# 9. Vocational Rehabilitation

#### A. General

The Vocational Rehabilitation Department helps eligible persons who have lost their jobs, or eligible persons who have no work experience, find work that is commensurate with their professional skills or their innate abilities by giving them vocational training and job placement services. These services are delivered by rehabilitation clerks who provide evaluation and counseling and accompany the recipient throughout the entire rehabilitation process.

The main services provided by the Vocational Rehabilitation Department are inkind benefits, including: evaluation, guidance and counseling in choosing a profession, pretraining and vocational training, completion of schooling and higher education studies and job placement assistance for those having difficulties finding work. In addition, participants are eligible for funding of the expenses associated with the rehabilitation process. Inter alia, they are eligible for funding of the vocational evaluation and their studies, a rehabilitation allowance and transportation expenses relating to the training process.

The population that the department deals with is divided into three groups<sup>1</sup>: new applicants for vocational rehabilitation, those in the midst of the rehabilitation process and those who have completed their rehabilitation program. Considerable efforts are invested in identifying the people most suited to rehabilitation from among those eligible, so that the percentage of those finding work at the end of the process will be as high as possible.

In addition to vocational rehabilitation, the Vocational Rehabilitation Department provides expert opinions to the Benefits Administration branches on various matters, such as determining the level of a disabled person's earning capacity and the screening of benefit recipients. The branch also helps work-injured and those injured in hostile actions access all the financial benefits for which they are eligible. The rehabilitation employees, who are all social workers, also assist widows and other victims of hostile actions during crisis periods.<sup>2</sup>

#### B. Those eligible for vocational rehabilitation services<sup>3</sup>

**General disabled persons** – a resident of Israel who suffered a physical, mental and/ or emotional impairment, provided that he fulfills one of the following criteria: (1) he has been certified as having a medical disability degree of at least 20%; (2) he is unable

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<sup>1</sup> A rehabilitation participant can, in a given year, belong to more than one group.

<sup>2</sup> Handling of victims of hostile actions includes therapeutic support and accompaniment throughout the victim's lifetime.

<sup>3</sup> In addition to what is detailed here, eligibility for vocational rehab is conditioned on the claimant being below retirement age.

to work in his previous occupation or in other suitable work, due to his impairments; (3) as a result of his impairments, he needs and is suited for vocational training and other rehabilitation services that will enable him to return to his previous occupation or other suitable work. The spouse of a disabled person who cannot be rehabilitated due to his/her impairments and who regularly resides him/her is also eligible for vocational rehabilitation.

**Work-injured persons**<sup>4</sup> – anyone injured at work with a certified medical disability degree of at least 10%, who, as a result of this injury, is incapable of engaging in his previous occupation or in other suitable work, or who needs special vocational training so that he will be capable of returning to his previous occupation. The NII may approve vocational rehabilitation for a work-injured person with a disability degree of under 10% in instances when it has determined that, if he continues to work at his previous job, he is liable to seriously jeopardize his health or safety (occupational illness).

A widow/widower whose spouse suffered a work-related injury and subsequently died is also eligible for vocational rehabilitation.

Widows/widowers – a widow/widower, as defined in the law, who is receiving a benefit and who fulfills one of the following criteria: (a) he/she has no profession or cannot earn a sufficient living in his/her profession (b) he/she cannot continue to work at the previous workplace due to being widowed; (c) a rehabilitation professional has determined that the widow/widower is suitable for vocational training/retraining, subject to his/her medical condition and education.

**Victims of hostile actions** – anyone who was injured during a hostile action,<sup>5</sup> provided that his certified degree of medical disability is at least 20%<sup>6</sup> who, as a result of this injury, is incapable of engaging in his/her previous occupation or in other suitable work, or who needs special vocational training so that he/she will be capable of returning to his/her previous job. Bereaved family members, as defined in the law (widow/widower, orphan and bereaved parents) whose family member died as a result of a hostile action, are also eligible for vocational rehabilitation.

In 2011, the NII's Vocational Rehabilitation Department handled 27,301 separate inquiries received from 24,542 different people

#### C. People applying to the vocational rehabilitation department

In 2011, the NII's Vocational Rehabilitation Department handled 27,301 separate inquiries received from 24,542 different people. For the second year running, the department did

<sup>4</sup> A work-related injury is a work accident that occurred during and as a result of work, including an accident that occurred en route to or from work and an occupational illness, pursuant to the list of occupational illnesses defined in the Work Injury Regulations.

<sup>5</sup> A victim of a hostile action is anyone injured by an action of military forces, paramilitary forces or irregular military forces of a country or organization that is hostile towards Israel, or during an action committed on the order of or on behalf of any country or organization, directed against Israel.

<sup>6</sup> A victim of a hostile action who was wounded prior to 1996 is eligible for vocational rehabilitation if his/her certified degree of disability is at least 10%.

#### Table 1

# Inquiries to the Rehabilitation Department, by Insurance Branch and Purpose of Inquiry (absolute numbers and percentages), 2011

	Total	inquiries		Branch					
	Absolute numbers	Percentages	General disability	Work injury	Survivors	Hostile action casualties	Total applicants		
Total number	27,301		24,633	1,682	490	496			
of inquiries			90%	6%	2%	2%			
Vocational rehabilitation	7,920	100%	80%	13%	6%	1%	7,829		
Opinion as to earning capacity	18,300	100%	100%	*	•	•	15,666		
Maximizing financial benefits	1,021	100%	•	63%	0%	37%	990		
Help during crises	60	100%	• • • •	•	57%	43%	57		
Total persons inquiring	-		21,929	1,641	482	490	24,542		

#### Table 2

# Applicants for Vocational Rehabilitation and First-Time Applicants by Gender and Age (absolute numbers and percentages), 2011

			G	ender/Numb	er of application			
	Te	otal	Ν	Aen	Women			
	Absolute numbers	Percentages		Thereof: first application	Total	Thereof: first application		
Total	7,829	100%	4,452	52%	3,377	56%		
18-29	2,526	32%	1,439	61%	1,087	58%		
30-39	1,727	22%	988	51%	739	50%		
40-49	1,674	21%	888	49%	786	55%		
50-59	1,526	19%	842	45%	684	60%		
60+	376	5%	295	47%	81	56%		

an initial mapping of the people contacting the department, to differentiate between those contacting the department to receive information and those actually applying for vocational rehabilitation. As a result, the number of those applying for vocational rehabilitation continued (ostensibly) to decrease, dropping by 25% compared to 2010, for a total drop of 40% applying for vocational rehabilitation over the past two years. During the past year 7,829 people came for vocational rehabilitation, with the rest coming for an expert opinion, professional counseling or for help to maximize their financial benefits. Most of those who applied to the department for help more than once during the year came to receive a professional opinion regarding their earning capacity.

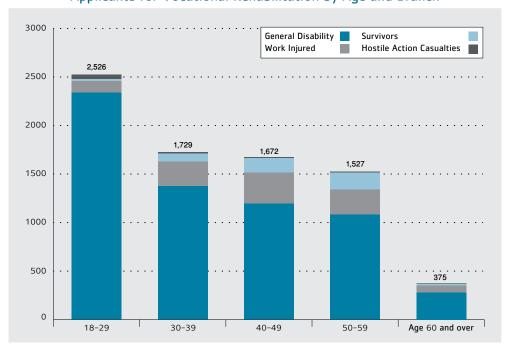
The majority of those who apply for rehabilitation, whether vocational or otherwise, belong to the General Disability insurance branch

Around a third of those applying are people in their 20s, who have the highest potential for rehabilitation Table 1 presents the distribution of the number of inquiries regarding rehabilitation in 2011. This year too, as is the case every year, the majority of those who apply for rehabilitation, whether vocational or otherwise, belong to the General Disability insurance branch (approximately 90% of all inquiries and 88% of all people applying for vocational rehabilitation).

An examination found that 63% of those applying for rehabilitation are eligible for a monthly benefit from one of the benefit branches of the National Insurance Institute.

Table 2 presents the distribution of persons applying for vocational rehabilitation by age and gender, and the number of times they have applied. As it shows, around a third of those applying are people in their 20s, who have the highest potential for rehabilitation because they generally do not have any higher education, their capacity for learning is greater and there is a greater demand from them in the labor market. This table also shows that for 54% of those applying for vocational rehabilitation, it was their first application for help from the Rehabilitation Department.

Graph 1 shows the segmentation of those applying for rehabilitation at different ages in accordance with the branch they are affiliated with. As expected, most of those applying at younger ages belong to the General Disability branch, since most are people disabled from birth who are applying for rehabilitation, utilizing their right to do so upon reaching age 18, while a few are victims of hostile actions or orphans in bereaved families.



## Graph 1 Applicants for Vocational Rehabilitation by Age and Branch

			Medical Disability Level						
Primary Disability	Total		None*	1-19	20-39	40-59	60-79	80-100	
Total	7,829		561	443	1,510	3,024	1,350	941	
		100%	100%	100%	100%	100%	100%	100%	
Emotional or developmentally									
disabled	1,996	26%		5%	18%	45%	21%	6%	
Internal	1,638	21%		3%	21%	22%	28%	29%	
Urogenital	229	3%		0%	3%	2%	4%	7%	
Neurological	954	12%		7%	13%	9%	16%	24%	
Locomotion	1,600	21%		80%	32%	15%	16%	11%	
Sight	335	4%		1%	3%	2%	4%	18%	
Hearing	295	4%		2%	4%	2%	9%	5%	
Other	782	10%	100%	2%	7%	2%	2%	1%	

# Table 3Applicants for Vocational Rehabilitation,by Primary Disability and Medical Disability Level, 2011

<sup>6</sup> Eligibility for rehabilitation for hostile action victims or survivors is not necessarily linked to the client's medical condition.

At later ages, the proportion of work injured and widowed grows. These data explain the difference between the median ages of those applying for rehabilitation: The median age of those applying from the Hostile Actions branch is 29, General Disability – 36, Work Injury – 44 and Survivors – 48.

Table 3 shows the applicants for vocational rehabilitation in accordance with their primary disability<sup>7</sup> and the level of medical disability that has been determined for them. As can be seen, 40% of the applicants have been assigned a 40-59 percent disability rating. This is no surprise, since this population has the greatest potential for rehabilitation; those with lower medical disability profiles are more independent and able to find work on their own, while as the medical disability level rises, the chance of finding work in the free market drops.

One can also see that among those with a low medical disability profile (1%-19%) the portion of those having mobility problems stands out. As the disability rating goes up, the proportion of people with those problems goes down, while the proportion of those with internal and neurological problems goes up, similar to the proportions of those getting disability benefits.

#### D. Participants in vocational rehabilitation

As stated above, the primary objective of the Vocational Rehabilitation Department is to help participants integrate in the labor market. Participants include are those who began

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<sup>7</sup> Primary disability is defined as the disability conferring the highest medical profile among the person's disabilities.

a rehabilitation program this year and those who began vocational rehabilitation in the past but have not yet completed their program. The rehabilitation process is comprised of a few stages during which the applicant's capacity for rehabilitation is evaluated and a program is tailored for the applicant that will provide an optimal response to the applicant's needs, desires and capabilities, pursuant to the opinions of the department professionals. The major stages in the vocational rehabilitation process are as follows:

- Occupational evaluation During this initial stage, the participant's occupational qualifications are evaluated, and the participant receives counseling and guidance by department professionals, evaluation institutes or vocational rehabilitation centers. The evaluation is performed in accordance with the disabled person's capabilities and the judgment of the rehabilitation professional.
- Pre-training stage depends upon the occupational evaluation, and as a preparatory stage to integration in a training program or in employment. At this stage, the participants are placed in programs, such as: courses at rehabilitation centers imparting work habits, self-empowerment training and programs to fill educational gaps (highschool matriculation, psychometric exams, college preparatory courses, etc.).
- Vocational training training provided to participants who possess occupational qualifications suitable for an educational framework. This stage includes studies at institutions of higher education (colleges and universities), practical engineering schools, vocational courses (such as technician training, secretarial courses, bookkeeping and cooking), through which the participants acquire a profession enabling them to integrate in the labor market.

# Table 4 Vocational Rehabilitation Programs and Participants, by Type of Program and Insurance Branch (absolute numbers and percentages), 2011

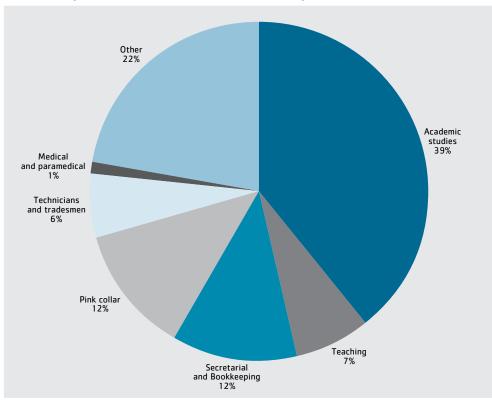
			Branch					
Type of program	Total pro	Total programs d		Work injury	Survivors	Hostile actions		
Total	50,044		33,491	6,776	2,437	7,340		
Evaluation	29,989	100%	69%	15%	5%	11%		
Pre-training	3,617	100%	77%	13%	7%	4%		
Professional training	8,177	100%	79%	10%	6%	4%		
Job placement	3,682	100%	81%	12%	6%	1%		
Referral to sheltered workshops	331	100%	96%	3%	0%	1%		
Referral to community service	156	100%	96%	1%	2%	1%		
Help with utilizing rights	4,092	100%	0%	16%	1%	83%		
Total participants	24,740		16,288	3,667	1,140	3,645		

• Job placement – During this stage, the department staff assist those participants who have a profession and/or who have completed their vocational training to find work compatible with their capabilities and training, and assist and monitor their assimilation in the workplace.

Table 4 shows the different rehabilitation programs according to the type of program and the branch to which the client belongs, alongside the number of clients who participated in them. One can see that in 2011 some 25,000 clients were referred to about 50,000 different rehabilitation programs, meaning that on average, each client participated this year in two rehabilitation programs, at least one of which was an evaluation. As can be seen, 65% of the clients belong to the General Disability branch. Aside from the area of helping people utilize their rights, work with the generally disabled constitutes some 80% of the department's activity.

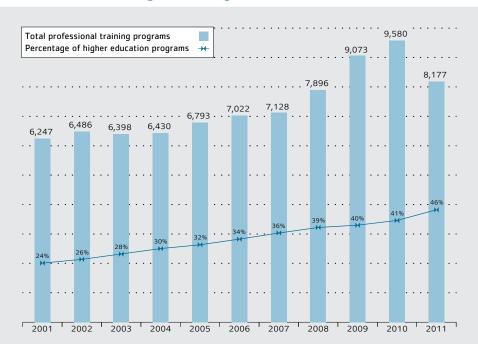
Many economic studies have proven a positive correlation between the number of years of education a person acquires and his income; academic studies are the most efficient

In 2011 some 25,000 clients were referred to about 50,000 different rehabilitation programs, meaning that on average, each client participated in two rehabilitation programs



Graph 2 Participants in Vocational Rehabilitation, by Vocation Studied<sup>8</sup>, 2011

<sup>8</sup> The "pink collar" category includes such work as cosmetology, cooking, sewing, etc, and the "other" category includes such jobs as car insurance assessors, veterinary aide, etc.



Graph 3 Programs for Vocational Education and Percentage of Higher Education Programs Among Them, 2001-2011

46% of participants who underwent vocational training this year were referred to academic studies tool for integrating into the workforce and moving from welfare to work. Thus it should be no surprise to learn, as we see from Graph 2, that 46% of participants who underwent vocational training this year were referred to academic studies (including those studying to be teachers). On the other hand, only a few people were trained for heavy physical work (agriculture, physical labor, etc.) because of the physical effort needed for such work and because of the drop in demand for such workers today.

Another interesting development is the increasing number of participants who are pursuing academic studies. Israel is one of the leaders in the west its percentage of college graduates, and this phenomenon has not passed over those who participate in vocational rehabilitation programs. As can be seen in Graph 3, the percentage of higher education programs has doubled since the turn of the century, and today they constitute nearly 50% of all the vocational education programs.

#### E. Participants who completed vocational rehabilitation

The vocational rehabilitation process is of varying duration, and is influenced by many factors, from the medical condition of the participant through the type of training he receives and the number of stages he participates in. Therefore, sometimes rehabilitation can take more than three years (for example, when the participant is studying in a college

#### Table 5

Participants who Comp	leted Vocational Rehabilitation, by Outcome
and Insurance Branch	(absolute numbers and percentages), 2011

	Total		Insurance branch			
Program completion/ outcome	Absolute numbers	Percentages	General disability	Work injury	Survivors	Hostile actions
Total	7,672		5,109	1,153	481	929
		100%	100%	100%	100%	100%
Employed in free market	4,081	53%	57%	61%	69%	13%
Employed in sheltered workshop	142	2%	3%	0%	0%	0%
Completed vocational training	683	9%	11%	6%	14%	2%
Completed pretraining	850	11%	14%	8%	10%	2%
Completed counseling or professional opinion	273	4%	5%	0%	0%	0%
Completed welfare assistance	1,643	21%	11%	25%	7%	83%

# Table 6

# Completion of Rehabilitation Programs by Outcome and Age Group (absolute numbers and percentages), 2011

			Age group					
Stage of completion	Total		29-18	39-30	49-40	59-50	60 +	
Total Absolute numbers	7,672		2,173	1,745	1,611	1,470	673	
Percentages		100%	28%	23%	21%	19%	9%	
Employed in free market	4,081	100%	28%	25%	23%	19%	5%	
Employed in sheltered workshop	142	100%	18%	25%	19%	24%	14%	
Completed vocational training	683	100%	31%	23%	22%	19%	4%	
Completed pretraining	850	100%	36%	22%	19%	18%	5%	
Completed counseling or professional opinion	273	100%	35%	16%	19%	23%	8%	
Completed welfare assistance	1,643	100%	25%	18%	17%	18%	23%	

preparatory program and then goes on for an academic degree and then needs job placement assistance, or in cases that a client cannot take a full schedule of classes due to his medical condition).

Those who completed a rehabilitation program in 2011 needed an average of two years and three months to finish. However, there are significant differences among

the clients from different branches and who have different medical disability profiles: While a participant from the Work Injury branch finished a program in an average of 15 months, a participant from the General Disability branch finished in just over two years on average, while the average for a participant from the Survivors branch was about a year and eight months. The differences stem from the different work habits and degree of independence generally exhibited by those from the Work Injured Branch compared to those from the General Disability and Survivors branches.

As might be expected, the participant's medical condition greatly influenced the time spent in a rehabilitation framework: For those whose medical disability was more than 80% the process took 60% longer compared to those whose medical disability degree was less than 20%. This was true both for the disabled from the General Disability branch and the Work Injury branch.

Some 53% of the participants who completed a vocational rehabilitation program (not including those whose treatment was stopped) found work

The younger the participant is, the greater the chances of his integrating into the work force, given the current demand for workers in the labor market Table 5 presents the distribution of participants who completed rehabilitation programs in 2011, by program completion and outcome. The success of a vocational rehabilitation program depends on the motivation of the applicants for vocational rehabilitation. Integration in the labor market is impossible if the participant is not interested in working. Still, some 53% of the participants who completed a vocational rehabilitation program (not including those whose treatment was stopped) found work, while another 9% have completed their training program and are expected to find work next year.

An examination of the ages of those who completed a rehabilitation program in 2011 compared to the outcome is presented in Table 6. There is no doubt that the age of new participants (as presented in Table 2) has an influence on the percentage of those completing rehabilitation programs in every age group. Using the data in the table, one can state that the younger the participant is, the greater the chances of his integrating into the work force, given the current demand for workers in the labor market.

#### Measuring the Activities of the Rehabilitation Branch

In a study of the effectiveness of the NII's Vocational Rehabilitation Department in helping the population groups in their care join the labor force. two measures were used:

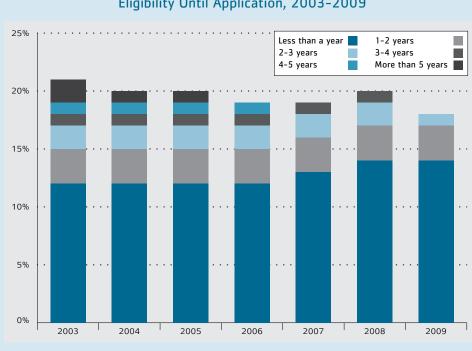
- The annual share of those applying for vocational rehabilitation from among all those who began receiving benefits from the NII, and the length of time from when they began receiving benefits until they applied for rehabilitation. This measure is meant to gauge the extent of exposure of benefit recipients to what rights are available from the Rehabilitation Department and the degree to which they take up these rights.
- The share of those who find a job after completing a vocational rehabilitation program out of all those who complete such a program, and the length of time between completion of the program and the beginning of the job. It was decided to

examine only those who had participated in at least one of the following programs: preparatory training, vocational training, job placement or referral to sheltered employment.

To obtain an overall picture – not merely one that is updated to a certain point in time – the trends over the years were examined. It should be noted that the NII receives detailed information about a person's employment status only about 18 months from the end of the tax year,<sup>1</sup> so that at the time of this writing, information is available only up to and including 2009. Moreover, current data regarding new recipients of disability or work injury benefits are only available from 2003. As a result, the study was carried out for the range of those years.<sup>2</sup>

#### The share of those applying for rehabilitation

Most new applications for rehabilitation are submitted by the candidate himself; the Rehabilitation Department's outlook is that the person himself needs to be motivated



Graph 1 The Share of New Disability Pension Recipients Who Applied for Rehabilitation, by Year of Eligibility and Length of Time From Date of Eligibility Until Application, 2003-2009

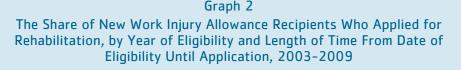
1 Data on employment and income are produced by the Tax Authority and are based on the income reported by all workers, both employed and self-employed.

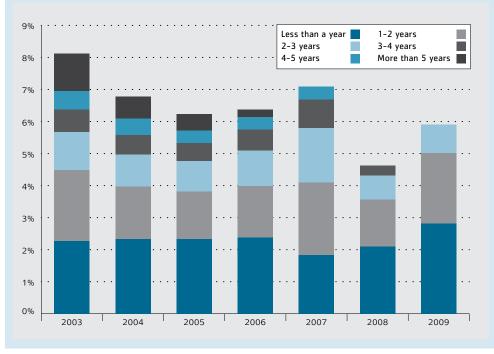
2 In Section 2, in which it was not necessary to relate to the disability system, data were examined from the start of the decade.

to succeed in this process and there is no point in trying to force someone into it if he isn't interested. Still, in the framework of various projects, the Department may initiate contact with groups of potential candidates for rehabilitation, with the aim of exposing additional people to what is available.

Many studies prove that the length of time that one is out of the workforce has a great influence of the chances of returning to work: the less time the person is not working, the more likely he is to find another job. There is thus great significance to the amount of time that passes from the day that beneficiary starts receiving a benefit to the day that his application for rehabilitation is approved.

Graph 1 below presents the share of those applying for rehabilitation from out of all those who began receiving a general disability pension between 2003-2009, by year of eligibility and by the length of time that passed until the application. As can be seen, some 20% of the disabled who began receiving a general disability pension during these years applied for vocational rehabilitation, most of them during the first year they were eligible for a pension. Similarly, one can discern a steady increase over these years in the share of those applying for rehabilitation within a year.

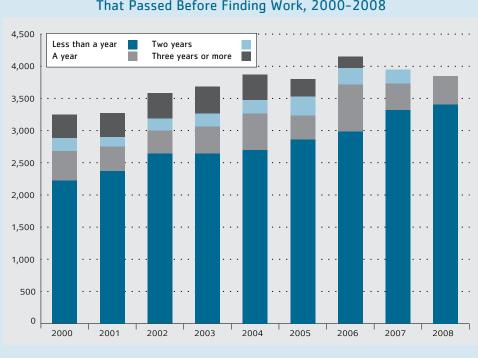




In Graph 2 we see the distribution of rehabilitation applicants from among those receiving a work injury allowance, by year of eligibility and length of time until they applied. What stands out most is the relatively low share of rehabilitation compared to those receiving a general disability pension – only 7.5% of new work injury allowance recipients, on average, apply for rehabilitation each year. One may surmise that this is a result of differences in work habits and the measure of independence among the work-injured disabled as compared to the general disabled.

#### Rehabilitation program graduates who joined the workforce

As noted, a significant objective of the Rehabilitation Department is to help rehabilitants find appropriate work that he will be able to stay with for the long run. Successful job placement in this context is the placement of a rehabilitant who completed a rehabilitation program, found a job within two years of completing the program and stays at this job over time. Six months is a widely accepted average for the length of time it takes to find work, though during economic slowdowns<sup>3</sup> it may well take longer.



#### Graph 3 Graduates of Work Preparatory Programs, by Year of Completion and Time That Passed Before Finding Work, 2000–2008

3 During the last decade the economy experienced two waves of recession (in 2002 and in 2008), which undermined orderly economic activity and led, inter alia, to rises in the unemployment rate.

in 2000-2008, by Branch and Last Program									
		Total							
Programs		Absolute numbers	%	General disability	Work injury	Survivors	Hostile action casualties		
Total		33,388		26,153	4,141	2,202	892		
			100%	100%	100%	100%	100%		
Preparatory	Total	4,823	14%	15%	13%	13%	22%		
training	Completing education	1,938	6%	6%	7%	6%	5%		
	Instilling work habits	2,885	9%	9%	6%	7%	17%		
Vocational	Total	19,579	59%	54%	71%	80%	72%		
training	Professional course	15,728	47%	43%	63%	67%	40%		
	Higher education	3,224	10%	10%	6%	7%	32%		
	Creating conditions for								
	learning	627	2%	2%	2%	6%	1%		
Job placemen	. 0	8,031	24%	27%	16%	7%	5%		
Referral to sh employmen	955	3%	4%	1%	0%	0%			

Persons who Completed Work Preparatory Programs	
in 2000-2008, by Branch and Last Program	

Despite that, among those who completed a rehabilitation program between 2000 and 2008<sup>4</sup> (who participated in at least one of the following programs: preparatory training, vocational training, job placement or referral to sheltered employment in rehabilitation company), there is a consistent uptrend in the number of those successfully integrating into the workforce, particularly among those who found work within a year of completing the rehabilitation program.

The findings show that 86% of those who completed a rehabilitation program in 2000-2008 succeeded in integrating into the workforce; among those completing a higher education program, the rate was 92%, a high rate by all accounts. The findings also show that 10% of the general disability pension recipients who found work lost their monthly pension because their income exceeded the eligibility threshold.<sup>5</sup>

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<sup>4</sup> For the purpose of this examination, rehabilitants who completed a rehabilitation program through 2008 were used, so as to be able to examine their work status in 2009.

<sup>5</sup> The rehabilitants' salary and scope of work data were not examined, but a survey taken two years ago among those who completed a rehabilitation program showed that only 1/3 of those completing a program are working full-time.

The distribution of program graduates who found work is similar to that of the rehabilitants: some 80 percent were from the General Disability branch; 11% from the Work Injury branch and another 10% from the Hostile Action Casualty branch or the Survivors branch, with these trends holding steady over the years. It's important to note that 89% of those finding work were employed before they applied for rehabilitation, a fact that demonstrates how necessary high motivation is in order for vocational rehabilitation to succeed.

The last examination of the rehabilitation programs, which included those who had found work, shows that 60% of the disability and work injury rehabilitants had undergone vocational training programs, and that another 25% had received placement assistance before finding work. In the Survivors branch, most of the rehabilitation activity focused on vocational training, while among the hostile action casualties, attention was focused on instilling work habits and referral to higher education.

The rate of annual dropout from work among rehabilitants was also measured. Studies previously conducted in Israel show that the average annual rate of dropout in the population is about 4%. Among those who had completed a vocational rehabilitation program, the average annual rate of work dropout up to 2007 was 3%.<sup>6</sup>

#### Summary

The findings prove that the activity of the Vocational Rehabilitation Department contributes to integrating excluded populations into the workplace. Moreover, when a rehabilitant completes a rehabilitation program and finds work, whether with or without the NII's placement assistance, his diligence and persistence are no less than among those of the overall population. In recent years we have been witness to a steady increase in the number of disabled people applying for rehabilitation annually. Additional population groups should be made aware of the Vocational Rehabilitation Department and what it offers, and efforts must continue to identify eligible populations who could benefit from the rehabilitation programs.

6 We should note that during 2008, when there was an economic slowdown, the work dropout rates among those who completed rehabilitation programs was twice as high as among the overall population, perhaps because these workers had lower marginal output rates.

#### F. Payments associated with vocational rehabilitation

The vocational rehabilitation process involves the funding of associated payments that facilitate rehabilitation. These payments include the NII's participation in participants' living expenses (a rehabilitation allowance, per diem expenses, and rent for housing), studies (tuition, tutoring and equipment) and mobility (travel via public transportation, special transportation and a supplement to a mobility allowance as a wage-earning participant). Following is a brief explanation of the various types of payments:

- Rehabilitation allowance: A monthly maintenance benefit, at the level of a full disability pension, which is paid during the period of studies of the participants in vocational rehabilitation who are not eligible for a general disability pension or a work injury allowance, provided that they are studying at least 20 hours per week.
- Travel: Reimbursement of travel expenses to the location of the training/evaluation by public transportation, by taxi<sup>9</sup> and/or by a supplement to a mobility allowance to those receiving this allowance as wage-earners.
- Tuition: The NII subsidizes the college tuition or the cost of the training of those participating in vocational rehabilitation, up to the maximum amount prescribed in the regulations.
- Tutoring and special services for the disabled: Assistance through tutoring, as needed, according to participant's volume of study hours, and special assistance to disabled participants who, due to their medical disability, need translation into sign language, transcription, readers, etc.
- Rent for housing: Help to pay rent or the cost of the dormitories for participants whose permanent places of residence are more than 40 km from the location of the vocational training, depending upon their course of studies.
- Equipment: Helping the disabled purchase equipment that is necessary for participation in the rehabilitation program (computer, keyboard adapted for the blind, books, school supplies, etc.).
- Other expenses (including per diem expenses): Assistance with exercising financial rights, mainly among victims of hostile actions and the work injured, as well as participation in support expenditures, subject to the regulations.

Under an effort to confirm eligibility for rehabilitation and assure the choice of appropriate rehabilitation programs, there was a significant drop in 2011 in the number of payment recipients and in expenses for rehabilitation: The payments associated with rehabilitation totaled 193.4 million, divided among 13,796 different people, a drop of 15.5% in the total expenses compared to 2010 and a reduction of some 36% in the number of recipients. As can be seen in Table 7, this drop was common to all the branches.

### Table 7

# Expenses for Vocational Rehabilitation, by Insurance Branch (NIS thousand), 2006–2011

Year	Total	General disability	Work injury	Survivors	Hostile actions
2006	208,191	128,738	25,985	12,310	34,080
2007	207,073	128,058	25,845	12,243	33,896
2008	205,415	129,798	25,112	11,516	32,336
2009	220,984	144,967	30,598	14,242	31,072
2010	229,170	151,713	32,452	14,640	30,365
2011	193,360	126,951	26,751	11,875	27,784

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9 Is paid to the severely disabled who cannot travel by public transportation due to their medical condition and who are not eligible for a mobility allowance.

Under an effort to confirm eligibility for rehabilitation and assure the choice of appropriate rehabilitation programs, there was a significant drop in 2011 in the number of payment recipients and in expenses for rehabilitation

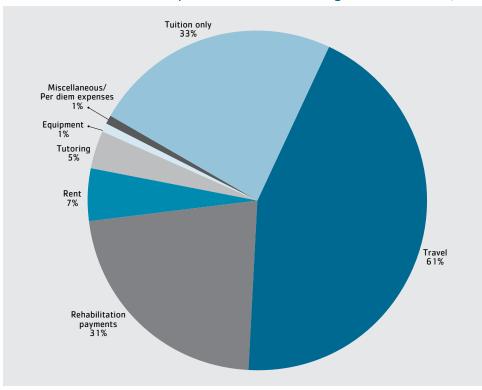
F	Payments Associated with Vocational Rehabilitation and Number of
	Recipients, by Insurance Branch (NIS thousand), 2011

Table 8

	Total	Rehab Allowance	Travel	Tuition	Tutoring	Rent	Equipment	Other payments
Total								
payments	193,360	57,240	11,678	94,382	5,979	7,303	1,363	15,416
General			:					
Disability	126,951	33,230	9,103	70,772	5,638	6,948	1,215	46
Work								
Injury	26,751	14,531	1,515	10,052	292	275	66	20
Survivors	11,875	5,926	936	4,905	33	1	11	64
Hostile	,		* •			•	2 •	2 • •
Actions	27,784	3,553	124	8,653	16	80	72	15,286
Total	ĺ.							ŕ
recipients	13,796	4,061	8,095	12,312	706	976	169	1,271



Additional Rehabilitation Payments to Those Receiving Tuition Subsidies, 2011



The average cost of every participant in 2011 was NIS 15,000 a year, 50% more than the cost of every participant in 2010

Despite what is stated above, an examination of those receiving all types of payments in 2011 compared to 2010 does not point to a major drop in the number of recipients. What's more, the average cost of every participant in 2011 was NIS 15,000 a year, 50% more than the cost of every participant in 2010.

This development is the result of a new policy that is much more cautious about awarding eligibility on the one hand, and a more generous allocation of resources to those who are deemed eligible, on the other. As shown in Table 8, there is a direct relationship between the number of participants in every branch and its total expenses, with the expenses of the General Disability branch the highest, constituting 66% of the annual expenses (and a similar proportion of the participants, see Table 4). What also emerges from the table is that the payments for tuition constitute the main expense (some 50%) and that such payments are made to 90% of the participants.

Whoever is found suited to finishing their education or professional training is entitled to higher associated payments than those who are not studying or in a training course (among them tutoring, equipment, travel expenses and rent). It is therefore clear why the bulk of the associated payments are paid to this population. Graph 4 shows the payments in addition to tuition, keeping in mind that any given person can be receiving more than one payment.

As in past years, about a third of participants who receive tuition payments do not get any other payments, and one can assume that most of them receive other benefits, while 31% have their benefit payment increased to the rate of someone with a total disability because they are participating in a rehabilitation program. In 61% of the instances, the NII subsidizes transportation expenses of participants to the place where they are studying.