



MINISTER MARY COUGHLAN LAUNCHES REPORT ON THE FUTURE FINANCING OF LONG-TERM CARE IN IRELAND

Mary Coughlan, TD, Minister for Social and Family Affairs, today launched a Study to Examine the Future Financing of Long-Term Care in Ireland, which was undertaken for her Department by Mercer Human Resource Consulting.

“This report will form the basis of a general consultation process over the coming months,” Minister Coughlan said. “It is most important to receive comprehensive views on the very significant issues in relation to cost, financing and possible models of benefit design, which are set out in this report,” the Minister added.

Demand for long-term care will increase due to the ageing of our population and the reduced availability of informal care as a result of falling birth-rates and greater participation by women in the labour force.

“Following the consultation process, the Government will be in a position to set up the Working Group to examine the strategic policy, cost and service delivery issues associated with the care of older people as outlined in the Partnership Agreement ‘Sustaining Progress’,” Minister Coughlan said.

ENDS - June 25th 2003



NOTE FOR NEWS EDITORS:

Background

This report was undertaken by Mercer at the request of the Department and was overseen by a Project Steering Group comprising officials of the Department of Social and Family Affairs, the Department of Finance and the Department of Health and Children.

Terms of Reference

The brief was to examine three broad areas:

1. The potential of the private sector or a combined public/private sector approach to assist in financing/funding long term care.
2. The potential of the PRSI system to finance/fund long term care
3. Whether the current system of long term care financing (through taxation) should remain the status quo.

Some findings of the Report

1. The Study estimates that the total number of older people in need of moderate or higher levels of care (84,000) represents 19.5% of those aged 65 or over.
2. Projections indicate that the number of people in need of high or continuous levels of care will increase from 2.1% of the total population (77,500 people) in 2001 to 3.8% (150,400 people) by 2051.
3. The Study considers that the introduction of an objective, independent, comprehensive and nationally consistent basis for



assessing an individual's entitlement is crucial. It is also recommended that the assessment process should encompass an assessment of the carer's abilities and needs as well as those of the care recipient.

4. The Study favours financing long-term care through social insurance.