

It's Time for a National Response to Long-Term Care

We are presently witnessing a serious crisis in the collective long-term care insurance, which is managed through the health funds and operated by private companies, due to the latter's decision to exit this area of insurance or to drastically change eligibility conditions when claims are filed. It bears noting that this insurance began as a "solution" introduced by the then-Finance Ministry's Commissioner of Insurance to the crisis that followed the discontinuation of collective nursing insurance at the workplace a decade ago.

Zulat's position is that there is no logic or justification for profit-maximizing entities to be entrusted with providing a response to long-term care, which must stop being treated as the red-headed stepchild of health care. The time has come to promote a thorough national solution to long-term care and include it in the basket of health services, to enact a national long-term care insurance law, raise the health tax, and merge the budgets of the Health Ministry and the National Insurance Institute in order to provide full public funding for long-term care in the community, in addition to home care.

Background

The error began with the exclusion of long-term care from the National Health Insurance Law enacted in 1995. Back then, it was decided that the response in this area (as well as to psychiatric care) would be found at a later date. One of the reasons for this omission was that long-term care had been split in the 1980s between two authorities: the Health Ministry and the National Insurance Institute (NII).

Until the 1980s, the accepted solution for long-term care patients was institutional care in nursing facilities. Long-term care in the community has been evolving since the mid-1980s, and caring for elderly and disabled patients has largely shifted from institutional care (which removes patients from their home, family, and community) back to the home, where they are provided assistance to pursue as active a life as possible.

At the time of its enactment, the long-term care chapter in the National Insurance Law was considered progressive and one that allowed for patients to continue functioning. As noted, home care is implemented under the National Insurance Law rather than by virtue of a health law, while institutional care remains the responsibility of the Health Ministry.

Preference for Home Care

Over the years, home care has become the solution favored by the majority of Israelis, even in cases requiring a significant amount of care. In 2020, the number of beds in nursing facilities stood at 21,367, while the number of recipients of NII nursing allowances at the three highest levels was 120,803.¹

As the allocation of home care hours offered by the NII's external providers failed to meet needs, a demand arose to allow the employment of foreign caregivers (their number in Israel is proportionately one of the highest in the world).

After many discussions, the National Insurance Law was amended in 2018, raising the total allocation of home care hours funded by the state. However, even after the amendment, the maximum allocation for patients in need of round-the-clock care is 30 hours per week (for an Israeli caregiver, or 26 weekly hours for a foreign worker).

Different Budget Allocation for Institutional/Home Care

There is a big difference between the allocation for home care and for institutional care. A patient whose entire income is based on NII allowances will be entitled to full funding of institutional care (minimum NIS 14,000 per month), but in no case will be entitled to more than 30 weekly hours of home care or a contribution toward paying the salary of a foreign caregiver equivalent to 26 weekly hours (home care hours may be converted into monetary compensation under very specific conditions). The maximum monthly paid to a caregiver's employer is NIS 5,578 for a foreign worker and NIS 6,437 for an Israeli one.²

Injustice and Distortion in Government Policy

The government's policy takes advantage of the fact that most of the public frowns upon institutional care. Therefore, the onus of paying for home care is shifted to the patients and their families, who must turn to the insurance companies (which seek to maximize profits, not to see to the delivery of services) in order to foot the bill.

¹ Stavit Hilleland Ziona Haklai, [Hospital Beds for Long-Term and Short-Term Care – January 2021](#), Ministry of Health's Informatics Division, February 2021 (Hebrew); [Follow-Up Report on Impact of Reform in Long-Term Nursing Care](#), National Security Institute, January 2021 (Hebrew).

² [Options To Convert Nursing Hours Into Monetary Compensation](#), National Security Institute (Hebrew).

The Israeli public's spending on long-term care insurance, both collective and private, is significantly higher than in European countries. A study conducted by the Bank of Israel in 2015 showed that 60% of Israelis had some type of private insurance, compared to 5%-15% in Europe. The cost of private and private-collective insurance is very high, and the proportion of Arab and ultra-Orthodox Israelis who are insured is significantly lower than among the rest of the population.³

As noted, the state fully finances institutional care only, a policy that takes advantage of the fact that most people favor home care and will therefore pay for it out of their own pocket. This is one area where underbudgeting by the state is one of the worst, as part of the abdication of its obligations toward Israel's elderly population.

The Solution: National Long-Term Care Insurance, Ending Institutional/Home Care Differentiation

Long-term care in Israel exemplifies the state's abdication of its obligations to its citizens, first and foremost its elderly. Israel places most of the responsibility for long-term care on the elderly themselves and their families. The health funds' collective insurance had provided a partial solution, which has now proven to be short-lived.

An absolute majority of the elderly in need of long-term care continue to live in the community with meager funding from the state, which barely covers minimal needs and requires the elderly and their families to pay for basic care out of their own pocket.

Zulat's position is that the state must promote the introduction of long-term care insurance, incorporate it into the National Health Insurance Law, and dispense with the private insurance companies.

Studies conducted by the Health Ministry showed that an additional allocation to the National Health Insurance of 0.5%-0.75% would cover the cost of long-term care insurance, but Israeli governments have resisted such a move in order to avoid raising taxes and due to a worldview that seeks to benefit private financial entities.

The current crisis patently shows that this situation cannot go on. A national long-term care insurance law must be advanced immediately to ensure that all residents of Israel have

³ Maya Haran-Rosen, Tamar Nyska-Ramot, Gilad Cohen-Kovatch, and Yoav Friedmann, [Long Term Care in Israel](#), Bank of Israel, March 2018.

the right to age with dignity even if they require long-term care and to receive such care per their choice, in the community or in an institution.

Such a law ought to examine the manner in which long-term care is provided, including the policy on employment and remuneration of caregivers and the advancement of collective housing solutions that allow for living within a community rather than just at home, as is customary around the world.

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