A comparative analysis on long-term care models in Qingdao, Nantong, and Shanghai

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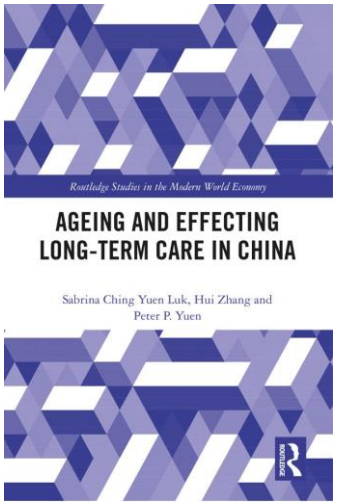

Population ageing in Qingdao, Nantong and Shanghai

	Qingdao (Shandong Province)	Nantong (Jiangsu Province)	Shanghai
An ageing society (When?)	1987 (12 years ahead of China in becoming an ageing society)	1982 (17 years ahead of China in becoming an ageing society)	1979 (the first ageing society in China)
An aged society (When?)	2017	2010	2005
A super-aged society (When?)	--	2020	2017
No. of population aged 65 years and above	over 1.31 million (2017)	1.75 million (2020) [1,321 centenarians in 2018]	3.82 million (2020)
Population aged 65 years and above (% of total population in the city)	14.1% (2017)	22.67 % (2020)	25.9% (2020)

Beihai: Open coastal cities
//////// : Economic regions

(Map) Source: Lau, M. (2005) Integrated Coastal Zone Management in the People's Republic of China – An Assessment of Structural Impacts on Decision-making Processes

Long-term care insurance (LTCI) in Qingdao, Nantong and Shanghai

Enrolment in the LTCI scheme is tightly linked to an individual's social medical insurance status.

	Qingdao	Nantong	Shanghai
Insured population	[1] Social Medical Insurance for Employee (SMIE) participants [2] Social Medical Insurance for Resident (SMIR) participants	[1] Urban Employee Basic Medical Insurance (UEBMI) participants [2] Urban and Rural Resident Basic Medical Insurance (URRBMI) participants	UEBMI and URRBMI participants aged 60 and above
Financing sources	**[a] SMIE participants:** [1] Social pooling fund (SPF) of the medical insurance fund; [2] Individual Medical Savings Accounts (MSAs); [3] Government subsidies; [4] A one-time transfer of up to 20 percent of the accumulated surplus in the employee basic medical insurance fund; and [5] Social donations **[b] SMIR participants:** -an annual transfer of money from the SMIR fund, the amount of which was no more than 10 percent of the residents' total social medical insurance premium contribution	**[a] UEBMI participants:** [1] SPF of basic medical insurance fund [2] Individual contribution (i.e. individual MSAs) [3] Government subsidies **[b] URRBMI participants:** Individual contribution; LTCI is also financed by money from the welfare lottery fund annually and donation from individuals, enterprises or charity organizations.	**[a] UEBMI participants:** SPF of UEBMI **[b] URRBMI participants:** SPF of URRBMI Ultimate goal: LTCI premium by employers, UEBMI and URRBMI participants
Benefits	[a] cover the monthly expenses of ADLs care for eligible persons [b] The LTCI reimbursement rate: 90 percent for SMIE participants, 70-80 percent for residents	LTCI covered service charges, the cost of bed occupancy, and the cost of using nursing equipment and consumables	The LTCI fund covers 90% of the community home care fees and 85% of the nursing home care fees. LTC provided in hospitals is reimbursed according to the beneficiaries' health insurance status.
Number of LTCI beneficiaries; **Average age of LTCI beneficiaries**	- From 8,000 (2012) to 71,000 (2021) people; - 79.3 years old	- 25,727 people (October 2020) -64% of LTCI beneficiaries were 80 years old and above	-Over 500,000 people (March 2021) -80.1 years old (home care) 85 years old (residential care)
LTCI expenditure	From RMB 70 million (2012) to RMB 3.5 billion (2021)	RMB 114.5 million (By the end of 2020)	RMB 1.27 billion (As of July 2019)

Types of long-term care (LTC) services covered by long-term care insurance (LTCI)

	Qingdao		Nantong	Shanghai
Types of LTC services covered by LTCI	A '4+3' service approach		[1] home care (introduced lots of home care service packages) [2] nursing home care [3] hospitalization care (mainly for coma patients, long-term ventilator-dependent patients, patients with complete paralysis)	[1] home care (cash subsidy from the government) [2] nursing home care (serve as a supplementary service) [3] inpatient medical and nursing care
	For the disabled [1] home care [2] nursing home care [3] intensive care at hospitals [4] community-based mobile clinic (*she qu xun hu*)	For people with dementia (PWD) [1] day respite care [2] short-term respite care (up to 60 days per year) [3] residential care		
Eligibility	[1] in disability level three and above (i.e. moderate and severe disability; a total of six disability level) [2] higher level of disability, longer hours of LTC services received (range from 3 to 7 hours every week)	Assessed by [1] the Mini-Mental State Exam (MMSE) [2] the Montreal Cognitive Assessment (MoCA) [3] the Hachinski Ischemic Score (HIS) [4] The Hamilton Depression Rating Scale (HAMD) [5] ADLs assessment	[1] Assessed by the Barthel Index (BI) [2] Only people with severe disability are eligible for receiving LTC [3] Starting from 1 January 2019, LTCI was extended to cover PWD. People with severe dementia can receive LTC at dementia care wards	[1] UEBMI and URRBMI participants who are aged 60 and above, and who are in care level two and above (determined by self-care ability and disease severity; a total of seven care level) [2] The frequency of home care depended on the level of care (range from 3 to 7 times a week)
LTC service providers	770 designated institutions; 95% of them are privately run, providing over 98% of LTC services	30 designated hospitals or nursing homes dementia special care units (as of January 2021)	254 designated LTC service agencies; a volunteer system (i.e. time-banking); Through a LTCI mobile application, volunteers can choose which LTC beneficiaries they want to serve, which types of services they can offer, and when to deliver the services to LTC beneficiaries	1,173 designated LTC service providers

	Qingdao	Nantong	Shanghai
Utilization of medical resources	Yes; Address the problem of social hospitalization % of older people with disability receiving care at hospitals: Before implementing LTCI: > 50% After implementing LTCI: 4.7%	Yes; Save the medical expenses of RMB 269 million after older people with disability have moved from hospitals to nursing homes	Yes; Inpatient expenditures, medical insurance expenditures, and outpatient visits per month respectively decreased by 17.7 percent, 11.4 percent and 8.2 percent (Feng *et al*. 2020: 113081)
Cost	Mixed results about whether LTCI can save costs [1] The average annual expenditure of home care and nursing home care per capita was RMB 2,000, which was three times lower than the average annual expenditure of intensive care at designated hospitals per capita [2] High reimbursement rate for LTCI-covered services [3]LTCI would drive up demand for LTC services → increase LTC costs	Yes. [1] Average expenses per inpatient day at a nursing home was just RMB 145, which was 8.6 times less expensive than average hospital expenses per inpatient day. [2] The care subsidy helped cover LTC expenses for beneficiaries. [3] Pay nominal fees to rent auxiliary aids [4] Buy 15 types of nursing and healthcare consumables below market price	Yes. [1] The economic burden of older adults and their caregivers decreased by RMB 131.1 million due to the reduction in inpatient admission and the reduction in reimbursement expenditure per day. [2] Reimbursement expenditure per day in LTC facilities in Shanghai was RMB 418.82, which was about 5.2 times less than that of in tertiary hospitals (Feng *et al*. 2020).

The performance of the LTC models in Qingdao, Nantong and Shanghai

	Qingdao	Nantong	Shanghai
Equity	The problem of inequity: [1] UEBMI participants enjoy better LTCI than URBMI participants. [2] No equal access to home care, nursing home care, and intensive care at designated hospitals due to uneven distribution of LTC services in urban districts [3] urban-rural disparity in LTC	Urban-rural disparity (home care services) e.g. Two medical staff were responsible for providing home care services for 600 elders in Chongchuan District.	The problem of inequity: [1] Disabled people aged below 60 are unable to enjoy LTCI. [2] The current LTC services fail to meet the needs of PWD [3] The needs assessment also fails to accurately identify the level of care needed by older adults. E.g. Those who have rich disease history but high self-care ability get a higher level of care than those having little or no medical history but low self-care ability
Quality of care	[1] affected by shortage of LTC beds and shortage of LTC workers [2] affected by care providers' cream skimming practice	Quality of care is affected by shortage of LTC workers, the lack of professional training among elder care workers	[1] Those received community home care and nursing home care were not satisfied with perineal care, medical and nursing care due to elder care workers' insufficient knowledge and skills to perform provide such care [2] Uneven distribution of LTC facilities and resources affected disabled elders' satisfaction with LTC services
Sustainability	The LTCI fund for employees may become financially unsustainable in the long run	[1] The financial stability and sustainability of LTCI fund would be affected by the financial stability of the medical insurance fund. [2] Over reliance on government subsidies would also affect the financial stability and sustainability of the LTCI fund in the long run	Reliance on the social pooling fund (SPF) of two basic medical insurance funds (i.e. the UEBMI and the URRBMI) to fund LTCI may affect the financial stability and sustainability of the LTCI system.

Ways to improve the financing and delivery of LTC in Qingdao, Nantong and Shanghai

Qingdao	Nantong	Shanghai
[1] LTCI should be created as a scheme independent of medical insurance scheme to ensure its financial sustainability in the long run.		
[2] More professional LTC facilities should be constructed in urban districts where there is higher concentration of older adults [3] Increase the number of community-based mobile clinics in rural areas [4] Develop a standardized training curriculum for people who want to become elder care workers	[2] Develop a comprehensive training curriculum for skill certification [3] More comprehensive home care service packages including infection control, rehabilitation, and dementia care can be provided if eldercare workers are equipped with relevant skills [4] The government can consider developing a pay range pegged to the level of certification eldercare workers received	[2] The needs assessment can be more comprehensive and accurate by reducing the weightage of disease severity while adding other components (e.g. structuring everyday life and social contacts, cognitive and communication skills, behaviours and psychological problems) to determine individual care needs (learn from Germany) [3] LTCI should break age limits so that more people with disability can enjoy LTC (e.g. URRBMI participants aged between 40 and 59 are eligible for receiving LTC if their disability is caused by age-related diseases) (learn from Japan).

Thank you !