



Summary of Trends and Developments in Social Security

2017



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Introduction

The National Insurance Institute (NII) is the backbone of Israel's social security system. The NII plays a central role in reducing poverty, decreasing inequality and protecting individuals from economic and social uncertainty. It also helps to shape Israel's welfare policy.

The purpose of national insurance is to prevent social and economic distress and to strengthen social unity and solidarity. Its principal tools are payments (benefits and pensions), some of which are universal for all country's residents (such as child allowances and old-age pensions), while others are selective for those who meet certain criteria. The effectiveness of these payments is measured by their ability to reduce economic uncertainty and prevent temporary or extended income risks.

The National Insurance Vision

The NII is the leading professional body in the field of social security in Israel.

Policy – The National Insurance Institute acts according to the law to implement Israel's welfare policy, and is an influential partner in forming and maintaining the principles of these policy: mutual guarantees, reduction of social gaps, reducing poverty and ensuring the ongoing existence of the social security system.

Service – The NII will operate proactively and efficiently, with sensitivity and respect for the individual, so that every insured person can exercise all their rights. Its activity will be based on constant striving for excellence, while adapting to the changing needs of service-users by maintaining contact with the insured public and the community.

Quality – The NII will be the focus for a skilled, high-quality and ethical workforce, with a sense of mission, responsibility and belonging. It will develop human resources and work for constant improvement of the tools at its disposal.

The National Insurance Institute in Numbers

The NII serves Israel's population of some 8.7 million residents. In 2017, the NII paid benefits amounting to about NIS 84 billion.

In 2017, as in every year, the NII operated 32 social programs, covering some 130 types of payments and services, including old-age pensions, child allowances, long-term care benefits, income support and various types of disability benefits.

The NII employs about 4,000 people, who conduct this year approximately 26 million interactions with insured residents in 80 local branches and service centers, by telephone and online, reception of the public and self-service terminals.

Legislation Changes in 2017 – Summary

- ✓ Exemption from employment test when selecting spouses for income support.
- ✓ Amendment to Section 2A of the National Insurance Law.
- ✓ Three months job search period – Amendment no. 198.
- ✓ Rehabilitation Regulations – Conditions of entitlement to rehabilitation allowance.
- ✓ Expansion of the definition of “orphan” with respect to work injury and survivors.
- ✓ Expansion of the definition of “child” – Amendment no. 196.
- ✓ Agreement on compensation for self-employed reservists.
- ✓ Amendment to Volunteer Regulations – recognition of family members in foster families.
- ✓ National Insurance Regulations (Burial Expenses).
- ✓ Agreement on deceased’s transportation to civil cemeteries.
- ✓ Extension of maternity leave.
- ✓ Change of the definition of “hostile event”.
- ✓ Amendment to Income Support Law regarding women in a shelter.
- ✓ Payment of a home birth grant.
- ✓ Extended entitlement to long-term care benefits during hospitalization.
- ✓ Amendment of retirement age for women.
- ✓ Arrangements Law for the years 2017-2018.

Legislative Changes in 2017

Exemption from Employment Test - Amendment no. 51

The exemption from reporting to the Israeli Employment Service granted to a parent [who has a child under 2 years old] refers, by default, to the mother; after the amendment, the couple may choose which spouse will be exempt from reporting to the Employment Service. They are entitled to change their decision once every six months.

Amendment to Section 2A (Residency) - Amendment no. 199

According to this amendment, the count of days required to establish someone's residency in Israel will start six months **prior** to the receipt of the qualifying visa [and not from the receipt date of the visa, as currently specified in the law], provided that, before receiving the visa, that person was also residing legally in Israel. However, one's resident status will not begin earlier than from the day of receipt of the qualifying visa.

Unemployment – Three Months Job Search Period – Amendment no. 198

Among the conditions of entitlement to unemployment benefits, one must accrue a qualifying period of 12 out of 18 months immediately following the determining date (i.e. the first of the month in which the insured registered and began to report to the Employment Service as an unemployed person). In the framework of the amendment, it was determined that, in calculating the qualifying period, **a period of up to three months, between the day on which the insured stopped working in his recent employment and the determining date, will not be taken into account.** This amendment will give the insured the opportunity to seek by himself another place of employment for three months, before being registered with the Employment Service as a job seeker, without prejudice to his eligibility for unemployment benefits.

Conditions of Entitlement to Rehabilitation Allowance – Amendment

As part of the amendment, it was determined that entitlement to rehabilitation allowance will be granted to the insured who spends a minimum of 16 study hours per

week (instead of 20 study hours per week, so far), and the option to apply to the Employment Service will be deleted.

Expansion of the Definitions of “Child” and “Orphan” – Amendment no. 196

As part of the amendment, the definition of “child” was expanded with respect to the supplement for dependents to a work disability pension, in accordance with the existing definition regarding survivors' pension.

The expansion of the definition provides that an orphan of work-injured persons, who is between 18 and 20 years old and studies at one of the institutions specified in Section 252 (C1), will be entitled to dependents' benefit during the period of his studies, up to the age of 20.

The definition of “orphan” was amended and expanded as regard to the conditions of entitlement to a benefit applying to a widower or a widow with children, both for survivors' pensions and dependents' benefit in work injury. A broader definition was also established regarding orphan's eligibility for a maintenance allowance.

Payment of Compensation to Self-Employed in Reserve Duty – Agreement under Article 9

According to the agreement, the NII will pay the self-employed reservist, in addition to the reserve service benefit, compensation at the rate of 25% of his income (as self-employed), provided that amount of the compensation, together with reserve service benefit, does not exceed the maximum benefit for a reservist.

The agreement will apply to reserve service duties performed between January 1, 2016, and December 31, 2021 (with an optional extension of the agreement for another five years).

Amendment of Volunteer Regulations – Recognition of Family Members in Foster Families – Amendment

As part of the amendment, a legal infrastructure for National Service's operation was established and the conditions for public volunteer service were determined for those

who do not perform a regular service which, by law, “shall entail a public benefit to the society, the community and the State”.

As regard to the indirect amendment to the National Insurance Law, the definition of “volunteer in the National Service” has been changed to “volunteer in the National Service or a **community volunteer**”. It also adds the same change to the definition of “volunteer” in section 287 of the law.

In addition, it has been determined that a “recognized body”, which refers volunteers (as defined in the Civil Service Law), has the obligation to pay volunteers’ national insurance and health insurance contributions for the volunteers on their behalf.

Burial Expenses – Amendment

The National Insurance Regulations (Burial Expenses), of 5736-1976 (and related agreements signed in accordance) provide that, pertaining to the transportation of the deceased, the transfer of a dead person shall be made “during normal working hours” [i.e. Sunday through Thursday between 08:00 and 16:00, and Friday between 08:00 and 13:00].

This means that burial societies/private ambulances are now allowed to collect additional charges from families for any transportation performed beyond these hours.

In order to exempt families from additional payments and provide comprehensive service for transporting the deceased, the amendment stipulates that the NII will bear the cost of deceased’s transportation **even beyond normal working hours**, provided that no “night burial” increment was further paid for that burying, and on the following conditions:

1. The transfer was carried out either on Friday, Saturday, the eve of a holiday or on a holiday.
2. The burial took place after 18:00, but not on the same day the transfer was made.

The increment for the transportation of the deceased will amount to NIS 1,100.

Transportation of the Deceased to Civil Cemeteries – Amendment

According to the agreement, the NII will bear the cost of transferring the civil deceased, irreligious persons (or those who desires a civil burial), to civil cemeteries, when there is no civil cemetery in their place of death or residence. The burial company shall not be entitled, under this agreement, to payment for the transfer of this kind of deceased to a cemetery, unless:

1. There is no civil cemetery within the boundaries of the local authority in which the deceased have expired.
2. The civil cemetery in which the deceased has been brought for burial buried, free of charge, is a cemetery located outside the jurisdiction of the local authority in which the deceased lived on the eve of his death.
3. No payment was collected for the burial in accordance with regulation 3(a)(1) and (2) or regulation 4(a)(1) of the National Insurance Regulations (Burial Expenses), 5736-1976.

Extension of Maternity Leave - Amendment

In the context of the legislation, the National Insurance Law and the Women's Work Law were amended indirectly **so that entitlement to maternity leave was extended from 14 to 15 weeks and from 7 to 8 weeks, for those who have accrued a full and a partial qualifying period, respectively.**

The amendment further determines that:

- a) The spouse of a new mother [who waived her right to a maternity allowance, in writing, for the last week of paid maternity leave] is entitled to take, simultaneously with his wife, a one week paid maternity leave.
- b) When a woman returns to work, her spouse can take her place in maternity leave for a minimum period of seven days [instead of the present minimum period of 21 days], when this is the last week of paid maternity leave.

An additional week's extension of the maternity leave will apply to whom gave birth on January 1, 2017, and thereafter (payment of the maternity allowance for the additional week will be made by June 1, 2017).

Husbands' entitlement to a one week maternity leave concurrently with their wives will apply to births occurred since April 2, 2017, whereas spouse replacement amendment,

concerning a mother who returned early to work for the last seven days of her paid maternity leave, will apply to whom gave birth as of April 20, 2017.

Expansion of the definition of “Hostile Event” – Amendment no. 34

According to the amendment, the definition of a “hostile attack” was expanded so as to include an attack outside of Israel, **provided that the attack was carried out by an organization which declared that harming Israel, Israeli citizens or Jews** constitutes at least one of their objectives, even if the primary or secondary purpose of the specific action was not to harm Israel or the Jewish people.

This extension shall also apply to hostile action casualties resulting from any support provided to aforesaid organization, as its agent, on its behalf or in order to advance its objectives.

Amendment provisions will not apply to those injured in an enemy State, if they went to that State in contravention of the law.

Women Staying in a Shelter for Battered Women - Amendment no. 49

The amendment provides that women staying in shelters for battered women are eligible to income support benefits, **even if they were not entitled thereto in the month prior to their admission into the shelter.**

Eligibility for a Birth Grant without Hospitalization – Amendment no. 191

The amendment provides the insured's entitlement to a birth grant, even if her hospitalization was not required in connection with the birth, provided that a doctor or midwife confirmed that they have attended the birth and that it was held in accordance with the home births circular of the Ministry of Health. The Ministry of Health will provide the Institute with a report regarding the aforesaid confirmations, in the manner agreed upon by the NII and the Ministry of Health.

Eligibility for a Long-Term Care Benefit during Hospitalization - Amendment no. 190

The amendment extends the period in which an insured who was hospitalized will continue to be entitled to a long-term care benefit, from 14 days to 30 days.

Change of the Age of Retirement for Women – Amendment no. 6

- a) The retirement age for women born from 1956 onwards shall be the one specified for them in the Retirement Age Law.
- b) As regard to women born before 1956, their retirement age will is determined in accordance with Table 1, Part A, of the National Insurance Law.
- c) The Minister of Finance must submit, by November 2017, his recommendations regarding the raise of the retirement age to the Finance Committee, which has to reach its decision until February 15, 2018.
- d) Should the Minister of Finance fail to submit his retirement age recommendations to the Knesset's Finance Committee, and the Finance Committee to come to a decision on that matter, women's retirement age will remain at 62 [i.e. retirement age will not automatically increase as it should have according to the former version of the law, prior to the amendment].

As result of the amendment, women's age of retirement with respect to National Insurance Law, will not be raised separately from Retirement Age Law, and unless the Knesset's Finance Committee decides to raise the retirement age for women; only then will it be increased with respect to the National Insurance Law. **Should the Minister of Finance fail to submit his recommendations to the Finance Committee, the retirement age for women will remain at 62.**

Arrangements Law 2017-2018

As of 2017, permanent staff members of the security forces and career soldiers in the IDF are under the care of NII. The amendment applies to injuries that are not unique to military/security service and to illnesses other than those defined as occupational illnesses.

Change of the Collection Method in Kibbutzim

Until June 2017, the collection method in kibbutzim was based on the living expenses of the traditional kibbutz. As of July 2017, there is a different method of collection regarding kibbutzim members working outside the kibbutz, to which henceforth apply the same rules as for salaried employees.

Client Service

Under the NII service strategy, clients and full exercise of their rights before the NII are of utmost importance, highlighting the initiate new lines of activity in client service and strengthen existing ones.

2017 was characterized by extensive activity in this field: a new call center was built for inquiries on the matter of the “Russian Convention”, a new tender issued for call centers, work plans were prepared, a management routine that intensifies service awareness on the part of the staff and their knowledge was implemented, around 60 new service representatives were authorized in branches and contacts between the public and the NII employees who handle their cases were increased by means of initiated telephone calls.

The Institute has made great strides in the provision of services by digital means: transmitting claims and documents by means of internet, a number of visits to personal service website reaching about 7.1 million accesses in 2017, option to order a PIN code on the NII website directly to one’s email, transparency on the handling status of claims submitted, promotion of the green revolution by organizing marketing lectures at branches.

In 2017, the Call Center handled over 6 million calls, the internet channel’s usage rate increased significantly in 2017, regarding certain actions carried out by the insured on the internet site: filing claims, sending documents to the person in charge and receiving communications by email, as part of the green revolution.

Inquiries by Service Channel, 2016-2017

	2016	2017	Percent Change
Reception	3,182,962	3,251,570	2.2%
Call Centers	5,331,151	5,744,408	7.8%
Internet	12,258,315	14,284,474	16.5%
Self-service Stations	2,239,595	2,313,510	3.3%
Total	23,012,023	25,593,962	11.2%

Old Age and Survivors

In 2017, the number of old age and survivors' pension recipients was 966,299, about 3.5% higher than in 2016.

Old Age

In 2017, the number of old age pension recipients was 870,086, about 4% higher than in 2016.

Changing the Calculation of Considered Income / Benefit for a Single Parent

In order to encourage families headed by a single parent to seek work and higher-wage employment, without being denied entitlement to a benefit, several laws were amended, i.e. Income Support Law, Maintenance Law and Old Age Law. It was further determined that the amendment will be enacted for a period of two years, in order to monitor the impact of policy changes on employment rate and income of single parent family receiving income support, maintenance payments, or old age pensions.

Basic Old Age Pension (NIS)

	Without Children	With One Child	With Two Children
Individual	1,531	2,015	2,499
Couple	2,301	2,785	3,269

Pensioners reaching the age of 80 receive an additional NIS 86.

Old Age Pension Plus Income Supplement (NIS) Increased rate – for those under age 70 (NIS)

	Without Children	With One Child	With Two Children
Individual	3,112	5,240	6,174
Couple	4,918	5,852	6,786

Old Age Pension plus Income Supplement (NIS)
Increased rate – for those who have reached age 70 for those who have reached the age of 70 and are under 80 (NIS)

	Without Children	With One Child	With Two Children
Individual	3,140	5,284	6,218
Couple	4,962	5,896	6,831

Old Age Pension plus Income Supplement (NIS)
Increased rate – for those who have reached age 80+ (NIS)

	Without Children	With One Child	With Two Children
Individual	3,211	5,398	6,332
Couple	5,075	6,010	6,944

Increase in Seniority Increment

According to the Arrangements Law for 2017-2018, the seniority increment for recipients of benefits under the National Insurance Law, paid until now as of the 11th insurance year, will be paid from the first one. This change is made gradually from January 2017, where increments are paid from the tenth year.

Freezing the Raise of Women's Retirement Age

The decision to raise the retirement age stipulated for women by February 2018, according to the recommendations of the Minister of Finance and the decision of Knesset's Finance Committee, has been rejected. In addition, it was settled that the retirement age related to a woman's old age pension (under National Insurance Law) would be that stipulated under the Retirement Age Law.

Increase in Pensions with Income Supplement

According to the Arrangements Law for 2017-2018, old age pension will gradually increase over the next two years in varying amounts, based on family composition and age group. The amount disregarded in the work income test was raised by 1.5% of the average wage, reaching 21.5% for an individual and 25.5% for others than individuals.

Modification of Income Test for Single Parents

Offsets rate for income from work earned by single parents who receive benefits under Income Support Law, involving recipients of old age and survivors' pensions with income supplement, dropped from 60% to 25% for gross wages up to NIS 3,270. Above this amount, the offset rate remains at 60%. The program is operated as a temporary order for two years, in order to examine the impact of policy change on employment rate and income. These parents cannot receive a work grant from Income Tax, unless the pension supplement resulting from this modification is lower than a work grant. The difference will be paid in the work grant by the tax authorities.

Expansion of Entitlement to a Heating Grant

As of the winter of 2017/2018, a full heating grant is paid to all recipients of old age and survivors' pensions with income supplement, and to the elderly receiving an additional benefit for the disabled (under Old Age Law), regardless of their place of residence.

Survivors

Legislative changes detailed above in old age pension: increase in seniority increment, freezing the raise of women's retirement age, increase in pensions with income supplement, income test modification for single parents and expansion of heating grant eligibility, also apply to survivors' pension recipients.

The amount of survivors' pension paid by NII depends on the insured's family status. In this matter, the insured's "child" is defined in Section 238 of the National Insurance Law, and his age is limited according to his studies or military service.

Expansion of "Orphan" Definition

The definition of "orphan" has been modified and expanded concerning the conditions of entitlement, of a widower or widow with children, to both survivors' pensions and benefit for dependents' of victims of work injury. The definition was also expanded regarding orphan's eligibility for maintenance allowance.

In 2017, the number of survivors' pension recipients was 96,213, about 1% less than in 2016.

Survivors' Pension (NIS)

Young Widow	Single adult	Single adult + 1 child	Single adult + 2 children	One orphan	Two orphans	Age 80+ supplement
1,150	1,531	2,249	2,967	951	1,902	86

Survivors' Pension Plus Income Supplement – age under 70 (NIS)

Single adult	Single adult + 1 child	Single adult + 2 children	One orphan	Two orphans	Supplement for a child
3,112	5,240	6,174	2,022	2,963	865

Survivors' Pension with Income Support Supplement –for those who have reached the age of 70 and are under 80 (NIS)

Single adult	Single adult + 1 child	Single adult + 2 children	One orphan	Two orphans
3,140	5,284	6,218	2,022	2,963

Survivors' Pension with Income Support Supplement – age of 80+ (NIS)

Single adult	Single adult + 1 child	Single adult + 2 children	One orphan	Two orphans
3,211	5,398	6,332	2,022	2,963

Long-Term Care

Extension of the Period of Entitlement during Hospitalization

As of February 2017, those entitled to a long-term care benefit who are hospitalized will be entitled thereto during the first 20 days of the hospitalization period, instead of 14 days.

Entitlement to Long-Term Care Benefit while living in a Long-Term Care Institution

As of May 2017, the elderly placed in a division for autonomous or frail persons within a long-term care institution, where most of their maintenance expenses are covered by a public body (State Ministries, local authorities, etc.), may be entitled to a long-term care benefit if they meet its conditions of entitlement.

Submitting a Claim before Planned Hospitalization or During Hospitalization

As of May 2017, a claim for long-term care benefit can be submitted prior to hospitalization, one month ahead of a scheduled operation, or during hospitalization. In these cases, eligibility will be determined based on medical documents or according to a dependency assessment at the time of hospitalization. If entitlement is granted during the elderly's hospitalization, provision of long-term care services may start over the first 30 days of hospitalization.

In 2017, the average monthly number of long-term care benefit recipients was 169,308, about 3.2% higher than in 2016.

Long-Term Care Benefit (NIS)

	Employs a Non-Israeli Caregiver	Employs an Israeli Caregiver
Fairly dependent	1,955	1,955
Very Dependent	3,208	3,810
Completely dependent	3,610	4,412

Long-Term Care Benefit (Service Units)

	Employs a Non-Israeli Caregiver	Employs an Israeli Caregiver
Fairly dependent	9.75	9.75
Very dependent	16	19
Completely dependent	18	22

Service unit = Weekly hour

General Disability

Amendments following NIS 300 million Treasury's Allocation to Disability Pension Recipients

A decision was made to allocate a part of the budget set forth in 2017 Arrangements Law to the disabled (approximately NIS 300 million), in order to implement amendments to Laron Law. The amendments package that has been approved simplifies the legislation and reduces negative incentives to work:

1. Raising disregard from 21% to 29% of the average wage.
2. Cancellation of the re-examination of a person for whom a permanent degree of incapacity has been established.
3. Cancellation of the distinction, among pension recipients, between Group A and Group B.
4. Cancellation of a 12 months 'seniority' requirement as a condition of entitlement to an allowance.
5. Abolition of the term "incentive pension"; therefore, whoever earns more than 60% of the average wage will continue to receive a "disabled pension". As of January 1, 2017, incomes of the work disabled will be updated from their current level.

Changes to be implemented from January 2017:

1. Increase in additional monthly pension to some 190,000 insureds.
2. Cancellation of disability pension denial due to a sick pay.
3. Cancellation of the reexamination of the earning capacity for the disabled who joined work force.

Above amendments were added to a couple of changes implemented in January 2017: an increase in disability allowance for the permanently incapacitated and payment of a disability allowance during a sick pay period.

In 2017, the number of disability benefits recipients was 242,100 – an increase of 3.5% in comparison with 2016; the number of attendance allowance recipients was 58,537 – an increase of 6.4% in comparison with 2016.

General Disability Pension – 100% Disability (NIS)

Disabled individual	Disabled person with spouse			Dependents' Supplement	
	No children	One child	2 children	Spouse	Child
2,342	3,514	4,451	5,388	1,172	937

Pension for the Disabled and the Housewife Who Are Largely Dependent on the Help of Others for Everyday Functions (NIS)

Disabled individual and housewife largely dependent on others		
For most everyday functions, most hours of the day	For all everyday functions, most hours of the day	Completely dependent, all hours of the day
1,095	2,460	4,128

Benefit for Disabled Child

A benefit equal to 50% up to 188% of the full single disability pension, is paid depending on the grounds for eligibility. In a family with two or more disabled children, each child is entitled to an additional 50% of the benefit for which he is eligible.

The number of disabled child recipients in 2017 was 54,929 – an increase of approx. 11% compared to 2016.

Attendance Allowance

In 2017, attendance allowance for blind and deaf persons, who were entitled to supervision, has been increased to 112%, retroactively, as of April 1, 2015.

Mobility

The NII provides various benefits to people with lower body impairments that limit their mobility, with the aim of helping them integrate into the community and develop an independent life. Although most of the benefits are granted to car owners, some benefits are also granted to those who do not own a car. The benefits are paid for by state funds, under a Mobility Agreement signed between the Ministry of Finance and the National Insurance Institute.

Amendment 25 to the Mobility Agreement

In the Mobility Agreement, the notion of “authorized driver” was enlarged – a brother-in-law and a sister-in-law were added to those already allowed to act as such for the person with limited mobility, thereby increasing the circle of entitled persons.

Foster Care Law

In December 2016 came into force the “Foster Care Law” regulating the rights of children in foster families. The law stipulates that a disabled child placed in foster care is entitled to the same benefits as a child entitled to a disabled child allowance. Therefore, in cases where a child living in a foster family meets the description set forth in Section 15(b)(2), the foster family may receive payment of a “non-car owner” allowance, which is paid for a foster child up to the age of 18 and three months. Beyond that age, eligibility for continuing mobility benefits will be examined.

Mobility Allowance for Earners with 80%-100% Mobility Disability (NIS)

	Small vehicle	Medium-size vehicle	Large vehicle	Very large vehicle
Driver	1,544	2,103	2,610	2,880
Non-driver	1,540	2,099		

In 2017, the number of mobility allowance recipients was 40,920 – an increase of approximately 4% in comparison with 2016.

Income Support

Exemption from Employment Test

Regarding the exemption from reporting to the Israeli Employment Service, the default option available for parents [with a child under the age of 2] is that the mother may benefit from the exemption, whereas, following the amendment, the couple may now choose which spouse will be exempt from reporting to the Employment Service. Their decision in this matter may be change once every six months.

Change in the Calculation of Considered Income for Single Parent

In order to encourage work and higher-wage employment in single parent families, without denial of their entitlement to a benefit, Income Support Law and Maintenance Law were amended. It was further determined that the amendment will apply for a period of two years, in order to monitor the impact of policy changes on employment rate and family income among single parent families receiving income support or maintenance payments.

Foster Care Law – Entitlement to Special Benefit

The Foster Care Law provides that all children entitled to a special benefit for a **child (abandoned/orphaned) up to the age of 18, and between 18-20, who are studying to complete a high school education, and are living in the community** (not in a boarding school), will be classified as foster children by Social Services Bureaus. Social Affairs' handling involves a decision on the foster family, payment of a foster care benefit to the child, representing a subsistence allowance for all his needs, and monitoring how the foster family cares for the child during his childhood. Under the law, the NII is entitled to pay a special benefit to the child for six months, and to extend that period in coordination with the National Foster Care Supervisor, unless Social Affairs' checking process regarding foster care benefit is extended beyond six months. In that case, an abandoned child allowance will be paid until a decision is made.

In 2017, the number of income support recipients was 83,628, a decrease of 8% in comparison with 2016.

Income Support Rates for Persons under the Age of 55 (NIS)

Individual adult	Single Parent		Other		Couple		
	One Child	Two Children	One Child	Two Children	No Children	One Child	Two Children
1,735	2,897	3,373	2,594	2,897	2,378	2,594	2,897

Income Support Rates for Persons Aged 55 and Over (NIS)

Individual Adult	Single Parent		Couple – Non-Working Wife			Couple – Working Wife with two Children
	One Child	Two Children	No Children	One Child	Two Children	
2,162	3,535	4,400	3,243	3,762	4,281	4,281

Maintenance

The Maintenance Law (Guarantee of Payment, 1972) is intended to assist a woman and child, residents of Israel, who possess a judgment for maintenance, and do not receive alimony from the debtor. When the debtor fails to meet the obligation to provide for his children, as required according to the judgment, the law enables the woman to turn to the National Insurance Institute in order that the Institute enforce the judgment, that is, pay maintenance benefit to that woman and in parallel, collect this money from the person obligated by means of enforcement procedures. The rate of the payment made to the woman is as determined in the maintenance judgment or under the regulations – whichever is the lower rate. In case the NII collects from the debtor the full amount of maintenance, as specified in the judgment, which happens to be greater than the amount paid to the woman by the NII, she will receive the difference. The NII pays maintenance for every child up to the age of 18.

Change in the Calculation of Considered Income for a Self-Employed Parent

In order to encourage work in families headed by a self-employed parent and to encourage work at higher wages, without the entitlement to a benefit being denied, the Income Support Law and the Alimony Law. It was further determined that the amendment will apply for a period of two years, in order to monitor the impact of policy changes on the rate of employment and family income among families headed by a self-employed parent who receive income support or alimony payments.

In 2017, there were 15,589 recipients of maintenance under the Maintenance Law – a decrease of 4.1% compared to 2016.

Maintenance Rates for Women under the Age of 55 (NIS)

Woman Married to the Debtor or Unmarried Woman			Remarried Woman or Children Only			
Without Children		One Child	Two Children	One Child	Two Children	Each Additional Child
New	Existing					
1,735	1,952	2,906	3,383	2,029	2,973	867

Maintenance Rates for Women Aged 55 and Over (NIS)

Woman Married to the Debtor or Unmarried Woman			Remarried Woman or Children Only		
Individual	One Child	Two or More Children	One Child	Two Children	Each Additional Child
2,169	3,546	4,414	2,029	2,973	867

Maternity

Maternity and Paternity Leave in Cases of Surrogacy

Although the law on maternity leave in cases of surrogacy uses feminine terms (**intended mother**) the NII allows couples to choose who will take the leave, including the split periods, as in the case of adoption.

Extension of Maternity Leave

In the legislative framework, National Insurance Law and Women's Work Laws were amended indirectly in order to extend entitlement to maternity leave from 14 to 15 and from 7 to 8 weeks, for those who have accrued a full or a partial qualifying period, respectively.

The amendment further determines that:

- (a) The spouse of a new mother [who waived her right to a maternity allowance, in writing, for the last week of paid maternity leave] is entitled to take, simultaneously with his wife, a one week paid maternity leave.
 - a) When a woman returns to work, her spouse can take her place in maternity leave for a minimum period of seven days [instead of the present minimum period of 21 days], when this is the last week of paid maternity leave.

An additional week's extension of the maternity leave will apply to whom gave birth on January 1, 2017, and thereafter (payment of the maternity allowance for the additional week will be made by June 1, 2017). Husbands' entitlement to a one week maternity leave concurrently with their wives will apply to births occurred since April 2, 2017, whereas spouse replacement amendment, concerning a mother who returned early to work for the last seven days of her paid maternity leave, will apply to whom gave birth as of April 20, 2017.

Eligibility for a Birth Grant without Hospitalization

The amendment provides the insured's entitlement to a birth grant, even if her hospitalization was not required in connection with the birth, provided that a doctor or midwife confirmed that they have attended the birth and that it was held in

accordance with the home births circular of the Ministry of Health. The Ministry of Health will provide the Institute with a report regarding the aforesaid confirmations, in the manner agreed upon by the NII and the Ministry of Health.

Calculation of Maternity Allowance for a Salaried Employee

The calculation basis of maternity allowance will be considered the highest income between the two alternatives: income in either the three months or the six months preceding the determining date (the day of employment termination during a period of pregnancy ended with delivery).

In 2017, the number **birth grant** recipients was 181,523 – about 1.3% higher than in 2016, and that of **maternity allowance** recipients was 130,500 – about 3.3% higher than in 2016.

Hospitalization Grant (NIS)

Regular Grant	In case of premature birth
13,644	216,463

Grant rates are updated each year, in January, according to a formula set forth in National Insurance Law, and also whenever the price of a “general hospitalization day” is modified by the Ministry of Health.

Birth Grant for One Birth (NIS)

One Infant			Two Infants	Three infants	Each Extra Infant
First child	Second child	Third child or more			
1,757	790	527	8,783	13,175	4,392

Maternity Allowance (NIS)

	1-3 Months	4-6 Months	7-9 Months	10-12 Months	13-20 Months
Three children	11,242	8,783	7,026	5,270	3,074
Four children	14,931	11,857	9,661	6,587	3,865
Five children	21,958	17,566	13,175	8,783	5,006

Maximum Maternity Allowance for Salaried or a Self-employed Women

NIS 1,459.50 per day and NIS 43,785 per month.

Children

Allowance for Child Born after June 2003

First child	NIS 150
Second child	NIS 189
Third child	NIS 189
Fourth child	NIS 189
Fifth child onwards	NIS 150

Allowance for Child Born before June 2003

First child	NIS 150
Second child	NIS 189
Third child	NIS 189
Fourth child	NIS 336
Fifth child onwards	NIS 354

There is no change in the rate of the additional allowance paid to recipients of subsistence benefits, for those with 3 or more children, or to recipients of income support or old age pensions with income supplement – NIS 98 for the third and fourth children only.

In 2017, the number of families receiving child allowances was 1,167,238 – an increase of 1.6% compared to 2016.

Study Grant:

In 2016, the qualifying age range has been enlarged to 6-18, thereby including in the circle of entitled all children born between January 1, 2000 and December 31, 2011. Moreover, the grant rate was set at NIS 1,003 per child.

In 2017, the **number of children** who received a study grant was 241,469 – a decrease of 0.2% compared to 2016.

In 2017, the **number of families** who received a study grant was 120,505 – a decrease of 0.5% compared to 2016.

Work Injury

Under the National Insurance Law, all workers in Israel (salaried and self-employed) are insured against the risk of work accidents and occupational diseases. It is compulsory for all employers to insure their employees (except for policemen, jailers, and security employees) against above risks. They cover regular and temporary employees with daily or monthly insurance.

Work injury insurance is designed to compensate insured persons who are injured at work for the loss of income for the period of time after the injury, during which they are unable to work. The NII therefore pays them an injury allowance for a period of up to three months. If the injured person remains disabled as a result of the injury, he is entitled to a work disability pension or grant, as decided by the medical committee before which he must appear. The work-injured person is also entitled to receive medical treatment for his injury, free of charge.

If the injured person dies as a result of his injury, a pension or a grant is paid to his family.

Expansion of the Definition of a “Child” and the Definition of an “Orphan”

As part of the amendment, the definition of “child” was expanded with respect to the supplement for dependents to a work disability pension, in accordance with the existing definition regarding survivors' pension. The expansion of the definition provides that an orphan of work-injured persons, who is between 18 and 20 years old and studies at one of the institutions specified in Section 252 (C1), will be entitled to dependents' benefit during the period of his studies, up to the age of 20. The definition of “orphan” was amended and expanded as regard to the conditions of entitlement to a benefit applying to a widower or a widow with children, both for survivors' pensions and dependents' benefit in work injury. A broader definition was also established regarding orphan's eligibility for a maintenance allowance.

Amendment according to the Goren Committee

As of 2017, permanent staff members of the security forces and career soldiers in the IDF are under the care of NII. The amendment applies to injuries that are not unique to military/security service and to illnesses other than those defined as occupational illnesses.

According to the amendment, every “Service Injury” or “Service Disease” will continue to be handled by the Rehabilitation Department of the Ministry of Defense. A claim may be submitted to the NII for any injury other than a service injury and any disease other than service disease.

A separate chapter dealing with ‘Security Forces Casualties’ has been added to National Insurance Law, according to which concerned claimants are considered as “a working insured person”. Injuries sustained by soldiers in the regular army and reservists will be recognized by the Ministry of Defense only if they occurred in the context of operation’s activities, unique to the military service.

Distinction between ‘Collective Kibbutzim/Moshavim’ and ‘Renewed Kibbutzim/Moshavim’

As of July 2017, a distinction has been made between ‘cooperative kibbutzim and moshavim’ and ‘**renewed kibbutzim and moshavim**’. This legislative change has an impact on the type of incomes in a renewed kibbutz and, thereby, on the calculation of the basis for work injury benefits.

Benefits to Work-Injured Persons (NIS)

	Maximum daily benefit	Maximum Monthly Work Disability and Dependents benefits
Salaried employee injured up to December 31, 1994	658.73	19,762
Self-employed or salaried worker injured after January 1, 1995	1,097.88	32,936

In 2017, the number of **work disability** pension recipients was 51,021, an increase of approximately 5% compared to 2016.

In 2017, the number of **injury allowance recipient** was 61,978, a decrease of approximately 3.6% compared to 2016.

Reserve Service

Compensation to the Self-Employed

In 2017, compensation to the self-employed has been added within the scope of reserve service insurance – a self-employed worker performing reserve service is entitled to a compensation amounting to 25% of the benefit, which is calculated based on his average income as self-employed worker alone, regarding service periods starting as of January 1, 2016. Calculations of compensation and benefit are made concurrently and paid together.

In 2017, payments reached a total amount of NIS 1,137,306, an increase of 1.7% compared to 2016.

Maximum and Minimum Reserve Service Benefit (NIS)

	Per Month	Per Day
Maximum for salaried/self-employed	43,240	1,441.33
Minimum benefit	5,881	196.02
Minimum grant for Gadna (youth brigades)	2,418	80.60

Unemployment

The NII provides the unemployed person with a source of subsistence for the duration of the entitled period until he achieves to be hired. The unemployment benefits are paid to persons who were salaried employees, who are registered with the Employment Service as unemployed and who report to the Employment Service to look for work.

The insured should report to the Employment Service immediately upon termination of employment, and then to report on regular days as instructed by the Service. Every month, the Employment Service transfers to the NII data on the number of unemployment days registered, and the NII pays the insured its unemployment benefits based on that information.

Unpaid Leave after Childbirth

After childbirth, a new mother employee is entitled to be absent from work after the end of the maternity leave for a period of time of up to 51 months from birth at most. This absence is deemed unpaid leave. For each woman, the duration of unpaid leave is conditional on the duration of her employment prior to the birth, though without exceeding 51 months overall. When the employer declares not being able to reinstate the new mother employee, this woman is entitled to file a claim for unemployment.

Change in the Number of Waiting Days following a Judgment

According to the judgment, four waiting days must be deducted only during a continuous period of unemployment of five calendar months, and not every five calendar months (even if he did not report during all four months). This amendment allows the unemployed to seek work on their own without risking loss of entitlement to unemployment days.

In 2017, the number of unemployment benefit recipients reached 66,490 – an increase of approximately 0.18% compared to 2016.

Unemployment Benefits, 2017 (NIS)

Daily basic amount	347
Daily average pay for discharged soldier	173.50
Maximum daily unemployment benefit for a soldier who has not worked since discharge	119.50
Unemployment benefit for a soldier in professional training	83.65
Daily ceiling for calculating supplement for a soldier sent to unsuitable work	130.10
Full grant for discharged soldier who did "preferred work"	9,577
Maximum daily amount	1,735
Maximum daily unemployment benefit for initial period	396.24
Maximum daily unemployment benefit for second period	264.16

Prisoners of Zion

Under the Benefits for Prisoners of Zion and their Families Law - 1992A resident or citizen of Israel, recognized by the certifying authority as Prisoner of Zion, a relative of a Prisoner of Zion who is in jail, or as a member of the family of a martyr, is entitled to benefits from the NII. The benefits are conditional on an income test.

Disabled Prisoners of Zion are also entitled to in-kind benefits, such as medical treatment and vocational rehabilitation. Relatives of Prisoner of Zions who are in jail or died may also be entitled to various benefits.

There were no legislative changes in 2017.

Vocational Rehabilitation

Under the National Insurance Law (1968) and Amendment no. 13 to this law (1974), the right to vocational rehabilitation is bestowed to the following groups:

- Work-injured people;
- Persons with disabilities (caused at birth, by an accident or illness), and when they are unsuitable for rehabilitation – their spouses;
- Widows and widowers.

Among the benefits granted under Compensation for Hostile Actions Casualties Law (1974), injured victims of hostile action and bereaved families are also entitled to vocational rehabilitation.

Vocational rehabilitation services are provided by social workers in rehabilitation departments located in local branches of the NII. They include: assessment and evaluation, pre-vocational training, vocational training, career counseling, customized rehabilitation programs, academic education and job placement. Most services are provided by the NII, and some by designated frameworks, such as rehabilitation centers. The rehabilitation process begins with self-referral, referral by community representative, or with outreach activities of the NII.

In 2017, 244,089 people received rehabilitation services from the National Insurance Institute.

Conditions of Entitlement to Rehabilitation Allowance – Amendment

Under the amendment, entitlement to a rehabilitation allowance will be granted to insured who spend only 16 hours studying per week (instead of 20 weekly study hours at present), and the section in the regulation referring to the employment service has been canceled.

Amendment according to the Goren Committee

On December 29, 2016, the Knesset has passed, within the framework of Arrangements Law 2017-2018, an amendment to Rehabilitation Laws and National Insurance Law,

based on the recommendations of the Public Committee established in 2009 headed by retired judge Uri Goren.

The amendment recognizes the staff of the Ministry of Defense as work-injured and entitles grant them the right to vocational rehabilitation and welfare. According to the amendment, every “Service Injury” or “Service Disease” will continue to be handled by the Rehabilitation Department of the Ministry of Defense. A claim may be submitted to the NII for any injury other than a service injury and any disease other than service disease.

A separate chapter dealing with ‘Security Forces Casualties’ has been added to National Insurance Law, according to which concerned claimants are considered as “a working insured person”. Injuries sustained by soldiers in the regular army and reservists will be recognized by the Ministry of Defense only if they occurred in the context of operation’s activities, unique to the military service.

Consulting Service for the Disabled

- At local branches, volunteers help insured persons to fill out claim forms, provide explanations on medical committees, and help with full take-up of rights within the Institute and elsewhere.

The service is in place for about seven years by means of 100 volunteers.

- At Meir Hospital in Kfar Saba, volunteers come twice a week and help the patients complete claim forms for general disability, work disability and long-term care.

Rehabilitation for Hostile Actions Casualties

Since the year 2000, as a result of the raising number of hostile actions, intervention programs have initiated within the frame of rehabilitation activities. Over the years, there were over 2,000 acts of terror, injuring over 20,000 people and killing more than a thousand. The high number of injured also includes victims of continued incidents in the area surrounding Gaza in the aftermath of the **Cast Lead Operation**, as well as late claims submitted after isolated acts of terrorism in 2016.

The Rehabilitation Bureau has set up a special community service for these victims, in which about 300 volunteers work throughout the country. In addition, victims are accompanied by a social worker (rehabilitation officer) who visits them in the hospital or at home, and provides ongoing support in all areas, for the rest of their lives.

In 2008, lessons learned from the Second Lebanon War were implemented, and in order to prevent the development of post-traumatic disorders, the NII funds emotional treatment as early as possible, including to victims who did not submit a claim to be recognized as victims of hostile actions.

The Rehabilitation Bureau care for both victims of terrorism and other entitled population group, by means of vocational rehabilitation programs and full take-up of welfare rights, with special emphasis on early intervention and work integration.

Workers' Rights after Bankruptcy and Corporate Liquidation

The Employees' Rights in Bankruptcy and Liquidation Law was enacted in 1975, to protect employees whose rights were severely impaired as a result of difficulties faced by their place of work, consequent to which liquidation or bankruptcy decrees had been filed.

Under the law, an employee whose employer went bankrupt or whose company underwent liquidation is entitled to receive a benefit from the National Insurance Institute that includes payments, owed by the employer, up to the maximum amount set by the law:

1. Wages
2. Severance pay
3. provident funds payment

There were no legislative changes in 2017.

Hostile Action Casualties

Persons injured as a result of a hostile actions, and their relatives, are entitled under the Law to cash benefits as well as to various benefits in kind designed to assist them and support their convalescence - such as monthly allowances, rehabilitation, annual grants and one-time grants. Eligibility is prescribed by Law under the Benefits for Victims of Hostilities Law of 5730 - 1970. Cash benefits are prescribed by the Disabled Law (Benefits and Rehabilitation) of 5719 - 1959, and are generally calculated based on the wage of state employees in the administrative classification and updated according to new economic data (work agreements or increased cost-of-living).

Relatives of persons who kulled as a result of a hostile action receive a monthly dependents' benefit (equivalent to the benefit rate paid under the Families of Soldiers Killed in Action Law) as well as vocational rehabilitation and special benefits.

Regulation of Benefit Payments to Foster Families

This is an indirect amendment in the context of the Foster Care for Children Law, by which the Law prescribes the manner of benefits payment for children living within foster families, including entitlement to an orphan child benefit, when one of his parents or both of them were injured in hostile actions.

Amendment to the Compensation to Victims of Hostile Acts Law

Disabled persons with 100% disability or more will also be eligible for medical treatment for injuries and illnesses that are not connected with their injury from hostile actions.

Expansion of the Definition of “Hostile Event”

According to the amendment, the definition of a “hostile attack” was expanded so as to include an attack outside of Israel, **provided that the attack was carried out by an organization which declared that harming Israel, Israeli citizens or Jews** constitutes at least one of their objectives, even if the primary or secondary purpose of the specific action was not to harm Israel or the Jewish people.

This extension shall also apply to hostile action casualties resulting from any support provided to aforesaid organization, as its agent, on its behalf or in order to advance its objectives.

Amendment provisions will not apply to those injured in an enemy State, if they went to that State in contravention of the law.

Payment of Insurance Contributions

Change in insurance rates for the self-employed

As of January 1, 2007, insurance contributions regarding the self-employed were modified in order to adjust them to those applying to employees and employers. For this reason, the reduced rate of up to 60% of the average wage has been lowered from 6.72% to 2.87%.

In contrast, the full rate has been raised from 11.23% to 12.83%, as detailed below.

NII Contributions from Employers and Employees by Branch (% of wage)

Since January 1, 2017	Full Rate	Reduced Rate
Total	17.83	5.97
Total under National Insurance Law	12.83	2.87
Old age and survivors	5.95	1.32
Nursing care	0.21	0.05
General disability	2.12	0.47
Accident victims	0.09	0.03
Work injury	0.78	0.17
Maternity	0.94	0.24
Children	2.74	0.59

Increasing Treasury participation in Collection

In 2017, the participation rate was as follows: in January, 45.1%, and as of February, it increased to 50.58% following the addition of one week to the maternity leave.

Change of the Collection Method in Kibbutzim

Until June 2017, the collection method in kibbutzim was based on living expenses of the traditional kibbutz. As of July 2017, the collection method has changed for members of kibbutzim working outside the kibbutz, to whom apply henceforth the same rules apply as salaried employees.

Counseling for the Elderly

The **Counseling Service for the Elderly** was established in 1972 as a demonstration project for pensioners volunteering to assist other elderly. The Service began modestly with a few volunteers in five local branches. Over the years it has expanded tremendously, and involves today a thousand volunteers throughout the country.

Service volunteers maintain regular supportive social ties with the elderly and assist them in exercising their rights in the National Insurance Institute and other organizations. As a matter of fact, since the volunteer is also elderly, it enables him to understand the inner of feelings of the elderly seeking counseling, as well as his old age related problems.

The volunteers are required to undergo a four-month training course in which they learn about the special needs of the elderly and the changes taking place at this age, and develop the skills required to work with the elderly. The Service is managed by social workers specializing in gerontology and volunteerism.

The work of the Service personnel includes:

- **Counseling:** Despite technological progress, because of the characteristics of old age, many elderly people still find it difficult to take up their rights both in the National Insurance Institute and in other community bodies. Moreover, supplementary services and other rights granted to the elderly in local authorities and other frameworks are neither uniform nor sufficiently accessible. The volunteer consulting on behalf of the Counseling Service for the Elderly collects relevant data from the elderly and provides him with the information he needs to exercise his rights in various ways (translation, conversation, active referral and practical assistance). The consultation is given at local branches through public reception or by telephone – through a national telephone call center in various languages, and by initiated phone calls, mainly towards population in the periphery.
- **Preliminary home visits:** These visits are held for elderly people defined as at-risk populations: those over the age of 80, receiving long-term care, the elderly whose claims for this benefit were deferred, and widows/widowers. The visits stand as tool to monitor and locate at risk and neglect elderly people. Thanks to

the information collected, the Institute has the ability to verify that cash benefits are indeed being used for the benefit of the elderly. Preliminary visits are also greatly instrumental in exercising the rights of those struggling in that area due to physical limitations (income supplement for old-age or survivors' pensions and long-term care benefits). The volunteer receives regular training and instruction. His impression constitutes a basis for assessing the situation of the elderly person by a professional in order to continue intervention and referral to caregivers of the NII and in the community.

- **Regular social visits:** elderly people who are confined to their homes and do not maintain regular supportive social relationships feel lonely. Even if there are meetings with various caregivers or service providers, or if there is a spouse who takes care of them, these relationships do not seem to them to be a sufficient social life. The elderly counseling volunteers provide regular home visits to those who have expressed their desire for such contact and maintain regular personal connection with them. The visit also serves as a source for monitoring the treatment of the elderly. The connections between elderly persons and volunteers, sometimes close friendships, have proven over the years their great contribution to the quality of life and well-being of the elderly. The visits are conducted in accordance with service deployment, existing resources and professional discretion in each elderly counseling department.
- **Support for widows and widowers:** Experiencing widowhood in old age is a crisis that affects various aspects of the quality of life. Service volunteers contact widows and widowers by telephone to give their condolences, make their acquaintance, invite them to a special information day regarding the rights of widows/widowers, and propose them to participate in a support group. The relationship is usually created close to the crisis. With about 30 years of existence, support groups for elderly widows and widowers accompany, support and advice in times of crisis, and help them organize for the rest of their life.
- **Support groups for the spouses of ill or disabled elderly:** These groups are designed to relieve the burden of intensive care.
- **Community projects in cooperation with the Joint Distribution Committee (JDC):** These are held in accordance with the specific needs of the city or

community, in order to strengthen the elderly living in the community and provide them with assistance in a variety of areas.

- **Information days:** during which lectures are given and information is provided on a variety of topics, such as new pensioners, Holocaust survivors' rights, widows' and widowers' rights, support for families of dementia patients, community services, activities and rights in National Insurance Institute.
- **Information days for women who recently became widows:** information about their rights in social security and in the community, including a lecture on the legal aspects of widowhood, and inviting them to participate in a support group.

All services of the Counseling Service for the Elderly are free of charge.

There were no legislative changes in 2017.

National Insurance Funds

The National Insurance Funds are state funds designed to reduce social gaps and cultivate, strengthen and improve the quality of life of at-risk populations. In association with partners from the public, tertiary and business sectors, the funds act for the development, expansion and strengthening of social services in Israel. The funds provide funding and professional assistance to social projects and programs, develop a professional dogma for new programs and the promotion of changes in the area of welfare policy in Israel. We operate through the following five funds: Fund for the Development of Services to the Disabled, Long-term Care Fund, Fund for At-Risk Children and Youth, Fund for Demonstration Projects and Manof Fund. The funds' main level of operation consists in helping organizations and local authorities to establish and provide social services. Moreover, as central bodies inside the social ecosystem, the funds are always attentive to innovative ventures in the field, as well as leading and taking part to innovative development processes for the welfare of at-risk populations.

“The Incubator” – Center for the Development of Social Ventures (Hub)

A central element in the work of the National Insurance Funds in general, and of the Fund for Demonstration Projects in particular, consists in the development of modern services for target populations and their implementation in the government. In order to carry out this action, the funds are working with JDC Israel to establish an incubator center for social ventures, located in Lod. This center is intended to identify innovative social ventures and assist with their preliminary development so that, following a pilot period, some of them might be absorbed into NII and JDC Funds. The Hub was established on “an open innovation” philosophy leading to innovative development, with potential to bring about real and wide-ranging change in people's lives, which requires interdisciplinary partnerships and interactions between sectors. In addition, the Center helps the social venture market to flourish on a variety of platforms by activating the “Hub Community”. The first cycle of the Hub Entrepreneurship Program was launched in 2017, and upon completion in 2018, the prospection process for next cycle will start. Furthermore, in the framework of “Hub's” activity, a Hackathon was

held devoted to innovative technologies developments for at-risk populations, in platforms of cooperative economy.

“Social Venture” Funds to the Support of Social Businesses

In 2015, in collaboration with the Ministry of Finance and the National Economic Council at the Prime Minister’s Office, two funds worth about ₪50 million were founded for the purpose of supporting and developing social businesses employing workers from disadvantaged population groups, with the aim to promote the growth of the social businesses market in Israel and the integration of disadvantaged populations on the labor market. The funds are financed by the National Insurance Institute, the Ministry of Finance, donations and private investors, and managed by non-governmental agents: Dualis Venture Fund and IVN Venture Fund. These funds invest in and provide professional assistance to social businesses employing disadvantaged populations, i.e. people with disabilities, adults entitled to income supplement, at-risk teenagers and youths, released prisoners, etc. In 2017, efforts were made to expand the types of groups among the employed population. Two projects employing women from single-parent families were created, and possibilities for expanding them to additional groups were examined. The project is accompanied by an evaluation study involving a multi-disciplinary team, and managed by the Tzofnat Institute.

Innovation Laboratory for the Third Age

In 2016, the Long-term Care Fund and the Fund for Demonstration Projects joined forces with an organization based in Negev, the CDI (Center for Digital Innovation), in order to create an innovation laboratory for the third age. As part of the project, a laboratory was established which will serve as a working space for innovation research and development for the third age.

During the course of 2017, Center’s activity guidelines and development trials were identified, and the laboratory's operating concept formulated. The required stages of work were defined: First stage, definition of laboratory conditions – trial’s focus, building an ecosystem of partnerships. Next, construction of a methodological system for experimentation and simulation in the laboratory (development of a MVP- minimum viable product) and recommendations for development guidelines. Finally,

the stage of verification outside of the laboratory – examining the feasibility and implementing a pilot in a real life environment and presenting the concept of the solution.

The first trial that started to be undertaken by the lab during 2017 is a trial on falls prevention, as a complement to the national falls prevention program.

Development and Maintenance Methodology System for Submitting Requests Online

As part of the effort to digitize Government services, a CRM system was set up to manage requests. The system enables submission of applications online through a dedicated portal, computerized management of the application evaluation process and the contact with the applicants.

Expanding the Circle of Applicants Eligible for Centralized Digital Publishing System

The funds work for the expansion of the circle of institutions that submit requests and 37 receive the funds' assistance, by improving the accessibility and transparency of their operation. To promote this purpose, a mailing system was launched, publishing direct updates about funds' work and announcements. Today there are approx. 2,100 contacts, who receive brief updates on the activity and opportunities to submit applications. This comes in addition to the ongoing update of the calls for proposals publication on the internet site, and the increase in the resonance and efficiency of the exposure conferences. In 2017, 20% of organizations recipients of funds assistance were new organizations that did not received any assistance from funds in the past.

The Fund for Development of Services for the Disabled

This Fund helps public entities to develop services for people with disabilities in order to let them integrate society and workforce, and improve their well-being. The Fund operates in the following areas: special education and early childhood; vocational rehabilitation for the disabled; sheltered housing in the community; leisure and sports activities; improvement of physical conditions in institutions for the disabled and rehabilitation equipment purchase; and assistance in making public buildings

accessible for the disabled. The Fund also helps improve the quality of life and services in institutions. The Fund assists in establishing exclusive services for a wide range of populations with disabilities, such as: the mentally impaired, persons with intellectual limitations, the head impaired, persons with vision loss or impairment, with deafness or hard hearing, in autistic continuum, with severe mobility disability, victims of diseases, persons with severe learning disability and ADHD, etc. . The Fund's activity is governed by the National Insurance Law (Consolidated Version) 1995, Section 220, and its operation comply with to regulations approved by the direction of the Institute in consultation with the Disability Committee of the Institute's Council.

In 2017, the Fund continued to operate a R&D support system for technological solutions for people with disabilities, in cooperation with the Israel Innovation Authority. In the framework of the cooperative system, 17 projects were approved (9 of them in the past year) in various fields, providing solutions to a range of target audiences. Among other things, programs were approved for: the development of assistive means for individuals with physical disabilities; development of communication and digital means for people with disabilities; development of platforms enhancing the care of people with disabilities, and more.

Long-Term Care Fund

This Fund helps organizations to develop services for the disabled elderly, in the community and in institutions, in order to improve the health and welfare of elderly across Israel and minimize their functional decline. The assistance is granted for investment in infrastructures and equipment in community frameworks (such as daycare centers and model fraternities) and institutions (public and private retirement homes), and to establish innovative models and services for the disabled elderly, in the community and institutions. The fund's operation is anchored in the National Insurance Law of 5755 - 1995. , Section 237.

In 2017, continuing the work in recent years, the Fund supported the development of infrastructure for institutional and communal services to the elderly recipients of long-term care, for instance by establishing and renovating daycare centers for the mentally and physically frail. The Fund has also handled the setup of innovative pilot programs in these fields, and assisted in the establishing and operating of departments of frail elderly in retirement homes using the "housing clusters" system.

In addition, the Fund launched a **pilot program** to expand and upgrade the “Supportive Community” program, in which elderly people enjoy at home medical services, social activities and assistance in the management of daily life. In the context of this expansion, the composition of the long-term care benefit has been modified, and the elderly that are entitled to the benefit **and took part in pilot**, were given the opportunity to enjoy various community services offered by the program as part of the allocation of weekly nursing hours to which they are entitled.

The Fund for Demonstration Projects

The Fund for Demonstration Projects helps social organizations and local authorities to develop social services with an innovative and experimental element for a range of at-risk populations, among them: families living with poverty and unemployment, the 39 elderly, people with special needs, at-risk youths and so on. The Fund operates as a “Social-Risk Capital Fund” providing professional knowledge and experience in development of welfare services and improvement of social security, and participates in financing planning and scientific evaluation. The Fund’s operation is undertaken in conjunction with Government ministries, public organizations and philanthropic funds, and is anchored in the National Insurance Law of 5755 - 1995, section 36, and its statutes approved by the Institute’s administration, in consultation with the committees of the Institute’s council.

In 2017, the Fund promoted innovative projects and programs for unique and diverse target populations. Among other things: an initiative to establish activist communities of young women against social exclusion; creation of a center for the community and the orientation of youth from ultra-orthodox society; an early childhood safety training program.

Fund for Development of Services for At-Risk Children and Youth

The Fund for At-Risk Children and Youth acts since 2004 to promote work with children and youth under the age of 18 who are at-risk due to neglect, abuse, violence or sexual abuse, including juvenile offenders, drug users and young people exposed to dangerous living conditions. The Fund is working to expand its target population to young people up to age 23. The Fund’s activity aims to the development and

assimilation of models and programs tailored to the target population's needs. The Fund has significant collaborations with the Ministries of Welfare, Education, Health, Immigrant Absorption and Economy, as well as joint-ventures with private funds, public and commercial organizations. The Fund's operation is anchored in the National Insurance Law of 5755 - 1995, section 74, and undertaken according to its statutes which were approved by the Institute's administration, in consultation with the committees of the Institute's Council.

As of 2017, the Fund's budget has been increased by NIS 5 million, reaching NIS 20 million per year.

In 2017, the Fund developed and operated a number of initiatives for the target population of at-risk children and youth. Among other things: a project to reduce the cyberbullying phenomenon among young people at risk; an initiative to deal with the phenomenon of neglect in the family. In addition, the Fund supports a systematic program to locate and treat ultra-orthodox girls in risky and dangerous situations. Besides, the Fund continued to operate programs for the development of vocational skills among youth at risk: a program that combines certification studies for vocational training and the teaching of "soft skills" for the working world for youth with special needs; a program for imparting vocational abilities and horizons to youth at risk; and the "Nitzotz" program that prepares at-risk youth for military service, accompaniment during service and preparation for release.

The Manof Fund for Work Accidents Prevention

The Manof Fund is designed to finance activities for the prevention of work accidents and programs to encourage health and safety at work, finance researches in the field of health and safety at work and implementation of the findings in the workplace; developing and improving innovative safety measures; identifying occupational risks and hazards in the workplace; participating in the purchase of innovative safety measures; and providing information, training and publicity on these matters. Its activity is anchored in the National Insurance Law of 5755 - 1995, section 149, and is managed according to secondary regulations and its statutes which were approved by the Institute's administration.

International Conventions

An international social security convention is an agreement signed between Israel and another country to maintain the social rights of those who move from one country to the other and to prevent double payment of national insurance contributions by Israelis living and working in the other country.

Israel has signed conventions with the following countries: Great Britain, Holland, France, Belgium, Austria, Germany, Sweden, Switzerland, Denmark, Finland, Uruguay, Czech Republic, Norway, Bulgaria, Slovakia and Romania. A convention to regulate and prevent duplicate national insurance payments only has been signed with Canada.

The conventions apply to residents of Israel and citizens of the other countries and their families, and each treaty specifies the branches of insurance it covers. The broadest include most branches of insurance: Old age, survivors, disability, victims of work injury, children and maternity.

New Convention with Belgium

On June 1, 2017, a new social security convention between Israel and Belgium entered into force. This convention replaces the previous one signed in 1973.

The convention guarantees continuity and preservation of social security rights to the insured, citizens and residents of both States, who move from one State to the other for purposes of temporary or permanent residency, in the following insurance branches: old-age, survivors, disability, work injury and children.

Rights cover by the convention:

- The convention applies to both salaried and self-employed workers, and grant them rights to benefits and exemption of redundant payment of insurance contributions.
- The convention provides an exemption of redundant payment of insurance contributions to Israeli residents working in Belgium, for determined periods of time.

- Recipients of an old-age pension in Israel, will continue to receive it without time limit, as long as he live in Belgium. The pension can be paid on bank account either in Israel or in Belgium of your choice.
- The new convention allows to cumulate insurance periods between the two States, when a qualifying period entitling to old-age and survivors pensions has not been accrued.

New Convention with Russia

On October 1, 2017, the social security convention signed between Israel and the Russian Federation will enter into force.

The convention is designed to provide rights to Olim from the Russian Federation who have immigrated to Israel until 1993 (the convention do not concern residents of other Republics of former Soviet Union).

The Convention guarantees the continuity and protection of rights related to social security to the insured, i.e. citizens and residents of both countries who moved from one country to the other for purposes of temporary or permanent residency, with respect to following insurance branches: old-age, survivors, disability, work injury, children and maternity allowance.

Furthermore, the convention provides an exemption of double payment of social insurance contributions for Israeli residents who are employed in the Russian Federation, for limited periods of time.

The convention does not apply to State Health Insurance Law, and therefore does not grant any exemption of double payment of health insurance contributions.

Essentials of the convention

The Convention applies to citizens of the Russian Federation who moved to live in Israel, as well as to Israeli citizens who moved to live in the Russian Federation.

Entitlement to receive old age pension from Israel:

Receives an old age pension from Israel, will continue to receive it indefinitely as long as he lives In the Russian Federation. There is the possibility of receiving the allowance for the bank account in Israel or in the Russian Federation, by choice.

Eligibility for old-age pension from the Russian Federation:

If the insured meets all the following conditions:

- Lives in Israel.
- Who has been insured in the Russian Federation for at least 12 months (minimum period for combining insurance periods between Israel and the Russian federation).
- At the age of entitlement to receive a pension in the Russian Federation (men: 60 and over, women: 55 and over).

The social institution in Russia is the sole cause for making the decision in the claim and calculating the amount of pension received. The pension is paid by the Russian Social Institute through the National Insurance Institute in Israel.



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