



Personalized Funding in Home Care: International

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Italy's Cash For Care

- Presentation by Giovanni Lamura at “Best Practices in Seniors’ Home Care: International Forum (January 2014)
- Tediosi, F, Gabriele, S. (June 2010). The Long-Term Care System for the Elderly in Italy. European Network of Economic Policy Research Institutes. Available at <http://www.ancien-longtermcare.eu/sites/default/files/ENEPRI%20 ANCIEN %20RR%20No%2080%20Italy%20edited%20final.pdf>

Italy's Home Care/Long Term Care Features

- Formal Home Care Services (19.4% of Italy's Public LTC Expenditures)
- **Cash-for-Care** (49.6% of Italy's Public LTC Expenditures)
- Residential Care (31.0% of Italy's Public LTC Expenditures)
- Private Employment of Migrant Home Care Workers

Italy's Cash-for-Care

- Traditionally preferred over in-kind services
- A dependent person can receive care allowances from:
 - The State (disability pension; care allowance)
 - Local Authorities
- The two together can sum up to 800 – 1000 euros/month, with largely unrestricted use
- Strong incentive to privately employ care workers (often migrant)

Why is Cash-for Care Valued?

- Help arrives when needed (55%)
- Respect of elder's dignity (50%)
- Others:
 - Improving elder's quality of life, care workers' skills, help not too expensive, help fits into the carer's routine, dignity of the carer, same care worker

The Downsides...

- **Primarily migrant women from Eastern Europe and South America**
- **61% are without a regular contract**
- **46% work 9 or more hours per day on average (26% 13 or more hours per day)**
- **High degree of burden** (emotional, psychological and physical burden, cannot get out of the home, etc.)
- **Costs in home countries** (children well off but deprived of mother; mental illness of migrant women when they return home, educational costs born by home country)

Germany's Cash Payments

- Presentation by Hildegard Theobald at “Best Practices in Seniors’ Home Care: International Forum (January 2014)
- Schultz, Erika (June 2010). The Long-Term Care System for the Elderly in Germany. European Network of Economic Policy Research Institutes. Available at http://www.ancien-longtermcare.eu/sites/default/files/ENEPRI%20_ANCIEN%20RRNo78Germany.pdf

Germany's Home Care/Long Term Care Features

- Universal entitlement, provided people meet the strictly defined care needs (1, 2, 3)
- Choice between:
 - Home care services, residential care, **cash payments, mix of home care and cash payments**, semi-residential services
 - Home care service provider, residential care
 - Home care care activity

Germany's Cash Payments and Mix

- In 2011, 47.3% used cash payments, versus 23% using services and 32.4% using a mix. Trend toward decreasing cash payments (51% in 1999)
- Dependent can choose to pass cash on to the family given caregiving is guaranteed.
- Recipients of cash benefits must contact a professional caregiver twice/year for review (quality, not “grey market”).

When is Cash Payment Used?

- Home care used more often by:
 - women,
 - higher socio-economic strata,
 - German nationality (non-immigrant background)
- For men, tendency for wife to do the care and take cash payment, whereas when women need care they take the services.

Issues...

- **Universalism vs cost containment**
- **Consumer choice vs functional orientation**
- **Potential inequalities in the dual structure of care provision**
- **Care market – transparency?**
 - Very often women 55 years and older, or students
 - Tendency for less Eastern European women, more South-central and Western European women

Cash for Care Issues in the Canadian Context

- Accountability for services provided with public dollars
- Goals of care (e.g. re-ablement/re-activation versus do-for approach)
- Effects of policy changes once cash payments are relied upon