



www.ctip.asso.fr

The French experience of long term care

March 25, 2011

Magali SIERRA
Health care policy officer

CTIP



www.ctip.asso.fr

Main characteristics



A sector halfway between health and social policies

- **Not yet considered an individualised risk for social insurance**
- **A national priority**
 - A dedicated agency : the **‘National Solidarity Fund for Autonomy’ (CNSA)**
 - Specifics national plans : **Ageing and Solidarity Plans / Alzheimer Plans**
- **A cross-cutting policy → health / social sectors**
 - Providing
 - a **broad range of services, at home and in institution**
 - a **dedicated benefit in kind : the Personalised Allowance for Dependency: APA**
 - Intended for elderly persons aged **60 and over**
 - Based on an **assessment scheme** carried out by a **national standardised tool : the AGGIR scale**
 - discriminating criteria (coherence, orientation, toileting...)
 - 6 groups of dependency [GIR1 (very dependent) to GIR6 (no dependent)]

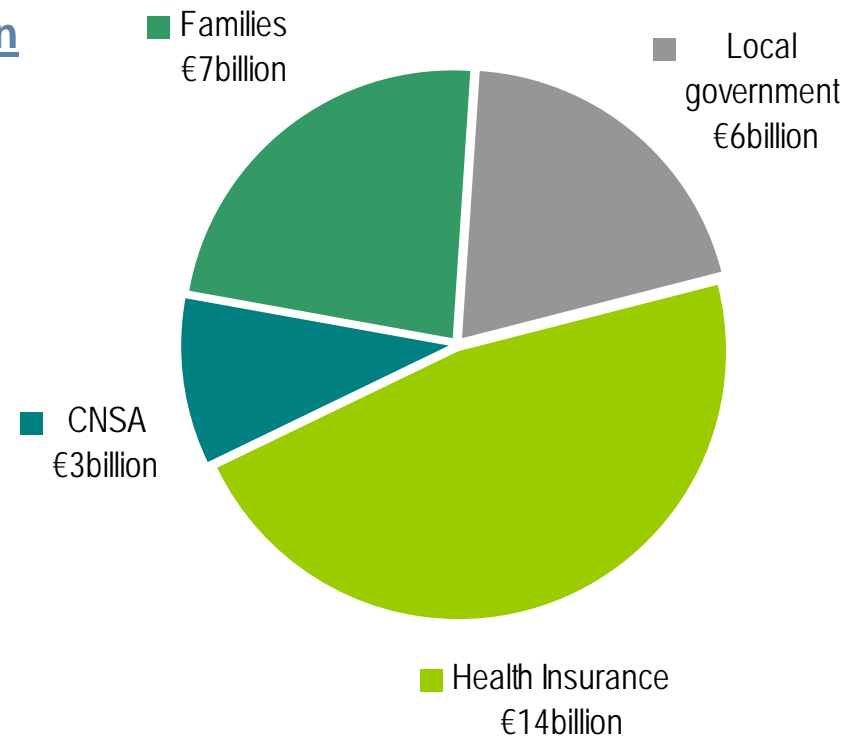


The scheme of the Personalised Allowance for Autonomy (APA)

- **Aimed to finance a personalised assistance grant**
- **Allocated for both institution and home-based care**
- **Not means-tested but reduced progressively regarding incomes of the recipient**
- **Intended for**
 - 60 and over
 - classified in GIR1 to GIR 4 only, according to the AGGIR scale
- **Managed by departmental authorities**
- **Main figures**
 - 1.2 million recipients in 2010
 - 61% living at home
 - Public expenditure for APA in 2010 → about €6 billion

A widely socialized funding

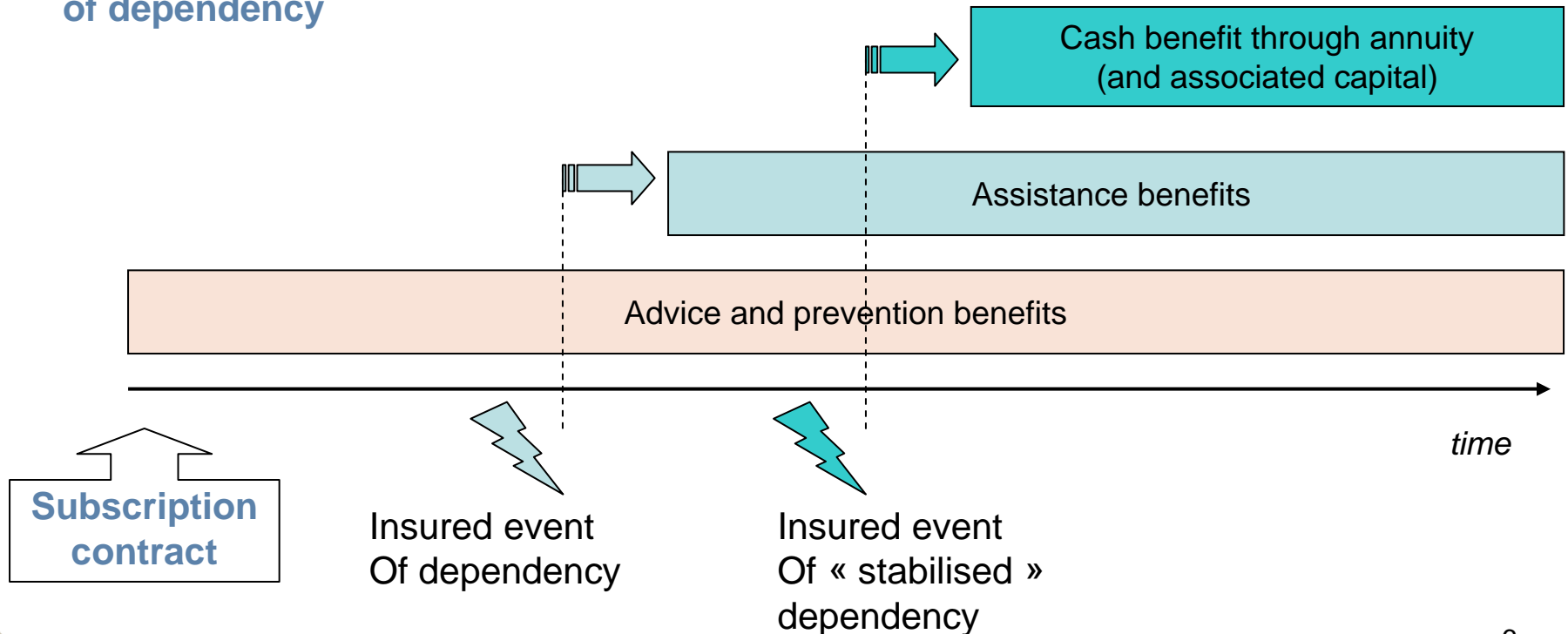
- A mixed system, mainly financed by ‘national solidarity’
- Providing both benefits in kind and a range of health/social care services
- **Total public expenditure for LTC : €23 billion (1,1%GDP)**
 - Health insurance (60%)
 - Health and nursing care
 - Local government (20%)
 - 2/3 of APA and other social aids
 - CNSA (15%)
 - 1/3 of APA
- **Families would also pay at least : €7 billion**
 - 80% persons leaving in institutions rely on their families to finance remaining costs for LTC
 - Mainly for housing costs
 - Can pass through subscription of a private insurance





Emergency of a private insurance market

- **Emergency of a private insurance market**
 - Recipients : 5 million
 - Contributions : €500 million
 - Average benefit : €520/month
- **Provide a variety of benefits, before and after occurrence of first signs of dependency**



CTIP



www.ctip.asso.fr

Outlook



Future needs for LTC

- **Demographic shock in the coming years**

- **Projections for the next few years**
 - A substantial **increase** of the number of **very elderly people**
 - >75 years old : 10 million in 2040

 - A **growth of elderly very dependent people**
 - +50% by 2040 = 1.2 million in 2040
 - Would represent 15% of the French population in 2040 against 8% today ?

 - A **decline** in the average number of **potential caregivers**

- **Challenge**
 - How **to response in a comprehensive way** to the demographic and financial issues raised by LTC in a very stressed context of public finance?



The underway national debate

- **Opened in February 2011**
- **Four working groups (including private insurers)**
- **Restitution of works to the President of the Republic this summer**
- **First measures should be included in the Social Security Budget Act for 2012**
- **Main national goals**
 - To delay dependency
 - To support home care
 - To improve institutions
 - To propose specific care for persons affected by Alzheimer
 - To train professionals
 - To develop quality evaluation
 - To draw up a new mode of financing for dependency



General trend for the future

- **A public/private partnership with a high level of national solidarity**

- **An opportunity to develop private insurance offers**
 - A framework to be defined
 - So as to encourage the use of insurance throughout the life
 - This must include bringing more visibility to insured persons
 - Group contracts are an effective lever to develop personal insurance market
 - The added value of provident societies
 - Support for dependant persons and their families is a priority of their social action