

The Actuarial Profession  
making financial sense of the future

Health and care conference 2010  
David Sinclair, International Longevity Centre



## Care—the challenges and opportunities facing the National Care Service

13 May 2010

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### About ILC-UK

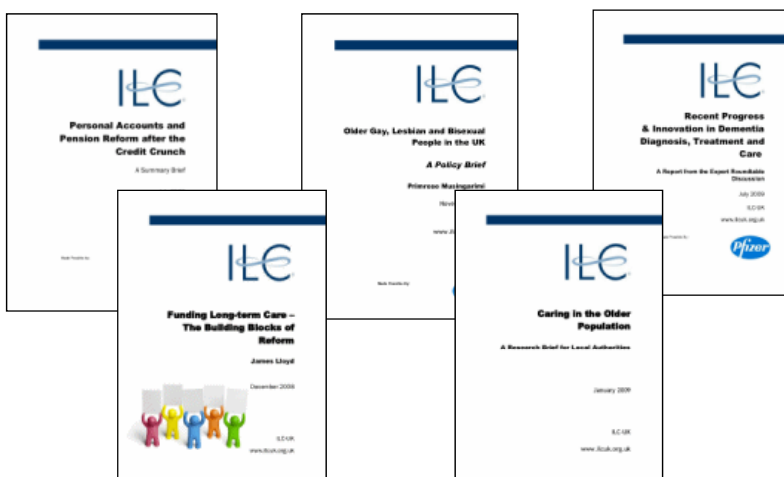
The ILC-UK was established in 2000 to explore and address the new longevity revolution and its impact on the life-course and society.

It provides the visionary approach needed for individual and societal planning to ensure a progressive, economically viable and socially inclusive tomorrow for all.

The International Longevity Centre-UK is an independent, non-partisan think-tank dedicated to addressing issues of longevity, ageing and population change.



## Some of our publications



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## How is the world changing?

- More of us (and older)
- Living with dementia
- Higher care needs
- Yet still have unmet needs
- The picture could get worse before it gets better
- The new National Care Service
- What is the potential for active ageing; health technologies; prevention; assistive technologies
- Where next for funding



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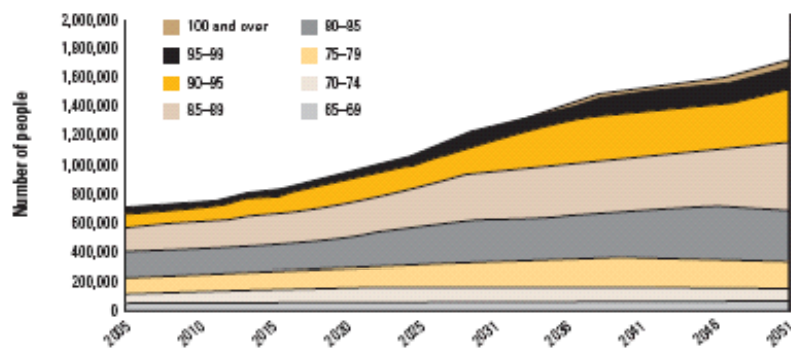
## Society is ageing



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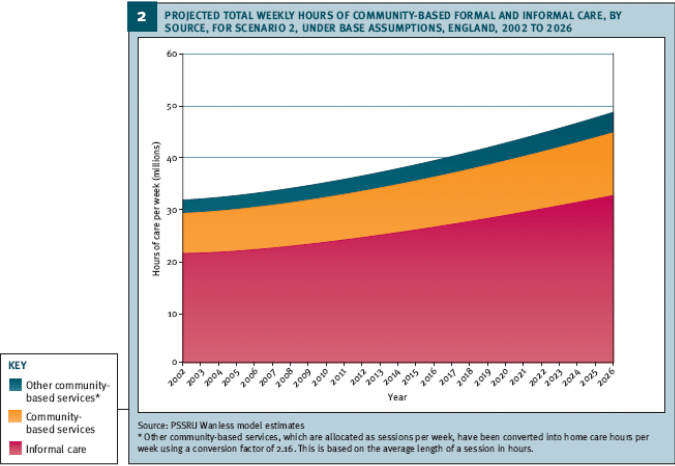
## Numbers with late onset dementia likely to increase



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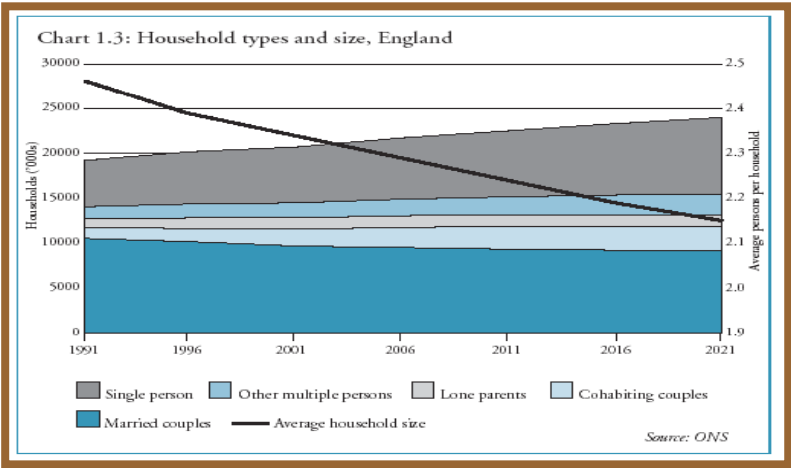
More hours of care needed



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More are living alone



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## Yet we have current unmet need

- Funding for social care has not kept pace with funding for health care. In the past decade, when the NHS budget has doubled in real terms, social care budgets have increased by only 50%.
- This has led to local authorities effectively 'rationing' care services
- When care needs go unmet, it is often the NHS that steps in, at great cost, to deal with the consequences.

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## And in the short run

- Plans for government-wide spending cuts create a £1.75 billion black hole in funding for social care over the next two years according to Age UK.
- The planned cuts equate to around £900 from social care, according to the Institute for Fiscal Studies, while the London School of Economics has forecast that an additional £800 million above the existing planned expenditure is required simply to maintain provision at its current levels over the same period, due to the rise in numbers of frail older people.

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## The National Care Service - Principals

- Be universal – supporting all adults with an eligible care need within framework of national entitlements.
- Be free when people need it – based on need, rather than the ability to pay.
- Work in partnership – with all the different organisations and people who support individuals with care and support needs day-to-day.
- Ensure choice and control
- Support family, carers and community life
- Be accessible – easy to understand, helping people make the right choices.

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## National Care Service Pillars

The White Paper also establishes six pillars of the future National Care Service:

- Prevention and well-being services
- Nationally consistent eligibility criteria
- A joined up assessment
- Information and advice about care and support
- Personalised care and support through a personal budget
- Fair funding, with collective responsibility for paying for care and support shared between the state and individual

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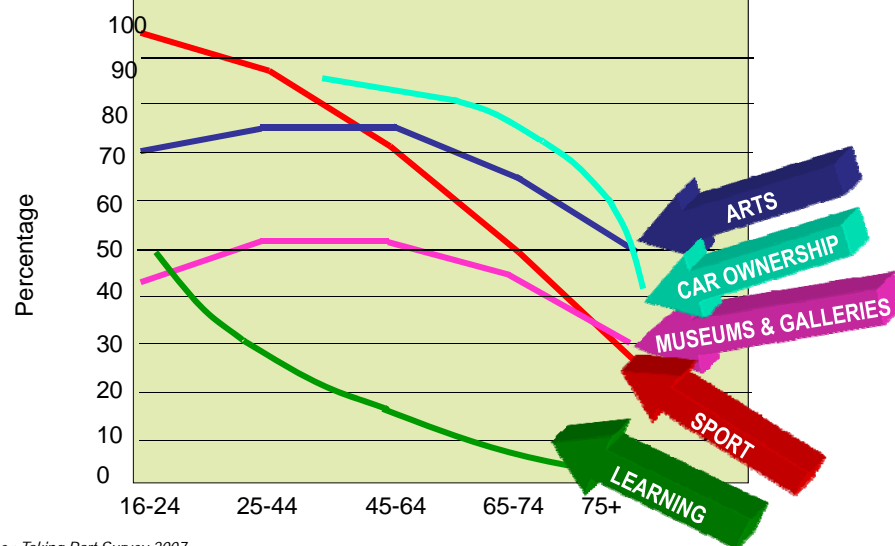
## Active ageing, a reality for some



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## But not for all



Source : Taking Part Survey 2007

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## Fantastic developments in health



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## Fantastic developments in health

- *'I think there'll be a cure for cancer one day. That we never thought we'd see...and Alzheimer's.'* (Focus group participant, Birmingham)
  
- *'I would wish for a pill to cure everything... or euthanasia, whichever suits at the time.'* (Focus group participant, Birmingham)

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## From patient/recipient to health consumer

- More confident consumers of health with raising expectations rather than patients
- More tests available over the counter
- Greater access to information about conditions
- Expectations to health become more focused on “fix it”, prevent it, cure it?
- Growth in health tourism



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## Developments in genetics

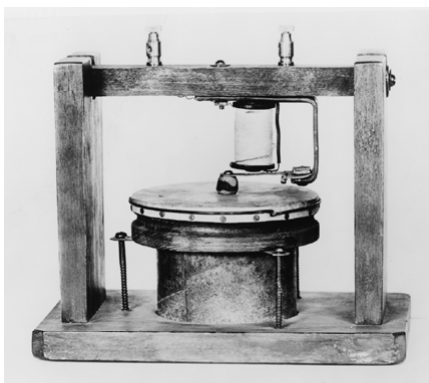


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## And technology...the phone...

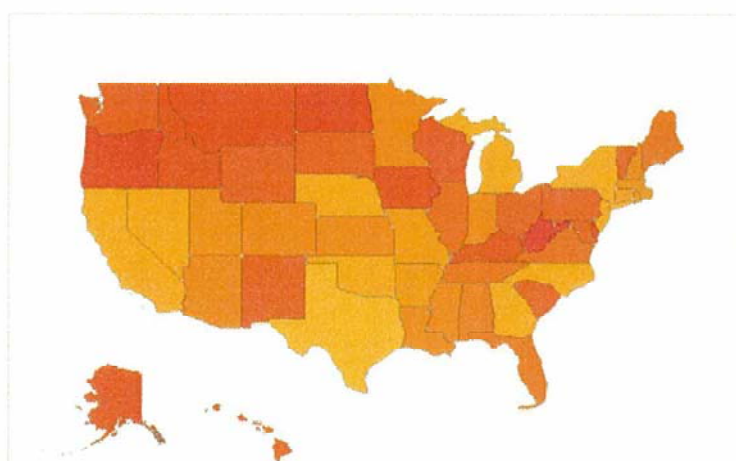
- 133 years ago– first two way phone call made
- In 2000 – ½ world had never owned a phone
- By 2007 ½ the world had a mobile phone
- It took 75 years for telephones to reach 50 million users
- It took 4 years for the internet to reach 50 million



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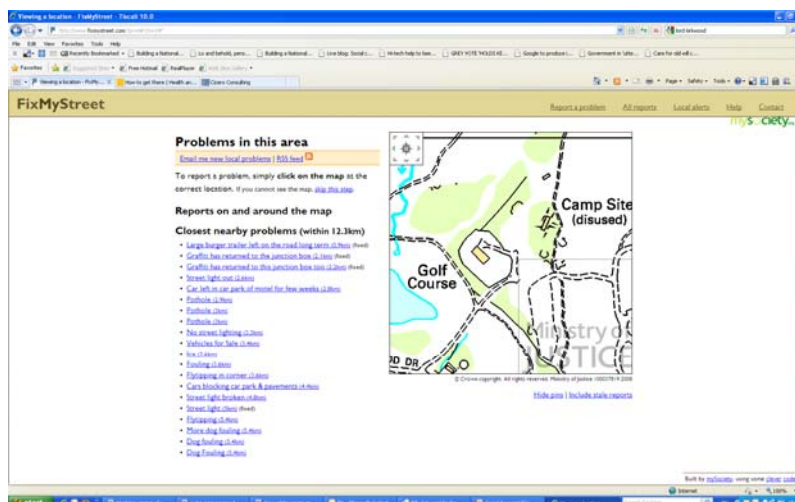
## Google knows!



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My Society/Fixmystreet.com



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Growing evidence of the cost effectiveness of prevention/early intervention and of technology

- Pops evaluation found that for every £1 spent on prevention projects, £1.20 was saved
- Increasing evidence of the impact and value of telecare (but social care only spending £80 million on it at the moment)
- And is technology really the solution?

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“But how much smaller do we want a phone?”

Some/many do but: “I don’t  
want to live in a smart-home  
– I’d rather be dead”

Moral and ethical debates –  
cant afford to ignore them

Must help older people choose  
technology when it is right  
for them (tagging/urine  
tests)



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Technology wont tackle the fundamental problems

The first rule of any technology used in a business is  
that automation applied to an efficient operation will  
magnify the efficiency. The second is that  
automation applied to an inefficient operation will  
magnify the inefficiency.

Bill Gates

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## Where next with funding

- Election
- Labour favour comprehensive model (but a Commission will decide how we pay)
- Liberal Democrats favour partnership model?
- Conservatives have talked of the £8000 voluntary contribution

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But need it really take 2 Parliaments to agree funding?

The NHS was created within 3 years of the Labour Government of 1945 being elected.

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Many thanks

David Sinclair

Head of Policy and Research

International Longevity Centre

[David.sinclair@ilcuk.org.uk](mailto:David.sinclair@ilcuk.org.uk)

02073400440

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