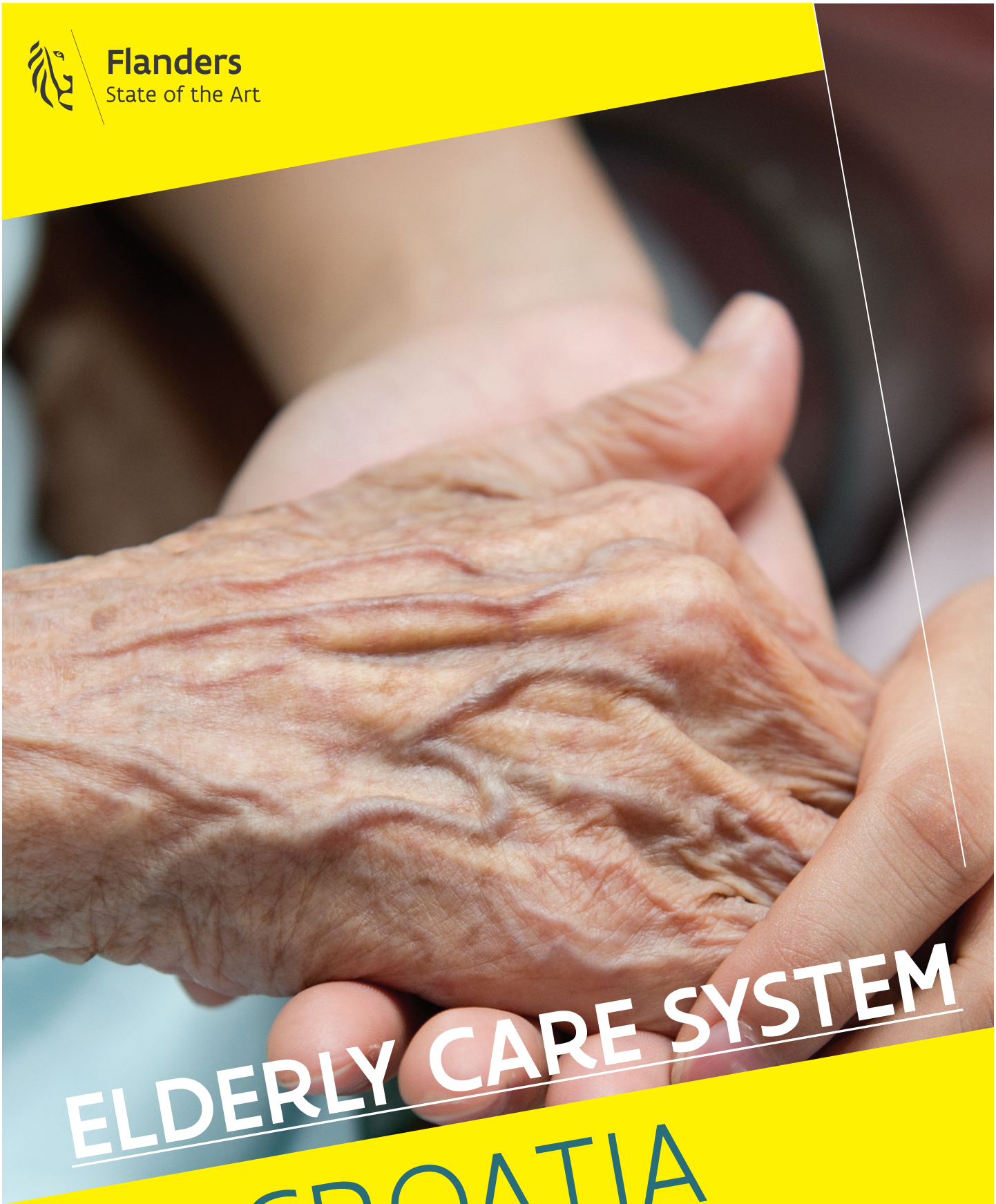
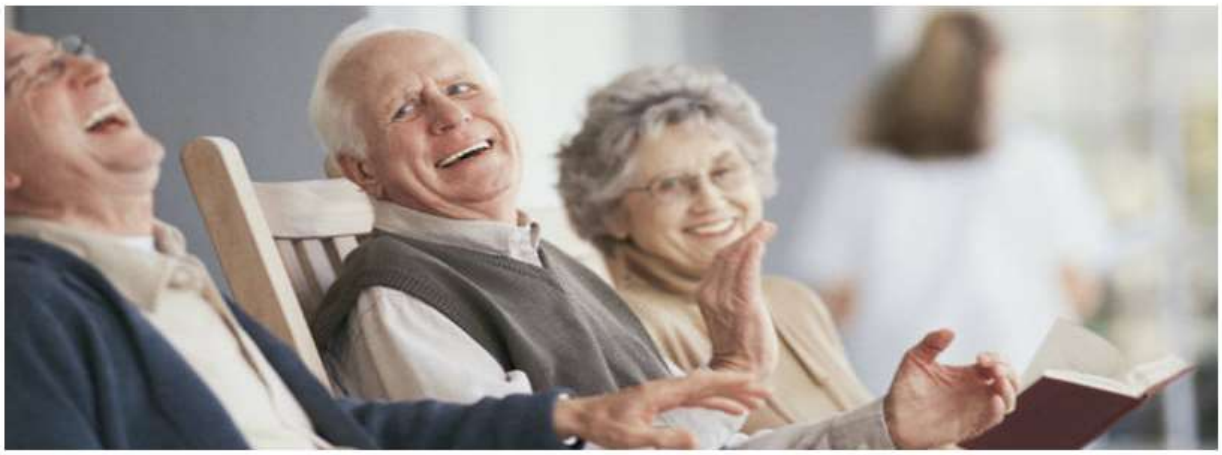
Flanders
State of the Art



ELDERLY CARE SYSTEM IN CROATIA

FLANDERS INVESTMENT & TRADE MARKET SURVEY

ELDERLY CARE SYSTEM IN CROATIA



This paper was written and compiled by **Lucija Batinić**

Student at the University of J.J. Strossmayer in Osijek, Faculty of Business and Economics

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Belgian Trade Office office@beltrade-croatia.com
Embassy of Belgium
Pantovcak 125 b1
HR-10000 Zagreb (Croatia)

T: +385 1 457 74 44
F: +385 1 457 74 45

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1. General figures about Croatia

Information	June 2016
Area (square km)	56.594
Population (million)	4 190 669
ISO country code	HR
Main cities	Zagreb (Capital) Split Rijeka Osijek
National currency	Croatian kuna (HRK)
Exchange rate	1€ = 7,51
GDP (million EUR, current prices)	43.870
GDP per capita (in EUR)	10.435
Unemployment rate	14%
Average CPI year-on-year inflation rate	-1,5%
VAT	25%

Source: http://www.hnb.hr/documents/20182/1176175/h-polugodisnja-informacija-1polugodiste2016.pdf/ec45b0b7-b46d-4cf0-8937-a5bc73068b70

2. Demographic Trends in Croatia

The demographic trend in Croatia resembles the recent trends throughout other European countries. In Croatia, the elderly aged 65 and over make up more than 17 percent of the total population. The share of this age group has been growing since the 1990s. This is consistent with the demographic phenomenon occurring in other European countries where the elderly aged 65 and over account for between 17 percent (EU-25) and 17.2 percent (EU-15) of the population. Similarly, the proportion of the very old, aged 80 and over, has been increasing as well since the 1990s in Croatia.

This trend is similar to the general trend in EU-27 and EU-15 countries. The share of the elderly has been growing while the overall population growth has been declining. Furthermore, there is an increasingly elderly population, both 65 and over and 80 and over, while there is a declining working population aged 15-64. The projection shows that in the future, the share of the elderly will continue to grow while the share of the working and younger population will continue to decline. Over the next 40 years, the Croatian population will decline from approximately 4.5 million in 2010 to 3.9 million in 2050 (see Figure 2.1). The working age population, aged from 15 to 64 years old, will decline 30 percent from approximately 3 million to 2.1 million in 2050.

These changes will occur while the amount of elderly people aged 65 years old and over will increase by 41 percent, from 764,000 to 1,080,000, while the very elderly aged 80 and over will increase by 100 percent from 170,000 to 354,000. The WHO (2009) estimates that as early as 2020, 20.4 percent of the Croatian population will be 65 and over. This means that more than one in five people in Croatia will be at or above the age of 65.

Table 1: Population, by age and sex, Croatia, 1991 – 2011 censuses

POPULATION, BY AGE AND SEX, 1953 – 2011 CENSUSES

(nastavak)
(continued)

	1991.			2001.			2011.		
	ukupno Total	muškarci Men	žene Women	ukupno Total	muškarci Men	žene Women	ukupno Total	muškarci Men	žene Women
	13	14	15	16	17	18	19	20	21
Republika Hrvatska Republic of Croatia	4 784 265	2 318 623	2 465 642	4 437 460	2 135 900	2 301 560	4 284 889	2 066 335	2 218 554
0 – 4	280 056	143 588	136 468	237 522	121 718	115 804	212 709	109 251	103 458
5 – 9	314 697	161 383	153 314	248 528	127 274	121 254	204 317	104 841	99 476
10 – 14	331 426	169 518	161 908	268 584	137 175	131 409	235 402	120 633	114 769
15 – 19	326 290	166 909	159 381	298 606	152 676	145 930	244 177	124 918	119 259
20 – 24	320 222	162 613	157 609	305 631	155 739	149 892	261 658	133 455	128 203
25 – 29	342 388	172 740	169 648	294 497	148 666	145 831	289 066	147 416	141 650
30 – 34	365 956	185 298	180 658	295 431	147 920	147 511	294 619	149 998	144 621
35 – 39	375 091	192 203	182 888	317 273	158 506	158 767	284 754	143 984	140 770
40 – 44	345 466	176 628	168 838	333 403	166 499	166 904	286 933	143 603	143 330
45 – 49	259 849	129 464	130 385	333 576	168 290	165 286	307 561	152 446	155 115
50 – 54	304 427	150 063	154 364	299 773	148 224	151 549	320 502	157 981	162 521
55 – 59	311 402	149 183	162 219	229 775	108 673	121 102	311 818	153 750	158 068
60 – 64	278 948	126 447	152 501	262 016	120 667	141 349	272 740	127 851	144 889
65 – 69	219 466	83 278	136 188	252 947	110 459	142 488	202 002	89 364	112 638
70 – 74	119 676	43 574	76 102	203 885	81 884	122 001	212 401	88 912	123 489
75 – 79	109 642	38 517	71 125	137 201	44 149	93 052	175 526	66 456	109 070
80 – 84	73 229	24 218	49 011	56 954	17 040	39 914	108 104	35 999	72 105
85 – 89	26 810	7 786	19 024	30 833	8 682	22 151	47 641	12 415	35 226
90 – 94	6 193	1 633	4 560	10 265	2 571	7 694	10 758	2 580	8 178
95 i više/ 95 and over	1 024	233	791	1 455	323	1 132	2 201	482	1 719
Nepoznato/ Unknown	72 007	33 347	38 660	19 305	8 765	10 540	-	-	-

Source: http://www.dzs.hr/Hrv_Eng/publication/2012/SI-1468.pdf

Table 2: Proportion of the Elderly in Croatia, 2015

	Total	Male	Female
Number of people aged 65+	758 633	296.208	462 425
Share of 65+ people	17,70 %	14,33%	20,84 %

Source: http://www.stampar.hr/sites/default/files/sluzbe/docs/2016/geron_ljetopis_2016_web.pdf

As a comparison, we can see the average age of population in other European countries.

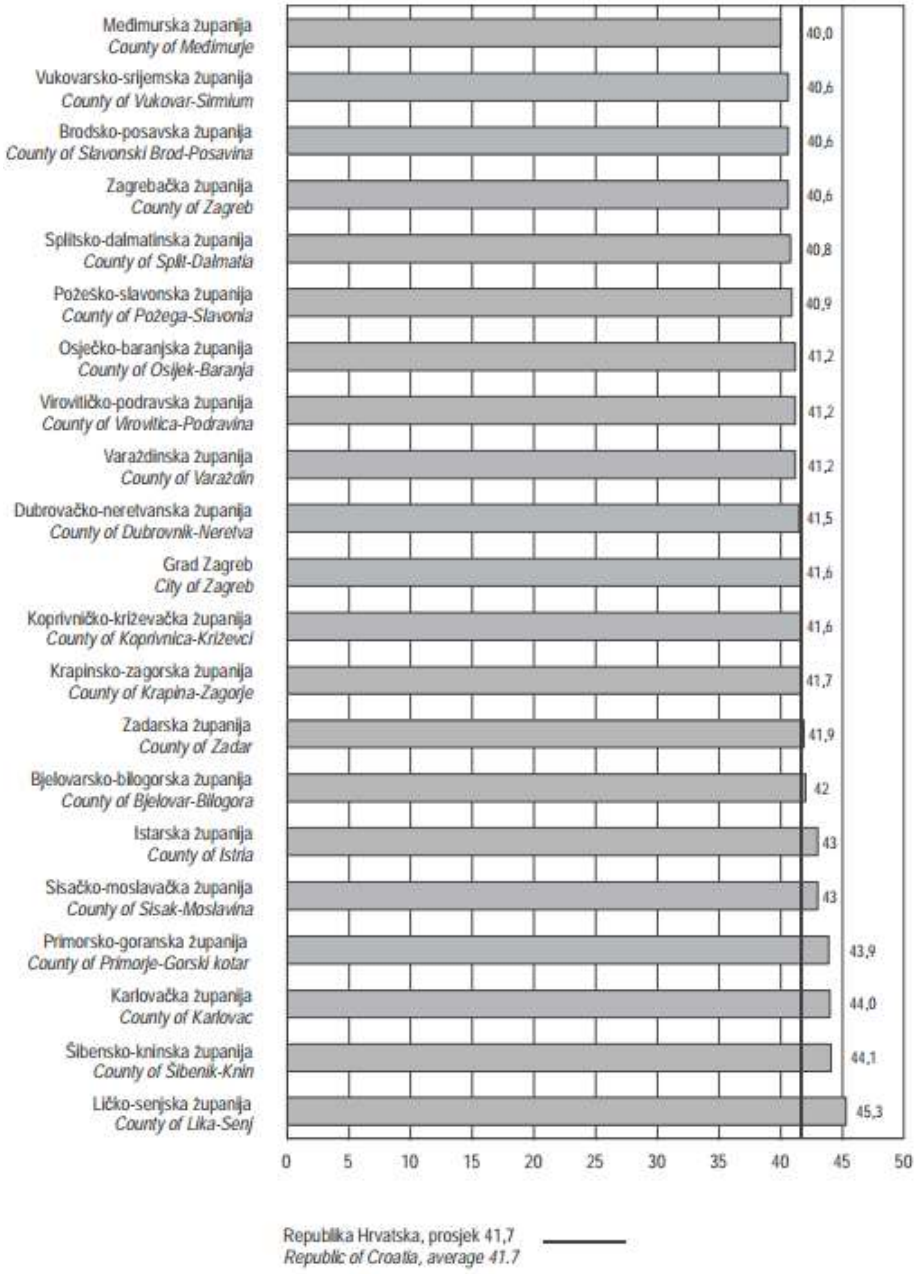
Table 3: Average age of population in some European countries, 2010

Source: http://www.dzs.hr/Hrv_Eng/publication/2012/SI-1468.pdf

In 2011, the population of the Republic of Croatia was 41.7 years old in average (men 39.9, women 43.4), which placed it among the oldest nations in Europe. During the past 50 years, the average age increased by almost 10 years (from 32.5 in 1961 to 41.7 in 2011), which was caused by a long-term fertility decrease on one side and the life expectancy increase on the other.

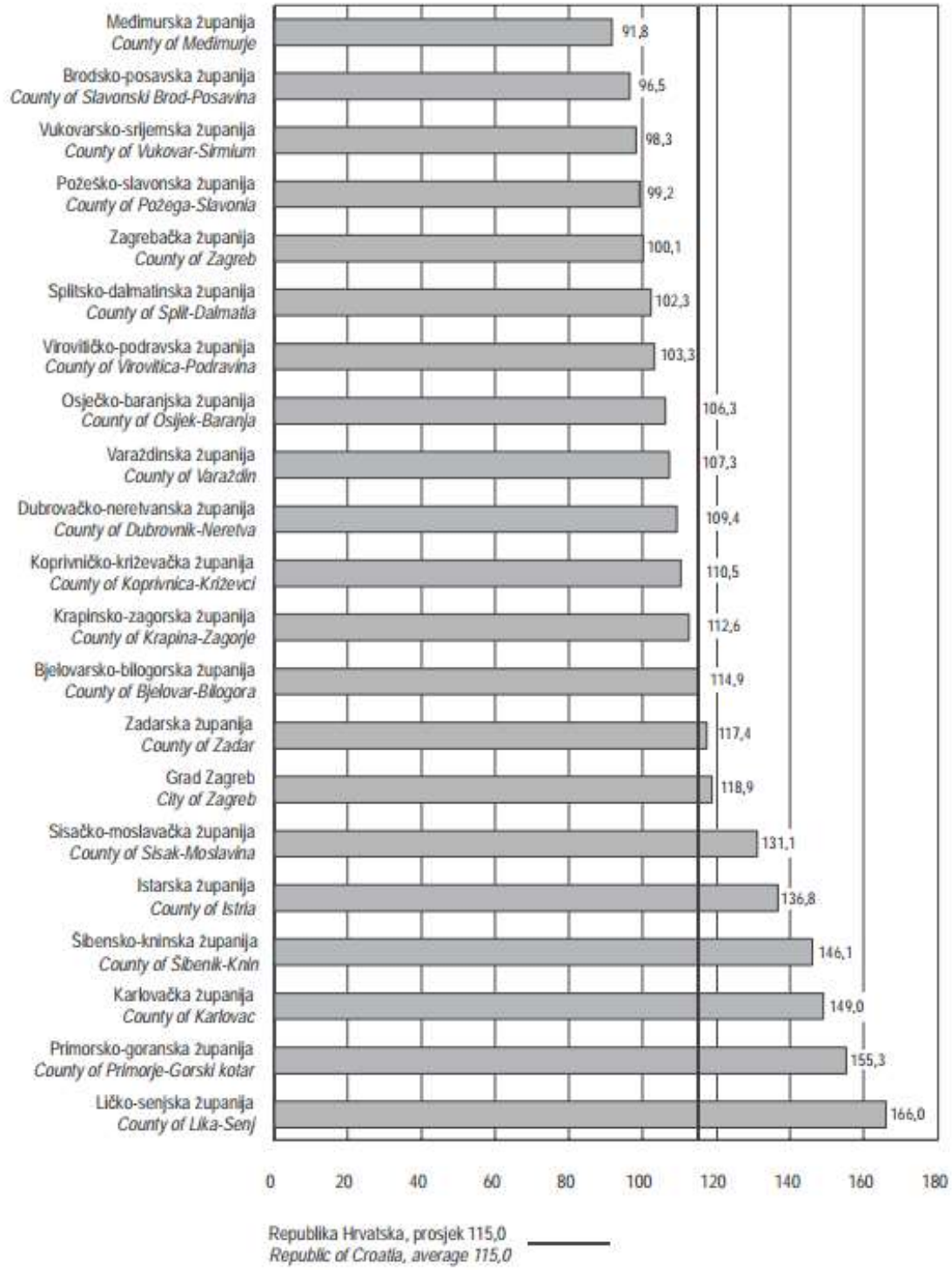
Moreover, we can see the average age of population by counties in Croatia as well as some other significant statistical indicators that point out the aging trend in Croatia.

Table 4: Average age of population, by counties, 2011 census



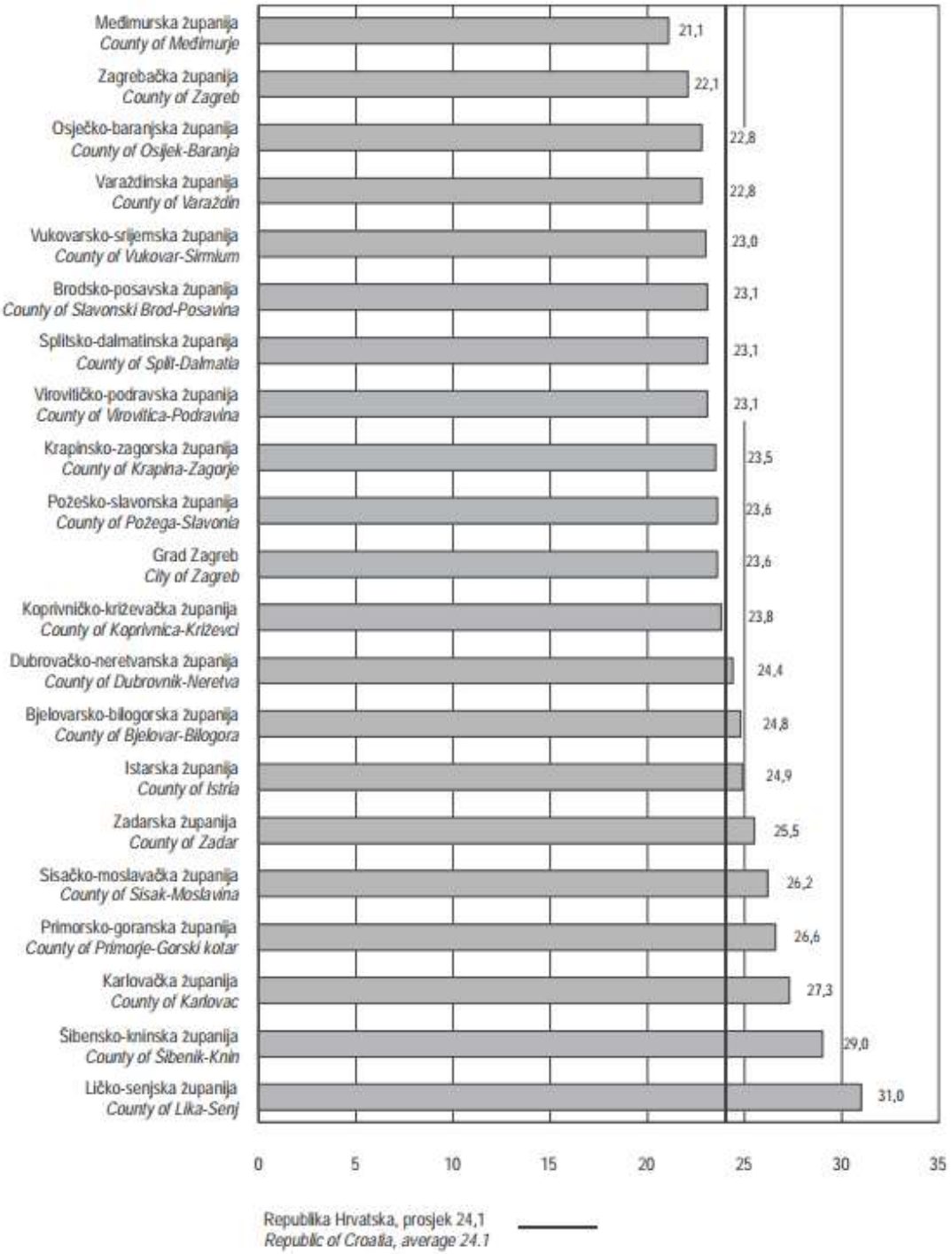
Source: http://www.dzs.hr/Hrv_Eng/publication/2012/SI-1468.pdf

Table 5: Ageing index, by counties, 2011 census



Source: http://www.dzs.hr/Hrv_Eng/publication/2012/SI-1468.pdf

Table 6: Age coefficient, by counties, 2011 census



Source: http://www.dzs.hr/Hrv_Eng/publication/2012/SI-1468.pdf

On average, the oldest population lives in the County of Lika-Senj (45.3 years on average), the County of Šibenik-Knin (44.1), the County of Karlovac (44.0) and the County of Primorje-Gorski Kotar (43.9).

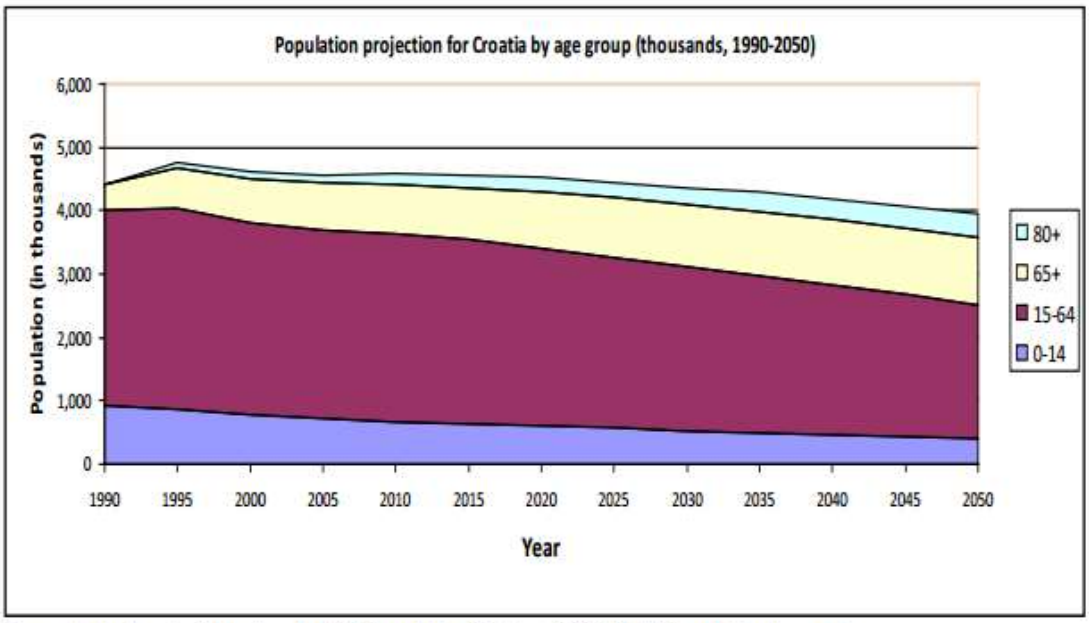
On an average basis, the youngest population lives in the County of Meimurje (40.0), the County of Zagreb (40.6), the County of Slavonski Brod-Posavina (40.6) and the County of Vukovar-

Sirmium (40.6). The population of the Republic of Croatia is in a long-term ageing process, which is shown by many ageing indicators.

Ageing index and age coefficient crossed the limit of critical values of 40.0% and 12.0% as early as in the 1971 Census. In 2011, the ageing index was 115.0% and the age coefficient was 24.1%. In 1971, those values had been 47.2% and 15.0%. In the 2011 Census, the number of persons aged 65 and more outnumbered for the first time the number of population aged 0 – 14. The share of population aged 65 and over was 17.7% and the share of population aged 0 – 14 was 15.2%. Also, the share of very old population (aged 80 and more) amounted to 3.9% in 2011, while in 1953 it amounted to 0.8%.

Some additional analysis describes the future trends in demography that indicate continuous demographic aging of population.

Figure 1: Population Projection for Croatia, by Age Group (Thousands, 1990-2050)



Source: Author's calculation based on UN Population Division (2009) World Population Prospects

A rapidly aging population will also have implications for the old-age dependency ratio. Figure 1 illustrates the past impact of an increasingly dependent population on the working population in Croatia. The future projection is based on the assumption that the elderly dependency ratio will remain constant from 2010 through 2050. There is an increasingly large dependent population that is being supported by a declining working population. In other words, the number of working population is decreasing while the number of the dependent elderly is increasing. If the current demographic trend continues in Croatia, the elderly dependency ratio will likely continue to increase.

Table 7: Dependency Ratio of Elderly Population 65+ on Working Population (15-64) in Croatia and EU (percent)

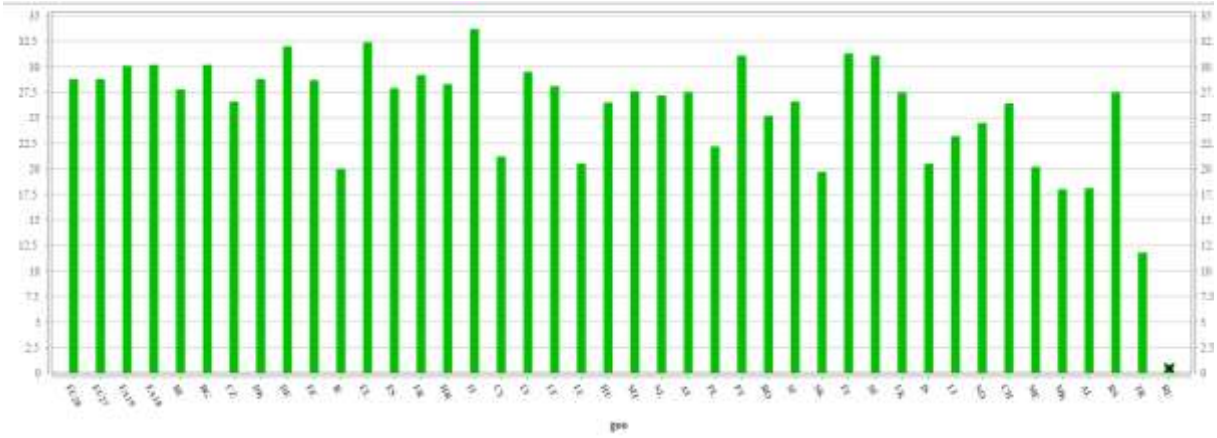
	1990	1995	2000	2005	2010	2015
EU-27	20,6	21,9	23,2	24,3	26,1	28,8
Croatia	-	-	-	26,0	26,7	28,3

Source: Eurostat (2016), author's interpretation:
http://ec.europa.eu/eurostat/tgm/table.do?tab=table&plugin=1&language=en&pcode=tsdde510

This indicator is the ratio between the number of persons aged 65 and over (age when they are generally economically inactive) and the number of persons aged between 15 and 64. The value is expressed per 100 persons of working age (15-64).

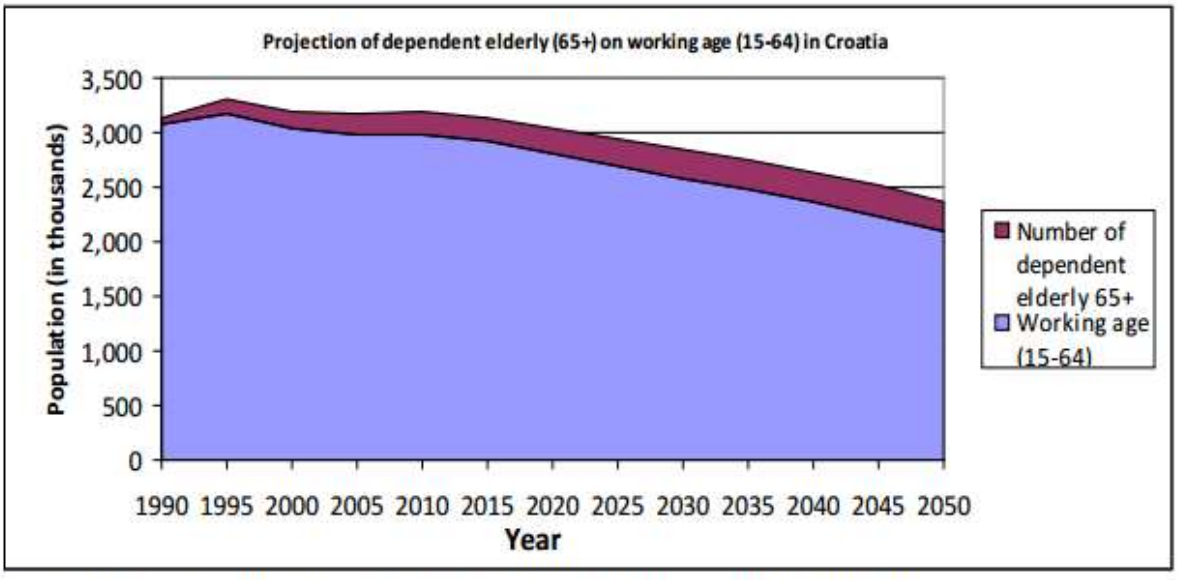
Graphically, we can see this trend in the graph below, in comparison to other European countries.

Graph 1: Old-age-dependency ratio



Source: Eurostat (2016):
http://ec.europa.eu/eurostat/tgm/graph.do?tab=graph&plugin=1&pcode=tsdde510&language=en&toolbox=type

Figure 2: Population Projection of Dependent elderly (65+) on Working Age (15-64) (thousands, 1990-2050)



Source: Author's calculation based on UN Population Division (2009) World Population Prospects

The demographic trend in Croatia resembles the overall pattern in other European countries: the share of the elderly is becoming increasingly larger while the share of the working population is declining.

3. Long-term Social Care for Elderly and Infirm Persons

Long-term care (LTC) is mainly organized within the social welfare system. It is currently mostly provided in institutional settings. There is a considerable coverage gap regarding the estimated number of dependent people and those who have actually received some type of care, with shortages of formal services in the institutionalized context. Croatia is among the top three countries in Europe with the greatest scale of informal care, with the age cohort 50–64 bearing the greatest burden of caring for the elderly. Virtually no services are available for informal carers. Waiting lists for county nursing homes are long, while private providers are financially unaffordable to many. The Care Act includes provisions for generational solidarity, the objectives of which are: to keep the elderly in their own homes and with their family, to promote their social inclusion, and to improve their quality of life by developing and expanding non-institutional services and volunteering.

The continuing problem of LTC in Croatia is that it is dispersed between the health and social welfare systems, which has a negative impact on the accessibility, recognisability and adequacy of the provided services. According to the World Bank, LTC is provided at a high cost. Health systems in transition involve long waiting lists at hospitals and other facilities within the health system even though social services would, better than medical services, satisfy the needs of people in need (Bodiroga-Vukobrat, 2013).

There is a considerable coverage gap regarding the estimated number of dependent people and those who have actually received some type of care and the shortages of formal services in an institutionalized context. This will likely increase the demand for institutionalized types of care (Bodiroga-Vukobrat, 2013) and may also increase the burden borne by family carers. According to some studies conducted a couple of years ago, Croatia is among the top three countries in Europe (after Italy and Estonia) with the greatest scale of family care. The age cohort 50–64 bears the greatest burden of caring for the elderly in Croatia: 24% of female respondents and 13% of male respondents in that age group reported having to care for elderly relatives at least several times a week (European Foundation for the Improvement of Living and Working Conditions, 2010)

The elderly and infirm are the main recipients of long-term social care, paralleling the aging trend of the Croatian population, while the elderly made up 17 percent of all population in 2011. That ratio is expected to rise to 26.8 percent in 2050, of which 9.7 percent is made up of elderly aged 80 years old or over. However the percentage of elderly Croatians receiving institutional social care is lower than the European average (2 percent and 5.1 percent, respectively). At the same time, homes for the elderly and infirm persons are the fastest growing type of long-term institutional care facilities, attracting considerable interest from the private sector in the last five years.

The Institutional forms for the elderly in Croatia, 2015

Accommodation services are implemented as institutional care in homes, as other legal entities, or as non-institutional care, foster family, family home, organized housing or community housing units. The right to access accommodation services is recognized for adults and elderly who are under the effects of permanent changes in health status and powerlessness, in serious need of assistance and need the care of another person. The social welfare centres issue verifications for people who have the right to receive this type of service. Accommodation service rights will not be given to elderly who receive care of their family members. However, beneficiaries can choose a type of social service and close a contract with the desired provider or social service institution without the verification of the social welfare centre.

According to available data, the accommodation service as a form of institutional care in Croatia is provided by state homes for the elderly and disabled, county (decentralized) homes for the elderly, homes of other founders, other entities that provide accommodation services without founding a home like associations, religious organizations or other legal or physical entities.

Looking just a couple of years in the past, there were 121 institutional homes for the elderly and infirm in 2007, accommodating 14,168 people in all 21 Croatian counties. While homes for the elderly and infirm persons are now available in all counties, they are heavily concentrated around six regional centres – Zagreb, Rijeka, Osijek, Split, Pula and Varaždin. These regions, combined, account for 52 percent of all facilities and 58 percent of all beneficiaries of institutional care services. The City of Zagreb (Grad Zagreb) leads other cities and counties; 30 out of the total 121 institutional homes are situated here, accommodating 31 percent of all institutional home beneficiaries. This uneven distribution is possibly indicative of the greater socio-economic capacities in these regions, and not necessarily a distribution based on need.

Table 8: Distribution of Social Welfare Homes for Elderly and Infirm, by County (2007-08)

No.	County	Type of Ownership			Total Homes	Total No. Beneficiary per County	% total beneficiary in county	% Total Elderly 65+ Population per County*
		County/ City	Private	NGO/Religious assoc.				
	Bjelovarsko-bilogorska	1	2	0	3	327	2.31%	3.13%
	Brodsko-posavska	1	1	0	2	286	2.02%	3.83%
	Dubrovačko-neretvanska	5	0	0	5	413	2.92%	2.91%
	Istarska	4	2	0	6	691	4.88%	4.84%
	Karlovačka	1	1	1	3	307	2.17%	3.87%
	Koprivničko-križevačka	1	1	0	2	309	2.18%	2.82%
	Krapinsko-zagorska	0	2	1	3	232	1.64%	3.22%
	Ličko-senjska	2	1	0	3	287	2.03%	1.68%
	Međimurska	1	5	0	6	508	3.59%	2.28%
	Osječko-baranjska	3	3	0	6	850	6.00%	7.10%
	Požeško-slavonska	2	2	0	4	394	2.78%	1.91%
	Primorsko-goranska	4	5	0	9	1,255	8.86%	7.23%
	Sisačko-Moslavačka	2	3	0	5	512	3.61%	4.65%
	Splitsko-Dalmatinska	4	9	0	13	1,206	8.51%	9.91%
	Šibensko-kninska	2	0	1	3	436	3.08%	3.19%
	Varaždinska	1	3	1	5	675	4.76%	3.95%
	Virovitičko-podravska	0	4	0	4	135	0.95%	2.04%
	Vukovarsko-srijemska	2	0	1	3	377	2.66%	4.28%
	Zadarska	1	0	0	1	328	2.32%	3.83%
	Zagrebačka	0	4	1	5	224	1.58%	6.33%
	Grad Zagreb	10	20	0	30	4,416	31.17%	16.99%
	Croatia – TOTAL	**47**	**68**	**6**	**121**	**14,168**	**100%**	**100%**

Note: * Residence of the Referral Centre of the Ministry of Health, Croatia for Health and Social Care of the Old People - Gerontological Public Health Annual in Croatia, 2004 – 06 (Zagreb, 2007/08), Figure 2.8. "Ratio of the elderly above 65 years of age per county, in the total population of elderly population (N=744619, estimation of June 30, 2005), page 33.
Sources: MoHSW– Annual statistical report on social welfare homes and beneficiaries in 2007 (May 2008)
Center of Gerontology of the Institute for Public Health, City of Zagreb and Republic of Croatia (2008-data collected by June 10 2008)

Table 9: Total number of institutional forms of care for the elderly, Croatia, 2015.

Institutional form of care for elderly 2015	Number of homes
Homes for elderly people	192
Family homes for elderly	295
Service providers for elderly (without establishing home)	78
Total	565

Source: http://www.stampar.hr/sites/default/files/sluzbe/docs/2016/geron_ljetopis_2016_web.pdf

One year before, the situation was slightly different, which indicated the trend of demography aging and increasing the number of elderly care service providers.

Source: http://www.stampar.hr/sites/default/files/sluzbe/docs/2016/geron_ljetopis_2016_web.pdf

Table 10. Total number of institutional forms of care for the elderly, Croatia, 2014.

Institutional form of care for elderly 2015	Number of homes
Homes for elderly people	170
Family homes for elderly	295
Service providers for elderly (without establishing home)	80
Total	545

Source: http://www.stampar.hr/sites/default/files/sluzbe/docs/2016/geron_ljetopis_2016_web.pdf

In the table below, we find the number of homes and beneficiaries in state and other types of nursing homes in every county in Croatia.

Table 11: Share structure of beneficiaries in elderly homes by counties in Croatia, (N=15960), 2015

No.	Counties	State homes	Decentralized homes (county homes)	Other founders	Total	No.of beneficiaries per county	Percentage of beneficiaries
1	City of Zagreb	-	10	25	35	3251	20,37
2	Zagreb	-	-	17	17	690	4,32
3	Bjelovar-Bilogora	-	1	5	6	529	3,32
4	Slavonski Brod-Posavina	-	1	1	2	309	1,94
5	Dubrovnik-Neretva	2	5	-	7	489	3,06
6	Istria	-	4	4	8	972	6,09
7	Karlovac	-	1	2	3	470	2,95
8	Koprivnica-Križevci	-	1	3	4	382	2,39
9	Krapina-	-	-	4	4	382	2,39

	Zagora						
10	Lika- Senj	-	4	-	4	353	2,21
11	Međimurje	-	1	7	8	585	3,67
12	Osijek-Baranja	-	3	6	9	995	6,24
13	Požega-Slavonia	-	2	2	4	493	3,09
14	Primorje-Gorski Kotar	-	4	5	9	1683	10,55
15	Sisak-Moslavina	-	2	2	4	703	4,4
16	Split-Dalmatia	1	4	14	18	1290	8,08
17	Šibenik-Knin	-	2	-	3	508	3,18
18	Varaždin	-	1	6	7	889	5,57
19	Virovitica-Podravina	-	-	3	3	115	0,72
20	Vukovar-Srijem	-	2	2	4	503	3,15
21	Zadar	-	3	-	3	369	2,31
	Total	3	51	108	162	15960	100

Source: http://www.stampar.hr/sites/default/files/sluzbe/docs/2016/geron_ljetopis_2016_web.pdf

Table 12: Family homes for elderly people

NO.	COUNTIES AND CITY OF ZAGREB	Family HOMES FOR ELDERLY

Redni broj	ŽUPANIJE I GRAD ZAGREB	OBITELJSKI DOMOVI ZA STARIJE OSOBE
1.	GRAD ZAGREB	25
2.	ZAGREBAČKA	56
3.	BJELOVARSKO-BILOGORSKA	18
4.	BRODSKO-POSAVSKA	17
5.	DUBROVAČKO-NERETVANSKA	3
6.	ISTARSKA	4
7.	KARLOVAČKA	22
8.	KOPRIVNIČKO-KRIŽEVAČKA	16
9.	KRAPINSKO-ZAGORSKA	6
10.	LIČKO-SENJSKA	2
11.	MEĐIMURSKA	7
12.	OSJEČKO-BARANJSKA	17
13.	POŽEŠKO-SLAVONSKA	2
14.	PRIMORSKO-GORANSKA	15
15.	SISAČKO-MOSLAVAČKA	15
16.	SPLITSKO-DALMATINSKA	7
17.	ŠIBENSKO-KNINSKA	4
18.	VARAŽDINSKA	20
19.	VIROVITIČKO-PODRAVSKA	12
20.	VUKOVARSKO-SRIJEMSKA	14
21.	ZADARSKA	13
HRVATSKA UKUPNO		**295**

Source: http://www.stampar.hr/sites/default/files/sluzbe/docs/2016/geron_ljetopis_2016_web.pdf

In Croatia (2015), there were 295 family homes for the elderly. The largest number of homes is in the Zagreb County (56 family homes), the City of Zagreb (25 family homes) and the County of Karlovac (22 Family Home).

Table 13: Service providers for elderly people (without establishing homes)

NO.	COUNTIES AND CITY OF ZAGREB	SERVICE PROVIDERS FOR ELDERLY (WITHOUT FOUNDING HOMES)

Redni broj	ŽUPANIJE I GRAD ZAGREB	PRUŽATELJI USLUGA ZA STARIJE OSOBE (BEZ OSNIVANJA DOMA)
1.	GRAD ZAGREB	2
2.	ZAGREBAČKA	15
3.	BJELOVARSKO-BILOGORSKA	16
4.	BRODSKO-POSAVSKA	10
5.	DUBROVAČKO-NERETVANSKA	-
6.	ISTARSKA	2
7.	KARLOVAČKA	1
8.	KOPRIVNIČKO-KRIŽEVAČKA	2
9.	KRAPINSKO-ZAGORSKA	-
10.	LIČKO-SENJSKA	-
11.	MEĐIMURSKA	-
12.	OSJEČKO-BARANJSKA	1
13.	POŽEŠKO-SLAVONSKA	2
14.	PRIMORSKO-GORANSKA	4
15.	SISAČKO-MOSLAVAČKA	9
16.	SPLITSKO-DALMATINSKA	10
17.	ŠIBENSKO-KNINSKA	-
18.	VARAŽDINSKA	1
19.	VIROVITIČKO-PODRAVSKA	-
20.	VUKOVARSKO-SRIJEMSKA	1
21.	ZADARSKA	2
HRVATSKA UKUPNO		**78**

Source: http://www.stampar.hr/sites/default/files/sluzbe/docs/2016/geron_ljetopis_2016_web.pdf

The analysis conducted a couple of years ago in homes for the elderly and infirm persons shows that the actual capacities for institutional services are close to the maximum capacity (95 percent). County homes seem to be particularly stretched, as they operate at 99 percent of their capacity, with 1.7 times more potential beneficiaries than the actual ones. Interest in residential accommodation is particularly high, as expressed by 76 percent of all current requests for admission, 97 percent of which are directed towards county homes, due to lower prices and greater scope of state subsidies.

An insight into the structure of beneficiaries in homes for the elderly and infirm persons indicates that the long-term social care services are targeted towards the elderly with limited

functional ability for activities of daily living, limited mobility, chronic illness, infirmity and disability. Over 90 percent of all beneficiaries are older than 65, with a significant number of very old people over the age of 80, making up almost half of beneficiaries in county homes and as many as 51 percent of beneficiaries in private homes. Over half of all beneficiaries in county homes and close to two thirds in private homes have limited mobility.

A closer look at the structure of funding in homes for elderly reveals significant differences between institutions founded by counties, private initiatives, and NGOs and religious organizations. While all three types of homes primarily rely on beneficiary funding[1], the percent ranges from approximately three quarters in county institutions, two thirds in private homes and close to one half in NGO/religious homes. Private homes rely heavily on other sources of funding. Considering the higher absolute number of beneficiaries accommodated in county homes, these facilities receive the majority of state funding. Of the total full state coverage, 72 percent goes towards beneficiaries in county homes and of the total partial state coverage, 82 percent is directed to beneficiaries in county homes.

According to data available in 2014, elderly care in Croatia is provided mostly within the social sector rather than the hospital system. Institutional and non-institutional care is available. At the end of 2012, there were 231 social welfare homes (73 owned by the State or the counties, and 158 by other owners): 131 were homes for the elderly and infirm, 27 homes for mentally ill adults, 17 homes for children without adequate family care, 11 homes for children and youth with behavioural disorders, 41 homes for physically and mentally challenged children and adults, one home for addicts, and three homes for children and adults who are victims of family abuse. Altogether, a total of 27 427 beneficiaries received care in these facilities in that year (Croatian Bureau of Statistics, 2013).

An analysis of the 2007 data on the capacity and type of services provided by homes for elderly and infirm people showed that the actual use of institutional services was close to maximum capacity (95%). There are also private homes for the elderly but the capacity of these is limited; they are monitored by the Centres for Welfare Services. Non-institutional care and welfare is provided via the Centres for Welfare Services, Centres for Aid and Care, and a wide network of NGOs.

The role of the civil sector associations in LTC arrangements is mostly concentrated on the promotion of active ageing, healthy living and overall social inclusion of disabled persons and the elderly. There are various pensioners' associations organized at national, regional and local levels. The National Pensioners' Convention of Croatia is one of the oldest civil society organizations in Croatia, with around 270 000 members, 300 associations and 800 branches and clubs at the local level.

4. Non-institutional services

The following is only a fragmented insight into the main types and providers of non-institutional services for the elderly, as there is a general lack of a comprehensive inventory and reporting on non-institutional social services in Croatia. It is also likely that official data on homes for the

[1] It is important to note that the price of accommodation in a county's home is several times cheaper than in private homes and the difference is subsidized by the State

elderly does not include non-institutional LTC services funded by special government and international assistance programs.

An initial attempt to map non-institutional social care provision was undertaken by the United Nations Development Programme (UNDP) in 2007. Based on UNDP's review of the main funding sources for non-institutional and alternative social services, a total of 30 million EUR was provided for non-institutional services. The findings indicate that non-institutional social services for the elderly make up 24 percent of all funding for alternative social services, and the elderly as a group, are leading beneficiaries, across the different categories of social services.

This is largely due to their larger population compared to people with disability and other nonelderly recipients. According to the UNDP research, homes for the elderly and other social welfare homes are also the primary providers of non-institutional care through community outreach programs for the elderly, as opposed to NGOs and other community-based organization. This is evidenced by the fact that these types of homes absorb over two thirds of all funding for non-institutional services for the elderly. In addition to NGOs, a large majority of pensioners associations also provide different kinds of home assistance to elderly who are low-income and live in single-households and to elderly who lack support from family members.

However, it is difficult to estimate the magnitude of these service because they are usually financed from various sources on a short-term basis. The main non-institutional social services for the elderly identified in the UNDP research includes home care (both nursing and housekeeping assistance), day-care provided in local homes or in NGO homes, transportation services and availability of 24 hours assistance to persons living at home; this is especially important for elderly single-headed households. Since 2005, there have been several social service development grant schemes and special government programs, available to both public and privately owned social care institutions, NGOs and religious communities.

The grants and new programs encourage and promote the development of non-institutional or community-based services.

Examples of such programs include the "Social Innovation Fund", "Social and Economic Recovery Project" (both financed by the World Bank loan), CARDS 2004, "Social Service Delivery by the Non-Profit Sector" and two pilot programs for the provision of day-care and home-care to the elderly initiated by the Ministry of the Family, Veterans' Affairs and Intergenerational Solidarity (MoFVIS). The two multi-year government programs piloted by MoFVIS present the most important innovation in the system of long-term care for the elderly.

4.1. Development of Non-institutional Care for the Elderly by MoFVIS (2005-08 and 2008-2011)

In 2005, MoFVIS, Department for Intergenerational Solidarity, started two pilot programs „Dnevni boravak" („Day care centre", direct translation would be „Living room") and „Pomoć u kući" („Home help", „House help") targeting social care for the elderly. One program combined day-care and home-care provisions and the other focused exclusively on home-care provision. After the pilot phase ended, the Government of Croatia officially adopted the Program of Development of Services for Elderly Persons within the System of Intergenerational Solidarity 2008-11 in August of 2007. This was the first and only comprehensive government program primarily focused on enabling continuous provision of non-institutional care to the elderly, with expected improvements in the availability and diversity of long-term care to the elderly, throughout the country. The provision of non-institutional social care was organized by means of sub-contracting and on the principle of subsidiarity – the Ministry signed a contract on

cooperation with the units of regional/local self-administration, which then selected care providers (e.g. homes for elderly, NGO's or others). The Ministry defined the standards and scope of services to be sub-contracted, while the specifics were negotiated locally, depending on the specific needs and local prices of communities.

Day-care and home-care services were provided by teams with five members on average and a team-leader (geronto-hostess, a nurse and others, depending on the needs of the beneficiaries at different locations). Services were divided into four main categories; (1) meals delivery or preparation in beneficiary home; (2) maintenance of personal hygiene and basic health type services; (3) assistance with home chores; and (4) help with activities related to legal or administrative issues for health or social welfare institutions. The combined day-care and home care program includes socializing events to help reduce social isolation of the elderly.

The average annual cost for combined day care and home care is 3,200 kuna per beneficiary, while the annual cost for just home care services is 2,600 kuna per beneficiary. Organizations that offer this type of care are also eligible for additional funding from the Ministry for Infrastructure Development and additional investments into day-care facilities (3,500 kuna per beneficiary per year) and home care equipment (2,800 kn per beneficiary per year). The social services provided through the Program are currently free of charge for all beneficiaries, who primarily comprise of people over 65 years of age, living alone and/or without social or community support. The structure of care recipients from 2005 to 2008 shows that more than 70 percent of beneficiaries are in the 68-80 age group and 21 percent are above 80 years old.

In 2014, due to many irregularities and frauds in the process implementation, the Ministry has changed the programs „Dnevni boravak" and „Pomoć u kući". The Ministry combined those two programs and redefined the application process, so it would co-finance and directly choose who will get the help by issuing a tender. The Centre for social care will issue verification to citizens who meet the requirements for this type of services. This program is still active and many older people are using it.

Source: http://www.mspm.hr/vijesti-8/ministrica-opacic-predstavila-redefiniranje-programa-pomoc-u-kuci-i-dnevni-boravak-i-pomoci-u-kuci/1425

4.2. Gerontological centres

The Institute for Public Health (IPH), Centre of Gerontology, the referential centre for gerontology in Ministry of Health and Social Welfare, is currently developing a national network of Gerontological centres at county and local community level. The main idea behind this initiative is to establish specialized institutional network for non-institutional care for the elderly, in consultations with the family physicians to monitor and coordinate all activities related to the needs of elderly. An assessment of coordinating mechanisms among agencies (primarily the Program for the elderly implemented by MoFVIS) and the needed coverage level among the elderly population for requires further research. The services of gerontological centres are primarily intended for the so-called "young-old age individuals" who have some functional ability. Currently, 31 gerontological centres are operating and providing recreational-occupational activities, meals on wheels, day care, aid, and rehabilitation for the elderly in coordination with their primary health care needs.

4.3. Centres for Nursing and Care

Another source of non-institutional care are the centres for nursing and care, which provide long-term care, including day-care and home care services for the elderly and infirm. These

centres are founded by county and local governments, private companies, NGOs and faith based organizations, in particular Caritas and Red Cross. The actual number of these type of centres cannot be determined because there is no comprehensive registry system.

4.4. Foster Family Care

Foster care is a form of non-institutional social care provided at the community level. Foster care is particularly targeted towards persons without family, home or income. According to official Ministry of Health and Social Welfare data, in 2007, there were 3,439 adults placed in 1,241 foster families. Over half of the care recipients were elderly and infirm. Compared to 2003, the number of foster care providers had increased by 23 percent in 2007, while the ratio of the elderly who receives foster care appeared to stay constant.

4.5. Informal Caregivers

Informal care refers to the provision of unpaid activities, typically by a family member, to an individual who requires help with basic activities of daily living (e.g. people with dementia, physical disabilities, the terminally ill and those with mental problems). Despite changes in the social structure, including changes to the family structure and the weakening of traditional intergenerational support, spouses still play an important role in the provision of informal LTC. In Croatia, spouses, especially wives, are the primary caregivers for the elderly. Nevertheless, there is still a large number of the elderly population who live alone and who are at risk of having unmet LTC needs. Informal care is also provided by friends and neighbours.

Recent research findings show that help and support that the elderly receive from friends is similar in cities and in villages, although neighbourly help is somewhat greater in non-urban areas. Virtually no services are available for informal carers in Croatia.

It is difficult to identify reliable data regarding informal caregivers for the elderly. Recent literature has examined the extent and quality of informal care in relation to potential care providers. Changes in family structure, marked by a decreasing number of children per family, and separate living arrangements of adults from elderly parent(s), coupled with a large ageing population, makes continued reliance on relatives for LTC needs challenging. The current trend will likely continue to further weakening of traditional social systems of inter-generational support. Despite these changes in the social structure, spouses play an important role in the provision of informal LTC.

In Croatia, single and widowed men even remarry as a way of ensuring informal care in old age. Out of all single-headed households in Croatia, elderly people over the age 60 make up 64 percent (195,000) of which 78 percent are women. The spousal support that is available for men is probably available less for women.

5. Cost of Care for the Elderly

In homes for the elderly and infirm persons costs depend on the type of accommodation that is provided to the beneficiaries. For example, in the surveyed facilities, stationary homes cost consistently more than residence homes. Cost for hardly mobile, immobile and other persons with specific needs who are accommodated in stationaries (Croatian terminology, mostly hospices) include all of the mentioned costs plus costs related to the additional provision of health care services.

For mobile persons, the following costs are considered: material costs, wages and salaries for staff that provide psycho-social rehabilitation, organization and management, auxiliary workers (cleaners) and workers in bookkeeping departments.

Table 14: Cost of Care in State Homes for the Elderly and Infirm – (Per Beneficiary/Month*)

Type of Care	Type of Accommodation	Total Expenditure per Beneficiary (HRK)
Home till 50 Beneficiaries	Stationary	5,050.73
	Residence	3,190.57
Home from 50 till 100 Beneficiaries	Stationary	5,002.27
	Residence	3,162.64
Home from 100 till 150 Beneficiaries	Stationary	4,464.24
	Residence	2,624.61
Homes from 150 till 200 Beneficiaries	Stationary	4,323.51
	Residence	2,500.25

Note: 1. Material costs: - from 50 and from 50 to 100 beneficiaries as an example is used from selected counties the Home Zadar
Source: Bejakovic (2009).

In the three observed counties, the cost of care was similar in social welfare homes for the elderly and infirm. The cost ratio of wage/salary to material was approximately 1:1 and similar across the counties. The average cost of care per beneficiary in Croatia is HRK 3,207 and the state covers approximately HRK 1,900 of this cost. This difference between the actual cost of care and state coverage is approximately HRK 1,300.

Table 15: Average Cost of Care in State Homes for the Elderly and Infirm – (Per Beneficiary/ Month* 2007)

County	Number of beneficiary	Cost for wages and salaries per a beneficiary (HRK)	Cost for material goods per a beneficiary (HRK)	Total cost per a beneficiary (HRK)
Zadar County	320	1,552	1,458	3,010
Vukovar – Sriem County	219	1,903	1,735	3,638
Split – Dalmatia County	909	2,109	1,558	3,667
Total Croatia	10,859	1,683	1,524	3,207

Note: * Average expenditures do not take account of outlays for non-financial assets and emergency intervention.
Source: The Ministry of Health and Welfare, 2008: *Unit Cost per Beneficiary in Social Welfare Homes*, internal documentation, page 23, Zagreb: The Ministry of Health and Welfare.

The cost of care in private homes can vary tremendously depending on state subsidy. Beneficiaries who do not receive state subsidy can pay as much as HRK 5,000. The Ministry of Health and Social Welfare and the Ministry of Finance need to initiate a system of unit costing for long-term social care services in private homes as well as in NGO homes. Few organizations are currently able to provide a unit cost for services. Cost for care was given as a total and not an itemized breakdown. A consistent unit of measurement was lacking. Overall, there is a lot of inconsistency and variation in the way costs are calculated, making it difficult to identify the basis and breakdown of totals.

Table 16: Cost of Care in Private Homes for the Elderly/Infirm (2007)

	Total cost per beneficiary (HRK)
Croatian avg. with State subsidy	3,200
Croatian avg. without State subsidy	5,000

Source: Bejakovic (2009).

The new data on cost of care in elderly homes is not available since there aren't some new studies conducted in recent years and the only available data about costs are from analysis from previous years, for which conductors had internal documentation.

6. Future Policy Directions

6.1. Improve Coordination of LTC System

The need for coordination and a cohesive LTC policy is critical in the current context of limited and already burdened long term care services centres, the rising needs of a rapidly ageing population, and already stretched public budgets for social welfare and health spending. In Croatia, there is no comprehensive policy approach for integrating the health and social care components of long-term care. An integrated network of institutional and non-institutional services, provided by a range of formal and informal actors, by both state and private organizations is necessary. A needs and capacity assessment will be needed for developing an integrated network. A network can effectively organize and allocate long term care services in a consistent and fair way. This type of network requires close coordination among ministries who are already involved in providing long term care. A likely outcome of an integrated network are complementary policies that are not duplicated across sectors. This level of coordination is essential for an overall cost-effective national strategy.

Long-term care provision seems to be organized into numerous, specialized services with weak links between benefits. The system of benefits and allowances for long-term care is fragmented into various benefits, all of which account for a very small amount. These benefits are targeted to two specific types of beneficiaries: foster families housing the elderly and to persons with disability and parents of children with disability. Formal and informal caregivers are not supported by the allowance system. In the area of social care for the elderly, there are duplicated services by different key institutions, which do not necessarily ensure greater coverage or quality of services.

Institutional capacities for long-term healthcare are decreasing, in line with the general trend of reduction of hospital facilities and beds since 1990, which is one of the central components of a lengthy healthcare reform. According to the Committee on Geriatrics of Ministry of Health and Social Welfare, actual needs for geriatric treatment are three times higher than what the system can provide, while most long-term care, across categories of chronic conditions (geriatric, psychiatric and various chronic diseases) is almost fully utilized.

The need for closer coordination of social welfare and healthcare institutions is evident: in order to relieve the pressure from hospital facilities, stationary accommodation (combining intensive

provision social and health services) can act as an adequate substitute for hospitalization, of which the costs are much higher.

This issue needs to be explored in greater detail, both regarding the current level of coordination and costs. The role division between institutional care (through social welfare homes) and non-institutional care through NGOs can be a potential way to guarantee continuity of care provision among long-term beneficiaries as institutions rely on more predictable funding for operating costs while NGOs are usually funded on short-term project basis. Bridging the gap between informal and professional caregivers and responding to specific needs of beneficiaries is probably far better addressed by less formal organizational structures, such as NGOs who are led by members of local communities and social networks of target beneficiaries.

A weakness of the social care system as a whole and in individual institutions as well is the lack of managerial skills among managers. Almost the entire system is managed by leaders who often lack adequate training in strategic management, financial planning and other skills necessary for institutional management in a competitive market environment. This deficiency needs to be addressed over the medium term.

6.2. Improving Market Incentives

The overriding goal of recent public sector reforms in developed market economies is to ensure more effective use of public funds. One approach to this goal is to introduce more competition into social care markets. In Croatia, the role of the private sector as a provider remains limited. One reason for this is the weak administrative capacity in the Ministry of Health and Social Welfare.

6.3. Strengthen Informal Sector and Non-institutional sector

Long-term care services for the disabled and the elderly are beginning to be deinstitutionalized. Social welfare homes which typically provide institutional care are now providing various non-institutional care services. This trend is a likely result of the recent government agenda to deinstitutionalize care over time. If this trend continues, there are good prospects for the development of support services for informal caregivers. Currently, it appears that informal caregivers are not recognized in the expenditure system for long-term care. It is commendable that NGOs are integrated in the system of social and healthcare provision for people with disability, to a much greater degree than NGOs providing long-term care services for the elderly and mentally ill.

Non-institutional health services seem to be more structured than non-institutional social services due to the long tradition of public health in Croatia which includes outreach work. Even still, there is a lack of standards and adequate financial support for private initiative (e.g. centres for nursing and care) for long-term healthcare services. The slow development of palliative care is an indication of this. The overview of long-term care in Croatia suggests that infrastructure for long term care is in place however a comprehensive framework for long-term care needs to be developed.

Within the framework, the following needs to be addressed: coordination of services between separate ministries and agencies, market incentives to support growth of the private sector that seek to provide long-term social care at the community level, improve accountability of public funding by developing a reliable cost system, and institutionalizing a monitoring strategy for long-term care social services. A comprehensive framework will need to address the current and changing needs of the elderly and other recipients of LTC.

Sources: http://siteresources.worldbank.org/ECAEXT/Resources/Croatia_LTC.pdf

http://www.euro.who.int/__data/assets/pdf_file/0020/252533/HiT-Croatia.pdf?ua=1

http://www.stampar.hr/sites/default/files/sluzbe/docs/2016/geron_ljetopis_2016_web.pdf

7. Regulatory framework in the area of institutional accommodation for elderly and disabled in Croatia

The institutional accommodation of elderly and disabled in Croatia is regulated by the **The Social Welfare Act (NN 33/2012)**. The Act can be found on the next link:
http://narodne-novine.nn.hr/clanci/sluzbeni/2012_03_33_798.html

The social welfare homes may be established by:

- District (regional) administration units
- Local government units
- Religious associations
- Companies,
- Associations
- Domestic and foreign legal and physical entities.

This law has not strengthened the validity of the Ordinance of the criteria for classification homes for the elderly and disabled (NN121 / 2000) and that act is no longer valid. The Ordinance on service delivery in family homes in terms of expenses, equipment, professional and other employees (NN 52/10) has remained valid. It includes two parts, common conditions for all providers of social services in family homes and special conditions for each group of providers in this type of institutions. The Ordinance and special conditions for family homes for elderly and infirm in terms of activities, special requirements for expanse and equipment and employee requirements are available on the next link, from Article No. 44-47 („Članak 44-47"):
http://narodne-novine.nn.hr/clanci/sluzbeni/2010_04_52_1284.html

Also, providing accommodation and other types of services for elderly is regulated with the Ordinance on the type and activities of social welfare, non-family care, conditions of expanse, equipment and workers at social care home, therapeutic communities, religious communities, associations and other legal entities and the centre for help and home care (NN 64/2009).

The Ordinance can be found on the next address, and requirements about activities, expanse, equipment and other conditions for providing services for elderly are included in Articles (Članak No.82-86, 93, 102-103, 107-118 and in the enclosed tables at the end of the Ordinance: http://narodne-novine.nn.hr/clanci/sluzbeni/2009_06_64_1446.html).

The last important regulation act about providing services for elderly is the Ordinance on minimal requirements for the social services provision. Every aspect of service providing requirements like activities and types of services, special expanse conditions, special equipment conditions and employee requirements for service providers for elderly is explained in detail under paragraph 3.5, Articles No 162-196. The ordinance is available at:
http://narodne-novine.nn.hr/clanci/sluzbeni/2014_03_40_712.html

Due to the lack of official translation of these Act and Ordinances, the mentioned regulation acts have to and can be easily translated from Croatian via Internet.

8. Sources of funding

The Operational Programme of 2014 - 2020 will offer the possibility of non-refundable financing through EU funds for the construction and reconstruction of homes for the elderly and infirm.

The key features include:

Program for Rural Development System for the period 2014-2020 which provides financial investment in providing and strengthening the care services for the elderly and infirm. The aid intensity is up to 70% of eligible costs for investments carried out in rural areas, as part of measures:

- Investment in the launch of non-agricultural activities on the farm
- The development of non-agricultural activities in rural areas

Tenders have been announced in the first quarter of 2015, but due to the re-audit program, the new tenders' dates have not been announced yet.

Resources from the European Social Fund and the European Fund for Regional Development will be focused on strengthening the institutionalization and provision of services outside institutions, such as home help, day care, living room, early intervention and more.

Specifically, the project will finance and introduce new, alternative forms of care that are consistent with the government's program of de-institutionalization and expanding the network of social services in the community, all in accordance with EU guidelines.

Another possible source of funding is through public private partnership with the Agency for Public Private Partnership (APPP) (http://www.ajpp.hr/) as a national focal point and centre of knowledge responsible for the evaluation, approval and monitoring of the implementation of PPP.

On 2nd of March 2015, the Agency for Public Private Partnership (http://www.ajpp.hr/) was merged with the Agency for Investment and Competitiveness-(AIK), (http://www.aik-invest.hr/), where the Department of Public-Private Partnership took over the duties of the Agency for Public-Private Partnership.

In the context of the European investment policy, it is possible to combine PPP and EU funds, and in the process of approving these types of projects a key role is played by the Agency and the Ministry of Finance and the Ministry of Regional Development and EU Funds.

9. List of homes for elderly and infirm people

The European average capacity of institutional accommodation is 5% of the total population over 65 years. In Croatia, the average is a little over 2%. It is missing about 22,000 beds to achieve the EU average.

Domovi za starije
In the box left, under the title DOMOVI, there are lists of homes for every county in Croatia:
http://www.domovi-za-starije.com/hr/domovi_zg.html

List of private homes for elderly:
http://www.dugzivot.com/staraki-domovi/131-lista-starakih-domova

Homes in Zagreb, founded by the City of Zagreb:
http://www.zagreb.hr/default.aspx?id=1815

Homes in Split:
http://www.split.hr/Default.aspx?sec=102

List of homes in entire Croatia, Moj kvart:
http://www.mojkvart.hr/Javne-ustanove-i-institucije/Dom-za-starije-i-nemocne-staracki-dom

Sources:

https://www.hnb.hr/en/statistics/main-macroeconomic-indicators

http://www.dzs.hr/Hrv_Eng/publication/2012/SI-1468.pdf

http://www.stampar.hr/sites/default/files/sluzbe/docs/2016/geron_ljetopis_2016_web.pdf

http://ec.europa.eu/eurostat/tgm/table.do?tab=table&plugin=1&language=en&pcode=tsdde510

http://www.mspm.hr/vijesti-8/ministrica-opacic-predstavila-redefiniranje-programa-pomoc-u-kuci-i-dnevni-boravak-i-pomoci-u-kuci/1425

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http://narodne-novine.nn.hr/clanci/sluzbeni/2012_03_33_798.html

http://narodne-novine.nn.hr/clanci/sluzbeni/2010_04_52_1284.html

http://narodne-novine.nn.hr/clanci/sluzbeni/2009_06_64_1446.html

http://narodne-novine.nn.hr/clanci/sluzbeni/2014_03_40_712.html

http://www.aik-invest.hr/

http://www.europski-fondovi.eu/vijesti/najava-bespovratnog-financiranja-kroz-eu-fondove-za-izgradnju-i-rekonstrukciju-domova-za