



# SOCIAL SECURITY COORDINATION

## LONG-TERM CARE BENEFITS

The European Commission's proposal to update the current rules on social security coordination clarifies which long-term care benefits you are entitled to when you move to another Member State<sup>1</sup>. This way it addresses the needs of Europe's ageing population, people with disabilities and family carers. Long-term care benefits include benefits paid for and to a carer for services provided to a person who needs considerable assistance in essential daily activities, on account of old-age, disability, illness or impairment.



### WHAT ARE THE CURRENT RULES AND WHAT IS THE COMMISSION PROPOSING TO CHANGE?

#### CURRENT SITUATION

Long-term care benefits are currently not explicitly defined in the rules.

In practice they are coordinated as sickness benefits. This means that the Member State of insurance provides long-term care benefits in cash<sup>2</sup> and reimburses the cost of benefits in kind<sup>3</sup> provided by the Member State of residence.

#### UNDER THE NEW PROPOSAL

The rules will provide a common definition of long-term care benefits, criteria to identify them and a list of benefits in each Member State.

The same coordination rules continue to apply.

### WHAT THE NEW RULES MEAN FOR YOU

You are a disabled pensioner and have spent your entire working life in France and retire to Spain. France will continue to pay your cash benefits to assist with your long-term care needs. You will be able to export these benefits to Spain, which will provide you with benefits in kind, such as support and services needed. France will reimburse Spain for the costs of such support and services.

France and Spain can refer to the list of long-term care benefits in the rules to avoid the overlap of benefits for the same purpose and the same time period.

The new rules will make clear under which conditions you are entitled to export your long-term care benefits when you move abroad.

As a result your rights will be better protected in cross-border situations.

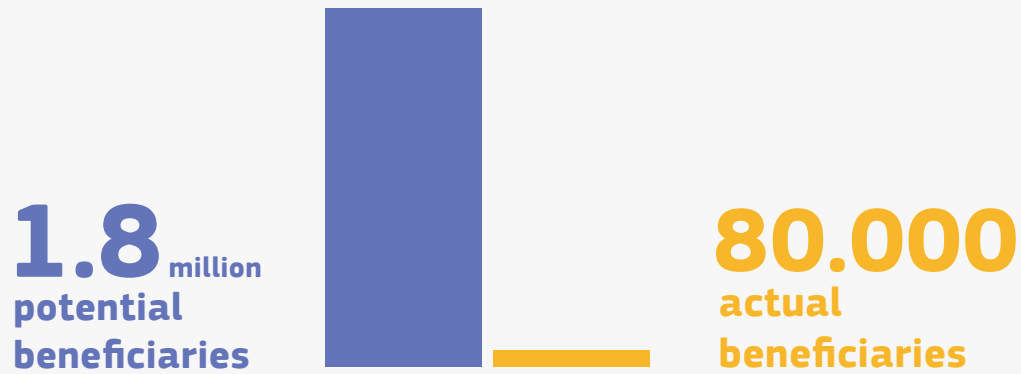
- 1| EU rules define which Member State is responsible for your social security in a cross-border situation. This will normally be the Member State where you work, or from where you receive a pension.
- 2| Benefits in kind are all benefits intended to supply, make available, pay for or reimburse the costs of specific goods and services. Example of benefits in kind is the reimbursement of the costs of a care-worker to support a disabled person in their home in case of long-term care needs.
- 3| Cash benefits are financial payments (of a fixed or differential amount) the level of which is fixed in advance (i.e. the amount paid is not subject to the actual expenditure incurred by the recipient).



## HOW MANY PEOPLE ARE AFFECTED?

**1.8 million persons** are living in another Member State than the one in which they are insured against sickness. Out of them, around **80.000 mobile citizens** are estimated to be entitled to long-term care benefits, totalling **€793 million** of expenditure in the EU (**0.4% of the total EU expenditure** on long-term care benefits).<sup>4</sup>

Potential and actual beneficiaries



<sup>4</sup> Table 2.18 in Pacolet, J. and De Wispelaere, F., "Update of the analytical studies for an impact assessment for the revision of Regulations (EC) Nos 883/2004 and 987/2009: Coordination of LTC benefits and unemployment benefits" (2015)