

## Latvia

Exchange rate: US\$1.00 equals 0.47 lats.

### Old Age, Disability, and Survivors

#### Regulatory Framework

**First law:** 1922.

**Current laws:** 1995 (social insurance), with amendments; 1997 (social insurance), with amendments; and 2000 (funded pension scheme), with 2002 and 2004 amendments.

**Type of program:** Notional defined contribution (NDC), mandatory individual account, and social assistance system. Social assistance benefits (means-tested and conditional) are provided by municipalities to support the needy.

Note: Participation in the individual account system is mandatory for individuals who were younger than age 30 on July 1, 2001, and voluntary for those who were between ages 30 and 49 on July 1, 2001.

#### Coverage

**Old-age and survivor pensions:** Employed persons; self-employed persons; unemployed persons; armed forces personnel and their spouses; persons caring for a child younger than 18 months; recipients of the maternity benefit, parent's benefit, or disabled child care benefit; and spouses of diplomatic staff.

Voluntary coverage for all persons aged 15 or older residing permanently in Latvia who are not subject to compulsory insurance and are not receiving an old-age pension; the spouse of a self-employed person younger than the retirement age; and students.

**Disability pension:** Employed and self-employed persons.

Voluntary coverage for all persons aged 15 or older residing permanently in Latvia who are not subject to compulsory insurance and are not receiving an old-age pension; the spouse of a self-employed person younger than the retirement age.

#### Source of Funds

**Insured person:** 9% of covered earnings.

Of the total insured person and employer contribution of 33.09% of covered earnings, 12% of covered earnings finances the NDC pension and 8% of covered earnings finances the individual account. The remainder finances sickness and maternity benefits, work injury benefits, and unemployment benefits. (Both the NDC pension contribution rate and the individual account contribution rate will be

10% of covered earnings in 2010. The total contribution rate will remain the same.)

In addition, pension fund administrators charge an annual management fee on the individual's accumulated funds in the mandatory individual account. (There are no minimum or maximum limits for fees set by law.)

The minimum annual earnings for contribution purposes are equal to the statutory minimum annual wage; the minimum daily earnings for contribution purposes depend on the statutory minimum hourly wage.

The maximum annual earnings for contribution purposes are 29,600 lats.

**Self-employed person:** 30.44% of covered earnings.

Of the total self-employed person's contribution of 30.44% of covered earnings, 12% of covered earnings finances the NDC pension and 8% of covered earnings finances the individual account. The remainder finances sickness and maternity benefits, work injury benefits, unemployment benefits, and parent's benefits. (Both the NDC pension contribution rate and the individual account contribution rate will be 10% of covered earnings in 2010. The total contribution rate will remain the same.)

In addition, pension fund administrators charge an annual management fee on the individual's accumulated funds in the mandatory individual account. (There are no minimum or maximum limits for fees set by law.)

The minimum annual declared earnings for contribution purposes are 1,800 lats.

The maximum annual declared earnings for contribution purposes are 29,600 lats.

**Employer:** 24.09% of covered earnings.

Of the total insured person and employer contribution of 33.09% of covered earnings, 12% of covered earnings finances the NDC pension and 8% of covered earnings finances the individual account. The remainder finances sickness and maternity benefits, work injury benefits, and unemployment benefits. (Both the NDC pension contribution rate and the individual account contribution rate will be 10% of covered earnings in 2010. The total contribution rate will remain the same.)

The minimum annual earnings for contribution purposes is equal to the statutory minimum annual wage; the minimum daily earnings for contribution purposes depends on the statutory minimum hourly wage.

The maximum annual earnings for contribution purposes are 29,600 lats.

**Government:** Contributes 10 lats a month on behalf of military personnel; for persons residing in Latvia caring for a child younger than 18 months and receiving the child rearing allowance, child care benefits, or disabled child care benefits; and spouses of diplomatic staff and military personnel residing abroad. Also makes partial contributions

on behalf of recipients of unemployed benefits or maternity or sickness benefits and for unemployed disabled persons. Finances the total cost of the state social security benefit. Contributes as an employer.

### Qualifying Conditions

**Old-age pension (social insurance and mandatory individual account):** Age 62 (men) or age 61 and 6 months (women) with at least 10 years of coverage. The age requirement for women is increasing by 6 months each year up to age 62 by July 1, 2009.

Special conditions apply to persons disabled for life and certain persons with specific disabilities; to men or women who have raised five or more children up to age 8 or a disabled child; to persons who before 1996 worked under hazardous or dangerous conditions; and to certain persons affected by the Chernobyl catastrophe.

For a transitional period special conditions apply to transport workers (air, rail, public transport, maritime, and river transport) and artists (including those working in circus, opera, or ballet).

Early pension: Age 60 (men) or age 59.5 (women) with at least 30 years of coverage. The early pension is a transitional benefit and no new claims will be paid after June 30, 2008.

Deferred pension: The pension may be deferred. There is no maximum age for deferral.

Old-age benefits are payable abroad.

**State social security benefit:** Age 67 (men) or age 65 and 6 months (women) with less than 10 years of coverage or with no previous coverage.

**Disability pension (social insurance):** The insured must be assessed as disabled and have at least 3 years of coverage. There are three groups of assessed disability: Group I (severely disabled and requiring constant attendance); Group II (severely disabled but not in need of constant attendance); and Group III (disabled).

The degree of disability is assessed by the Health and Working Capacity Medical Expert Commission.

Disability benefits are payable abroad.

**State social security benefit:** Paid to persons aged 18 or older who are assessed with a Group I or Group II disability but do not qualify for a disability pension.

**Disabled person care allowance:** Paid to all disabled adults (regardless of whether covered or not) with an assessed Group I disability.

**Survivor pension (social insurance):** The deceased was insured or was a pensioner at the time of death.

Eligible survivors are the insured's children, including adopted children younger than age 18 (age 25 if a student, no limit if disabled); and dependent brothers, sisters, grand-

children, stepsons, and stepdaughters younger than age 18 (age 25 if a student, no limit if disabled) who are without parents capable of work.

Survivor benefits are payable abroad.

**Spouse benefit (social insurance):** If the surviving spouse receives a state pension and the insured died after January 1, 2007, the spouse is entitled to a lump-sum benefit.

**Death allowance (social insurance):** Paid for the death of an insured person; an unemployed person; a pensioner; or an insured's dependent family member. In the case of the death of an insured person or a family member of an insured person, the death must have occurred within 1 month after the end of the contribution period. The benefit can be claimed up to 12 months after the date of death.

**State social security benefit:** Paid to eligible survivors if the deceased did not satisfy the qualifying conditions for a pension.

### Old-Age Benefits

#### Old-age pension

**Social insurance (NDC):** The pension is calculated on the basis of the insured's contributions plus annual capital growth adjusted according to changes in the earnings index divided by the average life expectancy.

The monthly minimum pension for a coverage period of up to 20 years is 49.50 lats or 55 lats if disabled since childhood; for a coverage period of 21 to 30 years, 58.50 lats or 65 lats if disabled since childhood; for a coverage period of 30 to 40 years, 67.50 lats or 75 lats if disabled since childhood; for a coverage period of 41 years or more, 76.50 lats or 85 lats if disabled since childhood.

Early pension: The pension is equal to 80% of the old-age pension until the insured reaches the normal retirement age.

Deferred pension: The pension is calculated in the same way as the old-age pension.

Benefit adjustment: Pensions that do not exceed 135 lats a month are adjusted annually on April 1 according to changes in the consumer price index. Pensions that exceed 135 lats but do not exceed 225 lats a month are adjusted annually on October 1, according to changes in the consumer price index and changes in average contributory earnings.

**Mandatory individual account:** The value of the pension depends on the insured's contributions plus accrued interest. At retirement, the insured can purchase an annuity or have the funds credited to his or her NDC account.

**State social security benefit:** The monthly benefit is 45 lats or 50 lats if disabled since childhood.

#### Permanent Disability Benefits

**Disability pension (social insurance):** The pension is calculated according to three groups of assessed disability.

Group I: The monthly pension is equal to 0.45 times the insured's average earnings in 3 consecutive years in the last 5 years, plus the insured's average wage times the ratio of actual contribution years to the total possible number of years of coverage between age 15 and retirement.

The minimum monthly pension is equal to 1.6 times the state social security benefit (72 lats or 80 lats if disabled since childhood).

Group II: The monthly pension is equal to 0.4 times the insured's average earnings in 3 consecutive years in the last 5 years, plus the insured's average wage times the ratio of actual contribution years to the total possible number of years of coverage between age 15 and retirement.

The minimum pension is equal to 1.4 times the state social security benefit (63 lats or 70 lats if disabled since childhood).

Group III: The monthly pension is equal to the state social security benefit of 45 lats or 50 lats if disabled since childhood.

The minimum annual earnings for benefit calculation purposes for self-employed persons and voluntary insured persons are 1,800 lats.

The maximum annual earnings for benefit calculation purposes are 20,700 lats.

Benefit adjustment: Pensions that do not exceed 135 lats a month are adjusted annually on April 1 according to changes in the consumer price index. Pensions that exceed 135 lats, but do not exceed 225 lats a month, are adjusted annually on October 1, according to changes in the consumer price index and changes in average contributory earnings.

**State social security benefit:** The monthly benefit is 45 lats or 50 lats if disabled since childhood.

**Disabled person care allowance:** The monthly allowance is 100 lats.

### **Survivor Benefits**

**Survivor pension (social insurance):** The monthly pension for one survivor is equal to 50% of the deceased's old-age pension; 75% for two eligible survivors; 90% for three or more eligible survivors. The pension for a full orphan is based on the old-age pensions of both parents.

The minimum monthly survivor pension is equal to 65% of the state social security benefit for each eligible survivor (29.25 lats or 32.50 lats if disabled since childhood).

Benefit adjustment: Pensions that do not exceed 135 lats a month are adjusted annually on April 1 according to changes in the consumer price index. Pensions that exceed 135 lats, but do not exceed 225 lats a month, are adjusted annually on October 1, according to changes in the consumer price index and changes in average contributory earnings.

**Spouse benefit (social insurance):** A lump sum is paid equal to 2 months of the deceased pension.

**Death allowance (social insurance):** The allowance is equal to twice the deceased's last monthly average earnings used for contribution purposes or the deceased's pension. For the death of a dependent family member or an unemployed person, the allowance is three times the state social security benefit.

**State social security benefit:** The monthly benefit is 45 lats or 50 lats if disabled since childhood.

### **Administrative Organization**

Ministry of Welfare (<http://www.lm.gov.lv>) provides general supervision.

State Social Insurance Agency (<http://www.vsaa.gov.lv>) administers cash benefits.

Financial and Capital Market Commission supervises private pension funds.

Individual pension funds administer individual capitalization accounts.

### **Sickness and Maternity**

#### **Regulatory Framework**

**First law:** 1924.

**Current law:** 1995 (maternity and sickness benefits), with amendments.

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

#### **Coverage**

**Cash benefits:** Employed and self-employed persons.

Voluntary coverage for all persons aged 15 or older residing permanently in Latvia who are not compulsorily covered and are not receiving an old-age pension; the spouse of a self-employed person younger than the retirement age.

There are no special systems for any specified groups of employees.

**Medical benefits:** All Latvian citizens residing in Latvia and noncitizens with term-residence permission.

#### **Source of Funds**

**Insured person:** See source of funds under Old Age, Disability, and Survivors, above; voluntary contributors pay 3.45% of earnings for sickness and maternity benefits and 1.08% of earnings for the parent's benefit.

The minimum annual earnings for contribution purposes are equal to the statutory minimum annual wage; the minimum daily earnings for contribution purposes depend on the statutory minimum hourly wage.

The minimum annual earnings for benefit calculation purposes for self-employed persons and voluntarily insured persons are 1,800 lats.

The maximum annual earnings for contribution purposes are 29,600 lats.

**Self-employed person:** 3.36% of gross earnings for sickness and maternity benefits and 1.08% for the parent's benefit is taken from the total contribution rate of 30.44% of gross earnings paid under Old Age, Disability, and Survivors, above.

**Employer:** See source of funds under Old Age, Disability, and Survivors, above.

**Government:** Finances state-guaranteed health care services through the annual state budget. Contributes as an employer.

### **Qualifying Conditions**

**Cash and medical benefits:** There is no minimum qualifying period.

### **Sickness and Maternity Benefits**

**Sickness benefit:** The benefit is equal to 80% of the insured's average earnings in the last 6 months (last 12 months for a self-employed person). The benefit is paid from the 15th day of incapacity for work until recovery or up to 52 weeks from the first day of incapacity for work (78 weeks within a 3-year period for a repeated incapacity for work). The employer pays the benefit in the waiting period (the benefit must not be less than 75% of the insured's average earnings for the 2nd and 3rd days and not less than 80% for the 4th to the 14th days).

The minimum annual earnings for benefit calculation purposes for self-employed persons and voluntary insured persons are 1,800 lats.

The maximum annual earnings for benefit calculation purposes are 29,600 lats.

The sickness benefit is paid after the insured is certified as incapable of work by the State Social Insurance Agency.

**Sick child care benefit:** The benefit is equal to 80% of the insured's average earnings in the last 6 months (last 12 months for a self-employed person) and is paid from the first day up to the 21st day if caring for a child younger than age 14. The benefit is also paid for a child receiving treatment in hospital.

**Maternity benefit:** The benefit is equal to 100% of the insured's average earnings in the last 6 months (last 12 months for a self-employed person). The benefit is paid for 112 consecutive days (56 days before and 56 days after the expected date of childbirth); 14 additional days are paid in the event of multiple births.

The minimum annual earnings for benefit calculation purposes for self-employed persons and voluntary insured persons are 1,800 lats.

The maximum annual earnings for benefit calculation purposes are 29,600 lats.

The benefit may be paid for 14 additional consecutive days as the result of complications arising during pregnancy, childbirth, or the postnatal period and in cases where inpatient medical care associated with the pregnancy began before the 12th week of pregnancy.

Maternity benefits must be claimed within 12 months after the first day of the maternity leave period.

Maternity benefits are paid after the insured is certified as incapable of work by the State Social Insurance Agency.

**Paternity benefit:** The benefit is equal to 80% of the insured's average earnings in the last 6 months and is paid for 10 consecutive days.

The minimum annual earnings for benefit calculation purposes for self-employed persons and voluntary insured persons are 1,800 lats.

The maximum annual earnings for benefit calculation purposes are 29,600 lats.

**Parent's benefit:** Paid to persons on child care leave or to persons who work during the child care period while raising a child younger than age 1. The benefit is equal to 70% of the insured's average monthly earnings, but must be at least 63 lats a month.

Average earnings are based on earnings in the 12-month period starting 3 months before the expected month of childbirth.

The minimum annual earnings for benefit calculation purposes for self-employed persons and voluntary insured persons are 1,800 lats.

The maximum annual earnings for benefit calculation purposes are 29,600 lats.

### **Workers' Medical Benefits**

Benefits are provided by state-owned and private hospitals under contract with the Health Compulsory Insurance State Agency. Benefits include general and specialist care, medicines, hospitalization, maternity care, dental care for children up to age 18 and for certain persons affected by Chernobyl, and cochlear implants for children, according to the schedule in law.

**Cost sharing:** For outpatient care in clinics, the insured pays 0.50 lats for a visit to a general practitioner and 2 lats for a visit to a specialized physician. Fees for inpatient care are 1 to 5 lats from the second day of treatment, but no more than 80 lats per month.

Different rates apply for disability group I pensioners, persons older than age 80 (for a home visit by a general practitioner), and for pensioners whose monthly pension does not exceed 60 lats (specialist care).

Treatment is free for emergency treatment; for children up to age 18; for pregnant women and women with a newborn child (for up to 42 days); for low-income persons; for persons with serious conditions (tuberculosis, psychiatric

illnesses, and chronic hemodialysis); persons who are cared for in state social care centers and local government rest homes; for vaccinations provided through the state immunization program; for preventive examinations and treatment for certain infectious diseases; for certain persons affected by Chernobyl; and for politically oppressed persons and participants of the national resistance movement.

### **Dependents' Medical Benefits**

Benefits are provided by state-owned and private hospitals under contract with the Health Compulsory Insurance State Agency. Benefits include general and specialist care, medicines, hospitalization, maternity care, dental care for children up to age 18 and for certain persons affected by Chernobyl, and cochlear implants for children, according to the schedule in law.

**Cost sharing:** For outpatient care in clinics, the insured pays 0.50 lats for a visit to a general practitioner and 2 lats for a visit to a specialized physician. Fees for inpatient care are 1 to 5 lats from the second day of treatment, but no more than 80 lats per month.

Different rates apply for disability group I (severely disabled and requiring constant attendance) pensioners, persons older than age 80 (for a home visit by a general practitioner), and for pensioners whose monthly pension does not exceed 60 lats (specialist care).

Treatment is free for emergency treatment; for children up to age 18; for pregnant women and women with a newborn child (for up to 42 days); for low-income persons; for persons with serious conditions (tuberculosis, psychiatric illnesses, and chronic hemodialysis); persons who are cared for in state social care centers and local government rest homes; for vaccinations provided through the state immunization programme; for preventive examinations and treatment for certain infectious diseases; for certain persons affected by Chernobyl; and for politically oppressed persons and participants of the national resistance movement.

### **Administrative Organization**

Ministry of Welfare (<http://www.lm.gov.lv>) and Ministry of Health (<http://www.vm.gov.lv>) provide general supervision. State Social Insurance Agency (<http://www.vsaa.gov.lv>) administers cash benefits.

Health Compulsory Insurance State Agency (<http://www.voava.gov.lv>) administers medical benefits.

### **Work Injury**

#### **Regulatory Framework**

**First law:** 1927.

**Current law:** 1995 (work injuries and occupational diseases), with amendments.

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

### **Coverage**

Employed persons if the work-related accident occurred or the occupational disease was diagnosed after 1997.

Exclusions: Self-employed persons.

There is no voluntary coverage.

There are no special systems for any specified groups of employees.

### **Source of Funds**

**Insured person:** None.

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

**Employer:** See source of funds under Old Age, Disability, and Survivors, above.

**Government:** Finances state-guaranteed health care services through the annual state budget. Contributes as an employer.

### **Qualifying Conditions**

**Work injury benefits:** There is no minimum qualifying period. Accidents that occur while commuting to and from work are not covered. For an occupational disease, the insured must have at least 3 years of coverage after 1997.

### **Temporary Disability Benefits**

The benefit is identical to the sickness benefit paid under Sickness and Maternity, above.

The benefit is equal to 80% of the insured's average earnings in the last 6 months (last 12 months for a self-employed person). The benefit is paid from the 15th day of incapacity for work until recovery or up to 52 weeks from the first day of incapacity for work (78 weeks within a 3-year period for a repeated incapacity for work). The employer pays the benefit in the waiting period (the benefit must not be less than 75% of the insured's average earnings for the 2nd and 3rd days and not less than 80% for the 4th to the 14th days).

The maximum annual earnings for benefit calculation purposes are 29,600 lats.

The sickness benefit is paid after the insured is certified as incapable of work by the State Social Insurance Agency.

### **Permanent Disability Benefits**

**Permanent disability benefit:** For a 100% loss of earning capacity, the monthly pension is equal to 80% of the insured's average monthly earnings in the last 6 months.

The maximum annual earnings for benefit calculation purposes are 29,600 lats.

**Partial disability pension:** A reduced pension is paid for a loss of earning capacity less than 100%. For a loss of earning capacity from 90% to 99%, the monthly pension is equal to 75% of the insured's average monthly earnings in the last 6 months. The minimum partial disability pension is paid for

a loss of earning capacity from 10% to 14% and is equal to 25% of the insured's average monthly earnings.

The maximum annual earnings for benefit calculation purposes are 29,600 lats.

The disability is assessed by the Health and Working Capacity Medical Expert Commission.

Benefit adjustment: Benefits are adjusted annually in October according to changes in the consumer price index.

### **Workers' Medical Benefits**

Benefits include general and specialist care, medicines, and hospitalization. The insured is also reimbursed for additional expenses for medical treatment, nursing care, prostheses, travel expenses, and occupational rehabilitation.

### **Survivor Benefits**

**Survivor pension:** The monthly pension is equal to 25% of the deceased's average monthly earnings in the last 6 months for one survivor, 35% for two, 45% for three, and 55% for four or more.

The minimum survivor pension is equal to the state social security benefit (45 lats or 50 lats if disabled since childhood).

The maximum survivor pension is equal to 80% of the deceased's average monthly earnings in the last 6 months.

Eligible survivors are the surviving spouse; children; and dependent brothers, sisters, grandchildren, parents, and grandparents.

**Orphan's pension:** The monthly pension is equal to 25% of the deceased's average monthly earnings in the last 6 months for one survivor, 35% for two, 45% for three, and 55% for four or more.

**Full orphan's pension:** The monthly pension is equal to 40% of the deceased's average monthly earnings in the last 6 months for one survivor, 50% for two, 60% for three, and 70% for four or more.

Benefit adjustment: Benefits are adjusted annually in October according to changes in the consumer price index.

**Death allowance:** The allowance is equal to twice the deceased's last monthly average earnings used for contribution purposes or the deceased's pension.

### **Administrative Organization**

Ministry of Welfare (<http://www.lm.gov.lv>) provides general supervision.

State Social Insurance Agency (<http://www.vsaa.gov.lv>) administers benefits.

## **Unemployment**

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### **Regulatory Framework**

**First law:** 1991.

**Current law:** 1999 (unemployment insurance), with amendments.

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

### **Coverage**

Employed persons; active military personnel and their spouses; persons residing in Latvia caring for a child younger than 18 months; and recipients of the child rearing allowance, child care benefit, sickness benefit, or maternity benefit.

Exclusions: Self-employed persons.

There is no voluntary coverage.

There are no special systems for any specified groups of employees.

### **Source of Funds**

**Insured person:** See source of funds under Old Age, Disability, and Survivors, above.

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

**Employer:** See source of funds under Old Age, Disability, and Survivors, above.

**Government:** Contributes 1.75% of 50 lats per month on behalf of active military personnel and their spouses and for persons residing in Latvia caring for a child younger than 18 months.

### **Qualifying Conditions**

**Unemployment benefit:** The insured must have at least 1 year of contributions, including 12 months in the last 18 months before unemployment, and be registered at the state employment office.

Special conditions apply to persons caring for a child younger than 18 months, persons caring for a disabled child younger than age 16, formerly disabled persons who have regained the capacity to work, and persons in military service.

### **Unemployment Benefits**

The monthly benefit varies according to the length of the coverage period and the duration of unemployment. The benefit is equal to 50% of the insured's average earnings in the last 6 months with 1 to 9 years of coverage, 55% with 10 to 19 years, 60% with 20 to 29 years, and 65% with 30 years or more.

The benefit is paid for a maximum duration of 9 months in any 12 month period and the benefit decreases over time: for

persons with 1 to 9 years of coverage, the benefit is paid for a maximum of 4 months, with 100% of the benefit payable for the first 2 months and 75% for the next 2 months; for persons with 10 to 19 years of coverage, the benefit is paid for a maximum of 6 months, with 100% of the benefit payable for the first 2 months, 75% for the next 2 months, and 50% for the last 2 months; for persons with 20 years or more of coverage, the benefit is paid for a maximum of 9 months, with 100% of the benefit payable for the first 3 months, 75% for the next 3 months, and 50% for the last 3 months.

The maximum annual earnings for benefit calculation purposes are 29,600 lats.

Persons caring for a child younger than 18 months or caring for a disabled child younger than age 16 or formerly disabled persons who have regained the capacity to work and persons who were in military service before becoming unemployed receive twice the monthly state social security benefit of 54 lats.

### **Administrative Organization**

Ministry of Welfare (<http://www.lm.gov.lv>) provides general supervision.

State Social Insurance Agency (<http://www.vsaa.gov.lv>) and local insurance offices administer benefits.

State Employment Agency (<http://www.nva.lv>) and local employment offices are responsible for job placements, training, and retraining.

## **Family Allowances**

### **Regulatory Framework**

**First law:** 1990.

**Current laws:** 1995 (social security); and 2002 (social benefits), with amendments.

**Type of program:** Universal system.

### **Coverage**

All Latvian citizens residing in Latvia and noncitizens with term-residence permission.

### **Source of Funds**

**Insured person:** None.

**Self-employed person:** None.

**Employer:** None.

**Government:** The total cost.

### **Qualifying Conditions**

**Family allowance:** The child must be younger than age 15 (age 20 if a full-time student).

**Foster family allowance:** The allowance is paid to families providing foster care.

**Foster care benefit:** Paid to a family or person recognized as the foster family or parent.

**Child-rearing allowance (flat-rate benefit):** The child must be younger than age 2. The person rearing a child must not be employed. Family allowances are also paid. A woman may not receive the allowance while receiving maternity benefits (see *Sickness and Maternity*, above).

**Child-rearing allowance supplement:** Paid in the event of multiple births.

**Childbirth allowance:** Paid to one of the parents (or guardian) of a child younger than age 1.

**Disabled child-rearing allowance:** Paid to persons rearing a child younger than age 18 with an assessed severe disability.

**Disabled child supplement:** Paid to persons receiving family allowances for a disabled child younger than age 18.

**Adopted child care benefit:** Paid to a person who has custody of an adopted child, but the decision has yet to be approved by a court.

**Adoption benefit:** Paid to a person who has adopted a child and the adoption has been approved by a court.

**Legal guardian allowance:** Paid to the appointed legal guardian.

**Legal guardian duties benefit:** Paid to the appointed legal guardian.

### **Family Allowance Benefits**

**Family allowance:** The monthly benefit is 8 lats for the first child, 9.60 lats for the second, 12.80 lats for the third, and 14.40 lats for the fourth and each subsequent child.

**Foster family allowance:** The monthly allowance is 80 lats regardless of the number of foster children and is paid for the duration of the child's stay with the family.

**Foster care benefit:** The amount paid is set by the local authority, but must be at least 27 lats a month.

**Child-rearing allowance (flat-rate benefit):** The monthly benefit is 50 lats if the child is younger than age 1; 30 lats if the child is aged 1 or 2.

**Child-rearing allowance supplement:** The benefit is 50 lats per month for each child younger than age 1 and 30 lats per month for each child aged 1 or 2.

**Childbirth allowance:** A lump sum of 296 lats is paid.

**Childbirth supplement:** 100 lats is paid for the first child, 150 lats for the second, and 200 lats for the third and each subsequent child.

**Disabled child-rearing allowance:** 150 lats a month is paid until the disabled child reaches age 18.

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Disabled child supplement: 50 lats a month is paid until the child reaches age 18.

**Adopted child care benefit:** 35 lats a month is paid.

**Adoption benefit:** A lump sum of 1,000 lats is paid for each child.

**Legal guardian allowance:** 32 lats a month is paid for each child.

**Legal guardian duties benefit:** 38 lats a month is paid.

### ***Administrative Organization***

Ministry of Welfare (<http://www.lm.gov.lv>) provides general supervision.

Ministry for Children and Family Affairs (<http://www.bm.gov.lv>) is responsible for family policy and the payment of child-rearing allowances.

State Social Insurance Agency (<http://www.vsaa.gov.lv>) administers benefits.