

5. Maternity Insurance

A. The Benefits

Maternity insurance came into effect on April 1, 1954 and was among the first five insurance branches covered by the National Insurance Law. Under Maternity Insurance the mother is granted the following benefits:

- **Hospitalization grant** – The grant is intended to fund the delivery and hospitalization expenses of the mother and the newborn and it is paid directly to the hospital. As of December 1993, a hospitalization grant is paid at an increased rate for a premature birth. During the first two years of application of the National Health Insurance Law (in January 1995), the hospitalization of mothers and of newborns, including premature babies, was included in the health services basket prescribed by law and it was funded by the National Insurance Institute from monies collected for the Maternity branch. Since January 1997 the hospitalization grant is again being paid directly to the hospital. When the delivery occurs abroad, the hospitalization grant is paid directly to the mother following her submission of a claim.

The amount of the hospitalization grant varies as follows:

- In the month of January each year the amount is updated according to a formula prescribed by law and thereby the total payment for normal deliveries and an additional payment for a premature birth is equal to the amount that would have been paid for these deliveries had there been no difference in the grant amounts between a normal delivery and a premature birth.
- Whenever the Ministry of Health revises the daily price of general hospitalization, the amount of the hospitalization grant is revised by the same rate.
- By decision of the government, under the Economy Arrangements Law, the government revised the amount in recent years within the framework of the Economy Arrangements Laws: in April 2005 it was increased for premature births by approximately 50%; in January 2007 – it was increased for every delivery by 12.1%; in August 2009 the amount was again increased by approximately 10%; in April 2012 by 0.2%; in August 2013 by 10% and in November 2013 by a further 3.87%. The government's involvement in setting the amounts of hospitalization grants is in fact a means of transferring budgets to hospitals through the National Insurance Institute.
- **Expenses of transportation to a hospital** – The National Insurance Institute subsidizes the expenses of transporting a woman in labor to a hospital. As of March 16, 2008, every woman in labor is entitled to be transported to the hospital nearest to her place of residence. (Previously, a woman in labor was entitled to transportation only if she lived a great distance from the hospital.)

- **Birth grant** – The grant is intended for the purchase of a layette for the newborn and it is paid directly to the mother. Up to July 2002, the grant was uniform and irrespective of the number of previous births and its rate was 20% of the statutory average wage. In August 2003, the rate of the grant was revised for the second and subsequent children and it was 6% of the average wage. In January 2004, the rate was raised for the second child only to 9% of the average wage. When two or more children are born in a single delivery, the birth grant is higher: for twins – an amount equal to the average wage and for each additional child – a further 50% of the average wage. Since January 2006, the amount of the birth grant has been calculated according to the basic amount.
- **Maternity allowance** – This benefit is intended to compensate working mothers for their loss of wages during the maternity leave that they are obligated to take under the Employment of Women Law. Working women – whether salaried, self-employed or undergoing vocational training – are entitled to a maternity allowance if insurance contributions have been paid on their behalf during the period preceding the delivery for the periods of time prescribed by law (qualifying period). The maternity allowance is paid for 7 or 14 weeks, depending on the **qualifying period** that she accumulated (before the law was amended in May 2007, a maternity allowance was paid for 6 or 12 weeks). As of November 1994, the maternity allowance per day replaces the full wage or the average income per day that the mother would have had during the three months before she stopped working (upon or before the delivery) and no more than the maximum amount prescribed by law. Income tax, national insurance contributions and health insurance contributions are deducted at source from the maternity allowance.

It is possible to receive the maternity allowance before the estimated delivery date, but they cannot be received for more than half the period to which the mother is entitled. Under certain conditions, the maternity leave may be extended by four weeks at the most. As of 1998, also men who share the maternity leave with their spouses can receive a maternity allowance, provided that the mother has returned to work.

Foreign workers are also entitled to a maternity allowance. However, the 2003 Economy Arrangements Law prescribes that foreign workers staying in Israel without a lawful permit are not entitled to a maternity allowance or to a birth grant.

- **Childbirth allowance** – The allowance is paid to a woman who in a single delivery gave birth to three or more children who survived for a period of time prescribed by law and it is paid every month for 20 months. Its level is derived from the basic amount and it diminishes over the course of the entitlement period.
- **High-risk pregnancy benefit** – This benefit is paid to a working woman, who, for pregnancy-related medical reasons, is forced to stop working for at least 30 days and who receives no payment from her employer or from any other entity in respect

thereof. The qualifying period entitling to this benefit is identical to the period entitling to a maternity allowance. From the beginning of 1995, the benefit level was the average salary of the woman during the three months before she stopped working and no more than 70% of the average wage. In 2000, the law was amended and the maximum amount payable was the full average wage (since 2006 it is the full “basic amount”).

- **Special allowance and special benefit** – These allowances are paid if the mother died during delivery or within one year of the delivery: a monthly allowance is paid for each newborn born during said delivery at a rate of 30% of the average wage for 24 months. If the child is being paid a survivors’ or dependents’ allowance, the allowance is paid for only 12 months. A special benefit is paid to the spouse of the deceased woman if he stopped working in order to care for the child, at a rate of an injury allowance, up to 12 weeks. This allowance is paid in approximately 10 cases every year.

B. Major Trends

In 2013, birth grants were paid to approximately 170 thousand mothers (Table 2) – a rise of 0.3% compared to 2012. Concurrently, the number of women of childbearing age (15–44) rose by 0.6%. Consequently, the number of deliveries per 1,000 women of childbearing age was about 92 in 2013, similar to 2012.

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Some 50,500 of the deliveries in 2013 were first deliveries, 46,500 were second deliveries and 73,000 were third or subsequent deliveries (Table 1). About 3,900 were deliveries of twins and 90 were deliveries of triplets or more.

Of the hospitalization grants that were paid in 2013, 2,657 were paid for premature births, whose number decreased by 56 compared to 2012.

In 2013, about 114 thousand women received maternity allowances compared to 112 thousand women in 2012 – a rise of 2.1%. The number of women of childbearing age participating in the work force rose between the two years by 6.1%. The number of women who received a maternity allowance for every 1,000 married women participating in the work force remained at 129, as it was in 2012.

Table 1
Live Births by Order of Birth (percentages), 2009–2013

Year	Total	First birth	Second birth	Third birth	Fourth and subsequent birth
2009	100.0	29.8	27.1	20.0	23.1
2010	100.0	29.0	27.4	19.9	23.7
2011	100.0	29.6	27.4	19.7	23.3
2012	100.0	29.5	27.1	19.8	23.6
2013	100.0	29.7	27.4	19.7	23.2

Table 2
Women who Received a Birth Grant and a Maternity Allowance
(monthly average) (absolute numbers and percentages), 2009-2013

Year	Received a birth grant		Received a maternity allowance		
	Absolute numbers	Percent change compared to previous year	Total	Percent change compared to previous year	Rate of all women who received a birth grant
2009	157,702	3.5	97,715	4.4	62.5
2010	166,694	5.7	103,318	5.7	62.1
2011	163,402	-1.8	105,740	2.3	64.7
2012	169,166	3.5	112,014	5.9	66.2
2013	169,711	0.3	114,383	2.1	67.4

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The rate of women who received maternity allowances rose slightly in 2013 – from 66% in 2012 to 67% in 2013. The average age of the maternity allowance recipients remained as it was in 2012: 31.5. Some 95% of the women who received maternity allowances were salaried employees and the remainder – 5% – were self-employed, members of a kibbutz or members of a cooperative settlement (moshav).

The distribution of the women by daily level of the maternity allowance indicates that in 2013 approximately one third received a daily maternity allowance not exceeding half the national average wage and a quarter of them – an amount exceeding the national average wage. The rate of women receiving maternity allowances exceeding the average wage declined from 24.9% in 2012 to 23.8% in 2013 and concurrently the proportion of those receiving up to half the average wage increased: from 32% in 2012 to 33.2% in 2013.

In 2013, the average work income of the mothers was NIS 7,193 per month, which constitutes approximately 80% of the national average wage

Since the maternity allowance is at the pre-delivery wage level of the mother, the distribution by maternity allowance level represents the wage distribution of these women. In 2013, the average work income of the mothers was NIS 7,193 per month, which constitutes approximately 80% of the national average wage, compared to NIS 7,227 in 2012 – which constitutes 82% of the average wage.

The amount of the maternity allowance, similar to wages, varies according to demographic and employment characteristics:

- The amount of the maternity allowance rises as the woman's age rises. The average maternity allowance in 2013 was NIS 241 per day, which constitutes approximately 80% of the average wage. Women up to the age of 24 received a maternity allowance at a rate of approximately 46% of the national average daily wage, while those aged 35 and older received an allowance at a rate exceeding the national average wage (106% thereof).
- The maternity allowances paid in communities in central Israel were higher than those paid in the outlying areas. The average amount per day was highest in the Tel

Table 3
Maternity Allowance Recipients by Daily Level of Maternity Allowance as a Percentage of the Average Daily Wage (absolute numbers and percentages), 2009-2013

Year	Total recipients (numbers)	Up to 1/4 of the average wage	1/4 – 1/2 of the average wage	1/2 – 3/4 of the average wage	3/4 to the full average wage	Higher than the average wage
2009	97,715	7.1	23.8	27.3	19.2	24.6
2010	103,318	7.7	24.7	26.6	16.9	24.1
2011	105,740	7.4	24.8	26.4	16.9	24.5
2012	112,014	7.4	24.5	26.1	17.1	24.9
2013	114,383	8.2	25.0	26.0	17.0	23.8

Aviv, Kfar Saba and Ramat Gan local NII branches (114%, 112% and 110% of the national average wage, respectively), whereas it was lowest in Bnei Brak and in Nazareth (61% and 59% of the national average wage, respectively).

In 2013, the number of men who received maternity allowances rose from 425 in 2012 to 447 in 2013, i.e. a ratio of four men to 1,000 women. Between 2009 and 2013 there was a consistent rise in the number of men who received maternity allowances, from 285 to 447.

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D. Volume of Payments

In 2013, the volume of benefit payments by the Maternity branch increased by 5.5% (in fixed prices) compared with 2012 (Table 4). Hospitalization grant and maternity allowance payments constituted approximately 93% thereof. The rise in total payments is mainly a result of an increase in the number of births and a sharp rise in the daily hospitalization rates at hospitals. In 2013, the hospitalization amount rose by a cumulative rate of 14%. The proportion of the branch payments out of all NII payments rose from 8.4% in 2012 to 8.7% in 2013 and it has been on an upward trend since 2006 (excluding 2011).

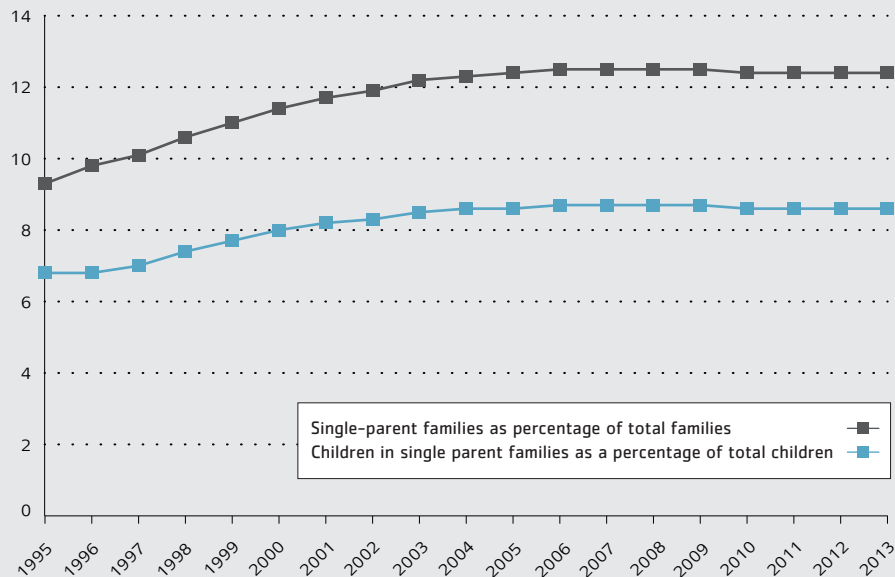
Table 4
Maternity Benefit Payments (2013 prices, NIS thousand), 2009-2013

Year	Total benefit payments	Hospitalization	Birth grant	Maternity allowance	High risk pregnancy
2009	4,714,621	1,956,298	179,951	2,410,082	150,793
2010	5,039,281	2,171,308	188,269	2,502,585	159,778
2011	5,200,708	2,220,288	186,109	2,609,663	164,965
2012	5,565,249	2,383,016	192,594	2,792,769	181,249
2013	5,869,242	2,509,461	193,735	2,957,989	192,982

Single-Parent Families

Up to 2010, the single-parent family population in Israel expanded beyond the rate of growth of total families with children and since then their rates have noticeably stabilized (see graph below). In 1995, single-parent families constituted 9.3% of the total families with children, in 2009 – 12.5% and since then their proportion out of total families with children has been 12.4%. The proportion of children in these families increased as well, although at a more moderate rate: from 6.8% in 1995 to 8.6% in 2013.

The Proportion of Single-Parent Families out of all Families with Children and the Proportion of their Children out of all Children, 1995-2013



Between the years 1995 to 2013, the number of single parent families has doubled: from 76,200 to 136,708. Concurrently, the percentage headed by single women rose steadily, from 15.4% in 1998 to 24.4% in 2013. During these years, a consistent decline has been observed in the number of men heading these families: from 5% in 1998 to 3% in 2013. Therefore, the overwhelming majority of the single-parent families (97%) are headed by women.

The mothers of single-parent families are the eldest of all mothers: only 20% of them are younger than 34, compared to 39% of the mothers in two-parent families. Approximately 36% of them are aged 44 and over, compared to 22% in two-parent families and their average age is 42, compared to 38 among married mothers.

There are a small number of children in single-parent families. In more than half of them, 55%, there is one child, compared to 31% in two-parent families and only approximately 15% have three or more children, compared to 38% in two-parent families. Their average number of children is 1.7 compared to 2.4 in two-parent families.

Jewish families constitute 92% of total single-parent families, compared to 84% – their proportion of the total population – and non-Jewish families constitute 8% of single-parent families, compared to 16% – their proportion of the total population. These differences are explained by the more traditional structure of the non-Jewish society.

Employment and Economic Characteristics

In the years following the enactment of the Single-Parent Family Law (1992), an upward trend had been observed in the rate of single-parent families entitled to receive subsistence benefits from NII. Since 2001, when the entitlement conditions for receiving subsistence benefits were made more stringent, the trend has reversed and the rate of these families has been on a downward trend. Thus, in 2000, 53% of all single parent families received subsistence benefits from NII and in 2013 their rate declined to about half that: 26%.

When differentiating by nationality, the number of non-Jewish families who received subsistence allowances during the surveyed years rose steadily, i.e. the same trend reversal that was found among all single-parent families was not found. The rate of benefit entitled persons among the single-parent Arab families reached 60% in 2013, compared to 26% among the Jewish families. These differences lie in the differences in the work force participation rates between Jewish women and Arab women.

An examination of the employment trends indicates that the employment rate of single parent mothers is increasing over the years, in the same way as married mothers, although the employment rates among them are much higher. In 1998, 68% of the single parents were employed, compared to 53% of the married parents and in 2011, these rates reached approximately 80% and 61%, respectively.

As expected, the rate of working women among the single parents who receive a benefit from NII was lower than the rate of single parents who do not receive a benefit. However, their rate is similar to that of married women.

