



RECITES

Red Colaborativa
de Investigación Translacional
para el Envejecimiento Saludable



Desarrollo de Capacidades para Cuidados de Largo Plazo de Base Comunitaria

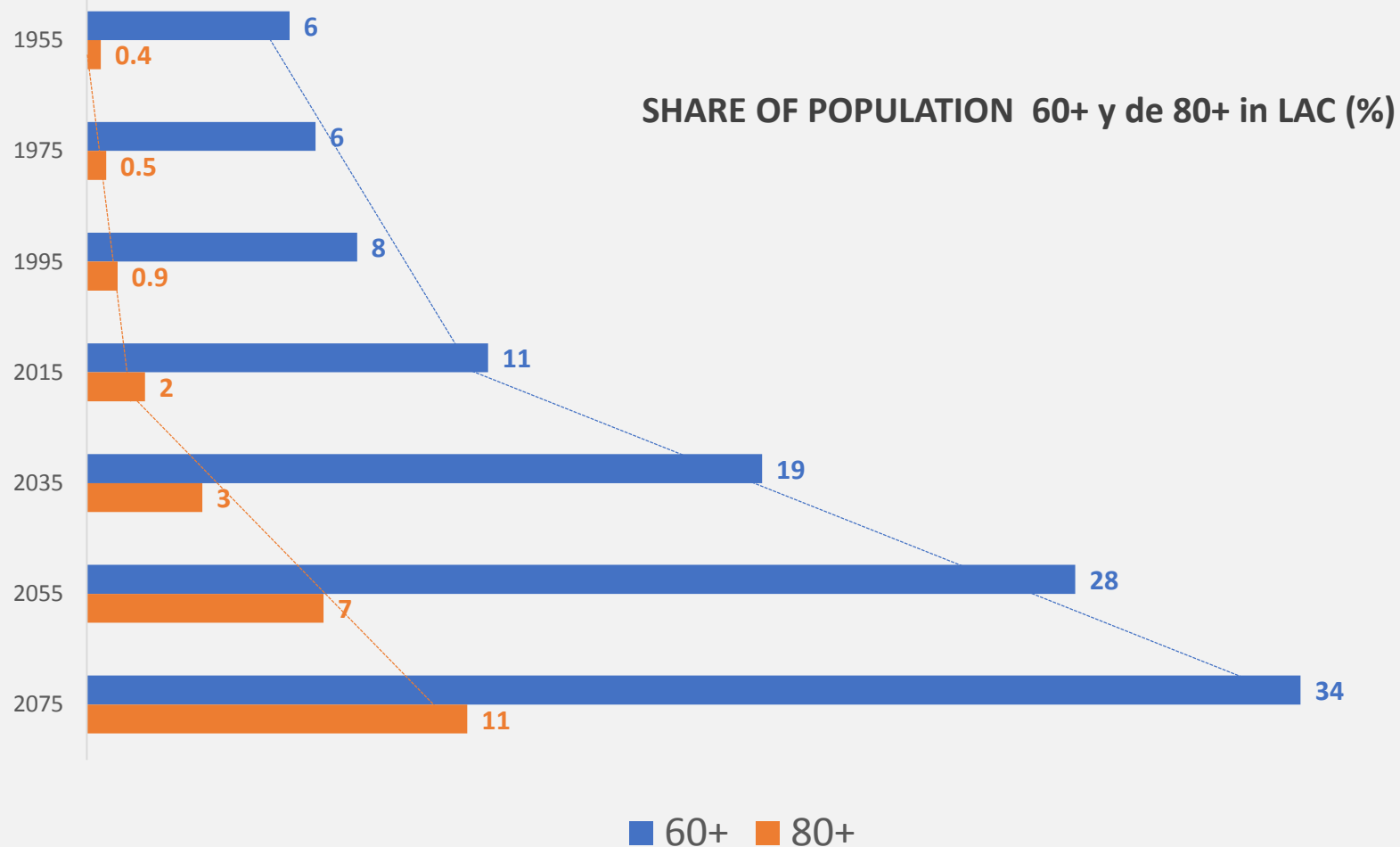
Capacity Building for Community Based Long Term Care

Aging and Long-Term Care: the IADB's perspective

Pablo Ibararán

Inter-American Development Bank

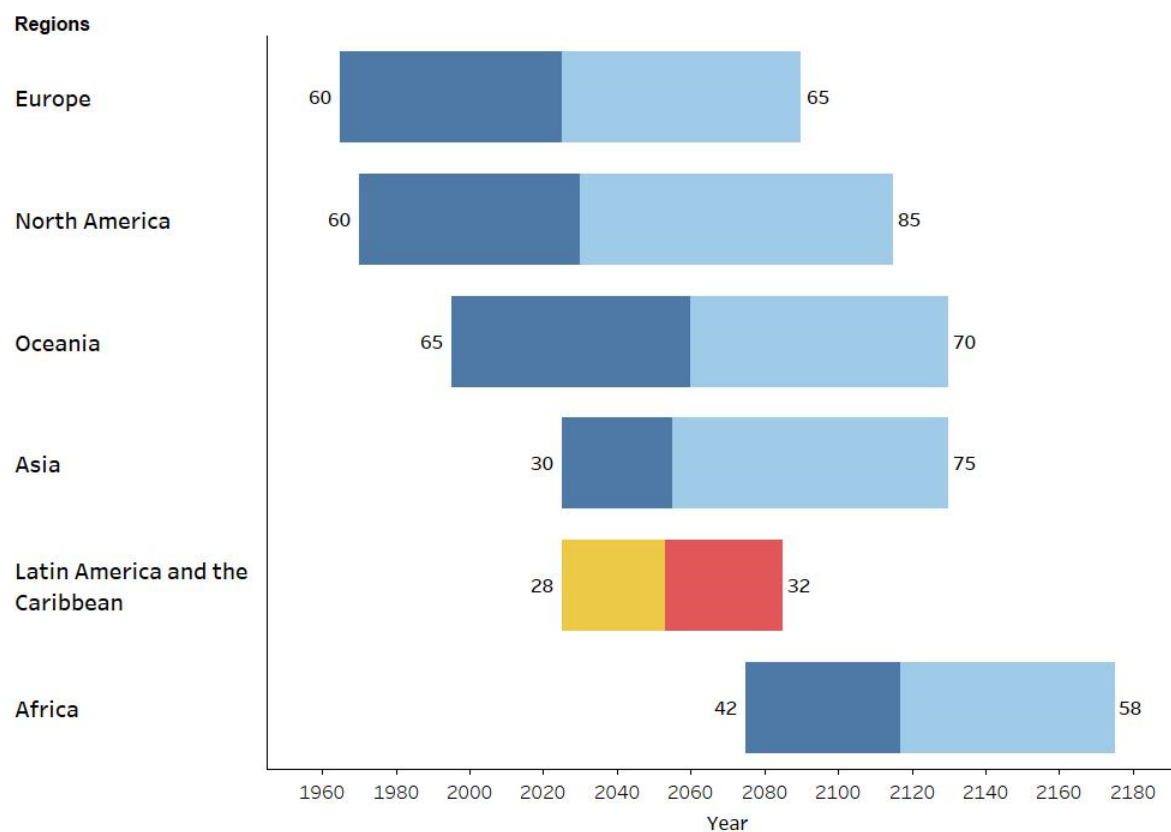
Latin America and the Caribbean is aging fast...



... and faster than any region in the world

- It took Europe 60 years to double its old age dependency ratio (from 10% to 20%). It will take LAC 28 years (from 2025-2053)
- LAC will be the first region in the world where 1 in 3 people will be over 65

YEARS NEEDED FOR THE DEPENDENCY RATIO
TO TRANSIT FROM 10% TO 30%.

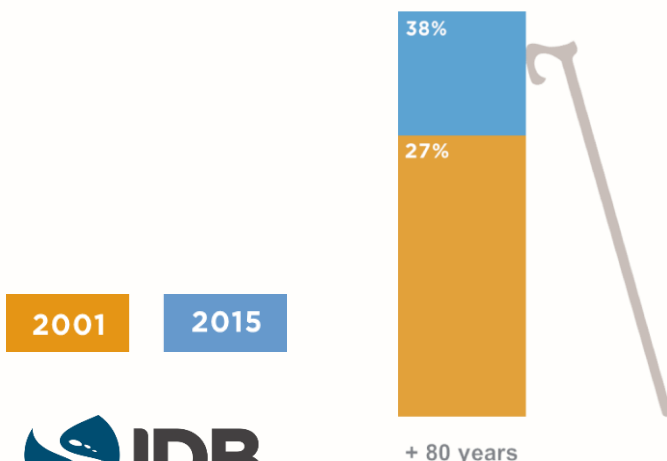


THIS IS A MULTI SECTORIAL PROBLEM WITH TWO DIMENSIONS

INDIVIDUAL WELLBEING:

Will countries in the region be able to provide basic services (pensions, healthcare, long term care) for the elderly?

Dependency in Mexico
(Share needing help for basic activities)



MACRO LEVEL:

Will countries be able to fund those services without compromising fiscal sustainability?

Public expenditure composition in 2015 y and 2065
(Average LAC)



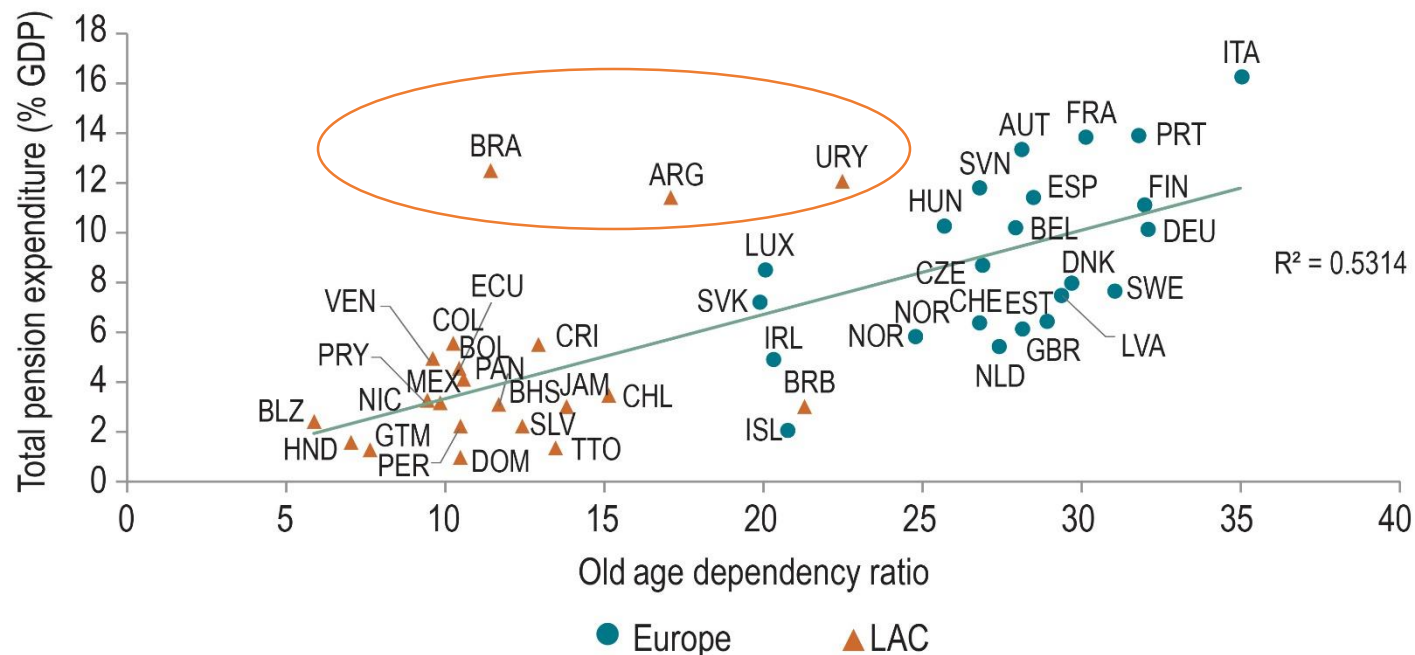
+ Estimated cost of Long Term Care in Mexico: 0.6% of GDP

PENSIONS: A CONTENTIOUS ISSUE



SUSTAINABILITY: THE CLEAR THREATS

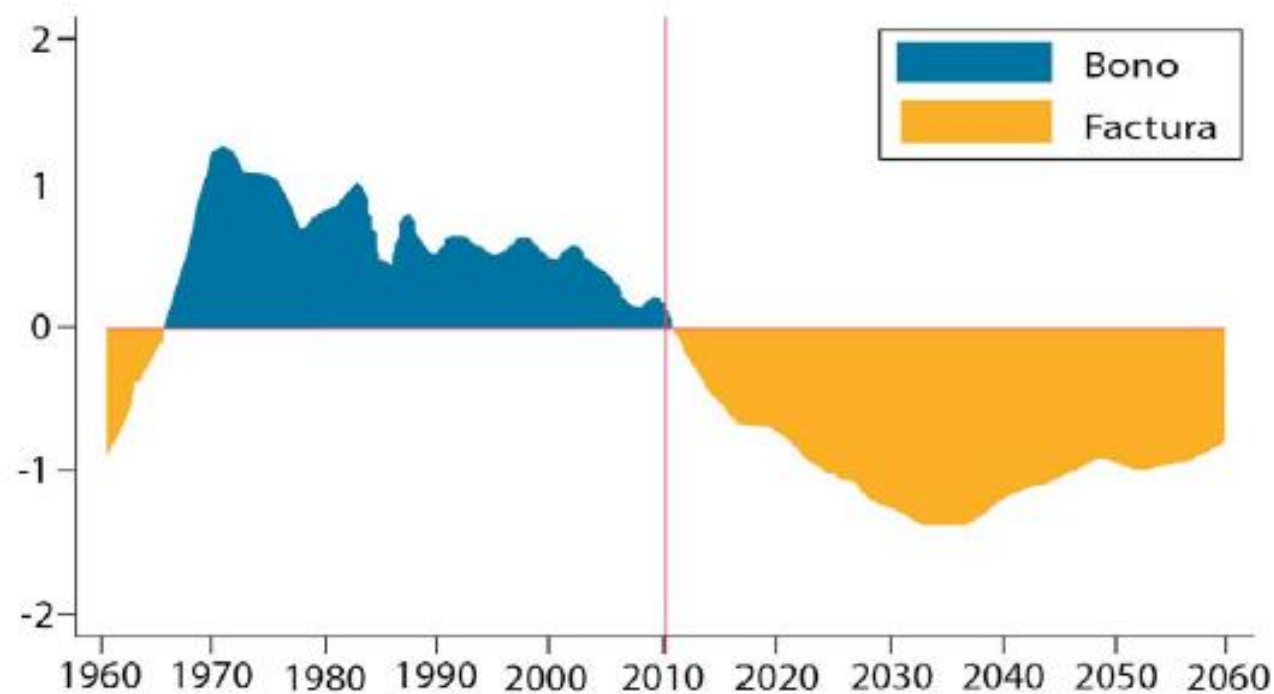
PENSION EXPENDITURE VS DEPENDENCY RATIO



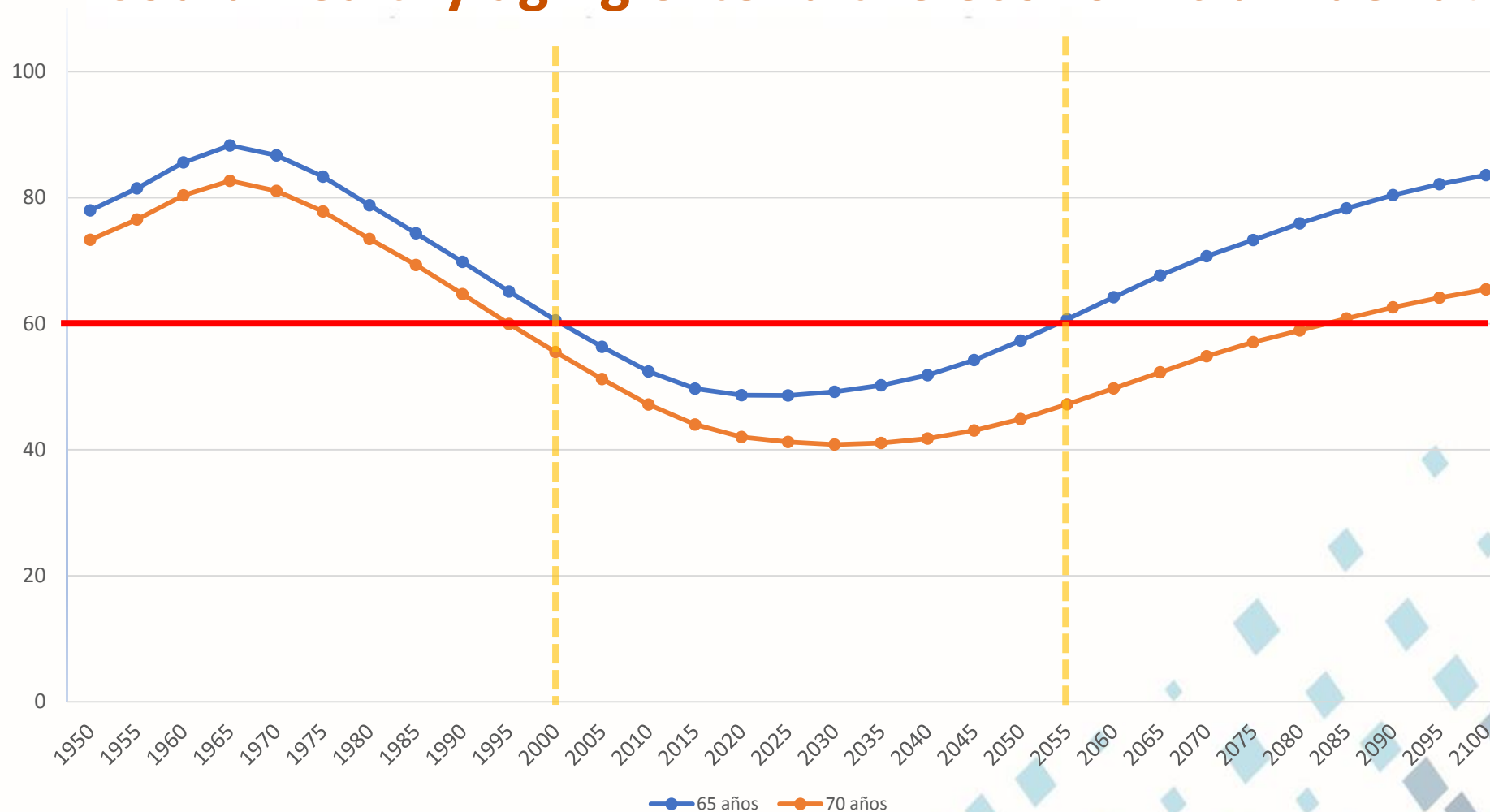
- Brazil, Argentina and Uruguay are spending like European countries but are much younger
- If other systems in the region had similar coverage would be in the same position

Are we ready? Demographic dividend and demographic bill.

Sector Salud: Bono y factura Demográfico
(En porcentajes)



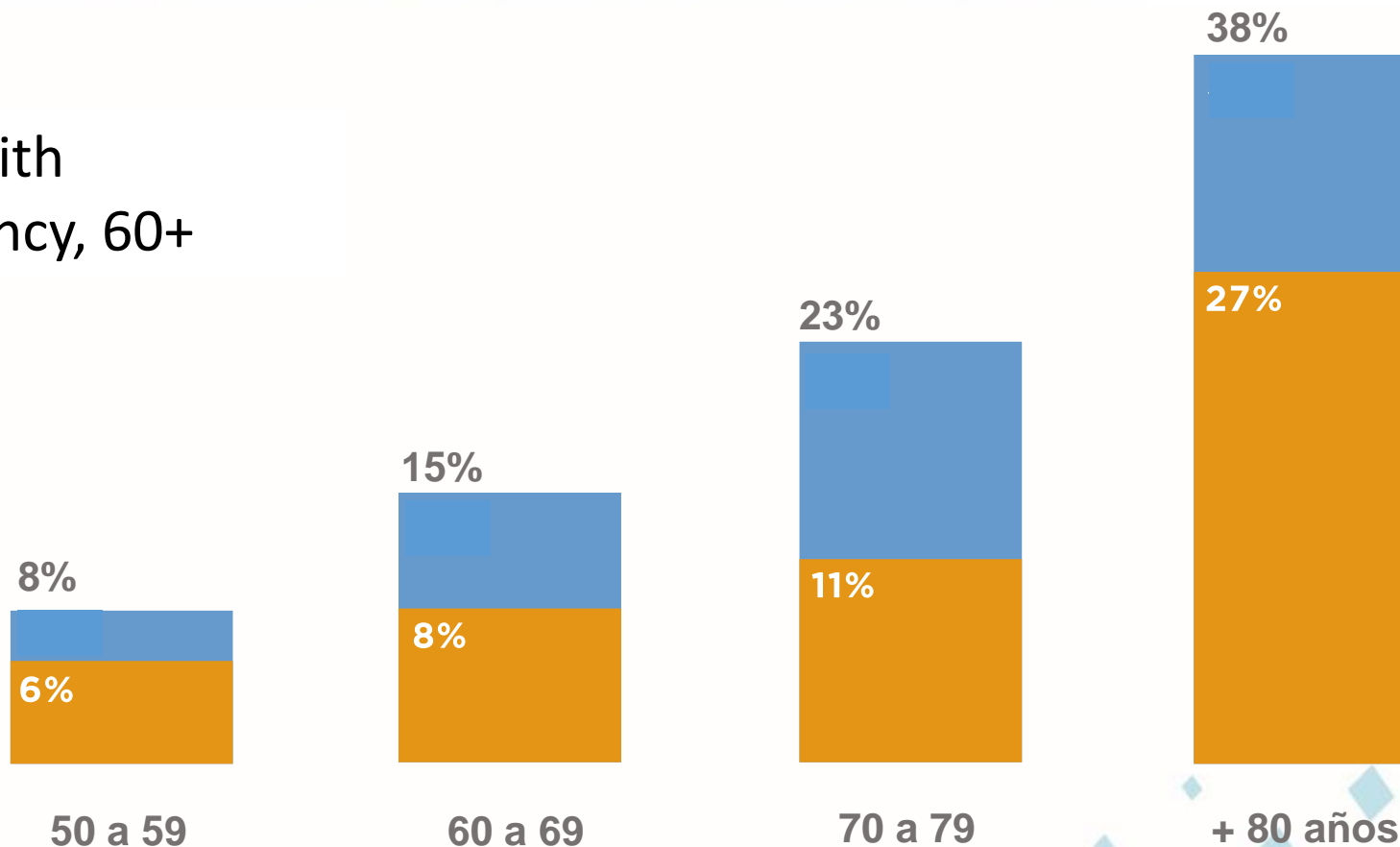
Could healthy aging extend the economic dividend?



Fuente: World Population Prospects, <https://population.un.org/wpp/Download/Standard/Population/>

In Mexico, age-specific dependency is increasing

People with
dependency, 60+



2001

2015

Functional Dependency

EN 2015
8 MILLONES



12% entre los >60 años
27% entre los >80

EN 2050
>27 MILLONES



Dependency is not only (or mostly) due
to aging

In Mexico, dependency among 65 and older represented

0.8% in 2001

2% in 2015

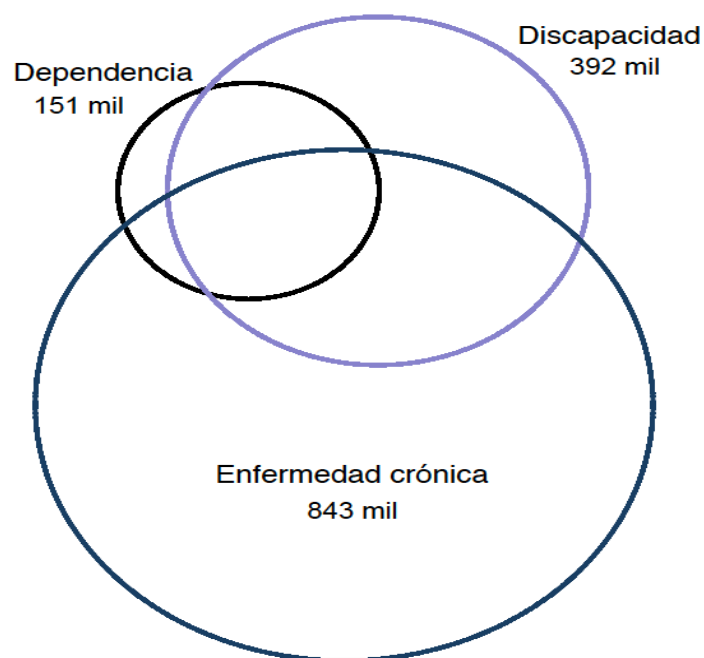
of total population

25% due to AGING

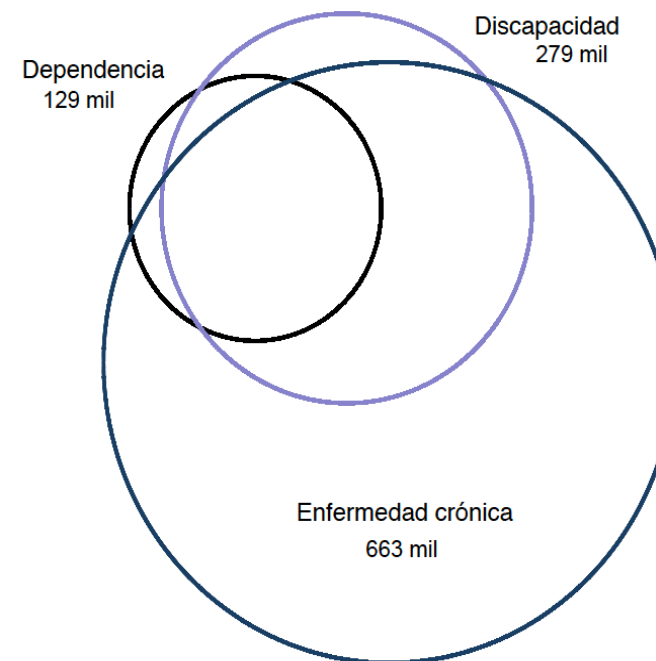
75% due to AGE-SPECIFIC
DEPENDENCY RATE

Dependency, disability and chronic diseases (Costa Rica)

18-59 (pop. tot. 2.8mill)



60 and over (pop tot 0.9mill)



Outlook for building a LTC in LAC

- Most advanced countries have a LTC (when demand increased and the supply of care decreased)
- Latin America and the Caribbean has a less favorable context:
 - Fragmented health systems
 - Not robust welfare state
 - Less advanced socioeconomic conditions
 - Lower pension coverage
 - Rights, equity and efficiency justify investment in care

Building LTC systems in LAC cannot wait

- People are living longer than ever
- More people have chronic conditions
- Assistance from family members is no longer enough
- LTC is a gender issue



How to build a LTC System?

Who needs LTC services?

Which services should be provided?

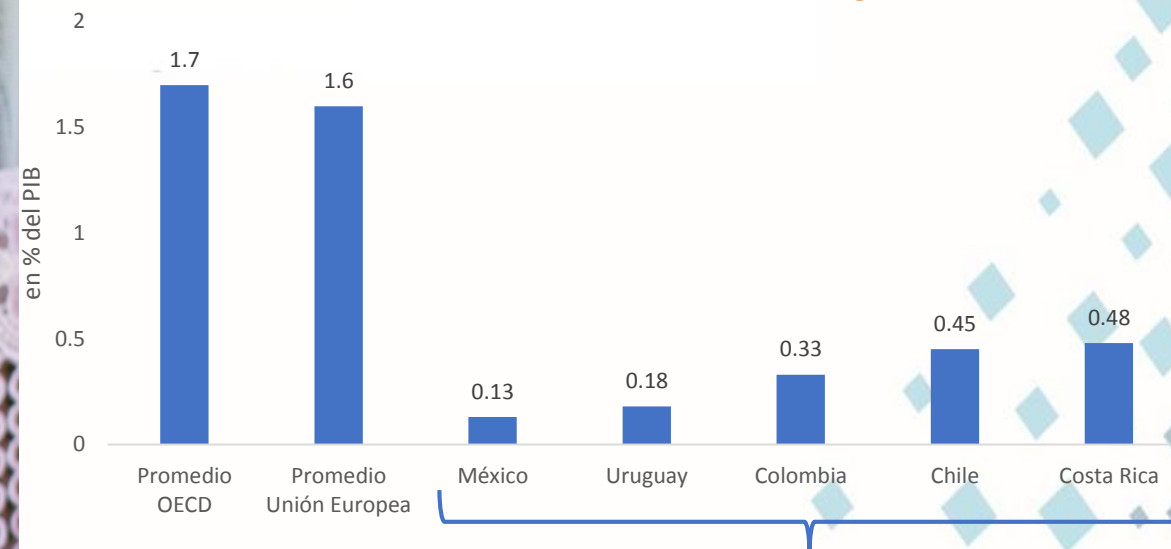
How to assure quality?

How to finance the system?

<https://publications.iadb.org/es/cuatro-elementos-para-disenar-un-sistema-de-cuidados>



• ¿How much would a LTC system cost?



Fuente: BID, Envejecer con cuidado (de próxima publicación).

Estimaciones base
(sin servicios de Salud)

- **1-3%** of GDP
- Employment-intensive sector
- (~ **2%** of employment in Europe)

Financing issues

- Income and wealth to determine benefits
- Cost containment / limit services
- Greater use of home and community care
- Private expenditures
- Filial obligations
- Sustainability



Call to action

- Most countries are not prepared to meet the **certain** increased demand for LTC
- Move from diagnosis and conceptualization to implementation
- Women in families are the almost exclusive providers

Where should we start?

- Start now, even if on a small scale
- Governance, institutions and operational issues
- Build-up economic case

Six recommendations

- Chose beneficiaries based on level of care dependence rather than age
- Train human resources and establish quality standards
- Start with home and community-based services / respite care
- Most cash transfers should require buying care services
- Use a mix of financing mechanisms, set up a single unified system
- Involve the private sector to create formal jobs



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Thank you!

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