

A Case Study:

**Formal and informal aspects of home-based care of elderly people from Singerei region**

*There is a need of a social system that would support the whole of society, but not one that is relegated only to the family.*

## **Content:**

1. Introduction
2. Analysis of informal home-based care from a gender perspective
3. Methodology
4. Informal care in Singerei region
  - 4.1. Initial data analysis
    - 4.1.1. Beneficiaries of formal home-based care services*
    - 4.1.2. Informal caregivers of elderly and bed-ridden persons*
  - 4.2. Financial analysis
    - 4.2.1. Allocations for home-based care of elderly people*
    - 4.2.2. Cost estimation of informal home-based care*
5. Conclusions and recommendations
6. Annexes

Annex 1. Education of beneficiaries on home based care

Annex 2. Ratio between employed and unemployed women providing care to bed-ridden persons

Annex 3. Expenditures for the Division on home based social care services planned for 2008

Annex 4. Share of expenditures for the Division on home based social care services

Annex 5. Total budget of the asylum in Draganesti

Annex 6. Share of expenditures for the asylum in Draganesti

## 1. Introduction

This case study, “Informal home-based care of elderly people from Singerei region” assesses the situation regarding informal care for the elderly in the context of an initiated reform of the social assistance system. The study examines women’s role as informal caregivers and the clear conclusion is reached that ignoring informal care in the current social assistance system has resulted in the inefficiency of the system itself and that there is a lack of capacity to address social problems aggravated by gender inequality issues.

The approach to this problem is very important, especially in light of the demographic problems faced by our country. In accordance with statistical data, over the last 15 years there has been a constant increase in the population ageing coefficient – from 12,8 in 1990 up to 14,0 in 2005 (the ageing coefficient means the number of persons aged 60 and over per 100 citizens). The process of the population ageing is progressing especially in rural areas. The increased number of elderly people requires specific measures integrated into the social assistance system, where the largest role is played by informal home-based care of the elderly.

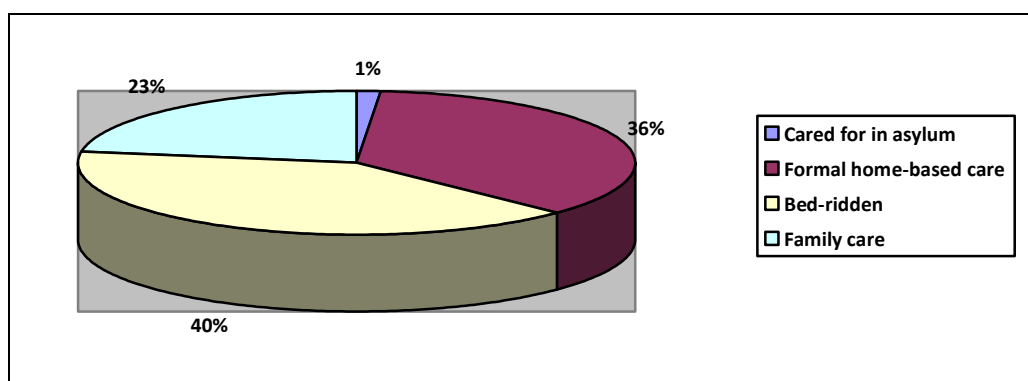
The analysis of informal care of the elderly from a gender perspective in the Singerei region reveals an important gender dimension among the beneficiaries, as well as care providers.

This study discusses women’s contribution to the informal care sector, emphasizing the sacrifices they make and the burden of taking on the state’s function of providing care, by examining the example of Singerei region. The increasing number of elderly people will increase the enormous pressure on public resources, if social assistance is to be provided to vulnerable groups. Thus, there is a need to change the applied model, based on the *sine qua non* presence of informal care and support.

## 2. Analysis of informal home-based care from a gender perspective

Currently, in Singerei region there are 574 people that benefit from home-based care, 502 of which are women (87,5%) and 72 men (12,5%). But there are further 1002 persons (642 people bed-ridden: 357 women and 285 men and 360 socially vulnerable people) who, being registered, do not benefit from such services although they applied for formal social assistance. This category of people relies only on the care of their relatives .

**Figure 1. The care of elderly people in the formal and informal sectors**



The extent of women’s contribution as informal caregivers for the elderly in the care sector in Singerei region is estimated at 63%, based on the number of persons cared for from the total number of those in need of care. Thus, the total number of elderly people that are in the care of family members in Singerei region amounts to 1,002 people and exceeds substantially the number of beneficiaries of formal care provided within the social assistance system (574 persons who live alone are beneficiaries of home-based care in Singerei region and 22 persons are cared for in St. Gheorghe asylum in Draganesti village).

It is important to raise awareness about the role of women in informal care, in particular, keeping in mind the forthcoming changes in the social assistance system, which cannot stand for the demographic pressure and will be restructured, including through deinstitutionalization of the formal system and replacing it by an integrated social services system which is now being developed.

The example of Singerei region clearly shows that development of an efficient social care system and a successful deinstitutionalization is unlikely if the informal support offered by the community is not taken into consideration. The gender analysis reveals important gender aspects that have major impact on women and which contradict the country's commitments regarding promotion of economic equality of women on the labour market. Moreover, the lack of support to informal caregivers deepens gender inequality.

The analysis of people, providing informal care in Singerei region, indicates that over 90% of caregivers are women, (wife, daughter or neighbour of the cared person). This is unpaid work and in many cases women reduce their economic activity to be able to carry out this activity (part time work or even resignation in extremely difficult cases). In addition, there is also a psychological/emotional component that marks women who take care of seriously sick persons, such as bed-ridden persons.

On the other hand, women represent 88% of all applicants for and beneficiaries of services provided to the elderly in Singerei region.

As a result, one can see that women are at a double disadvantage – they act as caregivers during their life, and when getting to the most vulnerable period of their life – old age – they find themselves among the majority of beneficiaries of the same deficient social assistance system and in the care of their female close relatives.

This study proposes an assessment of the estimated financial costs that the state would have had to bear, had there been a lack of informal care for the elderly and which would have been paid from the public budget. It would emphasize the need for developing measures of support for informal caregivers.

### **3. Methodology**

During the investigation, methods of induction and deduction, analysis and synthesis, and comparison are used together with statistical procedures and investigative methods, to determine the factors having major influence on gender inequality.

Due to the fact that the whole economy is divided into two parts: *the formal sector* (meaning the one that is recorded by the state) and *the informal sector* (meaning the one that is not recorded by the state), the authors of the study considered necessary to study the economic value of the unpaid work in the informal sector. They performed the measurement and value estimate for this type of work in the way it would have been carried out by economists in order for it to be taken into consideration at policy development level.

Economists measure things in monetary terms. We also need a method to convert time measurements into monetary terms. This can be done by conventionally allocating a 'salary' based on an estimated hourly rate for the work done. The level of this hourly rate can be taken from other studies or based on established norms and normative remuneration for work of a similar type, performed over an equal time frame.

In this study a generalist approach was used. In this way, in order to make a parallel with the informal home-based care performed by women, we took as reference the remuneration of care workers at the asylum in Draganesti, Singerei region, and the remuneration level of care workers employed by the Social Assistance Service.

It is important to note that in economic terms, the unpaid care work represents a form of "public good" that implies some "externalities", in other words, bringing benefits, either positive or negative, to a "third party" which was not a primary target of production.

Thus, this case study analyzed the information about beneficiaries of home-based care services provided by the Social Assistance Division and in the asylum in Draganesti village in Singerei region, as well as the personnel employed in the Social Assistance Division within the Singerei Regional Council. A gender analysis was done of age categories, education level and monthly pension/salary level of beneficiaries and social workers. Also, an analysis of the expenses allocated from the state budget to maintain these services was conducted.

Taking as baseline the expenses per person for these two strands of social assistance in the formal sector, an estimation of expenses for informal care was made. This resulted from the analysis of data regarding the number of people registered as receiving care, who are being taken care of by women at home, etc., and the number of bed-ridden people with close relatives, who cannot therefore become beneficiaries of these services under the existing regulations. As a result, the contribution of informal caregivers can be calculated, in order to evaluate how much women subsidize the sector of care for the elderly.

## 4. Informal care in Singerei region

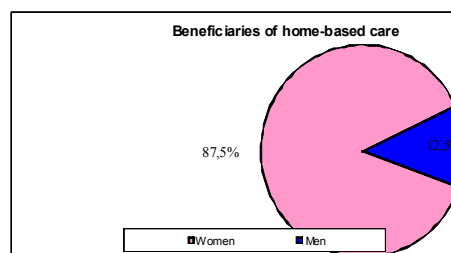
As a first step, an analysis of beneficiaries was carried out disaggregated by sex, age, education level, and income level of beneficiaries of care services. This resulted in a clearer general profile of the beneficiaries of home-based care and those placed in the asylum for the elderly, as well as the profile of those requiring care. Further financial analysis allowed an assessment of costs for these services from the state budget, as well as an assessment of the proportion of care work subsidized by family members.

### 4.1. Initial data analysis

#### 4.1.1. Beneficiaries of formal home-based care services

Based on 2004 census' data, the population of Singerei region was about 86 thousand persons. In 2007, elderly people constituted about 14 thousand persons and those with disabilities, about 5 thousand persons, together representing 22% of the total population. Women represented 63% of persons over 65 years old.

The proportion of women in the elderly persons group is tightly related to the poverty risk for this group; based on statistical data, women's pension in the age group of 65 years old and over does not exceed an average of 511,3 lei (2007 data). Moreover, very often the economic situation is worse for women who have lost their husbands. Thus, the biggest part of the beneficiaries of institutional social services and home-based care for the elderly prove to be women, making up 87.5% of the total number of beneficiaries.



Based on data from the home-based Social Assistance Division in Singerei region Council, 574 persons benefit from home-based care, out of which 502 persons are women (87,5%) and 72 are men (12,5%).

Data analysis of beneficiaries of home-based formal care services shows that over 87% of all beneficiaries are women with an average age of 73 years old, with a low or medium level of education (*see* Annex 1) and who held non-qualified and poorly paid positions during their active period of life. This fact thus resulted in further allocation of a lower level of pension. About 60% of beneficiaries of home-based care services are persons who live alone or have been abandoned by children that have gone abroad.

In line with the generic Regulation of Division on home-based social assistance to lone elderly people and citizens incapable of work (No.16 of 22.04.1994), the registration for home-based service provision is made through the decision of the regional section for social assistance and family protection, following the proposal of social assistance division and based on the official request of the potential beneficiary, as well as based on the statement of the medical institution on the necessity of service delivery and lack of psychological or contagious diseases and/or alcoholism.

The range of services provided via home-based care and in the asylum is diverse and is determined by the specific of the required care. Home based provided services only slightly ease the condition of lone elderly people (meals, help in procuring fuel, paying the bills for utilities etc.), but it does not provide for a comprehensive support to beneficiaries, the number of visits being limited to 3 times per week for every beneficiary.

Services provided in the asylum are more diverse, including medical treatment of the beneficiaries, accommodation for elderly people, meals, medical care and assistance, in case of need of beneficiary's hospitalization.

#### ***4.1.2. Informal caregivers of elderly and bed-ridden persons***

The number of elderly persons not benefiting of social care in Singerei region is about 1002 persons (almost twice as big as the number of beneficiaries of the formal social assistance) of which 642 (357 women and 285 men) are bed-ridden.

In most cases, elderly people live in their relatives houses, being taking care of from day to day. All duties fulfilled by the relatives are very similar to those provided by formal care workers and include maintaining the household, cooking, making all necessary payments, providing moral support to the elderly, etc.

Bed-ridden persons are in the most complicated situation as in most cases they are cared for by women who are sisters, wives, daughters, cousins, neighbours, etc.

*Maria B. is 28 years old and takes care of her mother, who has been bed-ridden for 12 years. Not so long ago, Maria's mother was diagnosed as having cancer. Maria's father died when she was only a child, thus, she is the only one to take care of her mother with little help from her relatives. Maria worked as tailor, but she had to give up her work to take care of her mother. Maria and her mother live on the mother's invalidity pension.*

Taking care of a bed-ridden person needs much more than just moral support and household maintenance work. It also includes taking care of the sick person, cooking, maintaining hygiene, as well as all the other household work. Care of a bed-ridden person necessitates a great effort and engagement from the caregiver and this is in many cases the reason for women reducing daily working hours or even giving up work – 96% of women providing care to bed-ridden persons are unemployed (see Annex 2).

The average period of unemployment of women who take care of bed-ridden persons is about 8 years in Singerei region. This is a period in which women of working age lose their qualifications and are often not able to return to the positions they previously held. As a result, these women are deprived of financial support at present and in future they will not be entitled to social benefits equivalent to their seniority period.

Moreover, the care for bed-ridden persons has serious implications of a psychological and emotional nature for the caregiver.

*Ana has worked as social worker for about 7 years. She graduated from the Social Assistance Department at the "A. Russo" University from Balti. Ana is married and has 2 children. This year she had to quit her job because her mother got ill and needs continuous care. The only source of income for the family will be for now her husband's salary.*

It is important to emphasize again the fact that those who take care of bed-ridden people do not receive support from the state, despite their contribution and the length of time they commit to providing care for the elderly.

## **4.2. Financial analysis**

### ***4.2.1. Allocations for home-based and institutional care of elderly people***

The total 2008 budget of the *Division for home-based social assistance* constituted 1099,9 thousand lei. (see Annexes 3&4). These expenses, because of the lack of any particular allocation for women or men, can be disaggregated by sex, according to the following proportions: women 961.9 thousand lei and men 138.0 thousand lei.

#### **a) Budgetary allocations for the maintenance of the asylum**

The total budget of the *Drăgănești asylum (subordinated to the Division of home-based social assistance of Singerei Regional Council)* for the year 2008 constituted 766.5 thousand lei, broken down according to articles of expenditures based on the economic classification of expenses (see Annexes 5&6).

Because of the lack of any particular allocation for women or men, these expenditures can be disaggregated by sex, in the following proportions: women 670,4 thousand lei and men 96,1 thousand lei, based on the number of beneficiaries of the service.

As can be noticed, the biggest share of budget expenditures in the case of the Division for home-based care assistance is allocated to Article 111 "Labour remuneration" (69,4%), and in the case of the asylum to Article 113 "Payment for goods and services" (45,6%). This difference arises because of the specifics of each subdivision of social assistance: the Division of home-based social assistance is mostly based on the work of care workers, while the running of the asylum involves the activity of more than one person of different profiles in the same institution, where the elderly and invalid people are cared for.

#### **b) Costs of care per person (home-based care versus care in the asylum)**

After the analysis of public income and expenses from a gender perspective, one can get a better understanding of how political decisions affect men and women.

Thus, the total maintenance cost of the Division for home-based social assistance, financed from the state budget, amounts to 1099.9 thousand lei per year and it includes the salary for heads of sections and social workers totalling 763.1 thousand lei. The norm of payment from the budget for the care of one beneficiary is 68.75 lei per month.

Given that in *the Asylum in Draganesti village*, 22 persons are cared for by 19 workers and the annual budget expenses are 766.5 thousand lei (in 2008), we can calculate the average expenses per month as 2555 lei. This sum exceeds the cost of home-based care per person by 37 times.

It is obvious that the state would benefit a lot more if it were to support the care workers that look after invalids and elderly people at home. If the state gave up asylums for the elderly in favour of home-based care with the same level of expenses per person (keeping to the norm of 68.75 lei per month), the sum total of expenses from the budget would constitute only 1,718.75 lei per month, or only 20,625 lei per year. The annual saving would thus be 745,875 lei. Part of these savings could target informal carers.

#### **4.2.2. Cost estimation of informal home-based care**

We would like to estimate in monetary terms women's contribution to care sector. Let's assume that we evaluate the contribution of an informal caregiver on the basis of the equivalent sum that is paid to a care worker in the formal sector, this being 68.75 lei per month per person cared for. Currently, in Singerei region there are 1002 persons that are in the care of their families, the resulting sum by which the women subsidize the sector of social assistance for the elderly could be estimated at 826,650 lei per year (assuming the women takes care of the beneficiary several times a week).

Also, for estimation we could compare with the salary of a nurse in the asylum who supervises the person each day. In the case of those caring for bed-ridden people we apply the norm used for the establishment of remuneration of a nurse. This is taken for a monetary estimation of the contribution of women that take care of bed-ridden persons: 642 bed-ridden persons x 750 lei per month (the salary of a nurse employed in the asylum) = 5,778, 000 lei annually.

According to estimations if the total of all home-based informal care for all beneficiaries were taken into consideration as a proportion of all care, then we may assume that women subsidize 63% of the care services provided to the elderly and the cost of their care could be estimated at 6,604,650 lei. Should women have not been able to provide this care, the state would have had to cover this expense from the state budget.

## **5. Conclusions and recommendations**

The social assistance system, in its classic form, is based on a patriarchal model of society, where women are the main source of unpaid care work for the elderly, children and sick persons. However, once the Republic of Moldova took the commitment to promote gender equality and women's participation in the labour market will be promoted, this model loses its meaning and needs adjustment in order to exclude the possibility of conflicts of the social assistance system with policies of national employment.

The estimation of women's contribution to the social assistance system, especially home-based care, is one of the possibilities for showing women's role, which is presently ignored and not taken into consideration in the current formal social assistance system.

It is necessary to revise the social contract, so that the state recognizes the contribution of women regarding informal home-based care and takes special measures to support the caregivers, taking into consideration the gender dimension in the process of policy development.

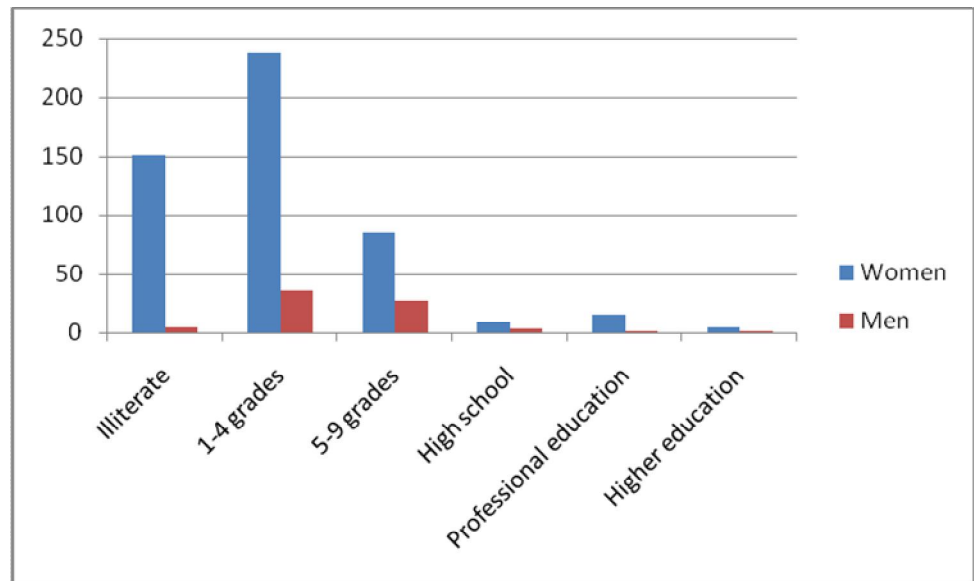
This support can be realized in several ways, based on other countries practices, and can include the following:

- Undertaking an analysis on a national scale, not only of the beneficiaries of social assistance services, but also of informal caregivers, in order to identify potential social and economic risks and consequences for them and for society;
- Involving the non-governmental sector in providing medical-sanitary services and home-based care packages, including to the elderly people that are cared by relatives;
- Providing tax-breaks for the caregivers of elderly and, especially, bed-ridden people for the whole period of taking care of the beneficiary.

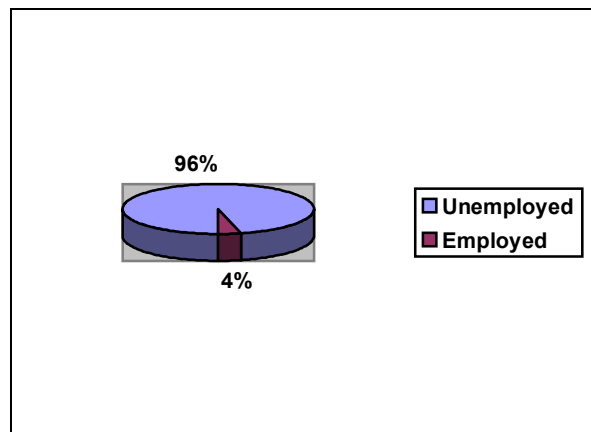


6. Annexes

Annex 1. Education level of home-based care beneficiaries



Annex 2. Ratio between employed and unemployed women providing care to bed-ridden persons

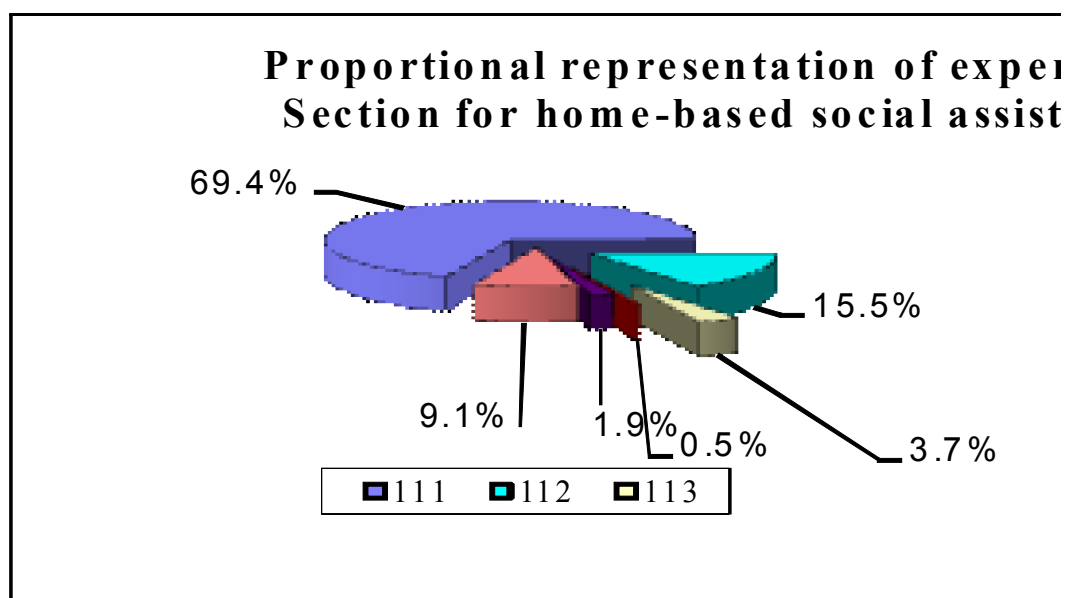


Annex 3. Expenditures for the Division on home based social care services planned for 2008

Code	Description	Amount, in thousands lei
111	Labour remuneration	763.1
112	Contributions to state social insurance budget	170.1
113	Payment for goods and services, including:	40.4
113.03	Office supplies, household materials and goods	1.4
113.11	Telecommunications and mail services	3.0
113.13	Transportation rent and maintenance of personal transportation vehicle	30.0
113.14	Soft inventory and equipment	6.0
114	Official business trips	5.0
116	Compulsory medical insurance premium paid by the employers	21.3
242	Procurement of fixed long term assets	100.0

Source: 2008 Budget of Singerei Region (approved by Singerei Regional Council).

Annex 4. Share of expenditures for the Division on home based social care services



### Annex 5. Total budget of the asylum in Draganesti

Code	Description name	Amount, in thousands lei
111	Labour remuneration.	220.6
112	Contributions to state social insurance budget.	48.9
113	Payment for goods and services, including:	349,4
113.02	Gas;	1.2
113.03	Office supplies, household materials and goods;	8.7
113.06	Books and media;	0.5
113.09	Alimentation;	130.0
113.10	Medicines and consumables;	10.0
113.11	Telecommunication and mail services;	3.0
113.13	Transportation rent and maintenance of personal transportation vehicles;	25.0
113.14	Soft inventory and equipment;	4.0
113.17	Current repair works of buildings and rooms;	6.0
113.18	Current repair works of equipment and inventory;	3.0
113.19	Rent of goods.	150.0
113.21	Professional preparation.	3,0
113.35	Sanitation.	5.0
114	Official business trips.	1.5
116	Compulsory medical insurance premium paid by the employers.	6.1
242	Procurement of fixed long-term assets.	40.0
243	Capital repairs.	100.0

*Source: Income & expenditures budget for 2008 of the asylum of Draganesti, Singerei (approved by the Division of Social Assistance of Singerei Regional Council).*

### Annex 6. Share of expenditures for the asylum in Draganesti

