Facts and figures on long-term care for older people: Europe and North America

A comparative analysis of long-term care for older people in Europe

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Overview of the presentation

• ECV research on long-term care

• Portrait of informal care-givers across Europe

• Diverse picture of publicly supported long-term care

• Some conclusions from stylised facts
The EC research on long-term care

• What?
  – Facts and Figures on Long-Term Care in Europe and North America;

• Why?
  – Fill a knowledge gap of comparative analysis;
  – Suggest a list of indicators that countries may wish to pursue on a regular basis;

• What’s in it?
  – Data on:
    • Expenditure;
    • Beneficiaries;
    • Informal care;
  – Focus on UNECE region: EU, CIS, USA, Canada, Israel;
  – Focus on long-term care for older people.
Long-term care in Europe

• At the boundaries of health and social care;

• Relatively „young“ subject for comparative research;

• Social policy area where countries differ a lot.
How we define *informal care*

- Unpaid help from family, friends and/or neighbours to the elderly who require long-term assistance with activities of daily living (including instrumental activities)

- Study only comprises informal care to the elderly: largest group of carers among informal carers
Portrait of informal carers

• **Partners** and **Children** most common informal carers

• **Women** predominant as carers (both formal and informal), never below 70%

• **Men** take care of partner above all other relative and usually take on caring tasks at a later stage
It’s a woman’s world...

Family carers by gender and country

Regardless of “care regimes"

Source: National sources, OECD (2005) and EUROFAMCARE national reports.
...but men catch up in later years

Women provide more care to older people but men catch up in later years

Source: EUROFAMCARE national reports.
Care-giving within the family: who cares?

Relationship between the carer and the care recipient in percentage

Source: OECD (2005), national sources and EUROFAMCARE national reports.
Age structure of informal carers

• Age group with the largest share of informal carers appears to be the 45-65 year olds

• But this group is courted by labour market policies to remain longer in the labour market... Future increase in care gaps due to changing lifestyle?

• Exceptions in the US: over 50% of caregivers who are 65+ care for their elderly relative
Mid-life challenges

Providing care for older family members by country and age group

Source: OECD (2005), EUROFAMCARE national reports.
Household situation of care recipients

- Informal care mostly takes place in the home of the recipient
- It is often the difference for recipients between staying home and moving into care
- Care recipients living with their family are more likely to receive informal care than those living alone
Intimacy at a distance in the North

Percentage of the population aged 15+ providing informal care to a relative aged 60+, 1999

Source: Own calculations based on Walker (1999).
Labour of Love

Family help as a percentage of help to people aged 75+ by country and domain, 2001

Source: EUROFAMCARE national reports for Norway and Malta (2004).
• Growth in the number of older people living alone might increase the demand for formal care services in the future

• Living alone becomes more frequent as people age, and women are living alone longer, especially once they reach the age of 75
Home alone?

Proportion of people aged 60+ who live alone, UN 1990s Census Round

*EU 27 minus Luxembourg, Malta and Slovakia.
Home alone...even more so for the 80+

Living alone for people aged 60-79 and those aged 80+, Eurostat 2001 Census data

A diversified picture on long-term care

• Different approaches to long-term care
  – Cash benefits (Austria, Germany, Italy, Czech Republic);
  – Means-test (UK);
  – Public provision of care services (Sweden, Denmark).

• Hybrid rather than pure models of care
  – Cash benefits: within the tax envelope (Austria, Czech Republic) or through social insurance (Germany);
  – Regulated (France) and unregulated allowances (Italy);
  – Universal public provision of care (Denmark) or targeted “universalistic” provision of care (Sweden);
  – Provision of care (institutions): public (Sweden), private “for profit” (Spain, UK), private “non-profit” (Germany).
Who benefits from publicly supported care

Share of 65+ receiving long-term care services at home and in institutional settings
(most recent date)

Stylised facts:

• Large differences in access to care;
• Denmark, Iceland, Netherlands, Norway, Iceland and Israel lead the way;
• East/West divide;
• Care at home decisive to provide care to the most;
• Institutional care: nowhere higher than 9.3%.

Source: Own calculations based on OECD, NOSOSCO, WHO, Eurostat and national sources.

Percentage of 65+ receiving long-term care in institutions

Percentage of 65+ receiving long-term care services at home

07/09/2009
International Expert Meeting “Monitoring Long-Term Care for the Elderly”
Women: majority in the population, majority in care

More women survive to old-age than men

More women than men receive care: the case of home care

Gender ratio at the age of 65 (2006)

Share of women among 65+ beneficiaries of home care (2007 or most recent date)

Source: Own calculations based on national sources, OECD and Eurostat demographic data, Huber et al. (2009, forthcoming).

International Expert Meeting “Monitoring Long-Term Care for the Elderly”
Are women more likely to be found in care?

Gender index – captures differences that do not arise from demographics alone

Gender index\(_t\) = \frac{\text{Female beneficiaries}_{65+} \text{years}}{\text{Female population}_{65+} \text{years}} \div \frac{\text{Male beneficiaries}_{65+} \text{years}}{\text{Male population}_{65+} \text{years}}

Answer: yes, women are much more likely to receive care, specially institutional care.

Source: Own calculations based on national sources, OECD and Eurostat demographic data, Huber et al. (2009, forthcoming).
Living alone explaining institutionalisation of women?

Living alone is positively related to institutionalisation...

... but not to receiving formal care at home

How will changing living arrangements impact care needs?

Source: Own calculations based on OECD, Eurostat and national sources. Huber et al. (2009, forthcoming).
Public resources for long-term care still low: EU15 spends 7.6% on health and 9.1% on old-age pensions;

- Marked differences in expenditure;
- Where is the money going? Mostly to institutional care;

Source: Own calculations based on national sources, NOSOSCO and OECD. Huber et al. (2009, forthcoming).
Sharing the burden: private expenditure

Private expenditure on long-term care (% of GDP) and its distribution (2007 or most recent date)

- Private expenditure: co-payments; means-testing; supplementary payments;
- Different public-private mixes;
- Means-tested = heavier burden?
- Institutional care: user’s fees are standard procedure.

Source: Own calculations based on OECD, NOSOSCO and national sources. Huber et al. (2009, forthcoming).
Institutional care: how deep is the user’s pocket?

- Differences in location;
- Differences in types of services;
- Differences in providers;
- Board and lodging costs.

Heavy reliance on social assistance

User’s fee for institutional care, in percentage of net APW wage (2007 or most recent date)

Source: Own calculations based on national sources, OECD and MISSOC. Huber et al. (2009, forthcoming).
## Cash for care benefits

### Care allowances: balancing (paid) care with employment

**Characteristics of care allowances likely to impact employment of carers**

<table>
<thead>
<tr>
<th>Country</th>
<th>Means-tested</th>
<th>Other benefits</th>
<th>Limitations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ireland</td>
<td>Yes</td>
<td>Child benefits.</td>
<td>Full-time care required.</td>
</tr>
<tr>
<td>UK</td>
<td>Yes</td>
<td>Child benefits, pension credits.</td>
<td>Minimum 35h/week of care, may not be in full-time education.</td>
</tr>
<tr>
<td>Norway</td>
<td>No</td>
<td>Contract, pension credits.</td>
<td>Exceptional use, working hour limited to 3h-10h/week.</td>
</tr>
<tr>
<td>Sweden</td>
<td>No</td>
<td>Contract, full social protection.</td>
<td>Exceptional use</td>
</tr>
<tr>
<td>Finland</td>
<td>No</td>
<td>Quasi-contract, pension credits, respite care.</td>
<td>Accumulation with paid work possible.</td>
</tr>
<tr>
<td>Slovenia</td>
<td>No</td>
<td>Pension credits, unemp. and parental benefits.</td>
<td>Carer must be unemployed or working part-time only.</td>
</tr>
<tr>
<td>Slovak Rep.</td>
<td>Yes</td>
<td>-</td>
<td>Limits on accumulation with paid work.</td>
</tr>
</tbody>
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Trade-offs in generosity – attendance allowances

Amounts of attendance allowances in percentage of net wage of APW and its beneficiaries (2007 or most recent date)


„Generous“?

„Everyone gets by with little“

Some conclusions from stylised facts about long-term care

• Risk of care gaps arising due to changes in living arrangements and increase of women on the labour market
• Ageing carers put their health at risk and ultimately the person they care for
• Home is where most people receive care... but in some countries professional care is still not available;
• Public resources for long-term care vary but are nevertheless modest;
• Long-term care (specially institutional care) places a financial burden on users;
• Cash for care schemes are spreading but pose policy questions (e.g. unregulated care markets, employment).