Financial catastrophism inherent with out-of-pocket payments in long term care for households: a latent impoverishment

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Abstract

Background

Out-of-pocket (OOP) payments are configured as an important source of financing long-term care (LTC). However, very few studies have analyzed the risk of impoverishment and catastrophic effects of OOP in LTC.

Objective

To estimate the contribution of users to the financing of LTC and to analyze the economic consequences for households in terms of impoverishment and catastrophism.

Data and Methods

The data base which was used is 2008 Spanish Disability and Dependency Survey, projected to 2012. We analyze the OOP payments effect associated to the impoverishment of households comparing volume and financial situation before and after OOP payment. At the same time, the extent to which OOP payment had led to catastrophism was analyzed using different thresholds.

Results

The results show that contribution of dependent people to the financing of the services they receive exceeds by 50% the costs of these services. This expenditure entails an increase in the number of households that live below the poverty. In terms of catastrophism, more than 80% of households dedicate more than 10% of their income to dependency OOP payments. In annual terms, the catastrophe gap generated by devoting more than 10% of the household income to dependent care OOP payment reached €3,955, 1 million (0.38% of GDP).

Conclusion

This article informs about consequences of OOP in LTC and supplements previous research that focus on health. Our results should serve to develop strategic for protection against
the financial risk resulting from facing the costs of a situation of dependence.

**Background**

Total spending on health care on average accounts for 9% of GDP in the OECD while long-term care (LTC) absorbs 1.5% of GDP [1, 2]. Given the rates of world population ageing and dependence, this spending will continue to rise in the coming years [2] and put upward pressure on public finances, although some studies reveal the opposite [3]. In a context of fiscal restraint and reduction of public debt, governments implement measures aimed at containing health and long-term care expenditure. Some of these measures are out-of-pocket (OOP) payments and insurance in LTC field.

OOP payments associated with LTC are defined as beneficiary participation in the cost of a service. It has two functions: to gain efficiency from the use of an asset and/or service, curtailing excessive demand, known as moral hazard, which arises when the price paid by a consumer is lower than the marginal value or utility [4–6], and reducing costs by raising additional financial resources.

According to Xu et al. (2007) [7] many countries rely heavily on patients’ OOP payments to providers to finance their health care systems but there is widespread debate in public health systems on whether to establish a OOP payment or not, and the effects that OOP payment has on the use of services, trying to determine if there is a negative price elasticity between price and service use. There is an extensive literature examining the impact of out-of-pocket expenditures for drugs and health services [8–11]. In their systematic review, Kiil and Houlrberg (2014) [12] find that OOP payment has a negative effect on demand, except in the case of hospitalizations, and reduces the use of prescription medicine. Others studies suggest that OOP payment increases were also found to lead to decreased utilization of services, including hospitalizations, physician visits, prescription drugs, and outpatient clinic visits [13].
OOP payments also impact on equity [14, 15] join to catastrophe and impoverishment although the literature has devoted less attention to these issues. According to Antonanzas and Briás (2013) [16], few studies have been conducted on the effects of OOP on equity and no conclusions have been reached, although, for example, reduced use of prescription drugs in response to higher OOP payments by low-income adults on public assistance have also been reported in Canada [17]. Kiil and Houlberg (2014) [12] indicate that some studies find an association between low income and higher elasticity-price of demand, while others do not. In the same vein, González López-Valcárcel et al., (2016) [5] only locate three studies analyzing the effect of OOP payment on the use of health services by vulnerable population groups.

Although the literature on catastrophe and impoverishment is also limited [18–23], the results show that the implementation of health care OOP payment puts many households at financial risk. Even a small payment can generate a financial problem in a poor household, forcing the reduction of other basic expenses such as food, hygiene, or the education of their children, which affects quality of life while families may fall into poverty or become poorer.

A review of the literature on OOP payment shows that its effects on health, although varying, are well documented. In the case of private health insurance systems, a number of studies in the United States analyze the effect of the lack of health insurance on the chronically ill [24–28] or people with disabilities [29–33]. However, those analyzing the effects of OPP payments or health insurance on LTC are more limited in number although interest in this issue is growing. Some studies have analyzed OOP payments for specific components of health care such as the chronically ill [34, 35] and the disabled population [36–38]. In addition, a study across the OECD has measured the protection of long-term care and differences between countries. For example, in the United States, people with
assets are expected to use them to pay for care until they become legally impoverished and eligible for social protection [39].

In Spain, LTC system is funded by revenue from taxes and user’s OOP payments. Specifically, the 2006 Act for the Promotion of Personal Autonomy and Care of Dependent Persons [40], commonly known as Dependency Act (DA), sets out that users will contribute a third of the cost of the service, depending on their economic situation. The limited number of studies conducted in this regard [41, 42] show that their contribution is far from this quantity, being between 28.5 and 21.3 %. In 2012, against a backdrop of economic crisis and faced by the need to reduce public debt, the government amended the legislation on OOP payment, leading to user contributions to rise to 50% [43, 44].

Table 1 shows the differences in the legislation before and after 2012 for OOP payments associated with LTC. This legislative reform has had no effect on the demand for services because despite not being wholly insensitive to OPP payments, it is generally accepted that demand for LTC services is inelastic, and can this have an impact on equity. Furthermore, the amendment implemented in 2012, in a situation of economic crisis, makes it more relevant to analyze the effect it has had in terms of impoverishment and catastrophe.

**INSERT TABLE 1**

On the other hand, the original implementation of the DA was designed to be progressive, where people with level III dependency should have benefitted from the DA in 2007; those with level II should have benefitted in 2008—2011, and people with level I in 2012—2015. However, the structural legislation previously cited postponed the inclusion of people with moderate dependence (level I) until July 2015 [45, 46].

The aim of this paper is to estimate the amount of OOP payment for LTC made by users in accordance with the 2012 legislation, and to analyze the effect of this amendment in
terms of the impoverishment and catastrophism of households in Spain. The paper is organized as follows: In the second section, we present the databases used in the analysis and the methodology employed to calculate OOP payment, impoverishment and catastrophic expenditure in households. The third section presents the empirical results. The final section is devoted to a discussion of the results obtained and the main conclusions.

Material And Methods

Sample

The Spanish Disability and Dependency Survey for 2008 (SDDS) conducted by the Spanish National Statistics Institute [47] was used to obtain the socioeconomic, demographic and health profile and the characteristics of the environment of people with disabilities in Spain. Specifically, we used the households section of the SDDS, which contains surveys on 22,975 persons. The methodology of the survey assigns weights to each item so as to extrapolate the findings to the population with disabilities in Spain. Apart from information related to disabilities, impairments and limitations, it also contains information on the income and financial situation of persons with disabilities, a variable required to calculate the OOP payment corresponding to each dependent person. The sample was projected from 2008 to 2012, applying the weights of situations of dependence by level and autonomous community, and considering the 2012 population data.

Levels of dependence

The first step was to classify the persons with disability into the levels of dependence defined in the DA. The DA defined three levels of dependency: mild (level I), moderate (level II) and severe (level III). To this end, we compared the level of support required to perform basic and instrumental activities of daily living included in the SDDS with the evaluation scale [48] set out in the DA. The final score used to assign the levels of
dependence is the result of adding the product of the basic activities of daily living’ tasks requiring support, weighted by the weight of each activity in the overall calculation and the level of support required by each individual. The final score can range from 0 to 100 points: between 0 and 24 points, not eligible; 25 to 49 points, mild level; 50 to 74, moderate level and 75 to 100, severe level. This methodology is similar to that used in previous studies [49, 50] and can be summarized as follows (equation 1).

\[ \sum i = 1 n t_i (a_{1i}e-a_{2i}e-1) \]

[1]

Where \( i \) denotes task for which the individual has difficulty (\( n = 52 \))

\( t_i \) = weight of the task

\( s_i \) = level of support required by each individual: partial supervision, 0.90; maximum supervision, 0.95 and special supervision, 1.

\( a_1 \) = weight assigned to the activity in the case of mental illness

\( a_2 \) = weight assigned to the activity in the case of no mental illness

\( e \) = 0 if the individual does not suffer mental illness

\( e \) = 1 if the individual suffers mental illness

At this point, we established two scenarios. The first scenario was designed as a partial application of DA, including individuals with dependency levels II and III. The second scenario adds individuals with dependency level I, showing a complete application of DA.

**OOP payments associated with LTC**

The second step was to calculate beneficiary’s OOP payments. To do it, previously it is necessary to identify the cost of the service they receive. Services included residential care, day/night care and home help services. In the case of cash benefits, linked to services, referred to payments to family caregivers and support for non-professional
caregivers and personal assistance.

**INSERT TABLE 2**

The economic cost of each service is shown in Table 2. We assumed common prices in all the regions of Spain given that the national regulations provide for reference prices for the cost of the services and benefits included in the Act. In this sense, the possible differences across autonomous communities are on the mean. Services were valued in accordance with current legislation [45]. The mean interval of cost was used as defined in the DA for residential care, i.e. €1,350/month, subject to an increase of 40% to €1,890/month, as set out in the law, in level III cases, which require permanent help for basic activities of daily living. Following the same criterion for day/night care center services, the cost for levels I and II was €650/month, increasing by 25% to €812.5/month for level III cases. Finally, in the valuation of home help benefit, we used the mean interval of hours as defined in the Act [51], which was 10.33 and 58 hours/month for levels I, II and III, respectively. Regarding the cost per hour of this service, as the distribution of services did not provide information on the number of hours dedicated to personal care and home help, the cost of which was €14/hour and €9/hour, respectively, we calculated the cost by using the mean cost of both services, i.e. €11.5/hour.

Cash benefits are different to services in that dependent person does not have to pay previously, but rather a transfer of revenue to the household. In order to calculate the cost of economic benefits relating to services and personal care, the end service was considered to usually be residential care, day/night center and home help. Given the lack of official public statistics, the reference for the service cost was calculated using as weighting factor the weight of the cost of each service in the total cost of services according to level of dependence and autonomous community of residence. To calculate the cost of personal care, home help services were used as the proxy asset.
Regarding cash benefits for family care, the cost was estimated using the cost-replacement method [52–54]. Drawing on the information provided by the SDDS-08, we calculated the weekly hours of informal care received by dependent persons according to their level of dependence and autonomous community of residence [55], limited to a maximum of 16 hours per day [56–58]. In order to value each hour, we used the minimum salary of domestic workers [59], which was €5.02/hour.

**INSERT TABLE 3**

The OOP payment of each type of benefit was calculated in accordance with legal definition [45]. Calculations are shown in Table 3. The economic capacity of beneficiaries was calculated in accordance with the criteria set out in the DA, although only income was taken into account, as the SDDS provides no information on family assets. In the case of benefits for services the corresponding calculation was applied, while for cash benefits, OOP payment was calculated as the difference between the cost of the service (benefit linked to the service and personal care) or the care (benefit for family care and support for non-professional caregivers) and the amount of the assigned benefit, calculated on the basis of the provisions laid out by the Act.

**Impoverishment and catastrophic measures**

Once the OOP payment is estimated, the aim is to identify to what extent this OOP payment affects the impoverishment or catastrophic expenditure of families. To this end, we used the measures of impoverishment and catastrophe defined by Wagstaff and Van Doorslaer (2003) [21]. The impoverishment rate refers to the number of households whose equivalent income \( x_i \) is below the so-called poverty threshold. The equivalent income household was calculated as the relation between the household income and the number of equivalent members or consuming units \( n'_i \). To do this, we used the OECD modified equivalence scale [60, 61], which assigns a value of 1 to the first household member; 0.5
to each household member aged 14 or over; and 0.3 to each member aged 13 or under.

The poverty threshold is defined as a certain level of income, which in this study was fixed as 60% of the mean equivalent household income in Spain, based on the Life Conditions Survey [21, 62, 63]. The poverty threshold for 2012 was calculated to be €7,166/year, i.e. €597.17/month.

To analyze the impoverishing impact of OOP payment, we defined two indicators: the pre-payment poverty rate (H_{pre}), that is, before any OOP payment was implemented, and the post-payment poverty rate (H_{post}), that is once the OOP payment was implemented. The pre-payment poverty rate (H_{pre}) corresponds to households which, before making the OOP payment for dependent care, have an equivalent income below the defined threshold. The post-payment poverty rate (H_{post}) was calculated by subtracting the amount of household income, the OOP payment for dependent care, thus establishing their net equivalent income (x'_i).

Both indicators, H_{pre} and H_{post}, permit a vision of the two aspects of the impoverishing impact of OOP payment of dependent care: incidence and intensity. On one hand, the difference between the poverty rate before and after OOP payment (H_{post})-(H_{pre}), shows the incidence of OOP payment, that is, the number of households below the poverty threshold due to OOP payments of dependent care, which had not initially been poor. On the other hand, it shows the increase in the intensity of the poverty gap in households which were already classed as poor. In this way, a household whose net equivalent income is below the poverty threshold is considered a poor household and the difference between the two incomes is defined as the poverty gap for each household. Thus, the sum of the individual poverty gaps forms the overall poverty gap. Ultimately, we have the overall poverty gap of households that were poor before the OOP payment of dependent care; the
poverty gap for households that falling below the poverty threshold due to making dependent care OOP payment (it is to say, the poverty gap due to making the OOP payment); and lastly, the poverty gap of new poor households falling below the poverty threshold due to making the dependent care OOP payment. The last two measures represent the overall poverty gap due to OOP payment of dependent care.

In the same way as health care OOP payments, those for long-term care can also represent a catastrophic expenditure for households if they force individuals or households to suffer a drop in the standards of living now, or in the future [18, 64]. The catastrophe threshold \( z_{\text{cat}} \) has been defined as a certain percentage of \( x_i \) which households must devote to making the corresponding OOP payment for dependent care, \( oop_i \), in such a way that when a household has to make a payment above the regulatory percentage, this household is classified as catastrophic. The catastrophe incidence has been defined in terms of the percentage by which the OOP payment of dependent care exceeds the catastrophic threshold \( z_{\text{cat}} \), and the mean monthly catastrophic gap has been defined as the amount of income exceeding the catastrophic threshold that is destined to the OOP payment of dependent care. The overall catastrophic gap is the sum of the individual catastrophic gaps.

Although setting a cut-off point is arbitrary since a small payment may be catastrophic for a poor household, in the literature, these thresholds range from 5% to 40% [18, 21, 22, 63, 65]. In order to analyze the sensitivity of our calculations the regulatory percentages used were 10%, 20%, 30% and 40%.

Both the costs of services and the income of the dependent persons are restated to values in euros of 2012, using the Consumer Price Index as restatement factor [66]. The monthly income variable was valuated for each individual and multiple imputation was conducted
to estimate missing data [67].

Results

**INSERT TABLE 4**

Table 4 shows the sociodemographic information of the study sample. More than two thirds of the dependent persons are women (68.41%, 67.18% and 68.08% for levels I, II and III, respectively). The mean age ranges from 70.74 years (DT: 18.00) for level I to 75.52 (DT: 20.03) for level III. The predominant marital status in persons with level I dependence is married (44.64%), while in levels II and III widowed is the predominant status (42.33% and 48.12%, respectively). In all levels the marital status of separated is the least common. Regarding educational level, for all levels of dependence unfinished primary education is the most common (55.96%, 60.27% and 66.12%, levels I, II and III, respectively). Between 79.06% (level I) and 86.97% (level III) of the dependent persons report their only economic activity to be receiving a pension (contributory or otherwise).

The mean number of persons per household is 2.8 in the case of level I dependent persons, 2.92 for level II and 3.11 for level III. These figures are lower in the case of equivalent members (1.82, 1.93 and 2.03, respectively). Finally, mean monthly income ranges from €1,375.29 (SD: 1,023.72) for grade I to €1,516.46 (SD: 1,108.97) for level III.

**Table 5. Dependent care OOP payments by level.**

|                | LEVEL I |       | LEVEL II |       | LEVEL III |       |
|----------------|---------|-------|----------|-------|-----------|-------|
|                | Mean    | SD    | Mean     | SD    | Mean      | SD    |
| Amount         | 303.64  | 173.89| 412.12   | 192.71| 661.62    |       |
| % / total cost benefits | 55.23%  | 18.59%| 52.98%   | 20.56%| 52.43%    |       |
| % / household income   | 31.85%  | 24.21%| 44.83%   | 35.63%| 64.95%    |       |

Table 5 shows the mean amount a dependent person has to pay depending on their level of dependence: these amounts range from €303.64 in the case of level I to €661.62 for level III. This means that dependent persons pay more than 50% of the cost of their
dependent benefit at all three levels. Specifically, level I dependent persons devote a third of their income to this payment (31.85%), level II, almost half (44.83%), and level III, almost two-thirds (64.95%).

The OOP payment of dependent care has an impoverishing impact on dependent persons. Tables 6 and 7 show both scenarios, partial and complete, and reveal that OOP payment generates an impoverishment rate ranging from 19.16% (level I) to 27.54% (level III); in other words, these are households which newly fall below the poverty threshold after making the OOP payment. Furthermore, we have those households already below the threshold before making the OOP payment (46.27% for level I, and 45.84% for levels II and III). The mean monthly poverty gap per new poor household amounts to €206.52 (SD: 177.97), €283.15 (SD: 171.98) and €507.15 (SD: 249.41) for levels I, II y III, respectively, while in the case of the initially poor households the poverty gap increases by €286.76 (SD: 144.21) for level I, €451.76 (SD: 170.04) for level II and €667.10 (SD: 177.64) for level III.

Table 6. Impoverishment rate of dependent care OOP payments by level. Scenario 1 (partial application, including levels II and III).

|                    | LEVEL II | LEVEL III | AV\(\text{I}\) |
|--------------------|----------|-----------|---------------|
| Poverty rate       |          |           |               |
| Pre-OOP payment    | 45.84%   | 45.84%    |               |
| Post-OOP payment   | 68.97%   | 73.38%    |               |
| Increase           | 23.13%   | 27.54%    |               |
| Mean household     |          |           |               |
| Poverty gap (€/month) (SD) | | | |
| Pre-OOP payment    | 330.90 (277.37) | 348.77 (294.87) | |
| Increase already   | 451.76 (170.04) | 667.10 (177.64) | |
| poor households    |          |           |               |
| Increase poor       | 283.15 (171.98) | 507.15 (249.41) | |
| households due to   |          |           |               |
| OOP payments       |          |           |               |
Table 7. Impoverishment rate of dependent care OOP payments by level. Scenario 2 (complete application, including levels I, II and III).

| Category | 2012 (M euros per year) | 2020 (M euros per year) |
|----------|-------------------------|-------------------------|
| "A"      | 747,520,920             | 534,722,160             |
| "B"      | 1,020,556,800           | 1,022,768,880           |
| "C"      | 322,771,200             | 467,076,120             |
| Increase | 1,343,328,000           | 1,489,845,000           |

| Category | 2012 as % (A + B + C) | 2020 as % (A + B + C) |
|----------|-----------------------|-----------------------|
| A        | 35.75%                | 26.41%                |
| B        | 48.81%                | 50.52%                |
| C        | 15.44%                | 23.07%                |

| Category | 2012 as % (B + C) | 2020 as % (B + C) |
|----------|-------------------|-------------------|
| B        | 75.97%            | 68.65%            |
| C        | 24.03%            | 31.35%            |
Table 8. Catastrophic effect of dependent care OOP payments by level. Scenario 1 (partial application, including levels II and III).
### Catastrophe threshold (z 10%)

|                     | LEVEL II | LEVEL III |
|---------------------|----------|-----------|
| % households with catastrophic expenditure (Hcat) | 81.19%   | 97.27%    |
| Mean monthly catastrophe gap (%) (SD)            | 43.72% (33.80%) | 56.54% (45.24%) |
| Mean monthly catastrophe gap (euros) (SD)        | 354.98 (170.69) | 526.55 (239.06) |
| Overall catastrophe gap (M euros per year)       | 1,420,472,400 | 1,713,004,800 |

The overall catastrophe gap level II + level III (M euros per year) is €3,133,477,200 for level II and €3,955,134,600 for level III.

### Table 9. Catastrophic effect of dependent care OOP payments by level. Scenario 2 (complete application, including levels I, II and III).

|                     | LEVEL I | LEVEL II | LEVEL III |
|---------------------|---------|----------|-----------|
| % households with catastrophic expenditure (Hcat) | 83.43%   | 81.19%   | 97.27%    |
| Mean monthly catastrophe gap (%) (SD)            | 27.06% (23.20%) | 21.56% (22.60%) |
| Mean monthly catastrophe gap (euros) (SD)        | 224.71 (157.00) | 226.55 (239.06) |
| Overall catastrophe gap (M euros per year)       | 821,657,400  | 1,420,472,400 |

The overall catastrophe gap level I + level II + level III (M euros per year) is €3,955,134,600 for level I, €3,133,477,200 for level II, and €2,821,2 million for level III.

Tables 8 and 9 show the catastrophic expenditure effects of paying dependent care that more than 80% of households dedicate more than 10% of their income to dependent care specifically 83.43% in the case of level I, 81.19% for level II and 97.27% for level II gaps by level are €224.71 (SD: 157.00) for level I, €354.98 (SD: 170.96) for level II, and €526.55 (SD: 239.06) for level III. These percentages and amounts decrease as the cut-off thresholds used increase. Thus, it can be seen that the percentage of households devoting more than 40% of their income to funding dependent care benefits is 23.84% for level I, 51.45% for level II, and 68.07% for level III, with a mean monthly gap of €153.78 (SD: 114.48), €172.93 (SD: 119.61), and €341.66 (SD: 137.48), respectively.

In annual terms, the catastrophic gap generated by devoting more than 10% of the care OOP payment reaches €3.133.5 million (0.30% of GDP) for scenario 1 (i.e., both levels II and III), €1.718.9 million (0.18% of GDP), and €1,216.3 million (0.11% of GDP) for the second scenario (three levels). This amount decreases to €290.23 (SD: 226.55) for the second scenario (three levels). This value increases when level I is included.
Our results should serve to develop strategies for protection against the financial risk resulting from facing the catastrophic and catastrophe related to long-term health care expenditure; it analyses the consequences of the 2012 OOP terms of impoverishment and catastrophic expenditure in Spain. The study presents measures of impoverishment. Our results make various contributions to empirical research on the effect of OOP payment on long-term care in Spain, in 2008, while that of long term care increased only from 4.4% to 5.1% in the same time period [72].

In terms of aggregate values, Spanish households below the poverty threshold pay more than €3,588.2 million in dependent care OOP payments. This means that if Spanish public author impoverishment of households with dependent persons, they have to increase the dependent care by that amount.

The likelihood of households with dependent persons falling below the catastrophe factors: either because a household with limited economic resources has to make. The draft considered both questions in its provisions for OOP payment. However, the data of catastrophic expenditure in households. Drawing on Blomqvist and Busby (2012) consider reducing or eliminating OOP payment if users’ incomes fall below a determined as the poverty threshold.

Following the legislation implemented in 2012, the funding of dependent care causes catastrophic expenditure as reflected in the percentages of OOP payments over the results of the study on health care OOP payments conducted by Xu et al. (200) need to be made. Besides associating OOP payments with the user’s income, exer be considered for certain levels of dependence. In addition, thought could be given funding regime before the situation for dependence arises; in other words, a privat suggested by McIntyre (2006) [19], health insurance could be more appropriate for impoverishment. Although funding systems would depend on the institutional struc-economic development of each individual country, alternatives need to be found w catastrophic expenditure.

There are two main limitations of the study. Firstly, while the 2008 Spanish Disabil taken as the basis for the socio-demographic characteristics of the dependent pop services was calculated according to the 2012 Dependency Act. Nevertheless, the affected by this lag in the data sources, since the evolution in the prevalence of di: unchanged over time [43]. For instance, in Spain the prevalence of disability among in 2008, while that of long term care increased only from 4.4% to 5.1% in the same

Conclusion

Our results make various contributions to empirical research on the effect of OOP | terms of impoverishment and catastrophic expenditure in Spain. The study presen and catastrophe related to long-term health care expenditure; it analyses the cons payment or which are poor following the OOP payment reform and those which OC catastrophic situation.

To the best of our knowledge, this is the first work to analyze the impoverishing irr payments in Spain and it contributes to understanding of the economic burden of m monetary amount of OOP payment could be a limitation of the work. Our results should serve to develop strategies for protection against the financial r costs of a situation of dependence. The conclusion of future laws might consider a s closely related to families’ incomes. Furthermore, it seems reasonable that politic
implement policies to reduce social imbalance, in this case, alleviating the financial dependence and providing them with services appropriate to their needs.

Abbreviations
OOP: out-of-pocket; LTC: long-term care; Dependency Act: DA

Declarations

Ethics approval and consent to participate
Not applicable

Consent for publication
Not applicable

Availability of data and material
Available in: http://www.INE.es/dyngs/INEbase/es/operacion.htm?c=Estadisticas&nie=1254736176782&menu = resultados&secc = 1254736195313&idp = 1254735573175 please contact author for data requests

Competing interests
The authors declare that they have no competing interests.

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Authors’ contributions
All authors designed and managed the study. RPR carried out the data preparation and IPG have contributed in writing the first draft of the manuscript. All the authors have provided input on multiple drafts of the manuscript and approval of the final version.

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Authors’ information (optional)

Tables

Table 1. Increased in out-of-pocket payments associated with LTC in Spain.
| In-kind services          | Residential Care  | 70 – 90% Economic capacity of beneficiary |
|--------------------------|-------------------|------------------------------------------|
|                          | Day / Night Care Center | 10 – 65% Economic capacity of beneficiary |
|                          | Home Help Services  | 10 – 65% Economic capacity of beneficiary |
| Cash Benefits            | Linked to services | ≤60% Economic capacity of beneficiary |
|                          | For family care and help to support for non professional caregivers | ≤75% Economic capacity of beneficiary |
|                          | Personal assistance | ≤60% Economic capacity of beneficiary |

* Resolution of 2 December 2008, of the State Secretariat for Social Policy, Families and Disability, on the Agreement the Territorial Council for Autonomy and Attention to the economic capacity of beneficiaries and the criteria of participation for beneficiaries provided by the Dependency System.

** Resolution of 13 July 2012, of the State Secretariat for Social Services and Equality, on the Agreement the Territorial Council for Autonomy and Attention to Dependency for the improvement of autonomy and attention of dependent persons.

Table 2. Cost of dependent care benefit euros, 2012.
| Service                        | Cost per Month          |
|-------------------------------|-------------------------|
| RESIDENTIAL CARE              | €1,350/month            |
| DAY/NIGHT CENTERS            | €650/month              |
| HOME HELP                     | Mean hours per month = 10, Mean cost per hour = €11.5/hour, 10 x 11.5 = €115/month |

**LINKED TO SERVICES**

Cost of service: \( w_1, w_2, w_3 = \) number of benefits

**FOR FAMILY CARE AND HELP TO SUPPORT FOR NON PROFESSIONAL CAREGIVERS**

Cost of care = mean number of

\[ \text{e.g. National total} = 20.95 \text{ hc} \]
\[ \text{€5.02/hour x 4 weeks/month} = \] €420.68/month

**PERSONAL ASSISTANCE**

Cost of service = home help, €115/month

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**Table 3. Beneficiary OOP payments by dependent care benefit in euros 2012.**
Table 4. Sociodemographic variables by level of dependence EDAD-08.
Variables

| Gender         | N     |
|----------------|-------|
| Male           | 115,355 |
| Female         | 249,863 |

Age (Mean (SD) Min - Max) 70.74 (18.00) 6 -

| Marital status |       |
|----------------|-------|
| Single         | 54,846 |
| Married        | 163,029 |
| Widowed        | 135,668 |
| Separated      | 11,675 |

| Educational level |       |
|-------------------|-------|
| Unfinished Primary| 203,721 |
| Primary           | 120,611 |
| Secondary         | 22,939 |
| Tertiary          | 16,806 |

| Employment status |       |
|-------------------|-------|
| Working           | 13,587 |
| Unemployed        | 6,865 |
| Receiving pension | 284,757 |
| Other             | 54,988 |

Number of members household (Mean [SD] Min - Max) 2.8 (1.36) 1 -

Number of equivalent members household (Mean [SD] Min - Max) 1.82 (0.65) 1 -

Monthly income (Mean [SD]) 1,375.29 (1,023)

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