not entitled to the maternity benefit.

Sickness and Maternity Benefits

Sickness benefit (Ligos ismokai): 80% of the insured’s average monthly earnings in the quarter before the incapacity began is paid from the third to the seventh day of incapacity. (The employer pays 80% to 100% of the insured’s average monthly earnings for the first two days.)

The minimum sickness benefit is 15% of the national average monthly wage in the previous quarter.

The maximum sickness benefit is two times the national average monthly wage in the previous quarter.

The national average monthly wage is €876.40.

Occupational rehabilitation benefit (Profesine reabilitacija): 85% of the insured’s average earnings is paid for up to 180 days.

Maternity benefit (Motinystes ismoka): 100% of the insured’s average monthly earnings in the year before the maternity leave began is paid for 126 days (may be extended for an additional 14 days for complicated childbirths and multiple births).

The minimum maternity benefit is 15% of the national average monthly wage in the previous quarter.

The national average monthly wage is €876.40.

There is no maximum maternity benefit.

Paternity benefit (Tevystes ismoka): 100% of the beneficiary’s average income during 12 consecutive calendar months before childbirth is paid for 28 days.

The minimum paternity benefit is 15% of the national average monthly wage in the previous quarter.

The maximum paternity benefit is two times the national average monthly wage in the previous quarter.

The national average monthly wage is €876.40.

Child care benefit (Ismoka vaikui prizureti): The parent may choose to receive the benefit for one or two years. For one year, 100% of the insured’s average earnings is paid until the child reaches age 1. For two years, 70% the insured’s average earnings is paid until the child reaches age 1; thereafter, 40% is paid until the child reaches age 2.

The minimum monthly child care benefit is 15% of the national average monthly wage in the previous quarter.

The maximum monthly child care benefit is two times the national average monthly wage in the previous quarter.

The national average monthly wage is €876.40.

Pregnancy grant (Vienkartine ismoka nesciai moteriai): A lump sum of two times the monthly basic social benefit is paid 70 days before the expected date of childbirth.

The monthly basic social benefit is €38.

Workers’ Medical Benefits

Benefits include health care services and partial reimbursement of medicine. Emergency health care is provided for all residents.

Dependents’ Medical Benefits

Dependents are insured in their own right.

Administrative Organization

Ministry of Social Security and Labor (http://www.socmin.lt/) supervises the program.

State Social Insurance Fund Board (http://www.sodra.lt/) administers the program, collects contributions, and pays benefits.

Work Injury

Regulatory Framework

First law: 1936 (accident insurance).

Current law: 1999 (work injury).

Type of program: Social insurance system.

Coverage

Public- and private-sector employees.

Exclusions: Self-employed persons.
Source of Funds

**Insured person:** None.

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

**Employer:** 0.18% to 1.8% of earnings, based on four employment categories.

The minimum monthly earnings used to calculate contributions are the legal monthly minimum wage.

The legal monthly minimum wage is €400.

There are no maximum earnings used to calculate contributions.

**Government:** None.

Qualifying Conditions

Must be assessed with a work injury or occupational disease. Accidents that occur while commuting to and from work are covered.

Temporary Disability Benefits

100% of the insured’s average monthly earnings is paid from the day the disability began until rehabilitation or certification of permanent disability.

The minimum temporary disability benefit is 15% of the national average monthly wage in the previous quarter.

The maximum temporary disability benefit is two times the national average monthly wage in the previous quarter.

The Disability and Capacity for Work Establishment Office assesses the loss of working capacity.

Permanent Disability Benefits

**Permanent disability pension (Netekto darbingumo pensijos):** For an assessed loss of working capacity of at least 30%, 50% of the assessed loss in working capacity multiplied by the compensation coefficient and the national average monthly wage is paid.

The compensation coefficient is the ratio of the insured’s average monthly covered earnings to the national average monthly wage in the year before the disability began. The coefficient must be at least 0.25 but not exceed three.

The national average monthly wage is €876.40.

The Disability and Capacity for Work Establishment Office assesses the loss of working capacity.

**Disability grant:** For an assessed loss of working capacity of 5% to 19%, a lump sum of 10% of the insured’s average monthly earnings in the last 24 months is paid. With a loss of working capacity of 20% to 29%, a lump sum of 20% of the insured’s average monthly earnings in the last 24 months is paid.

The minimum disability grant is 15% of the national average monthly wage in the previous quarter.

The maximum disability grant is two times the national average monthly wage in the previous quarter.

The national average monthly wage is €876.40.

The Disability and Capacity for Work Establishment Office assesses the loss of working capacity.

Survivor Benefits

**Survivor pension (Nasliu pensija):** 100% of the permanent disability pension the deceased received or was entitled to receive is paid.

Eligible survivors include a widow(er) who has reached the normal retirement age or is disabled, children younger than age 18 (age 24 if a student), and other dependent persons.

Benefit adjustment: Benefits are adjusted annually.

**Survivor allowance:** A lump sum of 60 times the national average monthly wage is paid to the deceased’s family.

The national average monthly wage is €876.40.

Administrative Organization

Ministry of Social Security and Labor (http://www.socmin.lt/) supervises the program.

State Social Insurance Fund Board (http://www.sodra.lt/) administers the program, collects contributions, and pays benefits.

Unemployment

Regulatory Framework

First law: 1919.


Type of program: Social insurance system.

Coverage

Certain public- and private-sector employees, certain public officials, and military personnel.

Exclusions: Self-employed persons.

Source of Funds

**Insured person:** None.

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

**Employer:** 1.4% of payroll; 2.8% for fixed-term contracts.

The minimum monthly earnings used to calculate contributions are the legal monthly minimum wage.

The legal monthly minimum wage is €400.

There are no maximum earnings used to calculate contributions.
Lithuania

**Government:** Finances any deficit; contributes as an employer.

**Qualifying Conditions**

**Unemployment benefit (Nedarbo ismoka):** Must be registered at the local labor exchange as unemployed and have at least 12 months of paid contributions in the last 30 months; no contribution requirement if the insured is involuntarily unemployed or has just completed compulsory basic military service or state defense service.

**Unemployment Benefits**

**Unemployment benefit (Nedarbo ismoka):** The monthly benefit consists of a fixed amount and a variable amount. The fixed amount is 30% of the legal monthly minimum wage. The variable amount is 50% of the insured’s average salary in the last two years for the first three months; 40% of the insured’s average salary in the last two years from months four to six; 30% of the insured’s average salary in the last two years from months seven to nine.

The legal monthly minimum wage is €400.

**Administrative Organization**

Ministry of Social Security and Labor (http://www.socmin.lt/) supervises the program.

State Social Insurance Fund Board (http://www.sodra.lt/) collects contributions and pays benefits.

**Family Allowances**

**Regulatory Framework**

**First law:** 1990.

**Current laws:** 1994 (social income); 1994 (family allowances), implemented in 1995; 1994 (social assistance); and 2003 (social assistance), implemented in 2004.

**Type of program:** Universal and social assistance system.

Note: A long-term care allowance for children with disabilities is paid under Old-age, Disability, and Survivors.

**Coverage**

Permanent residents of Lithuania.

**Source of Funds**

**Insured person:** None.

**Self-employed person:** None.

**Employer:** None.

**Government:** The total cost.

**Qualifying Conditions**

**Child benefit (Ismoka vaikui, social assistance, income tested):** Paid for children up to age 18 (age 21 if a student or in training).

Income test: Monthly income per family member must not exceed 1.5 times the monthly state supported income. There is no income limit for families with at least three dependent children.

The monthly state supported income is €122.

**Birth and adoption grant (Vienkartine ismoka vaikui, universal):** Paid to a family for each birth or adoption of a child.

**Family Allowance Benefits**

**Child benefit (Ismoka vaikui, social assistance, income tested):** 0.75 times the monthly basic social benefit is paid for each eligible child younger than age 2; 0.40 times the monthly basic social benefit for each child aged 2 to 18 (age 21 if a student or in training).

The monthly basic social benefit is €38.

**Birth and adoption grant (Vienkartine ismoka vaikui, universal):** A lump sum of 11 times the monthly basic social benefit is paid.

The monthly basic social benefit is €38.

**Administrative Organization**

Municipalities administer the program.