

Key Facts

- Approximately 10% of Luxembourg's insured population¹ is over the age of 65 (OECD average 15%) with close to 3% of the insured population aged over 80 (OECD average 4%) in 2008.
- Luxembourg spent 1.4% of its GDP on long-term care in 2007 (JQHA 2010 year 2007).
- In 2008 approximately 7% of Luxembourg's insured population over the age of 65 received LTC at home and close to 5% received care in an institution.
- Luxembourg reported 49 beds in nursing and residential care facilities per 1000 population over the age of 65 in 2007 (OECD Health Data, 2010).

Background

In Luxembourg support for the provision of long-term care (LTC), either at home or in an institution, is mainly provided through the universal long-term care insurance (assurance dependance) as part of the social security scheme. The LTC insurance was introduced in 1998 and is managed at the central level.

Benefits and Eligibility Criteria

Any person enrolled in a compulsory or voluntary health insurance scheme is fully insured against the risk of dependency, as are family members. Eligibility is based on need, with no conditions of income. To be eligible, a dependent person has to be in a significant and a constant need of assistance from a third party for carrying out activities of daily living (ADL) (e.g. activities related to personal hygiene, nutrition and mobility). The need for assistance must account for a minimum of 3.5 hours per week, last at least 6 months and be indefinitely.

Care levels are determined mainly according to the amount of time needed to provide necessary help with ADL (and to a certain extent IADL) activities by a third party. The number of hours of care is assessed on a continuous scale unlike the system of discrete levels of care established in countries such as Austria and Germany.

Depending on the services provided, different maximum assistance thresholds apply. More specifically, assistance for activities of daily living is covered up to 24.5 hours per week and can reach 38.5 hours for exceptionally severe cases. For a person living at home, a fixed allowance of 2.5 hours per week can be added for household-related tasks, which can be raised by an additional 1.5 hours per week in some special circumstances. In an institution, allowances for household-related tasks are transitionally granted and fixed at 1.19 hours per week for costs directly attributable to the dependent person² and at 1.38 hours per week for costs indirectly attributable to the dependent person^{3,4}. Depending on one's circumstances, an additional maximum of 14 hours per week can be provided for complementary support activities.

Institutional Care

In 2008, about 40% of all LTC recipients aged over 65 received care in a care institution. For a dependent person with institutional care, the long-term care insurance pays for the assistance and the care given by this institution. Payments are made directly to the institution and payments level are determined as the product of hours of care needed per week and the monetary value of one hour of assistance of care⁵. Generally, individuals who live in an institution must cover the costs of accommodation. Those who cannot afford to pay the full-cost of long term residential care may be eligible to public social assistance (Fonds National de Solidarité). In addition to assistance and care dependent persons can benefit from assistance with domestic task, individual and group support activities, the provision of non-standard equipment (e.g. medical beds).

¹ Total population, residing or not in Luxembourg, covered by the public universal health insurance.

² E.g. housekeeping, shopping, washing, etc.

³ E.g. cleaning of the collective room, collecting dishes, to fill up the stock, etc.

⁴ Art. 357 of the Social Security Code; http://www.mss.public.lu/publications/code_securite_sociale/css_2011.pdf

⁵ The monetary value of one hour of assistance of care is negotiated annually by the National Health Insurance (CNS) and the organisation representing care providers. It is based on average costs of the providers (for professional remuneration and expenses for services).

Home Care

In 2008, about 60% of all long-term care recipients aged over 65 received care at home. Dependents have a choice between benefits in kind, cash benefits or a combination of both. In 2008, 17 % of LTC recipients receiving care at home chose benefits in kind or benefits in cash only while 66 % chose a combination of both.

In fact, dependent people receiving assistance for activities of daily living or domestic tasks from an informal carer can receive cash benefits. However, not all assistance outlined in a care plan can be replaced by cash benefits. For those with assistance ranging between 3.5 and 7 hours a week, all of it can be replaced by a cash payment. For those with assistance ranging between 7 and 14 hours a week, the first seven hours can still be fully compensated in cash, but cash compensation is equal to half between 7 and 14 hours. No cash compensation is provided above 14 hours. Given the cash scheme described above, dependents can opt for a shared plan combining the receipt of services in-kind and assistance in the form of an amount of money.

The long-term care insurance also covers the benefit of technical aids, home adaptations, assistance for informal care providers and any products required for the assistance and care regime.

Funding and Coverage

Contribution to the LTC insurance is mandatory. All (active or retired individuals) pay a dedicated contribution of 1.4 % of all their income (i.e., wages, revenue, pension, income from an inheritance). Compulsory individual contributions are supplemented by a State contribution (EUR 140 million) as well as by a contribution from the electricity sector. In 2008, close to 65% of revenue came from individual contributions.

Long-term care providers

Care institutions and care networks are the main providers of long-term care in Luxembourg. In order to provide assistance and care, they have to be authorised to provide care by the Ministry of Family Affairs, or under another legal provision. In addition they must have signed care contracts (convention-cadre)⁶ with the managing body of the insurance scheme, the National Health Insurance (CNS).

Workforce

In 2006, there were 2 307 and 1 296 full time equivalents LTC workers in institutional care homes and home care respectively. In total, the number of full-time equivalent (FTE) LTC workers represents about 1.7 % of the active population.

Complementary training programs for palliative care are proposed to professionals working in the health as well as the psychological-sociological-educational sector. They have for objective to foster a palliative conscience in institutional care homes.

The long-term care insurance recognises the assistance provided by an informal carer (anyone not linked to a care network). At the end of 2008, a total of 4 752 individuals were identified as informal carers as part of the LTC insurance plan (compared to a total of about 10 600 LTC beneficiaries). From this group, 70 % of informal carers were women.

Informal carers are entitled to pension insurance and the contributions⁷ are covered by long-term care insurance as long as the informal carer does not benefit from a personal pension.

⁶ Providers join the framework agreement (convention cadre) by agreeing to a care and support contract with the National Health Insurance (CNS). Each provider indicates the group of dependent people that it will have the responsibility to care for as well as the geographic area where it will perform its tasks. In signing the framework agreement (convention-cadre), providers agree to provide care and support services in accordance with the care plan of the Cellule d'Evaluation et d'Orientation as well as providing care and support services in accordance with the clauses pertaining to quality.

⁷ The contribution is covered to a maximum up to a level corresponding to the minimum wage.

References

Ministère de la Sécurité Sociale – Rapport Général sur la Sécurité Sociale au Grand-Duché du Luxembourg, Novembre 2009, www.isog.public.lu

OECD 2009-2010 Questionnaire on Long-Term Care Workforce and Financing

OECD Health Data 2010

OECD Social and Labour Demographics Database 2010

OECD Long Term Care for Older People 2005, Ministère de la Sécurité Sociale – Long term Care Insurance a Practical Guide