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## PRESS RELEASES

## Long-Term Care in Croatia: the European Commission's perspective

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In 2016, the European Commission published a Joint Report on Health Care and Long-Term Care Systems & Fiscal Sustainability. An update to Volume 2 of the Report, describing the EU country-specific health care and long-term care systems for functionally impaired persons, was released in June 2019. Below is a commentary on the part of the Report dealing with long-term care in Croatia.

The Report starts with emphasizing the need to safeguard fiscal sustainability of health care and longterm care systems in all EU Member States. It is necessary to improve their efficiency, while ensuring access to good quality services to improve population health. A cross-country comparison of experiences may help in finding adequate policy measures to achieve these goals. Each country document within the Report begins with a brief presentation of demographic and health trends, including expenditure projections from Ageing Reports<sup>2</sup>, followed by a description of (health care or long-term care) system characteristics. An account is also given on recently implemented reforms and, finally, challenges posed to the systems.

It is estimated that the number of persons dependent on assistance in activities of daily living in Croatia will go up from 310 thousand (in 2016) to 340 thousand (in 2070). This increase of about 10% is below the EU average (25%). As concerns the share of long-term care spending in GDP, Croatia is again below the EU average (0.9% vs. 1.3% in 2016). According to the Ageing Report, this share is expected to rise by 0.3 pps from now until 2070, which is well below the EU average (1.1 pps). However, when taking into account not only population ageing and the expected health improvement, but also the increase in costs and growing demand for formal care services, the share in GDP will grow by 1.1 pps, which is again below than the EU average (3.1 pps). Hence, projections show that, in the long run, long-term care will add to budgetary pressure in Croatia.

The chapter on the long-term care system characteristics provides more information on social welfare in general than on long-term care itself. The Report gives a much better overview of the systems e.g. in Slovenia or Austria. It leads to the conclusion that in Croatia, long-term care is predominantly financed from the central and local budgets, but that there is no specific national-level data on expenditures for such care.3 Furthermore, instead of specifying the rights under the long-term care

Long-term care involves a variety of services provided to persons with impaired (physical or mental) capacity, who are dependent on assistance over an extended period of time. The assistance may refer to basic daily activities (e.g. eating, bathing, dressing, getting out of bed or using a toilet), and/or instrumental daily activities (shopping, washing clothes, house cleaning, cooking, money management, using the telephone, etc.). Long-term care recipients are usually elderly persons (over 80 years of age) and persons with disabilities.

<sup>&</sup>lt;sup>2</sup> European Commission (2018): The 2018 Ageing Report: Economic and Budgetary Projections for the EU Member States (2016-2070). Institutional Paper 079.

<sup>&</sup>lt;sup>3</sup> Long-term care falls within the competence of the Ministry for Demography, Family, Youth and Social Policy.

scheme, the Report only informs on social welfare rights in general. It is on the reader to find out which benefits exactly are covered by long-term care (assistance and care allowance, personal disability allowance, in-home assistance and accommodation or stay in nursing homes). It should be noted here that over two thirds of homes for the elderly are privately-owned.

The data indicated only relate to homes for the elderly and not to family homes and foster families, whereas the relevant expenditure data are either missing or out-of-date, as in the case of in-home assistance figures (for 2010). The Report further indicates that the scale of family care is above the EU average, but there is no information on the numbers of care recipients and providers. It is only mentioned that 17% of respondents aged 35-49 in Croatia (there is no indication of the database used) report having cared for elderly relatives at least several times a week, and that the age group 50-64 bears the largest load in terms of taking care of the elderly. It is further reported that 24% of female and 13% of male respondents of that age group are involved in those activities, which places Croatia among the top three countries (after Italy and Estonia).

The chapter about recently legislated reforms has not been updated, the only legislation mentioned being the new Social Welfare Act passed in 2013 and the Law on a Single Body of Expertise from 2014. In short, instead of long-term care, social welfare in general is again presented. After that, there is a detailed description of the goals of the Ministry of Social Policy and Youth Strategic Plan for the period 2015-2017, most of which are not related to long-term care. However, nothing is said about their fulfilment.

A challenge posed to the long-term care system is its fragmentation, which often results in inefficiency. Also, there is no single strategy on long-term care which is currently divided between health care and social welfare. The European Commission's recommendations in this respect are identical to those issued in 2016, i.e.:

- To set up a legal framework for a clear delineation of responsibilities of state authorities in long-term care and the integration of medical and social services;
- To determine the extent of long-term care user cost-sharing;
- To provide adequate levels of care to those in need of care;
- To encourage non-institutional formal care;
- To define rules for controlling admission to long-term care institutions;
- To ensure an adequate supply of formal care providers (carers and nurses);
- To support family carers both through flexible work contracts and financially, while ensuring that they are not encouraged to withdraw from the labour market for caring reasons;
- To relieve hospitals of providing long-term care, and seek alternative solutions;
- To promote healthy ageing and be more committed to disease prevention.

Regrettably, the Croatian Government does not seem to be sufficiently aware of the problems of long-term care, rather leaving it to families, with a further upward trend in individual responsibility. Admittedly, the Government formulates strategies, for example the Social Welfare Strategy for the Elderly in the RC, 2017-2020 (which is not covered by the Report), and is aware of key weaknesses of the system. However, implementation is lagging behind seriously. Moreover, some issues are even ignored by the Government, for example the potential long-term care insurance. It is therefore essential to see the measures taken by other countries to this end.

By 2050, the share of persons over 65 years of age in total Croatian population is expected to increase from the current 20% to roughly 30%.<sup>4</sup> Despite that fact, the attitude of both the Government and citizens to population ageing remains similar to their attitude towards climate changes, sea pollution, extinction of endangered animals and similar problems that are considered as "far away", "unreal" or "happening to someone else".

However, the consequences of population ageing are already visible (and will be increasingly so) in the pension and health care systems, but also in the long-term care system, labour market and numerous other areas of life. It is therefore crucial to take concrete measures without delay.

<sup>&</sup>lt;sup>4</sup> Projections of the European Commission.