

# 5 --- National Insurance Funds



# 1. National Insurance Funds - General

The main activity of the National Insurance Institute (NII) focuses on providing benefits in money or in kind to those who are entitled to them by law. These benefits are financed by the NII budget and by national insurance and health insurance contributions which the NII collects.

In addition to the benefits, the NII also assists in development of community services in order to improve the welfare of populations at risk and to extend their circle of opportunities. This activity is carried out by means of the National Insurance Funds<sup>1</sup>. The Funds Division (Services Development Division) was established in 2002, to coordinate the activities of all the funds<sup>2</sup>, and through them to promote projects, programs and ventures<sup>3</sup> to develop and implement social services and infrastructures in accordance with the NII's policy and the needs of the target populations: children and adults with special needs, handicapped elderly people living in the community or in institutions, families and single people in economic and social distress, long-term unemployed people, at-risk children and youth, workers at risk of work accidents, and other groups such as residents of the periphery, Arabs and ultra-orthodox. Requests for assistance reach the funds in two main ways: as a result of a specific "call for proposals" for a particular field which the NII publishes or as a result of applications initiated by various bodies.

The authority of the funds to develop welfare services and the maximum annual budget for each fund are anchored in the law<sup>4</sup>, which stipulates regulations for examination of the projects or programs and for the NII's participation in financing them, by means of part of the insurance contributions collected from the employers and insureds in the appropriate department.

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1 The research fund which is also included in the law operates as part of the Research and Planning Administration - see further on in the chapter.

2 Until 2002 each fund operated in the relevant department, except the children's fund, which was established in 2004, and the special projects fund, which operated as part of the Research Administration.

3 A project deals mainly with establishment of infrastructure and equipping, a program is mainly the operation of a service and a venture is a comprehensive project or program or one in which a number of funds cooperate.

4 National Insurance Law (Consolidated Version), 5755-1995.

The Division operates by means of five funds: the fund for development of services for the disabled, the fund for promotion of long-term care programs, the special projects fund, the fund for financing work safety and hygiene activities (Manof) and the fund for development of services for at-risk children and youth.

- The fund for development of services for the disabled: assists public bodies to develop services for handicapped people in order to integrate them in society and work and to improve their welfare. The fund operates in the following fields: special education and preschoolers; employment rehabilitation for the disabled; sheltered housing in the community; sport and leisure activities; improvement of physical conditions in institutions for the disabled and purchase of rehabilitation equipment; and assistance in making public buildings accessible to the disabled. The fund also assists in improving the quality of life and services in institutions.
- The fund for promotion of long-term care programs: assists in development and improvement of services for handicapped elderly people in the community and in institutions, establishment of day centres for the elderly, purchase of equipment for special needs, training of manpower to take care of elderly people and improvement of services in long-term care institutions.
- The special projects development fund: assists public and private bodies to develop social services with an experimental and innovative component in a variety of fields, and particularly for groups at risk: dysfunctional families, at-risk children and youth, people with special needs and elderly people suffering from violence. These programs are intended for development and implementation in the community throughout the country, and therefore most of them are accompanied by research assessment.
- The fund for development of services for at-risk children and youth: acts to advance the care of children under the age of 18 who are at risk due to neglect, abuse, violence and sexual harm, including children and youth who have contravened the law, use drugs or are exposed to dangerous living conditions. The fund deals mainly with development of programs to prepare adolescents for independent life and to prevent future dependence on NII allowances by developing fitness for employment.

The fund also assists with dealing with attention deficit hyperactivity disorder which forms the basis of an at-risk population and treats children and youth who have been sexually harmed. The fund's rehabilitation programs assist in reconnecting these children to the education and welfare systems and preventing them from sinking into situations of poverty and need.

- The "Manof" fund: intended for financing activities for prevention of work accidents and for encouragement of programs to increase safety and hygiene: financing research in the field of work safety and hygiene and implementation of its conclusions in experimental factories; development and improvement of innovative safety measures; location of occupational risks and safety hazards at workplaces; and assistance in purchase of safety equipment, training activities and information and advertising campaigns.

## 2. Summary of Activities in 2015

As in previous years, also in 2015 the NII funds mainly operated among populations at risk (as set out in section 1 above), in education and learning and in preparation for and placement in employment, which are the cornerstones of the welfare and social security policy and main field of activity of three of the funds: the fund for development of services for the disabled, the special projects fund and the fund for at-risk children and youth.

For a number of years the funds have been engaging in development and financing of social businesses and programs for employment of disadvantaged populations. In 2015, with the cooperation of the Ministry of Finance and the National Economic Council at the Prime Minister's Office, two funds for the encouragement and development of social businesses<sup>5</sup> (Yozma funds) were launched. These funds provide professional backing for social businesses which employ disadvantaged groups – handicapped people, adults entitled to an income supplement, youth and young adults at risk, released prisoners and single-parent families receiving income support. The Yozma funds are financed by the NII, the Ministry of Finance, donations and other investors, and are operated by means of concessionaires – the Dualis Yozma Fund and the IVN Yozma Fund. The total financial scale of the Yozma funds is NIS 50 million.

In 2015 the fund for development of services for the disabled, in cooperation with the Chief Scientist at the Ministry of Economy, launched a venture for support of research

Table 1

Aid Approved, by Fund and by Field of Activity (Millions of NIS), 2015

Field of aid	Fund					Aid approved	
	Disabled	Long-term care	Special projects	At-risk children and youth	Manof	Total	As % of funds budget
Community housing	10.9	24.4	1.4	-	-	36.6	18.8
Institutional housing	5.0	13.9	-	-	-	18.9	9.7
Employment	30.9	-	6.7	20.7	-	58.3	30.0
Leisure and sport	15.2	-	0.8	-	-	15.9	8.2
Education (preschoolers, special education, parenting education and higher education)	36.4	-	2.0	0.7	-	39.0	20.0
Accessibility	5.2	-	-	-	-	5.2	2.6
Risks survey and research	-	0.2	0.5	0.02	3.1	3.8	2
Miscellaneous	6.3	-	5.3	0.03	5.2	16.8	8.6
<b>Total</b>	<b>109.8</b>	<b>38.5</b>	<b>16.6</b>	<b>21.4</b>	<b>8.3</b>	<b>194.5</b>	<b>100.0</b>

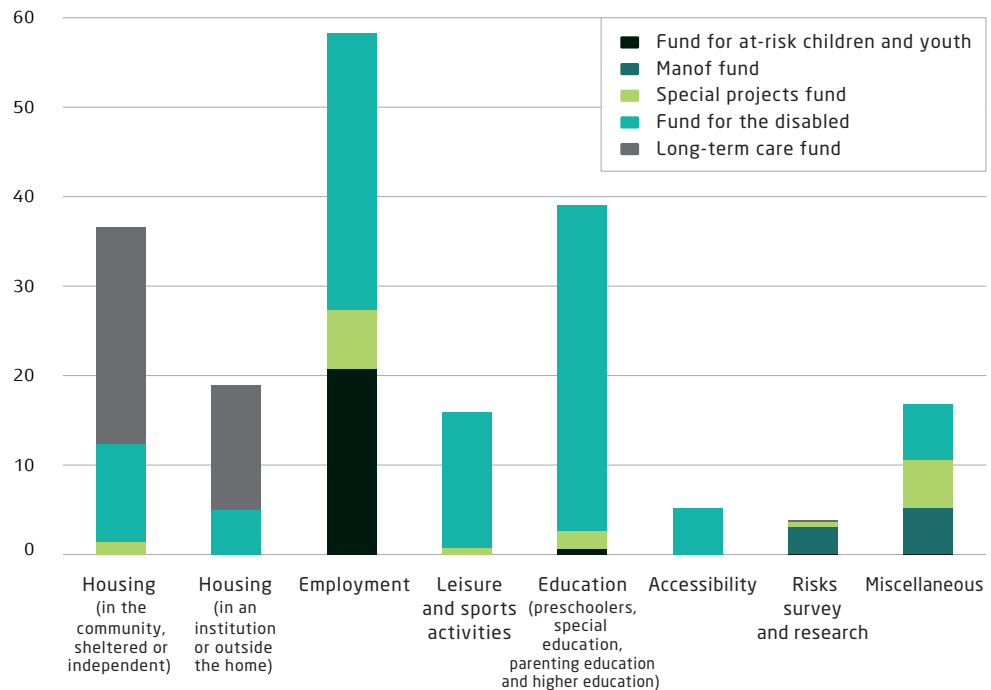
5 See Annual Report 2013, chapter 5

and development of technological solutions for handicapped people in order to increase their integration in society and work.

In 2015 the funds were also active in development of community housing and institutional housing (housing in institutions) – approximately 30% of their budget was designated for this field. The main fields of activity of the funds in 2015 can be seen in Table 1.

Figure 1

### Aid Approved, by Fund and by Field of Activity (Millions of NIS), 2015



## 3. Scale of Activities

In 2015 the funds signed agreements for development of welfare services in an amount of approximately NIS 194.5 million for 260 different programs. The amount of the aid increased by approximately 1% in financial terms. The number of programs was approximately 9% less than in 2014, which can be explained by the fact that the funds

invested a very high budget, in the sum of NIS 10 million,<sup>6</sup> in the Yozma funds. Another possible explanation is that on average greater financial aid was given to each program in order to increase its effectiveness.

As stated, the amount of aid for each fund is stipulated in the law. The fund for development of services for the disabled is allocated the highest amount, more than half the funds budget, and after it, in descending order – the long-term care fund, the special projects fund, the fund for at-risk children and youth and the Manof fund (Table 2 and Figure 2). The activity of the fund for the disabled and the long-term care fund focuses on investment in infrastructures and hence the large amount of aid (Table 2). The special projects fund and the fund for at-risk children and youth engage in development and operation of services and their budget in the law is lower.

Table 2  
Programs and Aid Approved, by Fund, 2015

Fund	Programs approved (numbers)	Aid approved		
		Total * (NIS)	Average per program (NIS)	As % of funds budget
Development of services for the disabled	160	109,834,837	686,468	56%
Long-term care	28	38,483,713	1,374,418	20%
Special projects	32	16,552,611	517,269	9%
At-risk children and youth	27	21,403,261	792,713	11%
Manof	13	8,259,803	635,369	4%
<b>Total</b>	<b>260</b>	<b>194,534,225</b>	<b>..**</b>	<b>100%</b>

\* The financial data presented in the tables below relate to amounts approved in a particular year and not to actual implementation.

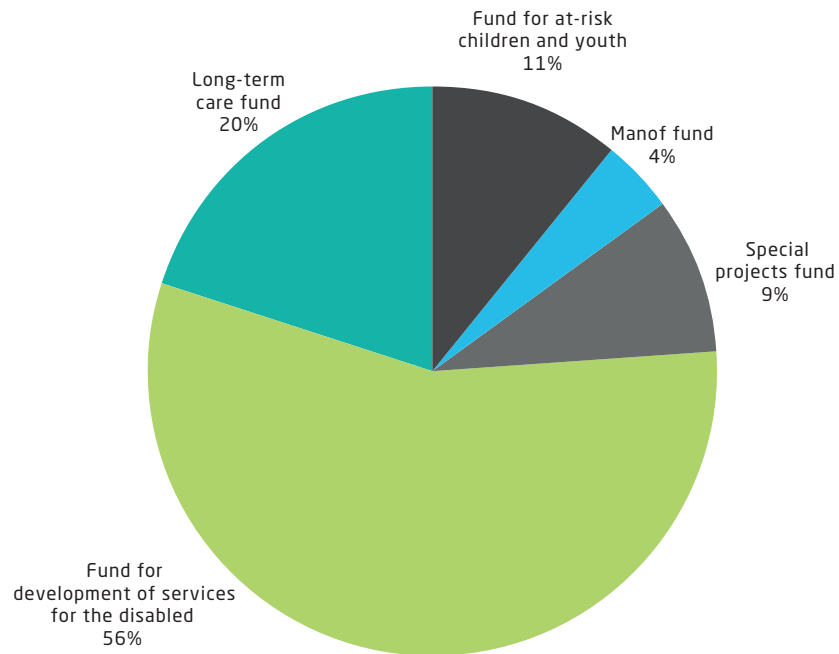
\*\* The item of data is not relevant because of the differences in the nature of the programs of the various funds.

The NII funds do not fully finance the programs in which they are partners, but pool resources from various bodies. The maximum rate of financing for each fund is anchored in the fund regulations. In some funds the rate is also determined in accordance with the social and economic characteristics of the target population or of the local authority (according to accepted statistical indices) and in the case of the long-term care fund – by the economic characteristics of the body operating the service.

The participation rate is determined, inter alia, in accordance with the socio-economic cluster of the towns as measured by the Central Bureau of Statistics. The usual rate of the **fund for development of services for the disabled** is 80% of the total cost of the

6 The special projects fund invested approximately NIS 6 million and in addition approximately 4 million was invested by the fund for at-risk children and the fund for development of services for the disabled.

Figure 2  
Aid Approved, by Fund (Percentages), 2015



project<sup>7</sup>, and NIS 2.45 million at the most<sup>8</sup>. In the **long-term care fund** the maximum amount of aid in 2015 was NIS 3.25 million and it is updated at the beginning of each year. The regulations distinguish between community projects (such as day centres) and projects for institutions (such as old-age homes): in the community projects the rate of aid is determined by the CBS clusters and is 60%-90% of the total cost of the project<sup>9</sup>, and in institutions – 50%-70%. The aid rate is determined after a recommendation from an accountant, who examines the financial strength of the applicant body. In 2015 the **fund for at-risk children and youth** provided aid at the rate of 80%<sup>10</sup> of the cost of the program, in accordance with the socio-economic index of the town, the **special projects fund** up to 80%<sup>11</sup>, and the **Manof fund** is also permitted to finance the full cost of the program.

7 90% - the maximum aid for towns with a socio-economic ranking of 1-4 from the CBS and for towns on the confrontation line according to the Ministry of Defence, 80% - for towns ranked 5-7, 70% for towns ranked 8-10.

8 For towns ranked 1-4 and towns on the confrontation line the maximum aid is NIS 2.8 million. Aid up to NIS 4 million will be given to projects in accordance with conditions.

9 Including the resources with other bodies. In the long-term care fund – mainly living expenses and the Claims Conference

10 Up to 2015 – 50%

11 In a program which the fund finances for three years, the financing decreases gradually from 100% to 50%, depending on the year of operation.



The **leverage ratio** is the ratio between the total cost of the program and the amount which the funds invested. The leverage of the funds' monies is of great importance: the activity of the programs has increased considerably and so also the possibility of developing and operating additional programs which without the pooling of resources would not be able to exist at all. The greater the leverage is, the better the sources of financing can be combined and the resources increase. The leverage also enables country-wide distribution, strategic vision and establishment of standards going as far as change in regulation.

In 2015, in total, services in the amount of approximately NIS 412 million were developed through the funds (Table 3), so that the funds' monies enabled leveraging of the programs in an amount double the amount of their support. This year the cost of all the programs increased by approximately 6% compared with 2014, so that the leverage rate of the funds' monies increased at the same rate.

Table 3

Total Cost of Programs, Aid Approved and Rate of Aid, by Fund, 2015

Fund	Cost of programs (NIS)	Aid approved	
		Total (NIS)	As % of total cost*
Disabled	184,199,519	109,834,837	60%
Long-term care	146,422,949	38,483,713	29%
Special projects	38,059,386	16,552,611	43%
At-risk children and youth	32,135,222	21,403,261	67%
Manof	11,062,526	8,259,803	75%
<b>Total</b>	<b>411,879,601</b>	<b>194,534,225</b>	<b>49%</b>

\* Taking into account the maximum aid and aid percentages stipulated in the regulations.

## 4. Activity by Towns

Most of the funds' budget – approximately 80% - is invested in programs operating in specific towns and only approximately 20% is invested in ventures or programs at a national level (such as activity to raise awareness of work safety or promotion of workplace safety).

The socio-economic level of the town is related, inter alia, to its geographical location, and usually the further it is from the centre of economic activity and from population centres, the fewer the economic opportunities there are for its residents.

The size of the funds' investment in the districts far from the centre of the country – south and north- was fairly high in 2015 – approximately 47% of the total budget invested in the towns – one and a half times their share of the total population - 30%

(Table 4). Also in the Jerusalem district, which despite its centrality is classified as cluster 4 (out of 10) a budget was invested at a higher rate than its share of the population – 16% and 12% respectively. In the Haifa, Tel Aviv and central districts the aid was at a rate lower than their share of the population, with Tel Aviv having the lowest ratio (5% of the budget and 17% of the population). In the Judea and Samaria district a budget similar to its share of the population was invested.

In order to give expression to the fact that towns in the centre have advantages over towns in the periphery, which increase the more central the town is, in addition to the socio-economic cluster index the Central Bureau of Statistics developed a **peripherality**

Table 4  
Aid Approved and its Percentage of the Budget of All the Funds  
and of the Population, by District and Sub-District\*, 2015

District and sub-district	Aid approved		
	Total (NIS)	As % of funds' budget for towns**	Population (% of total)
<b>Jerusalem</b>	25,326,926	16	12
<b>North</b>	36,706,905	24	16
Safed	8,461,885	6	1
Kinneret	2,474,831	2	1
Jezreel	6,233,938	4	6
Acre	19,536,251	12	7
Golan	-	-	1
<b>Haifa</b>	11,888,436	8	12
Haifa	11,110,329	7	7
Hadera	778,107	1	5
<b>Centre</b>	26,875,091	17	24
The Sharon	6,059,650	4	5
Petach Tikva	7,532,999	5	8
Ramle	4,062,138	3	4
Rehovot	9,326,015	6	7
<b>Tel Aviv</b>	8,406,738	5	17
<b>South</b>	35,271,853	23	14
Ashkelon	16,884,559	11	6
Beersheba	20,961,376	14	14
<b>Judea and Samaria area</b>	9,135,874	6	4
<b>Total programs in towns</b>	153,611,823	100	100
National programs	40,816,692		
<b>Total</b>	<b>194,534,225</b>		

\* The districts and sub-districts were defined according to the CBS classification (Israel Statistical Yearbook no. 66, 2016)

\*\* The percentage was calculated from the total budget for programs in towns.

**index**<sup>12</sup> which ranks the towns according to proximity to population centres and economic activity. The clusters 1-3 are very peripheral, 4-peripheral, 5-6- medium, 7-central, 8-10-very central.

From the breakdown of the aid to the towns according to the peripherality index, it is evident that the funds' budget is tilted in favour of towns situated in the periphery of Israel: half the aid was given to towns at a level of peripherality up to medium (1-6), while their residents amounted to approximately 40% of the total population (Table 5 and Figure 3).

Another classification of towns by the CBS is, as stated, according to their socio-economic class<sup>13</sup>: towns in clusters 1-3 were defined as belonging to the lower (*word added*) socio-economic class (approximately 21% of all residents) 4-7 middle (approximately 63% of all residents) and 8-10 – upper class (approximately 16% of all residents) (Table 6). According to this classification, in 2015 23% of the budget was invested in towns of the lower socio-economic class, 63% thereof in middle-class towns, and 9% in upper-class towns (compared with 12%, 76% and 12% respectively in 2014) (Table 6 and Figure 4). The investment in lower-class towns therefore increased considerably in 2015 compared with 2014 and in the upper- and middle-class towns it decreased.

Table 5

**Aid Approved and its Percentage of the Budget of All the Funds and of the Population, by Fund and by Peripheral Index\*, 2015**

Peripherality cluster	Fund					Aid approved		Population (% of total)
	Disabled	Long-term care	Special projects	At-risk children and youth	Manof <sup>**</sup>	Total (NIS)	As % of funds' budget for towns <sup>***</sup>	
1-3	5,829,551	-	-	1,500,096	-	7,329,647	5	4
4	17,413,106	3,665,935	299,870	3,814,864	-	25,193,774	18	10
5-6	23,545,530	10,729,176	1,035,042	5,567,628	-	40,877,376	30	27
7	16,689,491	196,848	649,935	-	-	17,536,274	13	12
8-10	29,936,396	12,332,758	3,062,654	-	-	45,331,808	33	39
<b>Total ****</b>	<b>93,414,074</b>	<b>26,924,716</b>	<b>5,047,501</b>	<b>10,882,588</b>	<b>-</b>	<b>136,268,879</b>	<b>100</b>	<b>100</b>
<b>Overall sum</b>	<b>109,834,837</b>	<b>38,483,713</b>	<b>16,552,611</b>	<b>21,403,823</b>	<b>8,259803</b>	<b>194,534,225</b>		

\* The population was calculated according to the CBS publication in 2008 and the total population in that year.

\*\* All the Manof fund's programs are national.

\*\*\* The percentage was calculated out of the total budget of the programs for the towns.

\*\*\*\* Total for the towns for which the index was calculated.

12 Central Bureau of Statistics (2008). Peripherality Index of Local Authorities, 2004 – notice to the press 160/2008. The index expresses the proximity of the town to each of the towns in Israel, weighted by their population size and the proximity of the local authority to the Tel Aviv district border. It contains ten clusters arranged in ascending order from the most peripheral to the most.

13 Local Authorities 2013, Central Bureau of Statistics.

Figure 3

## Aid Approved as a Percentage of the Budget of All the Funds and of the Population, by Fund and by Peripherality Index, 2015

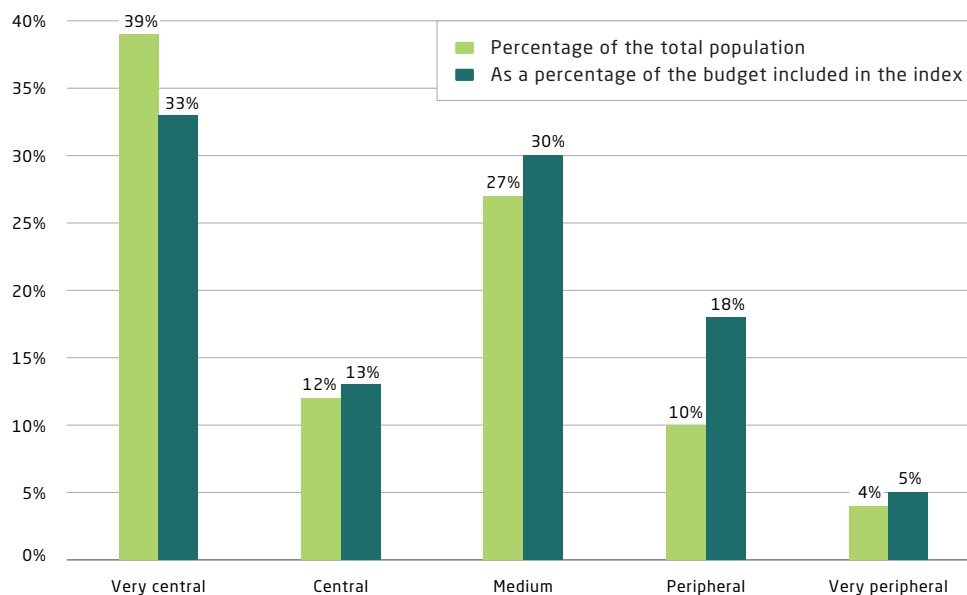


Table 6

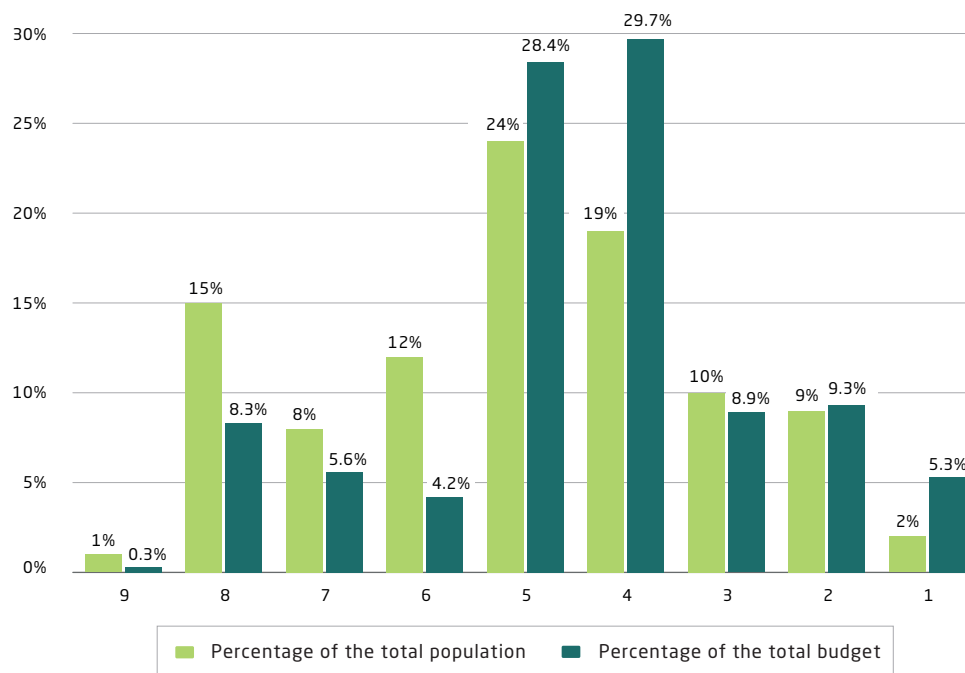
## Aid Approved (NIS) and Percentage of the Budget of All the Funds, by Socio-Economic Cluster of the Town and by Fund, 2015

Socio-economic class	Fund					Aid approved		Population (% of total)
	Disabled	Long-term care	Special projects	At-risk children and youth	Manof*	Total (NIS)	As % of funds' budget in the clustered towns	
1	6,938,237	249,921	-	-	-	7,188,158	5	2
2	9,552,880	298,201	-	2,786,464	-	12,637,545	9	9
3	5,503,002	3,177,708	400,000	3,109,800	-	12,190,510	9	3
4	27,470,752	8,601,304	1,871,568	2,553,096	-	40,497,344	30	4
5	26,611,377	7,774,635	1,843,977	2,433,228	-	38,662,885	28	5
6	5,085,896	14,602	563,053	-	-	5,663,551	4	6
7	4,379,216	3,200,000	109,484	-	-	7,688,700	6	8
8	7,507,361	3,608,063	259,419	-	-	11,374,833	8	8
9	365,353	-	-	-	-	365,353	1	1
10	-	-	-	-	-	-	-	10
<b>Total**</b>	<b>93,414,074</b>	<b>26,924,716</b>	<b>5,047,501</b>	<b>10,882,588</b>		<b>136,268,879</b>	<b>100</b>	<b>100</b>
<b>Overall sum</b>	<b>109,834,837</b>	<b>38,483,713</b>	<b>16,552,611</b>	<b>21,403,823</b>	<b>8,259,803</b>	<b>194,534,225</b>		

\* All the Manof fund's programs are national.

\*\* Total in the clustered towns

Figure 4  
Aid Approved, by Socio-Economic Cluster (NIS), 2015



The investment in towns of the lower socio-economic class was higher than their share of the population (23% and 21% respectively), and so also in middle-class towns (68% and 63% respectively). In upper-class towns the investment was lower than their share of the population (9% and 16% respectively). A town's membership of a particular socio-economic cluster is determined by the **average** of the socio-economic indices in it. Therefore, even in middle- or upper-class towns there are groups at risk, who are assisted by the funds.

To sum up, the data show that the NII funds allocate a considerable part of their budget to remote towns, both geographically and according to the peripherality index, and to towns of the lower to middle socio-economic class. This allocation is in line with their aims.

## 5. Main ventures in 2015

In this section we will survey the main innovations which were made in 2015 in the work of the funds generally, and in each of them specifically.

## Hub for innovative social ventures

In 2015 the funds acted in collaboration with JDC-Israel to establish a hub for social ventures (see Box 1). The hub was designed to locate innovative social initiatives and to assist in their initial development, so that after a trial period they could become incorporated into the NII funds, the JDC and other sectors. It is planned that the first cycle of the hub will start operating at the beginning of 2017.

### Box 1

#### Social entrepreneurship hub<sup>1</sup>

A central element of the work of the funds, and especially the special projects fund, is development of innovative services for the target populations. As part of this the funds are acting in collaboration with JDC Israel to establish an experimental venture for development of welfare services – a hub for social ventures<sup>2</sup>. The hub will accept social entrepreneurs and will assist them for a year in developing the initiatives by means of an extensive basket of services, in order to enable the initiatives to be implemented on a wide scale in the field.

The establishment of the hub is based on the **open innovation** approach, in which innovative development requires collaboration between sectors and fields. This approach maintains that “It is about looking across sectors and finding unexpected partners to help solve knotty problems for mutual benefit”<sup>3</sup>, that is to say, in order to develop the best solutions to the country’s social problems the funds’ circle of partnerships must be extended so that the collaboration will include government ministries, the local authorities, academic experts and third sector non-profit organizations, as well as creation of work interfaces and development of social programs with independent social entrepreneurs, technology people and the business sector. The establishment of the hub will also enable the NII funds and the JDC to enlist all those bodies for development of innovative social services for populations at risk.

The idea of a hub for development of entrepreneurship originated in the business world, in which business hubs have been operating for more than three decades, and it is estimated that there are about 7,000 of them in the world. The social hubs are a fairly recent phenomenon – most of them were established in the last decade – but there are already several hundred of them all over the world.

- 1 In writing the box we were assisted by Naomi Krieger-Carmy: **Social “Hub”, JDC and NII: Learning from Social Accelerators in the World** (2016). Prepared for the hub development team.
- 2 In the field of social entrepreneurship there are a number of concepts which refer to entrepreneurship assistance centres – hub, incubator, accelerator - and the differences between them are not sufficiently defined. For convenience in this chapter we have chosen to use the word **hub** for the three types.
- 3 <http://www.nesta.org.uk/blog/open-minds-open-funding>.

In recent years social entrepreneurship hubs have also begun operating in Israel (for example – Presentense, 8200 EISP, Tech for Good).

The establishment of the hub by the funds has two main aims:

The first aim is to encourage innovative and effective social initiatives from the field to supplement the existing activity in the field of social services essential for the welfare of populations at risk.

The second aim is to increase, strengthen and diversify social entrepreneurship in Israel by cultivating a new generation of social entrepreneurs with knowledge, skills and commitment to the solution of social problems, including entrepreneurs from the risk groups themselves, and by creating an interactive network of those entrepreneurs, experts, government ministry employees, businesspeople and social organizations working for the groups at risk.

**In addition to the features mentioned above with regard to social hubs, the hub being established by the funds has unique features:**

- Development of solutions for populations at risk.
- Focusing on social initiatives after the initial development stages in a variety of models.
- Possibility of long-term support as part of the ongoing work of the funds and the JDC.
- Use of the knowledge, experience, and expertise of the NII funds and JDC Israel in development of social initiatives, countrywide distribution and access to professionals and to the target groups for learning and carrying out the pre-pilot.
- Developing entrepreneurs from populations in risk situations.

Every year the social hub will accept some 30-40 initiatives being led by social entrepreneurs or teams of entrepreneurs. For about a year the entrepreneurs who are accepted by the hub will receive an extensive basket of services, including:

- Group workshops and tools – knowledge workshops, development of the initiative and development of abilities, peer instruction, etc.
- Investment in development of the initiatives – an array of mentors from a coaching (mentoring) service, experts and professional advisers; entrepreneurship training program; scholarships; financing the pre-pilot
- Networking – pitch days for partners, clients and the community, infrastructures for application and carrying out the pre-pilot of the initiative, membership of a network of entrepreneurs and graduates, etc.
- Infrastructures and support services – work and meeting spaces in the hub building in Lod, office services, connection to databases, service providers (information scientist, economist, lawyer, graphic design, etc.), etc.

- Financing – scholarships for entrepreneurs, investment by the hub in the initiatives.

The joint work by the NII funds and JDC Israel on development of the hub began in the second half of 2015, and in January 2016 the venture was approved by the committees of the NII Council. It is expected to begin operating in the first quarter of 2017.

### Submission of applications over the Internet

As part of the effort to achieve digitization of government services, this year saw the beginning of the development of a system for submitting applications over the Internet. The system, which is being established through Microsoft, will increase the accessibility and transparency of the funds to the public, will improve the standard of communication with applicants and will make the management of applications by the funds more efficient. The system will be put on the NII's website at the beginning of 2017.

### The fund for development of services for the disabled

In 2015 there was a considerable increase in the fund's investments in three fields – community housing, leisure and special education, and an increase in the amount of aid to treatment frameworks for people on the autistic spectrum, who suffer from a real lack of suitable services. **In total the fund assisted 22 treatment frameworks for people on the autistic spectrum:** community rehabilitative day centres were established and equipment was purchased for special education schools and kindergartens, for treatment centres for adults and for housing.

#### Box 2

### Country-wide distribution of rehabilitative day care centres for children with special needs

A central field of activity of the fund for development of services for the disabled is development of services for preschool children with special needs. As part of this, the fund assists with the establishment and upgrading of rehabilitative day care centres for babies and small children with special needs, from half a year to three years old. In addition, the fund acts to encourage the **From Risk to Chance** program, in which small children with special needs are integrated in ordinary day care centres, where they receive para-medical treatment. In this box we will enlarge upon the rehabilitation day care centres.



Rehabilitative day care centres are one-day frameworks, which offer enrichment, educational and special treatment services to small children with special needs (physical, mental or sensory disability), who cannot be integrated in an ordinary day care centre, based on the outlook that the earlier the intervention in the treatment of these children, the greater the possibility of realizing their potential and integrating them in the community.

These day care centres have a number of outstanding features:

- Study in small classes (6-10 pupils per class).
- Holistic and intensive treatment of the small child under one roof (one stop shop).
- Provision of para-medical treatments, such as physiotherapy, occupational therapy and speech therapy.
- Provision of individual and group counseling and support services for the parents.

Most of the day care centres are “multi-disabled” – intended for children with different handicaps, and a small number of them are designated for a specific disability (visual impairments, hearing impairments or communication disorders).

Today the day care centres operate under the Rehabilitative Day Care Centres Law, 5760-2000, but it does not define the bodies responsible for their establishment, and therefore many small children who need a rehabilitative day care centre remain without a response. The rehabilitative day care centres are the responsibility of the Ministry of Welfare, which finances their day-to-day operation, and the placement in a day care centre is the responsibility of and under the auspices of district placement committees. Local authorities, the fund for development of services for the disabled, the Shalem Fund, philanthropic funds and non-profit organizations are partners in the establishment of the day care centres.

According to the Ministry of Welfare data, in the years 2005-2015 the number of day care centres tripled, and today approximately one hundred rehabilitative day care centres are operating in Israel. The number of small children in them has quadrupled in those years, and today approximately 2,500 small children attend them. Despite the sharp increase in the number of day care centres, the demand is still greater than the supply, particularly among children on the autistic spectrum.

In the light of this, in recent years there has been a big increase in the size of the investment in rehabilitative day care centres by the fund for the development of services for the disabled. In the years 2011-2015 the fund invested a total amount of approximately NIS 59 million in 52 projects for construction (see table below), renovation and assistance with equipping day care centres, with preference to towns on the periphery and to particular sectors.

In the light of the fact that the demand for rehabilitative day care centres exceeds the supply, in recent years there has been professional cooperation between the Ministry of Welfare, Ministry of Health, Shalem Fund and the fund for development of services for the disabled. As part of this, at present work is being done on the preparation of detailed instructions for establishment of rehabilitative day care centres, including a professional program of functions of the day care centre. The detailed instructions have a number of purposes: to assist bodies which wish to establish a rehabilitative day care centre; to create an equal, decent and respectful standard among all the day care centres in Israel; to consider, already at the time of establishment, all the treatment aspects, the employees' needs and the families' needs.

A draft of the program was put on the NII's website<sup>1</sup> in 2016 and the detailed instructions are expected to be published at the beginning of 2017. Concurrently, the fund for development of services for the disabled will continue with its intensive activity for the establishment, renovation and assistance with equipping of rehabilitative day care centres.

#### Projects for Construction, Renovation and Assistance With Equipping Rehabilitative Day Care Centres, 2011-2015

Year	Number of projects	Total participation by the fund (NIS)
2011	5	5,612,774
2012	5	3,863,165
2013	8	11,554,571
2014	18	20,884,302
2015	16	17,452,049
<b>Total</b>	<b>52</b>	<b>59,366,861</b>

<sup>1</sup> <http://www.btl.gov.il>.

#### Long-term care fund

- **Development of infrastructures and upgrading old-age homes** in accordance with the 2016 program of the Ministry of Health and establishment and renovation of day centres for the frail and mentally frail.
- **Formulation of innovative experimental programs** - operation of frail-care departments in old-age homes by the housing clusters method, operation of day

centres by the flexible work model (second shift) and a host families program for solitary handicapped elderly people.

- **As part of the national program for treatment of Alzheimer's disease** – development of a 24-hour telephone service centre for dementia patients and a support program for the main caregivers of elderly people suffering from dementia.
- Extension of the integrated model for treatment of elderly people with complicated needs who live in the community to four more towns.

### **Special projects fund**

- **Programs to reduce loneliness among old people in the community.** Encouragement of physical activity among handicapped people. Establishment and operation of integrative complexes in municipal parks – a community program which maintains complexes with games facilities also suitable for handicapped people, where activities take place which are intended to integrate children with and without handicaps.
- **Establishment of municipal and regional centres for children and youth who suffer from emotional and psychological problems** (in accordance with the Headspace model which was developed in Australia). Development of an accessible city model by establishment of a training and study centre for professionals and for the public in the field of making urban space accessible (in cooperation with the fund for development of services for the disabled).

The fund also published a call for proposals, in response to which about 170 programs were received, which are at the preliminary evaluation stage, and it began the planning and development of a hub for social ventures in collaboration with the JDC.

### **The fund for at-risk children and youth**

- **A Spark for a Safe Future- Preparation for employment and independent life for young people in civil and army service.** Development of a model of intervention among children in situations of neglect and their families (in cooperation with the Rashi Foundation and the Ministry of Welfare). Development of a model of intervention among and empowerment of youth from Ethiopia.

### **The fund for prevention of work accidents (Manof)**

In 2015 the fund engaged in promotion of safety and health in agriculture, in prevention of exposure to noise in workplaces, in promotion of safety at work, in assistance in preparation of the new regulations on the subject of safety at work and in promotion of workers' health.

## 6. The Research Room

As part of the expansion of the opportunities for research, in 2011 the Research and Planning Administration of the NII opened a research room, in which researchers can use the NII's database for their research, by making use of micro-social files after the identifying details have been removed from them.

The research room has three workstations and statistical and econometric software suitable for processing SAS, R, STATA, SPSS and QGIS data. The total database contains administrative files of the NII and files of other bodies with which the NII maintains professional relations, such as the salary file of the Tax Authority and data from the Population Register. In addition, other files are brought to the research room specially and are integrated (with the consent of the data providers) in the administrative information. Each request requires preparation of a database adapted to the purposes and needs of the research, which is done by NII employees. Use of the research room is conditional upon a security check of the researchers and on their signature of a confidentiality document.

A committee of the Research and Planning Administration meets once a quarter to discuss requests to use the research room. The decisions are made in accordance with criteria such as the importance of the research, the quality of the researchers and the scope of the resources involved in preparation of the files by the NII employees. The NII reserves the right to charge for preparation of complex files, and particularly for changes and updates to requests.

From its establishment until the end of 2015 about 25 studies have been done in the research room, which have made use of the data files in the database<sup>14</sup>. As with the research fund, on completion of the research the researchers are requested to publish their results in coordination with the NII. Some of the studies have been done in collaboration with researchers from the Research Administration.

### Important studies in progress

- **Bank of Israel, Research Division, Noam Zussman and Tamar Ramot-Niska: Public Housing –characteristics of apartments and residents.** The study will assist in understanding who receives housing assistance and in focusing policy in this field on the relevant populations who are supported by a wide range of social services.
- **The Hebrew University, Dr Ity Shurtz, Dr Sarit Weisburd and Dr Itay Saporta-Eksten: How does the change in old-age pensions influence the labour supply of households?** The research examines whether a higher old-age pension encourages earlier retirement on pension, and if so, to what extent. The answer to this question

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<sup>14</sup> The first list can be found in the NII Report 2013 and a further list in the NII Report 2014.

is likely to show the social cost (as far as loss of employment is concerned) of old-age pensions.

- **The Hebrew University, Prof. Victor Lavi: Analysis of the influence of the teachers' incentives program on pupils' performance over the years.** After it was found in previous research that the incentives program has an influence on achievements in high-school studies, the present study examines the influence of the incentives on higher education, salary, employment and demographic variables.
- **The Hebrew University, Dr Raanan Raz: Epidemiologic research on autism spectrum disorders in Israel and examination of risk factors for this disorder in the Israeli population.** This study has a number of sub-studies, among them examination of air pollution as a risk factor for autism, and as part of this a sub-study on NO<sub>2</sub>, which is an indicator of air pollution from traffic.
- **Ben-Gurion University, Yitzhak Pinhas: Influence of the level of unemployment benefits on the duration of the period of unemployment.** The study examines the influence of the level of unemployment benefits on the duration of unemployment and additional result variables by use of the RKD method.

### **Important studies in the past**

- **The Employment Service, Rony Hacoen: Follow-up study – the influence of the “Circles of Employment” program, a pilot program for assisting income support claimants at the Employment Service.** The study examines the influence of the program on receipt of national insurance benefits generally and the income support benefit in particular, employment rates, whether the position is full- or part-time, and salary from work.
- **Applied Economics Ltd for the Ministry of Economy, Sergei Sumkin: The influence of foreign-owned multinational hi-tech companies on local hi-tech companies.** The research examined the influence of foreign-owned multinational hi-tech companies operating in Israel on the amount of knowledge, employment, salary level, product and productivity in the hi-tech sectors.

