



**AIM** Healthcare and social benefits for all

*Hosted by MEP Sirpa Pietikäinen*

## European Care systems: Solidarity and sustainability – friends or foes?

On 6 September 2022, the [European Association of Paritarian Funds – AEIP](#) and the [International Association of Mutual Benefit societies – AIM](#) held a hybrid event entitled “The European Care Strategy: Solidarity and sustainability – friends or foes?”, hosted at the European Parliament by **MEP Sirpa Pietikäinen**.

During the event EU-level key stakeholders, policymakers as well as experts from social protection & paritarian institutions, healthcare mutuels, carers and other stakeholders gathered to discuss how both the sustainability and the solidarity in care systems can be ensured given the challenges of the increasing demand, the rising costs of treatment and innovation, ageing populations, and the consequent decrease in social contributions. The discussion included also how to factor these trends and take into consideration at the same time the need to improve access to formal care services, the formalisation of informal care as well as the provision of financial support and social protection to informal carers.

**MEP Sirpa Pietikäinen** welcomed participants and opened the event as a host and co-rapporteur of the EMPL and FEMM report “Towards a common European action on care”, published earlier in July this year.

In her opening speech, MEP Pietikäinen highlighted the important role the European Parliament played in the publication of the first European care strategy on 7 September 2022. MEPs stood in the first line supporting concrete actions at European level on this topic in the past two years, and especially since COVID-19 further exposed the deficiencies in this sector.

She also underlined the need to resource and replan care systems in Europe and stressed that it cannot be done by Member States alone. According to her, it is necessary to act collectively at European and national level and include all relevant stakeholders in the discussions and procedures.

At European level it is important to set certain common standards to allow all citizens in Europe to enjoy adequate care and to enable informal workers to enjoy certain specific working conditions. Indeed, in her opinion, all European citizens have the right to good quality care.

Most importantly, MEP Pietikäinen explained how crucial it is to re-build human-centred care systems, designed on the basis of people’s individual needs. According to her, in order to achieve this:

- It is necessary to shift from institutional to community-based care and services;

- Care systems need to be open for all, with transparent and equal access, as well as equal quality of treatments and services;
- It is necessary to think and move on collectively and as a society, in this aspect both the private and public sector must be equally considered. Additionally, all stakeholders have to be involved in the procedures;
- It is necessary to find solutions to better support informal carers with the aim to shift from informal to formal care;

MEP Pietikäinen concluded by underlying the important role of not-for-profit providers like mutuals and paritarian funds in balancing the economic and social aspects of the upcoming Care Strategy. According to her, those actors should be given a special and preferential role. She hoped that those type of institutions would represent one third of the services in Member States.

**Sibylle Reichert, AIM Executive Director**, reported that there is a great need to improve access to long-term care for all as well as to improve the quality of the services provided. Another important aspect is to support informal carers throughout their life. To do so, solidarity and sustainability should be the compass when designing a long-term care strategy.

She highlighted that in this process the human-centered approach and the involvement of all stakeholders is the key to address all the challenges that affect long-term care in Europe, such as the aging population and the increase of old age dependency. She also stressed how social economy actors are key partners in the implementation of an efficient Strategy and that, as such, they should be properly supported by authorities.

After the opening speeches, the moderator, **Heather Roy, Secretary General, Eurodiaconia**, opened the panel discussion *“How can the sustainability of universal solidarity based LTC systems be ensured? What role for the Care Strategy?”* and introduced the panellists.

**José Juan Sanchez Arias, Financial Manager at the AEIP’s member CTIP**, explained that the main focus of long-term care policies is the elderly population, while it should also include the category of people who lost their autonomy, including disable people and people affected by chronic diseases of every age.

He explained that in terms of social protection relevant challenges arise linked to the sustainability of our social security systems. For example, there is an issue with financial sustainability due to shrinking labour force.

For CTIP key elements to improve LTC sustainability and solidarity are:

- Access to innovative use of technology that will benefit the whole society;
- promoting the support and help to informal carers;
- improving the quality of services offered.

He concluded specifying how long-term care is similar to climate change: it is necessary to act collectively to achieve desirable results.

**François Perl, Chair of the Working Group on Ageing and Long-term Care, AIM**, explained that the main expectation for mutual benefits societies on the European Care Strategy is that it should have solidarity, accessibility and affordability at its core. The Strategy should propose concrete ways to achieve this in practice as human rights should also be at its centre. He underlined that health and LTC should be de-merchandised.

He pointed out that particular emphasis should also be put on ensuring universal access to long-term care. He called for the reinforcement of public not-for-profit social protection systems.

To do so, the strategy needs to be fully aligned with the principles of the European Pillar of Social Rights. It also needs to consider the labour shortages and the workforce crisis in the sector, taking into account both the potential and the limitations of technology.

Last but not the least, he regretted that “rehabilitation” was removed from the European Pillar of Social Rights draft following the report of the European Parliament. Rehabilitation should be considered as a basic human and social right.

According to **Mr. Philippe Seidel, Policy Manager on Social Protection at AGE-Platform Europe**, solidarity is about having a community of interest, which already subsists. The remaining question is then how to make solidarity live. At this proposal, he underlined the need for a universal social protection approach to long-term care. Long-term care should be also provided in a level of quality that allow its receivers to participate in the society as well as to enjoy autonomy and wellbeing.

For this reason, special attention should be played on the quality of home care and the support that informal carers need.

He also underlined the need to have a human-centred approach based on societal needs. Furthermore, to achieve the sustainability and solidarity of long-term care, its provision should not be addressed as a commercial matter and the quality of care should not be affected by economic constraints or interests.

**Stecy Yghemonos, Executive Director, Eurocarers**, explained that a major challenge to achieve minimum standards of long-term care across Europe is the substantial variety of levels of quality of care and services offered across the Member States.

According to him, there are three ways of financing care: self-financing, risk pooling systems and informal care. Informal care is what remains when there is no risk-pooling and when there is no financial access to self-financing. Stecy called for the strategy to bring cares out of the shadows and to recognised their contribution to care systems. Without informal carers, the systems would collapse. According to him, it is difficult to replace informal by formal care. Therefore, the strategy should ensure both the rights of and proper support to informal carers. It should also come up with a series of guidelines on how to redistribute care between communities and individual carers.

He added that a common strategy at European level must be based on solidarity and needs to be community-based. To this end, the strategy should also have as focus both home care and informal care.

He concluded that to guarantee the effectiveness of the European Care Strategy, all stakeholders need to be included in the discussions at local, national and European levels.

#### **Main takeaways from the panel discussion:**

- Care should not be merchandised and should be kept away from commercial interests.
- It is necessary to trigger the discussion on cross-border care.
- The Strategy should recognise the role that mutuals and paritarian institutions can play and ensure that those type of organisations are involved in the implementation and properly supported.
- The potential and limitations of technology for better care should be taken into account. Patients should be at the centre of technological developments, which also need to be evidence based and

cost-efficient. Privacy and autonomy should not be forgotten either. It should also be kept in mind that technology cannot and will never replace human interaction.

- Technology can play also a key role to increase access to information for all.
- The European Care Strategy should include in its scope minority groups, highlight the gender disbalance in the provision of informal care and aim to restore that balance.

**Ana Llana-Nozal, Senior Economist, OECD**, provided the audience with a wrap-up session of the panel discussion. She highlighted the need to rethink how our social security systems are financed to ensure their sustainability.

On the aspect of financing, she stressed the need to take into account the overall cost of not acting both in terms of healthcare and societal costs (informal care, foregone labour). According to her, alternatives to social contributions should be envisaged: e.g. compulsory insurance systems, other forms of taxation, other types of partnerships like the one with mutuals and paritarian institutions (there is currently little room for private insurance), reverse mortgages and housing, etc.

She highlighted that countries are so far not striving to achieve universal LTC and proposed to rethink the threshold for access to “safety nets” for low- and middle-income people.

On workers, she underlined the clear link that exists between the working conditions of workers and care quality and thus called for an investment in the improvement of working conditions.

Finally, regarding informal carers, she stressed how the EU falls short in acting only on carers leave as informal carers also need training, respite care and flexibility at work.

**Aleksandra Kaydzhyska, AEIP Executive Director**, closed the event highlighting the role of occupational and private funds as valid complementary alternatives to guarantee inclusive and sustainable social protection and high quality, affordable healthcare. She also reiterated the will and availability of a big number of stakeholders in supporting the European Commission, the European Parliament and the Czech Presidency of the Council of the European Union for the next steps in the implementation of this important strategy.

For any further information and questions, please contact [Giuseppe Perretti](#) (AEIP) and [Jessica Carreño Louro](#) (AIM).

To find out more about AEIP’s and AIM’s respective positions on the European Care Strategy please click [here](#) (AEIP) and [here](#) (AIM).

To read AEIP and AIM’s reactions to the European Care Strategy please click [here](#) (AEIP) and [here](#) (AIM).

## About the organisers

The [European Association of Paritarian Institutions \(AEIP\)](#), founded in 1996, is a Brussels-based advocacy organisation representing national social protection institutions, established and managed by employers and trade unions on a joint (paritarian) basis, within the framework of collective agreements. The Association has 18 associate and affiliate members – all leading large and medium-sized social protection institutions – from 12 European countries, as well as 13 task force members from three European countries.

Through its dedicated working groups, AEIP deals with EU coordinated pension schemes, pension funds, healthcare, unemployment, and provident schemes, paid holiday and health and safety at work schemes.

AEIP's core objective is to represent its members' values and interests at the level of both European and international institutions. With more than 25 years of presence at the international level, AEIP operates within a broad network and is currently represented in the World Pension Alliance (WPA), the Occupational Pensions Stakeholder Group of the European Insurance and Occupational Pensions Authority (EIOPA), the Organisation for Economic Co-operation and Development (OECD) Working Party on Private Pensions, and others.

The [International Association of Mutual Benefit Societies \(AIM\)](#) is an international umbrella organisation of federations of health mutuals and other not-for-profit healthcare payers. It has 52 members from 28 countries in Europe, Latin America and Africa and the Middle East. AIM members provide compulsory/and/or supplementary health coverage to around 230 million people around the world, including close to 200 million people in Europe. Some AIM members also manage health and social services. AIM Members are either mutual or health insurance funds. They are private or public legal entities; solidarity based; not-for-profit orientations: surpluses are used to benefit the members and improve services; democratically elected members play a role in the governance of the organisation. AIM's priorities are the following:

- Promote solidarity in re-shaping our welfare systems
- Enabling universal access to health and long-term care
- Affordability of and access to medicine
- The power of data for better health
- Promotion of mutual welfare models
- Promotion of health in all policies