



Summary of Trends and Developments in Social Security

2009

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INTRODUCTION

The scope of changes that came into effect in the Israeli social security system in 2009 reflects the recent overall improvement in the Israeli economy, as well as a streamlining of the system, making it a more efficient one.

The scope of the population eligible for benefits was widened in 2009: As in many other Western countries, partners in same-sex couples are now eligible for the same benefits as are partners in regular couples. In Children insurance, women residing in shelters for battered women who are in the midst of divorce proceedings may be eligible for the study grant (previously, they could be eligible for the grant only if officially divorced). In Unemployment insurance, persons who accumulate a qualifying period shorter than that stipulated in the law may now be eligible for an unemployment benefit, and unemployed persons who open a business may now retain their rights in Unemployment insurance, under certain conditions.

Benefits were raised in a number of branches: All benefits were raised by 4.5% as a result of adjustment to the cost-of-living index. In addition, the income supplement paid to needy recipients of old-age or survivor's pensions aged 70 and over was increased, as was the rate of the attendance allowance paid to severely disabled persons. In the Income Support scheme, money deposited in provident funds is no longer taken into account in the calculation of the benefit and in Children insurance, the allowance paid to the second, third and fourth children in families is being gradually raised. Finally, in Unemployment insurance, the maximum period of payment of benefits to young unemployed persons has been extended.

A number of changes in the social security system were introduced in 2009 to improve administrative procedures or to correct distortions in the system. Burial societies are now entitled to reimbursement for the cost of gravestones for lone persons, in accordance with the date of the burial; widowers whose entitlement to a survivor's pension had expired due to income may again apply for pension if their income decreases; new rules are in effect regarding the examination of one's disability degree during the period in which the degree has been determined to be a temporary one; in Income Support, new immigrants from Ethiopia are now eligible for benefit from the 13th month after their arrival in Israel, rather than from the 14th month, as previously; maintenance (alimony) payments to common-law wives are now at the same rate as those paid to married wives; the study grant is no longer paid retroactively without any time limit; child allowances to extended families are now calculated in accordance with the man's total number of children from all his wives, rather than for each wife separately, as previously; and the childbirth allowance is now paid directly to the mother's bank account, with no need for her to submit a claim.

This report includes a separate review of the various improvements in client service – a top priority for the Institute – as well as a chapter on the Rehabilitation Bureau, whose task is to provide vocational rehabilitation services to various population groups, such as the work injured, disabled and widows.

In the area of collection of insurance contributions, there has been a significant rise in the ceiling for payment of insurance contributions, as well as moderate rises in the rate of contributions paid by employers for some insurance branches. In addition, the rules regarding the switching of sick funds have been made more lenient.

Aside from the granting of benefits and the provision of vocational rehabilitation, the National Insurance Institute allots a significant share of its budget each year to a number of Funds, responsible for developing services for various groups in the community. For example, the NII

sponsors a wide range of *demonstration projects*, which set up services new in content, in method of operation or in target population. These projects are aimed at improving and expanding the variety of community services available to the Institute's beneficiaries, such as: senior citizens, families, mothers, children and youth, the disabled, widows, orphans, the unemployed and military reservists. About 320 demonstration projects were in operation in 2009 alone, and the new ones are briefly described in the chapter on the *Fund for Demonstration Projects*.

Other Funds are devoted to services for the disabled (such as in the occupational, social and housing areas), described in a separate chapter on the *Fund for the Development of Services for the Disabled* – in which the goals and scope of the Fund are outlined, and the main types of services it has developed are briefly reviewed – long-term care services for the elderly (such as day centers and beds in institutions), activities aimed at work safety and the prevention of work accidents, and services for children and youth exposed to neglect, poverty or abuse, described in chapters on the *Fund for Development of Long-Term Care Services*, the *Fund for Activities of Safety and Hygiene in the Workplace* and the *Fund for Development of Services for Children at Risk*.

As in previous reports, this report also includes information on international Conventions, both bilateral and multilateral, to which Israel is signatory, along with various Western European countries. Israel is in the process of negotiations with additional countries in order to expand the scope of international cooperation by means of such Conventions.

The report includes a chapter on the *Counseling Service for the Elderly*, a professional service operating in all local branches of the NII, providing counseling and support to the elderly by means of elderly volunteers, and offering assistance to new retirees as well.

Changes covered in the chapter on Future Changes include expansion of the scope of polio victims entitled to compensation, denial of the right of terrorists' families to be reimbursed by the NII for burial expenses, continued benefits to remarried widows and a reform in the regulations regarding benefit for disabled child.

GENERAL

Rise in national insurance benefit rates

Every year benefits are adjusted at the rate of the annual rise in the Consumer Price Index in November of the previous year. Beginning in January 2009, all national insurance benefits were raised by 4.5% (the increase in Consumer Price Indices over the 12 months ending in November 2008).

The rise in the benefits is particularly crucial for low-income citizens, whose sole or main source of income is the benefit that they receive from the National Insurance Institute.

Requirement of cancelled check waived

As of March 2009, persons who submit a claim for benefit from the National Insurance Institute or who request to change the bank account in which they receive their benefit are no longer required to submit a cancelled check, as was the case previously. From this date, the NII ensures that every benefit is paid automatically to the proper bank account.

Same-sex couples in national insurance

The National Insurance Law and other social legislation in Israel were formulated and operate on the assumption of the traditional family structure. The issue of same-sex couples under social security has recently arisen in several contexts, and it was decided that in principle, there shall be no legal difference between such couples and regular couples – all are eligible for benefits if they meet the criteria set in the law. It was further decided that since the gender of the person has implications on his insurance status and on eligibility conditions in certain insurance branches, the actual gender of spouse in same-sex couples will be the basis of all decisions of the NII regarding him or her, just as is the gender of the spouse in regular couples.

This policy has implications in many insurance branches, such as old-age and survivors, long-term care, general disability, income support, children, maternity and work injury (dependants).

Change in period of stay abroad that disqualifies payment of benefits

Under the Economy Arrangements Law for 2009-2010, regarding persons who go abroad on August 1, 2009 or thereafter, benefits shall be paid only for the month of departure from Israel and for 3 additional months.

Previous to the change, the benefit was paid for 6 additional months.

This change applies to old-age and survivor's pensions, child allowances, hostile action benefits and other NII benefits.

CLIENT SERVICE

In 2009, the National Insurance Institute of Israel (NII) continued its efforts to improve its service to the public, with the aim of reducing the number of visitors to the local branches, enabling faster and more thorough responses to those clients who still visit the branches and promoting take-up of rights in the various social security schemes. There are now 120 kiosks (self-service stations, offering a wide variety of authorizations and forms) dispersed all over the country, outside local branches as well as in municipality buildings, operating beyond reception hours – almost 24 hours a day.

One centralized nationwide *call center* operates in Israel, together with two support centers. The center may be reached almost 24 hours a day, and it provides both general and personal information to callers. The secret code necessary for the latter has been distributed to most of the population and is available to all upon request. It is possible to pay insurance contributions through the *call centers*, by means of credit cards.

This year too the NII website underwent improvements to provide better services and more information to the public. The personalized service website, launched towards the end of the year, enables clients – using the secret code – to obtain a wealth of personal information such as insurance status, claim status, benefit payments, payments of insurance contributions, and more.

The website includes a number of calculators that provide estimates of the amount of benefit to which a person may be entitled. This year, a calculator for estimating the amount of reserve service benefit was added to the existing ones: calculators for estimating the amount of child allowance, old-age pension, unemployment benefit and disability pension under the new Laron Law. Additional calculators are planned to be posted.

An additional innovation to the website is a voucher for persons obligated to pay maintenance (alimony) or child support to their divorced or separated wives.

It should be noted that the site in English is being constantly updated, and contains press releases and information on rates of benefits, rules of entitlement, and more. The site in Arabic has been operative since 2007, and includes 40 bilingual claim forms available for downloading. The site has been translated into the Russian language as well, and the site in Russian is expected to be on the air by early 2010. (The NII address on the internet: <http://www.btl.gov.il>.)

Other innovative services include a phone answering service for army reservists, a mobile advice center for new immigrants, and a more rapid delivery of letters to clients due to the acquisition of digital stamping machines.

OLD-AGE AND SURVIVORS

Gravestones for lone persons

Under a temporary order in effect until November 1, 2010, a burial society that set up a gravestone for lone persons who died after August 4, 1992 is entitled to reimbursement from the National Insurance Institute for the cost of the gravestone.

Regarding lone persons who died before December 1, 2008, the burial society is entitled to immediate reimbursement. Regarding lone persons who die after this date and before November 2, 2010, the burial society is entitled to reimbursement after 3 months have elapsed since the day of burial. Regarding lone persons who die after November 2, 2010, the burial society will be entitled to reimbursement after 6 months elapsed since the day of burial.

Previous to the change, reimbursement in all cases was made 3 months after the day of burial.

Renewed payment of survivor's pension to widowers

One of the conditions of entitlement of a widower to survivor's pension is that he has a child of the insured woman living with him or passes an income test.

If a widower (without a child) becomes no longer entitled to survivor's pension due to an increase in his income, he becomes entitled to a lump-sum survivor's grant instead.

Under a new procedure, resulting from a court judgment, a widower who previously received a survivor's pension, and due to an increase in his income, this pension was ceased and he received a survivor's grant instead – may again claim a survivor's pension if his income decreases, and his claim will be examined on the basis of his present income.

If the widower's claim for survivor's pension is approved, the amount of the grant that he had received previously is deducted from the amount of the pension.

Previous to the change, once a widower ceased receiving a survivor's pension due to income, his entitlement to pension was considered to have expired, and was not again examined.

Rise in amount of income supplement paid to aged 70+

As of August 2009, the amount of income supplement paid to recipients of old-age or survivor's pensions who are aged 70 or over is increased. Since the amount of income supplement paid is also the determining amount (income test) for the payment of the supplement, this change expands the number of pension recipients who are entitled to the supplement.

With this change, there are now three rates of income supplement to recipients of old-age and survivors' pensions, according to age: the regular rate for persons from age of entitlement to pension till age 70, a higher rate for persons aged 70 or over but not yet 80, and the highest rate for recipients aged 80 or over (since April 2008).

 The number of recipients of old-age and survivors' pension increased in 2009 by 1.5%, to 746,900 recipients as a monthly average.

The old-age and survivors' pension rates for 2009, basic and including income supplement, are shown in the following table.

Old-Age and Survivors' Pension Rates
2009(NIS)¹

Old-Age	<i>Adult</i>	<i>Adult with one child</i>	<i>Adult with two or more children</i>	<i>Couple without children</i>	<i>Couple with one child</i>	<i>Couple with two or more children</i>
<i>- basic</i>						
January-July	1,268	1,668	2,068	1,906	2,306	2,706
August-December	1,306	1,721	2,136	1,959	2,374	2,789
<i>- with income supplement (under 70)</i>						
January-July	2,368	3,763	4,593	3,511	4,341	5,171
August-December	2,417	3,845	4,675	3,592	4,422	5,253
<i>- with income supplement (70-79)</i>						
August	2,491	3,943	4,774	3,692	4,522	5,352
<i>- with income supplement 80+)</i>						
January-July	2,532	4,001	4,831	3,748	4,579	5,409
August-December	2,607	4,107	4,937	3,855	4,686	5,516

Survivors	<i>Young widow/er</i>	<i>Widow/er</i>	<i>Widow/er with one child</i>	<i>Widow/er with two children</i>	<i>Orphan</i>	<i>Two orphans</i>
<i>- basic</i>						
January-July	953	1,268	1,860	2,452	791	1,582
August-December	983	1,306	1,913	2,520	814	1,628
<i>- with income supplement (under 70)</i>						
January-July		2,368	3,763	4,593	1,762	2,563
August-December		2,147	3,845	4,675	1,762	2,563
<i>- with income supplement (70-79)</i>						

¹ The rates in this and all other tables are given in Israeli new shekels. In 2009 the average exchange rate was approximately \$1 = NIS 3.93.

LONG-TERM CARE

Additional care hours at home

A person who is entitled to a long-term care benefit – whether he receives care hours at home, visiting hours at a daycare center, or any other service from the basket of services – may now receive additional care hours at home if he meets all the following conditions:

1. He is greatly dependent on the help of others for most routine activities during most hours of the day or night;
Or
He is completely dependent on the help of others for all routine activities during all hours of the day and night, or requires constant supervision.
2. He employs an Israeli caregiver.
3. He does not have a permit to employ a foreign worker and he does not employ a foreign worker;
Or
His permit to employ a foreign worker is frozen.

The change is in effect as of March 2009.

The number of recipients of long-term care benefits rose in 2009 by about 4.3%, reaching about 131,500 recipients as a monthly average.

The long-term care benefit rates for 2009 are shown below.

Long-Term Care Benefit Rates 2009 (NIS)

<i>Partially dependent</i>				<i>Very dependent</i>				<i>Fully dependent</i>			
<i>Eligible for full benefit</i>		<i>Eligible for half benefit¹</i>		<i>Eligible for full benefit</i>		<i>Eligible for half benefit¹</i>		<i>Eligible for full benefit</i>		<i>Eligible for half benefit¹</i>	
<i>Services</i>	<i>cash</i>	<i>services</i>	<i>cash</i>	<i>services</i>	<i>cash</i>	<i>services</i>	<i>cash</i>	<i>services</i>	<i>cash</i>	<i>services</i>	<i>cash</i>
1,770	1,416	885	708	2,918	2,234	1,459	1,167	3,268	2,614	1,634	1,307
Increment to benefit to those employing an Israeli caregiver only				529	428	265	214	704	586	352	282

¹ 50% reduction as a result of income test.

GENERAL DISABILITY

Increase in rates of attendance allowance

An attendance allowance is paid to severely disabled persons who are dependent on the help of others for the performance of everyday functions or who are in need of supervision.

Under an amendment to Regulation 3 of the National Insurance Regulations (Disability Insurance – provision of attendance allowance), the rate of the attendance allowance, paid according to the severity of the dependence on the help of others, was raised on January 1, 2009.

Disabled persons who previously received attendance allowance at the rate of 100% of the full individual disability pension now receive it at a rate of 105% of this pension, and those who received allowance at the rate of 150% of the full individual disability pension now receive it at the rate of 175% of the pension.

The rate of the attendance allowance is not raised to those who receive it at the rate of 50% of the full individual disability pension; they continue to receive their allowance at this rate.

This change is a result of the rising costs of employing foreign workers, who often work as attendants to the severely disabled.

Reform in disability insurance

The chapter on Disability Insurance in the National Insurance Law underwent a comprehensive reform in effect as of August 1, 2009.

The period of August 1, 2008 to July 31, 2009 is a period of preparations for this reform.

The main changes incorporated in this reform are as follows:

1. The population of persons with disabilities is divided into two categories: a) those with a *severe impediment* (as defined by law) and those who are entitled to disability pension for a lengthy period, and b) those who do not have a *severe impediment* and who are not entitled to disability pension for a lengthy period.
2. The definition of *disabled person* has changed, to incorporate an *income threshold* entitling to benefit (instead of the present calculation of reduction of earnings as a result of the impediment).
3. Four levels of earning incapacity have been determined.
4. There is a new formula for calculation of the amount of the disability pension, which is paid also to a disabled person who works, as long as his income is lower than that determined for the category to which he belongs.
5. A disabled person who is no longer eligible for the disability pension due to his income may be eligible for a new benefit, called *incentive pension*.

Examination of disability degree after temporary period

Disability pensions are generally granted temporarily at the first stage, particularly when a change is expected in the disabled person's medical condition. When the pension is a temporary one, regular assessments are carried out (every six months to every two years). At a later stage, the pension is granted on a permanent basis, and assessments are no longer made.

Under an amendment to the law in effect as of August 2009, a claims officer of the NII may reopen the discussion of a disabled person's medical degree only if his medical condition deteriorated before the end of the temporary period. A reduced medical degree may be determined for him after the end of the temporary period.

Previous to the change, the NII could change the disabled person's medical disability degree from a temporary to a permanent one even before the end of the temporary period.

 In the year 2009 the number of general disability allowance recipients grew by 2.6%, reaching about 200,072 as a monthly average. The number of attendance allowance recipients and recipients of benefit for disabled child rose by 61% and 4.8%, respectively.

The general disability benefit and attendance allowance rates for 2009 are shown in the following table.

General Disability Benefit and Attendance Allowance Rates
2009 (NIS)¹

	<i>Individual</i>	<i>Couple</i>	<i>Couple with child²</i>
General Disability	2,081	3,121	3,953
	<i>For performing most daily tasks most hours of the day</i>	<i>For performing all daily tasks most hours of the day</i>	<i>For performing all daily tasks all hours of the day</i>
Attendance Allowance	973	2,042	3,404

¹ The rates that appear here are of benefits to disabled persons with 100% disability. Benefits to persons with a lower degree of disability are percentages of the full benefit, according to the degree of disability.

² The increment is paid for each of the first two children only.

MOBILITY

Persons aged over 3 but not over the *retirement age*, as determined in law for men, who are disabled in their lower limbs (according to a specified list of impairments) are eligible for a mobility benefit, provided under the Mobility Agreement with the Ministry of Finance and paid by means of the National Insurance Institute.

The Mobility Agreement provides to persons disabled in their lower limbs – those having a driving license whose degree of mobility limitation is at least 40% and those without a driving license whose degree of mobility limitation is over 60% – the following main benefits:

- a standing loan to cover the taxes on a car;
- a monthly mobility allowance to help cover mobility expenses.

No major changes in the Mobility Agreement came into effect in 2009.

The number of recipients of mobility allowance grew in 2009 by 5.1%.

INCOME SUPPORT

Income from provident funds

As of March 2009, according to a recent legal opinion, money that is deposited in provident funds is not considered as income for purposes of calculating the income support benefit, and is therefore not taken into account in this calculation – on condition that this money has not been withdrawn and that the benefit claimant has not yet reached the age of 60.

The aim of the change, which is based on a 2005 amendment to the income tax regulations, is to encourage persons to keep their savings in provident funds until they retire.

Previous to the change, 65% of a person's savings in provident funds were taken into account in the calculation of the income support benefit.

Beginning of entitlement of new immigrants from Ethiopia to income support benefit

Under a recent change, new immigrants from Ethiopia who are eligible for the income support benefit begin to receive their benefit from the 13th month after their arrival in Israel, rather than from the 14th month, as previously.

In general, in order to be eligible for the income support benefit, the claimant must have been a resident of Israel for 24 consecutive months. If he is a new immigrant, he must have been a resident of Israel for at least 12 months, and he may begin receiving the income support benefit – if he meets all conditions of entitlement – in the 14th month after his arrival in the country.

In the course of the first year after their immigration, new immigrants to Israel receive a basket of services and a subsistence allowance from the Ministry of Immigrant Absorption. Following this year, they are referred to the Employment Service to search for work. Only if the Employment Service can find no work for them are they eligible for the income support benefit (from the 14th month after their immigration).

The new immigrants from Ethiopia, however, are not referred by the Ministry of Immigrant Absorption to the Employment Service, and they are therefore eligible for benefit from the 13th month of their arrival.

Extension of the Welfare-to-Work program

In December 2009, the Knesset authorized an extension of the experimental Welfare-to-Work (Integration of Benefit Recipients into Work) Law, until April 29, 2010.

The program provides the unemployed an opportunity to develop new professional skills in order to return more quickly to Israel's work force.

 The number of families receiving income support benefits in 2009 was similar to its level in the previous year: 111, 765 recipients as a monthly average.

The income support benefit rates for 2009 are shown in the following table.

Income Support Benefit Rates
2009 (NIS)

Family composition	Under age 55		Aged 55 or over
	Regular rate ¹	Increased rate ²	
<i>Individual</i>	1,537	1,729	1,921
<i>Individual with 1 child³</i>	2,305	2,574	2,722
<i>Individual with 2 or more children³</i>	2,574	2,881	3,183
<i>Couple</i>	2,113	2,305	2,881
<i>Couple with 1 child</i>	2,305	2,574	3,342
<i>Couple with 2 or more children</i>	2,574	2,996	3,803
<i>Single parent with 1 child</i>	2,574	2,574	3,106
<i>Single parent with 2 or more children</i>	2,996	2,996	3,875

¹ Paid to persons who had been entitled to the regular rate of the benefit in December 2002 or who began receiving the benefit in January 2003.

² Paid to persons who had been entitled to the increased rate of benefit in December 2002.

³ Not defined as a single parent in the Single-Parent Families Law.

MAINTENANCE

Equalization of maintenance payments to common-law wives and to married wives

The Maintenance Act is intended to aid women to whom a court of law has granted maintenance pay, but her husband refuses to pay. Women who have remarried are also eligible for maintenance pay, at a lower rate than are single women.

Under a court judgment in effect as of March 2009, common-law wives who are entitled to maintenance payments by means of the National Insurance Institute will receive the same rate of payment as received by married wives.

Previous to the change, they received a higher rate of payment, as single women.

 In 2009 an average of 20,253 women received maintenance benefits from the National Insurance Institute every month.

The maintenance rates for 2009 are shown in the following table.

Maintenance Rates 2009 (NIS)

Family composition	Woman under 55	Woman aged 55 or over
<i>Single woman without children</i>		
<i>Previously entitled¹</i>	1,729	
<i>Newly entitled²</i>	1,537	1,921
<i>Single woman with children</i>		
<i>With one child</i>	2,574	3,106
<i>With 2 or more children</i>	2,996	3,875
<i>Woman who remarried</i>		
<i>With one child</i>	1,762	1,762
<i>With 2 or more children</i>	2,563	2,563
<i>Children alone</i>		
<i>One child alone</i>	1,762	
<i>2 children alone</i>	2,563	
<i>Each additional child</i>	768	

¹ Entitled to maintenance before January 1, 2003.

² Entitled to maintenance as of January 1, 2003.

CHILDREN

Retroactive payment of study grant

A study grant is paid under Children Insurance to needy families, for their school-age children. Under amendments to articles 74 and 296 of the National Insurance Law, the study grant shall not be paid retroactively for a period of over 18 months since the date of submission of claim (as is generally the rule with national insurance benefits).

Previous to the change, there had been no limitation on the retroactive payment of the study grant.

This change, in effect as of March 2009, applies to claims submitted on August 2007 and thereafter.

The following two changes are incorporated in the Economy Arrangements Law for 2009 and 2010:

Gradual change in the amounts of child allowance paid for the second, third and fourth children in families

The child allowances paid for the second, third and fourth children in families are to be gradually raised from July 1, 2009 to April 2012.

In the first stage, the allowance for the third and fourth child in families will be raised: for the third child by NIS 60 and for the fourth child by NIS 93. (That is, families with 4 or more children will receive an additional NIS 153 a month). In the second stage, the allowance for the second child in families will be raised. By the end of the process, in 2012, another NIS 100 will be received by families for each of their second, third and fourth children.

Payment of child allowance in extended families (amendment to article 69 of the National Insurance Law)

In cases in which an insured man has children from a number of wives, and all his children were born after June 1, 2003, the calculation of the amount of child allowance to be paid to the family will be in accordance with the total number of the man's children, and the payment will be paid to each wife for her children.

Previous to the change, the amount of the child allowance was calculated for each wife separately, for her own children.

Study grant to battered women

Among the families entitled to a study grant for their school-age children are women who reside in a shelter for battered women, under certain conditions. Under a recent court judgment, such women who are in divorce proceedings may also be eligible for the grant.

The change is in effect regarding the 2008 school year and thereafter.

Previous to the change, only divorced women in such shelters were eligible.

In 2009, the number of families receiving child allowance grew by 1.7%, and about a million families (as a monthly average) receive allowances for about 2.4 million children.

The child allowance rates for 2009 are shown below.

Child Allowance Rates (per child)¹
2009 (NIS)

Period	<i>First child</i>	<i>Second child</i>	<i>Third child</i>	<i>Fourth child</i>	<i>Fifth child</i>	<i>Sixth child</i>
<i>January-June</i>	159	159	191	353	353	353
<i>July-December</i>	159	159	251	446	353	353

¹ The rates are for children born before June 1, 2003. A uniform sum of NIS 159 per month is paid for every child born on that date or thereafter, regardless of his place in the family.

MATERNITY

Continued campaign for automatic payment of maternity benefits

As part of the ongoing campaign to improve client service in the Maternity branch, the childbirth allowance (a monthly benefit paid upon the birth of 3 or more children in the same birth) will be now paid automatically to the mother's bank account. Previously, payment was conditional on her submitting a claim for the allowance to the NII.

 The number of recipients of the hospitalization grant went up by about 3.5% and the maternity allowance by about 4.4% in 2009.

The rates of the various maternity benefits for 2009 are shown in the following table.

Maternity Insurance Benefit Rates **2009 (NIS)**

Period	<i>Hospital- ization grant</i>	<i>Birth grant (for birth of one child only)</i>			<i>Maximum daily maternity allowance</i>
		<i>For the first child</i>	<i>For the second child</i>	<i>For the third child</i>	
<i>Jan.-July</i>	8,666	1,556	700	467	1,296
<i>August</i>	9,539	1,556	700	467	1,296
<i>Sept.-Dec.</i>	9,262	1,556	700	467	1,296

WORK INJURY

Under the National Insurance (Work Injuries) Law, all workers are insured against the risk of work accidents and occupational diseases.

It is compulsory for all employers to insure their employees (except for policemen, jailers, and defense employees) against the above risks. Such employees include those regularly or temporarily employed, for daily or monthly wages, full-time and part-time workers.

All employees working in Israel – as well as the self-employed – are insured, regardless of the age or nationality of the workers.

Upon the death of an insured person who suffered a work injury (work accident or occupational disease), his relatives – the widow/widower, orphans, parents and other close relatives (defined as dependants) may be entitled to work injury benefits.

No major changes in Work Injury Insurance took place in 2009.

 In 2009, the number of recipients of work injury allowance decreased by 5.6%. The number of recipients of permanent disability benefit (out of total work injured) grew by about 5.6%, while the number of recipients of dependents' benefit increased slightly – by 1.2%.

The maximum rates in 2009 for daily work injury allowance and monthly work disability benefit are shown below.

Maximum Work Injury Allowance and Work Disability Benefit Rates **2009 (NIS)**

<i>Daily work injury</i>		<i>Monthly work disability</i>	
<i>Employees¹</i>	<i>Self-employed and employees²</i>	<i>Employees¹</i>	<i>Self-employed and employees²</i>
583.35	972.25	17,501	29,168

¹ Employees injured before January 1, 1995.

² Employees injured after January 1, 1995.

PRISONERS OF ZION

Under the Law of Benefits for Prisoners of Zion and their Families-1992, a resident citizen of Israel, recognized as a Prisoner of Zion by the competent authority in the Ministry of Absorption, is entitled to benefit from the National Insurance Institute.

Non-disabled Prisoners of Zion are also eligible for benefit, conditional on an income test. Furthermore, disabled Prisoners of Zion are eligible for an additional income-based benefit, in addition to their regular, basic benefit.

Disabled Prisoners of Zion are also entitled to in-kind benefits including medical care and vocational rehabilitation.

Relatives of Prisoners of Zion who are in jail or who have passed away may be entitled to various benefits.

No major changes in the Law took effect in 2009.

HOSTILE ACTION CASUALTIES

Persons injured as a result of a hostile action by enemy forces in Israel or abroad are entitled to cash benefits as well as to benefits in kind such as treatment, hospitalization, convalescence, medical appliances, vocational rehabilitation and assistance in housing and in purchase of a vehicle.

Relatives of persons who died as a result of a hostile action receive a monthly dependents' benefit (equivalent to the benefit rate paid under the Families of Soldiers Killed in Action Law) as well as vocational rehabilitation and special benefits.

No major changes in Hostile Action Insurance came into effect in 2009.

RESERVE SERVICE

All persons serving in the military reserves in accordance with the Defense Service Law or in training under the Emergency Work Service Law (including civil servants, students, etc.) are entitled to a reservist's benefit for every day of service or training, from the first day in the course of the year. The benefit is at the full rate of the reservist's daily income.

In addition, grants are provided to youth under the age of 18 who take part in pre-military training (*Gadna*), most of whose time is devoted to study, on condition that they worked for at least 30 working days during the three months that preceded their taking part in the pre-military training.

No major changes in the Reserve Service branch took effect in 2009.

The minimum and maximum daily reserve service benefit rates for 2009 are shown below.

Reserve Service Benefit Rates – Per Day **2009 (NIS)**

<i>Minimum</i>	<i>Maximum</i>
174.15	1,280.50

UNEMPLOYMENT

An unemployed person in vocational training

Under an amendment in force as of January 1, 2009, the full unemployment benefit is paid to unemployed participants in certain defined types of vocational training courses.

As a general rule, an unemployed person participating in a vocational training course is paid an unemployment benefit at a rate of 70% of the benefit to which he would have been entitled had he not been in vocational training, from which the payments given to him in the course are deducted.

Short qualifying period for unemployment benefits

Under an agreement signed between the government of Israel and the National Insurance Institute in March 2009, unemployed persons who accumulated a qualifying period of 9 work months out of the 18 months that preceded the *determining date* (the first date of the month in which the unemployment period began) will be entitled to unemployment benefits for half the maximum period to which unemployed persons who accumulated 12 work months out of 18 months are entitled.

The agreement, in force as of June 1, 2009, applies to unemployed persons over the age of 25: both those who first reported to the Employment Service bureau in June 2009 and those who began to report to the Employment Service bureau before June 2009 but who did not submit a claim for unemployment benefit, or whose claim for benefit was denied due to lack of a sufficient qualifying period, and they reported to the bureau again on June 2009 and thereafter.

The earliest *determining date* for examining entitlement to unemployment benefit under the new agreement is June 1, 2009; that is, an unemployment benefit under this agreement may be first paid for June 2009 and thereafter.

The agreement, which came into effect after the unemployment rate rose to over 7.5% (and remains in effect only as long as this is the case), constitutes an attempt to allow many more jobless people to be eligible for state assistance.

Previous to the change, only persons who accumulated 12 out of the 18 months that preceded the *determining date* were entitled to unemployment benefits.

The following two changes are incorporated in the Economy Arrangements Law for 2009 and 2010:

Retaining rights of unemployed persons who open a business

An unemployed person who has accumulated the required qualifying period as an employee and is entitled to unemployment benefit may choose to open a business instead of receiving the benefit, and his right to receive the benefit will be retained for a period of two years, if during this period he is forced to close his business.

Encouraging unemployed persons to accept low-wage jobs

An unemployed person who works at wages lower than the unemployment benefit due to him (unsuitable work) for at least 25 days is entitled to a grant at the rate of the difference between the unemployment benefit due him and half his actual wages.

Previous to the change, only unemployed persons under 35 were eligible for this grant, and only if they were referred to the low-wage job by the Employment Service bureau. Furthermore, they were entitled to the grant only if they worked at the low-wage job for at least 75 days.

It should be noted that the rate of the grant was also changed; previously, it had been calculated as the difference between the unemployment benefit due him and his (full, rather than half) actual wages.

This change applies to unemployed persons who began working at low-wage jobs on August 1, 2009 or thereafter.

Extension of maximum period of entitlement to unemployment benefits for young unemployed

The maximum period of entitlement to unemployment benefits depends on the unemployed person's age and the number of his dependents (spouse, children).

In December 2009, an agreement extending this period for young unemployed persons without dependents came into effect, as a temporary order, as follows:

- for unemployed persons up to age 25 – for 15 days (from 50 to 65 days);
- for unemployed persons aged 25 to 28 – for 30 days (from 67 to 97 days);
- for unemployed persons aged 28 to 35 – for 25 days (from 100 to 125 days).

The change, which applies to unemployed persons who first registered at the Unemployment Service bureau from December 1, 2009 to December 31, 2010, does not apply to unemployed persons who have accumulated a short qualifying period only – see above.

The number of recipients of unemployment benefit decreased in 2009 to a monthly average of about 74,000 recipients. The unemployment benefit rates for 2009 are shown below.

Unemployment Benefit Rates
2009 (NIS)

<i>Maximum daily benefit to a single person¹</i>		<i>Discharged soldier's benefit</i>	
<i>First period</i>	<i>Second period</i>	<i>Regular work (daily benefit)</i>	<i>Vital work (one-time grant)</i>
317.12	211.41	92.34	8,487

¹ The first period is the first 125 days of the maximum period of benefit payment to which the unemployed person is entitled, during which the daily unemployment benefit shall not exceed the daily average wage. In the second period (beginning with the 126th day of payment), the daily unemployment benefit shall not exceed 2/3 of the daily average wage.

REHABILITATION

Under the National Insurance Law-1968, and Amendment 13 to this law (1974), the right to vocational rehabilitation is granted to work-related injured persons, general disabled persons (disability caused at birth, by an accident or illness) and survivors (widowers, widows and orphans). Under the Benefits to Hostile Action Casualties Law (1974), a basket of services, benefits and rights – including the right to vocational rehabilitation – is granted to injured victims of hostile or terrorist acts and to families of persons killed as a result of such acts.

The vocational rehabilitation services are provided by means of the rehabilitation departments located in all local branches of the NII throughout the country. These departments, staffed by rehabilitation officers who are professional social workers trained in the field of vocational rehabilitation, implement the law and policy determined in the Rehabilitation Bureau at the head office of the NII, while maintaining ongoing contacts with other NII branches, relevant community agencies and public bodies.

The rehabilitation process commences with the location of candidates for vocational rehabilitation, by means of referral from a NII branch or community body, self-referral or “reaching-out” initiatives. Every rehabilitee undergoes diagnosis, after which an individual rehabilitation plan is built for him in accordance with his specific needs and capabilities. In most cases the plan includes a vocational course or completion of academic studies. Upon completion of the plan, the rehabilitee may use placement services or undergo on-the-job training. Most services are purchased by the NII in the open market, while services from segregative frameworks (such as rehabilitation centers) may be acquired for those in need.

The Rehabilitation Bureau cared for about 17,000 rehabilitees in 2009.

In the past decade, special focus has been placed on the accessibility of rehabilitation services and on their adaptability to the needs of the severely disabled. For example, services such as translation into sign language, tutoring and special transportation were set up to provide “crutches” to rehabilitees with special needs.

Another trend, notable since 2000, is the establishment of a special network of intervention to cope with victims of the growing number of terror acts against the civilian population. During this period, there were over 2,174 such acts, injuring over 17,017 people and leaving about 965 families bereaved. The high number of injured people includes victims of continued incidents in the area surrounding Gaza in the aftermath of the Cast Lead operation, as well as late claims submitted in the aftermath of the Second Lebanon War and isolated terror acts in the course of the year. The Rehabilitation Bureau has set up a special community service for these victims, in which about 300 volunteers work in all areas of the country. In addition, a rehabilitation officer is assigned to and accompanies each victim, beginning with a visit to the hospital or to the home in a condolence call, and continuing with ongoing cash and in-kind assistance in all areas of their lives and throughout their lives. Since 2008, lessons learned from the Second Lebanon War were implemented, and panic victims were referred to emotional treatment funded by the National Insurance Institute – whether or not they submitted claims to be recognized as hostile action victims – in order to prevent post-traumatic disorders.

Despite the great burden on the Rehabilitation Bureau as a result of the numerous terror acts, the Bureau continued in 2009 to care for the other entitled population groups as well, by means of vocational rehabilitation plans and take-up of welfare rights, with special emphasis on early intervention and work integration.

INSURANCE AND COLLECTION OF CONTRIBUTIONS

Rise in ceiling for payment of insurance contributions

Under the Economy Arrangements Law for 2009 and 2010, the monthly income ceiling for payment of insurance contributions was raised from five times the *basic amount* to ten times the *basic amount*. The change came into effect on August 1, 2009, as a temporary order until December 31, 2010. .

Rise in rate of insurance contributions paid by employer

An additional change instituted under the Economy Arrangements Law for 2009 and 2010 was a rise in the rate of insurance contributions paid by the employer (the reduced rate) from a total of 3.45% to all insurance branches to a total of 3.85%. This rise, in effect as a temporary order from August 1, 2009 until March 31, 2011, is composed of rises in the following insurance branches: old-age and survivors, long-term care, general disability, children, maternity and work injury.

Change in rules regarding switching sick funds

Under an amendment to the national Health Insurance Law, members of sick funds may now switch to a different fund of their choice twice a year, rather than once a year as previously. Furthermore, there are now six dates a year on which such a switch may be made, rather than only four dates a year, as previously.

This change came into effect on July 15, 2009.

The contribution rates for December 2009 for the various insurance branches, in addition to health insurance contributions, are shown in the following table.

Insurance Contribution Rates
December 2009 (percentages)

Insurance branch	Employee						Self-employed	
	Total ¹		On employee's account		On employer's account			
	full rate	reduced rate ²	full rate	reduced rate ²	full rate	reduced rate ²	full rate	reduced rate ²
<i>Old-age and Survivors</i>	5.89	1.67	3.85	0.22	2.04	1.45	5.21	3.09
<i>Long-term Care</i>	0.20	0.06	0.14	0.01	0.06	0.05	0.18	0.12
<i>General Disability</i>	2.28	0.41	1.86	0.11	0.42	0.30	1.86	1.11
<i>Accident Injury</i>	0.09	0.02	0.07	0.01	0.02	0.01	0.08	0.06
<i>Work Injury</i>	0.59	0.41	--	--	0.59	0.41	0.68	0.39
<i>Maternity</i>	1.03	0.16	0.87	0.04	0.16	0.12	0.82	0.56
<i>Children</i>	2.08	1.47	--	--	2.08	1.47	2.40	1.39
<i>Unemployment</i>	0.25	0.04	0.21	0.01	0.04	0.03	--	--
<i>Bankruptcy</i>	0.02	0.01	--	--	0.02	0.01	--	--
Total Insurance Branches	12.43	4.25	7.00	0.40	5.43	3.85	11.23	6.72
<i>Health</i>	5.00	3.10	5.00	3.10	--	--	5.00	3.10
Total Contributions	17.43	7.35	12.00	3.50	5.43	3.85	16.23	9.82

¹ These rates include the share of the employee and the employer in payment of insurance contributions. In addition, the government participates in the financing of the insurance branches instead of the employer and the self-employed at a rate of 0.69%.

² On income of up to 60% the average wage.

COUNSELING SERVICE FOR THE ELDERLY

The Counseling Service for the Elderly was set up in 1972 as a demonstration project of the National Insurance Institute, at the initiative of Mr. Leo Blumensohn. His idea was to have volunteer pensioners support other elderly persons and help them take up their rights at the NII and at other organizations. The Service began modestly with a handful of volunteers working in three local branches. Over the years it expanded considerably, and today includes thousands of volunteers in all local branches throughout the country.

The Service is a professional one, managed by social workers whose expertise is in the fields of gerontology and volunteerism. Its aim is to provide support and assistance to the elderly living in the community, by means of existing resources. The basic perception underlying its work is that there should be a direct link between the elderly person and the volunteer – *elderly to elderly* – in order that the volunteer be able to understand the elderly person's inner feelings stemming from problems related to old age.

The volunteers are required to undergo a four-month training course, during which they learn about the perception of the NII, the special needs of the elderly, the changes that occur at this age, and the skills needed in work with the elderly.

The work of the Service includes:

- Preliminary home visits – Hundreds of visits are conducted throughout the country to predefined population groups, in accordance with information from NII data banks. Groups targeted for these visits include: recipients of long-term care benefits, persons whose claim for this benefit was deferred, elderly widows, the very old (over 88), etc. In the course of the visits, conducted by specially-trained volunteers, questionnaires are filled out by means of which we may ascertain whether or not the elderly receive proper treatment, and then act accordingly.
- Regular home visits – a continued link to elderly persons in need. The volunteers assigned to these elderly become their main intermediaries and defendants.
- Counseling – Elderly persons and members of their families visit the offices of the Service and are provided with counseling on all their problems, mediating services (both with the NII and other organizations), and above all, a listening ear.
- Support groups for widows/widowers – aimed at lifting the widows and widowers out of their loneliness and depression, and helping them get back to daily functioning and social involvement.
- Support groups for spouses of ill or handicapped elderly – aimed at easing the burden of intensive care.
- Joint projects in the community – in accordance with the specific needs of the town or community. The aim is to strengthen the elderly who live in the community, providing them assistance in a wide range of fields.
- Information days for new pensioners – during which lectures on free-time culture are given, and information is provided on a variety of topics, such as community services and activities and rights in social security.
- Information days for widows who have recently become widowed, informing them of their rights in social security and in the community, including a lecture on the legal aspects of widowhood, and providing them with the opportunity to participate in a support group.

All services of the Counseling Service for the Elderly are offered free of charge.

FUND FOR DEMONSTRATION PROJECTS

In 2009 the Fund for Demonstration Projects of the NII dealt with 320 demonstration *projects* and project proposals, aimed at expanding and improving social services to a variety of at-risk population groups. The Fund assists the initiators of the projects in a number of ways: it helps to define the project's aims and to plan the project, it provides financial assistance during the initial experimental period (the participating organizations must commit themselves to continue financing the project on their own beyond the experimental stage); it carries out an evaluation research of the project and it actively participates in the steering committee responsible for running the project.

The Fund's annual budget is NIS 16 million.

Research evaluations of projects completed – and with reports published in 2009– are described below.

The Keshet Program – advancement, collaboration and communication

The Keshet Program, an acronym name in Hebrew standing for advancement, cooperation and communication, is a program which includes courses for family members of people who cope with mental illness. The program was implemented in different locations in Israel under the auspices of the Magid Institute of the Hebrew University of Jerusalem. The uniqueness of the program is its academic orientation, as both theoretical and practical knowledge are presented at the meetings.

The target population of the program was parents of persons who are coping with mental illness. The main objectives were to teach the participants an approach enabling them to better cope with the experiences they have in their relationships with the family member who is coping with mental illness, with other family members or professionals in the therapeutic and rehabilitation systems.

The findings indicated that the Keshet program changed the participants' perception of the life incidents with which they are coping and of the resources available to them to cope with these incidents.

The evaluation conducted indicated the importance of the program for participants from the Ultra-Orthodox community and the need to conduct additional courses in this community. The findings also indicated a need for a system, after completion of the course, which will enable the participants to continue and study the cognitive-dynamic approach and to continue to develop their ability to apply that approach as they cope with their life circumstances.

From solitude to belonging

The project, designed to provide adolescents in psychiatric hospitals with social support and to help their re-integration into the community, involved volunteer adolescents in two psychiatric wards. During the years 2004 to 2007 the project operated in the psychiatric hospital in Nes Ziona, and in 2006-2007 there was an attempt to operate it, on a smaller scale, at the Abarbanel

hospital as well. The project aimed at developing the volunteering of youth as a part of the therapeutic complex of the hospitals to empower both the volunteers and the patients, and to promote a change in attitudes toward mental patients among the volunteers as well as in their close environment.

The project supported the underlying hypothesis that informal, ongoing meetings of volunteers with patients would be helpful for the patients and would develop openness and tolerance in the volunteers. One of the conclusions of the project was that volunteer youth in a psychiatric ward may be a significant instrument in the promotion of a normative climate in places designated for mentally and emotionally problematic patients. The psychiatric staff in both hospitals handled well the integration of volunteers into some of their activities and considered them an empowering and supporting resource for the patients.

The program provided volunteering youth with a unique and constructive avenue in which to channel their confrontation with their own problems. The development of similar programs in the future is recommended, provided that they are assimilated into the standard education and health systems, and that they are provided with appropriate "marketing".

"Shomim Hakol": Promoting accessibility and use of assistive listening devices for individuals with hearing impairments

Shekel and Bekol, in cooperation with Matav and Eshel, and with the help of the National Insurance Institute – through the Fund for Demonstration Projects and the Fund for Development of Services for the Disabled – joined forces to run an experimental program for promoting accessibility and use of assistive listening devices for individuals with hearing impairments.

The program was intended for three population targets: hearing impaired and their family members, professionals (doctors, nurses, rehabilitation workers), and the general public. The program's goal was to increase the awareness of these three populations to the processes of hearing loss and to the devices which could assist in coping with hearing problems.

In the framework of the program two permanent instruction and display centers were established and equipped (in Tel Aviv and Haifa) which provided different activities to achieve the projects' objectives. Approximately 60 hearing-impaired people were trained to function as instructors in a number of courses which took place in the center, in Tel Aviv and Haifa. In general, the instructors conveyed high satisfaction from these training courses.

Program for promoting mediation in conflicts related to people with disabilities

The Program for Promoting Mediation in Conflicts Related to People with Disabilities, a new professional-social initiative, was designed to promote the use of mediation procedures as a conflict resolution method within the population of people with disabilities in Israel on the one hand, and to raise the awareness of establishment representatives for the ability to provide a response to the need of people with disabilities by means of mediation mechanisms, as clients and professional mediators, on the other.

The program was led by four main agencies: JDC-Israel, the Unit for Disabilities and Rehabilitation; The National Insurance Institute's Fund for Demonstration Projects; Bizchut – the Israel Human Rights Center for People with Disabilities; and the Ministry of Justice, National Center for Mediation and Conflict Resolution.

It would appear that the program achieved the objectives that it set itself to a large degree and laid a well-grounded and deep infrastructure for achieving its goals –demonstrating the professional ability of people with disabilities, developing professional knowledge in the interface between mediation and disabilities and in its processes of assimilation. These assimilation processes are continuing and expanding in different tracks, some of which are structured and formal, primarily the Mosaic Center, and others which are the outcome of the attitudinal change and increased awareness among the people who were exposed to the program in different modes and stages of its activity.

Special needs scout integration program

At the basis of the written "SN scout integration program" lies a vision of social correction in which people with special needs will be integrated into society, will realize their latent potential, and escape their social isolation. The "SN scout integration" program was written by experts in the special education area (Trump Institute) and deals with the nature and goals of integrating children with special needs. The program's guiding model is constitutional integration, i.e., separate groups of SN cadets in a normative structure – the scout movement.

Examination of the "SN scout integration" program's implementation versus its goals shows that it achieved most of its goals. There was an apparent attempt to grant disabled people equal opportunities to realize their rights to integration in recreational activity, which includes pleasure and education for scout values.

The Maftehot (“Keys”) hostel for released male-batterers prisoners, 2005-2008

The “Keys” hostel is a unique and unprecedented enterprise that was constituted in order to offer a therapeutic setup for male batterers who served time in prison for wife abuse. It was constructed in order to facilitate the process of return to their families and in many cases – the same wives towards whom they were violent. The Prisoner Rehabilitation Authority (PRA) was responsible for the operation of the project, and the Demonstration Projects Fund of the National Insurance Institute of Israel and the Sakta-Rashi Fund financed and delineated the Hostel’s operations for the first three years. In addition to those organizations, the Ministry of Welfare, the Prison Authority and the Bet-Noam non-profit organization were involved in delineating the Hostel’s ways of operation.

The Maftehot hostel offered its residents a comprehensive framework including aspects related to daily coping at home and at work, a set of individual and group-therapeutic meetings, as well as couple and family therapy. The goal was to enable the men to develop a non-violent ways of living. Following a half-year set-up period, the hostel was opened for operation on November 2005. The accompanying evaluation study indicated the importance of the continuation of the hostel in order to offer an answer to the needs of released male-batterers.

The integration of income support recipients into the labor market:: the TALMA program

"TALMA", a program designed to integrate income support recipients into the labor force, started in December 2005 in two rehabilitation centers: "Keren" Rehabilitation Centre in Acre, and the Vocational Rehabilitation and Training Centre of the Loewenstein Rehabilitation Hospital in Ra'anana. The program was headed by a steering committee made up of representatives of the Fund for Demonstration Projects of the National Insurance Institute of Israel (INII), the Ministry of Industry, Trade and Labor, the employment service and a team

from the rehabilitation centers. The goal of the program was defined initially as "integrating the minimum of 60% of program participants into the work force for at least three months".

The target population of TALMA was welfare recipients between the ages of 20 to 50 who received an income support benefit for from 12 to 60 months, who were defined as "work seekers", and who are motivated to rehabilitate themselves. The findings showed that TALMA met its original goals and, similarly, the two rehabilitation centers acted effectively to overcome the different challenges that they faced.

"Coffee Stands": a vocational rehabilitation framework within a normative living environment for people coping with mental disorders

The program to implement coffee stands manned by people coping with mental illness was run by the Organization for Public Health Services as of February 2005. The purpose of the program was to develop a model for a vocational framework for people coping with a mental handicap. This model is aimed at promoting and developing functional and social skills and to enable participation in work within a normative living environment. The program operated coffee stands in four central locations in Jerusalem.

The results of the accompanying evaluative research strengthen the hypothesis that people coping with an emotional disorder place great importance on working and that they derive pleasure from their work. During the months of their work at the coffee stands the participants felt that there was an improvement in their readiness to work. Also, their reentry into the job market strengthened participants' feeling of competence. In addition, the results indicate that participation in a work framework results in the improvement in a number of measures of quality of life. Nonetheless, the participants' self-esteem decreased – an issue that requires continued monitoring. The study strengthened our understanding with respect to the role of the rehabilitation system in creating a wide and varied framework of services that will enable a person coping with an emotional disability to become integrated and to find a balance between the different occupations in which he/she is involved.

Day therapy center for sex offenders in the community

The day therapy center, located in the center of the country, was designed to cater to the needs of adult (18+) men who committed sex offences or offences associated with sexual harassment/abuse and who meet certain criteria. The center ran a morning (stage 1) and an evening program (stage 2), which included group and individual therapy, couple and family therapy and enrichment activities.

The findings in the research study pointed to the social, ethical and economic benefits of the center's therapy program. The center, which was established from scratch, may serve as a prototype for similar centers in the future for the sex offender population, as well as for other forensic populations. Accordingly, the center may serve as a knowledge and learning center and as a role model.

Post out-of-home placement programs for young adults

The transition of youth who have spent a large portion of their lives in out-of-home-care into independent adult life is particularly challenging. The research presents three evaluation studies of programs designed to support Israeli youth (18-21) who leave care and who do not have a

familial support structure: one program for youth who left care in foster care, educational youth villages, and treatment residential care; one program for youth leaving care in the juvenile correction system, and a special program for youth residing in the 'Sde Bar' farm. The first two programs provide a range of services to youth who reside mainly in the community: housing, vocational training, employment, counseling and life skills. The Sde Bar program is essentially a continuation of stay in the facility, after achieving legal independence.

Overall, the evaluations of the programs for youth who left care (both from the child welfare, educational and the juvenile correction systems) were encouraging. The counselors' assessments showed that the program contributed to the participants. The contribution was more pronounced for those who stayed in the program longer. The most considerable progress was in the areas of the ability to cope with independent living, optimism, belief in their future, and interpersonal relationships. Less progress was noted in the area of education. Further, youth had very positive assessments of the program and of their counselors.

The findings were not as positive with regard to the program in which youth remained on premise. There were difficulties with unreliable reporting and indications that the participants did not receive the services that would have helped them to gain independent life skills, while staying in an isolated facility, instead of returning to the community.

FUND FOR DEVELOPMENT OF SERVICES FOR PEOPLE WITH DISABILITIES

In addition to the provision of various benefits for the people with disabilities, the National Insurance Institute provides funding for the development of new and the enhancement of the existing network of services for the people with disabilities in Israel, through the Fund for the Development of Services for People with Disabilities.

The Fund has for the past thirty years provided major assistance for the purchase of new equipment, renovations and for new building to a multitude of governmental, municipal and voluntary non-profit service providers. In the year 2009 there were about 1,650 projects (including applications and projects in process); 190 of these approved in the course of that year.

The Fund draws its budget from the annual allocation earmarked for the General Disability Insurance branch (NIS 107 million in 2009), and it provides allocations for a very wide range of disabilities – including the developmentally disabled, emotionally disabled, blind, visually disabled, deaf and hearing-impaired, motor-function disabled, autistic, learning disabled and individuals with disease-related disabilities.

The Fund considers its main goal as one of fostering the integration of the disabled in the community at large. It provides assistance for the initiatives of only those service-providers who can provide proof of their ability to maintain and operate their services for an extended period. To date, it has provided funding for hundreds of services in virtually every town and city in the country. The main types of services developed by the Fund are community residences, vocational rehabilitation and sheltered workshops, leisure activities, and special education, early childhood intervention programs and accessibility infrastructure.

Community Residences – The Fund has been a primary catalyst in the development of residential services for the disabled, which have experienced an enormous expansion in the past five years. Funding is provided for a continuum of different residential options, such as hostels, sheltered apartments and training apartments. Support for community residences is provided for individuals who are either developmentally disabled, emotionally disabled, autistic or learning disabled. In the period of 2009-2010, the Fund will focus on developing community residences for individuals with severe physical, cognitive or emotional disabilities.

Employment Services – the Fund has assisted in improving basic work conditions throughout the country. These workshops provide a basic work situation for individuals aged 18 or older who lack the basic skills for full employment in the work force. In the past several years the Fund has helped establish twenty new workshops, mostly located in outlying areas and in the Arab sector. The Fund is currently supporting the building of twenty additional workshop centers, some of which are intended to integrate individuals with various disabilities. The Fund also provides extensive assistance for establishing pre-employment therapeutic centers for individuals with severe cognitive, emotional and physical disabilities who are unable to function in a sheltered employment center. Assistance is also provided for the establishment of small businesses operated by individuals with disabilities such as catering services, direct-mail services, a variety of packaging services and laundry services. Extensive assistance is also provided for expanding employment training centers which provide short-term intensive training and placement services for individuals with disabilities who seek employment in the workforce at large. In 2009, the Fund initiated a special trail program to encourage employers

in the private sector to hire individuals with disabilities. The Fund intends to assist prospective employers to develop their infrastructure on the condition of receiving a guarantee to employ individuals with disabilities for a period of several years.

Recently, the Fund has expanded its assistance to students with a variety of disabilities in major universities and institutions of higher learning. The Fund has been instrumental in establishing Support Centers for students with visual disabilities in all the main universities and during 2009 and 2010 the Fund will embark on a nationwide effort to establish Support Centers for Students with Learning Disabilities, in conjunction with the *Council for Higher Education*.

Therapeutic Day Centers for Adults – During the past several years, the Fund has helped to establish a nationwide network of Therapeutic Day Centers for adults with severe physical, cognitive and emotional disabilities, who are unable to participate in employment programs. These Centers provide occupational, physical and speech therapy, assistance with activities of daily living, recreational programs and support for the families of the disabled.

Special Education – The Fund has provided assistance to scores of special education programs for the purchase of equipment in the following areas: therapeutic programs, pre-work training programs, independent living training, specialized playground and group activities and specialized computer accessories and software. Increasingly in recent years, the Fund has become more involved with integrative and mainstreamed varieties of special education, as these begin gradually to replace the more traditional segregated forms of education, especially for the more mildly disabled.

Early Intervention – Having recognized the importance of early detection and intervention of developmental disabilities in the 0-5 population, the Fund has been a primary mover in the establishment of community-based treatment centers. These centers provide physical occupational speech and psychological therapy under the guidance and supervision of the main Child Development Centers. With the passage of the Rehabilitative Nursery School Law, the Fund has expanded its assistance to establishing special nurseries throughout the country.

Recreational Activities – recognizing the importance of recreational activities as an essential component in the well-being of the developmentally-disabled individual, the NII has provided support for a multitude of both segregate and integrative recreational programs. These include afternoon community clubs for young adults, evening recreational social clubs for adults, sports facilities and music and drama centers.

Hydrotherapy – In 2007, the Fund approved renewed funding for the building of therapeutic swimming pools. During this year, an extensive study was carried out on all existing therapeutic pools, and clear guidelines were established for building and operating these pools. During 2008 and 2009,, funding has been provided for the establishment and development of ten therapeutic pools.

Accessibility – In order to facilitate the full integration of the disabled in Israeli society, the Fund has expanded its traditional role of developing services that primarily serve the disabled. In 1998, the Fund embarked on a national program to ensure accessibility of the disabled to all public services. These include Government offices, municipal buildings, schools, universities, museums, theatres, and courts as well as outdoor recreational sites such as the National Parks' nature reserves and picnic areas. Assistance is provided for special adaptations required by the physically disabled, such as ramps, paths, elevators, chair-lifts and adapted restrooms. Additionally, special adaptations have been provided for the visually and hearing disabled such as Braille signs, "ringing" traffic lights, special 3-D models, audio guides and FM systems for screening background noises. The Fund intends through these efforts to enhance public

awareness of the need for accessibility to all services and to serve as a catalyst for additional funding sources. In 2005, as a result of growing public awareness and partly due to the involvement of the NII in funding accessibility projects, a new accessibility law was passed by the Knesset, as part of the “Equal Rights for People with Disabilities Law” of 1998. During 2009 and 2010, and until the full implementation of the law, the Fund is focusing its efforts on expanding accessibility in institutional residences, universities and colleges, as well as in informal education settings such as community centers and libraries. The Fund has also earmarked NIS 6 million during 2007-2009 for the development of accessibility infrastructure at major tourist locations around the country. The program, being funded jointly by the Ministry of Tourism, focuses on major sites such as nature preserves, world heritage sites, museums and public recreation facilities. Priority is given to sites that are already partially accessible, with special focus on accessibility adaptations for individuals with a sight, hearing or cognitive disability. During the period of 2009 and 2010, the Fund will also significantly expand its budget for accessibility projects and will be focusing on new areas of involvement. These will include: assistance to public organizations which serve people with disabilities to increase the accessibility of their internet web sites; developing new accessible technology, and a special initiative for accessibility in Jerusalem’s Old City, a site which annually attracts many millions of visitors. In 2009, the Fund embarked on a national initiative to develop integrative municipal parks that promote play and social interactions between children with disabilities and their peers.

Finally, in addition to its commitment to the development of community services, the Fund has since 1994 embarked on a massive program – together with the Ministry of Social Affairs – to improve the quality of life in twenty large governmental and public voluntary residences for the developmentally disabled. Efforts have been concentrated on refurbishing residential pavilions, building new housing to cope with chronic overcrowding, building day activity centers and improving basic infrastructure.

Multi-service Centers – In the past few years, there has been a growing trend to develop multi-service centers that provide a wide range of programs under one roof, such as afternoon leisure clubs for children, respite services, small workshops, therapeutic day programs and support and referral services. The Fund has helped develop these centers especially in outlying, peripheral areas that have smaller numbers of clients, and where it is economically unfeasible to establish separate services.

FUND FOR DEVELOPMENT OF LONG-TERM CARE SERVICES FOR DEPENDENT ELDERLY

Under Article 237A of the National Insurance Law, the National Insurance Institute finances the development of community and institutional services for frail elderly individuals who are limited in activities of daily living and require long-term care services.

In 2008 the Fund's assistance to developing new services amounted to about NIS 36 million. The Minister of Social Affairs and the Minister of the Treasury authorize projects approved by the NII, after consultation with the Public Council.

The Fund assists public bodies in the development of infrastructure and equipment for services, contingent on the commitment to finance operating expenses of the program for which assistance is requested.

The Fund supports service development in four primary areas: building, expanding and enhancing day centers for the elderly, including raising the standard of day centers by adding functions such as physiotherapy, health fitness equipment and therapeutic gardening; expanding and developing sheltered housing environments; additions and upgrading of beds and physical environment in nursing homes.

In 2008 the Fund approved 29 new programs, which included 18 community and 11 institutional projects. During this year, a total of 300 projects received funding from the Fund. It should be noted that in the course of 2008, the Fund provided funding for fortifying and protecting elderly in day-care centers and old-age homes in southern Israel which were bombed by Kassam rockets from the Gaza strip.

FUND FOR ACTIVITIES OF SAFETY AND HYGIENE IN THE WORKPLACE

Under Article 149 of the National Insurance Law, the National Insurance Institute participates in the funding of activities aimed at safety and the prevention of work accidents in factories or in other workplaces. The Fund's current budget in 2009 is about NIS 7 million, all which is spent on projects.

Such activities include:

- research in the area of safety and hygiene in the workplace, aimed at formulating conclusions which are widely applicable to prevent or reduce work accidents;
- examining the conclusions of the above research by means of their experimental application in a certain workplace, in order to examine the extent of their applicability and contribution to the promotion of work safety and hygiene;
- the survey, mapping and evaluation of existing and future risks in workplaces, and the proposal of solutions to remove these risks;
- activities of information, training and practice of behavior to prevent work accidents in workplaces;
- developing or improving means, tools and accessories aimed at increasing safety and hygiene in the workplace, in order to offer them to other employers;
- conducting nationwide information campaigns by means of the mass media and other means of publication, aimed at developing awareness concerning safety and hygiene at work.

In 2009, the Fund operated about 70 projects, some of them new and others carried on from previous years.

FUND FOR DEVELOPMENT OF SERVICES FOR CHILDREN AND YOUTH

The Fund for The Development of Services for Children and Youth was established in 2004 with the aim of developing services for children and youth at risk. In Israel there are well over 350,000 children whose functioning is impaired due to conditions of neglect, poverty or abuse (physical, sexual or emotional). All these factors affect the normal development of these children and leave them exposed and in distress. In these difficult times, children are often in the most sensitive position and their welfare is the most threatened.

The strategic aims of the Fund as defined for the first three years were to develop programs in the following areas:

- a) *To provide a "second chance" to at-risk youth for matriculation exams, higher education and provision of job skills;*
- b) *To prevent and reduce violence among children and youth, by means of intervention in educational and community frameworks;*
- c) *To treat and support children who are victims of sexual abuse;*
- d) *To develop programs for at-risk youth and young girls in distress;*
- e) *To promote programs for enhancing parenting skills.*

The Fund participates in welfare programs aimed at developing local, regional and nationwide services in the community by means of assistance in funding these programs for defined periods, with other bodies – the government, local authorities or public bodies – committing themselves to operate the program after this initial period.

150 projects have been approved to date (in the course of five years), and have begun to be implemented, with a total budget of NIS 200 million.

In 2009 and in 2010 the emphasis is on preparing underprivileged and at-risk youth for the future work force. Preference is given to programs that stress life skills and work skills, hopefully better preparing youth for employability. In order to be effective in this goal, it is important to start working intensively with children already at the middle-school level.

Although the emphasis in the Fund's call for proposals is changing, it will continue to work intensively with the projects already approved. These projects are of a very large range and focus on working with children from every sector of the population, whether these are ultra-Orthodox, national religious, Bedouin, or other. In each of these sectors special emphasis is placed on working with girls at risk and each project is matched with the special needs of each community. Furthermore, the Fund has been instrumental in the establishment of treatment centers for children who are victims of sexual abuse.

With the Fund's intervention, services have been developed that are an integral part of the network of services for children at risk, remembering all along that children are the country's future, and that the children of today need to be given better opportunities so that they will have a better future and will not need to depend on benefits from the National Insurance Institute.

INTERNATIONAL CONVENTIONS ON SOCIAL SECURITY

International social security Conventions, bilateral and multilateral, are designed to assure equality of treatment or reciprocal treatment, the right to export benefits, as well as to protect rights of persons and their families who move from one country to another for employment or other reasons. The need for such Conventions stems from the fact that social security programs do not usually give adequate consideration to the special needs of persons who are outside its jurisdiction. Israel, as an immigration country, is interested in such Conventions in order to assure each beneficiary an adequate benefit for prior social security credits in their country of origin.

Another dimension of these international Conventions is the need to avoid dual coverage and contributions for workers posted temporarily by their employer in another country, while assuring continuity of protection and adequate benefits under the social security legislation of their country of origin.

Bilateral conventions

Israel signed the first bilateral Convention in 1957. Since then, continuous efforts have been made to enlarge the scope of our international cooperation through bilateral Conventions. At the present time, seventeen such Conventions have been concluded and are in force.

On September 1, 2009, a bilateral social security Convention with Bulgaria came into effect.

The Convention guarantees continuity of social security rights to persons who have been insured under the Israeli or Bulgarian social legislation and who move from one country to the other.

The Convention applies to the following social security branches: old-age and survivors, general disability, work injury and maternity.

Furthermore, it arranges for an exemption from double payment of insurance contributions for employees and for self-employed persons, as well as for persons who are not gainfully occupied who move from one country to the other.

The bilateral Conventions presently in force between Israel and other countries are shown in the following table.

Bilateral Conventions

Country	Date of Signature	Operative Date	Coverage	Insurance Branches	Competent Institution
<i>United Kingdom</i>	April 29, 1957	Nov. 1, 1957 Amending protocol: April 1, 1984	British or Israeli citizens who are employees or self-employed and members of their families	Old-Age, Survivors, Maternity, Children, Work Injury and Occupational Diseases	The Pension Service, International Service, Newcastle upon Tyne, England NE98 1BA ¹
<i>Netherlands</i>	April 25, 1963	Nov. 1, 1963 New Agreement: Sept. 1, 1985 Amendment: December 1, 2003	Dutch or Israeli citizens, refugees and stateless persons who are employees or self-employed, and members of their families	Old-Age, Survivors, Disability, ² Maternity, Children, Unemployment, Work Injury and Occupational Diseases	SVB Vestiging Roermond Postbus 1244 6040 KE Roermond Netherlands
<i>France</i>	December 17, 1965	October 1, 1966	French or Israeli citizens who are employees, and members of their families	Old-Age, Survivors, Maternity, Children (Family Assistance), Work Injury and Occupational Diseases	C.L.E.I.S.S. 11 rue de la Tour des Dames, 75436 Paris, Cedex 09, France
<i>Belgium</i>	July 5, 1971	May 1, 1973	Belgian or Israeli citizens who are employees, and members of their families	Old-Age, Survivors, Work Injury and Occupational Diseases	Office Nationale de Securite Sociale, Place Victor Horta 11, 1060 Bruxelles, Belgique
<i>Austria</i>	November 28, 1973	December 1, 1974	Austrian or Israeli citizens, refugees and stateless persons who are employees or self-employed, and members of their families	Old-Age, Survivors, Disability, Maternity, Children (Family Assistance), Unemployment, Work Injury and Occupational Diseases	Pensionsversicherungs-Anstalt Friedrich Hillegeist str 1, 1021 Wien, Postf 1000, Austria
<i>Germany</i>	December 17, 1973	May 1, 1975	German or Israeli citizens, refugees and stateless persons who are employees or self-employed, and members of their families	Old-Age, Survivors, Disability, Maternity, Work Injury and Occupational Diseases	DRV Bund 10704 Berlin, Germany ----- DRV 40215 Dusseldorf 1, Germany
<i>Sweden</i>	June 30, 1982	July 1, 1983	Swedish or Israeli citizens, refugees and stateless persons who are employees or self-employed, and members of their families	Old-Age, Survivors, Disability, Maternity, Children, Unemployment, Work Injury and Occupational Diseases	Pensionsmyndigheten, Box 855, SE 971 26 Lulea, Sweden

¹ An additional institution in UK: Inland Revenue, Centre for Non-Residents-BP1301, Benton Park View, Newcastle Upon Tyne, NE98 1ZZ, England.

² Cash benefits only (not hospitalization).

Bilateral Conventions(cont'd)

Country	Date of Signature	Operative Date	Coverage	Insurance Branches	Competent Institution
<i>Switzerland</i>	March 23, 1984	October 1, 1985	Swiss or Israeli citizens, refugees and stateless persons who are employees or self-employed, and members of their families	Old-Age, Survivors and Disability	Caisse Suisse de Compensation, 18 Ave Ed Vaucher, CH-1211 Geneva 28, Switzerland
<i>Italy</i>	January 7, 1987	November 21, 1989	Italian or Israeli residents employed in the territory of the other country	None	Ministero del Lavorare e della Previdenza Sociale 17, Via della Trezza 00187 Roma, Italy
<i>Poland</i>	October 31, 1991	December 31, 1991	Polish or Israeli citizens entitled to work injury or occupational disease benefits	Work Injury and Occupational Diseases	Zaklad Ubezpieczen Spolecnych Biuro Rent Zagranicznych ul. Senatorska 1000-082 Warszawa, Poland
<i>Denmark</i>	July 3, 1995	April 1, 1996	Danish or Israeli citizens, refugees and stateless persons who are employees or self-employed, and members of their families	Old-Age, Survivors, Disability, Work Injury and Occupational Diseases, Maternity and Children	Pensionsstyrelsen, Landemaerket 11, 1119 Kobenhavn K, Denmark
<i>Finland</i>	September 15, 1996	September 1, 1999	Finnish or Israeli citizens, refugees and stateless persons who are employees or self-employed, and members of their families	Old-Age, Survivors, Disability, Work Injury, Maternity and Children	The Social Insurance Institution KELA Office for Int'l Affairs, PO Box 72 00381 Helsinki, Finland ¹
<i>Uruguay</i>	March 31, 1998	November 1, 1999	Uruguan or Israeli citizens, employees or self-employed, and members of their families	Old-Age, Survivors, Disability, Work Injury, Maternity and Children	Banco de Prevision Social, Gerencia de Area de Investigacion, y Asuntos Internacionales, Calle Colonia 1921 Piso 1 Montevideo, Republica Oriental del Uruguay
<i>The Czech Republic</i>	July 16, 2000	July 1, 2002	Czech or Israeli citizens, refugees and stateless persons and their dependants	Old-Age, Survivors, Disability, Work Injury, Maternity and Children	Caska sprava socialnino zabezpeceni, Krizova 25, 225 08 Praha 5 Czech Republic
<i>Canada</i>	April 9, 2000	September 1, 2003	Canadian or Israeli citizens, refugees and stateless persons who are employees or self-employed.	None	CCRA, Ottawa Tax Services Office, 333 Laurier Avenue West, Ottawa ON K1A OL9 Canada
<i>Norway</i>	May 23, 2006	April 1, 2008	Norwegian or Israeli citizens, refugees and stateless persons who are employees or self-employed.	Old-Age, Survivors, Disability, Work Injury, Maternity and Children	NAV – National Office for Social Insurance Abroad, Postboks 8138 Dep N-0033 Oslo, Norway
<i>Republic of Bulgaria</i>	March 25, 2008	September 1, 2009	All persons who are or who have been subject to the Israeli or Bulgarian social security legislation, their family members and their survivors.	Old-Age, Survivors, Disability, Work Injury and Maternity	National Social Insurance Institute, Directorate for European Integration and International Treaties, Alexander Stamboliiski Blvd 62-64, Sofia 1303, Republic of Bulgaria.

¹ An additional institution in Finland: Elaeketurvakeskus, 0065 Elaeketurvakeskus, Finland.

FUTURE CHANGES

Expanding the scope of polio victims entitled to compensation

Under a judgment of the High Court of Justice on February 1, 2010, persons who were stricken with polio before 1948 (before the establishment of the State of Israel) will be entitled to compensation for polio victims from the National Insurance Institute, on condition that they became stricken with polio within the borders of the land of Israel as determined in the cease-fire agreements signed in the course of 1949.

The change is in effect retroactively from January 1, 2007 (when the Law for Compensation for Polio Victims came into force).

Presently, only persons who were stricken with polio after the establishment of the State of Israel are entitled to compensation from the NII.

Delay of entitlement to unemployment benefits to law and accounting interns

Under the Economy Arrangements Law of 2009-2010, lawyers and accountants who complete their internship and who registered for an ordination test will not be entitled to unemployment benefits for a period of two months preceding the date of the test.

This change applies to interns who registered for the ordination test that will take place on June 1, 2010 or thereafter.

Terrorist burial bill

In November 2009, the Ministerial Committee on legislation approved a bill that would deny terrorists' right to be reimbursed for burial expenses from the National Insurance Institute (Amendment 116 to the National Insurance Law).

This amendment adds another benefit to the list of those already denied to the spouses and children of terrorists – persons who commit nationalistic-motivated crimes. These benefits currently include old-age pensions, disability pensions and survivors' pensions (to widows and orphans).

This amendment is expected to be a meaningful deterrent act in Israel's struggle against terror.

Disabled children to receive more benefits

A benefit for disabled child is provided to families in Israel in order to help them care for their disabled children at home.

A series of changes in the regulations pertaining to this benefit will come into effect in February 2010. The main such changes are:

- Change in categories of entitlement to benefit. The previous four categories (a child dependent on the help of others, a child requiring constant supervision, a child with a special impairment, a child requiring special medical treatment) will be reduced to three categories (a child dependent on the help of others, a child with a special impairment – includes a child requiring a constant presence – and a child requiring special medical treatment). Each of these categories includes new sub-categories.
- Changes in benefit rates in some of the categories of entitlement.
- Changes in entitlement to the study grant, so that all schoolchildren (including those over 14, as opposed to the previous situation) will be eligible for the grant.
- Changes in the rules regarding families who go abroad, allowing the continued payment of benefits if the families are abroad as State emissaries.

Continued benefits to remarried widows

Under an amendment to the Families of Soldiers Killed in Action Law, as of March 2010 the National Insurance Institute will continue to pay a monthly benefit as well as special benefits to widows and widowers of hostile action victims, even after they remarry.

Furthermore, as of March 1, 2010, the National Insurance Institute will renew payments to all widows and widowers of hostile action victims whose benefits had ceased being paid due to their remarriage.

Presently, payment of the monthly benefit and special benefits to widows and widowers ceases upon their remarriage, when they receive a lump-sum grant.