

Brandeis University

Maurice and Marilyn Cohen Center for Modern Jewish Studies

Hardship And Needs Of Elderly Hased Clients: An Analysis Of Clients Served By Hased Service Centers In Russia & Ukraine

Research Brief

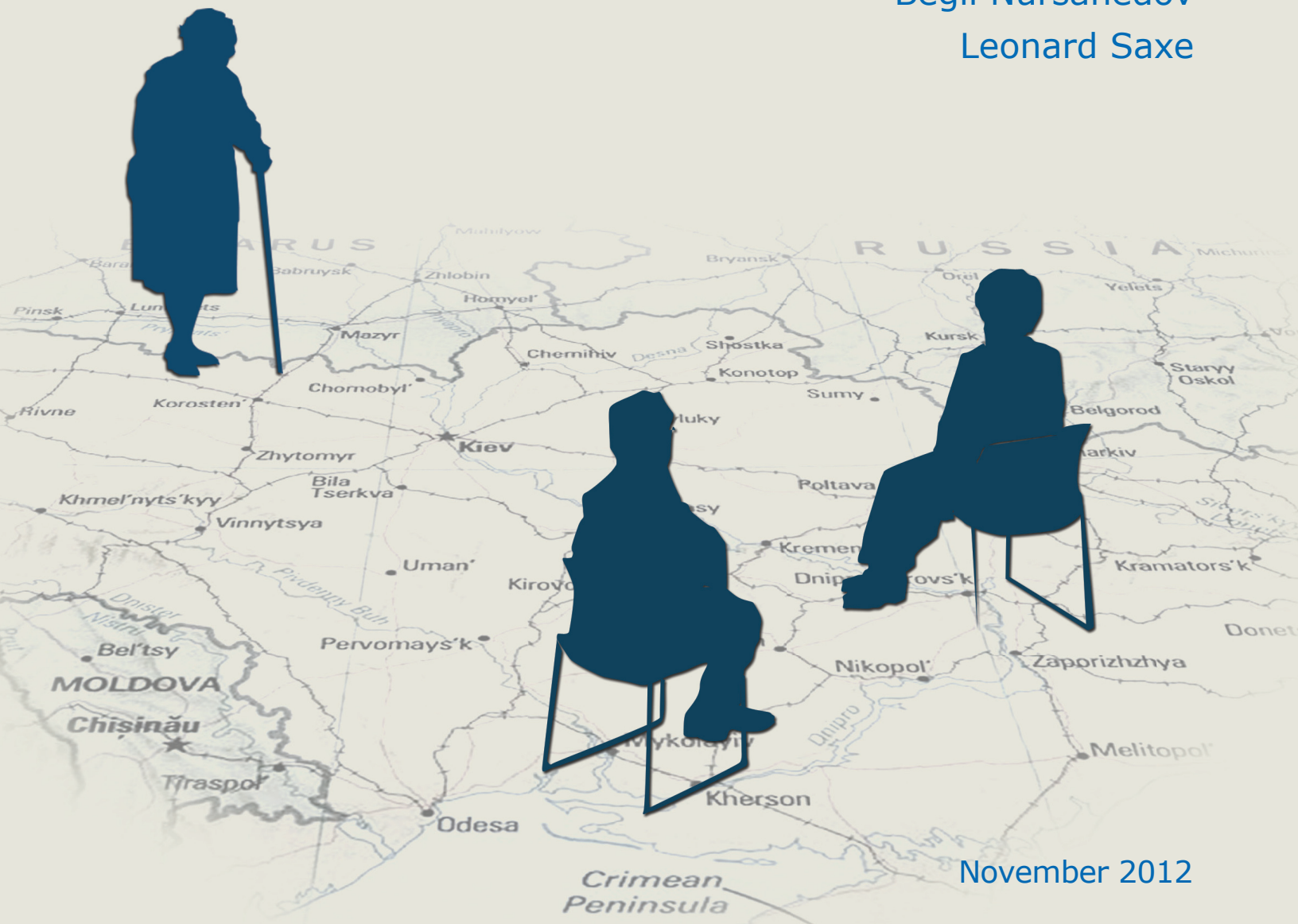
Elizabeth Tighe

Raquel Magidin de Kramer

Dina Bleckman

Begli Nursahedov

Leonard Saxe



November 2012

© 2012 Brandeis University
Maurice and Marilyn Cohen Center for Modern Jewish Studies

Additional copies of this publication are available from:
Maurice and Marilyn Cohen Center for Modern Jewish Studies
Brandeis University
Mailstop 014
Waltham, MA 02454-9110
781.736.2060
www.brandeis.edu/cmjs

The Cohen Center for Modern Jewish Studies, founded in 1980, is dedicated to providing independent, high quality research on issues related to contemporary Jewish life.

The Cohen Center is also the home of the Steinhardt Social Research Institute (SSRI). Established in 2005, SSRI uses innovative research methods to collect and analyze socio-demographic data on the Jewish community.

Acknowledgements

The authors gratefully acknowledge the American Jewish Joint Distribution Committee (JDC) for their support of this research. We are especially grateful for the support for this research we received on our site visits from JDC directors, Esther Katz and Alik Nadan, their staff, local Hesed directors, local representatives of Jewish Family Services and Jewish Community Centers, and to the people of the Jewish communities of Dnepropetrovsk and Melitopol who shared with us their stories of life in these “transitional economies” and their new-found freedom to embrace their Jewish traditions. In addition, we are grateful for the insights on Jewish life in Dnepropetrovsk shared with us by Zelig Brez, Director of Dnepropetrovsk Jewish Community Charitable Foundation, and Rabbi James Morgan of the Jewish Communities Relations Council of Boston. At Brandeis University, we would like to thank our colleagues at the Cohen Center for Modern Jewish Studies (CMJS) and the Steinhardt Social Research Institute. In particular, we thank Micha Rieser who assisted with analysis of data and preparation of this report and Deborah Grant and Joshua Davidson for their careful review and editing skills. The views expressed in this document are our own and are not, necessarily, those of the Joint Distribution Committee.

Hardship & Needs of Elderly Hesed Clients in the FSU Research Brief

The countries of the Former Soviet Union (FSU) are the home today for a substantial number of Jews, many of whom live in poor, economically disadvantaged communities. Throughout the FSU, the American Jewish Joint Distribution Committee (JDC) has supported the development of Hesed welfare and Jewish community centers to assist in the provision of services to Jews in need and to support the renewal of Jewish life after years of suppression. Significant resources from Holocaust restitution funds have contributed to ameliorating some of the needs of Jewish elderly who were victims of Nazi persecution in these regions. As the number of Nazi victims dwindles over time, there remains tremendous need among the large number of elderly who were not victims of Nazi persecution in these regions (non-Nazi victims).

The present research brief summarizes results from our full report, *Hardship and Needs of Elderly Hesed Clients: An Analysis of Clients Served by Hesed Service Centers in Russia & Ukraine* (Tighe, Magidin de Kramer, Bleckman, Nursahedov & Saxe, 2012, <http://www.brandeis.edu/cmjs/pdfs/HesedReport.pdf>). The report reviews the current economic, health and social conditions of these elderly Jews in need in the FSU and compares their circumstances, as best

possible, to their counterparts who live in western countries such as the United States. Gaps between needs for services and the resources available to meet needs are highlighted.

Unlike previous reports prepared by the Cohen Center at Brandeis which focused primarily on international comparisons of the needs of Nazi victims (Hahn, et al., 2004; Tighe et al., 2007), the current analyses highlight the needs of other elderly, Non-Nazi victims (NNV). Although not subject to Nazi persecution, many Jewish elderly in the FSU struggle to survive amidst levels of economic disadvantage that are unlike those of Jewish elderly residing in regions such as North America and Israel.

The global economic crisis in 2008 eradicated some of the advances in economic stability that had been made after the collapse of the Soviet Union in 1991, especially for pension systems in these countries (Gora, Rohozynsky & Sinyavskaya, 2010; OECD, 2011). Many of the pension reform efforts begun since the transition to new economies have not matured sufficiently to affect the reliance of most pensioners on the government-funded pension systems as their primary safety net against the risks of poverty.

The focus on Non-Nazi victims derives in part from the potential disparities in services and resources available. As described by Forrester (2011):

The Hesed staff see both groups as needing similar levels of support, and have to discriminate because of the terms of funding provided, rather than because of major differences in needs between NVs and NNVs, in relation to their living conditions, health and need for support via food packages and medicines. (p. 30)

Overall, per capita spending by the JDC, based on the total 2012 budget for welfare across all services provided in Russia and Ukraine, averaged \$283 for non-Nazi victims in Russia and Ukraine compared to \$1,232 for Nazi victims (Heetner, September 18, 2012).

Review of multiple sources of data including demographic, economic and social indicators provides evidence that elderly Jews in the FSU have tremendous needs for supportive services compared to their peers in the U.S. There is a clear need for external support for basic health and social services for elderly Jews in the FSU. Faced with increasing costs for basic needs such as utilities and food, along with health services including essential medicines and quality care, the pension amounts that Hesed clients rely on are often inadequate to meet their needs.

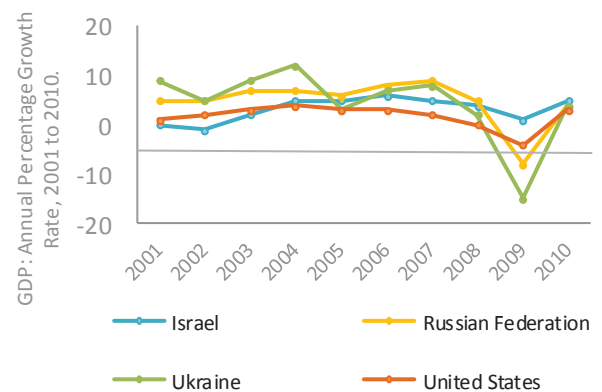
Worsening economic conditions within FSU countries present significant challenges for the public sector to meet the needs of their aging populations and provide necessary supportive services. The impact that economic turbulence and economic policies have on national accounts greatly affects the resources available to fund pension systems and, concurrently, the social programs that aging populations rely on, such as the health

and social welfare systems. Within the FSU, our focus was on the countries of Russia and Ukraine, where the largest numbers of Jews who receive services through Hesed centers live.

Economic Conditions

The economic crisis of 2008 disproportionately affected Russia and Ukraine compared to the United States and Israel. The declines in Gross Domestic Product, which is an indicator of the overall

Figure 1. GDP: Annual Percentage Growth Rate, 2001 to 2010.

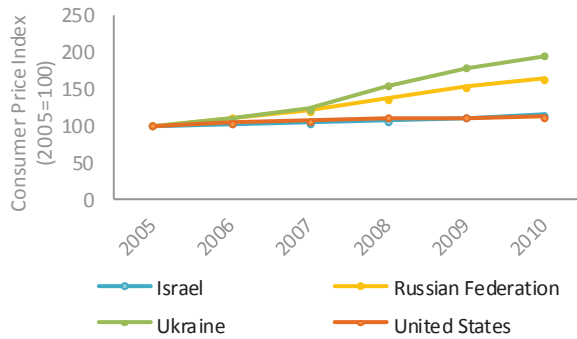


economic well-being of a country, were two to three times greater in these countries (see Figure 1).

- *GDP in Ukraine declined by 15%, Russia by 8%, compared to 4% in the U.S., while Israel saw slow growth of 1%.*

Considering GDP in Russia and Ukraine was far below the U.S. to start (Russia GDP is nearly 2.5 times smaller and Ukraine 7 times smaller than U.S. GDP), the declines in response to the economic crisis had dramatic effects. Consumer costs, as indicated by changes in the Consumer Price Index (CPI) which represents changes in the cost to the average consumer of acquiring a basket of goods and services within each country,

Figure 2. Consumer Price Index, 2005 to 2010.

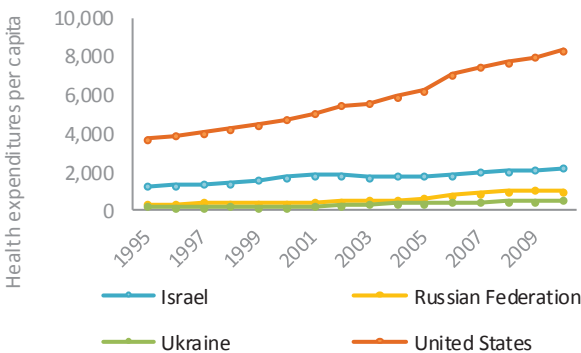


increased at much faster rates in FSU countries than in the U.S. (see Figure 2).

- *In 2010, consumer costs in Ukraine had nearly doubled since 2005, and had increased by 63% in Russia. In comparison, consumer costs in the United States increased 12% between 2005 and 2010.*

These increases in the CPI represent increased burdens on consumers for basic needs such as food, shelter, and energy. Such large price fluctuations are especially difficult to manage on pension incomes.

Figure 3. Health expenditures per capita, 1995 to 2010.



Health Expenditures

In addition to economic declines that have led to increased costs to elderly on limited pension incomes, public and private health

Figure 4a. Public health expenditures as percentage of GDP, 1995 to 2009.

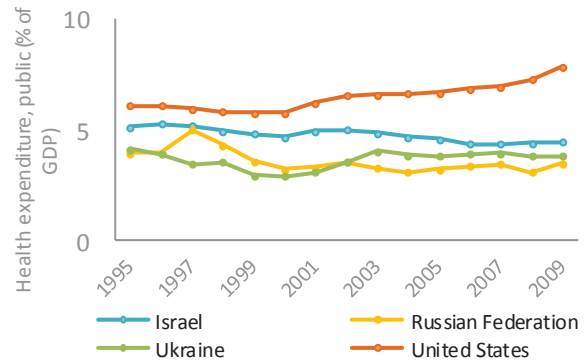
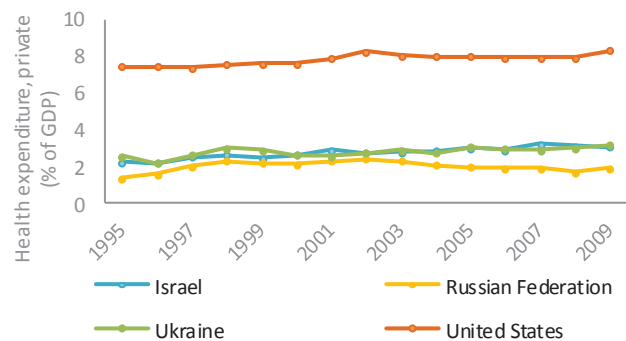


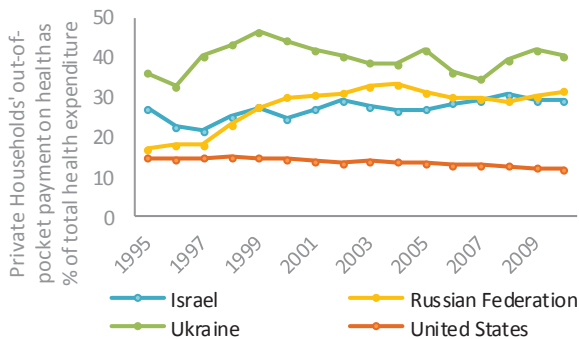
Figure 4b. Private Health expenditures as percent of GDP, 1995 to 2009.



expenditures are substantially lower in FSU countries. Total health expenditures per capita in the FSU are far below those of the U.S. (see Figure 3). In 2010, expenditures in Ukraine were \$500 per capita and in Russia, \$1000 per capita. In the United States, expenditures were \$8,400 per capita. Public expenditure, have hovered below 4% of GDP in the FSU countries compared to nearly 8% of GDP in the United States (see Figure 4a).

Further, in the United States, private expenditures -- which include household out-of-pocket spending, private insurance, charitable donations and payments from private corporations -- are nearly equal to or exceed public expenditures, whereas in Russia and Ukraine, private expenditures are lower than public expenditures (see Figure 4b). This indicates that there are fewer private

Figure 5. Private households' out-of-pocket payment on health as % of total health expenditure: 1995 to 2010.



resources available to supplement the lower percentage of public resources.

A lack of public and private insurance coverage results in increased burdens on household incomes to cover health care costs independently. Estimates of out-of-pocket payments for health expenditures as a percentage of total health expenditures are more than 3 times greater in Ukraine than in the United States (see Figure 5).

- *Over 40% of health care costs must be paid out-of-pocket in Ukraine compared to approximately 13% in the United States. (continued on next page)*
- *Rates of out-of-pocket expenditures are similar in Russia and Israel, each around 30%, compared to approximately 13% in the United States.*
- *Although estimated expenditures are three to four times as high in the United States (\$2,706) compared to Russia (\$958) and Ukraine (\$679), pension incomes are three to four times lower in each region*

compared to U.S. social security income and 6 – 10 times lower compare to U.S. household income. Regardless of the actual international dollar amounts associated with expenditures, pensioners in Russia and Ukraine have substantially less income to meet those costs.

As an example of the limitations in the pension incomes to meet actual expenditures is the cost to citizens in Ukraine for use of social services related to home care. For elderly with the highest level of functional limitations, 60 minutes of assistance with cleaning requires payment of UAH12.48. For one who needs assistance with basic ADL/ IADL functions, a single visit that includes cleaning, food preparation (2 meals), help feeding, laundry, bathing, and cleaning bad linens and dressing can cost UAH84 or \$20 international dollars. Within just four visits, one would exceed the difference between the average pension and the government-proposed minimum costs for the basics of shelter, food, and utilities. For detailed list of home care costs see Exhibit 1, p. 48, in the full report *Hardship & Needs of Elderly Hased Clients* (Tighe et al. 2012, <http://www.brandeis.edu/cmjs/pdfs/HesedReport.pdf>).

None of the cost data, either from the ICP or the minimum subsistence, take into account undocumented costs associated with the shadow economy, including undocumented fees for service required to receive medical care from medical professionals.

KEY FINDINGS FOR ELDERLY JEWS WHO ARE NON-NAZI VICTIMS

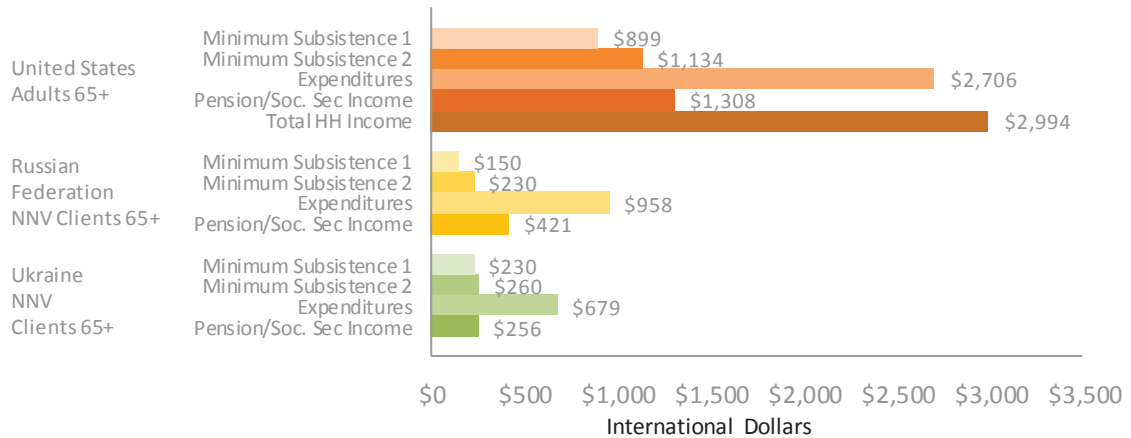
Elderly Hesed clients have substantially less income to meet increased costs, when compared to United States elderly.

In both Russia and Ukraine estimates of household expenditures, based on estimates from the International Comparison Program (ICP) of the World Bank, are more than twice the reported pension incomes (see Figure 6).

- Based to government estimates of minimum subsistence levels, *nearly 100% of one’s pension income in Ukraine is absorbed by minimum subsistence costs and nearly half of pension incomes in Russia.*

- In Ukraine, the median monthly pension for Hesed NNV clients of \$256 is not much higher than the current minimum subsistence level of \$230. *Thirty-five percent of Hesed clients have pensions lower than the minimum subsistence level.*
- Compared to estimates of actual expenditures based on ICP 2005, *nearly all— 99% of NNV clients in Russia and 97% of NNV clients in Ukraine have pensions below actual expenditures.*

Figure 6. Comparison of consumer expenditures to pension income across regions, 2011



Elderly clients have significant functional limitations.

Elderly clients served by Hesed centers throughout Russia and Ukraine have significant limitations in their ability to perform daily activities such as dressing, personal care, taking medicines, preparing meals, and taking care of finances (see Table 1).

- *Nearly 10% of clients in both Russia and Ukraine are limited by 60% or more in their daily functioning, which means that they need significant assistance to perform daily tasks ranging from personal care—such as bathing, dressing, continence, and eating—to personal finance, housework, and taking essential medicines.*

TABLE 1:
FUNCTIONING, ACTIVITIES OF DAILY LIFE: 2011

	Russia		Ukraine		Russia and Ukraine Combined	
	NV	NNV	NV	NNV	NV	NNV
Functional						
Functions independently	76.2	85.7	65.0	82.4	71.5	84.1
Independent function limited by 20%	4.1	1.9	6.7	3.0	5.2	2.4
Independent function limited by 40%	5.9	3.3	7.5	4.6	6.5	3.9
Independent function limited by 60%	8.3	5.4	12.4	5.9	10.1	5.6
Independent function limited by 80%	3.6	2.5	6.3	3.1	4.7	2.8
Independent function limited by 100%	1.6	1.0	2.0	1.0	1.8	1.0
Specific Activities of Daily Life						
Any ADL/IADL ^a	26.4	16.1	43.1	25.7	36.7	23.1
Mobility inside the home ^b	6.8	7.3	7.0	6.7	6.9	7.0
Dressing ^b	14.1	15.2	12.1	10.7	13.0	12.6
Personal hygiene ^b	34.8	35.4	32.7	26.6	33.7	30.2
Continence ^b	10.2	11.1	9.1	7.9	9.6	9.3
Eating and drinking ^b	6.6	6.8	6.2	5.7	6.4	6.2
Managing medicines ^b	26.0	30.1	27.7	23.9	26.9	26.5
Preparing meals ^b	74.5	74.5	76.3	67.3	75.5	70.3
Laundry ^b	50.3	50.3	50.0	41.2	50.1	45.0
Other Functional Limitations						
Requires supervision ^b	3.8	4.6	1.9	1.9	2.8	3.0
Vision impairment ^b	75.3	76.3	65.9	62.7	70.2	68.3
Hearing impairment ^b	51.3	52.2	40.9	34.0	45.6	41.5
Mobility outside the home ^b	54.3	55.7	51.2	44.1	52.7	48.9
House cleaning ^b	44.9	48.3	41.3	34.6	42.9	40.2
Falls (last 3 months) ^b	21.4	21.6	26.8	22.5	24.4	22.1

Notes: a) Represents the proportion of all clients who are limited in any of the activities of daily life as diagnosed through Hesed. b) Represents the proportion of clients who have any limitation among those who have the specific limitation listed.

- *Nearly 26% clients in Ukraine and 16% in Russia have at least one functional limitation.*

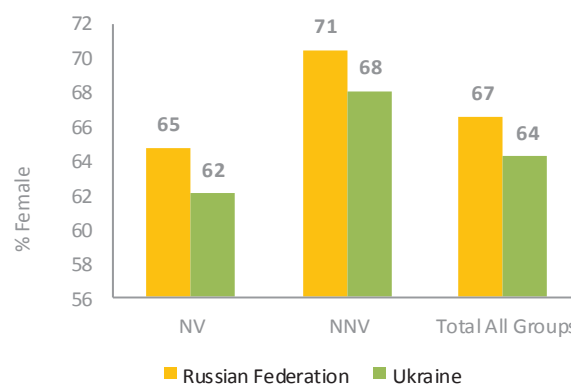
Of these clients:

- 35% in Russia and 27% in Ukraine require assistance with personal care, such as bathing.
- A majority (74% in Russia, 67% in Ukraine) require assistance preparing meals.
- 30% in Russia and 24% in Ukraine require assistance with managing medicines.
- 68% overall (76% in Russia, 63% in Ukraine) have impaired vision.
- A large proportion are hearing impaired (42%), and have limited mobility outside the home (49%).

Elderly Hesed clients are predominantly women who live alone.

- Over two thirds of elderly clients in FSU countries are women (e.g., 71% in Russia, 68% in Ukraine), compared to 56% among elderly in the United States (See Figure 7).

Figure 7. Percentage of elderly clients in Russia and Ukraine, aged 65 years and older who are female, 2011.



- Average life expectancy in Russia and Ukraine is 68 years (62 years for men, 74 years for women), more than 10 years fewer than in the United States (see Table 2).

	Total	Males	Females
Russian Federation	68	62	74
Ukraine	68	62	74
Israel	82	80	83
United States	79	76	81

Source: World Health Organization, Country Health Profiles.

- Over a third of elderly clients live alone: 38% in Russia live alone and 35% in Ukraine (See Table 3).

		Lives Alone			Lives w/ spouse			Lives w/ Family
		All	no family nearby	family nearby	All	no family nearby	family nearby	
Russia	NNV	37.9	17.7	20.2	44.2	15.6	28.6	17.9
	NV	46.4	23.9	22.5	38.4	14.6	23.8	15.1
Ukraine	NNV	35.2	16.4	18.8	51.7	20.7	31.0	13.1
	NV	48.4	25.0	23.4	39.2	15.5	23.7	12.4

The high ratio of older women to older men living alone and with fewer children nearby has implications for psychological well-being as well as for needs for supportive services.

Elderly Hesed clients have substantially less access to care compared to elderly in the United States.

- There is a large disparity in the average number of hours of Home Care service that Hesed clients receive compared to elderly in the United States who have similar levels of need (see Figure 8). Elderly Home Care clients in Russia and Ukraine receive nearly 10 times fewer hours of care (~ 24 hours/month) compared to their counterparts in the United States (~ 220 hours per month), and nearly 20 times fewer hours than elderly in the Northeast Metropolitan areas (~ 417 hours/month).
- For care provided by Home Health Aides, the type of care most similar to that provided to Hesed clients, those in the FSU receive nearly 5 times fewer hours than elderly in the United States and 10 times fewer hours than counterparts in Northeast Metropolitan areas.
- Twelve percent of elderly who receive Home Care in the United States receive 24 hours of care per day. No elderly served by Hesed centers receive this level of Home Care.
- Within the FSU, non-Nazi victims receive fewer Home Care hours compared to their counterparts who were Nazi victims (see Figure 9). In both Russia and Ukraine, non-Nazi victims most in need of Home Care services, that is, those with the highest degree of functional limitations, receive on average up to 40 fewer hours of Home Care per month than Nazi victims.

Figure 8. Average monthly Home Care hours by type of home care worker – Home Health Aide, Skilled Medical Professionals and Other: Russia & Ukraine Hesed clients compared to Adults 65 years and older in the U.S. and metropolitan areas in the Northeast.

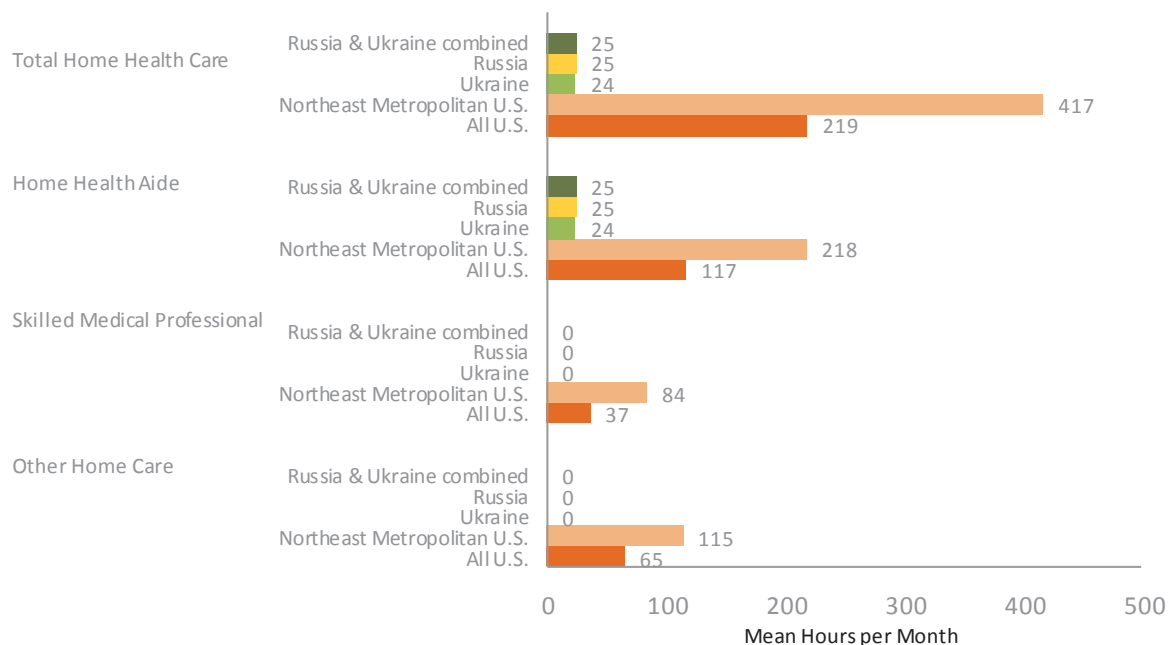
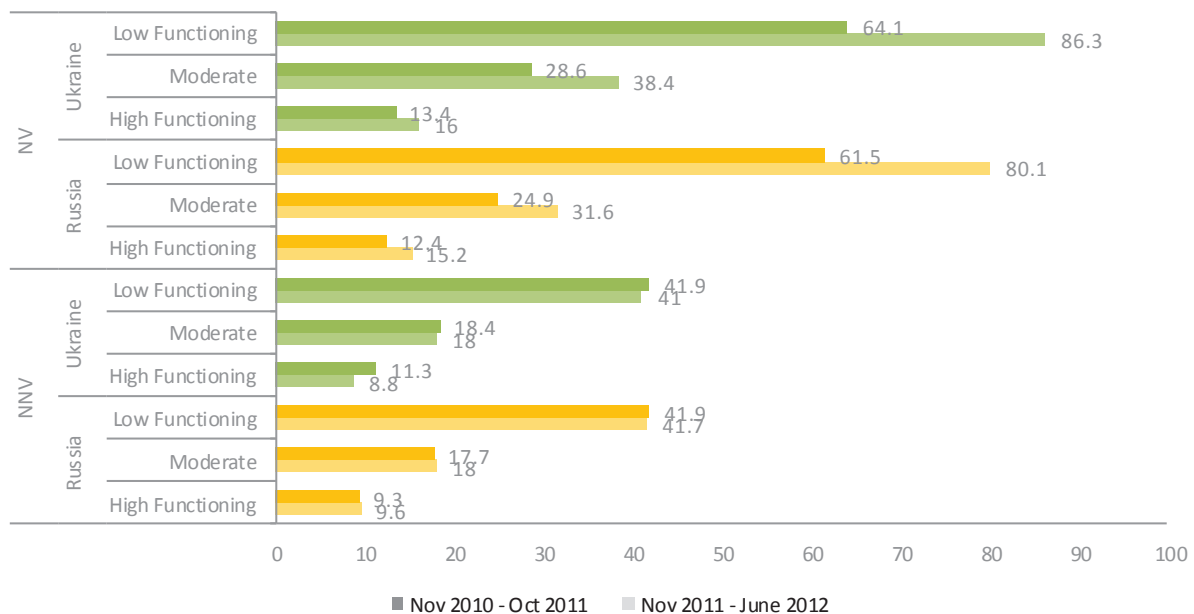


Figure 9. Average monthly Home Care Hours for NV and NNV clients Before and After Additional Funding: November 2010 to October 2011 compared to November 2011 to June 2012.



CONCLUSIONS

The broad range of demographic, economic, and health conditions highlight large differences between the elderly population in the United States and in the FSU. The large economic disparity between the elderly in the United States and Hesed NNV clients in FSU is evident. United States social security monthly benefits are more than twice the median pensions (in international dollars) of elderly Hesed clients in Russia and more than 3 times the median pensions of elderly clients in Ukraine.

Evidence of the disparities is even greater when one takes into account that in the United States, social security income is less than half of the median household income. Evidence of the large differences in economic situation can also be observed by examining the relation between pension incomes and estimated expenditures. Elderly clients in Russia and Ukraine have substantially less income to meet estimated expenditures.

The story that emerges from comparative analysis across nearly all indicators is that:

- Elderly Jews in the FSU experience clearly higher levels of disadvantage than their counterparts in the United States.
- The level of services Jews in the FSU receive given their level of need is far less adequate to meet their needs than their counterparts in the United States.
- In FSU countries, elderly have less access to state-supported social services, whereas Jews in non-FSU countries have access both to better government-supported social service networks and, importantly, to additional social service networks within well-established local Jewish communities.
- The economic turbulence and instability in Ukraine may be far greater than that experienced in Russia, but both countries face challenges with respect to effective funding of pension systems.

REFERENCES

- Forrester, C. (June, 2011). Needs assessment of elderly clients of the Heseds in four cities in Ukraine. Report prepared for World Jewish Relief.
- Gorá, M., Rohozynsky, O., Sinyavskaya, O. (2010). *Pension reform options for Russia and Ukraine: A critical analysis of available options and their expected outcomes*. Economic and Social Consequences of Industrial Restructuring in Russia and Ukraine. Berlin.
- Hahn, A., Hecht, S., Leavitt, T., Saxe, L., & Tighe, E. (2004). *Jewish elderly Nazi victims: A synthesis of comparative information on hardship and need in the United States, Israel, and the Former Soviet Union*. Cohen Center for Modern Jewish Studies. Waltham, MA: Brandeis University.
- OECD Health Data (2011). *U.S. data*. http://stats.oecd.org/index.aspx?DataSetCode=HEALTH_STAT accessed March 30, 2012.
- Tighe, E., Saxe, L., & Chertok, F. (2007). *Jewish elderly Nazi victim in the Former Soviet Union: An analysis of clients served by Hesed service centers*. Cohen Center for Modern Jewish Studies. Waltham MA: Brandeis University.



The Maurice and Marilyn Cohen Center for Modern Jewish Studies at Brandeis University is a multi-disciplinary research institute dedicated to the study of American Jewry and religious and cultural identity.

The Steinhardt Social Research Institute, hosted at CMJS, is committed to the development and application of innovative approaches to socio-demographic research for the study of Jewish, religious, and cultural identity.

Map of Russia, courtesy of the University of Texas Libraries, The University of Texas at Austin.

Brandeis University



Maurice and Marilyn Cohen
Center for Modern Jewish Studies