

Sweden: Substantial increase in the long-term care budget

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In December 2020, Sweden's Corona Commission published their first interim report on the authorities' response to the pandemic, focusing on long-term care (LTC) for older people and the reasons why the strategy to protect these people failed. The report, which noted several structural shortcomings of the Swedish LTC system, has led to intense policy debates and subsequent policy initiatives – including the decision in April 2021 to increase LTC-related state grants to municipalities.

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Description

On 30 June 2020, the Swedish Government appointed an independent inquiry committee – the Corona Commission – to evaluate Sweden's COVID-19 strategy. The Commission's first interim report, which focuses on long-term care (LTC) for older people, was published on 15 December 2020 (SOU 2020:80). This report is comprehensive and quite critical.

During spring 2020, the Government, the administrative agencies, the regions and municipalities adopted a range of measures to tackle the COVID-19 outbreak, particularly to prevent and reduce the spread of infection in residential care homes. According to the Corona Commission's report, these measures came too late and were in several respects insufficient. The report's overarching conclusion is that the strategy to protect older people failed and that the high death tolls in residential care homes were mainly caused by the wide societal spread of the virus. In addition, the report highlights "structural shortcomings that have been well-known for a long time. These shortcomings have led to residential care homes being unprepared and ill-equipped to handle a pandemic. Staff employed in LTC were largely left to themselves to tackle the crisis".

The structural problems highlighted by the Commission include:

- Fragmentation of the LTC system across municipalities, regions, and governmental agencies. There was no national overview of crisis preparedness and no established communication

channels to enable coordination and collaboration. Given this division of responsibilities, there is a need for instruments and institutional channels that ensure operational coordination between the relevant authorities.

- Need for higher staffing levels, greater expertise and reasonable working conditions in LTC. The parliament and the Government must decide on sufficient staffing levels in residential care homes and home-help, especially regarding care of people with dementia. Medical staff's expertise in LTC needs to be increased. As a general requirement, registered nurses should be available in all residential care homes, around the clock. Municipalities, which are responsible for LTC, also, to some extent, provide healthcare for older people. All medical care provided by physicians is, however, the responsibility of the regions. This makes municipalities dependent on the regions' priorities. The municipalities should therefore be given the possibility to employ physicians. Further, all residential care homes should have access to the medical equipment necessary for medical interventions and good palliative care, to take place on site.

- Inadequate and unclear regulatory framework. Several measures aimed at protecting LTC recipients in a pandemic or other extraordinary crisis situations are at times in conflict with the individual's freedom and rights. The parliament must therefore ensure that there is the legal possibility in LTC to take the measures needed to protect LTC recipients.

In the wake of the pandemic, several policy reforms and budget increases

have been introduced with a bearing on LTC. We have already reported upon the “Boost for care of older people” initiative (äldreomsorgslyftet) that was presented during the summer of 2020 (Fritzell, Heap & Schön, 2020). The initiative is included in Sweden’s recovery and resilience plan (RRP), under the recovery and resilience facility (RRF). The proposal in the RRP is to use 4.58 billion SEK (€458 million) from Sweden’s RRF allocation to the initiative, mainly for increasing the educational qualification of the LTC work force.

The same day that the Corona Commission presented their report, the Government initiated an inquiry (utredningen om en äldreomsorgslag) intended to propose amendments to the Social Services Act, including a national plan for care of older people. The inquiry is also asked to discuss, and possibly suggest, how to increase medical competence within LTC. Further, the budget bill for 2021 included a 4 billion SEK (€400 million) increase of LTC-related state grants to municipalities.

In April 2021, the Parliament adopted a proposal for an immediate increase of 4.3 billion SEK (€430 million) in the LTC budget. This addition will be “performance-based” so that only municipalities who fulfil certain criteria will receive this extra funding. The main objectives of this additional budget are to reduce the high proportion of LTC employees paid by the hour and to strengthen medical competence in the area of LTC, mainly by increasing the number of registered nurses within residential care homes. This proposal, which builds on the main conclusions of the Commission’s report, was initiated by several opposition parties from both the right and left of the political spectrum.



Outlook and commentary

The Commission’s criticism must be understood in the context of Sweden’s highly decentralised three-tiered institutional structure (the state vis-à-vis independent regions and municipalities) which limits the government’s ability to steer the LTC system. Likewise, the regions have no authority to decide on municipal matters and vice versa. This complex governance structure creates fundamental issues related to management, coordination, efficiency and responsibility, which have become even more obvious during the pandemic. Solving them will require overarching changes to the governance of both healthcare and LTC.

Even though no major structural changes have been implemented, it has become very clear that there is a need for a general increase of resources in Swedish LTC. The various initiatives briefly presented above are all moves in that direction. At the national level, a major remaining problem is the high degree of sovereignty of the municipalities, making it very difficult to evaluate whether and how the municipalities use the increased resources as intended. In the increased LTC budget adopted in April 2021, the solution is to create an incentive system. In short, only municipalities that report a reduction in the number of employees paid by the hour, and an increase in the number of nurses/beds in residential care homes, will receive part of the additional budget. It remains to be seen if this indirect way of distributing money will be efficient. To some extent, it shows how difficult it is for the state to directly earmark resources within a decentralised system. The political divide around the latest initiative was more about process than

content. While members of the Government parties welcomed the suggestions to strengthen LTC, they were also immensely critical of the fact that this proposal was dealt with outside the normal and highly coordinated budget system that Sweden introduced in the aftermath of the severe recession in the 1990s.

The final report of the Corona Commission, covering most aspects of Sweden’s COVID-19 strategy, is expected by 28 February 2022.

Further reading

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SOU (2020). Äldreomsorgen under pandemin. Delbetänkande från Coronakommissionen SOU: 2020:80 [Elderly Care during the pandemic. Interim report from the Corona Commission].

Sveriges Riksdag (2021) Ändringar i statens budget för 2021 – Stöd till äldreomsorgen med anledning av coronaviruset [Changes in the 2021 state budget – Support for elderly care related to coronavirus].

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