

## Benefits

Maternity insurance came into effect on April 1, 1954, and was one of the first five insurance divisions to be covered by National Insurance Law, which grants various benefits paid to the mother, as well as a hospitalization grant paid to the hospital.

### Hospitalization Grant

The grant is intended to finance birth and hospitalization expenses for the mother and the newborn: it is paid directly to the hospital. Since December 1993, a higher rate is paid for premature births. During the first two years after the National Health Insurance Law came into effect (in January 1995) the hospitalization mothers and of newborns, including premature newborns, was included in the basket of health services basket provided by the law, and was financed by the National Insurance Institute (NII) from funds collected for the Maternity Division. Since January 1997, the hospitalization grant has once again been paid directly to hospitals. When a birth takes place abroad, the grant is paid directly to the mother following submission of a claim. Since 2016, hospitalization grants have been financed from the budget of the Ministry of Finance, but the NII remains nonetheless the body making payments to hospitals.

The grant amount changes as follows:

- In January of each year, the amount is revised based on a formula defined by law, according to which the total payment for regular births and addition for premature ones shall be equal to the total that would have been paid if there were no difference in the grant amount between regular and premature births.
- Whenever the Ministry of Health changes the cost of a general hospitalization day, the grant amount changes at the same rate.
- In accordance with the government's decision within the framework of the Economic Arrangements Law.

### Expenses of Transportation to Hospital

Every woman giving birth is entitled to transportation to the hospital nearest to her place of residence.

## **Birth Grant**

The birth grant is intended for purchase of initial supplies for the newborn, and is paid directly to the mother. Foreign workers living in Israel with a legal permit are also entitled to a birth grant.

## **Maternity Allowance**

The maternity allowance is intended to compensate working mothers for the loss of salary during maternity leave that is taken in accordance with Women's Employment Law. Working mothers – whether salaried, self-employed or undergoing vocational training – for whom insurance contributions were paid for the periods of time prescribed in the Law (**qualifying period**), preceding the birth, is entitled to a maternity allowance. It is paid for 7 or 14 weeks, depending on the qualifying period accrued by the mother. Foreign workers living in Israel legally are also entitled to maternity allowance.

It is possible to begin receiving the maternity allowance before the estimated date of birth, but not for more than half the entitled period. Under certain circumstances, the maternity leave can be extended by a maximum of four weeks. Since 1998, men who share the maternity leave with their spouses are also entitled to a maternity allowance, on condition that the wife has returned to work. Income tax at source, and national and health insurance contributions are deducted from the maternity allowance.

## **Childbirth Allowance**

A childbirth allowance is paid monthly for 20 months to a mother who has given birth to three or more children at the same time, all of whom survived the period of time prescribed in the Law. The allowance rate is derived from the basic amount, and it is progressively reduced throughout the period of eligibility.

## **Risk Pregnancy Benefit**

The risk pregnancy benefit is paid to a working woman who, for medical reasons connected with the pregnancy, is forced to stop working for at least 30 days and does not receive payment for these days from her employer or any other entity. The qualifying period for this benefit is identical to the period for the maternity allowance and the benefit amount can reach the full basic amount.

## **Special Pension and Special Benefit**

A special pension and a special benefit are paid if the mother died at during birth or within a year of the birth. The pension is paid every month for 24 months for each newborn born in that birth, at the rate of 30% of the average wage. If a survivors or dependents pension is paid to the child, the benefit is paid for 12 months only. A special

benefit is paid to the deceased's spouse if he stopped working to take care of the baby. The benefit amount is the same as that of the maternity allowance and it is paid for 14 weeks. These pensions are paid in about ten cases per year.

## Legislative Changes

### Hospitalization Grant

Since 2016, hospitalization grants have been financed from the budget of the Ministry of Finance, but the NII remains nonetheless the body making payments to hospitals.

### Hospital Transportation Expenses

Since 2008, every woman giving birth is entitled to transportation to the hospital nearest to her place of residence. Beforehand she was only entitled to hospital transportation if she lived far from it.

### Birth Grant

Until 2002, the birth grant was uniform and independent of the number of previous births – 20% of the average wage by law. In 2003, the amount changed from the second child onwards, at 6% of the average wage. In 2004, the amount was increased for the second child only to 9% of the average wage. When two or more children are born in one birth, the birth grant is higher: for twins – an amount equal to the average wage, and for each additional child – another 50% of the average wage. Since 2006, the birth grant amount is calculated according to the basic amount.

### Maternity Allowance

Until 2007, maternity allowance was paid for 6 or 12 weeks, according to the qualifying period accrued by the mother. In June 2007, the law was amended, and since then the maternity allowance is paid for 7 or 14 weeks. Since 1998, men who share the maternity leave with their spouses are entitled to the maternity allowance, on condition that the woman has returned to work. As of 1994, the maternity allowance amounts to the full salary or the average daily income earned by the mother in the three months prior to stopping work (upon birth or beforehand), and not more than the maximum amount mandated by law.

## Risk Pregnancy Benefit

Until November 1995, the risk pregnancy benefits were paid at a maximum rate of 25% of the average wage (referred to as “wage by law”); since then, the maximum rate was increased and determined as equal to the woman’s average salary in the three months preceding cessation of work, and not more than 70% of the average wage. In 2000, the Law was amended and the maximum amount payable was changed to the full average wage, and as of 2006, it is the full basic amount.

## Main Trends

### Birth Grant, Hospitalization Grant and Supplement for Premature Birth

In 2016, birth grants were paid to approximately 179 thousand mothers – an increase of 1.5% from 2015 (Table 1). The number of women of childbearing age (15–44) rose by 1.3% from 2015, so that the number of births per 1,000 women of childbearing age increased from 93 to 94 from year to year. Approximately 53 thousand births in 2016 were first births, approximately 49 thousand second births and approximately 78 thousand were third births or more (Table 2). Approximately 4,000 were twin births, and about 90 were births of triplets or more. A supplement for premature birth was paid in 2,759 cases – 132 fewer than last year.

### Maternity Allowance

In 2016, approximately 126 thousand women received a maternity allowance in comparison with approximately 124 thousand in 2015 – an increase of 2.0%. The pace

Table 1

Women Who Received Birth Grants and Maternity Allowances  
(Monthly Average, Absolute Numbers and Percentages), 2012-2016

Year	Received Birth Grant		Received Maternity Allowance		
	Total (Absolute Numbers)	Change From Previous Year (%)	Total (Absolute Numbers)	Change From Previous Year (%)	Percentage Of All Birth Grant Recipients (%)
2012	169,166	3.5	112,014	5.9	66.2
2013	169,711	0.3	114,383	2.1	67.4
2014	173,211	2.1	120,353	5.2	69.5
2015	177,117	2.3	123,827	2.9	69.9
2016	179,121	1.1	126,266	2.0	70.5

Table 2  
Live Births by Order(Percentages), 2012-2016

Year	Total	First Birth	Second Birth	Third Birth	Fourth Or More Births
2012	100.0	29.5	27.1	19.8	23.6
2013	100.0	29.7	27.4	19.7	23.2
2014	100.0	30.1	27.2	19.5	23.2
2015	100.0	30.1	27.1	19.5	23.3
2016	100.0	29.6	27.2	19.5	23.7

Table 3  
Women Receiving Maternity Allowances, by Amount of Maternity per Day, as a Percentage of Average Daily Wage (Absolute Numbers and Percentages), 2012-2016

Year	Total (Absolute 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 Full Average Wage (%)	More Than Average Wage (%)
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
2014	120,353	8.5	25.2	26.0	16.9	23.4
2015	123,827	8.6	25.3	26.2	16.9	23.0
2016	126,266	8.1	24.9	26.9	17.1	23.0

of the rise in the percentage of maternity allowance recipients among all the birth grant recipients decreased slightly in 2016, however it still shows an upward trend and reaches approximately 71% (Table 1). The average age of women giving birth remained unchanged from year to year – 31.6. Approximately 95% of the women receiving maternity allowance were salaried workers, while the rest – 5% – were self-employed, kibbutz or cooperative settlement members.

The distribution of women by amount of maternity allowance in comparison with the average wage remains similar over time and indicates that in 2016 about a third of the women received an daily amount that did not exceed half of the average wage per day, and about one quarter received an allowance exceeding the average wage (Table 3). The percentage of women receiving payment higher than the average wage remained unchanged – 23.0%, and the share of those receiving up to half the average wage decreased slightly – from 33.9% to 33.0%.

Since the maternity allowance is the same as the mother's wage prior to birth, distribution by maternity allowance amount represents the wage distribution for these women. In 2016, the average wage among new mothers was NIS 7,566 per month, which is approximately 79% of the average wage – as in 2015.

As with wages, the amount of maternity allowance varies according to demographic and employment characteristics:

- The amount increases with the woman's age: in 2016, women up to age 24 received maternity allowances at a rate of approximately 46% of the average daily wage, while those aged 35 or older received allowances at 100% or more of the average wage. The average was 79% of the average wage (NIS 252 in 2016).
- Payments in the periphery were lower than those in the center of the country: in the Tel Aviv, Kfar Saba and Ramat Gan branches the average amounts per day were the highest (121%, 111% and 107% of the average wage respectively), while in Bnei Brak and Nazareth they were the lowest (63% and 59% respectively).

The number of men receiving maternity allowances increased slightly – from 494 in 2015 to 520 in 2016, meaning a ratio of four men per 1,000 women. Between 2012 and 2016 their number rose consistently – from 425 to 520.

## Scope of Payments

In 2016, the scope of benefit payments in the Maternity Division increased by 4.0% at fixed prices in comparison with 2015 – an increase that is mainly the result of a growth in the number of births. Maternity allowance payments constitute a share of approximately 51% of overall payments in the Division (Table 4). The share of the Division's payments within all NII payments is 9.0% – as in 2015.

Table 4  
Maternity Benefit Payments (Thousands of NIS, 2016 Prices), 2012-2016

Year	Total	Hospitalization Grant	Birth Grant	Maternity Allowance	Risk Pregnancy Benefit
2012	5,526,093	2,366,250	191,238	2,773,119	179,974
2013	5,827,946	2,491,805	192,372	2,937,177	191,624
2014	6,188,999	2,676,020	200,182	3,090,794	205,329
2015	6,510,776	2,794,343	205,501	3,265,958	230,637
2016	6,772,163	2,867,883	206,808	3,427,312	253,535