

Hungary has introduced a “home nursing allowance for children”

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Hungary has extended its cash benefit system supporting families nursing permanently ill or disabled relatives at home with a new form of allowance, the home nursing allowance for children. The new allowance is an important move towards the recognition of family home care as an official job.



Description

Hungary introduced a new cash benefit, the “home nursing allowance for children” (gyermekek otthongondozási díja or *gyod* in short) in January 2019 for parents nursing their permanently ill or disabled children, including adult children, at home.

Although a separate category under law, the *gyod* is in practice the fourth type of nursing allowance (*ápolási díj*) available to support family care. Applications for a nursing allowance, based on the expert opinion of a general practitioner, are evaluated by the local authorities. Depending on the health condition of the care recipient, an increased nursing allowance (*emelt összegű ápolási díj*), 150% of the standard allowance, or, since 2014, an extra nursing allowance (*kiemelt ápolási díj*) may be paid. The amount of the latter is currently HUF 67,485 (about €210) a month, 180% of the standard nursing allowance (HUF 37,490, or about €115) which can be paid to care providers if the health status of the recipient falls below the 30% threshold on a 0 to 100 scale applied by authorities assessing health status.

In 2017, about 53 thousand people in total received one of the various forms of nursing allowance. The *gyod* does not increase this number. It is granted to about one third of former recipients, to provide them with a higher amount, HUF 100,000 a month (about €310). This amount is not indexed, and its level is

set annually by Parliament. The government has announced their plan to gradually increase this amount to the then-minimum wage by 2022 (although the transition has not been adopted in legislation). The *gyod* is exempt from income tax but is subject to pension contributions (10%) unless the care provider is a pensioner. It creates eligibility for an old-age pension and, despite being exempt from health contributions, for public healthcare.

It can be combined with paid employment of up to four hours a day. No such limit applies if the care provider works from home.

The *gyod*, like the other forms of nursing allowance, is not limited in time. It is terminated if and when the eligibility conditions cease to exist (if the health of the recipient improves, or if they die, or if the authorities find the care provider to be failing in their duty).



Outlook and commentary

The *gyod* is a first, although still limited, attempt to remunerate family home nursing as a job. The original forms of nursing allowance did not aim to act as a market wage for a carer, nor were they meant to replace the wage of the caring family member, offering, rather, some limited compensation. The current net basic nursing allowance is a mere 15% of the average net wage in the economy; 31% of the average net wage in the social care sector, which is by far the lowest paid sector of the economy; and

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34% of the official net minimum wage. The introduction of the increased and extra allowances was a first step in the socialisation of familial care, but even the net extra nursing allowance is only 27% and 57% of the average net wage in the economy and the care sector respectively, and 61% of the net minimum wage.

Against this backdrop, the *gyod* is an important move towards the recognition of family home nursing care as an official job. Its net amount is 84% of the average net wage in the social care sector, which the actual activities of caring for a family member should belong to, and 91% of the net minimum wage. In addition, as mentioned above, the government promised to raise it to the level of the minimum wage by 2022.

However, the *gyod* is available only to parents. Other family carers, who nurse parents or other relatives and who make up about two thirds of recipients of nursing allowances, are

not eligible for this new benefit. Civil organisations want the government to extend the conditions of the new benefit to all nursing allowances. Also, they are calling for it to go hand in hand with all the legal advantages of paid employment.

Before the introduction of this new benefit, the government spent somewhat less than 0.07% of GDP on nursing allowances. The introduction of the *gyod* will increase this amount to about 0.1%. This is about 0.5% of the entire social protection budget (excluding education but including healthcare). According to civic organisations, even this small increase could be restrained by the new evaluation system for eligibility which is to come into effect in July 2019 and which will include the assessment of activities of daily living (ADL) in addition to health conditions.

Further reading

303/2018. (XII. 27.)
Government Decree (in Hungarian)

<http://www.kozlonyok.hu/nkonline/MKPDF/hiteles/mk18213.pdf>

Tájékoztató a gyermekek otthongondozási díjáról és az ápolási díjról [Information leaflet on the home nursing allowance for children and other forms of nursing allowance]

<http://emmiugyfelszolgalat.gov.hu/>

2018. CXVII. Act on the amendment of laws on social affairs, child protection and related laws (in Hungarian)
<https://mkogy.jogtar.hu/jogszabaly?docid=A1800117.TV>

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