Fairness and eligibility to long-term care: an analysis of the factors driving inequality and inequity in access to home care for older Europeans

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Introduction and study objectives

- Despite the increasing share of older people in need of LTC and the high associated costs, issues of equity in the use of LTC among older people (and how this might vary between European countries) have received scant attention in the literature (Bakx et al. 2015; García-Gómez et al. 2015).
- This stands in stark contrast with health care, for which a wide body of literature and an array of methodological approaches have been developed
- We attempt to contribute to filling this gap, by focusing on one specific type of LTC (formal home care services) across nine European countries, with a three-tiered analytical strategy:
    - To explore socio-economic inequality in use of home care services
    - To identify the factors that associate with inequality (giving specific attention to household composition)
    - To explore the equity effects of treating household characteristics as need versus non-need factors

Overview of (some) LTC system characteristics in European countries

Country	Eligibility for publicly-funded benefits (set at what level)	Public exp.on LTC[a] (% GDP 2014)	Cash-for-care benefits	Household characteristics as eligibility condition.
Austria	Needs- based (national)	1.2	Non-income related cash benefit	Carer-blind
Germany	Needs- based (national)	1.0	Non-income related cash benefit; Lower amounts when used to pay informal care	Carer –blind
Sweden	Needs- based (local/regional)	2.7	Marginal use of cash benefit	Carer-blind
Netherlands	Needs- based (local/regional)	3.0	Non-income related cash benefit whose amounts depend on available informal care	Presumptive (even if not actually provided informal care is considered for eligibility)
Spain	Means-tested (local/regional)	0.7	Marginal use of cash benefit	Carer-blind
Italy	Needs-based for cash /means-tested for in-kind (local/regional)	0.6	Non-income related cash benefit	Carer-blind
France	Needs-based (national)	1.3	Income-related cash benefit whose amounts depend on available informal care	Carer-blind but higher benefit ceiling only available for those without informal care
Denmark	Needs-based (local/regional)	2.3	Marginal use of cash benefit	Carer-blind
Belgium	Needs-based with priority to lower income (national)	2.2	Non-income related cash benefits[b]	Carer-blind.

Sources: Huber et al (2009), Colombo et al (2011), Rodrigues et al (2012), OECD Health data
Notes: (a) Including institutional care. (b) for the Flanders region only.

Data sources & variable specification

- The analysis is based on micro-data from the 5th wave of SHARE, collected during 2013
- We maintained in the sample all individuals aged 60 or above whose long-term care utilization and SES could be identified in the data
    - Home care use is measured by an indicator of professional or paid for care services utilization in the home during the 12 months before the interview including personal care, domestic tasks, other activities and meals on wheels
    - Socio-economic status is proxied by equivalized net household income, obtained via the household level aggregation of all income components (including social benefits)
    - Household characteristics include the reported size of the household, the number of children of the respondent (that may or may not reside in the same household) and the marital status

Methods: Inequality and inequity in access to care

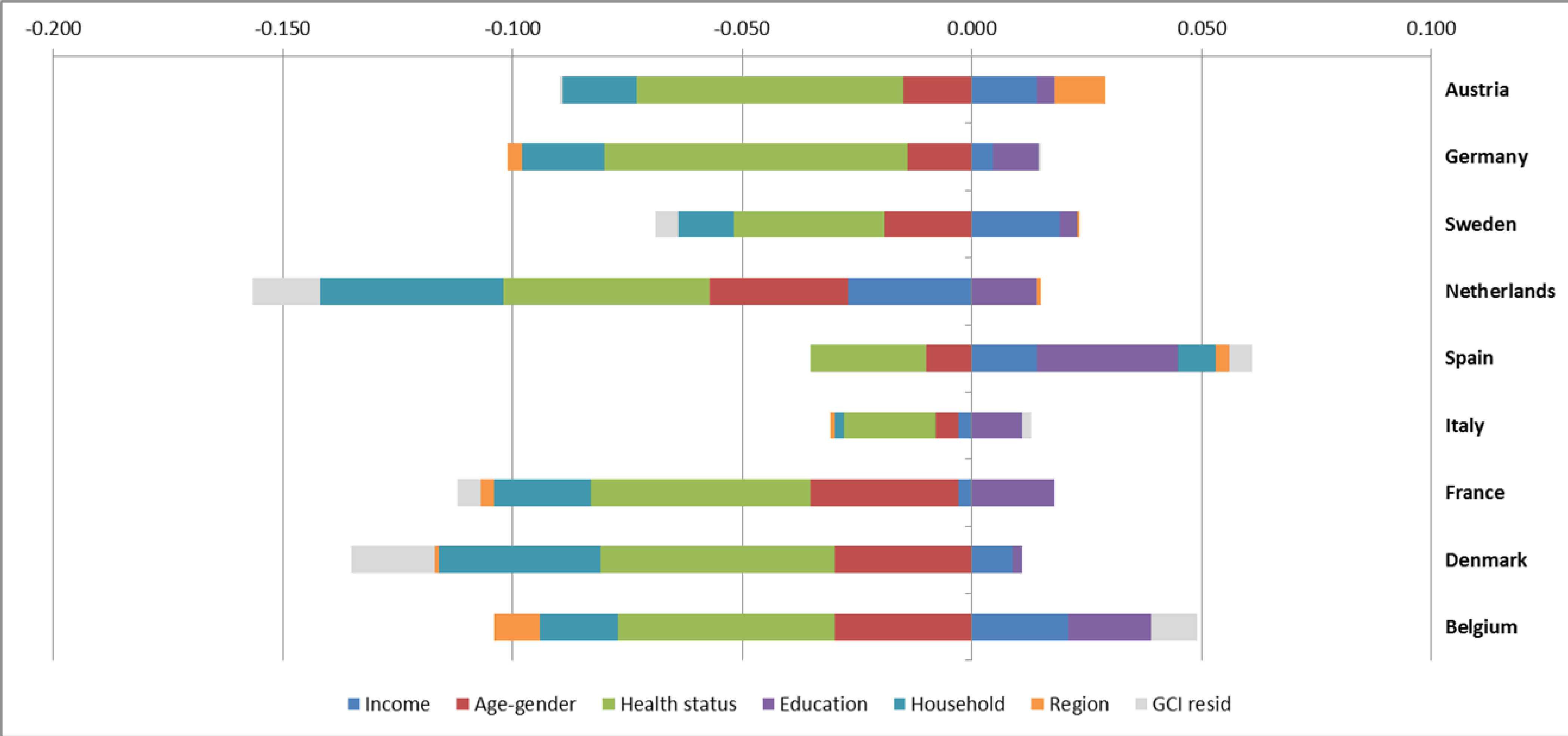
- We use concentration indexes to measure income related inequalities in the use of home care, more specifically, the corrected concentration index (CCI) proposed by Erreygers (2009)
- The decomposition of inequality is based on a probit model including **need** (less than good self-rated health, presence of moderate or severe disability indicated by ADL limitations, number of diagnosed chronic illnesses, poor mental health status, presence of long-term illness diagnosed by a physician, frailty, age and gender) and **non-need variables** (education achievement -primary, secondary or tertiary, the region of residence (NUTS 2 level) and the level or urbanization)
- Estimates on inequity in access to home care are based on horizontal equity indices, derived with the indirect standardization method (van Doorslaer et al., 2004, O'Donnell et al., 2007; van de Poel et al., 2012)

Results: Inequalities in home care utilization

Country	CI	Std. error
Austria	-0.078***	0.018
Germany	-0.088***	0.017
Sweden	-0.080***	0.014
Netherlands	-0.161***	0.018
Spain	0.027	0.017
Italy	-0.009	0.014
France	-0.105***	0.017
Denmark	-0.186***	0.017
Belgium	-0.046**	0.018

- Most countries in our sample succeed in targeting services to the poorest older individuals in society
- Italy and Spain are exceptions – no pro-poor inequality observed
- While Denmark, the Netherlands and France display the highest pro-poor inequalities in home care utilization

Results: Decomposition of Concentration indices by country



Results: Decomposition of Concentration indexes by country

- Care needs (proxied by health status and age-gender) are the main driving factors of inequalities in use of home care and contribute to pro-poor inequality in all analyzed countries
- Household characteristics is the second largest contributor group overall (generally pro-poor, except Spain), with the highest relative contributions in the Netherlands and Denmark
- Education level and region of residence play limited role
- Socio-economic characteristics of home care users (education achievement and household income) generally contribute to pro-rich inequality, confirming previous results in the literature
    - Negative (pro-poor) contributions of income in the Netherlands, France and Italy driven by negative elasticities of home care use to income

Inequalities and inequities in the use of home care

	Household structures as Non-need factors		Household structures as Need factors	
Country	**HI**	**Std. error**	**HI**	**Std. error**
Austria	0.005	0.014	0.026*	0.014
Germany	-0.005	0.013	0.012	0.013
Sweden	-0.012	0.012	0.007	0.012
Netherlands	-0.040*	0.016	0.007	0.015
Spain	0.067***	0.015	0.063***	0.015
Italy	0.024	0.013	0.028**	0.013
France	0.008	0.014	0.030**	0.014
Denmark	-0.063***	0.014	-0.008	0.013
Belgium	0.020	0.016	0.037**	0.016

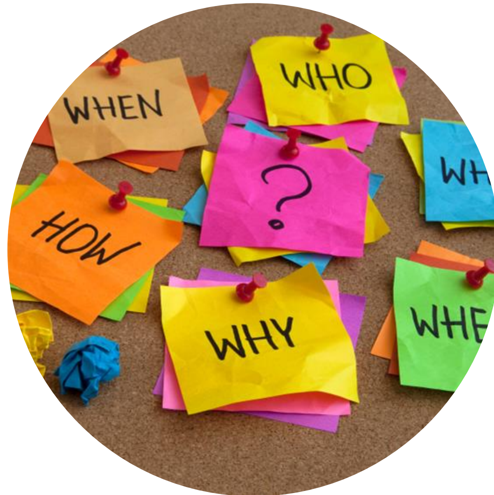
Based on weighted data. Legend *p < .10; **p < .05; *** p < .01.

- In most countries no significant inequity in home care use when treating household structures as non-need
    - Spain (pro-rich), Denmark and the Netherlands (pro-poor) are exceptions
- This markedly changes when household structures are considered need factors, with 5 countries in our samples displaying significant pro-rich inequity
- Overall, our equity conclusions change in 6 out of 9 countries in the sample when considering household structures in the need vector

Discussion and conclusions

- Our findings contribute to the emerging literature on equity in access to LTC by …
  - Highlighting **marked cross-country differences** in the measured levels of **inequality and inequity** in access to formal home care
  - Providing novel and important insights into the **factors that drive such inequalities**, and can therefore be informative to both researchers and policy-makers
  - **Raising an alarm call** with respect to equity analysis in long-term care: the **lack of definitional and normative clarity** of fair and unfair sources of inequality, especially as it relates to the availability of informal care support can lead to dramatically different equity conclusions
- This leads us to conclude that …
  - Care policies should focus on equity rather than equality in access to care & policy-makers should rely on indicators of equity when making decision on targeting and distribution of care services
  - The development of better assessment procedures and refinement of eligibility criteria to better reflect care needs in the older population should be prioritized on the policy agenda
  - There is urgent need for a broad, cross-national dialogue that can produce normative clarity on eligibility to and equity in access to long-term care services

Thank you very much for your attention!
Any questions?



...and please do not hesitate to write with further questions or comments

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