

More individual responsibility in geriatric care: wishes and possibilities

Raun van Ooijen (RUG), Jochem de Bresser (TiU) and Marike Knoef (LU)

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People in the Netherlands are getting older and older - and so the costs of long-term care are increasing as well. In recent years a range of far-reaching measures have been taken to reduce collective spending on care. This is placing a larger share of responsibility for care on the shoulders of the people themselves, and on those around them. In this Netspar Brief we examine to what extent people requiring a moderate level of care are able, in financial terms, to bear their own responsibility for help and support. We also examine the willingness of people to take on more responsibility for moderate care.

We identify differences in the willingness to pay for moderate levels of geriatric care. This diversity points to a need for freedom of choice in how people wish to arrange geriatric care. People with high incomes are prepared to spend more on home care than people with low incomes. Having a partner and the availability of an informal carer are two factors that reduce the demand for professional home care.

An average retired household has a reasonable amount of capital and pension income, and this can be used for more extensive home care. However, the majority of people expect that pension income alone will not be sufficient. Among this group, around half puts money aside on a precautionary basis to cover possible illness. The other half of the group, however, does not plan to put money aside for this. The latter group of people often has a lower income, and thus in the event of illness they are more frequently dependent on state-provided care facilities.

Among the Dutch there is broad support for individual responsibility for non-medical aspects of care, such as relaxation. Almost half of the population regards home help as a joint responsibility, while the majority feels that nursing and care is a task for the state.

Voluntary insurance for home care ensures that people who have high requirements for geriatric care do not have to save unnecessarily large amounts. Half of the population expresses an interest in collectively or privately insured home care, mostly in the shape of domestic help and personal care. People with higher expected care needs are prepared to pay more for insured home care. This can, insofar that people make good estimates here, lead to undesirable selection effects. One solution may be to arrange insurance in good time, for instance at the age of 65, so that people still have little individual knowledge of their home care needs.