



A Fair Deal for Home Care

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A Fair Deal for Home Care

Introduction

The Nursing Homes Support Scheme (NHSS), more commonly referred to as the Fair Deal scheme, is a system of financial support for those in need of long-term nursing home care. This report examines the issues arising in the establishment of a similar scheme to cover the needs of those who require home care.

Background

The only statutory scheme currently in place to provide care to older persons is the Nursing Homes Support Scheme, *Fair Deal* (see Appendix 1). The Government intends to develop a statutory home care scheme.

“It is Government policy that long-term nursing home care should be a last resort and the objective is to develop home care services to provide a more viable alternative to nursing home care for a greater number of people. In 2016 the Department of Health commissioned the Health Research Board to carry out an evidence review of international approaches to the regulation and financing of home care services.

It is my view, and that of the Government, that we need a stand-alone funding scheme designed for home care that recognises its particular characteristics together with regulation of home care services. The development of a regulatory and funding model for home care services is a complex undertaking involving very significant legislative, operational and financial resources¹.

The Programme for a Partnership Government states:

“The provision of home care ranges from excellent to irregular for recipients across the country. We will introduce a uniform home care service so all recipients can receive a quality support, 7 days per week, where possible”².

A public consultation on home care services was launched on 6 July 2017 by the Department of Health. It closed to submissions on 2 October, 2017.

¹ See reply to Parliamentary Question on 21 February, 2017 by Minister of State at the Department of Health (Deputy Helen McEntee) on [Nursing Homes Support Scheme](#)

² [A Programme for a Partnership Government \(2016\)](#)

Demographics

Given the projected increase in the numbers of older people it is clear that demand for services to support older people will increase significantly. While population predictions can vary, a 2013 CSO report³ put forward projections of future change in the composition of our population, based on a number of different scenarios. The projections are based on assumptions relating to future trends in fertility, mortality, migration and labour force participation. Two sets of assumptions were chosen for fertility, one for mortality and three for migration up to the year 2046, giving six sets of results altogether.

The older population (i.e. those aged 65 years and over) is projected to increase very significantly from its 2011 level of 532,000 to over 1.4 million by 2046 under the two positive migration assumptions and to just under 1.4 million under the negative migration scenario. The population aged 80 years of age and over is set to rise even more dramatically, increasing from 128,000 in 2011 to between 470,000 and 484,000 in 2046, depending on the scenario chosen.

The committee on the future of healthcare notes the demographic shifts underway in Ireland in its Sláintecare report (published May 2017) as it states that “The 60+ population in Ireland now stands at 860,000 and is projected to keep growing by 28,500 people per year to 1.15 million, or 23% of the total population, by 2026. Additionally, the group of individuals over the age of 80 has increased by more than 20,000 between 2006 and 2016 and is projected to grow by another 36,000 by 2026, to a total of 104,000”⁴.

Existing Services

Home Help

Home help services are provided to older people who require assistance in order to remain in their own home. The HSE either provides the home help service directly or makes arrangements with voluntary organisations to provide them. The home help is expected to provide a set number of hours of assistance each day or each week. Home help supports people with personal care (washing, changing, help at mealtimes) and with essential domestic duties (lighting a fire, essential cleaning of the person’s personal living space).

³ CSO (April, 2013), [Population and Labour Force Projections 2016-2046](#)

⁴ Houses of the Oireachtas (May 2017: p30), [‘Committee on the Future of Healthcare – Sláintecare Report’](#)

There is currently no charging or means-testing for HSE-funded home-care services.

There are not enough people available to provide home help services to people who are assessed as being in need of the service. In some areas, individuals may be asked to identify a person who may be able to provide the service⁵. If that person is considered suitable by the HSE, then he/she may be offered the job⁶. Table 1 shows figures related to home help from 2008 to 2016.

Table 1 – Number of Persons in Receipt of Home Help, 2008 – 2016

	2008	2009	2010	2011	2012	2013	2014	2015	2016
No. of persons in receipt of Home Help hours	55,366	53,791	54,011	50,986	45,705	46,454	47,061	47,915	46,948
Y-on-Y Variance	630	-1,575	220	-3,025	-5,281	749	607	854	-967
Y-on-Y % Variance	1.2	-2.8	0.4	-5.6	-10.4	1.6	1.3	1.8	-2.0

(Source: HSE)

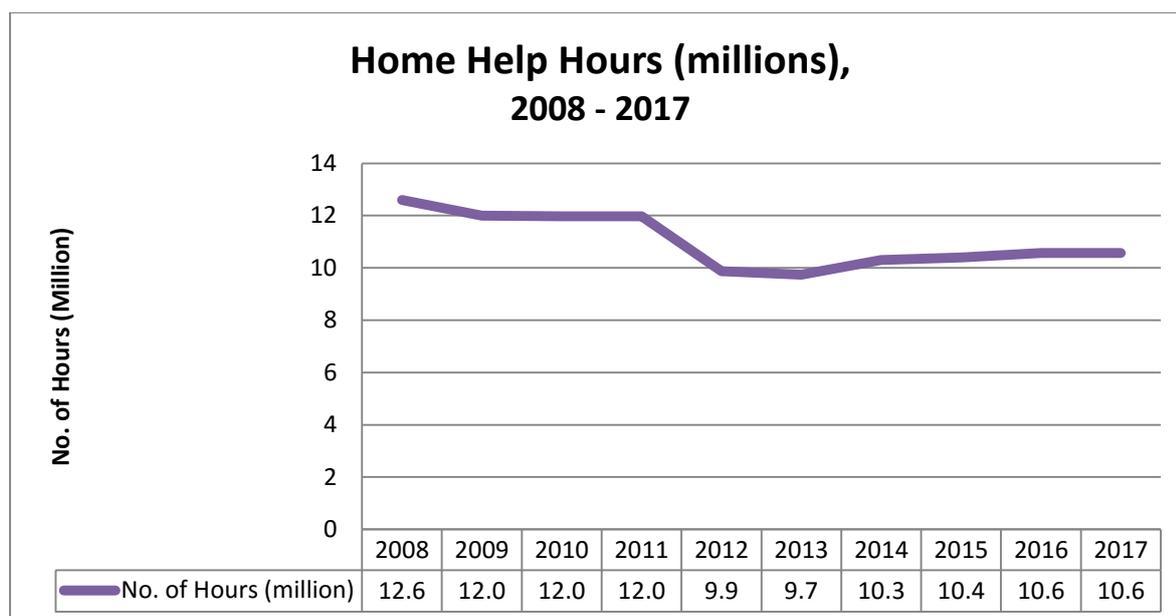
As shown in table 1, the number of people in receipt of home help hours has decreased by 8,418 (15.2%) between 2008 and 2016. There was a significant decrease of almost 10,000 in the number of persons in receipt of home help between 2008 and 2012.

The number of people in receipt of home help hours is expected to increase to 49,000 (a 4.4% increase on 2016) in 2017. As of June 2017, 46,339 people were in receipt of home help hours. The number of home help hours remains at 10.57 million, which is the same as 2016, despite the expected increase in demand. The change in the number of home help hours delivered between 2008 and 2016 is shown below.

⁵ There are approximately 40,000 people employed in the home care sector across public, voluntary, and private organisations, according to the Home and Community Care Ireland organisation.

⁶ Citizens Information, [‘Home Help Service’](#)

Figure 1



(Source: HSE)

There are two million home help hours less in 2017 compared to 2008. The number of people in receipt of home help hours is expected to decrease by circa 6,300 (11.5%) in 2017 relative to 2008; from 55,366 to 49,000.

Home Care Packages

A Home Care Package (HCP) is a set of services provided by the HSE to help an older person to be cared for in their own home. The main priority of the HCP scheme is older people living in the community or who are in-patients in acute hospitals and at risk of admission to long-term care. The services, for example, additional home help hours, nursing services, therapy services, might be needed due to illness, disability or after a stay in hospital or following rehabilitation in a nursing home. A Home Care Package includes extra services and supports that are over and above the normal community services that the HSE provides directly or through a HSE funded service. Community services, provided by the HSE, and HSE funded providers, include home help, nursing, physiotherapy, occupational therapy, speech & language therapy, day care services and respite care⁷.

Home Care Packages may be offered to people who are already using existing care services, such as home helps, but who may need more assistance to continue to live in their community. The general rule is that if the individual needs more than five hours' home help service per week, a HCP may be

⁷ HSE (2017), [Home Care Packages](#)

provided. Those who apply for a Home Care Package are not subject to a means test and the service is provided free of charge by the Health Service. The services are provided based on assessed care needs subject to the limit of the resources available for the scheme in the local health office area. A Care Needs Assessment of the applicant is carried out by the HSE to determine the level of support the individual requires.

In 2017, an estimated 16,750 people will be in receipt of a Home Care Package (HCP). This is an increase of 396 (2.4%) in the output target relative to the 2016 outturn. As of June 2017, 18,402 people were in receipt of a HCP (1,652 or 10% above estimate for 2017). Table 2 shows the variance in the number of people in receipt of a HCP between 2008 and 2016.

Table 2 - Number of Persons in Receipt of Home Care Packages, 2008 – 2016

	2008	2009	2010	2011	2012	2013	2014	2015	2016
No. of persons in receipt of Standard HCP	8,990	8,959	9,941	10,968	11,023	11,873	13,200	15,272	16,354
Y-on-Y Variance	955	-31	982	1,027	55	850	1,327	2,072	1,082
Y-on-Y % Variance	11.9	-0.3	11.0	10.3	0.5	7.7	11.2	15.7	7.1

(Sources: HSE)

The figures show that there has been a significant increase in the numbers in receipt of HCPs in recent years; increasing by 82% (7,364) between 2008 and 2016.

Intensive Home Care Packages are also available. These packages are available for people who require a very high level of assistance. In 2015, 195 people received an intensive HCP (expected activity 195). In 2016, 180 people received an intensive HCP (expected activity 130). It was estimated that 190 people would avail of an intensive HCP in 2017⁸. As of June 2017, 232 people were in receipt of an intensive HCP.

As there is currently no statutory entitlement to home help hours and home care packages, there is no guarantee that those most in need of such services will get access to them. In such instances, out of pocket payments for private homecare services are required.

⁸ This includes 60 Intensive HCPs co-funded by Atlantic Philanthropies.

Some Considerations

Delayed Discharges from Acute Hospitals

In 2015, 48% of delayed discharges in hospitals, aged 65 years and over, were awaiting the Nursing Homes Support Scheme (NHSS) or a home care package⁹. As of June 2017, there were 530 persons classified as delayed discharges – 415 of whom were over 65 years old. Table 3 shows the breakdown by destination.

Table 3

Delayed Discharges by Destination (April – June 2017)	Total No. over 65 years old	Total %
Home	89	21
Long Term Nursing Home	269	65
Other (inc. National Rehab Hospital, complex bespoke care package, palliative care, complex ward of court cases)	57	14
Total	415	100

(Source: HSE (2017), *Performance Report, April – June 2017*)

Approximately two-thirds of persons whose discharge was delayed were awaiting a place in long-term residential care. Circa one-in-five were waiting to return home. It is possible that a greater number would opt to return home if a statutory home care scheme was available.

Housing Tenure

It has been suggested that falling owner-occupation will undermine the Fair Deal Funding model.

“The changing nature of employment, with increasing numbers of people working on short- or long-term contracts, means it will be more challenging for them to buy houses, and again they will remain long-term renters. Census 2011 showed that 69.7% of households in Ireland were home-owners, only half of whom have any remaining mortgage debt (CSO, 2011). This level of home-ownership is a decrease on previous censuses, and as with household size, shows that Ireland is converging with more established European trends”¹⁰.

⁹ Smyth, B. et al. (2017), *‘Planning for Health: Trends and Priorities to Inform Health Service Planning 2017’*, Report from the Health Service Executive.

¹⁰ Housing Agency and ISAX (2016: p.19), *‘Housing For Older People – Thinking Ahead’*; Research Report by Amárach Research, Ronan Lyons, Lorcan Sirr and Keith Finglass.

The Fair Deal Scheme is designed and budgeted by the state around the premise that some of the state costs will be recoverable from the future sale of the housing asset of the person receiving care.

A TILDA report ¹¹ shows that 85% of those in the over 50 category were in owner-occupied housing. This suggests that changes in housing tenure which affect younger age cohorts will take a considerable time to impact on the Fair Deal funding model. Younger generations are also likely to inherit more than any previous generation which may result in higher owner occupation rates in old age for younger age cohorts than now seem likely.

Social Care Costs

The HSE Social Care Division allocation for 2017 is €3,394m representing an increase of €123.1m or 3.8% in funding. This includes additional funding of €96.3m or 6.1% increase for disability services, with a €26.7m or 3.6% increase for services for older people. Table 4 shows the budget allocations for social care in 2016 and 2017.

Table 4

Social Care				
	2016 Budget €m	2017 Budget €m	Increase €m	Increase %
Disabilities	1,592.2	1,688.6	96.3	6.1
NHSS - Fair Deal	940.0	940.0		0.0
Older Persons	738.7	765.4	26.7	3.6
Social Care Total	3,270.90	3,394.00	123.1	3.8

(Source: HSE (2016), [‘Social Care Division Operational Plan 2017’](#))

In 2017, the gross budget for the NHSS (Fair Deal) is €1,001.7m and the income budget is €61.7m. Therefore the effective net budget for 2017 is €940m¹². The Scheme is expected to support 23,600 people to avail of nursing home care in 2017. Budget 2018 provides funding of €949.7m for the Nursing Homes Support Scheme in 2018.

The 2015 review of Fair Deal found that while “those in long-term residential care contribute to the costs of care in accordance with their means, the average contribution amounts to only 25% approximately of the cost of care”¹³. Further details on nursing home costs are in Appendix 2.

¹¹ Hudson, E., Mosca, I. and O’Sullivan, V. (2014), [‘The Economic Well-Being of Over 50s and their Children’](#), TILDA - The Irish Longitudinal Study on Ageing

¹² HSE (2016), [‘Social Care Division Operational Plan 2017’](#)

¹³ Department of Health (2015: 13), [‘Review of the Nursing Homes Support Scheme, A Fair Deal’](#)

The funding for Services for Older People has increased to €765 million in 2017. The HSE will spend approximately €370 million on home care services in 2017. The HSE has set a target to deliver 10.57 million home help hours to approximately 49,000 people, 16,750 home care packages and 190 intensive home care packages in 2017. Demand for home care services is rising as more people are supported in their own home, and there are challenges in managing home care budgets¹⁴.

Further details on home help and home care packages are provided in Appendix 3. Details related to carer's benefit, carer's allowance and unpaid carers are provided in Appendix 4.

Cost of Home Help and Home Care Packages

Table 5 shows the budget allocations for home help and home care packages between 2009 and 2014.

Table 5

Budget Allocations for Home Help and Home Care Packages, 2009 – 2014 (€ million)						
	2009	2010	2011	2012	2013	2014
Home Help	211	211	211	185	185	185
Home Care Packages	120	130	138	130	130	130*
Total	331	341	349	315	315	315

(Source: Department of Health (2015), *Review of the Nursing Homes Support Scheme, A Fair Deal*¹⁵)

The funding of home help decreased by €26m (12.3%) in 2012 relative to 2011, in line with a 5,281 (10.4%) decrease in the number of recipients. The budget allocation of €185m remained in place from 2012 to 2014, despite an increase of 749 (1.6%) in recipients in 2013 and 607 (1.3%) in 2014.

¹⁴ See reply to Parliamentary Question of 2 March 2017 by Minister of State at the Department of Health (Deputy Helen McEntee) on [Home Help Service Provision](#)

¹⁵ *In addition, in 2014, a sum of €10m was provided from NHSS which was utilised for care packages and additional intermediate & short-stay bed capacity to support acute hospital discharges.

The budget allocation for Home Care Packages (HCPs) also decreased in 2012 relative to 2011 by €8m (5.8%), despite an increase of 55 (0.5%) in the number of recipients of HCPs over the same period. Table 6 shows the average cost per person of home help and HCPs between 2009 and 2014.

Table 6

Average Cost of Home Help and HCPs, €						
	2009	2010	2011	2012	2013	2014
Cost per person - Home Help	3,923	3,907	4,138	4,048	3,982	3,931
Cost per person - HCPs	10,000	9,100	8,800	7,906	7,703	6,999

(Source: Department of Health (2015), *Review of Fair Deal* and author's own calculations)

The budget allocation to homecare services in 2016 was €324 million¹⁶. Funding of €367 million for home help and home care packages has been allocated for 2017. A further €9 million supported by the HSE and Atlantic Philanthropies will provide Intensive Home Care Packages for people with more complex needs.

The HSE's National Service Plan for 2017 provides for a target of 10.57m home help hours to 49,000 people, 16,750 Home Care Packages (HCPs) and 190 Intensive HCPs for people with more complex needs.

¹⁶ Houses of the Oireachtas (May, 2017), ['Committee on the Future of Healthcare – Sláintecare Report'](#)

The projected cost of providing home care services (home help and HCPs) up to 2024 has been estimated. The figures are shown in Table 7.

Table 7

Projected cost of providing Home Care Services (Home Help & Home Care Packages)			
Year	Estimated Population over 65 years	% Increase	Budget Required €m
2015	604,825		352
2016 ¹⁷	624,183	3.2	363
2017	643,985	3.2	375
2018	665,800	3.4	387
2019	686,924	3.2	400
2020	709,500	3.3	413
2021	731,863	3.2	426
2022	755,222	3.2	440
2023	779,076	3.2	453
2024	802,885	3.1	467

(Source: Department of Health (2015), *Review of the Nursing Homes Support Scheme, A Fair Deal*)

Population projections estimate an average annual increase in the over 65 population of 19,800, increasing by 198,000 (33%) over the period shown in table 7. This significant increase in the over 65 population in Ireland is projected to see the budget required for Home Help and Home Care Packages increase by one-third or €115m between 2015 and 2024.

Older People's Preferences

Supporting older people to live independently in their own homes can have an important and positive impact on their physical and psychological well-being. Studies have found that most people would prefer to remain at home and that nursing homes are the least preferred option for the majority of people¹⁸. The lack of sufficient state-funded home-care resources and of access to respite care¹⁹ may result in some older people opting for nursing home care sooner than they might otherwise. A survey by the Irish Hospice Foundation “confirmed that, for most people, the preferred location in later life was their own home, with only 1% preferring a retirement community and none opting for either sheltered housing or a nursing home (IHF 2009)”²⁰.

¹⁷ There were 637,567 people aged 65 years and over in Census 2016.

¹⁸ Donnelly, S. et al (2016), *“I’d prefer to stay at home but I don’t have a choice” Meeting Older People’s Preference for Care: Policy, but what about practice?* Dublin: University College Dublin.

¹⁹ Ageing Well Network (2012), *The New Agenda on Ageing - To Make Ireland the Best Country to Grow Old In’*

²⁰ Ibid: p. 202.

A National Council for Ageing and Older People (NCAOP) study²¹ found that the preference of participants would be to stay in their original homes for as long as possible. The study also found that supportive housing was seen as preferable to admission to long-stay care.

Research into the preferences of older people for care in the future has found that the least preferred option was a nursing home. A large proportion of participants (39% in the Republic of Ireland and 42% in Northern Ireland) reported that they would find this option unacceptable. However, some 14% in the Republic of Ireland would find this care option acceptable and 21% in Northern Ireland²². The Eurobarometer Survey on Health and Long-term Care (2007) found that only 6% of Irish people would prefer to be cared for in a nursing home. This was the lowest preference expressed for nursing home care among all EU member states, apart from Poland, Greece and the UK (Eurobarometer 2007).

The New Agenda on Ageing (2012: 23) found that “For older people who have lived much of their lives in the same house, the stability and familiarity of their environment can compensate for age-related conditions, such as visual impairments. Staying in one’s own community allows people to maintain local friendships and ties in the community, to shop and obtain medical care in familiar places, and to have access to neighbours and friends for emergency support”.

The Social Care Division Operational Plan 2017²³ re-affirms the HSE’s work with the Dublin City Age Friendly Programme’s Housing Working Group, Waterford Institute of Technology and the Ireland Smart Ageing Exchange (ISAX) to develop housing with care and independent living with care models.

All this points to the need for a separate statutory home care scheme.

²¹ Cullen, K., Delaney, S., Dolphin, C. (2007). [‘The Role and Future Development of Supportive Housing for Older People in Ireland’](#). Dublin: NCAOP. Report No. 102

²² McGee, H. et al. (2005), [‘One Island – Two Systems: A comparison of health status and health and social service use by community-dwelling older people in the Republic of Ireland and Northern Ireland’](#), on behalf of the Healthy Ageing Research Programme (HARP)

²³ HSE (2016), [‘Social Care Division Operational Plan 2017’](#)

Home Care

Wren et al (2012) estimated that in Ireland 8.9% of the population aged 65 years or older had home help services²⁴. Similarly, Murphy et al (2015) found that 8.2% of those aged 65 years and older use home help services in Ireland²⁵.

It is projected that the number of adults aged 65 years and over will increase by up to 21% (131,000) by 2022. The HSE has projected demand for home help and home care packages among those aged 65 years and above in 2017 and 2022²⁶. Based on 2015 utilisation rates and current models of care, there will be 50,875 Home Help clients in 2017. This will rise to 59,660 in 2022. This will require 300,000 additional Home Help hours in 2017 and an additional 2.27 million by 2022. The figures are shown in Table 8.

Table 8

Projected Home Help Hours And Home Care Packages, 2017 And 2022*		
	2017	2022
Pop >65 years	643,990	755,220
HH Hours (million)	11.1	13.1
HH clients (excl. HCP)	50,875	59,660
% Pop over 65 yrs with HH	7.9%	7.9%

(Source: Smyth et al., (2017: p.120)

The HSE notes that if “the proportion of older people receiving the service (home help) was extended to 10.1% (the level of service provision in 2011, and more reflective of the actual need as estimated by OECD), there would be an increase in clients of 65,040 in 2017 and 76,280 in 2022”²⁷.

Table 9 below shows the allocation of home care across home care package clients and home helps hours in 2017 by Community Healthcare Organisation (CHO).

²⁴ Wren, MA., et al. (2012), [‘Towards the development of a predictive model of long-term care demand for Northern Ireland and the Republic of Ireland’](#). Trinity College Dublin, Queen’s University Belfast, National University of Ireland Galway

²⁵ Murphy, C.M., Whelan, B.J. & Normand, C. (2015), [‘Formal home-care utilization by older adults in Ireland: evidence from the Irish Longitudinal Study on Ageing \(TILDA\)’](#)

²⁶ Smyth, B. et al. (2017), [‘Planning for Health: Trends and Priorities to Inform Health Service Planning 2017’](#), Report from the Health Service Executive.

²⁷ Ibid: p. 120

Table 9

Home Care Provision, 2017		
CHO – Community Healthcare Organisation	No. of Clients in receipt of Home Care Packages	No. of Home Help Hours
CHO 1	1,331	1,435,000
CHO 2	1,254	1,294,000
CHO 3	1,107	933,000
CHO 4	1,517	1,983,000
CHO 5	1,094	1,304,000
CHO 6	1,725	455,000
CHO 7	2,171	734,000
CHO 8	2,373	1,260,000
CHO 9	4,178	1,172,000
Total	16,750	10,570,000

(Source: HSE (2016), [‘Social Care Division Operational Plan 2017’](#))

Costs and Finance

The Sláintecare report estimates the cost of increasing homecare provision will be €120 million in the first five years of the ten year plan proposed (€24 million per annum). This increase in expenditure falls under social care expansion which includes provisions to expand entitlements to palliative care and services for people with disabilities at a cumulative cost, over the first five years of the plan, of €49.8 million and €145 million respectively²⁸. The Health Research Board (HRB) published a report in April, 2017 on the regulation and financing of home care services in four European countries²⁹. The HRB evidence review of home care services in Germany, the Netherlands, Sweden and Scotland provides details on the regulatory measures utilised in each country, such as legislation, national standards and eligibility, and needs assessment. It also outlines the methods of financing home care services.

²⁸ Houses of the Oireachtas (May, 2017), [‘Committee on the Future of Healthcare – Sláintecare Report’](#)

²⁹ Health Research Board (2017), [‘Approaches to the regulation and financing of home care services in four European countries – An evidence review’](#)

Both Germany and the Netherlands have long-established long-term care insurance schemes and means adjusted co-payments. There has been increasing reliance on co-payments in Germany to meet home care needs in excess of those which are met under the formal home care service. Scotland and Sweden have universal home care schemes, but are also experiencing increasing reliance on co-payments, which are usually fixed fee or capped, to meet home care needs.

Personalised budgets or voucher systems are a feature of home care provision in all four countries. The HRB points to evidence that “the four countries are increasing or introducing co-payments to fund the provision of home care services as well as tightening eligibility requirements in order to deal with increasing demand”³⁰.

Carrieri et al. (2017: 450) describe public financing levels of LTC across a range of European countries. Similar to the HRB study, they find that northern European countries such as Denmark, the Netherlands and Sweden, are characterised by “a high level of public financing of LTC and individual responsibility in the provision of LTC”³¹. Continental European countries such as Austria, Belgium, France and Germany are characterised by “moderate public financing of LTC and the responsibility of the nuclear family in the provision of LTC services”³². Southern European countries such as Greece, Italy and Spain are characterised by a “low level of public financing of LTC and a high degree of responsibility of the extended family in the provision of LTC services”³³.

Wouterse and Smid (2017: 370) argue that increases in long-term care (LTC) spending as a result of population ageing is “a major concern for the sustainability of public finances in most western countries”, as they present alternatives for the funding of LTC in the Netherlands³⁴. The alternatives include a pay-as-you-go system, a specific savings fund for LTC, a ‘pensioner tax’ (where additional premiums are levied on pension income), and a cohort-specific savings fund. One issue which the paper seeks to examine is the distribution of the burden between generations in increasing publicly funded long-term care. It is argued that the long-term fiscal sustainability of the Dutch LTC system could be improved by the measures proposed.

³⁰ Ibid: p. 81

³¹ Carrieri, V., Di Novi, C. and Orso, C.E. (2017: 450), ‘Home Sweet Home? Public Financing and Inequalities in the Use of Home Care Services in Europe’, *Fiscal Studies*, vol. 38, no. 3, pp. 445 - 468

³² Ibid

³³ Ibid

³⁴ Wouterse, B. and Smid, B. (2017: 370), ‘How to finance the rising costs of long-term care: four alternatives for the Netherlands’, *Fiscal Studies*, vol. 38, no. 3, pp. 369-91

The funding for adult social care was considered in the UK by the Commission on Funding of Care and Support (Dilnot Commission) which reported in July 2011³⁵. Its recommendations included:

- Individuals' lifetime contributions towards their social care costs should be capped. After the cap is reached, individuals would be eligible for full state support. This cap should be between £25,000 and £50,000. £35,000 was suggested as the most appropriate and fair figure.
- The means-tested threshold, above which people are liable for their full care costs, should be increased from £23,250 to £100,000.
- National eligibility criteria and portable assessments should be introduced to ensure greater consistency.
- All those who enter adulthood with a care and support need should be eligible for free state support immediately rather than being subjected to a means test.

The Conservative Party 2017 General Election Manifesto proposed that people would be liable for their full care costs subject to their estates retaining at least £100,000 of their savings and assets, including value in the family home.

During the General Election campaign the proposal to make people pay more of the costs of social care was branded a "dementia tax" – but the British Prime Minister insisted it was simply a clarification. To address this criticism the Conservative party promised a consultation paper which would include "an absolute limit on the amount people have to pay for their care costs".

Conclusions

There were just under 640,000 people aged 65 years and over in Census 2016. This number is projected to double to more than 1.4 million by 2046. There were just under 150,000 people aged 80 years and above in Census 2016, and this is projected to increase more than threefold to approximately 480,000 by 2046.

The number of people requiring home care will rise significantly as a result of population ageing. The evidence shows that people prefer to remain in their own homes for as long as possible and enjoy better outcomes when they do so.

³⁵ Commission on Funding of Care and Support (2011), ['Fairer Care Funding: The Report of the Commission on Funding of Care and Support'](#)

Recommendations

We recommend the establishment of a separate statutory scheme for home care costs to ensure that older people can avail of the care they require, at each appropriate stage.

The contribution towards HSE approved home care costs from current income should be determined by a means test. Contributions would take into account the relative costs incurred by the individual remaining in their own home, in contrast to the Fair Deal which covers personal care, bed and board.

Costs in excess of that should be publicly funded and recovered from the assets of the estate when the person dies subject to a cap of an appropriate percentage of assets.

A limit should be placed on the price of home care services which qualify for public funding.

Appendix 1

Fair Deal

The Nursing Homes Support Bill was enacted on 1 July 2009 and the Nursing Homes Support Scheme (Fair Deal) commenced on 27 October 2009. The Nursing Home Support Scheme (NHSS), more commonly referred to as the Fair Deal scheme, is a system of financial support for those in need of long-term nursing home care. Participants contribute to the cost of their care according to their income and assets, with the State paying the balance of the cost.

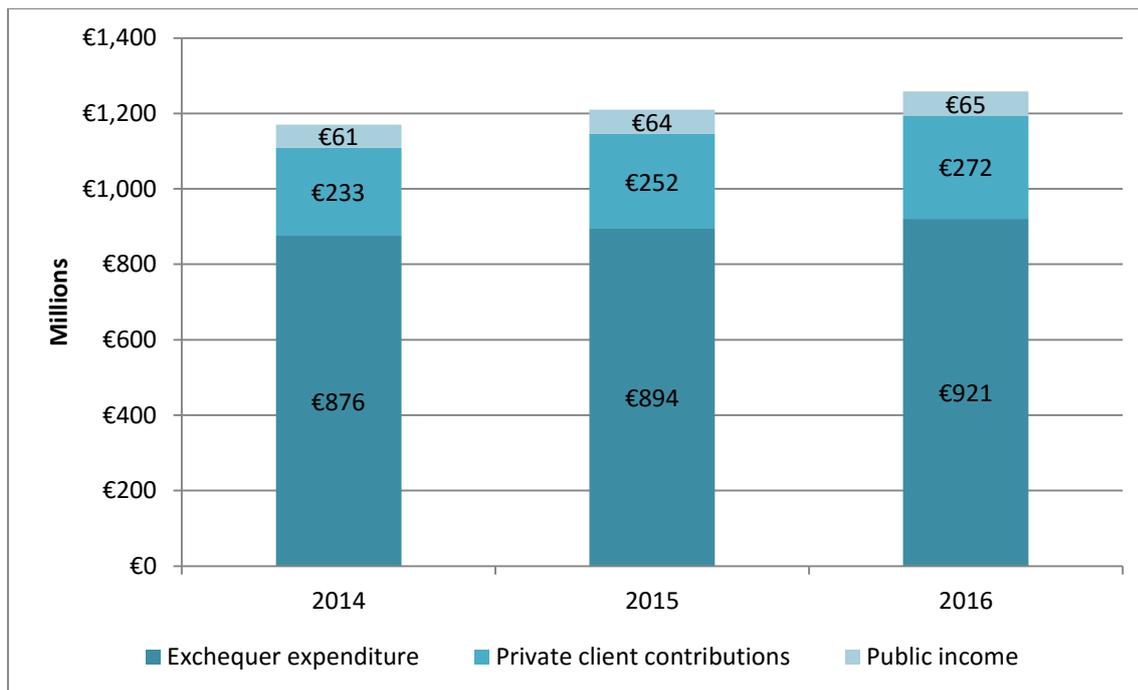
A financial assessment is carried out by the HSE to determine how much a participant in the Scheme will contribute to the cost of their care. Participants in the Scheme contribute up to 80% of their assessable income and a maximum of 7.5% per annum of the value of assets held. In the case of a couple, the applicant's means are assessed as 50% of the couple's combined income and assets. The first €36,000 of an individual's assets, or €72,000 in the case of a couple, is not counted at all in the financial assessment. The capital value of an individual's principal private residence is only included in the financial assessment for the first three years of their time in care. This is known as the three year cap³⁶.

An individual may choose to apply for a nursing home loan, known as Ancillary State Support. This allows the person to defer the contribution they will make towards their nursing home care based on their assets until after their death. The 2016 Annual Report of the HSE notes that the "total gross amount of Ancillary State Support advised to Revenue as at 31 December 2016 for recoupment from the commencement of the Nursing Home Support Scheme was €69.10 million, representing 3,898 client loans. The Revenue Commissioners have confirmed that they had received €46.84 million of loan repayments paid in full, representing 2,823 client loans"³⁷. Contributions in respect of NHSS residents in Private Nursing Homes and NHSS & Saver residents in Public Nursing Homes amounted to approximately €316m in 2015 and €338m in 2016. Figure 2 shows total expenditure on the Fair Deal between 2014 and 2016.

³⁶ See reply to Parliamentary Question of 21 February 2017 by Minister of State at the Department of Health (Deputy Helen McEntee) on [Nursing Homes Support Scheme Review](#)

³⁷ HSE (2017: p167), [Annual Report And Financial Statements 2016](#)

Figure 2 - Total expenditure on NHSS, 2014 – 2016



(Source: Meirmans, J. (2017), [Nursing Homes Support Scheme – Trends and Figures](#))

As shown in figure 2, the State accounts for approximately 73 per cent of the funding for the NHSS, followed by private client contributions (22 per cent) and public income (5 per cent).

The average length of stay for NHSS clients in public, private and saver long stay units was 3.2 years in 2016³⁸. In the first half of 2017 it was 2.9 years. Approximately four per cent of the population over 65 years old utilise NHSS funded places. As of June 2017, 23,013 persons were funding their care through Fair Deal. It is expected that the target for NHSS support to 23,603 persons in 2017 will be achieved³⁹.

³⁸ HSE (2017: p104), [Annual Report And Financial Statements 2016](#)

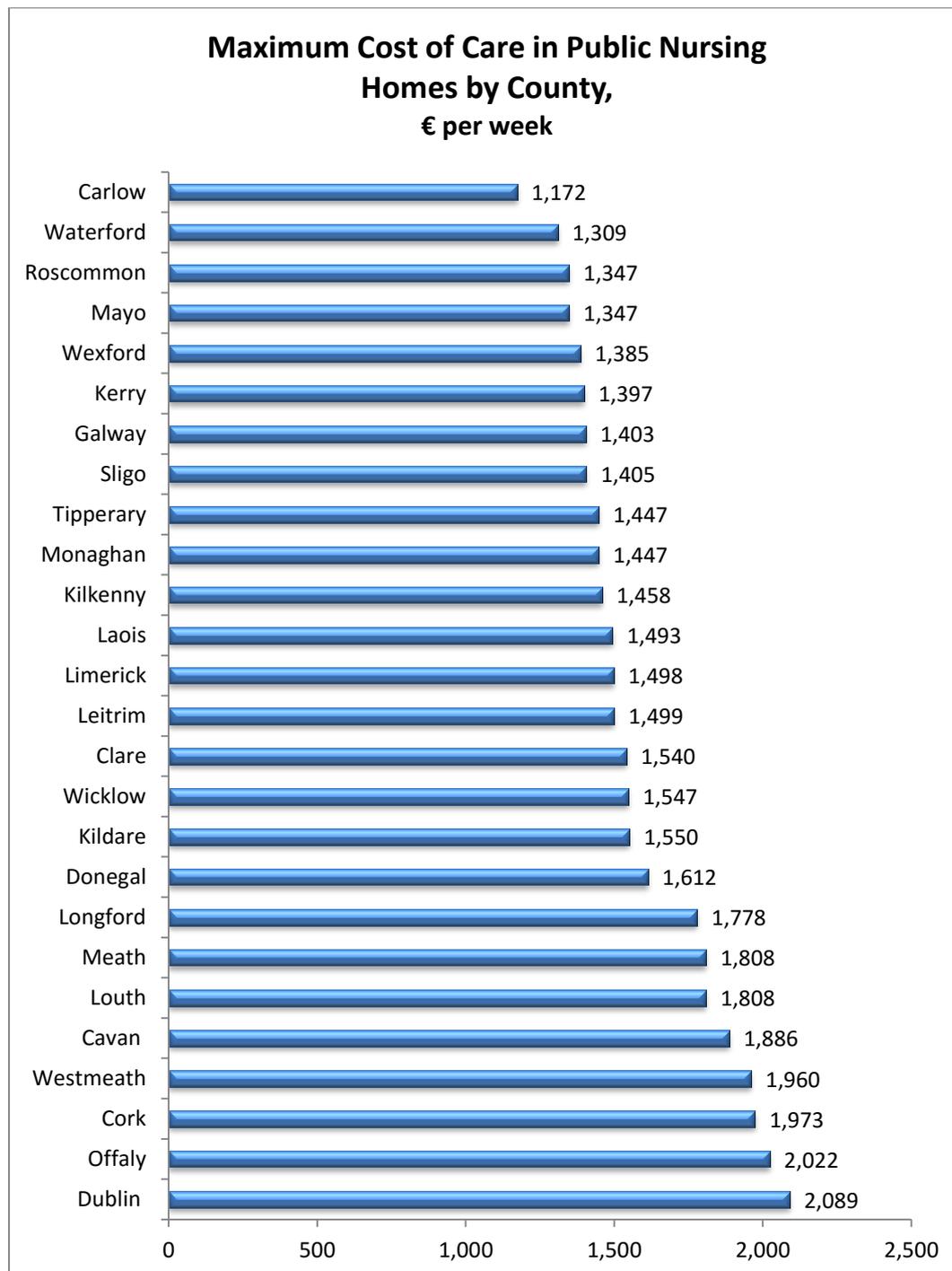
³⁹ HSE (2017), [Performance Profile: April – June 2017 Quarterly Report](#)

Appendix 2

Public Nursing Homes

There are 112 public nursing homes on the HSE list for cost of care in approved facilities. The cost of care ranges from €311 to €4,082 per week. The average cost of care is €1,407 per week. The maximum cost of care (excluding centres undergoing refurbishment or conversion from long stay to short stay beds, and low dependency centres) by county is shown in the figure below.

Figure 3



(Source: HSE⁴⁰ *the figures take the maximum cost of care in each county)

⁴⁰ Centres undergoing refurbishment or conversion from long stay to short stay in Laois are not included above- Abbeyleix District Hospital €4,082 and St. Brigid's Hospital €2,584.

The most expensive public nursing home per week is Cherry Orchard Hospital in Dublin 10 with a weekly cost of care of €2,089⁴¹. The lowest cost of care is provided in Arus Carolan in Leitrim with a weekly cost of care of €884⁴².

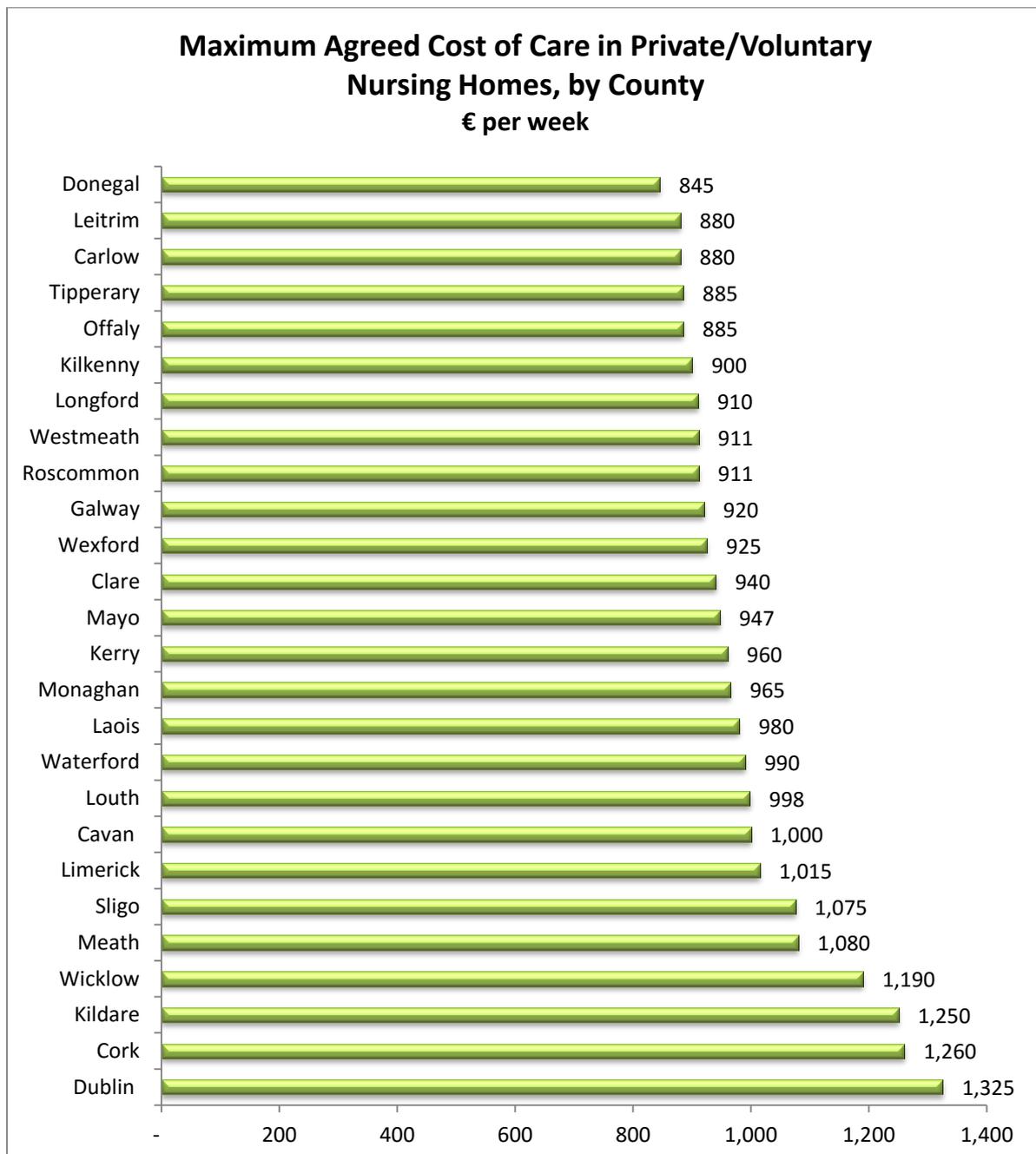
Private and Voluntary Nursing Homes

There are 434 private/voluntary nursing homes on the HSE list for cost of care in approved facilities. The cost of care ranges from €700 to €1,325 per week. The average cost of care is €940 per week. The maximum agreed cost of care by county is shown in the figure below.

⁴¹ This excludes Abbeyleix District Hospital (€4,082 per week) and St.Bridid's Hospital (€2,584 per week) – both in county Laois.

⁴² This excludes low dependency units such as Dunabbey House in Waterford (€311) and Cois Abhainn in Cork (€768).

Figure 4



(Source: HSE *Note: figures as of date modified by the HSE 18/10/2017)

The most expensive private nursing home per week is St Joseph’s Centre in Dublin with a weekly cost of care of €1,325. The lowest cost of care is provided in Bailey House Nursing Home in Tipperary with a maximum agreed price per week of €700.

In total, there are 546 nursing homes listed by cost of care. The majority, 434, are private or voluntary (80 per cent), with the remainder, 112, in public ownership (20 per cent).

Nursing Homes Ireland (NHI) – the national representative organisation for private and voluntary nursing homes – states that there are 448 private and voluntary nursing homes across Ireland⁴³. As of 1 November 2017, there were 577 nursing homes on the register of HIQA. NHI has acknowledged its support for the establishment of a statutory home care scheme in keeping with that of the Fair Deal.

Table 10 shows the average monthly costs of care per client in private and public nursing homes.

Table 10

Cost of care per NHSS client, monthly averages, 2014 - 2017				
	2014	2015	2016	2017⁴⁴
Private nursing homes	€3,924	€3,986	€4,095	€4,161
Increase		1.6%	2.8%	1.6%
Public nursing homes	€5,944	€6,083	€6,306	€6,427
Increase		2.4%	3.7%	1.9%
Public/private ratio	1.5	1.5	1.5	1.5

(Source: Meirmans, J. (2017), [Nursing Homes Support Scheme – Trends and Figures](#))

The cost per client is on average 1.5 times higher in a public bed compared to a private bed. This differential may be explained by higher client needs in public nursing homes relative to private nursing homes. A review of public nursing homes is planned to be carried out in 2018.

Other Nursing Home Costs

The maximum agreed prices per week shown above do not account for additional nursing home charges outside the scope of the Fair Deal scheme. The Fair Deal scheme provides “financial support towards nursing and personal care – bed and board, laundry service, basic aids and appliances”⁴⁵. Additional charges are for services including social activities, doctor’s service at weekends, excess incontinence pads, and physiotherapy.

The 2015 Review of the Fair Deal recommended an examination by the National Treatment Purchase Fund (NTPF) of pricing arrangements in private residential facilities. A Steering Committee has been established to oversee the review of the pricing system for private long-term residential care

⁴³ Nursing Homes Ireland (May 2017), NHI Submission to Citizens' Assembly [‘How we respond to the Challenges and Opportunities of an Ageing Population’](#)

⁴⁴ 2017 costs based on data on the first 6 months of the year

⁴⁵ Age Action (June 2017), Briefing Paper 4, [‘Regulating Nursing Home Charges’](#)

facilities. As of July 2017, it was stated that work on the pricing review was ongoing and well advanced⁴⁶. A Value For Money and Policy Review of the differences in the comparative cost of public and private long-term residential care is expected to commence in 2017 to assess reasons for and components of current cost differentials⁴⁷.

Acute Hospital Care

It has been estimated that the weekly cost of caring for an older person in an acute hospital is approximately €6,000 per week⁴⁸.

From January 1 2017, in-patients are charged a standard fee of €80 per night, up to a maximum of €800 in one year. Health regulations require that charges be imposed on long-stay or extended care patients in HSE public care (not including certain exempted persons such as patients in acute hospitals who require acute care and treatment), up to a maximum of €175 per week.

Patients who opt for private in-patient (including day-care) services in public hospitals are liable for a range of private accommodation charges (see table 11 below) and a charge equivalent to the statutory charge (currently €80 per day up to a maximum of €800 in any 12 month period).

Table 11

Hospital Category	Single Occupancy Room	Multi Occupancy Room	Day Case
Hospital specified in the 5th schedule	€1,000	€813	€407
Hospital specified in the 6th schedule	€800	€659	€329

(Source: HSE (2017), *Hospital Charges*)

⁴⁶ See reply to Parliamentary Question of 4 July 2017 by Minister of State at the Department of Health (Deputy Jim Daly) on [Nursing Homes Support Scheme Review](#).

⁴⁷ See reply to Parliamentary Question of 11 July 2017 by Minister of State at the Department of Health (Deputy Jim Daly) on [Nursing Homes Support Scheme Review](#).

⁴⁸ Research Report by Amárach Research, Ronan Lyons, Lorcan SIRR and Innovation Delivery (2016), '[Housing for Older People – Thinking Ahead](#)'

Appendix 3

The information below is sourced from Citizens' Information and the HSE.

Home Help

The Home Help Service supports the assessed needs of vulnerable people in the community who through illness or disability are in need of help with day-to-day tasks.

Home help services are provided in order to assist people to remain in their own home and to avoid going in to long-term care. In practice, the Health Service Executive (HSE) either provides the home help service directly or make arrangements with voluntary organisations to provide them.

There are not enough people available to provide home help services to people who are assessed as being in need of the service. In some areas, applicants may be asked to identify a person who may be able to provide the service. If that person is considered suitable by the HSE, then he/she may be offered the job.

Some Local Health Offices also provide a limited home help [respite care](#) service for carers.

Rules

The home help is expected to provide a set number of hours of assistance each day or each week.

The precise arrangements can usually be agreed with the HSE. The focus of the Home Help service is on essential personal care, such as washing, taking a shower, assistance with changing position, oral hygiene, or help at mealtime, and on essential domestic duties (like lighting a fire or bringing in fuel if there is no alternative heating source, or basic essential cleaning of the person's personal space).

Home helps are not expected to provide nursing or medical care.

The particular supports provided to each person will depend on the needs that are identified during the assessment which is undertaken by a HSE health professional, generally a public health nurse.

Each application for home help services is considered on its own merits. The Local Health Office may take a number of factors into account, including income, other family support available, remoteness from services and availability of suitable people to provide the service.

There is no means test for HSE home care services and people who receive these services do not have to pay for them.

Home Care Package

The Home Care Package (HCP) scheme is an administrative scheme, operated by the HSE. It aims to help people who need medium to high caring support to continue to live at home independently.

The HSE operates [national guidelines](#) on how to qualify for the HCP scheme. The scheme is not means tested, and there is no charge or contribution to be paid for the services provided.

Each HSE Area has responsibility for the operation of the scheme within the resources allocated for it in that area. This means that the level of service or support may vary in different parts of the country depending on the local population, individual needs, who is available to deliver services and the demand for the scheme.

What does the Home Care Package scheme consist of?

Each support package is tailored to the individual's needs. The package may include the services of nurses, [home helps](#) and various therapies including [physiotherapy](#) and [occupational therapy](#) services. The services that are supplied will depend on needs, as assessed by the HSE, and the levels of other supports available, such as family members or friends.

The individual Package will vary according to medical condition, the level of care required and the supports already available to an individual. For example, there might be a greater emphasis in some Packages on home help services (personal and/or domestic care) while other Packages may require a greater level of therapy and nursing, depending on individual need.

The HSE may provide a Home Care Package as a short-term arrangement, for example, when the individual is recovering following a stay in hospital, during an illness or while they are recuperating. A HCP may also be provided to help with the activities of daily living over a longer term.

Who is the Home Care Package scheme for?

The main priority of the HCP scheme is older people living in the community or who are in-patients in acute hospitals and at risk of admission to long-term care.

Home Care Packages may also be available to those older people who have been admitted to long-term care and who can (with support), return to the community. Packages may also be offered to people who are already using existing care services, such as home helps, but who may need more assistance to continue to live in their community.

Home Care Packages may also be available occasionally for younger people whose needs would be best met by access to older people's services, for example, in the situation of early-onset dementia.

How does a Home Care Package work?

The type of Package available will depend on the needs of the individual concerned. The HSE carries out a Common Summary Assessment Report (CSAR) to determine the care needs of the individual⁴⁹. In most cases, your public health nurse will do a Care Needs Assessment and will work out how the applicant's needs would be most appropriately met.

The general rule is that if more than 5 hours' home help service per week is needed, a HCP may be provided. The number of hours and types of support or services approved by the HSE will again depend on individual needs.

Services may be provided by the HSE directly, or by certain non-HSE providers. These are voluntary (not for profit) and private (for profit) organisations that have been approved by the HSE to provide Home Care Packages. Since 1st September 2016 all new Home Care Packages approved by the HSE will be provided by organisations that have been approved by the HSE following a detailed tender process.

Rates

Home Care Packages are tailored to meet individual needs. This means that services vary. Typical packages of support available under the scheme may be worth between €350-€500 per week in respect of each patient, depending on individual need. As outlined above, the Package may consist of:

- Services provided directly by the HSE, or
- Services provided on behalf of the HSE by a non-HSE provider, or
- A combination of the above.

⁴⁹ HSE (2017), [Common Summary Assessment Report](#)

Appendix 4

The Role of Carers

Carers play an important role in meeting the needs of older people. The Department of Employment Affairs and Social Protection provides a number of supports to carers.

Carer's Benefit

Carer's Benefit is a PRSI contribution-based payment made to people who take time out of the workforce to provide care to a person in need of full-time care and attention. Carer's Benefit can be paid for up to 104 weeks (two years) for each person being cared for. Among the criteria to be eligible for Carer's Benefit a carer must:

- Be aged between 16 and 66
- Have been in employment (working at least 16 hours per week or 32 hours per fortnight) for at least 8 weeks in the previous 26 weeks before becoming a carer
- Be living with, or in a position to provide full-time care to the person in need, who must not be living in an institution
- Not be engaged in employment, self-employment, training or education outside the home for more than 15 hours per week. The maximum allowable net income that can be earned is €332.50 per week
- Have at least 156 PRSI contributions paid at any time between the time they started to pay PRSI and the time of the claim for Carer's Benefit

The maximum weekly rate of Carer's Benefit in 2017 is €210 (caring for one person) and €315 (caring for two people). These rates will increase from March 2018 to €215 and €322.50 respectively.

Carer's Allowance

Carer's Allowance is a means-tested payment to people on low incomes looking after a person needing support due to age, physical or learning disability, or illness. Among the criteria to be eligible for Carer's Allowance, the carer must:

- Be living with or in a position to provide full-time care to a person in need of care who does not normally live in an institution.
- Be at least 18 years old

- Not be engaged in employment, self-employment, training or education outside the home for more than 15 hours a week.

The person who is being cared for must:

- Be over 16 and require full-time care or
- Be aged under 16 and in receipt of a Domiciliary Care Allowance
- Require continuous supervision either to avoid danger to themselves or require frequent assistance in relation to bodily functions
- Require full-time care and attention for a period of at least twelve months

The maximum weekly rate of Carer's Allowance in 2017 is €209 (caring for one person) and €313.50 (caring for two people) aged under 66. The maximum weekly rates are higher for those aged 66 and over at €247 (caring for one person) and €370.50 (caring for two people) respectively.

These rates will increase in March 2018. The maximum weekly rate of Carer's Allowance from March 2018 will be €214 (caring for one person) and €321 (caring for two people) aged under 66. The maximum weekly rate for those aged 66 and over will be €252 (caring for one person) and €378 (caring for two people).

If a carer is in receipt of a social protection payment(s) and providing full-time care to another person, they may keep their main social protection payment and receive a half-rate Carer's Allowance as well.

Carer's receive the Carer's Support Grant (formerly called the Respite Care Grant) each year from the Department of Social Protection. The annual payment is made to carer's receiving Carer's Benefit, Carer's Allowance and the Domiciliary Care Allowance. In 2017 and 2018, the grant is worth €1,700 per person cared for.

Recipients and Costs of Carers' Payments

As Carer's Benefit and Carer's Allowance are demand-led schemes, the number of recipients' changes year-to-year. Table 12 shows the figures from 2007 to 2015 (latest available).

Table 12

Carer's Benefit and Allowance - Expenditure and Recipient Numbers, 2007 – 2015*

	2007	2008	2009	2010	2011	2012	2013	2014	2015
Carer's Benefit									
Carer's Benefit Expenditure €000s	26,900	33,666	30,204	26,288	24,474	24,498	22,443	23,652	30,117
Carer's Benefit Recipients	2,080	2,249	1,917	1,642	1,637	1,638	1,598	1,769	N/a
Average Cost per recipient (by year) €	12,933	14,969	15,756	16,010	14,951	14,956	14,044	13,370	N/a
Carer's Allowance									
Carer's Allowance Expenditure €000s	361,257	450,260	502,469	501,789	507,193	509,671	554,801	559,456	611,135
Carer's Allowance Recipients	33,067	43,569	48,223	50,577	51,666	52,209	57,136	59,380	63,003
Average Cost per recipient (by year) €	10,925	10,334	10,420	9,921	9,817	9,762	9,710	9,422	9,700

(Source: Department of Social Protection and PublicPolicy.ie (2016), ['A Survey of Social Benefits in Ireland'](#))

Expenditure on Carer's Benefit increased by 12% (€3.22m) between 2007 and 2015, despite a decrease in recipient numbers of 15% (as of 2014). Average costs rose between 2007 and 2010 before declining in more recent years.

Expenditure on Carer's Allowance has increased by 69% (€250m) over the same period as recipient numbers have almost doubled; rising over 90% by 29,936 between 2007 and 2015 to reach just over 63,000. Average cost dropped marginally by 11% over this period from €10,925 to €9,700.

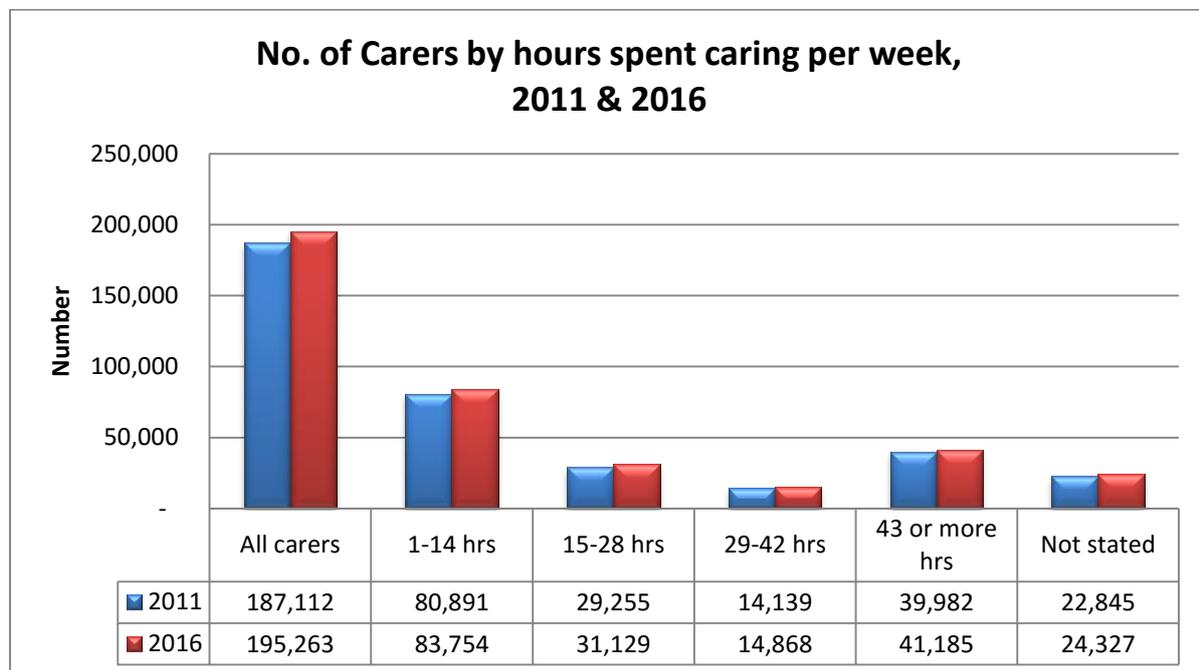
The cost of the Carer's Support Grant has increased by 71% (€51.8m) between 2007 and 2015 from €73.4m to €125.1m.

Unpaid Carers

Census 2016 provides an insight into the number of unpaid carers, and the number of hours of care provided per week to those with health and caring needs. The number of people stating that they were unpaid carers increased by 8,151 or 4.4 per cent, reaching 195,263 in 2016 relative to 187,112 in Census 2011. Unpaid carers accounted for 4.1 per cent of the total population in both Census 2011 and 2016. In 2016, the majority of carers were women (118,151 or 60.5 per cent) with men accounting for 77,112 or 39.5 per cent of all unpaid carers.

Figure 5 shows the number of carers across different bands of hours spent providing care per week.

Figure 5



(Source: CSO (2017), [Census 2016 – Health, Disability and Caring](#))

Table 13 identifies the share of carers providing care across the different categories of hours.

Table 13

Hours spent caring per week - % Shares, 2011 & 2016

	2011	2016	PP Change
1-14 hrs (up to 2 hours a day)	43.2	42.9	-0.3
15-28 hrs (between 2 and 4 hours a day)	15.6	15.9	0.3
29-42 hrs (between 4 and 6 hours a day)	7.6	7.6	0.1
43 or more hrs (6 hours a day or more)	21.4	21.1	-0.3
Of which			
43-84 hrs (between 6 and 12 hours a day)	39.5	37.2	-2.3
85-167 hrs (between 12 and 24 hours a day)	22.6	21.7	-0.9
168 hrs (24 hours a day)	38.0	41.1	3.1
Not stated	12.2	12.5	0.2

(Source: CSO (2017), [Census 2016 – Health, Disability and Caring](#))

Overall, the table above highlights a stable share of carers providing the same number of hours over the intercensal period from 2011 to 2016, with the exception of a 3.1 percentage point increase in the share of persons providing 24 hours a day care; rising from 38 per cent of carers to 41.1 per cent between 2011 and 2016.