

# Senior care in Russia

## *Lessons to learn from Western-Europe*

Dr. Freek Lapré

St. Petersburg

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# LEARN FROM OUR SUCCESSES AND FAILURES!



# Focus on the nursing home

Our successes:

- People with dementia have sheltered housing and is taken care of
- Senior care is :
  - accessible for everyone who is in need of care
  - is affordable for everyone



# Focus on the nursing home

- Too institutional
- Too medical focused
- One size fits all principal
- The system dominates
- Not affordable for the government

**FAILURE**

# Paradigm shifts are taking place



- Too institutional → home (like)
- Too medical focused → social approach
- One size fits all → lifestyle focus
- The system dominates → resident needs and demands are leading
- Not affordable → more co-payments and upcoming private market

# Social approach of senior care gives more respect and dignity

- Medical model:
  - becoming old comes with diseases
  - Seniors are primarily patients, the doctor decides
  - Dementia is a disease that has to be cured
  - Extensive safety regulations
  - Highly trained staff
- Social model:
  - Becoming old gives a rich life but also limitations
  - Seniors are primarily persons who are able to choose
  - Quality of life is the central focus
  - Co-creation with person or family
  - Caring heart of staff is key

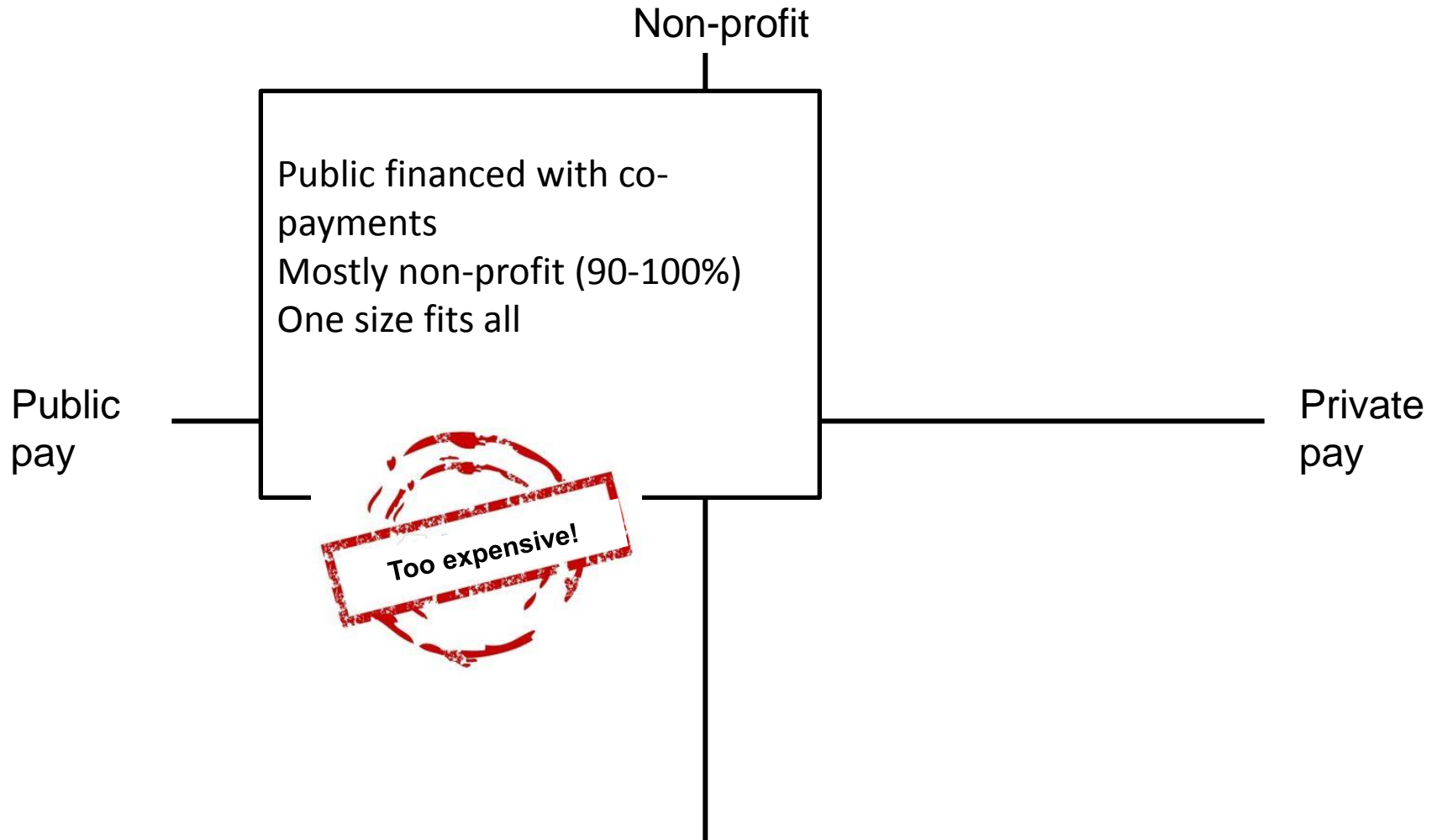


# Co-creation: give seniors the feeling of being useful



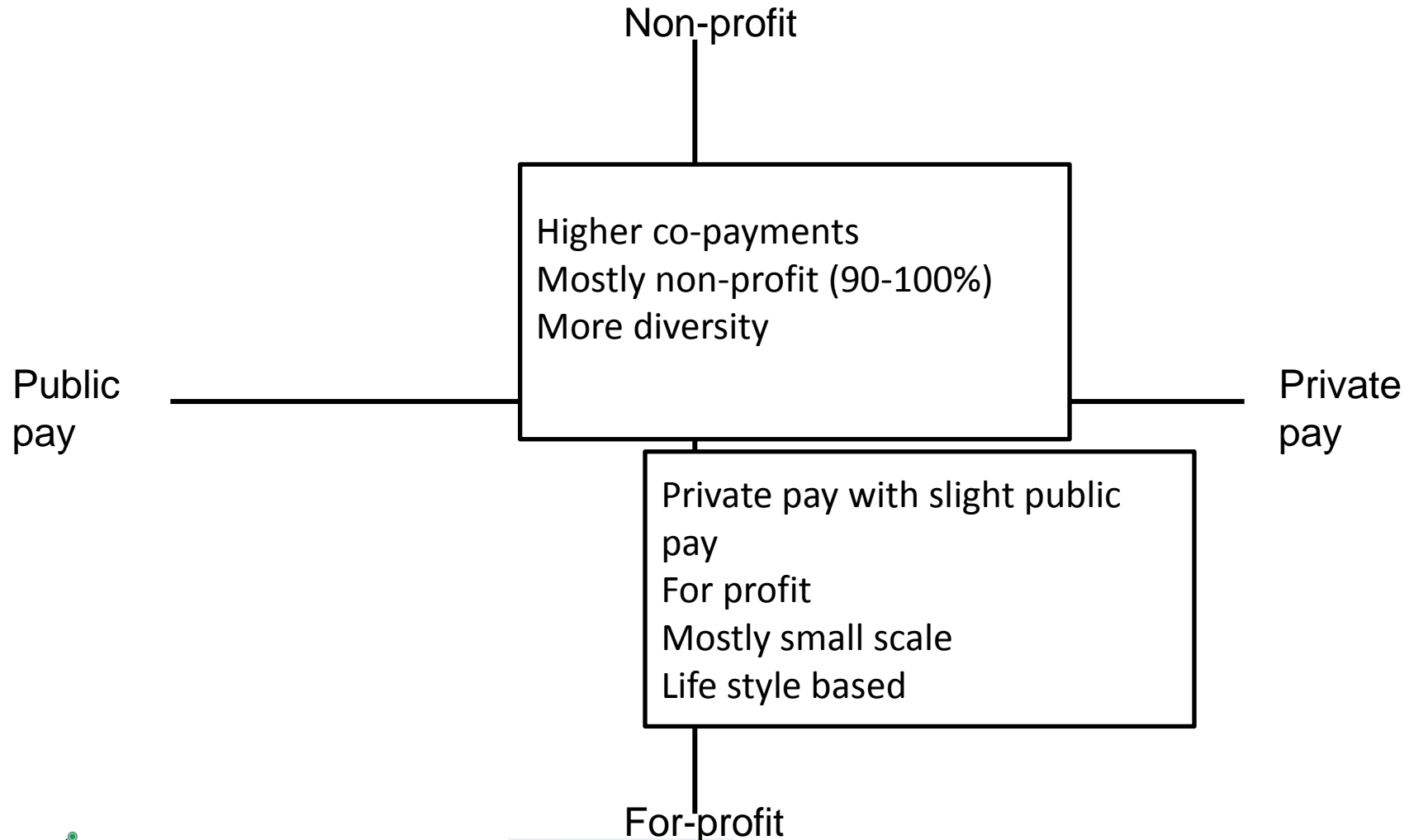
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# Developments in Western Europe





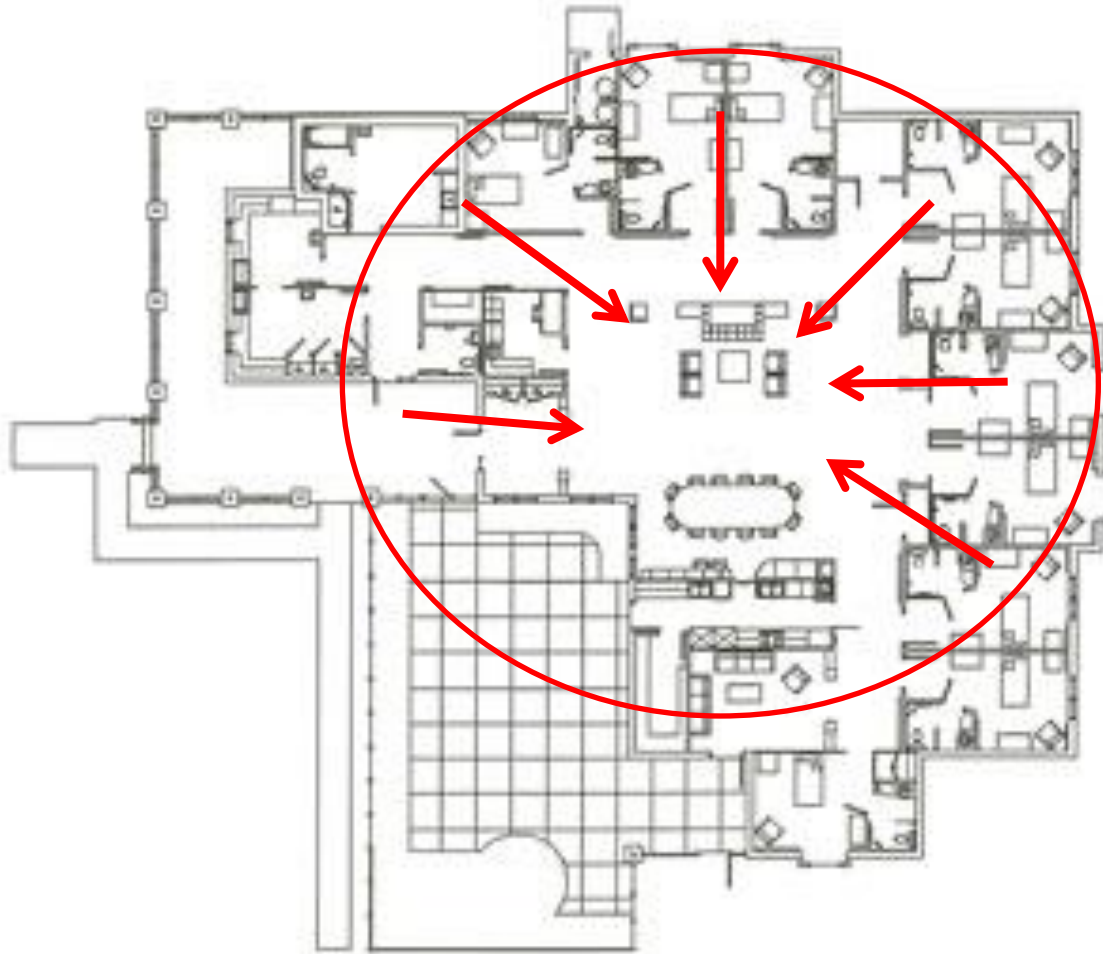
# Developments in Western Europe: moving to a hybrid and split market



# A reference model

- Scale: units of approx. 15 residents
- Central open living room
- One spacious bathroom next to bathrooms in private rooms (12-16 m<sup>2</sup>)
- Socializing areas
- Reception: controlled entrance/exit
- Garden
- Daylight and special lighting: reduces anxiety and helps to see better with old eyes

# Design: focus on social interaction



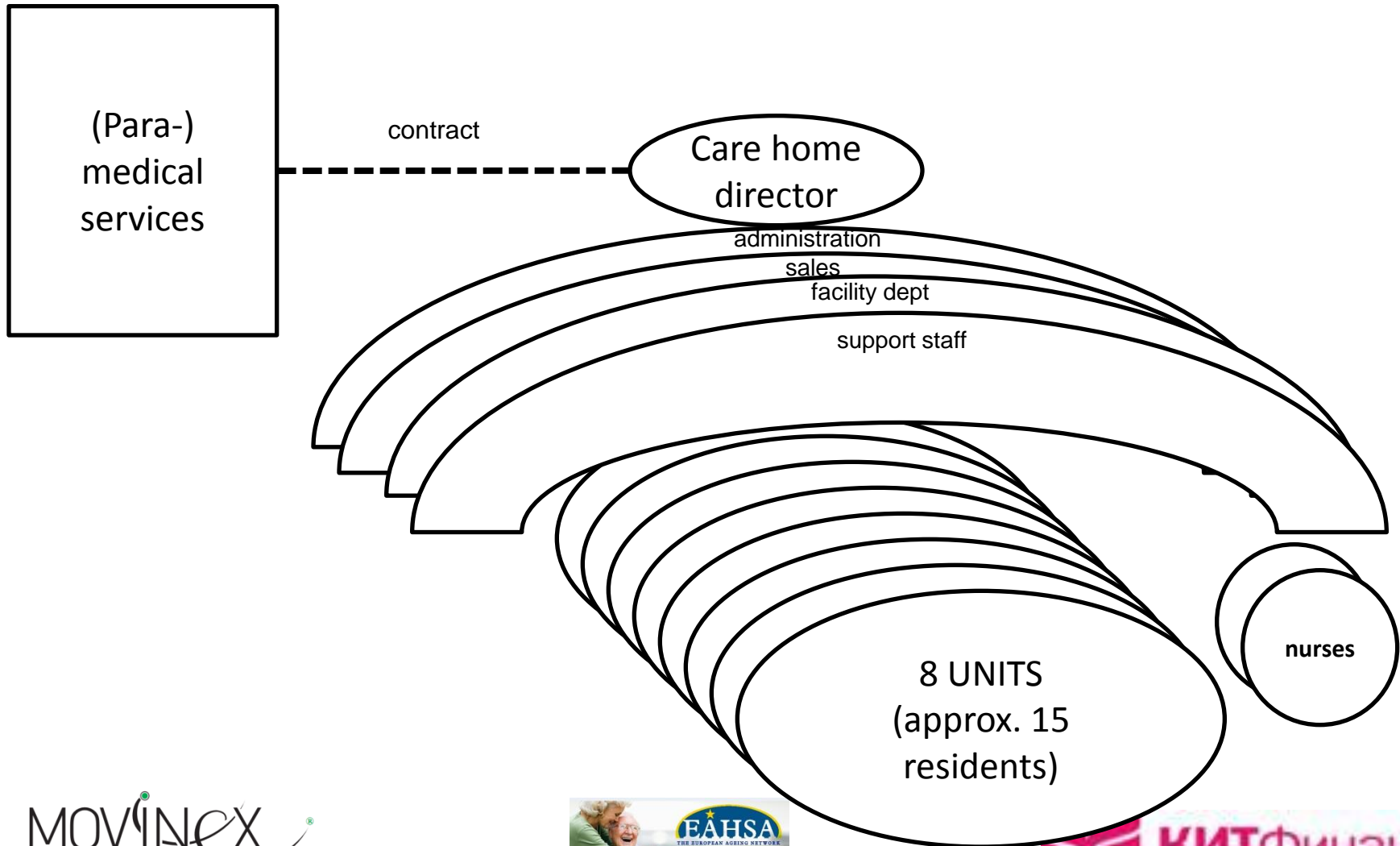
# Staff

- Care staff (24/7):
  - Life assistant: helps resident with living
  - Qualified nurse: first stop for health problems
  - Physician is coming from outside facility like in “normal” life at home
- Support staff (office hours):
  - Resident Care Coordinator: social worker
  - Activities Coordinator: organizes and performs individual and group activities
  - Dietician

# Staff (3)

- Facility staff
  - Housekeeping
  - Food services
  - Laundry
  - Maintenance/concierge services
- Administration
- Sales department
- Care home director

# Outline organization care home (approx. 120 residents)



# Business models in care homes

- **All inclusive fee:** everything is included. You pay independent from your usage
- **Entrance fee with flat monthly fee:** high entrance fee that covers risks of high consumption and lowers monthly payment. You also pay whatever you use



# Business models in care homes (2)

- **Basic fee with additional fee:** you pay for the infrastructure (alarm etc.) and some basic services like room cleaning. It is flexible for the resident but more uncertainty for the provider
- **Pay as you go:** you only pay for delivered services. Highly flexible for resident but very uncertain for the provider.

# Operational models

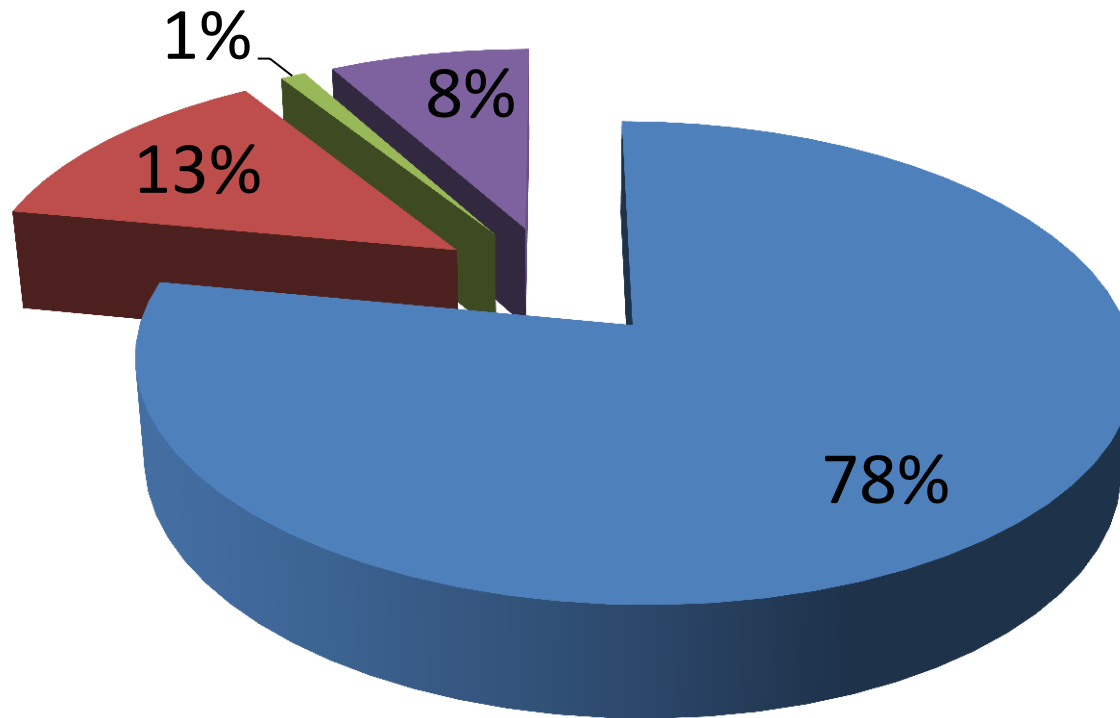
- Housing:
  - Residents rent (average stay in care home: 2,5 years)
  - Provider rents long term (5-10 years) for institutional investor (like a pension fund)
- Services:
  - Hotel services and supplies can in-house (done by own staff) or insourced (staff is employed by external party like a services provider)
  - Care services mostly in-house

# Is it profitable?

- Profitable elements:
  - Housing
  - Hotel services (food services etc.)
- Non profitable elements:
  - Personal and nursing care
  - Medical care (if it is in the package)

# Example from Western-Europe

■ staff costs   ■ supplies   ■ marketing   ■ profit



# My advise

- Do not depend too much on the state as the main contributor of payments
- Allow diversity in care homes
- Take the social model as an approach
- Accept calculated risks in the nursing home
- Find an institutional investor who accepts a reasonable ROI but is long term involved
- Define together with the state what a social acceptable minimum is in senior care

Спасибо за внимание !

Contact:

[freek.lapre@movinex.nl](mailto:freek.lapre@movinex.nl)