

6. General Disability Insurance

A. Benefits in the General Disability Branch

The General Disability insurance branch pays the following benefits under the National Insurance Law:

Disability pension – guarantees a minimum subsistence income to disabled persons whose ability to earn a living from work or practice their profession has been impaired; paid since 1974.

Attendance allowance – helps the disabled who depend on the assistance of others to carry out their daily activities, or who require constant supervision, to pay for such assistance. Paid since 1979.

Benefit for disabled child – for families who are caring for a disabled child at home. Paid since 1981.

The branch also handles the following benefits that are not derived from the National Insurance Law:

Mobility allowance, paid to those whose mobility is restricted¹, to subsidize their mobility expenses outside the house. Paid since 1975.

Compensation to radiation-affected persons, paid to those who received radiation to treat scalp ringworm (tinea capitis) between 1946 and 1960, and fell ill as a result. Paid since 1995.

Compensation to polio victims, paid to those who contracted polio in Israel – or received medical treatment for polio in Israel – and suffered a medical disability as a result of the polio. Paid since 2007.

Table 1
Recipients of Benefits for General Disability, Attendance Allowance, Disabled Child and Mobility (monthly average), 2008-2012

Year	Disability		Attendance allowance		Disabled child		Mobility	
	Percent change	No. of recipients	Percent change	No. of recipients	Percent change	No. of recipients	Percent change	No. of recipients
2008	194,988		29,390		25,255		28,915	
2009	200,072	2.6%	31,196	6.1%	26,527	5.0%	30,364	5.0%
2010	207,174	3.5%	33,134	6.2%	27,870	5.1%	31,616	4.1%
2011	212,951	2.8%	35,219	6.3%	29,483	5.8%	32,964	4.3%
2012	217,589	2.2%	37,825	7.4%	32,103	8.9%	34,087	3.4%

1 Only a person whose disability affects his legs, as defined in the Law.

Table 2
Minor Recipients of Disability Benefits,
by Type of Benefit, December 2012

Number of benefits	Type of Benefit	Number of recipients	Rate of change compared to 2011
Total	Disabled minors	33,571	9.4%
One benefit	Disabled child	29,186	10.6%
	Mobility	264	-6.7%
Two benefits	Disabled child + mobility	4,121	2.8%

A recent study by the National Insurance Institute and the Brookdale Institute found that in Israel there are about one million people defined as disabled in some way that affects their functioning². In 2012, about a quarter of them, 245,000, received one or more benefits from the General Disability branch: an annual increase of 2.7%.

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Recipients of the general disability pension constitute about 90% of all those eligible for a benefit from the branch, about 217,589 people on average each month in 2012, an estimated 4.6% of the eligible age bracket (18 to retirement age). After about a decade during which the retirement age changed and Amendment 109 to the Law was introduced (“Laron Law”), the annual rate of increase in the number of recipients stabilized at about 2% – identical to the rate of natural growth in the population.

The number of recipients of a benefit for a disabled child rose sharply compared to previous years, due to an additional extension of the grounds for eligibility (“Or-Noy Regulations 2”). It is reasonable to assume that this trend will continue in the coming years, in view of the extended grounds for eligibility, but not necessarily at the same rate.

The number of recipients of the attendance allowance grew by 1% compared to the average rate of change in previous years, while the number of recipients of a mobility allowance decreased by 1% compared to previous years, although there were no policy changes affecting these two allowances.

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Since November 1999, a disabled person who meets all the criteria and conditions of the laws and regulations can receive more than one benefit during the same period. Tables 2 and 3 show that in December 2012, 41,217 disabled adults and 4,121 disabled minors (who together constitute 16% of the number of recipients in the branch) received two or more benefits simultaneously. This was particularly striking with regard to the attendance allowance, 81% of whose recipients were also eligible for other benefits (usually a disability pension), and the polio victims’ benefit, 75% of whose recipients also received another benefit (usually a mobility allowance).

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2 Disabled Working Age People in Israel – Incidence In the Population, Characteristics and Employment Situation, Naon et al., The National Insurance Institute, December 2012.

Table 3
Adult Recipients of Disability Benefits,
by Type of Benefit, December 2012

No. of benefits	Type of Benefit	No. of recipients	% change over 2011
Total	Disabled Adults	219,678	2.3%
	General disability (GD)	219,678	2.3%
	Attendance allowance	38,804	7.5%
	Mobility	30,206	2.9%
	Polio	4,074	8.7%
	Tinea-related Radiation	4,138	3.5%
One benefit	GD only	182,225	2.0%
	Attendance only	7,359	11.7%
	Mobility only	10,270	1.0%
	Polio only	1,014	7.5%
Two benefits	Tinea only	3,350	5.8%
	GD + Attendance	20,230	6.4%
	GD + Mobility	7,036	-1.8%
	GD + Polio	310	-2.2%
	GD + Tinea	456	-10.8%
	Attendance + Mobility	1,949	13.5%
	Attendance + Polio	25	56.3%
	Attendance + Tinea	113	15.3%
	Mobility + Polio	1,294	12.4%
	Mobility + Tinea	47	2.2%
Three benefits	Polio + Tinea	3	200.0%
	GD, Attendance + Mobility	8,160	5.0%
	GD, Attendance + Polio	70	6.1%
	GD, Attendance + Tinea	73	8.8%
	GD, Mobility + Polio	604	4.0%
	GD, Mobility + Tinea	20	23.1%
	GD, Polio + Tinea	-	-
	Attendance, Mobility + Polio	289	25.1%
	Attendance, Mobility + Tinea	41	46.4%
	Attendance, Polio + Tinea	1	-
Four benefits	Mobility, Polio + Tinea	2	33.3%
	GD, Attendance, Mobility + Polio	462	5.2%
	GD, Attendance, Mobility + Tinea	32	-15.8%
	GD, Attendance, Polio + Tinea	-	-
	GD, Mobility, Polio + Tinea	-	-
Five benefits	Attendance, Mobility, Polio + Tinea	-	-
	GD, Attendance, Mobility, Polio + Tinea	-	-

B. Disability Pension

1. Main points of the Law

The general disability pension is a monthly benefit paid to someone who is a resident of Israel, between the age of 18 and retirement age, whose ability to earn a living from work is affected by his disability³. This benefit assures those eligible a minimal subsistence income⁴. The law defines two categories of persons eligible for the benefit:

- (a) Disabled wage-earners: Men or women who, as a result of a physical, cognitive or mental impairment due to illness, accident or congenital defect, have lost their ability to earn a living from work or their earning ability has been reduced by at least 50%; or their monthly earnings from work do not exceed 45% or 60% of the average wage (depending upon what group they belong to, as will be explained below), as defined in the National Insurance Law⁵.
- (b) Disabled housewives: Married women who have not worked outside the home for the periods defined in the law, and who, as a result of a physical, cognitive or mental impairment due to illness, accident or congenital defect, have lost at least 50% of their capacity to perform routine household tasks.

Among those active in the job market, the Law distinguishes between two groups of those eligible for the pension: Group A are people with a severe impairment⁶ or people with a long-term impairment⁷. They can receive a disability pension if their income from work does not exceed 60% of the average wage. Group B are all the rest, who can obtain a disability pension if their income from work does not exceed 45% of the average wage.

The process of determining eligibility for a disability pension has several stages:

1. Examining income from work at the time of entitlement – The amount of the income from work that qualifies for payment of a pension is not fixed; it varies according to the individual's medical condition and the group to which he belongs.
2. Establishing medical disability – An NII-appointed physician determines the percentage of medical disability based on medical examinations and records and in accordance with the criteria set by the law. The disability percentage expresses the severity of a person's medical condition. As part of the medical examination, the doctor and claims clerk check whether the following threshold requirements for defining a person as disabled have been met. (a) For a disabled wage-earner: medical disability of

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 3 Income from sources other than work are not considered when determining eligibility for a disability pension.

4 The disability pension is paid from the 91st day of beginning of the impairment, providing that the claim is submitted within 15 months. For a later claim, the start of payment is later.

5 In 2012 the average wage according to the National Insurance Law was NIS 8,619.

6 Severe impairment: someone who is defined as having a medical disability of at least 70%, or who suffers from mental retardation or disability of at least 40%.

7 Long-term eligibility: those who were eligible for a benefit for at least 60 months during the seven years prior to August 1, 2009.

at least 60%, or 40% in instances where the medical disability percentage for a single impairment is at least 25%. (b) For a disabled housewife: medical disability of at least 50%.

3. Determining the degree of incapacity for work – The NII claims clerk, after consulting with the NII physician and rehabilitation clerk, determines the disabled person's degree of incapacity to earn a wage⁸, taking into account his ability to return to work (on a full- or part-time basis), or to find other work suited to his education, physical abilities and state of health. The determination of a full or partial incapacity reflects a complete or partial loss of earning capacity, while the determination of a permanent or temporary degree of earning incapacity indicates a loss of earning capacity permanently or for a limited period.

In August 2009, Amendment 109 to the National Insurance Law (the “Laron Law”) came into effect, with the objective of improving the conditions of disability pension recipients who found work, out of a desire to improve their quality of life, integrate them into society and improve their public image. The amendment allows the disabled person to increase his income from work without losing his eligibility for the pension (and its associated benefits) and ensures that his combined income from work and the pension will **always** be higher than the amount of the pension alone⁹. Moreover, the disabled were divided into two categories (see explanation above), in order to differentiate between those with a high potential for integration in the labor market and those whose prospects for finding employment are lower. In addition, different criteria were created for assessing income from work, to encourage integration into the work force. As part of the amendment a new benefit was added (as part of Disability insurance): the incentive pension. This benefit is paid instead of a disability pension to those whose income from work exceeds the amount specified in the Law, and who have been eligible for a disability pension for at least 12 months.

A disabled wage-earner or housewife who is given the full incapacity degree (at least 75%) is eligible for a monthly pension of 26.75% of the basic amount as defined by law. In 2012 the full pension for a single disabled person was NIS 2,267. Recipients defined as fully incapacitated, who are not in an institution and whose medical disability is at least 50%, receive an increment to the monthly pension (hereafter: the additional monthly pension), which ranges from NIS 244 to NIS 360 (in 2012). About 65% of disability pension recipients qualify for this increment.

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8 Loss of capacity to work of less than 50% does not qualify the individual for a pension.

9 Until the amendment came into effect, the disability pension was stopped when the insured's income from work exceeded 37.5%/ 45%/ 55% of the average wage, depending on his education level. Now it is set off according to Table H1 as defined in the Law: for earnings between 21%-25% of the average wage, the disability pension is cut by 10%; for earnings between 25%-68% of the average wage, the pension is reduced by 30%; for earnings between 68%-93% by 40%; and for earnings over 93% - by 60%.

Similarly, a disabled person is eligible for an increment for his **dependents**. **This increment is an important tool for rescuing families from poverty where one of the breadwinners is disabled:** (a) For partner who is an Israeli resident (whether married to the disabled person or his/her common-law spouse), whose monthly income does not exceed 57% of the average wage, the disabled person is eligible for an increment of 50% of the full single pension being paid to him. (b) A child who is an Israeli resident as defined by the NII entitles the disabled person to an increment of 40% of the single pension being paid to him (for the first two children only). A disabled housewife is eligible for an increment for her first two children only, and not for her spouse. A disabled wage earner or a housewife receiving an increment for dependents and who has an income other than from work will have the increment for dependents (only) decreased by the amount of such income.

In addition to the benefits provided by the NII, recipients of a disability pension or an incentive pension are entitled to benefits from other public organizations on various conditions¹⁰.

2. Recipients of the general disability pension

Since the beginning of this century, the number of recipients of disability pension has risen by more than twice the rate of natural increase in the population

Since the beginning of this century, the number of recipients of disability pension has risen by more than twice the rate of natural increase in the population. There are a number of reasons for this: (a) the gradual raising of the retirement age for men and women; (b) the increase in morbidity rates, deriving from greater reporting of diseases and the drop in mortality rates among patients; (c) changes in the earnings threshold for examining pension eligibility and the gradual setoff of the disability pension against earnings from work. Once the potential of disabled persons who became eligible following these changes is neutralized, the annual rate of growth has stabilized at around 2% – very close to the rate of natural increase in the population.

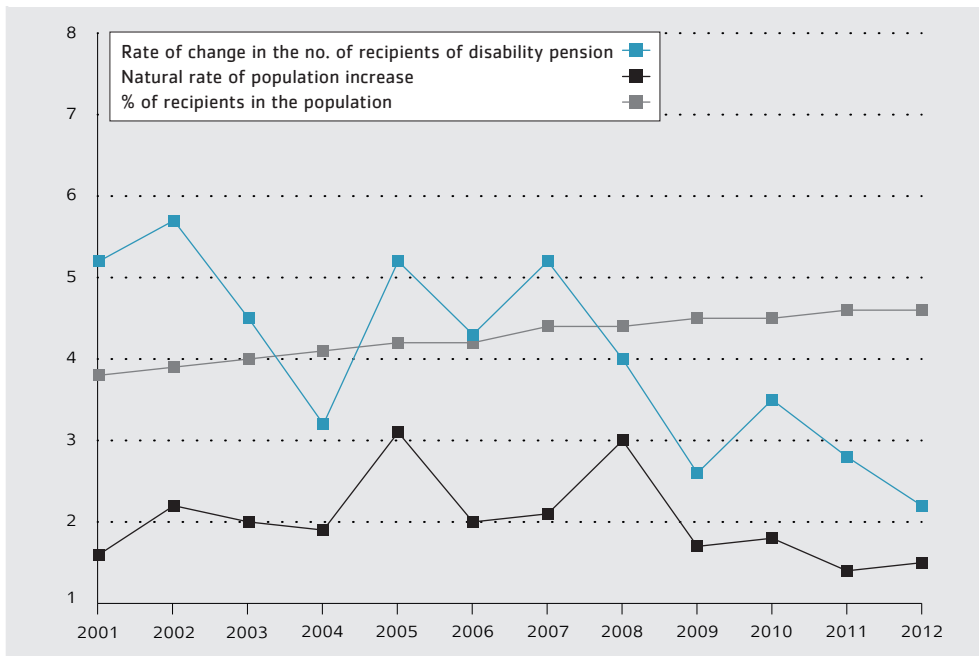
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Last year the number of claims for general disability pension rose by 8.8% (about 101,000) compared to the previous year. 74% of the increase derived from claims from people who were not receiving a pension at the time of the claim. As a result, the number of first time recipients of the pension grew by 4.5%, and for the first time exceeded 20,000 (20,804). It may be assumed that the shaky state of the economy is pushing people who have lost their livelihood to seek other sources of income. Notwithstanding the continuing increase in the annual number of claims, and as part of the effort to

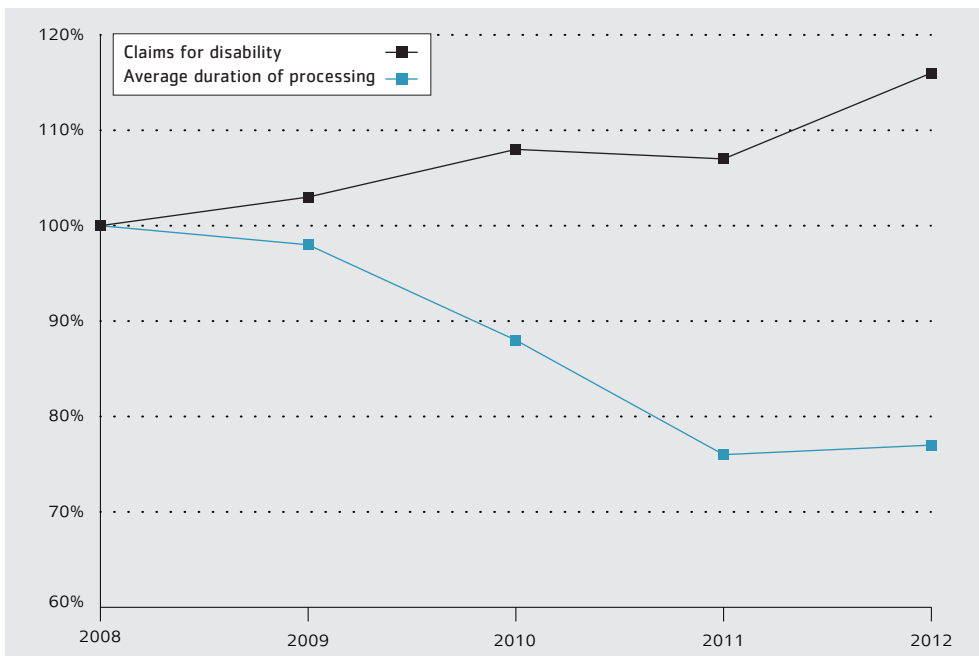
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10 These benefits include, inter alia, an exemption from paying insurance contributions to the NII; exemption of income tax or property purchase tax payments to the Finance Ministry; discounts on local property taxes (“arnona”) and water bills; assistance with rent payments or home purchasing from the Construction and Housing Ministry; discounts on fees paid to the Israel Land Administration; discounts on public transport and benefits from the Welfare and Social Affairs Ministry and reduced fees to the health funds. More details can be found on the NII’s website and on the websites of the ministries/ organizations granting the benefits.

Graph 1
Recipients of Disability Pension
and Developments in the Working Age Population, 2001-2012



Graph 2
Change in the Number of Claims for Disability Pension
and the Average Time Required to Process Cases (percentages), 2008-2012



improve its service, the National Insurance Institute has set itself the goal of reducing as much as possible the length of time required to process a claim, from the date of submitting the claim to the ultimate decision. As Graph 2 shows, this objective has been achieved: the average time required to process a claim for disability pension has fallen by 23% compared to 2008, and is now 55 days on average.

An examination of the breakdown of pension recipients in December 2012 by gender and degree of incapacity¹¹ points to a significant gap in the degrees of incapacity determined for the wage-earning disabled and for housewives (Table 4). About 84% of the working disabled (men and women) were declared fully incapacitated and thus

Table 4
Recipients of Disability Pension, by Degree of Incapacity and Gender (numbers and percentages), December 2012

Gender		Total		Degree of incapacity (percentages)			
		Numbers	Percentages	60%	65%	74%	75%-100%
Total	Number	219,678		24,135	14,299	4,350	176,894
	Percent		100%	11.0%	6.5%	2.0%	80.5%
Men		127,666	100%	9.6%	4.6%	1.4%	84.4%
Women		92,012	100%	13.0%	9.0%	2.9%	75.1%
Thereof:	Wage earning	75,889	100%	9.8%	5.4%	1.7%	83.1%
	Housewives	16,123	100%	27.8%	26.2%	8.4%	37.6%

Table 5
Recipients of Disability Pension by Current Age, Average Age and Primary Impairment (numbers and percentages), December 2012

Primary impairment		Total		Age (percentages)					Average age
		Numbers	Percentages	18-24	25-34	35-44	45-54	55-retirement age	
Total	Number	219,678		15,505	31,728	40,010	53,555	78,880	47.3
	Percent		100%	100%	100%	100%	100%	100%	
	Psychotic disorders	44,027	20.0%	19.8%	28.3%	28.4%	20.7%	12.1%	43.6
Mental	Psychoneurotic disorders	28,203	12.8%	14.4%	15.3%	14.8%	14.6%	9.3%	44.9
Mental	retardation	22,808	10.4%	25.0%	20.2%	14.0%	7.6%	3.6%	38.2
Internal		52,542	23.9%	8.7%	9.0%	13.8%	23.5%	38.3%	53.9
Urogenital		7,236	3.3%	1.3%	1.6%	2.4%	3.8%	4.5%	52.0
Neurological		28,163	12.8%	15.9%	13.1%	12.3%	11.7%	13.1%	46.9
Locomotive		18,238	8.3%	5.0%	4.9%	7.1%	9.5%	10.2%	50.3
Sensory	Sight	10,771	4.9%	4.9%	4.5%	4.7%	4.8%	5.3%	47.9
	Hearing	5,123	2.3%	4.8%	2.8%	2.0%	2.0%	2.1%	44.3
Other		2,567	1.2%	0.3%	0.4%	0.5%	1.9%	1.5%	52.3

11 The breakdown of pension recipients by degree of incapacity and medical percentages is shown in Table F/1 in the Appendix.

received a full disability pension, while only 38% of housewives were declared fully incapacitated. The differences apparently stem from the differing eligibility requirements for the two groups.

Recipients of disability pension by age, average age and primary impairment¹² are shown in Table 5. About a third of recipients have a mental problem as their primary impairment. The characteristics of the primary impairment vary with age. In the younger age bracket, congenital defects (such as deafness, retardation, mental and neurological disorders¹³) are most prominent, while in older age groups there is an increase in age-related disorders (internal, urogenital and locomotive problems¹⁴).

The family status of the pension recipients and their dependents for which the pension is paid are shown in Table 6. It shows that 48% of pension recipients are married¹⁵, but 41% do not receive an increment for their families, because of the high (non-work) income of the disabled person or the income of his/her spouse (from work or not from work). The percentage of married, employed women is low, because a married woman who did not work before submitting her claim for the length of time prescribed by law is considered a housewife.

The low rate of participation of the disabled in the open job market is one of the most prominent problems facing policy makers in Israel. With the intention of integrating the disabled into society and maintaining their quality of life, the Laron Commission focused on the integration of recipients of a general disability pension in the labor market. The Organization for Economic Cooperation and Development (OECD), which Israel joined recently, also stresses in its policy statement the need to encourage recipients of a disability pension to integrate in the labor market and overcome existing employment barriers. This approach is based on the argument that a large percentage of pension recipients have at least a partial capacity to work that is not utilized for several reasons: (a) Many workplaces are not accessible or suited to the disabled; (b) Their disabilities put them at a disadvantage in the competitive job market; (c) Aside from the pension, recipients are entitled to various benefits from other public bodies that can be worth a considerable amount of money. It is possible that the fear of losing these benefits prevents some disabled people from seeking work.

In the last decade, only about 10% on average of recipients of a disability pension participated actively in the labor market, but in the last three years, since the

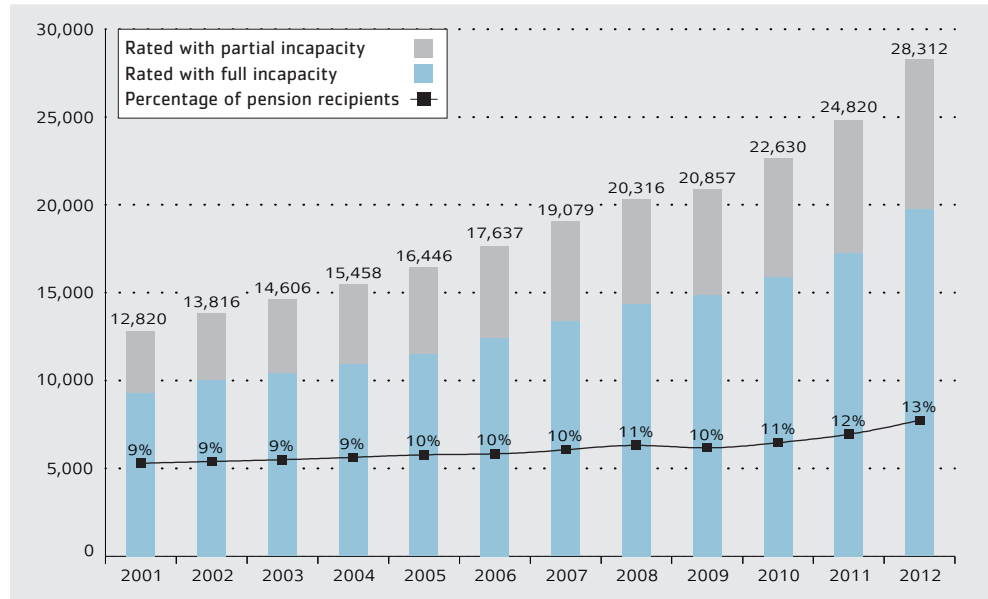
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- 12 The primary impairment is defined as the impairment with the highest degree of medical disability among an individual's various impairments. Note that cancer is not included in the list of items, because medical disability percentages for the NII are not determined by illness but by how well a person's limbs function.
- 13 Retardation: includes those with Down Syndrome; mental: includes those with autism; neurological: includes brain syndromes, nerve disorders and convulsive disorders.
- 14 Internal: includes blood, heart, liver and lung diseases, diabetes, asthma, and most cancer patients: urogenital, including kidney, urinary and reproductive tract and bladder problems (common among sufferers of prostate cancer); locomotor: including bone and joint diseases, spinal disorders and limb amputation or rigidity.
- 15 Disabled persons with a common-law spouse are not considered to be married.

48% of pension recipients are married, but 41% do not receive an increment for their families, because of the high (non-work) income of the disabled person or the income of his/her spouse

In the last decade, only about 10% on average of recipients of a disability pension participated actively in the labor market, but in the last three years, since the recommendations of the Laron Commission were introduced, there has been a slight increase in the number of those employed

Graph 3
Recipients of Disability Pension in the Labor Market¹⁶, 2001–2012



recommendations of the Laron Commission were introduced, there has been a slight increase in the number of those employed (Graph 3). This rise can be partly explained by the new entitlement of the working disabled, who according to the old conditions of eligibility were not entitled to a pension. The graph also shows that the proportion of pension recipients with partial degrees of disability is high among those employed relative to their proportion among all recipients. It is possible that the existing test for earning capacity is reasonably successful in predicting their ability to find work, but it is also probable that the amount of the pension has some effect: the higher the pension, the lower the incentive to find work, particularly when the salary offered is not high. The average monthly income from work of these disabled persons in 2012 was about NIS 2,030 (the median wage was NIS 1,800; in other words, less than a quarter of the average wage in the economy).

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Box 1
Amendment 109 to the National Insurance Law (“The Laron Law”) and Its Effect on Recipients of Disability Pension

In 2002 a public commission was set up, headed by the late retired Judge Ephraim Laron, to examine the condition of the disabled and their advancement and integration in the community. The commission focused on the integration of disability pen-

16 The figures include information reported or known to the branch, including with respect to disabled persons working in sheltered or supported employment.

sion recipients in the labor market, as a decisive tool for their integration into society. As part of the implementation of the commission's recommendations, in August 2009, Amendment 109 to the National Insurance Law came into effect ("the Laron Law"). This Amendment was designed to improve conditions for recipients of disability pensions who went out to work, with the intention of improving their quality of life, integrate them into society and improving their public image.

Main points of the "Laron Law"

A mechanism was introduced for gradual setoff of the disability pension against earnings from work, to enable the disabled to integrate into work without their national insurance rights being instantly affected (as happened before then). The amendment also ensures that the total income from work and pension will always be higher than the pension alone¹.

Furthermore, a new benefit was added as part of Disability insurance: the incentive pension, which is paid instead of a disability pension to those whose income from work exceeds the amount specified in the Law and who have been eligible for a disability pension for at least 12 months.

The disabled were divided into two groups, and a new income threshold was defined for examining eligibility for the benefit: Group A are people with a severe impairment² or people with a long-term impairment³, whose eligibility for a disability pension is examined as long as their income from work does not exceed 60% of the average wage. Group B are all the rest, whose eligibility for a disability pension is examined if their income from work does not exceed 45% of the average wage. Housewives are not included in this division since they are not active in the labor market. The purpose of the division is to distinguish between the disabled with a high potential of finding work and those whose chances of doing so are lower.

Disabled persons eligible for an increment for dependents, with a partial degree of earning incapacity and whose wages are more than 21% of the average wage, began to receive this increment.

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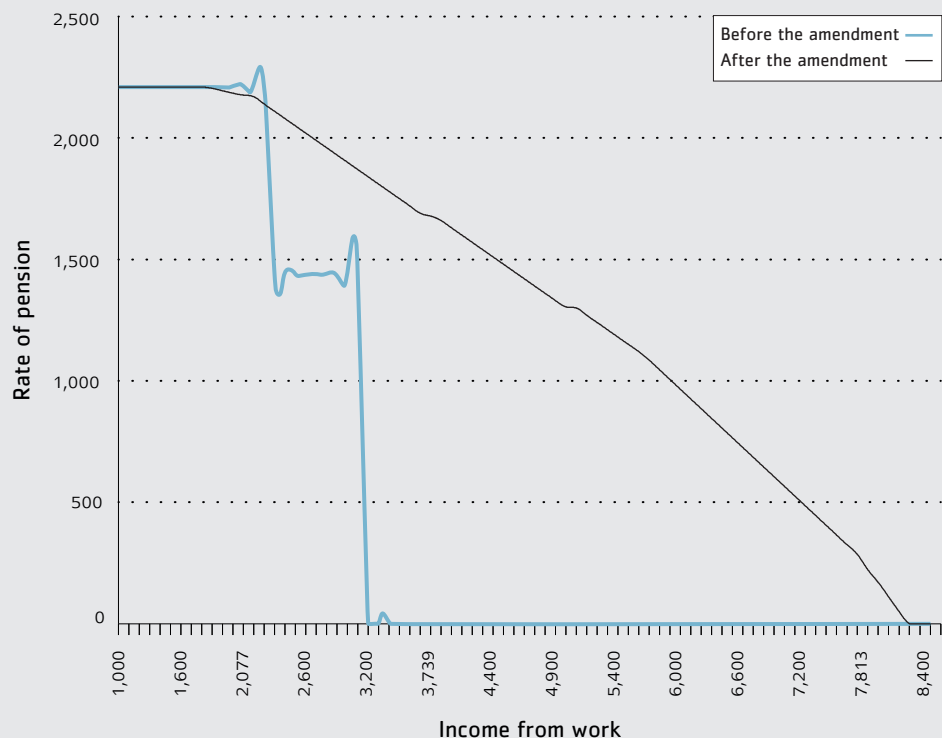
- 1 Until the introduction of the amendment to the Law, the disability pension was stopped, according to the disabled person's education (when his earnings from work exceeded 37.5/ 45/ 55% of the average wage). Now it is set off according to Table H1 as defined in the Law: for earnings between 21%-25% of the average wage, the disability pension is cut by 10%; for earnings between 25%-68% of the average wage, the pension is reduced by 30%; for earnings between 68%-93% by 40%; and for earnings over 93% - by 60%.
- 2 Serious impairment: someone who is defined as having a medical disability of at least 70%, or who suffers from mental retardation or disability of at least 40%.
- 3 Long-term eligibility: those who were eligible for a benefit for at least 60 months during the seven years prior to August 1, 2009.

Disabled persons defined as having full earning incapacity who earn more than 25% of the average wage will not have their degree of earning incapacity reviewed.⁴

The graph below shows one example of a change in the amount of pension paid to the disabled relative to their earnings from work.

In order to reduce the possible objection of the disabled to the amendment in the Law, it was decided that it would apply to everyone who submitted a claim after August 2009 and anyone who was not working before the application of the law. Everyone who received a pension and worked was given the right to choose between assessment under the terms of the old law or of the new law. 80% of recipients of the disability pension are assessed according to the Laron Law, but only 1% of them are “old timers” who worked before the law was introduced.

Disability Pension for an Individual with Elementary Education, Before and After the Amendment, by Earnings from Work



4. Previously, anyone who earned more than 25% of the average wage and was eligible for a full pension had to have their degree of incapacity reviewed: in most cases, the degree of incapacity was reduced and in some cases this removed their eligibility for the pension.

Recipients of Disability Pension who Benefited from the “Laron Law”

	Benefit as a result of the Law	No. of recipients
Total		8,746
One benefit	Increased their income beyond the “restriction”*	3,094
	Were not required to undergo a review	6,366
	Receive the full dependents’ increment	1,808
	Increased their income beyond the “restriction”*	572
	Were not required to undergo a review	4,179
	Receive the full dependents’ increment	1,473
Two benefits	Increased their income beyond the “restriction” and were not required to undergo a review	2,187
	Increased their income beyond the “restriction” and receive the full dependents’ increment	135

* Beyond the income permitted under the old law (see note 1).

The effect of the “Laron Law” on recipients of disability pension

According to National Insurance estimates, about 50% of disability pension recipients have the potential of integration into work, in spite of their medical limitations. Many people, both inside and outside the NII, hoped that the introduction of the “Laron Law” would bring about a change in the extent of employment of pension recipients, but in the three years since the amendment was introduced, only a few have taken up the opportunity. From when the Law came into force until December 2012, the Amendment benefited 8,746 pension recipients for at least a month⁵, broken down as follows:

Of the people who increased their income beyond the “restriction”, 1022 were eligible, for at least one month, for the incentive pension; 68% of them were in Group A.

Of all beneficiaries of the amendment, 64% are still not receiving a monthly disability pension. About half the people who benefit from the amendment (4,252) were receiving the pension before it was implemented. 2,680 people who benefited from the Laron Law, 30% of all beneficiaries, worked before they began receiving a pension. In fact the Law benefited them although this was not the intention of the policy makers.

56% of the people who benefited most from the Law are aged 45 and over – apparently because of their previous employment experience.

The average monthly wage for those who benefited from the Law is about NIS 3,500 and the medium wage is NIS 3,414 – which is 75% higher than the wages of all working pension recipients.

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5. The check was done for the month in which their wages were the highest for the period.

There are another 4,165 recipients of disability pension who began working after the Law came into force. 85% of them are still active in the labor market, and they could potentially be eligible for benefits under the Amendment, as soon their pay exceeds 21% of the average wage.

The foregoing data show that only 1% of recipients of the disability pension realized the primary intention of the Law and increased their income beyond the old income threshold. However, it is important to remember that the limited success of the amendment is partly due to the severe crisis of trust between the disabled public and the National Insurance Institute, which the Laron Law did not tackle, while some say it even made it worse: let us remember that 99% of the disabled who had the right to choose between the old eligibility tests and the new ones, chose not to subject themselves to the Laron tests.

The NII's Research & Planning Administration, together with the Brookdale Institute, is currently working on an in-depth study to locate and analyze the reasons for the failure to integrate disability pension recipients into the job market, against the background of the changes in the conditions for eligibility. We hope that this study will add to our knowledge on this subject.

C. Attendance Allowance

1. Main points of the Law

The Attendance Allowance ("AA") is paid to insured persons who require the assistance of another in their daily activities (dressing, eating, washing, mobility and so on), or who need constant supervision to prevent them endangering themselves or others¹⁷.

Anyone who complies with the following criteria¹⁸ can be eligible for the allowance, providing that he lives in Israel and has not reached retirement age before the claim is submitted¹⁹:

Recipients of disability pension: if their degree of medical disability is 60% and over (in the items of disability recognized for AA) and on condition that they are not receiving a special benefit for work-related impairments or for personal treatment or home help under another law.

Anyone who needs dialysis (at least twice a week) or who is undergoing active treatment for oncological diseases and is dependent on the help of others (for at least 12 days a month), or who has received a transplant (kidney, heart, pancreas, lung, liver) or has undergone autologous or donor bone marrow transplantation – may be eligible for the allowance.

17 Similar to the conditions of eligibility pursuant to the Long-term Care Insurance Law, Section 223 of the National Insurance Law (Combined Version), 5755-1995.

18 National Insurance Regulations (Disability Insurance) (Provision of Attendance Allowance), 5739-1978.

19 The AA is paid from the 91st day following the appearance of the impairment, providing that the claim is submitted within 15 months. In June 2012 the Law was amended as follows: eligible persons whose degree of medical disability for AA is at least 75% and their eligibility has been set for at least 6 months – will receive the AA from the 31st day of the impairment's appearance.

Blind persons whose degree of medical disability has been set at 90% or more and who live alone or with a blind spouse or who also suffer from at least 50% deafness – may be eligible for the allowance.

Anyone who is not receiving a General Disability Pension, if they meet the following criteria: (a) they are defined as having medical disability of at least 75% and their monthly income from work does not exceed 5 times the average wage (NIS 43,095 in 2012), on condition that they are not receiving a special benefit for work-related impairments or for personal treatment or home help under another law; (b) new immigrants (with an immigrant ID) within their first year of immigration.

Anyone who is in an institution where he receives medical, nursing or rehabilitation services is not eligible for the allowance. Recipients of benefits under a mobility agreement will only be eligible for the allowance if a Medical Committee has determined that their mobility limitation is 100% and they need and use a wheelchair or are confined to bed.

Anyone who was eligible for the allowance before reaching retirement age, upon reaching this age is entitled to choose between continuing to receive the allowance or receiving a long-term care benefit.

The amount of the AA is determined with reference to the full disability pension (25% of the basic amount), and it is paid with an increment (the additional monthly pension, “AMP”)²⁰. The allowance has three levels, which are determined according to the disabled person’s degree of dependence on others: (a) A person who needs significant help with most of his daily activities throughout most of the day is entitled to a basic allowance equal to 50% of the full disability pension – NIS 1,060, and AMP of NIS 297. (b) A person who needs significant help with all his daily activities throughout most of the day is entitled to an allowance equal to 105% – NIS 2,225, and AMP of NIS 604. (c) A person who is completely dependent on others for all his daily activities throughout the whole day is entitled to an allowance equal to 175% of the full disability pension – NIS 3,708, and AMP of NIS 901. All these amounts are correct for 2012²¹.

2. Recipients of attendance allowance

In December 2012, 38,804 people received the attendance allowance – 7.5% more than in December 2011: 4,298 of them first began to receive the allowance this year. Most recipients of this allowance received more than one benefit – 75% also received the disability pension (regular AA) and another 21% were also eligible for an old-age pension (old age AA) (Tables 2 and 7). The percentage of the elderly who chose to continue receiving the AA instead of the long-term care benefit continued to rise, apparently due

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21 These rates are valid from January 2009. Before that the rates of the allowance were 50%, 100% and 150% of the full disability pension for a single person.

Table 7
Recipients of Attendance Allowance (AA) by Eligibility Group and Primary Impairment (numbers and percentages), December 2012

Main impairment	Number	Total		Eligibility group		
		Number	Percent	Ordinary AA	Special AA	Old Age AA
Total	38,804	38,804	100%	29,027	1,656	8,121
	Percent			100%	100%	100%
Mental	2,850	7.3%	7.4%	0.7%	8.4%	
Mental retardation	3,499	9.0%	11.6%	0.2%	1.7%	
Internal	9,135	23.5%	22.0%	39.0%	26.0%	
Urogenital	3,194	8.2%	8.2%	16.0%	6.9%	
Neurological	13,672	35.2%	35.7%	30.5%	34.5%	
Locomotor	3,302	8.5%	8.0%	6.0%	10.9%	
Sensory	3,053	7.9%	7.0%	6.8%	11.2%	
Other	99	0.3%	0.2%	0.8%	0.4%	

Table 8
Recipients of Attendance Allowance by Age and Grounds for Eligibility (numbers and percentages), December 2012

Grounds for eligibility	Number	Total		Age (percentages)					
		Number	Percent	18-24	25-34	35-44	45-54	55-64	65+
Total	38,804	38,804	100%	3,172	3,751	4,375	6,654	12,895	7,957
	Percent			8.2%	9.7%	11.3%	17.1%	33.2%	20.5%
Actively undergoing treatment	830	100%	2.2%	5.7%	17.1%	28.6%	39.2%	7.3%	
Have had a transplant	145	100%	10.3%	12.4%	15.9%	16.6%	37.9%	6.9%	
Need dialysis	2,585	100%	1.7%	6.8%	13.2%	23.5%	37.1%	17.6%	
Suffer from blindness	1,426	100%	4.2%	10.7%	13.4%	22.1%	26.4%	23.3%	
Need help for most daily activities	11,557	100%	6.1%	9.7%	10.9%	15.7%	33.9%	23.7%	
Need help for all daily activities	11,185	100%	6.9%	8.2%	10.6%	17.5%	35.5%	21.2%	
Entirely dependent on others	11,076	100%	14.1%	11.9%	11.1%	15.2%	29.7%	17.9%	

AA recipients have more neurological and internal problems, and far less mental problems or retardation, than recipients of the general disability pension

to the differences in eligibility between these two benefits²², and the ongoing decrease in mortality in Israel²³.

When comparing Table 7 to Table 5 it is possible to distinguish a different breakdown of impairments in recipients of AA compared to recipients of the general disability pension: AA recipients have more neurological and internal problems, and far less mental problems or retardation. Not only that: since most recipients of AA are working, their combination of impairments is different when compared to the two other eligible groups; they have more internal or urogenital problems and fewer mental or retardation problems.

²² The AA is a cash benefit, while the long-term care benefit is usually given in kind.

²³ See Leading Causes of Death in Israel, Ministry of Health, July 2011.

Table 9
Recipients of Attendance Allowance by Medical Percentage, Family Status and Source of Assistance (numbers and percentages), December 2012

Family status	Source of assistance	Total		Medical percentage for AA			
		Number	Percent	60-69	70-79	80-89	90-100
Total	Number	38,804		3,815	5,425	6,639	22,925
	Percent		100%	9.8%	14.0%	17.1%	59.1%
Married	Total	19,557	100%	8.3%	11.6%	17.9%	62.2%
	Foreign worker employed	2,567	100%	4.4%	8.4%	17.7%	69.5%
	Foreign worker not employed	16,990	100%	8.9%	12.1%	17.9%	61.1%
Not married	Total	19,247	100%	11.4%	16.4%	16.3%	55.9%
	Foreign worker employed	2,952	100%	5.0%	9.5%	15.8%	69.7%
	Foreign worker not employed	16,295	100%	12.5%	17.6%	16.4%	53.4%

As mentioned, there are several grounds that grant eligibility for the AA, as shown in Table 8. Just under 13% of recipients of the allowance are eligible for it due to a special medical condition (4,986 out of 38,804)²⁴. The number of people eligible for the allowance increases with age, and a third of recipients are in the 55-64 age bracket. Among those who are entirely dependent on others, the blind, and those who have undergone a transplant, the large percentage of young people is striking – inter alia, due to the high representation of individuals suffering from neurological problems. On the other hand, among those aged 65 and over, the proportion of people actively undergoing treatment or transplant is small, since on these grounds the allowance is only paid temporarily.

Table 9 shows the breakdown of pension recipients by percentage of medical disability and the source of assistance in their home – which is one of the interesting issues in the context of recipients of AA. The table shows that about half of the recipients are married and about 14% employ a foreign worker. A check we carried out found that 32% of recipients of the benefit are defined as alone, because they are not married or they live with a spouse who is also disabled. The medical condition of those who receive the benefit is more serious than that of other recipients of the disability pension: 59% of them have more than 90% medical disability (compared to about 17% of disability pension recipients)²⁵. Among those who employ a foreign worker, the proportion of those with over 90% medical disability is even higher (about 70%).

About half of the recipients of AA are married and about 14% employ a foreign worker

24 It should be noted that AA recipients with more than one of the automatic grounds (the blind or disabled who have undergone special medical treatment) and whose serious medical condition entitles them to an allowance at a higher rate than specified in the Regulations, are counted as dependent on others.

25 See Table F/1 in the Appendix.

D. Benefit for Disabled Child

1. Main points of the Law

The benefit for disabled child is intended to help families who are caring for their special needs child with the costs involved for the difficult burden of personal and nursing care, or for any other treatment designed to improve his function, to encourage them to care for the child at home, within the community framework.

The process of determining eligibility for the benefit has two stages. During the first stage, the claims clerk verifies that the preliminary criteria are met: the child, as defined in the National Insurance Law, has not reached the age of 18, he is the child of an insured person (or of a person who was insured and died while residing in Israel)²⁶ and he is not being looked after by a foster family²⁷ or in an institution (where he resides and receives medical, nursing or rehabilitation services)²⁸.

In the second stage, a specialist in pediatrics appointed by the NII examines the child and determines if he meets one of the following criteria²⁹:

- The child is dependent on the help of others: a child aged 3 or more who, because of illness, syndrome, accident or congenital defect, is dependent on others to an extent that is unusual for his age, to perform daily actions (dressing, eating, washing, personal hygiene, mobility in the home).
- The child requires continual presence of another or supervision: A child aged at least 90 days who, because of a serious medical impairment, serious chronic illness, serious behavioral disorder or mental retardation, cannot be left without regular supervision, or who needs the continual presence of another, to prevent him endangering himself or others.
- The child has a special impairment as defined in the regulations³⁰: delayed development, communication problems, poor hearing, poor vision, autism or psychosis, Down syndrome.
- The child needs special medical treatment: a child aged at least 90 days who, because of a chronic illness, requires special medical treatment (as specified in the Law).

In the last three years there have been numerous changes to the legislation in the field of eligibility for the benefit for disabled child, which have increased the number of eligible persons and the amount of monthly benefit paid to them. During the period 2010-2012, implementation of the Or-Noy Commission's recommendations began, with regards to the grounds for eligibility, leading to an extension of the list of special medical

In the last three years there have been numerous changes to the legislation in the field of eligibility for the benefit for disabled child, which have increased the number of eligible persons and the amount of monthly benefit paid to them

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26 Including stepchildren or adopted children under the age of 18.
 27 A foster family looking after a special needs child is eligible for support from the Ministry of Welfare.
 28 Excluding special cases where the child is in an institution and his parents pay all his maintenance costs.
 29 According to the NII Regulations (Disabled Child), 5770-2010, Section 1: Definitions.
 30 A child who is eligible for the benefit in this category can receive the benefit for disabled child from birth.

treatments recognized for the benefit. Moreover, the rate of the benefit was changed for some grounds, while the living expenses increment and the help with studies increment were combined to 20% of the full benefit. In 2012, these increments were approved for all recipients of the benefit.

In addition, in 2012 the benefit paid to children entirely dependent on the help of others was increased to 103%³¹ (instead of 80%). Following this amendment, there were three levels of basic eligibility for the benefit: 50%, 100% and 123%³².

According to the Disabled Child Regulations, the amount of the benefit is determined as a percentage of the full disability pension for a single person for any kind of impairment³³. A child who meets more than one of the criteria for eligibility is entitled to one benefit at the highest rate. In 2012, the basic monthly benefit for a child receiving 100% benefit was NIS 2,119. Since 2002, children receiving at least 80% of the basic benefit³⁴ are eligible for an additional monthly allowance (AMP) of 17% of the full single benefit – NIS 360 per month in 2012.

A family with two or more children receiving the benefit for disabled child is eligible for a 50% increase in the benefit for each child (of the benefit due to each child). Families with two special needs children, one of whom is not eligible for a benefit (because he is in an institution or he is aged over 18 and received the benefit until he reached 18) are also eligible for an increased rate of benefit for the child.

For children who have reached the age of 18 and may be eligible for a disability pension or AA, the NII initiates a claim for them to utilize their rights to these benefits. Concurrent payment of the benefit for disabled child continues for another three months.

2. Recipients of benefit for disabled child

From 1995-1997 the Joint-Brookdale Institute and the National Insurance Institute conducted a national study of children with disabilities in Israel. The study found that 7.7% of children in Israel suffer from a chronic functional problem or need regular medical treatment for a year or more, and some 40% of them suffer from disabilities in more than one area. The study findings formed the basis for a steering committee, led by Prof. Asher Or-Noy, whose purpose was to formulate proposals for a change in the criteria for eligibility for a benefit for disabled child, and for planning policy for this population. In 2010 implementation of the first stage of the committee's recommendations began, and the second stage began in 2012.

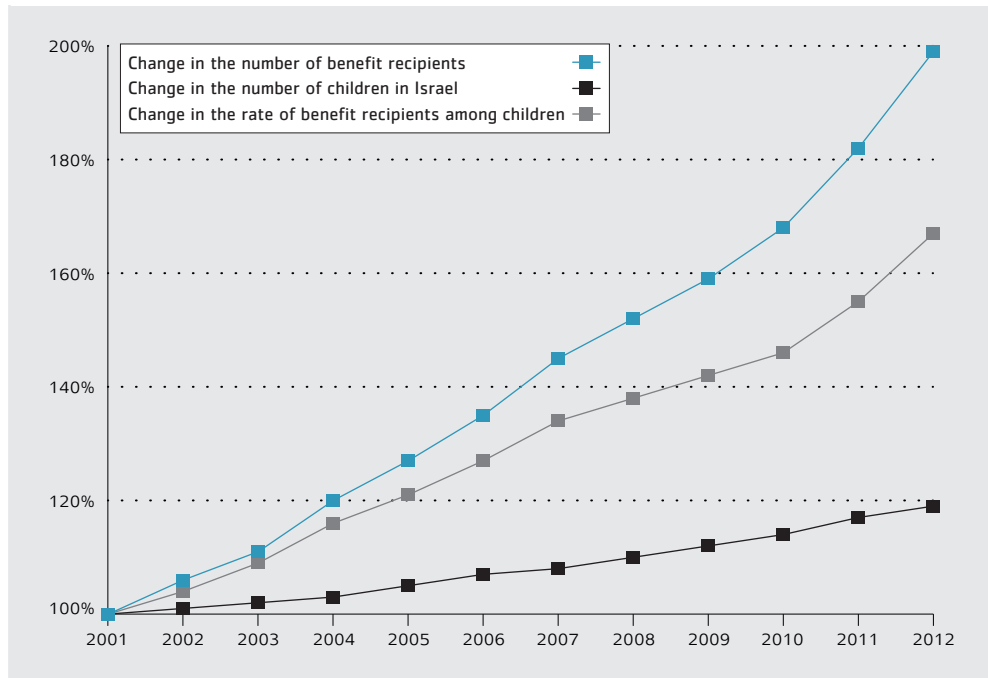
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31 The increase was implemented in two stages. From January 2013 the rate of basic benefit for these children rose to 108%.

32 Instead of five basic levels that were in use until then (30%, 50%, 80%, 100% and 103%).

33 Unlike the Disability Pension, which is affected by percentage medical disability and degree of incapacity, there is no difference between recipients of the benefit for disabled child who are eligible on the same grounds. The rates of the benefit are shown in the National Insurance Regulations (Disabled Child), 5770-2010, Section 2: Benefit for Special Arrangements.

34 Excluding the increment for help with studies.

Graph 4
Recipients of benefit for disabled child and the
Development of the Child Population, 2001-2012



In December 2012, 33,308 children received the benefit for disabled child – an increase of about 10% compared to the same period in 2011

In December 2012, 33,308 children received the benefit for disabled child (Table 10) – an increase of about 10% compared to the same period in 2011, which is twice the rate of the average increase in the number of benefit recipients over the last decade. The main reason for this is the extension of the list of grounds for eligibility for the benefit.

Graph 4 shows the change in the number of children receiving benefit for disabled child compared to the total change in the number of children. It is clear that the slope of the first curve is far steeper than that of the second curve, and that in view of the easement of the conditions of eligibility in recent years, the gap will continue to increase.

As with the general breakdown of children with special needs³⁵, about 2/3 of recipients of the benefit for disabled child aged 3 and over are boys (Table 11). The main ages of eligibility are 6-13, as a result of the definitions of eligibility which compare treatment of the child to the accepted norms for his age³⁶ and are affected by the minimum age specified in the Regulations for some of the grounds³⁷.

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35 See: Children with Special Needs: Assessment of Needs and their Cover by Services, Naon et al., January 2000.
 36 Because of the child's natural development, the effects of handicaps are mainly felt when he is young, and decrease as he matures.
 37 For full details of the grounds for eligibility for the benefit for disabled child, see Table F/3 in the Insurance Branch Tables Appendix.

Looking after a special needs child places a heavy burden on parents, and looking after more than one disabled child is far more difficult. An examination by the NII found that 2,236 families have more than one child receiving the benefit for disabled child (a total of 4,822 children). A further 283 families have another special needs child who is not eligible for the benefit because he is in an institution or because of his age. The breakdown of the most common impairments among those children is not surprising: they are mostly genetic defects. In 24% of the families the children have hearing problems, while another 24% of families are caring for two or more children with autism. About 5% have children with poor vision, and 32% of the families have children who are dependent on the help of others or require constant supervision.

3.8% of those receiving the benefit employ a foreign worker – half of them because they are completely dependent on others for all daily activities (they can be identified by the rate of their benefit – 123%) (Table 12). The rate of children receiving the family increment is identical for those who employ a foreign worker and those who do not, implying that the number of disabled children is not necessarily an incentive for families to employ the services of a foreign worker.

3.8% of those receiving the benefit employ a foreign worker – half of them because they are completely dependent on others for all daily activities

Table 10
Recipients of Benefit for Disabled Child, by Age, Gender
and Eligibility Group (numbers and percentages), December 2012

Gender	Eligibility group	Total		Age (percentages)				
		Number	Percent	Up to 3	3-5	6-9	10-13	14-17
Total	Number	33,308		2,546	5,709	8,687	8,544	7,822
	Percent		100%	100%	100%	100%	100%	100%
Boys	Total	21,386	64.2%	56.4%	66.2%	67.0%	64.3%	62.0%
	Dependent on others	5,127	15.4%	.	11.9%	16.0%	17.9%	19.6%
	Requiring constant supervision	2,115	6.3%	4.9%	6.1%	7.2%	6.7%	5.7%
	With special impairment	11,291	33.9%	35.0%	39.3%	36.4%	31.3%	29.6%
	Requiring special medical treatment	2,853	8.6%	16.5%	8.9%	7.5%	8.5%	7.1%
Girls	Total	11,922	35.8%	43.6%	33.8%	33.0%	35.7%	38.0%
	Dependent on others	3,669	11.0%	.	8.2%	10.8%	13.5%	14.2%
	Requiring constant supervision	1,147	3.4%	4.4%	3.8%	3.4%	3.0%	3.4%
	With special impairment	4,772	14.3%	26.4%	15.0%	12.5%	12.7%	13.8%
	Requiring special medical treatment	2,334	7.0%	12.8%	6.8%	6.3%	6.5%	6.6%

Table 11
Recipients of Benefit for Disabled Child by Rate of Basic Benefit, Source of Assistance and Number of Disabled Children in the Family (numbers and percentages), December 2012

Foreign worker employed		Total		Rate of Basic Benefit		
		Number	Percent	50%	100%	123%
Total	Number	33,308		7,398	21,103	4,807
	Percent		100%	22.2%	63.4%	14.4%
Employ a foreign worker	Total	1,266	100%	3.9%	42.7%	53.3%
	thereof: recipients of increased benefit for families with disabled children	195	100%	4.6%	45.6%	49.7%
Don't employ a foreign worker	Total	32,042	100%	22.9%	64.2%	12.9%
	thereof: recipients of increased benefit for families with disabled children	4,910	100%	17.0%	70.4%	12.6%

Box 2 Eligibility of Recipients of Benefit for Disabled Child for Disability Benefit as Adults

One of the issues in the field of disability in the National Insurance is assessing the eligibility of children who received the benefit for disabled child until they reached the age of 18 for adult disability benefit (general disability and attendance allowance¹). Although recipients of Benefit for disabled child have a high chance of obtaining an adult benefit, the transition between the benefits is not automatic. The reasons for this are that these benefits differ, in their purposes and in the eligibility tests for them²:

Benefit for disabled child – is intended to help the family caring for the special needs child at home and in the community with the costs involved in the difficult personal and nursing care. It is paid to children dependent on the help of others for daily activities, or who need the constant presence or supervision of another, or who have a special impairment or who need special medical treatment.

General disability pension – guarantees disabled persons whose ability to earn a living from work or practice their profession has been damaged, a minimum subsistence income³.

Attendance allowance – is intended to help the disabled living in the community who require the help of another to perform daily tasks (dressing, eating, washing,

- 1 Mobility increment is not examined since eligibility for it begins from the age of 3.
- 2 Fuller and more accurate details can be found in this chapter and on the NII Internet site.
- 3 When determining eligibility for the disability pension, there is no reference to the person's non-work income.

mobility, etc.) or constant supervision to prevent them endangering themselves or others, or the disabled with a special medical condition – to pay for this assistance.

We examined the reasons for stopping eligibility for the benefit for disabled child among all children who ceased to receive it in the years 2003-2012. The children whose eligibility stopped because of their age were located among new recipients of general disability pension and AA in the following years. The main findings were as follows:

In 2003-2011, 22,974 children stopped receiving the benefit; for 8,800 of them the stoppage was not due to age restrictions in the Regulations (Graph 1); 2,106 of the children died because of the serious medical condition (usually due to a malignant disease or a congenital defect); the remaining 6,694 did not meet the criteria for eligibility – in most cases, due to an improvement in their medical condition, or even recovery, and in other cases because they were placed in an institution. The number of children whose medical condition improves has risen over the year, probably due to technological developments in medicine.

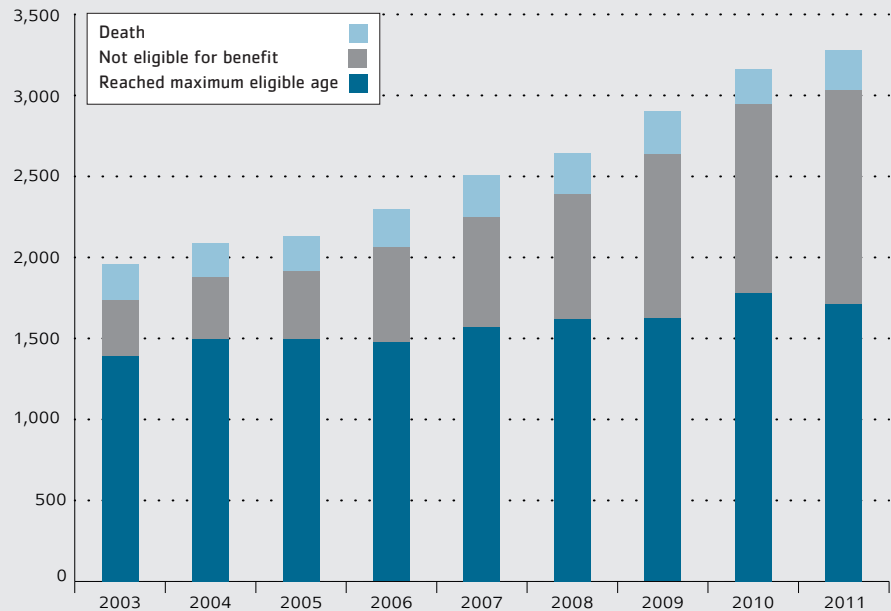
The remaining children (14,174) stopped receiving the benefit because they reached the age of 18; their numbers range between 1,400 and 1,800 each year. In fact these are children with potential eligibility for general disability pension and attendance allowance. Over the years, about 78% of children reaching the age of 18 have been found eligible for one or more benefit from the General Disability branch, and it is possible to discern a slight increase in the rate of eligibility for general disability pension and AA together (Graph 2). Apart from this, the number of children in the other eligibility groups has remained the same over the years. It is important to note that during this period there was no change in the NI policy regarding eligibility for the AA.

The breakdown of children who ceased receiving the benefit for disabled child because of age, by grounds for eligibility and the benefits to which they were entitled in adulthood, are shown in Graph 3. It shows that there is a close link between the grounds for eligibility at a young age and the chances of receiving a general disability pension (or AA) after the age of 18. There are very few cases where children were completely dependent on others in their childhood and not found eligible for a benefit in adulthood, and this also applies to those who were largely dependent on others and to autistic children. On the other hand, many children who were eligible for benefit for disabled child due to hearing problems, need for constant presence/ supervision or malignant disease did not receive any benefit from the Disability branch as adults, partly due to differences in the eligibility tests.

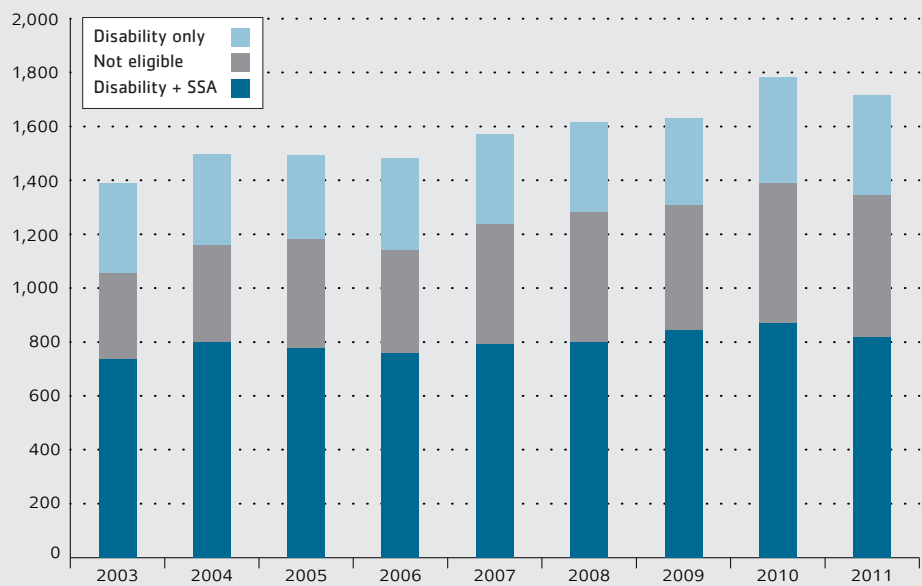
Apart from that, there is also a link between the grounds for eligibility of a disabled child and the primary defect for General Disability (see table below). One example is that of overlapping impairments, such as vision problems, hearing problems/ deafness,

In 2003-2011, 22,974 children stopped receiving the benefit; for 8,800 of them the stoppage was not due to age restrictions in the Regulations; 2,106 of the children died because of the serious medical condition (usually due to a malignant disease or a congenital defect); the remaining 6,694 did not meet the criteria for eligibility and the remaining children (14,174) reached the age of 18

Graph 1
Children who Ceased Receiving Benefit for Disabled Child, by Year of Ending Eligibility and Reason for Stoppage, 2003-2011



Graph 2
Children who Received Benefit for Disabled Child and Reached Age of 18, by Year of Ending Eligibility and Grounds for Eligibility for Adult Benefits, 2003-2012

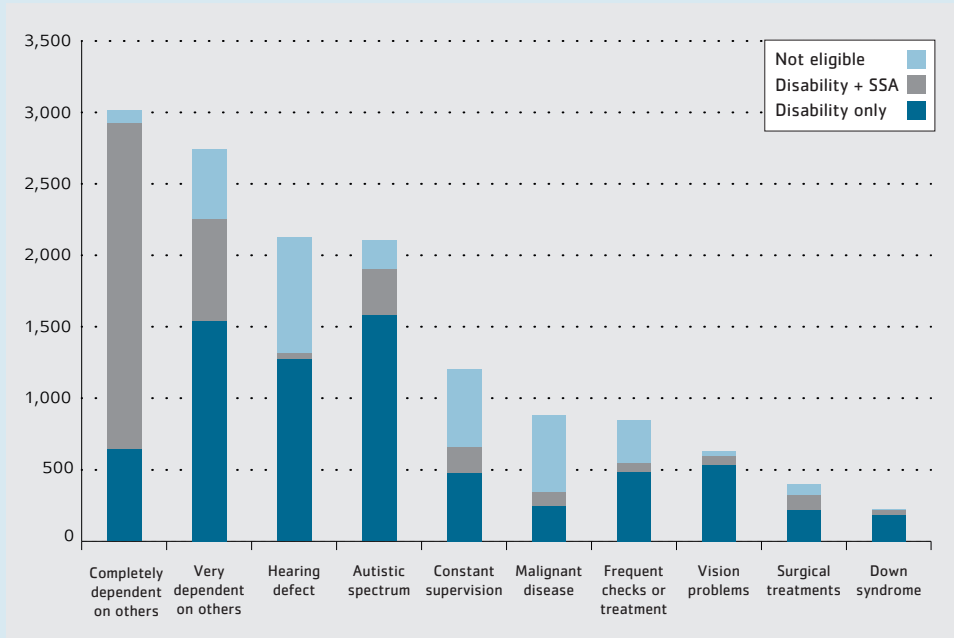


Children who Received Benefit for Disabled Child and were Found Eligible for Disability Pension and/or AA at the age of 18, by Primary Impairment and Grounds for Eligibility as Disabled Child* (numbers and percentages), 2003-2011

Grounds for eligibility as a disabled child	Total		Primary impairment for general disability (percentages)									
	Numbers	Percent	Mental	Retardation	Internal	Urogenital	Neurological	Locomotor	Vision	Deafness	Other	
	Numbers	Percent	3,137	1,037	185	2,159	497	708	1,115	34		
Total	11,105	2,233	28	9	2	19	4	6	10	0		
Complete dependence on others	2,929	10	7	40	3	0	43	5	2	0		
Very dependent on others	2,256	10	8	53	4	1	24	8	1	0		
Autism spectrum	1,908	10	82	16	0	0	1	0	0	-		
Hearing defects	1,317	10	3	5	2	1	3	1	2	83		
Constant supervision	662	10	31	26	19	1	20	2	1	-		
Vision problems	598	10	0	1	1	.	2	0	95	1		
Malignant disease	344	10	4	1	68	5	7	12	3	0		
Frequent checks or treatments	544	10	3	3	69	5	11	8	1	0		
Surgical treatments	329	10	2	3	28	27	24	12	1	0		
Down syndrome	218	10	0	95	3	.	-	-	1	-		

* The primary impairment is defined as the impairment with the highest degree of medical disability among an individual's various impairments. It is important to note that medical disability percentages in the NII are not determined by illness but by limb function.

Graph 3
Children who Received Benefit for Disabled Child and Reached Age of 18, by Grounds for Eligibility for Benefit* and Grounds for Eligibility as Adults, 2003–2011



* Frequent checkups or treatment: eligible on the grounds of three or more treatments, frequent checkups outside the house and diabetes. Surgical treatments: eligible on the grounds of urinary tract defects, internal feeding, respiratory treatment, rare syndrome and bone defect.

bone defects/ locomotor problems, Down Syndrome/ retardation, and diabetes/ internal defect. Another example is that of grounds that are “translated” into impairments: children who suffer from brain problems (retardation or neurology) and are defined as dependent on others. In many cases, at the age of 18 retardation or neurological defect is defined as the primary impairment. At the age of 18 sufferers from a malignant disease are defined as having an internal impairment, which includes cancer sufferers.

E. Benefit for People with Limited Mobility

1. Main points of the Law

The mobility allowance provides benefits to disabled persons who have leg impairments that limit their mobility³⁸. The allowance is financed by the Finance Ministry under an agreement between the Ministry and the NII.

.....
 38 Subject to the list of impairments given in Addition A to the Mobility Agreement.

A mobility-limited person is an Israeli resident, aged from 3 to retirement age³⁹ to whom a Health Ministry medical committee has assigned a mobility limitation rate of at least 40%, for those who have a valid driver's license, or a rate of 60% or more for those who do not have a driver's license.

Limited mobility assistance includes the following benefits:

- A monthly allowance – to subsidize the costs of vehicle use (for car owners)⁴⁰ or mobility (for those without a vehicle)⁴¹. A person whose home is more than a 40-kilometer round trip from his workplace is eligible for an increment to the allowance. A full allowance is granted only to those of limited mobility defined as “earners”⁴².
- A standing loan – given to the buyer of a new vehicle, to fully or partially finance the taxes on it⁴³. The amount of the loan is equal to the taxes that apply to “the effective vehicle” (as defined by law) determined for the disabled person and no more than the amount of taxes applying to the vehicle purchased. The loan is returned to the NII when the car is sold, subject to the defined rules.
- Loan fund – someone whom a medical committee has determined needs and uses a wheelchair and the Health Ministry's Medical Institute for Road Safety has determined that he needs a specially accessorized vehicle⁴⁴, or he has a degree of mobility limitation of at least 90%, has a driver's license and is studying/working/undergoing rehabilitation, is eligible for assistance in buying the first vehicle at the rate of 80% of the vehicle's value, without taxes⁴⁵.
- A loan for buying and installing vehicle accessories⁴⁶ – Whoever needs and uses a wheelchair is eligible for a loan to finance the special accessories he needs to use the vehicle, if the Medical Institute for Road Safety has determined that he needs a special vehicle, and to help him buy a wheelchair carrier, if he already owns a suitable vehicle.
- Reimbursement of expenses for buying and installing accessories in a private car – A person of limited mobility who has a valid driver's license for whom the Medical Institute for Road Safety has determined that he needs additional accessories to use the

39 The retirement age for the purposes of the mobility allowance is the conditional retirement age as defined in the Law for men, without distinction between men and women, i.e. 67.

40 Expenses for fuel, car insurance and accessories, repairs and servicing and means of protection.

41 The allowance is updated from time to time according to rise in costs of maintaining a vehicle.

42 An “earner” for mobility benefit purposes is one who is working and earning at least 25% of the average wage or who has an 80% or more mobility limitation or who is entitled to special accessories for his vehicle. A mobility-limited person who is not an “earner” is entitled to 50% of the full benefit.

43 A standing loan for replacement of a vehicle will be given to a mobility restricted person with a driving license only if 42 months have elapsed from the date of receiving the previous loan. For a mobility restricted person without a driving license – only if 48 months have elapsed; for the owner of a car with special accessories – only if 60 months have elapsed from the date of receiving the previous standing loan.

44 A specially accessorized vehicle is one that the disabled person can get into and out of and drive while sitting on a wheelchair.

45 These amounts become a grant after 5 years.

46 The loan is at the rate of 95% of the value of the accessories and the cost of their installation, including the applicable taxes. The loan is given for new accessories only.

car and to travel safely, is entitled to be reimbursed for the costs incurred in installing these accessories.

It should be noted that the benefits given to a person of limited mobility are not stopped when he reaches retirement age, but in instances where he would be entitled to subsidies for mobility expenses under other laws, he loses his eligibility for benefits under the Mobility Agreement. Under the Mobility Agreement, one is eligible for double benefits in the following instances: (a) Someone who receives a attendance allowance at a rate of less than 100% and who has not been rated as having 100% limited mobility or who does not need or use a wheelchair. (b) A child who receives benefit for disabled child but has not been given a limited mobility degree higher than 80%, or who does not need or use a wheelchair.

Since 1999, recipients of a benefit for disabled child, who are aged 3 and over, whose limited mobility degree is at least 80% or whom a medical committee has determined needs a wheelchair and uses one, can also receive a mobility allowance. A family with two or more children, each of whom has been given at least an 80% limited mobility degree or it has been determined that they cannot walk on their own, and they live in the same apartment, may be eligible for both the benefit for disabled child and the benefits under the Mobility Agreement even if either of the children is less than 3 years old.

2. Recipients of mobility allowances

The rate of growth in the number of people eligible for benefits by virtue of the mobility agreement has declined over the years. In December 2012, 34,591 people received mobility benefits – an increase of only 2.8% compared to 2011

The rate of growth in the number of people eligible for benefits by virtue of the mobility agreement has declined over the years. In December 2012, 34,591 people received mobility benefits – an increase of only 2.8% compared to 2011. As can be seen from Tables 2 and 3, about 69% of recipients of mobility allowance receive an additional benefit from the disability branch, and 2,012 are eligible for a permanent Disability Pension from the work-related branch. It may be supposed that the remaining people of restricted mobility who do not receive an additional benefit are working and earning a high wage or they are forced to give up other benefits due to duplication with the mobility allowance.

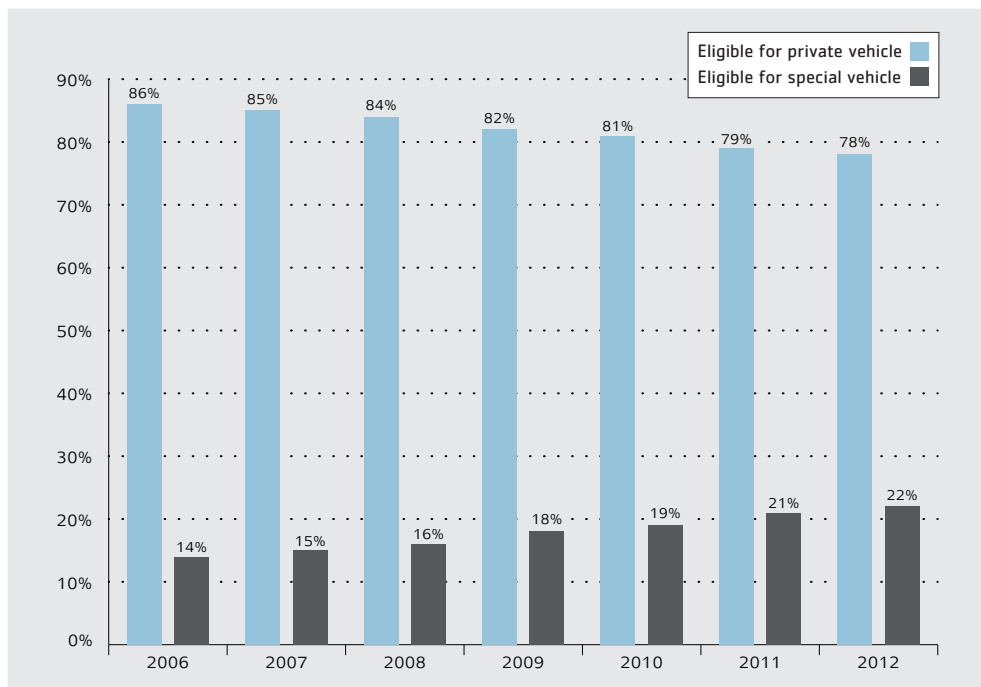
An examination of benefits for people with mobility limitations in other western countries shows that only a few of them have a special benefit for mobility restriction as exists in Israel. Among the countries that do pay such a benefit, Israel is the world leader in the variety and scope of the benefits paid, significantly ahead of the rest. There are a few reasons for this: (a) In most countries the benefit is included in the benefits paid to those dependent on others (equivalent to the AA in Israel): (b) In these countries public transport is widespread and accessible to the disabled: intercity and municipal railways, bus lines, transportation services – municipal, intercity and dedicated.

As explained above, the scope of the benefits paid in Israel to people with restricted mobility depends on ownership of a car, the size of the car (which is grouped by engine

Table 12
Recipients of Mobility Allowance, by Driver Status, Ownership of Vehicle and Vehicle Size (numbers and percentages), December 2012

Ownership of vehicle	Engine size	Total		Driving (percentages)	
		Number	Percent	Drives	Does not drive
Total	Number	34,591		19,941	14,650
	Percent		100%	57.6%	42.4%
Vehicle owners	1300	9,973	100%	78.6%	21.4%
	1800	9,637	100%	88.4%	11.6%
	2000	1,636	100%	80.7%	19.3%
	2500	343	100%	97.7%	2.3%
	Van	6,354	100%	30.4%	69.6%
No vehicle		6,648	100%	0%	100%

Graph 5
Owners of Private Vehicles and Special Vehicles as a Percentage of Vehicle Owners, 2006–2012



size) and the degree of independence (able to drive or not). As shown in Table 12, about 81% of people with restricted mobility are entitled to the benefit as vehicle owners, and about 36% of them have a small car (engine size up to 1300cc). Just over 71% of the car owners are able to drive themselves, apart from the van owners, most of whom use it while sitting in their wheelchairs, due to their severe medical condition.

In recent years the rate of people with restricted mobility who own a private car has decreased, while the rate of those with a specially accessorized vehicle has increased, partly due to the scope of the benefits to owners of specially accessorized vehicles (Graph 5). This phenomenon has a direct impact on the public cost of mobility insurance.

The degree of the disabled person's dependence on a wheelchair has a decisive influence on his rate of disability and the size of vehicle assigned to him. About 92% of the mobility limited, men and women who are confined to a wheelchair, and about 52% of those who need and use a wheelchair, have a disability degree of over 90%. The high rate of men entitled to this benefit is striking (Table 13).

Table 13
Recipients of Mobility Benefit by Disability Percentage, Gender and Dependence on Wheelchair (numbers and percentages), December 2012

Gender	Wheelchair dependency	Total		Disability percentage					
		Number	Percent	40-49	50-59	60-69	70-79	80-89	90-100
Total	Number	34,591		3,001	3,398	2,886	3,919	9,192	12,195
	Percent		100%	9%	10%	8%	11%	27%	35%
Men	Total	21,468	100%	10%	10%	8%	12%	27%	33%
	Confined	4,078	100%	0%	0%	0%	0%	8%	92%
	Needs & uses	4,703	100%	2%	1%	6%	6%	35%	50%
	Does not use	12,687	100%	17%	17%	12%	17%	30%	7%
Women	Total	13,123	100%	6%	9%	8%	11%	26%	39%
	Confined	2,929	100%	0%	0%	0%	0%	7%	93%
	Needs & uses	3,484	100%	1%	2%	6%	6%	33%	53%
	Does not use	6,710	100%	11%	17%	13%	18%	32%	9%

Table 14
Recipients of Mobility Allowance by Age and Primary Impairment (numbers and percentages), December 2012

Primary impairment	Total		Age (percentages)							
	Percent	Number	3-17	18-29	30-39	40-49	50-59	60-66	67+over	
Total	Number	34,591	4,405	3,234	3,286	3,884	6,985	7,600	5,197	
	Percent	100%	100%	100%	100%	100%	100%	100%	100%	
Paralysis	23,052	66%	96%	86%	73%	64%	63%	59%	44%	
Restricted joint movement	4,275	12%	1%	5%	10%	13%	14%	17%	19%	
Venous insufficiency	1,837	6%	.	0%	1%	2%	5%	9%	14%	
Amputations	1,475	4%	1%	2%	4%	5%	5%	5%	6%	
Sprains	1,296	4%	1%	2%	5%	6%	5%	4%	4%	
Pseudoarthrosis	1,211	4%	0%	1%	3%	4%	4%	3%	7%	
Rigidity	943	3%	0%	1%	2%	3%	3%	3%	6%	
Other	502	2%	1%	3%	2%	3%	1%	0%	0%	

Table 14 shows the types of impairment and the age of people receiving a mobility allowance. It is particularly noticeable that 28% of them are not of working age, about half of them are children, and most of them suffer from paralysis of the lower limbs (66%). The younger the age group, the higher the proportion of those with paralysis, while the rate of those with other disabilities is lower. The reason is that most of the children suffer from congenital defects, while among the adults, many suffer from other conditions that develop with age.

The mobility allowance is intended, among other things, to enable recipients to lead a normal life, including integration into work. In addition, anyone whose home is a round trip of over 40 km from his place of work is eligible for an additional benefit as compensation for his additional fuel costs. Nevertheless, only about 40% of them work. 18% of those working receive an additional allowance due to the distance between their home and place of work. It is possible that the serious medical condition of those who are eligible, as shown by the above table has considerable impact on this.

28% of mobility allowance recipients are not of working age, about half of them are children, and most of them suffer from paralysis of the lower limbs (66%)

F. Compensation for Radiation-affected Persons

1. Main points of the Law

In 1994, the Knesset passed the Tinea Capitis Victims Compensation Law, which is meant to compensate those who were treated with radiation for tinea capitis (ringworm) 1.1.1946 and 31.12.1960, by the state, the Jewish Agency, the health funds or the HadaAAh Medical Federation, and later contracted one of the illnesses specified in the law. The compensation is funded by the Ministry of Finance and paid by the NII.

Under the Tinea Capitis Victims Compensation Law, a person eligible for the benefit is one who is a resident of Israel, who contracted tinea capitis⁴⁷ and for whom a medical committee has determined that as a result of the radiation treatments he has contracted some kind of cancer in the head or neck area; benign tumors in the brain; leukemia; or hair loss in the scarred areas of the scalp, and that he has a medical disability of at least 5%.

The regulations that were introduced regulate the compensation to victims: lump-sum compensation, a monthly pension, a grant in lieu of a pension or a grant to survivors as defined by law. Eligibility for benefits under the Tinea Capitis Victims Compensation Law does not prejudice the rights of eligible persons to receive other benefits from the NII, and is not age-dependent.

Following are the payments made under the law (the amounts are correct for 2012):

Monthly pension: Anyone with a medical disability of at least 40% is eligible for a monthly pension equal to 25% of the average wage (under the National Insurance Law), multiplied by the percentage of medical disability. For 100% disability, the amount of the pension is NIS 2,155.

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 47 The loan is at the rate of 95% of the value of the accessories and the cost of their installation, including the applicable taxes. The loan is given for new accessories only.

Lump-sum compensation: (a) A patient with a 75% or more medical disability degree is eligible for a one-time payment of NIS 184,183. (b) A patient with a 40%-74% disability degree is entitled to half this sum - NIS 92,092.

Grant in lieu of a pension: A patient with 5%-39% medical disability is eligible for a lump-sum grant, calculated as a percentage of the monthly pension (based on his certified degree of disability) multiplied by 70.

Grants to survivors: (a) The spouse of a patient with children living with them receives a grant of 36 full monthly benefit payments: NIS 77,580. (b) A spouse without children living with them, or a child of the deceased, is eligible for 60% of the full survivor's benefit - NIS 46,548.

At the end of 2012, the number of those receiving a monthly pension under the Tinea Capitis Victims Compensation Law reached 4,138. These are the most seriously ill who are suffering from cancer and its metastases

2. Recipients of the monthly pension for radiation-affected persons

At the end of 2012, the number of those receiving a monthly pension under the Tinea Capitis Victims Compensation Law reached 4,138. These are the most seriously ill who are suffering from cancer and its metastases (Table 15). 241 of them began to receive this benefit over the past year. The average age of recipients (67.3) is quite high, because of the eligibility periods set down in the law. Contrary to most of the benefits paid by the Disability insurance branch, most recipients of the pension for radiation-affected tinea sufferers are women (64%). This is probably partly the result of their longer life expectancy.

Most of the pension recipients suffer from skin defects (63%) and only about 16% suffer from an internal impairment

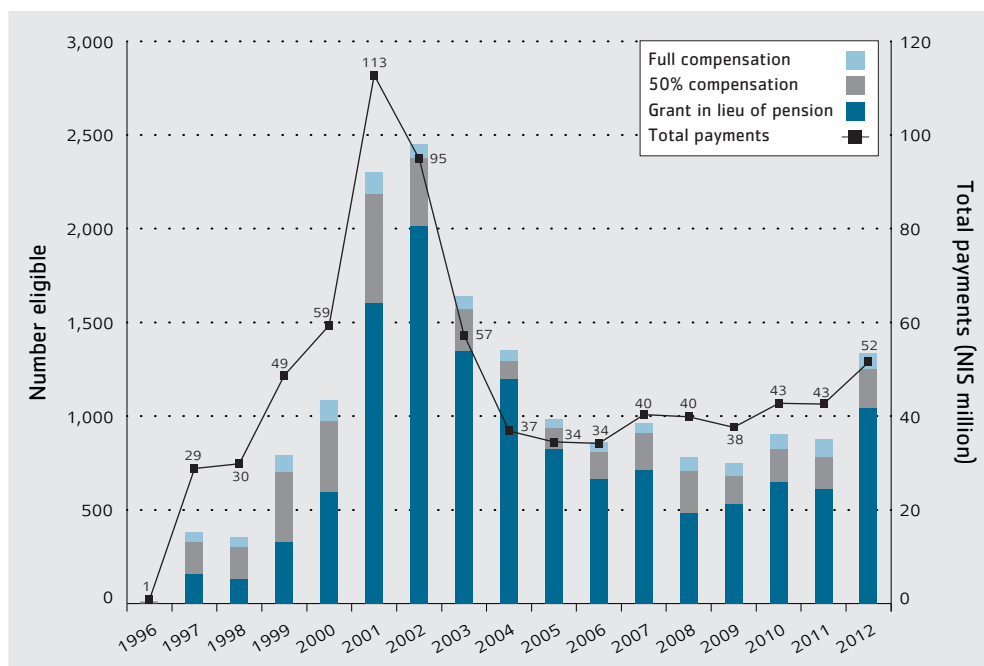
Table 16 shows the pension recipients at the end of the year by the impairment that makes them eligible⁴⁸ and their percentage medical disability. The table shows that most of the pension recipients suffer from skin defects (63%) and only about 16% suffer from an internal impairment (generally cancer), probably as the result of the different life expectancy for cancer sufferers. It also shows a direct link between the impairment and the disability degree. Most of those suffering from an internal or neurological disorder have a high medical disability degree while most of those suffering from skin defects have a lower disability degree.

Table 15
Sufferers of Tinea Capitis Receiving a Monthly Pension, by Age and Gender (numbers and percentages), December 2012

Gender		Age				
		Total	50-59	60-64	65-59	70 and over
Total	Number	4,138	412	1,215	1,328	1,183
	Percent	100%	100%	100%	100%	100%
Men		39%	36%	36%	40%	43%
Women		61%	64%	64%	60%	57%

48 It is important to note that the qualifying impairment is not necessarily the dominant impairment. For example, for about 25% of the benefit recipients, their dominant impairment is a mental disorder that does not show up on Table 16.

Graph 6
Grants to Victims of Tinea Capitis: Breakdown of Recipients and Total Annual Payments*, 1996-2012



* Payments are attributed to the year in which they were paid, but those who were approved higher rates of medical disability following an appeal are counted as eligible for compensation at the time of the appeal at the full rate of compensation.

Table 16
Sufferers from Tinea Capitis Receiving a Monthly Pension, by Degree of Medical Disability and Qualifying Impairment (numbers and percentages), December 2012

Qualifying impairment		Total		Medical disability degree			
		Number	Percent	40-49	50-59	60-79	80-100
Total	Number	38,804		1,749	844	966	576
	Percent		100%	100%	100%	100%	100%
Skin damage	Scarring	1,830	44%	54%	52%	37%	16%
	Bald patches	773	19%	33%	14%	7%	1%
	Lymph glands	435	10%	1%	8%	17%	32%
Internal	Internal - other	242	6%	5%	7%	7%	5%
Neurological		826	20%	7%	18%	31%	43%
Other		32	1%	0%	1%	1%	2%

It is interesting to see how the flow of compensation recipients has developed over the years. Graph 6 shows that once the law came into full force in the early 2000s, the number of compensation/grant recipients on account of Tinea Capitis began to drop, presumably

Once the law came into full force in the early 2000s, the number of compensation/grant recipients on account of Tinea Capitis began to drop

because most of them had utilized their rights. However, in 2012, the number again increased, due to an increase in the percentage of approved claims. From the graph it is also possible to identify the link between the ratio of pension recipients with high percentages of medical disability to the ratio of people receiving the full grant – which is rather low in both cases.

G. Compensation for Polio Victims

1. Main points of the Law

In March 2007, the Knesset passed the Polio Victims Compensation Law, for the purpose of compensating persons who contracted the poliomyelitis virus⁴⁹ in Israel or underwent treatment on Israeli territory⁵⁰, and a National Insurance qualified doctor has determined that he suffers from a medical disability or limited mobility as a result of the disease or subsequent exacerbation (post-polio syndrome)⁵¹. This compensation is funded by the State Treasury and is intended to express the State's commitment to the victims. The compensation provided to polio victims under this law does not prejudice their rights to receive any other benefit from the NII.

Most polio victims contracted the illness during the early years of the State (the early 1950s), before the anti-polio vaccine came into use (in 1961), but a few cases that appeared at a later stage are also known, apparently in children or adults who were not vaccinated.

The benefits paid under the law are as follows (the amounts are correct for 2012):

Monthly pension: Anyone with an approved medical disability of at least 20% is eligible for a monthly pension according to his medical disability percentage. The full pension is equal to 50% of the average wage (as defined by law) – NIS 4,310.

Lump-sum compensation: (a) Anyone with up to 74% stable medical disability degree is eligible for a lump-sum payment of NIS 58,519. (b) Anyone with a 75%-94% stable disability degree is entitled to NIS 117,039. (c) Anyone with a permanent disability degree of 95% or more is entitled to NIS 140,447.

Grant in lieu of a pension: Anyone with less than 20% medical disability is eligible for a lump-sum grant instead of a pension, relative to his degree of disability (as a proportion of the full monthly pension) multiplied by 70.

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49 Polio affects the motor nerve cells in the spine, and consequently dAMPges the nerve fibers and muscles. About half those who contract the virus recover completely, and half suffer from varying degrees of motor disability.

50 From February 2012, people who contracted polio outside of Israel but received medical treatment in Israel until the end of 1969 are eligible for compensation under the law.

51 Post-polio syndrome is caused by erosion of the nerve cells and is characterized by reduced muscle function accompanied by weakness and pain.

In addition to these payments, the State subsidizes medical treatments, special accessories and medical devices not included in the health basket and required by polio victims to lead a normal life.

2. Recipients of monthly pension for polio victims

2012 was the fifth year in which compensation was paid to polio victims. In December 2012, there were 6,074 recipients: an increase of 8.7% compared to 2011. Most of the increase is due to changes in the Law that came into force in 2012, which led to another 308 people becoming eligible. 75% of recipients of the pension receive another one or two benefits from the General Disability branch (Table 3), a figure that is not surprising in view of the definitions of eligibility.

Table 17 shows the breakdown of recipients of the pension for polio victims by date of appearance of the disease, showing that 84% of those eligible for the pension contracted the disease before the vaccine was introduced in 1961. This figure can explain the older average age of recipients – 60.6. The remainder are mainly people who contracted the disease outside the borders of Israel and were treated in Israel, or people who suffered a late outbreak of the disease, including those who were not vaccinated.

Table 18 shows that about 50% of recipients of the pension suffer from post-polio syndrome, a syndrome that can break out up to 45 years after infection with the virus. It also shows that there is a connection between the type of impairment and its severity: the rate of people with high percentages of medical disability suffering from cranial nerve disorders and post-polio syndrome is higher than the rate of those suffering from limb paralysis and bone damage.

In spite of the decrease in total payments, in the last two years the number of recipients of compensation and grants has increased (Graph 7). In 2007 the number of people eligible was higher because that is when the law came into force. In subsequent years their number has decreased significantly, although there are year-to-year fluctuations,

Compensation has been paid to polio victims since 2008. In December 2012, there were 6,074 recipients: an increase of 8.7% compared to 2011

In spite of the decrease in total payments, in the last two years the number of recipients of compensation and grants has increased

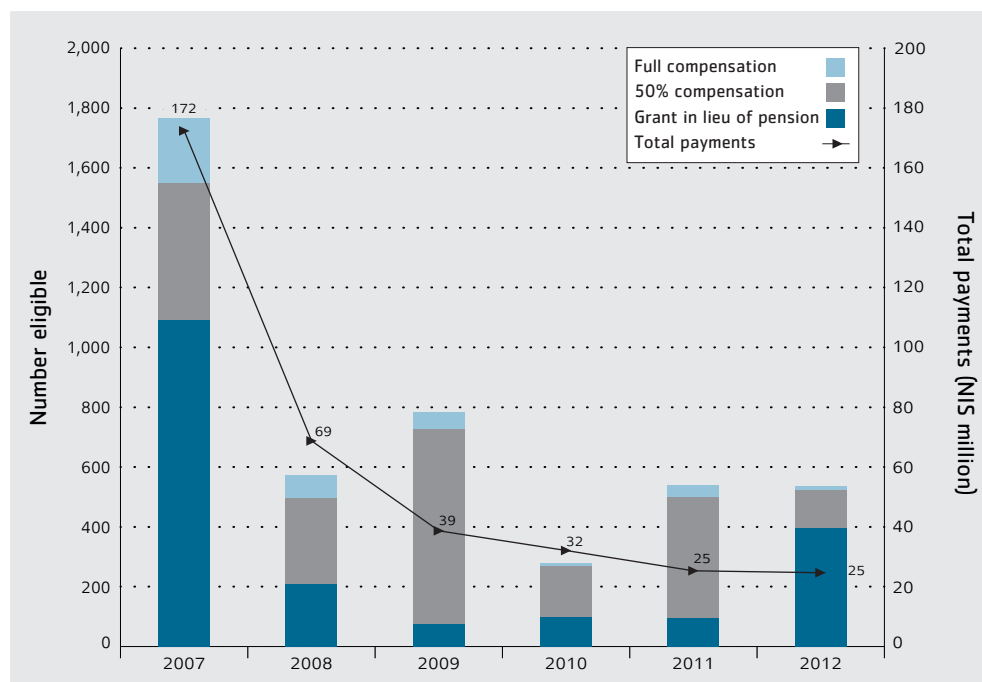
Table 17
Victims of Polio Receiving a Monthly Pension, by Gender and Time of Appearance (numbers and percentages), December 2012

Time when disease appeared		Total		Men	Women
		Number	Percent		
Total	Number	4,074		2,226	1,808
	Percent		100%	100%	100%
Before the establishment of the State		394	10%	9%	11%
1948-1959		3,040	74%	73%	75%
1960-1969		373	9%	11%	7%
1970-1979		157	4%	4%	3%
1980 to the present		109	3%	3%	3%

Table 18
Polio Victims and Recipients of Monthly Pension,
by Qualifying Impairment and Rate of Medical
Disability (numbers and percentages), December 2012

Qualifying impairment	Total		Disability percentage					
	Number	Percent	20-49	50-59	60-69	70-79	80-89	90-100
Total	4,074		900	463	264	166	1,319	962
		100%	100%	100%	100%	100%	100%	100%
Cranial nerve disorders	675	17%	10%	14%	13%	13%	12%	31%
Paralysis of limb nerves	967	24%	66%	24%	47%	38%	5%	2%
Bone disorders	347	9%	16%	8%	12%	9%	5%	6%
Post-polio	2,085	50%	8%	54%	28%	40%	78%	61%

Graph 7
Grants to Polio Victims: Breakdown of Recipients
and Total Annual Payments, 2007-2012



since those who appealed the disability percentage assigned to them and had a higher rate of medical disability approved are counted as eligible for the full rate of compensation on the date of the appeal. In 2011 the number of those receiving partial compensation increased, as a result of appeals against approved rates of disability, while in 2012 there was an increase in the number of people receiving grants in lieu of the pension – the result of the amendment to the law introduced that year, and of the medical condition of new eligible persons.

H. Payments

In 2012, the Disability insurance branch paid out a total of NIS 11.6 billion – 6% higher, in real terms, than the amount paid in 2011. The breakdown of this branch's expenditure by category (Table 19) shows that the relative share of payments for disability and rehabilitation benefits continued to decrease in 2012 and reached approximately 68% of the branch's expenditure. The main reason for this was the relative increase in the size of payments for other benefits – attendance allowance, benefit for disabled child and mobility allowance. Payments to victims of tinea amounted to about NIS 150 million in 2012, and to victims of polio to about NIS 220 million. The increase in payments to polio victims is largely the result of legislative changes introduced this year.

In 2012, the Disability insurance branch paid out a total of NIS 11.6 billion – 6% higher, in real terms, than the amount paid in 2011

Table 19
Payments in the General Disability Branch by Category (percentages), 2008-2012

Year	Total	Disability & rehabilitation	Attendance allowance	Disabled child	Mobility	Services development fund
2008	100%	72.4%	8.3%	7.6%	10.9%	0.8%
2009	100%	71.3%	9.1%	7.7%	11.0%	0.9%
2010	100%	70.6%	9.3%	7.8%	11.6%	0.7%
2011	100%	69.3%	9.9%	8.5%	11.6%	0.7%
2012	100%	67.8%	10.3%	9.2%	12.0%	0.6%

Table 20
Payments in the General Disability Branch and their Share of All National Insurance Benefits, 2008-2012

Year	Total		Benefit payments in this branch as a percentage of all benefit payments
	NIS million (2012 prices)	Real annual rate of increase (%)	
2008	9,929,531	2.2	19.2
2009	10,401,478	4.8	18.6
2010	10,925,138	5.0	18.6
2011	11,004,296	0.7	18.4
2012	11,656,647	5.9	17.8

Table 21
Average Monthly Disability Pension (in current prices, in fixed prices and as a percentage of average wage), 2008-2012

Year	Current prices	2012 prices	As a percentage of the average wage
2008	2,457	2,743	31.0
2009	2,567	2,774	32.2
2010	2,658	2,797	32.2
2011	2,710	2,756	31.6
2012	2,774	2,774	31.5

Table 22
Average Monthly Attendance Allowance (in current prices, in fixed prices and as a percentage of the average wage), 2008-2012

Year	Current prices	2012 prices	As a percentage of the average wage
2008	2,011	2,244	25.4
2009	2,236	2,416	28.0
2010	2,324	2,446	28.2
2011	2,383	2,423	27.8
2012	2,449	2,449	27.8

Table 23
Average Monthly Benefit for disabled child (in current prices, in fixed prices and as a percentage of the average wage), 2008-2012

Year	Current prices	2012 prices	As a percentage of the average wage
2008	1,888	2,107	23.8
2009	1,973	2,132	24.7
2010	2,207	2,322	26.8
2011	2,266	2,305	26.5
2012	2,414	2,414	27.4

Table 24
Average Monthly Mobility Benefit (in current prices, in fixed prices and as a percentage of the average wage), 2008-2012

Year	Current prices	2012 prices	As a percentage of the average wage
2008	1,649	1,841	20.8
2009	1,756	1,897	22.0
2010	1,828	1,923	22.2
2011	1,939	1,972	22.7
2012	2,036	2,036	23.1

The proportion of benefit payments in the Disability branch out of all National Insurance benefit payments has decreased compared to 2011, to 17.8%

The proportion of benefit payments in the Disability branch out of all National Insurance benefit payments has decreased compared to 2011, to 17.8%. This is after constant growth in the years 2003-2008 (Table 20). The reason for this decline is the growth of benefits in other branches after the process of raising the retirement age ended.

The average disability pension⁵² is affected by numerous variables, such as (a) the percentage of people eligible for the full pension; (b) the percentage of those eligible

52 Payments also include amounts paid for the additional monthly pension.

for increments for dependents; (c) the percentage of eligible persons with income from work or non-work income; (d) the percentage of recipients of the incentive pension. In 2012, the average pension was NIS 2,774 per month – which is 31.5% of the average wage. Therefore the trend of erosion in the pensions compared to wages continues. The main reason for this erosion lies in the difference between the mechanisms for updating pensions and wage increases, and to a certain extent also the rise in the rate of pension recipients who are also earning.

The average attendance allowance (which also includes the additional pension) was NIS 2,449 in 2012, with no real change over 2011 – a fact that indicates the identical medical composition of newly eligible and existing recipients.

The size of the average benefit for a disabled child⁵³ is affected by two main changes that occurred in recent years: the combining of the increment for studies and the living allowance following the recommendations of the Or-Noy Commission⁵⁴, but even more so – the increase in the benefit for children who are completely dependent on others, and payment of the studies increment to all benefit recipients. In 2012, the average benefit was NIS 2,414, which is 27.4% of the average wage – a real increase of 3.4% compared to 2011. In 2012 the average mobility pension was NIS 2,036 per month, which is 23.1% of the average wage – a real increase of about 1.8% compared to 2011. This increase derives, inter alia, from the growth in the percentage of those eligible for a specially accessorized car, from the increase in fuel prices, and from the depreciation of the shekel against the dollar – which increased the cost of keeping a car.

In December 2012, the average benefit for victims of Tinea Capitis was NIS 1,257 – a real increase of 2.7% compared to 2011, although the identity and characteristics of recipients did not really change. The average benefit paid to polio victims was NIS 3,007 per month, which is 34.1% of the average wage – a real increase of 1.2% compared to 2011.

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53 Payments also include amounts paid for the additional monthly pension.

54 Children who had not reached the age of 14 before the introduction of the new regulations were not eligible for the separate increment for studies that was paid until then.

