



## **Item 8. Estimating expenditure on long-term care (LTC)**

Meeting of SHA Experts 10-11 October 2002

# Overview

- Why LTC spending estimates matter
- Current research on LTC spending under the OECD Health Project
- A proposal for a comprehensive check of the contents of LTC spending estimates

## **Why LTC spending estimates matter**

- LTC spending important factor in health expenditure (up to 20%)
- Do high-spending countries have comprehensive LTC systems (and vice versa)?
- Do LTC spending increase faster than other spending functions?
- Differences in current reporting practice can result in an up to 10% error margin for overall expenditure estimates across OECD countries

# **Current research on LTC spending under the OECD Health Project**

- OECD core study on LTC under the OECD Health Project with one major focus on questions of financing, including direct payment and consumer directed payment arrangements
- Research both from primary sources (data questionnaire) and secondary sources (literature; existing studies)
- For expenditure estimates: primary research
- Goal: combination/reconciliation between results from SHA pilot studies and detailed data on programme level from LTC questionnaire

# Questionnaire on LTC spending

## Question 1.3.1: Coverage of LTC Services under this programme

Please use this file as a template, copying it so that you have one such file per LTC programme. Then fill in according to section 1.3 of the questionnaire.

Name of LTC programme: \_\_\_\_\_

Number of LTC programme in list 1.0.1: \_\_\_\_\_

	#	Please tick (x)	For reference: ICHA-code
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### LTC services for people living at home

12=14+18+24	
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#### Personal services (home and day care)

Formal LTC services: home help with ADL restrictions

Formal LTC services: day care

14=15+16	
15	
16	

HC.3.3  
HC.3.2

#### Support for informal carers

Cash benefits to support informal care giving (help for ADL and IADL restrictions)

Respite care (temporary substitute caregiver)

Other social benefits for informal care givers

Other benefits for carers and dependent elderly people (please specify)

18=19+...+22	
19	
20	
21	
22	

#### Social care for LTC patients at home

Personal services: help with IADL restrictions

Other social services for LTC patients (Please specify)

24=25+26	
25	
26	

# Questionnaire on LTC spending (cont..)

LTC services for people formally admitted to institutions	28=30+34+38	HC.3.1
<b><u>Nursing homes and the like</u></b>	<b>30=31+32</b>	
LTC services: help with ADL restrictions	31	
Board and accommodation for recipients of LTC services	32	
<b><u>Hospitals (general or specialised)</u></b>	<b>34=35+36</b>	
LTC services: help with ADL restrictions	35	
Board and accommodation for recipients of LTC services	36	
<b><u>All other residential and community care facilities</u></b>	<b>38=39+40</b>	
LTC services: help with ADL restrictions	39	
Board and accommodation for recipients of LTC services	40	

# **A proposed check-list of the contents of LTC spending estimates**

- Eligibility criteria and contents of services?
- Does an age limit (under 65; 65+) apply?
- Is there split financial responsibility: services versus room and board?
- Role of direct payment to households
- Comparisons of actual accounting practice versus SHA guidelines
- Does the Annex 9.1 in the SHA manual need revision/precision? (Stepwise approach of less and more precise estimation procedures; 50% rule of “dominant” medical care cost)