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Federal Minister of Health Gröhe: "We have put together a good package of benefits for persons with care needs and their family caregivers"

The German *Bundestag* today adopted, on its second and third readings, the First Act to Strengthen Long-term Care (*Erstes Pflegestärkungsgesetz*). It includes sweeping benefit improvements that will become effective on 1 January 2015. In the field of non-residential care, benefits will be raised by approx. 1.4 bn euros; in the residential care sector, improvements to the tune of 1 bn euros are envisaged. The *Bundesrat* has yet to finalise this piece of legislation.

Federal Minister of Health Hermann Gröhe: "We have tied up a sound package of benefits for the persons with care needs and their family caregivers. With the Act to Strengthen Long-term Care, we help the persons with care needs and their relatives to tailor the organisation of in-home care to their individual needs. When doing so, they can draw on support - financed by the long-term care insurance - not only from nursing professionals, but also homemakers, companion carers or volunteers. Moreover, we want to further improve the quality of life enjoyed by the residents of long-term care facilities. For this purpose, we will raise the number of additional care helpers ("*zusätzliche Betreuungskräfte*", § 87b SGB XI) from a current 25,000 up to approximately 45,000. Thanks to more care helpers combined with less nursing paperwork - an effort we are actively pursuing - we also free up nursing professionals for their valuable work. Moreover, we are making it easier to reconcile paid work and caregiving responsibilities. Any person who has to arrange for the care of a relative on short notice, for instance after a stroke, will be eligible to a ten-days paid absence from their workplace. In order to fund this, a sum of approx. 100 m euros will be allocated from the long-term care insurance. We will now quickly move on to draft the Second Act to Strengthen

Long-term Care to make sure that the other improvements brought about by the new definition of long-term care needs can become effective before the end of 2017."

The Act adopted today is the forerunner of the Second Act to Strengthen Long-term Care that is scheduled to be adopted next year. The latter will introduce a new procedure for the assessment of long-term care needs that will consider, for the first time, support needs that are due to cognitive and psychological impairments, specifically those related to dementias, for long-term care insurance purposes. This new approach is being scientifically monitored and evaluated in an ongoing pilot project. In this project, approx. 4,000 persons with care needs are being assessed both under the law as it stands and under the planned provisions. The results of this trial will be available by the beginning of next year and will inform the relevant legislative work.

In addition, the Act to Strengthen Long-term Care incorporates two regulations governing the hospital sector. The statutory health insurance funds will be allowed to carry out pilot projects to trial risk-based pre-admission screening for certain multidrug resistant pathogens. Moreover, two instruments created to stabilise the hospitals' financial situation - the service provision refund ("*Versorgungszuschlag*") and the overservice penalty ("*Mehrleistungsabschlag*") in hospital fees - will be extended beyond 2014. This will neutralise the strain on the hospitals caused by the so-called "double degression" ("*doppelte Degression*") and stabilise these facilities' financial position.

The following are the improvements introduced by the First Act to Strengthen Long-term Care in detail:

- The long-term care insurance benefits will be raised by four per cent to accommodate the price trends of the last three years (2.67 per cent in case of the benefits introduced only in 2012 by the Act to Reorient the Long-term Care Insurance).
- Short-time care and respite care benefits are to be expanded and more easily combined with each other. In the future, it will be possible to make use of the full entitlement to day and night care in addition to non-residential care benefits in cash and in kind. For the first time, persons in what is known as care level 0 (e.g. dementia patients), will be eligible to semi-residential day/night care, short-time care, the allowance for group home residents and seed funding for the setting up of group homes.
- The claim to low-threshold support offers in non-residential care will be expanded. In the future, persons in care levels 1 to 3, too, will have such support services reimbursed up to an amount of 104 euros per month. For persons with dementia, reimbursement rises from the current 100 to 104 or from 200 to 208 euros per month. New supplementary caregiver relief benefits are to be introduced to reimburse offers such as housekeeping assistance or companion carers and voluntary helpers. In the future, it will be possible to take up as much as 40 % of the in-home care benefits-in-kind in the form of low-threshold support offers and caregiver relief services.

- The subsidy for home modification measures (such as installation of a barrier-free bathroom) will be clearly raised from a current 2,557 to as much as 4,000 euros per measure. If several eligible persons live together, up to 16,000 euros can be applied for this purpose. In the case of consumable nursing aids, subsidies will rise from 31 to 40 euros a month.
- Moreover, the reconciliation of caregiving, family and work will be improved. From 2015, the long-term care insurance will pay an earnings-replacing family caregiver benefit for a ten-day absence from work to organise a suitable care setting for a relative (modelled on the provisions governing sickness benefit). The Act will make 100 m euros available for this purpose. The details will be laid down in the Act to improve the reconciliation between family life, caregiving and work that the Federal Cabinet adopted on Wednesday.
- By improving the care helper-to-resident ratio from 1:24 to 1:20, it will be possible to raise the number of additional care helpers in residential homes from a current 25,000 to up to 45,000.
- A long-term care provident fund will be set up and funded with the revenue from 0.1 contribution rate points (1.2 bn euros per year). From 2035, this fund will be used to stabilise the contribution rate when the baby boomers reach the age when they will need long-term care.
- The contribution rate increase by 0.3 percentage points will also create the financial leeway for the planned family caregiver benefit. Paid for up to ten days, this wage replacement benefit is intended to help family caregivers organise appropriate care when an acute need for care arises.
- The recognition in remuneration agreements that the salaries of nursing home staff are cost-effective when they are in line with collective agreements and church labour law will be written into legislation. This will act as an incentive for care facilities to pay their staff properly. At the same time, the third-party payers will be given the right to demand proof that the staff actually receive this money.

Ahead of the introduction of a new definition of long-term care needs, the Act also provides for benefit improvements that are particularly helpful for persons with dementia.

- Dementia patients who are recognised as having significantly impaired functional abilities ("*erheblicher allgemeiner Betreuungsbedarf*", § 45a SGB XI) although they are not assigned to care levels 1 to 3 (individuals in the so-called care level 0), will, for the first time, get access to all in-home care-related benefits available under the long-term care insurance.
- 100 per cent take-up of day and night care services will be possible in addition to (i.e. not deducted from) benefits in cash and in-kind. Dementia patients will particularly benefit from this flexibilisation due to their intense care and support needs.
- It will be possible to use as much as 40 % of the amount reimbursable as in-home care benefits-in-kind for low-threshold support offers and caregiver relief services ("*niedrigschwellige Betreuungs- und Entlastungsleistungen*"). This will be particularly useful for dementia patients and their relatives. They will be eligible to more and more flexible low-threshold services and, in the future, also caregiver relief opportunities.
- In the future, it will be possible to use the annual lump sums envisaged for respite care and short-time care in a more flexible way and over a longer period of time. Up to 50 % of the annual amount budgeted for short-time care will be convertible for respite care; conversely, up to 100% of the annual amount for respite care can then be used for short-time

care (unless these services have been used up in the same calendar year). The clearly more flexible regulations governing respite care are especially beneficial for relatives of dementia patients who tend to experience intense stress and will be able to have a break from caring.

- Group homes, also for persons with dementia, will be eligible to funding to make such homes age-appropriate and barrier-free. For the first time, moreover, persons in care level 0, too, will qualify for the group home allowance that will amount to 205 euros per month to finance an attendant ("*Präsenzkraft*", § 38a SGB XI) as well as for the seed funding to set up a group home of 2,500 euros per resident (maximum amount is 10,000 euros).