

Sweden

Long-term Care

18 May 2011

Key Facts

- In 2010 18% of the Swedish population is aged over 65 (OECD average 15%) and 5.3% of the population is aged over 80 (OECD average 4%).
- Sweden spent 3.6% of its GDP on long-term care in 2008, of which 0.7% was for health-related LTC, and 2.9% for social services of LTC, most LTC is publicly funded.
- Approximately 0.4% of GDP is spent on LTC in institutions and 0.3% of GDP for LTC at home.
- In 2007, there were 84.4 beds in LTC institutions per 1 000 population aged 65 and over.
- In 2006 approximately 9.8% of Sweden's population over the age of 65 received LTC at home and 6.8% received care in an institution. This is a relatively large share compared to other OECD countries.
- In 2009, there were 23.3 formal LTC workers per 1 000 population (13% of the population aged 65 and over); and in 2006 it was estimated that there were 22 informal LTC workers per 1 000 population (12.7% of the population aged 65 and over) (OECD Health Data, 2010)

Background

Sweden is recognized for its comprehensive social programmes. Along with the Netherlands and other Nordic countries such as Norway, Sweden has the highest spending on long-term care (LTC) of all OECD countries. While the financial responsibility of LTC is shared between national, regional and local governments, in 1992, the Swedish government restructured the existing LTC programme to shift primary responsibility to individual municipalities in an effort to simplify and integrate delivery systems. Since the majority of funding for social programmes, including LTC, is subsidized through local taxes there is a concern that future demographic and economic changes might require Sweden to seek alternative methods to increase financing.

Benefits and Eligibility Criteria

All Swedish citizens are eligible for long-term care services. Local municipal offices organize the needs' assessment process. A "care manager" employed by the municipality determines eligibility, and the level and types of service a recipient is eligible for. Care managers assess need through interviews with the person requesting care. Eligibility is based on cognitive and functional limitations, and is not means-tested. Citizens are entitled to appeal the care-managers decision to an administrative court if he/she is not satisfied with the decision.

Funding and Coverage

The majority of long-term care services are financed through local municipal taxes (85% of total LTC spending in 2010), the remainder is from user fees (3-4%) and grants from the national government (11-12%). The level of user co-payment is based on income, minus the cost for housing and basic necessities. There is a maximum contribution amount for home help services. The rules are designed to strengthen safeguards for the individual against excessively high charges. They set out how incomes are to be computed, the level of the reserved amount and the highest charge that can be made for home help services (in both ordinary housing and special housing accommodation), daytime activities and certain outpatient health care. The reserved amount is intended to cover the individual's normal living expenses and actual housing cost and the individual is entitled to retain this amount before any charge is levied for home care services.

Service Provision

Publically funded benefits cover institutions, home care, day care, provision of assistive devices and support for informal caregivers (see below), but ultimately vary by municipality. While all LTC institutions

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and home-care services are financed by the municipalities, service delivery is through a mix of public and private providers. Additionally, state grants are available to voluntary organizations which complement public services. Municipalities are legally required to arrange care for dependants after treatment in acute and geriatric hospitals, in an effort to reduce utilization of in-patient health services for rehabilitation and post-acute care. Since 2009, Sweden has encouraged private service provision and competition across providers with a view to stimulate cost-efficiency and quality. The Law on System of Choice in the Public Sector (2008:962) came into force the first of January 2009. The aim of the legislation was to make it easier for different actors to enter the commercial market of providing service and care for the elderly. All public service providers accept vouchers as a means of payment. The idea is to provide service recipients with a choice of the service provider, while regulating standards of quality and service across providers. An increasing number of municipalities have introduced this kind of consumer choice system.

Formal Caregivers

While there are national standards for workforce qualifications and public-funding for training of LTC workers it is up to the municipality to establish the training programme. As of 2010, the national government is in the process of regulating minimum training requirements for LTC services, but not for home help personnel.

Informal Caregivers

The Swedish government recognizes the importance of informal caregivers and has arranged for several benefits for these workers. Under the Care Leave Act of 1989, with revisions in 1994 and 2010, informal caregivers are entitled to paid work leave of up to 80% of their income for 100 days of leave to care for a family member who is in a terminal care situation. Since 1998 there is a law that says that all governments should support informal and family carers. State incentive grants have been provided to municipalities in various years to develop support for informal and family carers. Additional benefits include respite care (institutional, day care and in home respite) and group counselling services for caregivers. In some municipalities, informal caregivers are also provided an attendance allowance, which is an untaxed cash payment given to the recipient of care and is to be used to pay family members (OECD, 2009). In 2009, new legislation was enacted regarding support for informal and family carers. In an amendment to the Social Services Act it was stated that the social welfare committee in the municipality is obliged "to provide support to persons caring for next of kin with chronic illnesses, elderly people or people with functional disabilities".

References

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

OECD (2010) Health Data 2010, Paris.

OECD Social and Labour Demographics Database 2010