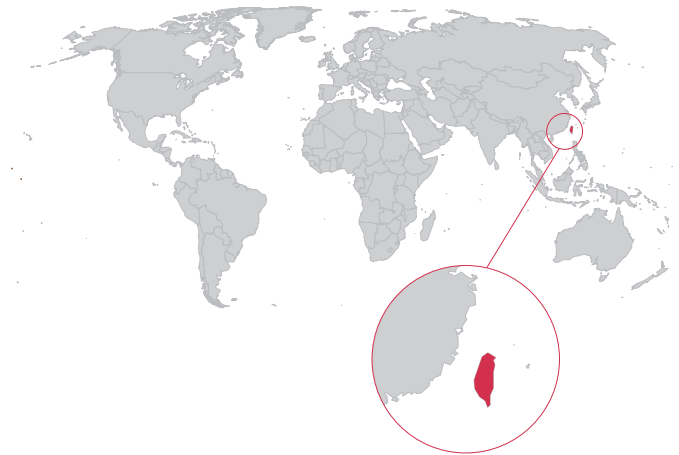


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Taiwan



Yueh-Ching Chou
Yi-Chun Chou

The Long-Term Care System in Taiwan



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THE LONG-TERM CARE SYSTEM IN TAIWAN

Yueh-Ching Chou*

Yi-Chun Chou**

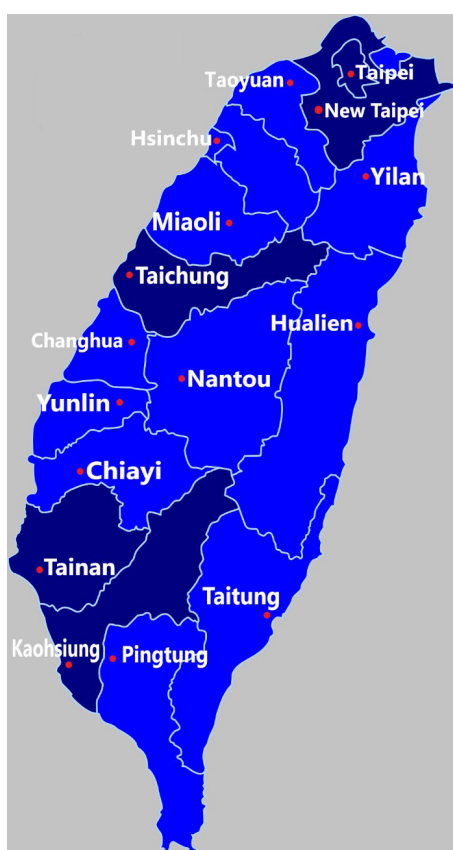
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1. COUNTRY OVERVIEW



Source: The Authors

- » Sub-region: Eastern Asia
- » Capital: Taipei
- » Official language(s): Mandarin; Additional languages spoken: Taiwanese, Hakkinese, language of indigenous people (Wikipedia, 2021)
- » Population size: 23,568,378 (in 2020, Department of Household Registration, Ministry of the Interior, Taiwan, 2021)
- » Share of rural population: NA
- » People: Three groups of people on the island: Hakka, Fujianese (Min-nan) and the indigenous tribes.
 - » 98% Han Chinese
 - » 2% indigenous Taiwanese (16 tribes)
 (Wikipedia, 2021)
- » Gross domestic product: US\$ 26,910 per capita (Wikipedia, 2021; 2020 value)
- » Gini index: 33.9 (Wikipedia, 2021; 2019 value)
- » Human Development Index: 0.916 (Wikipedia, 2021; 2019 value)
- » COVID-19 infection: 10th February 2021: 935 confirmed (819 imported; 77 local cases), 9 deaths (Taiwan Center for Disease, 2021)

- » Colonial period and independence:
 - » 1300-1400: Human settlement on the island
 - » 1400-1550: People came from China
 - » 1544: The Portuguese named Taiwan "Ilha Formosa", meaning "quite beautiful island", passing Taiwan in 1544
 - » 1622-1662: The island of Taiwan colonized by the Dutch; Spain invaded Taiwan in 1626 and took control of a large portion of the coastline until 1662
 - » 1683-1895: Qing Rule in Taiwan
 - » 1896-1945 (end of WWII): Japan took over for 50 years
 - » April 1927-May 1, 1950: Civil War in China (for 23 years); victory by Mao
 - » 1949: People's Republic of China (PRC) founded
 - » 1912-1949: Republic of China in China
 - » 1949-present: Republic of China on Taiwan
 - » 1949-1987: Martial law era
 - » 1987-present: Post-martial law era
 - » 1986: Opposition party established
 - » 1996: 1st president elected by people
 - » 2000-2008: New party won the presidential election
 - » 2016: First woman president
- (Wikipedia, 2021)

1. LONG-TERM CARE/SUPPORT NEEDS AMONG CITIZENS

- a. Population statistics and the proportion of frail older people and disabled people who were cared for and supported

Table 1. Older population in Taiwan in 2020

Age of people	Total number	Share of total population
Population 60+	5,464,400	23.2%
Population 65+	3,787,315	16.1%
Population 70+	2,341,476	9.9%
Population 80+	850,634	3.6%

Source: Department of Household Registration, Ministry of Interior, Taiwan, 2021

Table 2. Number of potential service users (in ADL or IADL support needs) of long-term care in Taiwan in 2017

Service users	Number	Share of population
Frail older people (aged 65+) ¹	425,822 in need of support with ADL	13.03% of all older people aged 65+
	920,271 in need of support with either ADL or IADL	28.16% of all older people aged 65+
Disabled people (aged 0-64) ²	691,619	59.24% of all disabled people
Total frail older people & disabled people	1,117,441 (older people in need of support with ADL only + disabled people)	4.74% of total Taiwan population
	1,611,890 (older people in need of support with ADL or IADL + disabled people)	6.84% of total Taiwan population

Notes: ¹ In 2017, out of 3,268,013 people aged 65+, 13.03% needed assistance in at least one activity of daily living (ADL) and 28.16% needed assistance in at least one item of ADL or instrumental activity of daily living (IADL). Source: Department of Statistics, Ministry of Health and Welfare, Taiwan, 2021a; ² Disabled people aged 0-64; Source: Department of Statistics, Ministry of Health and Welfare, Taiwan, 2021b.

Table 3. Number of frail older people and disabled people cared for or supported by formal and informal carers

	Frail older people (aged 65+) (2017) ¹	Disabled people (all ages) (2016) ²
Cared/supported by family members	608,102 (67.1%)	515,677 (78.1%)
Cared/supported by non-family members	246,577 (27.2%)	144,432 (21.9%)
The share of non-family care is distributed as follows:		
Migrant care workers	17.1%	13.8%
Residential care workers	5.8%	8.1%
Neighbors	1.5%	
Friends	1.2%	
Home carers (from social services) ³	1.0%	
Local care workers	0.5%	
Volunteers	0.1%	
Others	0.2%	
No care provided	5.7%	

Notes: ¹ Source: Department of Statistics, Ministry of Health and Welfare, Taiwan, 2021a; ² Of 1,170,199 people with disabilities of all ages, 43.6% had no need for assistance with ADL; 56.4% needed to be helped with ADL; Source: Department of Statistics, Ministry of Health and Welfare, Taiwan, 2021c; ³ NGOs providing home-based care services which are part of social services purchased by local authority.

b. National definition and measurement of long-term care needs

Based on Article 3 of the Long-term Care Service Act implemented in 2017, long-term care (LTC) means living support, assistance, social participation, care and relevant healthcare services in accordance with the needs of any individual whose mental or physical impairment has lasted for 6 months or longer, or who has care/support needs in daily life.

2. FIRST PUBLIC SCHEME FOR OLDER PEOPLE WHO HAVE SUPPORT NEEDS IN PERSONAL CARE AND DAILY ACTIVITIES

a. Senior Citizen Welfare Act

Before the term LTC was implemented, legal rights to social care and health care for older people were based on the **Senior Citizens Welfare Act (SCWA)** and the **National Health Insurance Act (NHIA)**. The SCWA

was the first piece of legislation for older people; since its introduction in 1980 (21 articles) it has been expanded to 34 articles in 1997 and 55 articles in 2007, comprising in total seven chapters. The goals of the SCWA are to ensure dignity and health, delay and alleviate the progression of disability in older people, maintain their standard of living, protect their rights, and facilitate their welfare (Article 1). Older people are defined by the SCWA as those aged 65 or older.

Chapters 3 and 4 of the SCWA specify the main financial benefits and services for older people:

- 1) Based on an assessment (means-test), older people from low-income families receive monthly cash subsidies.
- 2) Older people are entitled to health care services based on the National Health Insurance Act, implemented in 1995, and the government finances these services for older people from low-income families.
- 3) Older people are entitled to “services” (Chapter 3 of SCWA) including home/community-based services (e.g. home care, day care) and institutional care. The users are required to co-pay for the use of home and community-based services and pay fully for the use of institutional services. For older people from low-income families such services are free.

In general, the SCWA is based on the principles of philanthropism and charity and a selective social welfare model.

b. Long-term Care Services Act

Name and type of law	Long-Term Care Services Act
Date the law was passed	June 2015
Date of <i>de jure</i> implementation	June 2017
Brief summary of content	7 chapters and 66 articles <ul style="list-style-type: none"> » Goals: to provide affordable, accountable care and support services regardless of gender, sexual orientation, disability or social status (Article 1). » LTC services: home care, day care, group homes, institutional services, respite care, etc. » Frail older people and disabled people are entitled to use LTC services based on disability assessments and income levels.
Socio-political context of introduction	Means-tested measure; co-payments required from families using the services for frail relatives including older and disabled people.

In Taiwan it was planned for the near future for LTC services to be based on a LTC insurance (LTCI) model similar to the current health care insurance scheme (Chou et al. 2015). The Long-term Care Service Act (LTCSA) laid the foundation for the intended LTCI scheme (Ministry of Health and Welfare, Taiwan 2015). The LTCSA comprises seven chapters and 66 articles; was passed in 2015 and came into force in 2017. The aims of the LTCSA (Article 1) are to guarantee the users’ and care providers’ interests and to ensure the provision of affordable, accountable care and support services regardless of gender, sexual orientation, disability and social status. Like the aforementioned SCWA, Articles 9-13 of the LTCSA also specify the available LTC services in detail. These are home and community-based care (e.g. home care, day care, group homes, etc.), institutional care services and services for supporting family carers. However, families using LTC services for frail relatives including older and disabled people are required to co-pay on the basis of disability assessments and family income.

Since 1995, health and nursing care of older people has been provided by the National Health Insurance (NHI), which covers 99.8% of Taiwanese people (Bureau of National Health Insurance, Taiwan 2021). Cash subsidies are available through the Social Assistance Act, but only for those whose lineal families are assessed as poor or almost poor.

There are four care models for frail older people in Taiwan. Based on a national survey carried out in 2017, 67.1% of frail older people were cared for solely by family members, 17.1% cared for by live-in migrant care workers, 5.8% used institutional care and only 1.0% used home care services provided by their local authority (Ministry of Health and Welfare, Taiwan 2018).

The family purchases institutional care services from the market and the cost depends on the provider and quality of services (Chou et al. 2015). Since 1992, families with a relative needing regular assistance are entitled to hire a live-in migrant care worker. Families in Taiwan need to apply for permission from the government (Ministry of Labour) and an agent to seek a care worker. Most migrant care workers come from the Philippines, Indonesia, Thailand and Vietnam. The numbers have increased year by year, from only 306 in 1992 to 210,215 in 2013 and 235,961 in 2020 (Ministry of Labour, Taiwan 2021). Receipt of a permit to hire a migrant carer nullifies eligibility for formal care services, however (for details, see Chou et al. 2015).

3. SUBSEQUENT MAJOR REFORMS IN LONG-TERM CARE

a. LTC 1.0 (2008-2018)

In 2008, in order to meet social care needs of rapidly increasing numbers of older people, the Taiwan government launched a 10-year LTC scheme titled LTC 1.0. The addressees of LTC 1.0 included the following persons with difficulties in ADL and/or IADL: persons aged 65+, indigenous people aged 55+, people with disabilities aged 50+, and older people living alone. Services provided by LTC 1.0 included home and community-based services, i.e., home care services, home nursing, day programs, home and community-based rehabilitation, respite care, meal services, reimbursement and rental of medical auxiliaries/equipment, transportation and residential services. LTC 1.0 also offered in-cash benefits for assistive devices or improvements made to the home environment and so on. The main source of funding for LTC 1.0 came from government revenues. The central government was responsible for the planning and financing of LTC, whereas local governments were responsible for qualification assessments and services provision, which was outsourced to the non-profit organizations (NPOs). The main problem at that time was the insufficient structure of the services provided and the shortage of care workers.

4. DESCRIPTION OF CURRENT LONG-TERM CARE SYSTEM (LTC 2.0, 2018 UPDATE)

In 2018, the government implemented LTC 2.0 to replace the expired LTC 1.0 due to high care demand. LTC 2.0 is structurally similar to LTC 1.0 except for a few adjustments.

a. Organizational structure

Four population groups are covered by LTC 2.0. This is comparable to LTC 1.0, but with relaxed restrictions on age and disability. This increased LTC 2.0 coverage to about 738,000 people, which is 510,000 more people than under LTC 1.0. These four groups include people with dementia over the age of 50, indigenous people over the age of 55, people with disabilities (no age limit), and frail older people over 65. LTC 2.0 is interconnected with the health care and social care systems, especially with respect to LTC services. This not only includes social care such as daily life care services, but home health care services as well. The LTC agency at the Ministry of Health and Welfare is politically responsible for LTC. The central government is responsible for the planning and financing of LTC, and local governments are responsible for implementing LTC by determining the eligibility of LTC services applicants, services connection and provision.

b. Service provision

Service provision under LTC 2.0 is formally organized. The home care and community care service providers listed under LTC 2.0 are limited, due to the government only allowing provision by NPOs. The NPOs hire domestic care workers to deliver home care services to older people. However, LTC 2.0 restricts the number of hours of care services per day, which means that care provided by family members is still necessary. The main places of care provision are care recipients' homes, since most older people live at home.

c. Financing

The main sources of funding for LTC 2.0 are different types of tax revenue and government budgets. Under the Long-term Care Service Act the central government established a special fund to provide LTC services in 2017. The financial resources of the fund included bequest tax, tobacco tax, government budgets, health and welfare surcharges on tobacco, donations, etc. The government provides LTC services for different hours according to 8 levels of disability, but service users have to contribute different out-of-pocket expenditures according to one of three economic statuses (low-income household, middle-low-income, and general household). According to the data for 2018, expenditure for LTC 2.0 accounts for about 0.66% of the GDP.

d. Regulation

Unlike the integration of care needs assessments and the coordination of care services under LTC 1.0 LTC 2.0 separates them both. Care management centers, run by local governments, are now responsible for care needs assessment and integrated care system, which includes three types of centers (ABC centers) for care services delivery. 'A' type centers draw up care plans and coordinate the care services of 'B' or 'C' type centers. 'B' type centers provide services such as home care, home nursing care or day care for people with ADL or IADL disabilities. 'C' type centers mostly provide prevention services for the older people close to a disability status.

Home carers in integrated care service systems have to undergo 90 hours of care training followed by 120 hours of on-the-job training over a 6-year work period.

Care recipients who live at home get in-kind benefits, whereas care recipients living in residential care facilities receive in-cash benefits.

In accordance with the Long-term Care Service Act, a committee was established at the Ministry of Health and Welfare to oversee the regulation of LTC policies. The committee members include various professional representatives related to LTC, NPOs who provide LTC services, academic experts and government representatives.

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