

France recognises a fifth branch of the social security system centred on autonomy

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France is still waiting for a major reform of long-term care, which was expected in early 2022. The creation in August 2020 of a new social security branch on autonomy was admittedly a significant preliminary reform, following one of the recommendations of the 2019 report by the President of the High Council of Financing for Social Protection. The question is now how this new social security branch will be organised and funded. This is in the hands of the Minister for Solidarity and Health, who intends to increase involvement of the public authorities – central state and local authorities – in this sector, and to fund this fifth risk from the social security budget.

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Description

Following the creation of a fund in 2004 called the *Caisse nationale de solidarité pour l'autonomie* [National solidarity fund for autonomy - CNSA], the adoption in 2005 of a law on "equal rights and opportunities, participation and citizenship for people with disabilities", and the 2015 law on "adapting society to an ageing population", a new step is now expected: the promulgation of a major law on "Old age and autonomy", whose main elements were presented in the Report by Dominique Libault, the President of the High Council of Financing for Social Protection published in March 2019. The promulgation of this law was initially planned for the end of 2019, was then postponed and is still pending after a two-year delay. The COVID-19 pandemic and the Presidential campaign may explain this delay.

Headed by the Minister for Solidarity and Health herself, this reform plan clearly promotes the intervention of the public authorities – central state and local authorities – in this "loss of independence" sector, and announces the recognition of a fifth risk, funded from the social security budget. Following one of the recommendations of the Libault report, two laws (one organic [No. 2020-991] and one ordinary [No. 2020-992]) were published on 7 August 2020. These laws marked a first turning point in policies aimed at elderly people with reduced autonomy and people with disabilities, by establishing the coverage of a new risk by the social security system and the creation of a new social security branch in the organic law on social debt. These laws undeniably represented

progress in this area. They strongly expressed political and institutional recognition of the need to support the loss of independence, by creating a single disability and dependence sector, clearly identifiable in the social security financing bill examined annually by parliament.

Two reports followed the adoption of these 2020 laws and gave more details concerning this new branch: one by Vachey et al. on scope, governance and financing (presented to parliament in September 2020) and, more recently, a new report by Dominique Libault on local public services, published on 17 March 2022.

The question is now how these laws will be implemented, in other words how this new social security branch will be organised and funded. The order of 1 December 2021 lays the foundations. This piece of legislation allocates management of this fifth risk to the CNSA, and moves a large share of measures relating to the CNSA from the code on social action and families to the code on social action and social security. Although the CNSA thus becomes a social security fund, it mostly operates differently from the other funds. The new autonomy branch has some specific features: it has no contact with users, does not directly pay out any benefits, and is subject to a different governance system. It is not based on joint employee/employer management, and includes various institutional actors involved in the autonomy or independent living sector, such as local councils and user associations.

Another major development is the signature in March 2022 of the *Convention d'objectifs et de gestion* (Agreement on targets and management) which links the

CNSA and the state for five years and provides details regarding the new branch's operation and targets. To prepare for the baby boom generation as it reaches old age, the agreement defines three priority areas aimed at "establishing the autonomy branch by 2030": a) guarantee a high-quality public service for autonomy for older people, people with disabilities and their families, thanks to a simplified administrative process; b) guarantee support adapted to the needs of people who want to remain in their homes in their living environment or in an institution; and c) organise the new autonomy branch to ensure more efficient services and provide resources to beneficiaries.

For 2022, the CNSA has a budget of €35.4 billion (€28.6 billion earmarked for medical-social establishments and services; €5.4 billion to fund part of individual support, and the rest for diverse expenditures).



Outlook and commentary

These developments do not however mean the end of the debate. The financing of the autonomy branch includes various

types of funding aimed at older people and people with disabilities that already existed and were formerly managed by other branches of the social security system. Although this move makes public investment in this sector clearer, the amount of the own resources involved raises questions. Currently judged to be insufficient (Ferras, 2020), these resources are likely to increase constantly in the coming years, according to the March 2022 agreement on targets and management.

In 2019, Dominique Libault estimated that the additional budget needed due to demographic trends would reach €9.2 billion by 2030, almost half of it due to the increased number of older people losing their independence, and the rest resulting from the proposed measures to improve support for these people. This is a financial challenge. In his 2022 report, Dominique Libault suggests another additional challenge to be met: better coordination between the state and local authorities to optimise and adjust supply according to the individual needs of the people with reduced autonomy. The preparation of the law, postponed until after the presidential elections, will no doubt develop these scenarios further.

Further reading

Broussy, L. (2020), [Ceci est-il un 5ème risque?](#) [*Is this a fifth risk?*], Matières grises think tank.

CNSA funding: https://www.cnsa.fr/documentation/ciffres_cles_2020.pdf.

Ferras, B. (2020), "Cinquième 'risque', cinquième 'branche'? Vers une politique rénovée de prise en charge de la perte d'autonomie des personnes âgées?" [*fifth "risk", fifth "branch"? Towards a review of the policy on covering loss of independence among old people?*], Regards, No. 57, 195-211.

Le Bihan, B. and Martin, C. (2021), "Quatre décennies de rapports et de propositions pour dessiner le chemin vers un cinquième branche du système français de protection sociale" [*Four decades of reports and proposals leading the way towards a fifth branch of the French social protection system*], Revue de droit sanitaire et social, No. 1, 2021, 5-14.

Libault, D. (2019), [Concertation, grand âge et autonomie](#) [*Consultation, old age and autonomy*], March 2019.

Libault, D. (2022), [Vers un service public territorial de l'autonomie](#) [*Towards a local public service for autonomy*], 17 March 2022.

Vachey et al. (2020), [La branche autonomie, périmètre, gouvernance et financement](#) [*autonomy branch: scope, governance and financing*], presented to parliament in September.

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