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Reform of Long-Term Care System in Slovenia

Davor Dominkus

RS population profile 2008

- Age structure: 0–14 years 14%; 65+ years 16,4 %
 - EU-27 average: 15,7 % and 17,1%
- 2050:
 - Si: 29% >65 years (10% > 80)
 - EU: 28,8% >65 years (11% >80)
- Median age: 41 years
- Life expectancy at birth
 - Total population 78 years (M 74.7, F 81.9 gender diff. 7.2 years)
 - EU-27 average: 79 years (M 84.5, F 89 gender diff. 4.5years)

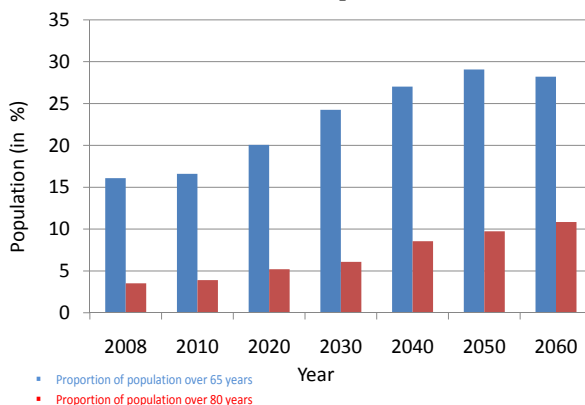
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Demographic changes

Projection of trends in population over 65 and 80 years for the period 2008-2060



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Present System of Long-Term Care

Slovenia does not have a uniformly organised system of long-term care for elderly, chronically ill, disabled and other persons who need help in performing ADL and IADL.

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LTC is provided in different ways

- **Services within the social (care) system:** different forms of institutional care, services of home care, the right to a home care assistant, care in sheltered housing, various forms of personal assistance for the disabled.
- **Services within the health care system:** non-acute hospital treatment for intermediate care (nursing departments and prolonged hospitalisation), long-term care at home is provided within the scope of community nursing care.
- **Different cash benefits for LTC** to be used for informal help or to (co)pay the services.
Entitled are: beneficiaries of old-age and disability pensions, beneficiaries of social assistance, persons who are unemployed due to high disability, war-disabled persons and war veterans (all in cases of need), **but not all who are in need.**

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Financing of the LTC services and benefits

- Partly from taxes (from the national and municipal budgets).
- Partly from social security contributions (provided from compulsory health insurance and compulsory pension and disability insurance).
- Partly from the users(privat) contribution (long-term care services are covered fully by public sources only if the user or his/her relatives are unable to pay obligatory contribution).

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LTC services -2008

Type of long-term care service	Number of persons
Institutional care of the elderly	18,012
Institutional care of disabled	3,494
Non-acute hospital treatment	5,399
Home care and personal assistance	6,277
Home care assistant	841
Total	34,023

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LTC benefits -2008

Type of cash benefit for long-term care	Number of beneficiaries
Attendance allowance according to the PDI regulations	29.599
Attendance allowance to the CSA beneficiaries	330
Assistance and aid allowance according to the ACSCMPHP	3.703
Attendance allowance according to the regulations on war-disabled persons and war veterans	521
Total	34.153

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Structure of public expenditure for LTC - 2008 (total amount of 211.526.921 EUR)

	Health Insurance Institute of Slovenia	Pension and Disability Institute of Slovenia	Budget of RS	Budget of Local Communities
Public expenditure for LTC	119.909.270 EUR	74.144.120 EUR	17.476.531 EUR	43.743.531 EUR
Share of total costs (in %)	47	29	6.8	17.1
Share of GDP (in %)	0.32	0.2	0.05	0.12

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What is hindering accessibility of LTC?

- Inadequate financing of long-term care.
- The existing services and benefits are not connected into a uniform system.
- A lack of co-ordination between social and health service providers.
- Inadequate regional distribution and lack of providers of LTC (urban versus rural).
- Relatively undeveloped services in home (local) environment - which results in additional pressure on the extension of costly hospitalisations and the expansion of institutional forms of LTC.
- Undeveloped prevention, rehabilitative care and use of IT.

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Improvement of care services

POLITICS AND PLANNING - Clear objectives related to improvement of accessibility, quality and provision of sustainable financing of long-term care are laid down in several strategic documents:

- The Resolution on the National Social Protection Programme 2006 - 2010
- Strategy for Protection of the Elderly by 2010
- National Report on Strategies for Social Protection and Social Inclusion for the period 2008-2010

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Starting point of the LTC reform

- Realisation that the need for long-term care is the new social risk that people should be protected against.
- Introduction of a new compulsory insurance scheme, similar to protection of the entire population against sickness or injury, disability and old age (pension insurance), unemployment and other social risks.

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Key goals of the new legislation

- to increase social security and the quality of life of people who are in need of LTC by improving the accessibility and quality of long-term care services;
- to introduce solidarity financing of the long-term care area according to the principles of social insurance by introduction of the compulsory social insurance for long-term care;
- To introduce private insurance to cover higher standard, personal payment and »hotel costs within institutional care«.
- to provide accessibility and quality of LTC services and benefits to all who need them;

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Key goals of the new legislation

- to develop prevention in LTC, to promote rehabilitation in LTC and to promote the use of modern technologies (IT) in LTC;
- to encourage the responsibility of an individual and his/her family for the provision of an adequate level of LTC;
- to achieve better efficiency and transparency of assets invested in long-term care;
- to link long-term care providers in a functionally integrated, rational and effective system;
- to achieve uniformity of rights among all eligible persons, regardless of the place of residence or type of assistance (institutional or home care);

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Beneficiaries and financing of the new LTC insurance

- All who are also compulsory health insured in Slovenia
- Insurance should be financed by contributions paid by employers and insured persons themselves (or other persons specified by law)
- New contribution rates would result from merging of shares, which are currently accounted for long-term care within the contribution for compulsory health and pension insurance
- Part of the expenses will be covered by the taxes.

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Rights of the insured persons

- Payment of long-term care services within the standards (ADL, IADL, rehabilitation, learning);
- Cash benefit for long-term care;
- Combination of cash benefit for long-term care and services;
- Right to a personal assistant;
- Covering the cost of housing adjustment;
- Technical aid for implementation of LTC;

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Entrance, assessment and funding

- ENTRANCE THRESHOLD - beneficiaries need assistance of another person in the performance of ADL and IADL for more than three months and more than three hours per week.
- Beneficiaries will cover with their own resources monthly payment of the of 230 EUR, which is approximately the price of 12 hours of home care.

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Cost estimate at the beginning of the implementation of the Act

- It is estimated by European Commission that 3 % of the entire population in Slovenia need long-term care (approximately 60.000 people), 70 % will be beneficiaries according to new LTC Act.
- In 2009, the total public financial costs of long-term care in Slovenia will be little more than 269,928,004 EUR.
- In the projections made for the new act, the total public expenditure will raise up to 309,311,342 EUR.

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Planned activities regarding introduction of the new LTC ACT

- Public debate first quarter of 2010;
- Adoption in the Parliament at the end of 2010;
- Introduction of the new LTC Act in 2013;

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