

711 Third Avenue - New York, NY 10017-4014 - phone: 212.687.6200 - fax: 212.370.5467 - www.jdc.org EXECUTIVE VICE-PRESIDENT Steven Schwager Eugene J. Ribakoff

April 14, 2004

CHAIRMAN OF THE BOARD Jonathan W. Kolker

Executive Vice-President Special Operations Michael Schneider

HONORARY PRESIDENTS Heinz Eppler Sylvia Hassenfeld Donald M. Robinson Henry Taub Ambassador Milton A. Wolf

> HONGRARY EXECUTIVE Raiph I. Goldman

> > TREASURER Jodi Schwartz

SECRETARY Stanley Chesicy

EXECUTIVE COMMITTEE Alan R. Batkin Ellen Block Andrea M. Bronfman Elliott Cohen Alfred B. Engelberg Rani Garfinklo Billie Gold Yoine Goldstein Nancy Grand Barbara Gordon Green Ronald Grossman Judge Ellen M. Heller Alan S. Jaffe Jonathan Joseph Marvin Josephson S. Lee Kohrman Myra Kraff William Marsus Myra Kraft William Marcus David G. Marshall Edward H. Merrin Rebecca Newman Robert S. Reitman George Rich Alan E. Rothenberg Prof. Carol R. Saivetz Lynn Schusterman Betsy R. Sheer Dr. Irving A. Smokler Richard G. Spiegel Susan Stern Louis Thalheimer Andrew H. Tisch
Patricia Werthan Uhlmann
Elizabeth R. Varet
Caryn Wolf Wechsler
Marshall M. Welnberg
Jane G. Weitzman
Joseph Wilf

JDC INTERNATIONAL COUNCIL Alan R. Batkin Charles R. Bronfman

MEMBERS

eonard Abramson Eugene Applebaum Sharl Arison Sharl Arison
Edgar M. Bronfman
Lester Crown
Carol R. Goldberg
Richard N. Goldman
Alan C. Greenberg Irwin Jacobs Henry A. Kissinger Jonathan Kolber Julia Koschitzky Olivier Kraemer Robert Kraft Robert Kraft Harvey M. Meyerhoff Yuli Ofer Bernard A. Ösher Abe Pollin Margot Pritzker Albert B. Ratner Oudi Recanati Albert Reichmann Bernard Slegci Benjamin Steinbruch Michael H. Steinhardt Simone Veil Lord Weidenfeld of Chelsea Leo Werthein

## BY FAX:

Special Master Judah Gribetz Deputy Special Master Shari Reig Holocaust Victim Assets Litigation c/o Bingham McCutchen, LLP 399 Park Avenue New York, N.Y. 10022

Dear Mr. Gribetz and Ms. Reig:

The attached chart is submitted in response to your request for clarification of the January 30, 2004 submission by the American Jewish Joint Distribution Committee (JDC) regarding the needs of Jewish victims of Nazi persecution in the Former Soviet Union (FSU). The JDC submission estimated that in 2004 the 177 Hesed welfare centers in the FSU will serve 121,600 needy elderly Jewish Nazi victims. The service enhancements proposed are an augmentation to care for these clients which are currently funded by the Court under the Looted Assets Class of the Swiss Banks Settlement, as well as by the Claims Conference and other sources. In this letter and the accompanying chart we summarize and clarify the priority humanitarian services needed for 2004 and beyond.

#### 1, FOOD A

In 2004 all 121,600 Jewish Nazi victims in the FSU would benefit from this \$39 per annum enhancement totaling \$4,742,400, as follows:

- A) Increasing the frequency of food packages so that all Nazi victims in this program receive a food package once a month. This is the most basic component of the FSU food program. These packages, containing basic non-perishable items such as pasta, flour, beans, canned fish, rice, sugar and oil, are intended to supplement the insufficient diets of the elderly. They are distributed to clients, on average, about six times per year, including special packages prepared for Passover and Rosh Hashanah. The contents were developed pursuant to the recommendations of a Hebrew University nutritionist and adjusted according to the availability of local products.
- B) Increasing the frequency of both canteen meals and meals-on-wheels so that all Nazi victims in these programs receive a hot meal once a day. Canteen meals are served three to four times per week, on average, either in communal dining rooms in the Hesed centers, or, in small towns where there is no local Hesed building, at a local cafeteria where clients eat during a special daily time period when it is rented specifically for their use. For many Hesed clients, this is the only



hot meal they will receive during the course of a week, and their only source of protein. In many cases, these meals prevent malnutrition and starvation. A typical meal includes salad, chicken, fish or soy, a vegetable, pasta or cooked grain, and a baked dessert or fruit. Meals on Wheels are provided four to five times per week to bedridden or otherwise homebound clients and are ready-to-eat, cooked meals delivered to those who are unable to prepare food for themselves. Many of the meals-on-wheels recipients have not gone outside in years. Hesed centers use reusable containers to package and deliver the meals. Some also use a special method of deep freeze cooking that keeps food sterile and fresh. In these cases, the Hesed is able to deliver several meals at a time to the client's home, which can last over the course of a week.

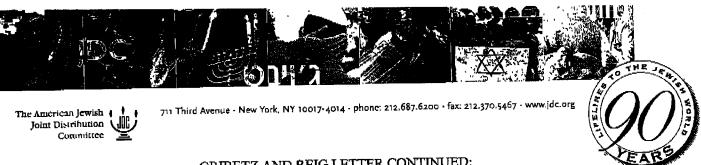
C) Increasing the frequency of fresh food sets so that all Nazi victims in this program receive 2.5 fresh food sets a month. This Market-to-Home program offers an alternative to the more expensive meals-on-wheels. Food sets with fresh products such as eggs, poultry, cheese and milk are delivered about every three weeks to the homes of clients who lack the strength to go out to the market, but are capable of preparing their own meals - either independently, or with the assistance of a homecare worker.

#### 2. MEDICAL

Currently due to funding limitations only half of Hesed Nazi victim clients are able to receive medical services. JDC believes that in 2004 with additional funding approximately 30,000 additional clients who need some form of medical service from the Hesed centers could be served. Our proposal, totaling \$1,459,200, at an average cost of \$4 per month, would mainly cover the distribution of subsidized medication for these 30,400 additional clients. Medicines and vitamin supplements are provided either through the services of a volunteer pharmacist working at a dispensary established within a Hesed, or via an arrangement made between a Hesed and a local pharmacy. Assistive devices - such as eyeglasses and hearing aids - for the hearing and visually impaired are also provided as needed. Rehabilitation equipment, such as wheelchairs, canes, walkers, crutches, non-slip aids, bedsore prevention mattresses, and special devices for bed-adjusting and bed-lifting, are loaned to clients who have been injured for a limited period, until they recover.

#### 3. HOMECARE

Currently, approximately 14% of Hesed clients (about 17,000) need homecare services and received on average 4 hours of such care per week, entirely through



Hesed programs. They do not benefit from any state-funded homecare or have the possibility of any decent institutional care as a last alternative. Our proposal, totaling \$8,852,480, is based are based on providing each client who needs homecare with an average of 10 hours of service per week (in addition to the 4 hours currently provided) therefore totaling 14 hours per week, or an average of 2 hours per day. At an average cost of \$1 per hour this would cost \$520 per year. JDC believes that as clients age there will be an increased percentage of clients who need homecare each year and this is reflected in the chart.

Homecare workers assist with dressing and feeding the client, administering medications, and facilitating mobility and limited activity; they take care of personal hygiene needs and track clients' changes in health. Homecare services also help with fundamental activities of daily living, such as tidying and cleaning, laundry, shopping, food preparation, and accompanying the client to various appointments. Caregivers also see to it that essential home repairs are carried out. In more remote areas, homecare includes carrying water from local wells and chopping wood for heating and cooking.

## 4. WINTER RELIEF

The frigid temperatures in many regions of the FSU make winter relief programs vital in helping Hesed clients cope with the harsh weather conditions. Winter relief "kits" are distributed once per winter, at an average cost of \$50 per kit. They may comprise heating and cooking fuel, including coal, wood and gas, as well as blankets, coats, sweaters and boots. An additional \$500,000 per year is needed to ensure that an additional 10,000 Nazi victims in the FSU who need a winter relief "kit" can receive one.

#### 5. SOS

Although Hesed welfare services serve the individual needs of clients in a variety of circumstances, the strict set of eligibility criteria makes it impossible for every eventuality to be met. The SOS Special Needs and Emergency Cases Program address this need. The average SOS grant is \$50 and a client may receive more than one grant if needed. We estimate that \$500,000 is needed to provide approximately 10,000 additional SOS grants.

The range of SOS goods and services includes:

Health services, including drugs, hearing aids and glasses, emergency dental care, hospitalization costs such as surgery, adult diapers, bedding, test-strips, medical tests and transportation, and laundering of soiled clothes, as well as

prostheses and the purchase of rehabilitative equipment and rehabilitative courses of treatment.

- \* Food and utilities, including emergency food supplies and payment of utility debts.
- \* Extra winter relief such as the purchase of heating fuels (wood, coal and gas) and heating appliances, clothing, boots, and blankets.
- \* Home repairs for houses and apartments, including roof repairs and the purchase of building materials.
- \* Purchase and repair of household goods and electrical appliances, including stoves, refrigerators, furniture, and telephones.
- \* Other humanitarian aid, including, for example, the purchase of pots and pans, sinks, and toilets; dentures; bedpans; adaptation of bathrooms for the elderly; special medical equipment; provision of water jugs to enable a Nazi victim to bring water from a well to his/her home and outhouse; the purchase of a cow to provide milk for a client in a remote rural area; connection of a gas pipeline to heat a home; and payment of rent to prevent eviction.

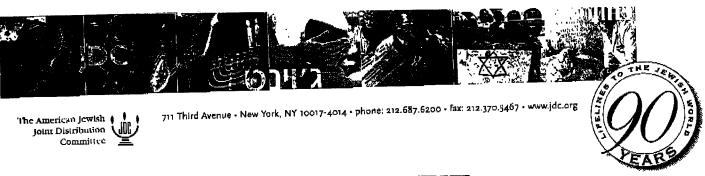
An additional \$500,000 per year is needed to ensure that all Nazi victims in the FSU who face emergency situations can benefit from the SOS program.

## 6.ADDITIONAL SERVICES

Should significant additional funds be available, IDC recommends consideration of the following service enhancements for Jewish Nazi victims in the FSU.

## A.) FOOD B

This option involves the addition of fresh food sets (described above) to the assistance provided to all 121,600 Nazi victim clients currently eligible for any other food program. This would serve as the for a second daily meal for these clients, thereby providing for their complete nutritional needs. This option requires the purchase of nearly 4,000,000 additional fresh food sets annually for distribution to Nazi victim clients, at an estimated additional \$150 per capita annually for a total of \$18,240,000 in 2004.



# B.) MINIMAL MEDICAL INSURANCE

A more complete solution to the lack of structured healthcare can be given by providing the 121,600 Nazi victim clients with medical insurance. The FSU national health system is theoretically supposed to cover all the medical needs of the population; in reality, this does not occur. JDC has looked at funding a voluntary medical insurance program for Hesed clients. Based on one such private program currently operating in Russia, the estimated minimum required to cover clients' medical needs would be annual premium of \$250 per client to cover ambulatory treatments in clinics; home visits by physicians; immediate medical care; and emergency hospitalization (with a maximum compensation per occurrence of \$2,500). The 2004 cost of this insurance would be \$30,400,000.

Sincerely,

Herbert Block

Assistant Executive Vice-President

Steven Schwager Executive Vice-President

SS/HB:km Enclosure

Annual	Annual Subtotal	Medical Insurance	Minimal Medical Insurance Clients	Food B	Food B	Annual Subtotal	308	Clients	Relief	Clients	Winter	Homecare	Homecare Clients	Medical	Medical Clients	Food A	Food A Clients	Nazi Victims / Year		
		\$250		\$150	- · <del>-</del>		\$50		\$50			\$520		\$48		\$39			Service Cost Per Capita	JUC PRU
204 704 504	\$48,761,600	\$30,400,000	121,600	\$18	121,600	\$16,121,504	\$500,000	10,000	\$500,000	10,000		\$8,852,480	17,024	\$1,459,200	30,400	\$4,742,400	121,600	121,600	2004	JEC HOND OF
703 A35 B35	\$45,914,500	\$28,625,000	114,500	\$17,175,000	114,500	\$17,625,935		10,000	\$500,000	10,000		\$10,717,200	20,610	\$1,374,000	28,625	\$4,465,500	114,500	114,500	2005	
£60 775 879	\$42,345,600	\$26,400,000	105,600	\$15,840,000	105,600	\$18,535,872	\$500,000		\$500,000	10,000		\$12,080,640	23,232	\$1,267,200	26,400	\$4,118,400	105,600	105,600	2006	
\$57.843.529	\$38,816,800	\$24,200,000	96,800	\$14,520,000	96,800	\$19,093,528	\$500,000	10,000	\$500,000	10,000		\$13,087,300	25,168	000,101,1¢	24,200	\$3,775,200	96,800	96,800	2007	
\$54.302.135	\$35,167,700	\$21,925,000	87,700	\$13,155,000		\$19,222,135	\$500,000		\$500,000			\$13,001,200	26,310	\$1,00Z,40V	21,925	\$3,420,300	87,700	87,700	2008	
\$50.977.005	\$31,879,500	\$19,875,000	79,500	\$11,823000	-i	\$19,177,005	non'once		\$500,000	10,000	; }	\$14,000,000	27,030	6904,000	19,875	\$3,100;3001	79,500	79,500	2009	JOC PROJECTIONS OF SERVICES INC.
\$47,115,330	\$28,471,000	\$17,750,000	71,000	\$10,000,000		\$18,715,330	φουρου	10,000	\$500,000	10,000		417,000,000	26,980	\$000,000	17,750	\$2,7 G3,000;	71,000	71,000	2010	
\$26,109,219	\$13,353,300	\$8,325,000	33,300		33,300	\$12,789,219	4000,000	10,000	\$500,000	***************************************	÷ 33	0 0	19,314	4 9 9 9 9 9 9 9 9 9 9 9 9 9 9 9 9 9 9 9	8,325 \$399,600	41,200,100	33,300	33,300	2015	
\$19,973,623	\$8,862,100	\$5,525,000	22,100		22,100 \$3,315,000	\$11,133,623		10,000		e h	<b>1</b>	- 1	17,238 \$8,963,760	1	5,525 \$265,200	0001	22,100 \$861 900	22,100	2020	

.