

# Care means-testing is world's harshest

Greg Hurst Social Affairs Editor

Older people in England who need long-term care have to pass one of the harshest means tests in the developed world to gain state support, a study found.

Older people and their families are more likely than their counterparts in many other countries to pay large care bills because of the way social care is funded. A generation of elderly people missed out on better long-term care as successive governments ducked reform, leaving England "the poor man of Europe" for social care, it said. England also fared badly when compared with Japan.

The report by Incisive Health, a consultancy, for Age UK looked at the funding and effectiveness of social care in developed countries with similar demographic challenges to England of an ageing population and falling birth rate. The government plans to publish reforms to England's social care this

autumn, while cash-strapped councils have cut the fees they pay for care, leaving many care homes struggling.

The study concluded that England's social care system was behind Germany, Japan and France, whose governments define national entitlements, and Spain and Italy where services vary by region. These countries each provide some basic support to elderly people regardless of wealth, use a flexible means test or limit total costs. In England care costs must be met in full by anyone with assets above £23,250.

France had the most progressive social care system, funded by national insurance, Incisive Health concluded. Payments are collected as part of income tax with top-up payments from individuals using a gradual means test or the private insurance market.

Germany's system was judged the best funded, paid for by an income tax levy of 2.55 per cent, of which half is paid by employers.

The study praised Japan for expand-

ing support to its ageing population, with half the funding from general taxation and a third from an additional levy on people aged between 40 and 65. People are also required to pay 10 per cent of their care costs.

The authors said that social care in Spain, which is organised and funded regionally with some national taxation, had been good until its government made cuts when the economy stalled.

Italy has a highly localised system, with many areas paying cash directly to families, but the report said that in poorer parts of southern Italy, these payments were often used to supplement incomes rather than for care.

Caroline Abrahams, Age UK's charity director, said: "Sadly, this report shows that England has been left behind in the race to update the funding of care for older people, compared to some other similar nations. As a result, our older people and their families are paying more and bearing a lot more of the risk of needing expensive long-term care."

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