

## Maternity Insurance

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

### Maternity Branch Benefits

#### Hospitalization Grant

The hospitalization grant is intended to fund the birth and hospitalization costs of the mother and newborn, and is paid directly to the hospital. In 1995, when the National Health Insurance Law came into effect, hospitalization of mothers and newborns, including premature newborns, was included in the health care basket provided by the law, and was funded by National Insurance Institute (NII) from funds collected for the Maternity Division collection but not paid by means of the NII. Since January 1997, the hospitalization grant has once again been paid directly to hospitals. Since 2016, hospitalization grants are funded from the budget of the Ministry of Finance, but the actual payment to hospitals is made by the NII. An increased grant is paid for a premature birth (from 1993). When a birth takes place abroad, the grant is paid directly to the mother following submission of a claim.

The amount of the grant is updated yearly in January, in accordance with the rules set forth by law: (a) total payment for regular and premature births should be equal to the amount that would have been paid for these births if there were no difference in the rate of the grant between regular birth and premature birth; (b) whenever the Ministry of Health changes the price of a general hospitalization day – at the same rate; (c) In accordance with the government's decision under the Economic Arrangements Law.

#### Birth Grant

The birth grant is intended for purchase of primary supply for the newborn, and is paid directly to the mother, including foreign workers staying in Israel with a permit. The level

of the grant is 20% of the basic amount<sup>1</sup>, a full basic amount for twin childbirth, and for each other child – an additional 50% of basic amount.

As of June 2017, those who give birth at home are also eligible for a birth grant (subject to providing a written declaration by a midwife or physician confirming their presence during birth and the respect of guidelines prescribed in Ministry of Health's Circulars regarding home births, and that information about performing newborn screening and early illness detection was given to the mother). The NII receives direct reporting from the Ministry of Health about home birth after all necessary verifications were conducted by the Ministry of Health. There is no need to submit a claim.

Until June 2003, birth grant rate was uniform and unrelated to the number of previous births (20% of the average wage as legally defined). In July 2003, the rate changed from the second child on and set at 6% of the average wage, then, in January 2004, the rate was increased for the second child only to 9% of the average wage.

### **Maternity Allowance**

Maternity allowance is intended to compensate working mothers for the loss of their salary during maternity leave they are to take in accordance with the Women's Employment Law. Working mothers – whether salaried, self-employed or undergoing vocational training, including foreign workers legally residing in Israel – are eligible for maternity allowance, provided that insurance contributions were paid on her behalf for the periods stipulated in the law (**qualifying period**). As of January 2017, the maternity allowance is paid for 8 or 15 weeks depending on the qualifying period accrued by the mother (the payment of additional week actually started in June 2017, upon completion of all law's implementation preparations, and applies to births from January 2017). Until May 2007, maternity allowance was paid for 6 or 12 week periods, and until the end of 2016 – for 7 or 14 weeks.

It is possible to begin receiving the maternity allowance before the estimated date of birth, but at most for half the eligibility period. Under certain conditions, the maternity leave can be extended by a maximum of four weeks. Income tax at source, and national and health insurance contributions are deducted from the maternity allowance.

**Birth and parenthood period:** In August 2016, the term **maternity leave** was changed to **birth and parenthood period** in order to emphasize that the maternity leave concerns the whole family and, therewith, promote equality awareness.

- **Maternity allowance for a salaried woman:** Calculated according to her average salary in the 3 or 6 months prior to the determining day (the last day of work) – whichever is

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<sup>1</sup> NIS 1,757 in 2018.

higher. Daily maternity allowance is calculated by dividing the full income in the last three months, or in the last six months, by 90 or by 180, respectively (until February 2017 – the average daily income in the three months preceding the determining date).

- **Maternity allowance for a self-employed woman:** Calculated based on average daily income in the three months preceding the determining date or the corresponding three months in previous year – whichever is higher (until April 2016 – the average daily income in the three months preceding the determining date). These rules and their modifications also apply to the calculation of paternity allowance.
- **Paternity allowance:** The spouse of a woman who gave birth is eligible to replace her for between 7 days and 9 weeks of leave (if she is entitled to 15 weeks), or between 7 and 14 days (if she is entitled to 8 weeks). The couple is allowed to take a leave at the same time for one week, provided that their combined days of leave do not exceed the maximum period of entitlement of the mother alone. The man can take the simultaneous week of leave at any time during the woman's leave, which will be subject to the deduction of the last week. Entitlement to a paternity leave applies as of 1998 to any man whose female spouse returned to work. Until March 2017, the minimum eligibility period was a 21-day leave, and from April 2017 – 7 days. Since April 2017, anyone whose female spouse is entitled to half the period of maternity leave can also share the leave period with her. Although the number of men receiving paternity allowance is still rather small, it has risen sharply in the last three years: in 2016, 545 men received a paternity allowance, in 2017 – 848, and in 2018 – 1,266.

### Risk Pregnancy Benefit

The risk pregnancy benefit is paid to a working woman who, for medical reasons related to pregnancy, is forced to stop working for at least 30 days and does not receive any payment from her employer or any other body. The qualification period for this benefit is identical to the period for the maternity allowance and the maximum amount payable is the full basic amount.

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

### **Childbirth Allowance**

The childbirth allowance is paid monthly for 20 months to a mother who gave birth to three or more offspring in a single birth, all of whom remained alive for the time period prescribed by Law. The allowance rate is derived from the basic amount, and increases with higher number of children. The allowance decreases gradually throughout the eligibility period.

### **Expenses of Transportation to Hospital**

Any woman giving birth is entitled to transportation to the hospital nearest to her place of residence (until 2008 – only if she lived far away from the hospital).

### **Allowance to Women with Disabilities**

A single mother (single-parent family) who have been assigned a degree of earning incapacity of 100% and is unable to care for her child – is entitled to a special three-month allowance amounting to 30% of the average wage. A woman's spouse is entitled to a paternity allowance (see above) for 15 weeks (until November 2018 – 14 weeks).

### **Allowance Following the Mother's Death**

If the mother dies at birth or within a year of birth, the spouse is paid a special monthly allowance for 24 months for each offspring born in that birth, at the rate of 30% of the average wage. If a child receives a survivor's pension or benefit for dependents, the allowance will be paid for 12 months only. A special compensation is paid to the deceased's spouse if he stopped working to care for the baby. This compensation is equal to the amount of the maternity allowance and is paid for 14 weeks. These payments are granted in about ten cases per year.

### **Payment for Amniocentesis**

An insured woman or an insured man's wife, aged between 35 and under 37, is eligible for a payment for amniocentesis, provided that she is not entitled to this procedure according to the People Health Regulations. The National Insurance Institute transfers the payments to the Ministry of Health for procedures carried out in hospitals, at the rate established in conformity to the raise in hospitalization prices for ambulatory treatments.

## **Legislative Changes in 2018**

### **Agreement with the Civil Service Authority Regarding the Payment of Maternity Allowance**

The Civil Service Authority will bear the costs of maternity allowance for those who served in the civil service and did not accrue the required qualifying period for maternity allowance;

the time of service period shall constitute or complete the qualifying period for the maternity allowance. The agreement applies to those who have served at least 12 months in national service or community volunteering under the National Insurance (National Service Voluntary Service) Regulations, 2002, or the Civil Service Law, 2007, regarding births occurred since 1.5.2018.

### **Male spouse's maternity leave in multiple birth**

Couples having a multiple birth can stay both stay on maternity leave (birth and parenthood period) simultaneously – during two weeks out the three weeks granted to each additional child born in a single birth, from seven days to a maximum of two weeks, and on following conditions: The woman is on paid leave but not before the day of childbirth, male spouse's leave days will be deducted from the woman's eligibility quota, which was subject to a written consent given by the woman. This entitlement comes as a complement to the right to stay simultaneously on leave for seven days granted in a single child birth. The amendment applies to births from 1.8.2018.

## **Main Trends**

### **Birth Grant**

In 2018, birth grants were paid to approximately 183,900 mothers – an increase of 1.3% compared to 2017 (Table 1). The number of women of childbearing age (15 to 44) increased by 1.5% between the two years, and the number of births per 1,000 women of childbearing age remained at 98. 97.8% of birth grants were paid for a single child birth – similar to previous years. There were 3,859 twin births (173 less than last year) and 100 triplet births (compared to 93 in 2017).

Birth grants distribution by NII's branch shows that more than a third of birth grants were paid in Jerusalem, Beersheba and Ramla: 33,753, 19,240 and 14,748 grants, respectively. Collectively, nearly one-third of the grants paid in these three branches were for multiple births: 605, 371 and 278 grants, respectively. The highest rates of multiple births were registered in the Krayot, Jaffa, Rishon Lezion, Haifa and Holon branches (from 2.6% to 3.1% of the grants), and the lowest in Bnei Brak, Jerusalem, Ashkelon, Ramla, Ashdod and Be'er Sheva branches (1from .6% to 1.9% of the grants).

Table 1: Birth grants, 2014 - 2018

Year	Total birth grants paid	Change from previous year (%)	Number of grants for single child birth	Number of grants for multiple birth	Women of childbearing age* (15-44), monthly average (Thousand)	Number of grants per 1,000 women
2014	173,211	2.1	169,064	4,147	1,779.3	97
2015	176,979	2.2	172,864	4,115	1,809.8	98
2016	178,920	1.1	174,855	4,065	1,834.4	98
2017	181,499	1.4	177,374	4,125	1,857.5	98
2018	183,877	1.3	179,918	3,959	1,885.3	98

\* From this report on – all women who were in this age group in at least one of the months.

The proportion of birth grants paid for a first child in the family (in a single birth) increases gradually (from 41.5% in 2014 to 42.9% in 2018). About a quarter of the grants were paid for a second child (Table 2).

Table 2: Birth Grant Payment, by Order of Birth in the Family (Percentages), 2014-2018

Year	Total birth grants	First child	Second child	Third child and beyond	Birth of twins or more
2014	173,211	41.5	25.5	30.6	2.4
2015	176,979	41.5	25.3	30.8	2.3
2016	178,920	42.0	25.6	30.2	2.3
2017	181,499	42.4	25.6	29.7	2.3
2018	183,877	42.9	25.8	29.1	2.1

### Hospitalization Grant and Increment for Preterm Infant

The number of hospitalization grants paid in 2018 was approximately 183,700 – an increase of 0.6% compared to 2017. The increment for a preterm infant (as defined by the National Insurance Institute<sup>2</sup>) was paid in 2,674 cases – 130 less than last year. Almost half of all hospitalization grants were paid to six hospitals: Sha'arei Tzedek, Soroka, Hadassah (Ein Karem and Mount Scopus), Ichilov-Lis, Maayanei Hayeshua and Sheba (Table 3).

### Risk Pregnancy Benefit

In 2018, the NII paid 13,515 risk pregnancy benefits – a 3.1% increase in comparison with 2017 (Table 4). About 80% of the recipients were between 25 and 39 years old, the minority were either younger or older (Table 5). Their average and median age were 31.6 and 31.3, respectively. Approximately 1,500 women received these benefits in the Jerusalem branch,

<sup>2</sup> Weighs up to 1,750 grams, and was hospitalized for at least four days in the Neonatal Intensive Care Unit.

and about 1,100 to 1,200 received them in Rehovot, Beer Sheva and Ramla. Overall, nearly 40% of risk pregnancy benefits were granted in these four branches alone in 2018.

Table 3: Hospitalization grants by hospitals, 2018

Hospital	Hospitalization grants	Premature births	Preterm infant born
Shaarey Zedek	22,421	183	211
Soroka	16,890	240	279
Haddassah (Ein arem and Mt Scopus)	12,998	177	206
Ichilov-Lis	11,716	124	139
Mayaanei Hayeshuah	11,516	56	60
Shiba	11,036	208	267
Assaf Harofe	8,722	111	134
Belinson	8,044	132	167
Meir	7,324	112	129
Laniado	6,892	51	55
Kaplan	5,475	72	87
Nahariya – West Galilee	5,378	65	82
Assuta Ashdod	5,063	39	47
Rambam	4,921	82	104
Hilel Yaffe	4,522	72	83
Haemek	4,349	60	70
Woflson	4,194	65	77
Barzilai	4,175	53	58
Poria	3,906	54	65
Karmel	3,761	34	40
Rivka Ziv	3,417	40	46
Benei Zion	3,357	37	41
Saint Joseph	2,738	21	23
The Red Cross	2,689	32	36
The French	2,581	44	57
The Sacred Family	2,130	35	45
EMMS Nazareth	1,549	26	32
Yoseftal	787	5	5
Al Maqsad	767	24	29
Al Quds	412	0	0
<b>Total</b>	<b>183,730</b>	<b>2,254</b>	<b>2,674</b>

Table 4: Recipients of Risk Pregnancy Benefits, 2014-2018

Year	Recipients of risk pregnancy benefits	Change from previous year
2014	11,591	3.4
2015	12,557	8.3
2016	13,067	4.1
2017	13,108	0.3
2018	13,515	3.1

Table 5: Recipients of risk Pregnancy Benefits by Age, 2018

Age	Recipients of risk pregnancy benefits	Percent of all recipients
Up to 19	37	0.3
20-24	1,497	11.1
25-29	3,928	29.1
30-34	4,543	33.6
35-39	2,607	19.3
40-44	754	5.6
45-49	124	0.9
50 and older	25	0.2
<b>Total</b>	<b>13,515</b>	<b>100.0</b>

### Maternity allowance

In 2018, approximately 123,200 women received maternity allowance, in comparison with approximately 129,600 in 2017 – an increase of 2.8%. The growth rate of the number of recipients increased over the years, and reached 72.4% in 2018 (Table 1). The average age of recipients was 31.2. In terms of age, 13.7% of women were below 25, and 24.5% were 35 or older (Table 4). In term of employment status, 94.4% of women were salaried, the rest – 5.6% – self-employed or members of a kibbutz / cooperative settlement.

The distribution of recipients by level of payment as a percentage of the monthly average wage for salaried employees<sup>3</sup>, shows a rise in the level of salaries: in 2018, 27.7% of women received a daily amount not exceeding half the average wage in the economy, in comparison with 33.6% in 2014, and 26.0% received a higher amount, in comparison with 23.3% in 2014 (Table 6).

<sup>3</sup> Published in table 1.10 in the Statistical Journal of the National Insurance Institute.

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Table 6: Women Receiving Maternity Allowance, by Amount of Maternity per Day, as a Percentage of Average Daily Wage\* (Absolute Numbers and percentages), 2014-2018

Year	Total (absolute numbers)	Up to 1/4 of the average wage (%)	1/4- 1/2 of the average wage (%)	1/2- 3/4 of the average wage (%)	3/4 to full average wage (%)	More than the average wage
2014	119,790	8.5	25.1	26.0	17.0	23.3
2015	123,249	7.2	23.9	26.3	17.6	25.1
2016	125,633	6.7	23.2	26.8	17.9	25.2
2017	129,569	6.0	22.5	27.1	18.5	25.9
2018	133,188	5.8	21.9	27.6	18.7	26.0

\* Including payments made maternity allowances recipients in the same year, and excluding differentials paid in later years.

Table 7: Maternity Allowance by Age – Averages and as Percentage of the Daily Average Wage\*, 2018

Age	Number of maternity allowance recipients	Average payment per day (NIS)	As percent of daily average day
Up to 24	18,235	176	51.8%
25-29	39,065	239	70.3%
30-34	43,314	315	92.7%
35-39	24,873	354	104.2%
40 and older	7,701	383	112.7%
Total maternity allow. recipients	133,188	285	83.9%

\* In 2018 – NIS 340 per day.

Since the level of the maternity allowance is the mother's wage before birth (up to 5 times the basic amount – NIS 43,915 in 2018), the distribution by payment level represents the distribution of these women's wages. In 2018, their average wage (approximately, due to the maternity allowance ceiling) was NIS 8,541 per month, which is 83.8% of the average wage in the economy – a slight increase from 83.6% in 2017. The average amount per day was NIS 285, compared to NIS 274 in 2017.

As with wages, the amount of maternity allowance varies by demographic and employment characteristics. The amount increases with the age of the woman (Table 7) and the payments in the periphery were lower than the payments in the center of the country (Table 8).

Table 8: Maternity Allowance by Branch – Averages and as Percent of Daily Average Wage\*, 2018

Hospital	Number of maternity allowance recipients	Average payment per day (NIS)	As percent of daily average day
Tel Aviv	6,040	438	128.9
Ramat Gan	4,218	391	115.1
Kfar Saba	5,797	390	114.8
Petah Tikva	8,178	326	96.0
Rishon Lezion	3,384	319	93.9
Holon	2,751	309	91.0
Netanya	5,515	301	88.6
Rehovot	8,143	298	87.7
Haifa	5,069	293	86.2
Krayot	2,290	285	83.9
Afula	3,299	273	80.4
Hadera	5,229	267	78.6
Ramla	11,314	261	76.8
Jaffa	2,796	260	76.5
Ashkelon	3,075	259	76.2
Jerusalem	20,716	252	74.2
Karmiel	1,507	251	73.9
Ashdod	3,942	250	73.6
Nahariya	3,382	250	73.6
Beer Sheva	10,083	248	73.0
Benei Brak	7,901	243	71.5
Tiberias	4,223	233	68.6
Nazzareth	4,336	213	62.7
<b>All</b>	<b>133,188</b>	<b>285</b>	<b>83.9</b>

\* In 2018 – NIS 340 per day.

**Maternity allowance for men:** The number of men who received a paternity allowance increased significantly – from 848 in 2017 to 1,266 in 2018, i.e. a ratio of 9.5 men per 1,000 women (in comparison with 6.5 per 1,000 in 2017). Between 2012 and 2016, there was a more moderate rise – from 434 to 545. The significant increase in 2017 and 2018 was mainly due to the shortening of the minimum leave period – from 21 days to 7 days: 210 men in 2017 and 437 men in 2018 stayed on leave for 7 days, and, in the two years, a total of 227 and 551 stayed on leave less than 21 days, respectively.

The average age of men who received a paternity allowance was 35.0, higher than the average age of women – 31.2. Only 2.1% were under 24 years old, compared to 13.7% of women, and 45.6% were 35 or older, compared to 24.5% of women (Table 9). 80.2% of men who received a paternity allowance earned more than the average wage, compared to 26.0% of the women.

Table 9: Maternity Allowance Recipients (Women and Men), by Age (Percentages), 2018

Age	Women*	Men**
Up to 24	13.7	2.1
25 - 29	29.3	13.2
30 - 34	32.5	39.1
35 - 39	18.7	28.5
40 or more	5.8	17.1
<b>Total</b>	<b>100.0</b>	<b>100.0</b>
Average age (years)	31.2	35.0

\* 130,514 cases.

\*\* 848 cases.

### Scope of Payments

In 2018, the scope of payments in the Maternity Division increased by 4.5% at fixed prices in comparison with 2017 – mainly due to the growth in the number of births, the increase in wages earned by the mothers receiving maternity allowances and the modifications of rates of hospitalization grants. Maternity allowance payments accounted for 53.7% of all payments in the Division, a higher share than in 2017 – 52.4% (Table 10). The share of Division's payments within all NII's payments was 9.0% – similar to 2017.

Table 10: Maternity Allowance Payments (Thousands of NIS, 2018 prices), 2014-2018

Year	Total	Hospitalization grant	Birth grant	Maternity allowance	Risk pregnancy benefit	Other payments*
2014	6,276.8	2,704.1	207.8	3,117.7	207.5	39.6
2015	6,602.2	2,823.7	212.6	3,295.3	233.1	37.5
2016	6,864.3	2,898.0	213.6	3,458.7	256.2	37.7
2017	7,525.6	3,064.0	215.4	3,946.1	261.1	39.0
2018	7,865.1	3,105.8	213.7	4,225.4	275.9	44.3

\* Payments under the National Insurance Law: transport of mothers in labor and amniocentesis; payments under other laws: maternity allowance for IDF female veterans and birth grant for multiple birth; administrative payments to external agents.