

### Key Facts

- In 2009, 16.9% of Finland's population was 65 years and older (OECD average 15%) with 4.5% of the population over 80 (OECD average 4%).
- Finland spent 2.2% GDP on long-term care in 2008, of which 1% was for long-term nursing care and 1.2% for social services of LTC, most LTC is publicly funded.
- Approximately 0.9% of GDP is spent on LTC in institutions and 0.1% of GDP for LTC at home in 2008.
- In 2008 approximately 7.6% of Finland's population over the age of 65 received LTC at home and 4.6% received care in an institution (OECD Health Data, 2010).
- In 2005 there were 24687 formal LTC workers in institutions (3% for the total population aged 65 and over) (OECD Health Data, 2010).

### Background

The policy for older people is implemented both nationally and locally. At national level, the law contains general directions concerning the arrangement of services. However, the main responsibility for the rehabilitation and maintenance of functional capacity of the aged people lies with the municipal social welfare and health care service and service organisations at the discretion of the local authorities.

The 342 municipalities are obliged to arrange health and long-term care (LTC) services for their residents. They can provide services alone, or in cooperation with other municipalities. Moreover, municipalities can purchase services from private or public service providers, or distribute service vouchers to the users for purchasing the services from a private provider.

Long-term care is provided in older people's own homes (home care) in sheltered housing units, in institutions for older people and in the inpatient wards of health centres. The government's elderly policy aims at replacing the traditional institutional care with arrangements that allow meeting clients' need in their own homes and or in a homely environment, such as sheltered housing units with 24-hour assistance.

Some key documents supporting the Government Programme for long-term care include National Framework for High-Quality Services for Older People, the KASTE programme 2008-2011, the Welfare 2015 program, the Health 2015 public health program and the Government Policy Program for Health Promotion (National Development Programme for Social Welfare and Health Care; Ministry of Social Affairs and Health, 2001).

### Benefits and Eligibility Criteria

Individuals with long-term care needs are entitled to both health and social-care benefits. The Finnish health care system applies to all residents of the country, by virtue of Section 19 of the Finnish Constitution. There is no separate legislation on care for the elderly, including long-term care, which varies between municipalities.

In addition, municipal authorities arrange social services for older people on the basis of individual service needs' assessments. Such an assessment is based on the client's self-assessed needs and one or more expert valuations. Everyone over the age of 75 and everyone receiving the highest rate of care allowance for pensioners from the Social Insurance Institution have the right to have a social-service needs assessment conducted within a specified period of time. In 2006, the Social Welfare Act was amended so as to include provisions on the municipalities' responsibility and expected delays in organising the needs assessment (generally, within seven days or immediately for urgent cases). A personal care and service plan detailing the services and support measures required is drawn up for the older person in question by the municipal authorities together with the client and, if necessary, the client's next of kin.

The Social Insurance Institution also grants need-based Care Allowances to Pensioners. The allowance is granted to persons over the age of 16, who live in Finland and receive early-retirement, old-age or disability pension, as well as to those who receive accident compensation and special Assistance for Immigrants. To qualify for the allowance, a person's functional status (ability to perform daily activities independently and

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mobility) must have been weakened by illness or injury for a period of at least one year. There is no income test. The care allowance is payable at three rates depending on the need of assistance, guidance and supervision, as well as costs. From the beginning of 2010, it can be paid also to recipients of long-term institutional care.

Tax deductions are also available for the purchase of domestic services. Financial assistance for home conversion is available from the social welfare authorities on the basis of the Services and Assistance for the Disabled Act. Last, under housing policy for special groups, housing repairs for the elderly and the disabled can be supported on social grounds by the housing authorities.

### Long-term care services

Long-term care services include home nursing, day services and service housing provided by the municipality or NGOs. Institutional care also exists, which can be long-term, short-term or for a few hours each day. Certain municipalities' provide publicly-funded vouchers for LTC services. The vouchers can be used to pay for the services produced by formal carers in the private or non-profit sector certified by the municipality. The vouchers cannot be used to pay informal carers. About one fourth of municipalities arranged some health and social care services by publicly-funded vouchers in 2006, and about 16% of municipalities used vouchers for arranging in-home help.

### Funding

According to the government's policy, responsibility for the provision of the services rests with municipalities, and funding is primarily based on central government transfers and the taxes raised by municipalities. In addition, users pay fees to share part of the cost of the services received. In 2005, client and patient fees accounted for 9%, central government transfers to municipalities for 31% and municipal income taxes for 60% of total expenditure on municipally provided social and health services. The amount of central government transfer to a specific municipality for social and health care is determined by the municipality's age composition, morbidity and employment rate. Municipalities are free to decide on the amount of client fees within the limits of certain legal provisions. The fees can be either fixed or depend on the client's ability to pay. Some services are defined as free of charge by law. Client fees finance approximately one sixth of expenditure on home-help services for older people, and less than 10% of expenditure on health services. Nearly one fifth of expenditure on residential home services is covered by client fees. Finally, private services providers receive financing support for their operation, investments and research by various government agencies.

### Caregivers

Individuals, families and the society more broadly are all seen to be responsible for caring. A commission agreement on support for informal care can be made between the municipality and the carer. The support for informal care consists of the services needed by the person to be cared for, a fee for the carer and days off granted to the carer, as well as services that support the informal care such as home help and home nursing. The care fee corresponds to EUR 336.41 minimum (2009). Carers are also granted holidays as well as support services such as pension credits. The care fee accumulates pension security.

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