Projections of Long-Term Care use and supply in Europe

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Outline

1. Overview of projections of LTC use and supply in Europe:
   a. What has been projected so far?
   b. Different research questions, data availability and methodology
   c. Policy implications

2. Projecting change in needs

3. Policy implications
1. Brief overview of projections of LTC use and supply in Europe
Projecting long-term care into the future

• We know for sure that we will get the wrong answer

• But it is still useful to make projections:
  • To inform strategic planning: capacity & financing
  • To understand the drivers of change
  • To understand budgetary implications of ageing

• Sensitivity analysis: Not all variables involve the same level of uncertainty

• Vital to understand robustness of projections. Especially when making projections to inform policy decisions.

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What are we projecting in relation to Long-Term Care?

• Future number of people with different levels (types?) of care needs
• Future resources needed
  • Service volumes/workforce requirements
  • Cost / public and private expenditure
• Future supply of (potential) unpaid care
• Which care?
  • Assuming care use patterns will stay the same
  • Assuming improved care models: more efficient, better quality, better coverage...
Architecture of most LTC projection models

- Numbers of people by age and gender, other characteristics
- Probability of having care need
  - Independent
    - Care needed
      - Probability of receiving different types of care
        - No care received (unmet need)
        - Unpaid care only
        - Unpaid and paid care
          - Paid care only
            - community vs institution
  - Cost
    - Cost and expenditure (public/private)
      - Volume of care required
      - Workforce

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Existing projections in Europe

• Many national studies

• European Study of LTC expenditure\(^1\) (Germany, Spain, Italy, United Kingdom): attempt to project total expenditure and explore sensitivity

• OECD/European Commission Ageing report: public expenditure projections, considering fiscal sustainability implications (every 2 years since 2012)

• ANCIEN projections of LTC use and supply (Germany, Netherlands, Spain and Poland)

Projections of **use and supply** of LTC in Germany, the Netherlands, Spain and Poland: Percentage change between 2010 and 2060, based on analysis of SHARE data

<table>
<thead>
<tr>
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<th>Care use</th>
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<th>Care supply</th>
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<td>15</td>
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</table>

* Formal workforce projections are for 2010 to 2050

Source: Geerts J, Willeme P & Mot E, eds. (2012) Projections of use and supply of Long Term Care for older persons in Germany, the Netherlands, Spain and Poland. ENEPRI research report No. 116
EU Ageing Report 2018: public LTC expenditure projections as % of GDP in EU+ countries (reference scenario)

Policy implications so far:

• **Projections of LTC use and supply**: demographic trends suggest mismatch between care needs and care supply, *under current patterns of needs and care*

• **Projections of LTC public expenditure**: countries that currently have more generous public coverage will also spend more in the future, *under current patterns of needs, care and financing*

• **In terms of scale, in most countries we need expect a least a doubling of need, care use and expenditure**
2. Projecting changes in the type of needs
The Disabling process: what is happening as population ages

Risk factors → Diseases Conditions → Functioning loss & Disability → Death

Some are improving (tobacco) others may be worsening: obesity, sedentarism
Increasing numbers of chronic conditions
Decrease in disabling consequences?
Increased survival

Population Ageing & Care Simulation (PACSim)

PACSim is a dynamic microsimulation model which

• Simulates future health conditions, dependency and survival of set of real individuals (base population) aged 35 years and over

• Feeds results into the CPEC (PSSRU) macro-simulation model to estimate unpaid and formal care and associated expenditure

• Enables evaluation of the effect of interventions (lifestyle, dementia) on future dependency

• Led by Carol Jagger, Andrew Kingston and Heather Booth

• Developed as part of the MODEM project https://www.modem-dementia.org.uk/
PACSim data

Survival
ONS 2014 population projections

Sociodemographic factors
Age, sex, education, marital status, occupation

Lifestyle factors
Smoking, physical activity, BMI

Morbidity
CHD, hypertension, diabetes, arthritis, stroke, respiratory disease, cancer, depression, dementia, cognitive impairment, visual impairment, hearing impairment

Dependency
High (requires 24 hr care)
Medium (requires care daily)
Low (requires care < daily)
Independent

Based on help required with (I)ADLs, cognitive impairment and incontinence
PACSim: increase in multi-morbidity 2015 to 2035

Between 2015 and 2035¹:

• Numbers of older people with multi-morbidity (2+ diseases) will increase by 86% (from 5.3m to 9.8m)

• Numbers with 4+ diseases (complex multi-morbidity) will increase by 158% (from 1.0m to 2.5m)

• Gain in years spent with multi-morbidity (2+ diseases) will exceed gains in life expectancy

Will we have compression of dependency?

(as wished by all of us but specially by Treasury/Finance Ministries)
PACSim: Years needing care - change 2015 to 2035

And what will future older people with substantial dependency need? (England, 2035)


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3. Policy implications
Finally:

“There is a history in many countries of LTC policies being developed in a piecemeal manner, responding to immediate political or financial problems, rather than being constructed in a sustainable, transparent manner. The future of LTC is more demand, more spending, more workers, and above all, higher expectations that the final few years of life must have as much meaning, purpose and personal well being as possible. Facing up to this challenge requires a comprehensive vision of long-term care. Muddling through is not good enough. “

Adding to the OECD’s conclusion:

• The future of LTC is more demand, more spending, more workers and **MORE COMPLEX NEEDS**

• Analysis of care needs, service use and **outcomes** will help us develop more efficient and adequate care approaches that work for increasing numbers of people with complex care needs

• The division between *healthcare* and *social care* will become increasingly obsolete. Both need to change, together

Thank you!