INTEGRATING SERVICES FOR OLDER PEOPLE IN LITHUANIA

Key findings from the report
Integrating Services for Older People in Lithuania

More information at https://www.oecd.org/health/long-term-care.htm

2021-2022

Key findings

1 Growing demand for care and insufficient supply

2 Low and uneven access to long-term care services

3 Improving governance for integrated long-term care

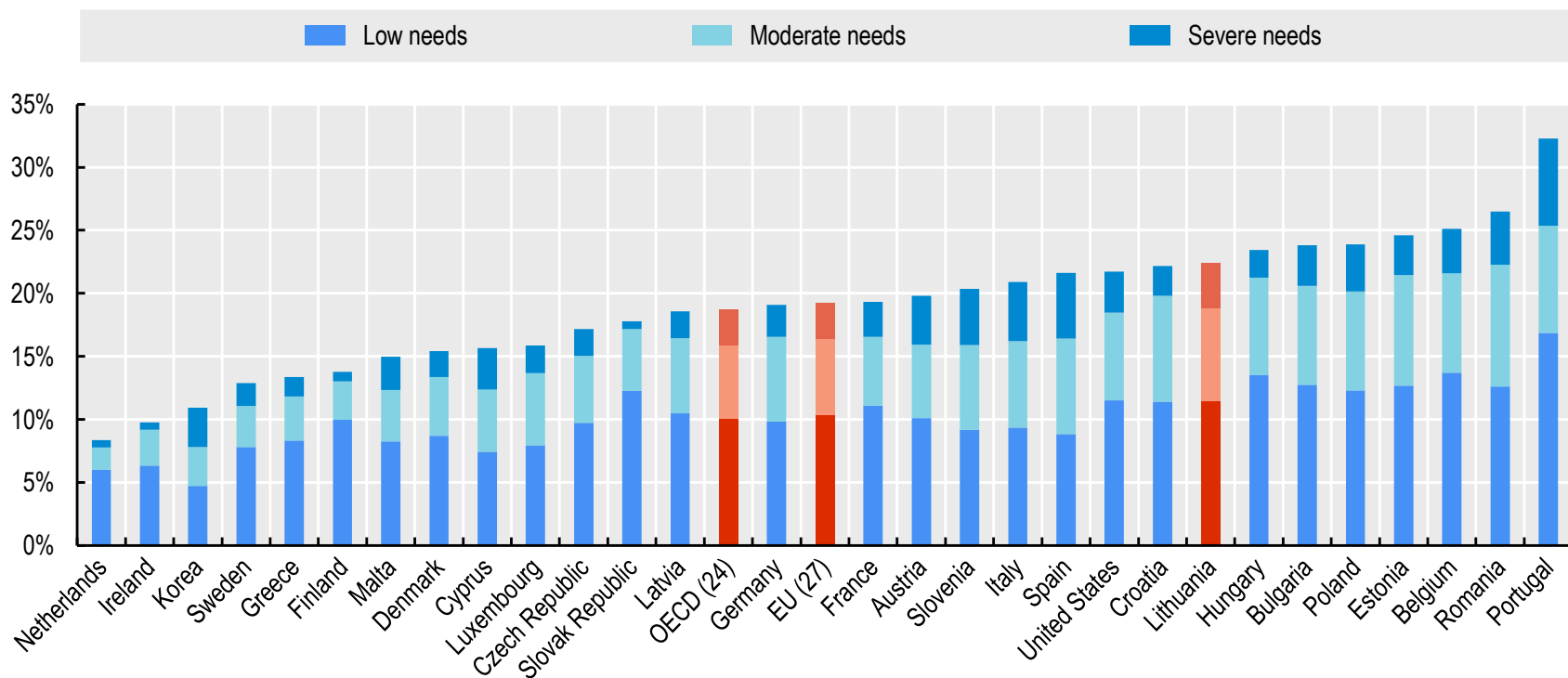**4** Designing sustainable funding for care

5 Ensuring the availability of sufficiently trained carers

1. GROWING DEMAND FOR LONG-TERM CARE AND INSUFFICIENT SUPPLY

About 22% of older people aged 65 or older report long-term care (LTC) needs


Note: Low, moderate and severe needs correspond to around 6.5, 22.5 and 41.25 hours of care per week, respectively based on ADL and IADL. Detailed descriptions of care recipients' needs are available in (Oliveira Hashiguchi & Llena-Nozal, 2020) and are computed using adjusted survey weights. The OECD (24) and EU (27) averages are the unweighted average of the shares in each country.

Source: OECD analysis based on responses to the Survey of Health, Ageing and Retirement in Europe (SHARE), The Irish Longitudinal Study on Ageing (TILDA), the Korean Longitudinal Study of Aging (KLoSA) and the Health and Retirement Survey (HRS) in the United States to estimate the prevalence of low, moderate and severe needs.

Lithuania has among the lowest staff levels in EU countries
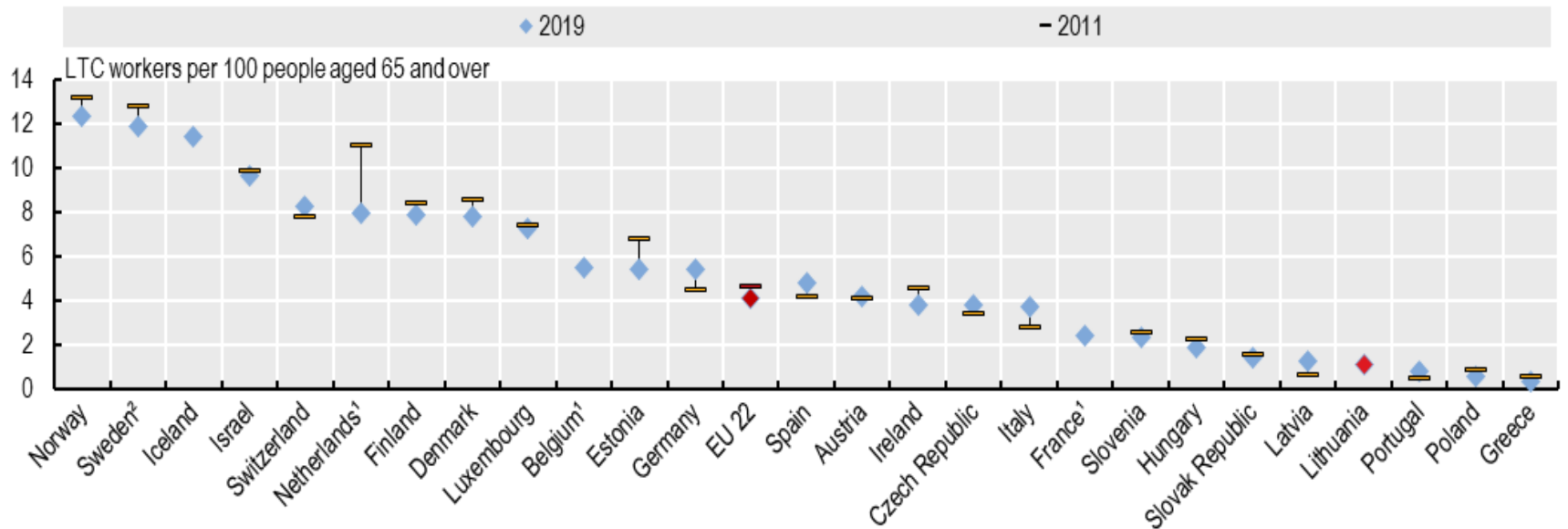
Note: 1. Break in time series. 2. Data for Sweden cover only public providers. In 2016, 20% of beds in LTC for older people were provided by private companies (but publicly financed).
Sources: OECD Health Statistics 2021, complemented with and EU-LFS.

Informal carers provide the bulk of care

Informal carers have limited public support: no direct cash benefits, no leave

The 2019 EC Work-life Balance Directive includes a carers' leave of five days per year, not yet implemented in Lithuania

30% of Lithuanians aged 50-65 report they would be encouraged to provide informal care if working flexible hours was possible

23% of Lithuanians aged 50-65 report they would be encouraged to provide informal care if they could be employed or employ another family member as a caregiver (European Social Policy Network, 2018)
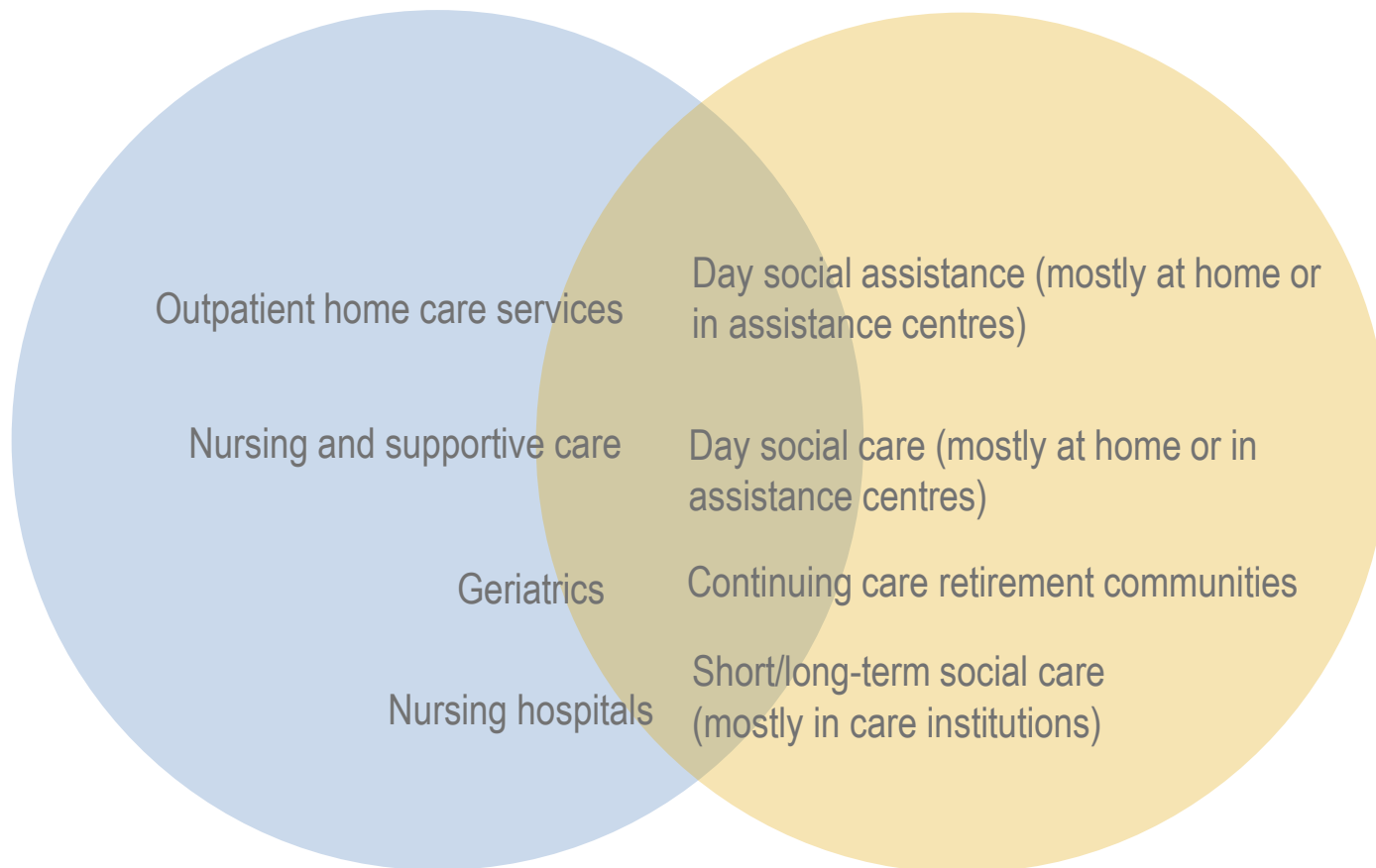
2. LOW AND UNEVEN ACCESS TO LONG-TERM CARE SERVICES

Provision of LTC is fragmented across health and social services and settings

Health services

Social services

Outpatient home care services

Day social assistance (mostly at home or in assistance centres)

Nursing and supportive care

Day social care (mostly at home or in assistance centres)

Geriatrics

Continuing care retirement communities

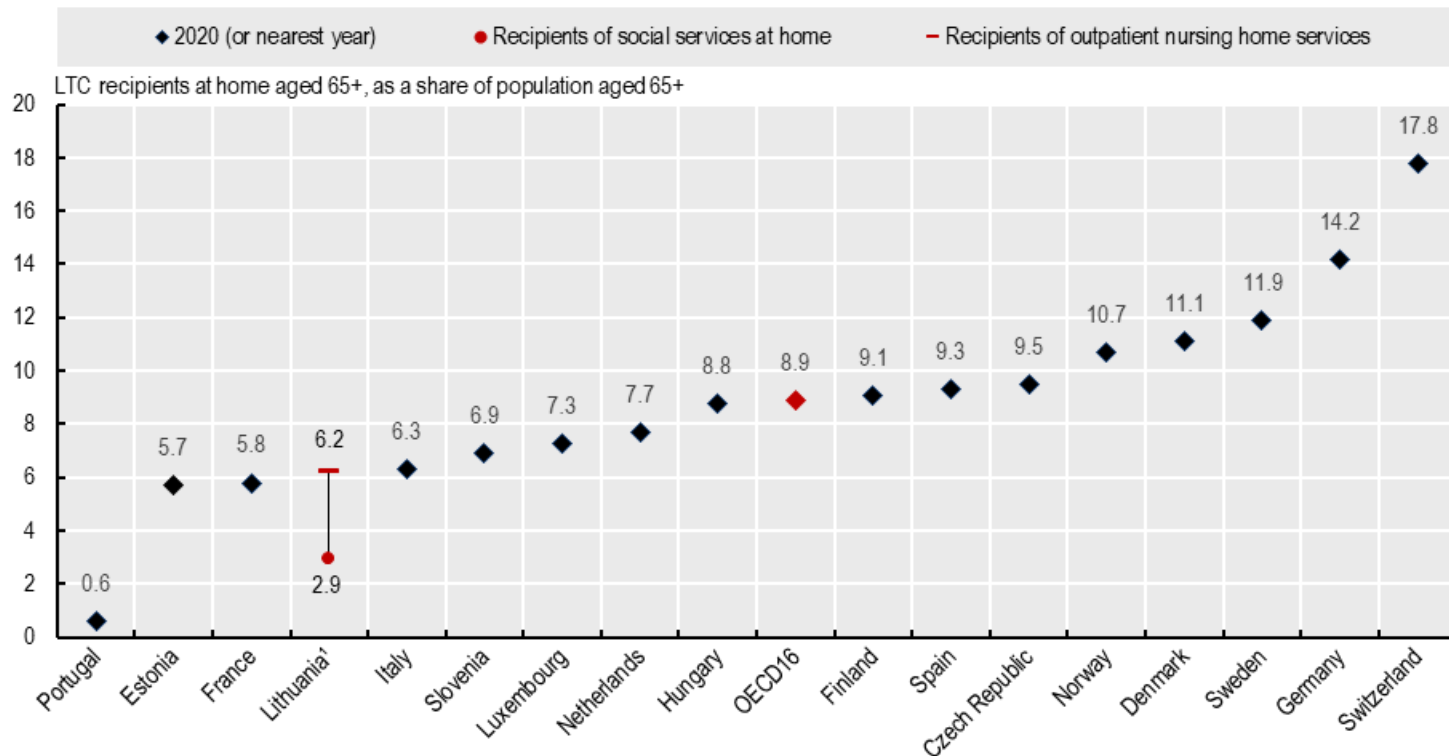Nursing hospitals

Short/long-term social care (mostly in care institutions)

# Services at home are lower than in many other EU countries

Social services at home are at full capacity. In 2019, 781 older people waiting for assistance or day social care at home (in 2020, 679 older people)

Note: 1. 2020 point for Lithuania is ranked based on the share of recipients of outpatient nursing home services. The OECD average excludes Lithuania. This graph should be interpreted with caution because of the exclusion of people receiving the cash benefits in Lithuania. Source: OECD Health Statistics 2021 and OECD questionnaires 2021 for Lithuania.

LTC bed rate is lower than in most other EU countries

LTC beds per 1 000 people aged 65 and over
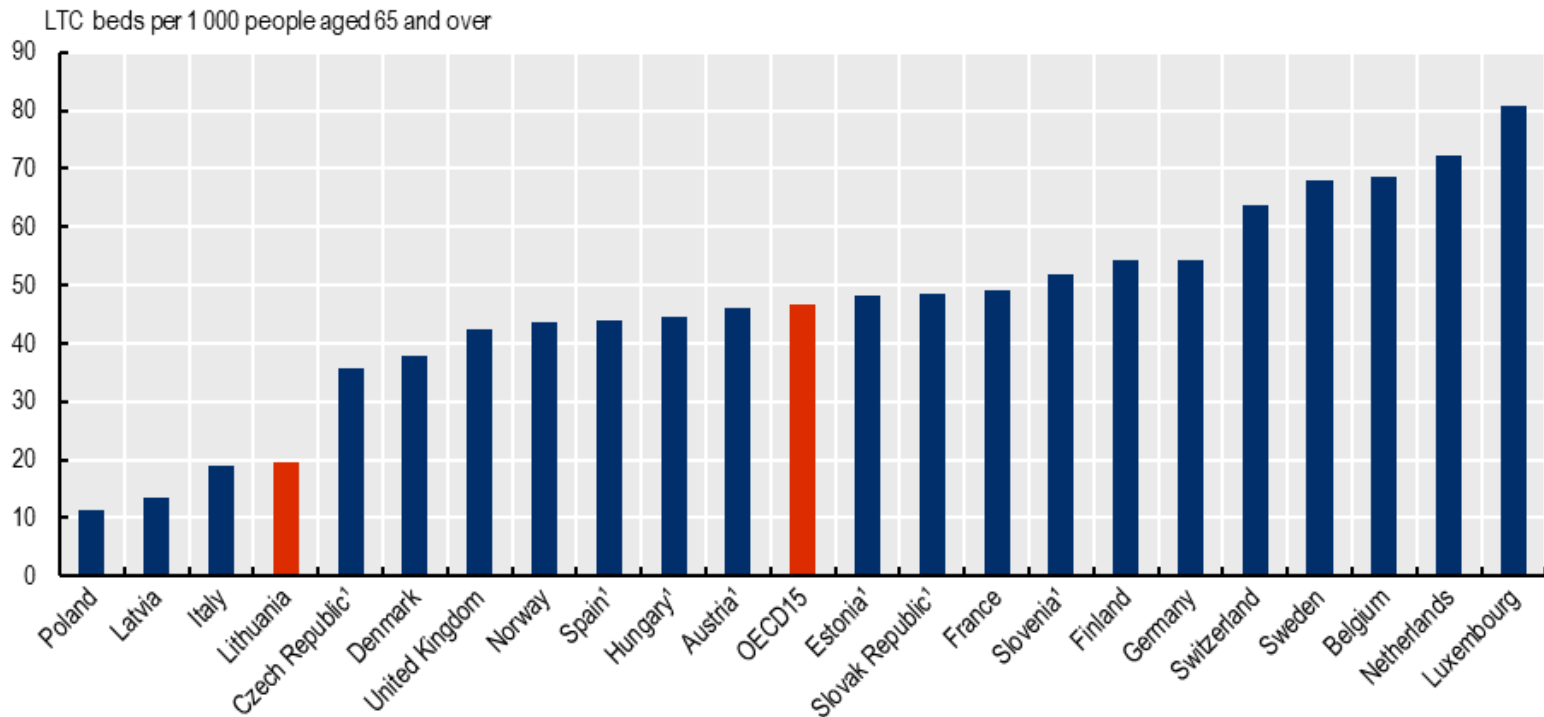
Note: For Lithuania, data refer to the 6 894 places in care institutions, the 3 195 beds in nursing hospitals and the 737 places in continuing care retirement communities. 1. Deviation from the definition leading to an overestimation. The OECD average excludes countries with overestimated data. Source: OECD Health Statistics 2021 (data refer to 2019) and OECD questionnaires for Lithuania.

3. IMPROVING GOVERNANCE FOR INTEGRATED LONG-TERM CARE

Needs assessments are not well harmonised

Different needs assessments for support for home care

- One for outpatient **home nursing services**
- One for **social services at home**

No standardised needs assessment for support for residential care

- No standardised need assessment for **nursing hospitals** (health service)
- One for **care institutions** (social service)

Other eligibility criteria differ across services

Health care services

- **No means-testing** eligibility, contrary to social services

- **But volume caps**: 104 services per year for outpatient home nursing services and 120 days per year for nursing hospitals and hospitals

Social services

- **Means-tested,** with rather strict eligibility criteria
- **But no volume cap**

Measures to make LTC more integrated

1 A **new legislative framework** defining LTC

2 Moving towards an **integrated needs assessment**

3 **Digitalising the assessment** to have multi-use data

4 Developing **a single benefit** with different care levels

Lithuania could benefit from a new legislative framework to consolidate rights

What type of law?

Currently there is no specific legislation defining long-term care but services provided separately through the health system and social services

- One important milestone would be a unified legislation establishing the basis of the long-term care system

- A unified legislation would help reduce fragmentation and clarify responsibilities and services

What are the essential elements?
Essential elements could include:

- definition of long-term care (including a possible age threshold)
- the roles and responsibilities
- the needs assessment
- the cash benefits
- the services
- financing schemes
- other laws related to finance typically set the funding sources, except in countries that have a LTC insurance

But there is no one-size-fits-all approach

Moving towards an integrated needs assessment tool

What?

Harmonising the needs assessment tool at least for home care and preferably also for residential care (care institutions and nursing hospitals)

Why?

Since the social and health registries are currently not integrated, this would allow to **identify those with LTC needs** who are eligible for health and social services

How to design it?

- Option 1: rely on **existing** evidence-based scales and a case-mix classification (e.g. InterRAI)

- Option 2: develop a **new** scale

How to implement it?

Importance of a **pilot test** to predict utilisation and cost, which would be inputs to determine the care levels' benefits and perhaps help to review the price of services

Digitalising the assessment to have multi-use data

It can ease the workload of assessors

Some countries have a **full online** version of the needs assessment (e.g. Australia)

2 pre-requisites

- Digital infrastructure: tablet / laptop
- Trained staff: 3-7 days of training

It allows to have multi-use data

- Eligibility to public support

- Care planning for providers (provided that the assessment takes place on a regular basis)

- Evaluation of care effectiveness (thanks to longitudinal microdata)

- Monitoring of providers' care quality indicators

- Monitoring of care quality at the municipal and national levels

A single benefit with different care levels

It would promote transparency

- Lithuania could have the option to provide services along with cash benefits for the different levels
- Countries differ in regards to informal carers. Germany includes a cash allowance to informal carers when they provide care instead of formal LTC workers, Japan does not

How to encourage more home care for those who wish it?

- Only those with higher LTC needs could receive an amount high enough to cover sufficiently the cost of residential care
- Extending support to informal carers (e.g. training, leaves, respite)
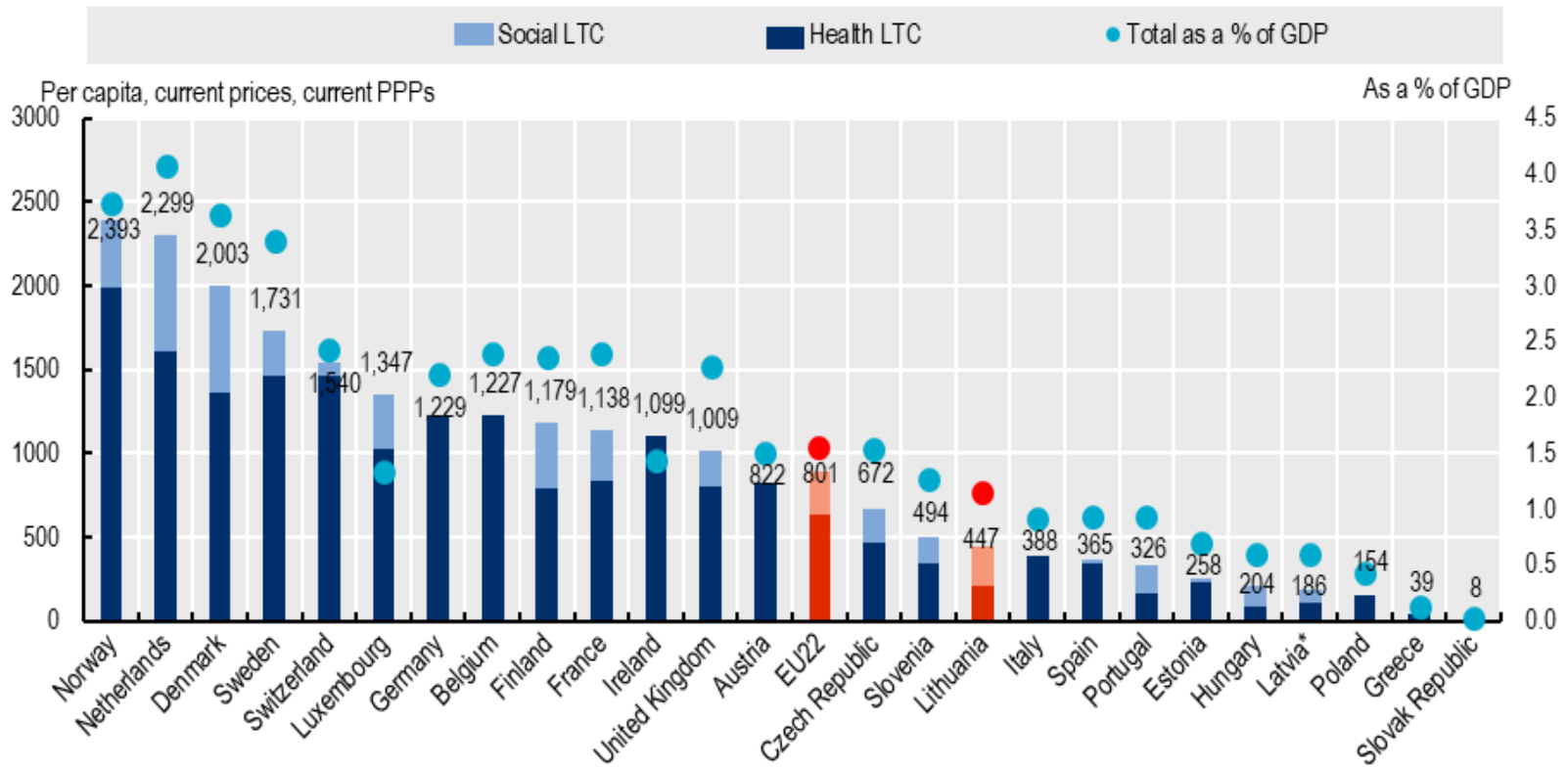
→ It would be important to align the remaining social cash benefits with the care levels, the related services and the eligibility criteria

4. DESIGNING SUSTAINABLE FUNDING FOR CARE

Total spending on LTC in Lithuania is below EU average

Legend: Social LTC | Health LTC | ● Total as a % of GDP

Per capita, current prices, current PPPs

As a % of GDP

Values: Norway 2,393 | Netherlands 2,299 | Denmark 2,003 | Sweden 1,731 | Switzerland 1,540 | Luxembourg 1,347 | Germany 1,229 | Belgium 1,227 | Finland 1,179 | France 1,138 | Ireland 1,099 | United Kingdom 1,009 | Austria 822 | EU22 801 | Czech Republic 672 | Slovenia 494 | Lithuania 447 | Italy 388 | Spain 365 | Portugal 326 | Estonia 258 | Hungary 204 | Latvia* 186 | Poland 154 | Greece 39 | Slovak Republic 8

* Potential underestimation of health spending in Latvia
Source: OECD Health Statistics 2021.

How to secure sufficient funding?

Establishing a dedicated budget

- Lithuania could consider pooling together current funding (or part)
- Well-defined funding routes
- LTC budget to improve transparency

Countries have chosen diverse funding routes

LTC insurance

Germany, Netherlands, Belgium, Luxembourg, Japan, Korea

- **Advantages:** transparency, horizontal justice
- In Japan and Germany: wide access to LTC, reduced reliance on safety-net programmes and LTC is well-developed
- **Drawbacks:** possible reliance on employee's contributions, higher expectation that anyone should be able to access LTC

Taxes

Nordic countries, Austria and Spain

- Usually not earmarked
- **Advantages:** broad base (not only labour income), less expectation that anyone should be able to access LTC so easier to match expenditure to resources
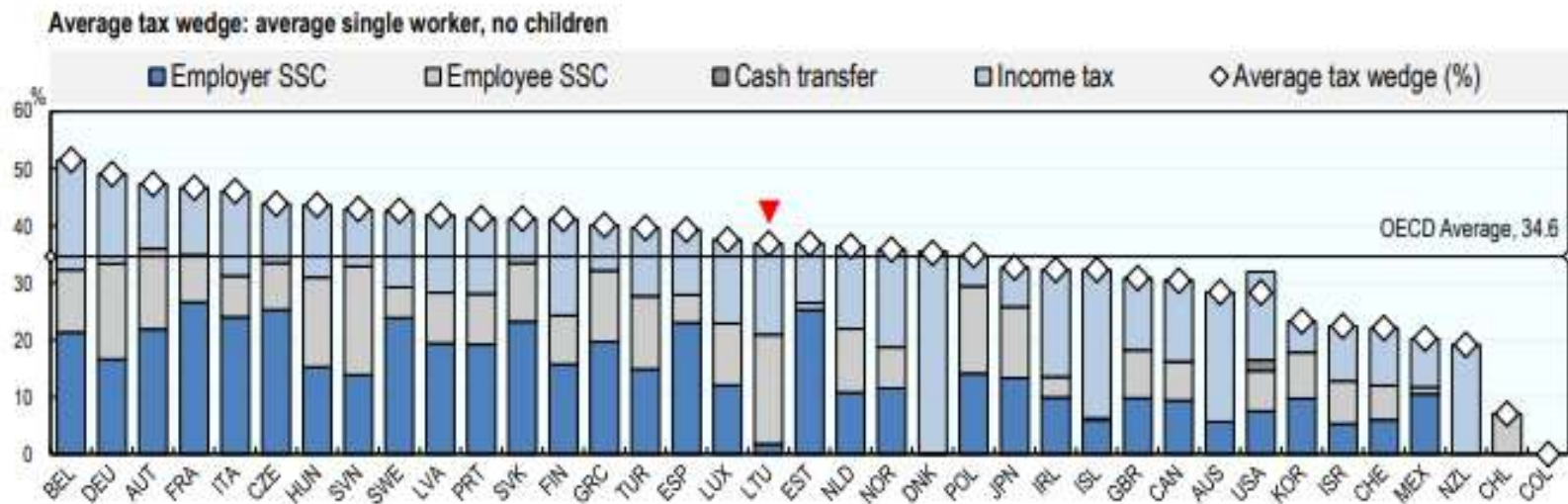
Social contributions on incomes

- Can be mixed with taxes on other incomes

Lithuania would need to consider broad-based funding with diverse sources

In Lithuania

- The scope for raising contributions and relying on income tax to fund LTC is limited as the tax wedge of workers is already relatively high (see chart)

- The ability of pensioners to contribute to an LTC insurance is very limited given high risks of poverty

- Broadening the tax base by reducing informality and relying on other taxes might be necessary

Average tax wedge: average single worker, no children

■ Employer SSC   □ Employee SSC   ■ Cash transfer   □ Income tax   ◇ Average tax wedge (%)

OECD Average, 34.6

Note: The tax wedge is a measure of the tax on labour income, which includes the tax paid by both the employee and the employer.
Source: OECD Centre for Tax Policy and Administration, Taxing wages - Lithuania, 2021.

5. ENSURING THE AVAILABILITY OF SUFFICIENTLY TRAINED CARERS

Improving recruitment targeting those out of jobs, out-migration and foreign-born workers

Grants to municipalities to fund training for the unskilled
Examples: Norway's Competency lift, Estonia, Japan

Tax relief to attract citizens back from abroad
Example: Italy

Ease requirements for foreigners to work in LTC and **adequately train foreign-born workers**
Examples: Germany, Israel, Canada, Japan, Denmark

Improving the knowledge around LTC and working conditions

Improving working conditions

Better career path

Examples: Denmark, Germany, Korea, the Netherlands, Norway, Sweden

Improve training

- Disease-specific training (e.g. on dementia)

- Training on administrative tasks and digital skills - Examples: Denmark, Norway

- Training programs with placement opportunities and rotational training programmes - Examples: Germany, Sweden

Providing further limited support to informal caregivers

Developing training

- Collaborate with NGOs to develop online training programmes
- Work with NGOs that will provide on-site and/or online training programmes

Introducing a leave for family carers

- About two-thirds of OECD and EU countries (22 countries with available data) provide paid or unpaid leave to care for a family member
- Short paid leave in case of dependency of an older relative, with a limited number of days (it could be related to the care level to encourage home support)

Staying in touch

Integrating Services for Older People in Lithuania

Download the report

https://www.oecd.org/health/integrating-services-for-older-people-in-lithuania-c74c44be-en.htm

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