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Pensions, Health and Long-term Care

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1 Executive Summary

To begin with, it should be underlined that the ‘previous year’ is exactly one year after the last general elections in Spain. It is the same party (the Socialist Party) that has won the elections again which allows for a degree of continuity of political action, but still, the first year of a legislature tends to score low on major reforms or legal moves. It is only the economic crisis that has forced significant action, but only in those public spheres that were affected by it and needed an urgent response. The moves have been almost non-existent in the pension domain, minor in the sphere of health care and much more relevant in the realm of long-term care because a major law is being implemented in this case. The public and academic debate mirrors this pattern of different intensities.

Action in the field of pensions has consisted mostly on the implementation of some aspects of Law 40/2007, of 4 December. The Spanish pension system showed a good and healthy state before the advent of the crisis: surplus in its accounts since 2002, a substantial and growing pension fund, increasing employment rates of older workers, a comparatively high effective retirement age, and an increasing average labour market exit age. However, an increase of poverty rates among older people has been detected when comparing the decade of the 80s with that of the 90s up to 2005. As compared to poverty rates of people within working ages, poverty among pensioners is also increasing. Poverty strikes female pensioners more intensely than male ones. Public debate on the impact of the crisis on the public pension system and on what reform proposals should be designed has opened only in mid April 2009, despite the rocketing figures in unemployment rates. The private pension system has not undergone changes in the last year. Criticism is increasing though on the latest reform of the Government (2006) on the reduction of fiscal incentives for investors on individual private pension plans.

Although no significant reforms have taken place, the public and academic debate has been more intense in the field of health care. The most discussed aspects have been those related to a governmental proposal to reach a State Pact for Health among the regions, the search for a more relevant role of the Interterritorial Council of the National Health System, the search for a pact on regional financing (including health as the most outstanding aspect), and the search for solutions to the deficit of general and specialist doctors. The first three aspects are tightly related with the necessary cohesion that a fully devolved health care system should keep. The latter aspect has been much debated in the media, with reference to what to do about the amount of students to be admitted in Medical Schools and how to foster the interest of graduated doctors on becoming specialists in family medicine (the equivalent of general or primary doctors).

Long-term care, or specifically, the protection of dependency, is the field that has deserved, by far, more attention, debate and action. The most salient issues related to the implementation of the 2006 Law on Dependency can be summarized as frustration of created expectations and corresponding social unrest; institutional difficulties linked to a problematic distribution of responsibilities and regional disparities in the implementation of the Law; the uneven evolution of access to services and benefits and management maladjustments; and the need to expand the funding of the new system of protection of dependency. Because of the salience of this aspect of social protection in the public, academic and political debate during the last year, we have devoted to it a longer space both in terms of discussing what has happened and the tone of the debate and in terms of references of publications.

2 Current Status, Reforms as well as the Political and Scientific Discourse during the Previous Year

Before turning into the analysis of this section, some clarifications are needed in order to ease the understanding of developments during the previous year in the Spanish case. In the first place, it has been a low profile year as regards normative reforms, i.e., no major laws have been approved in the pension, health care and long-term care domains. This is due to the closeness to the last general elections held in March 2008. Hence, we are at the face of what could be termed as a ‘transitional’ year. However, and in the second place, this does not mean that nothing happened. On the contrary, recent major legal reforms were implemented and specific measures were taken to fight the economic crisis. Third and last, new proposals for reform were advanced. Special attention is devoted to them in this report, both in terms of the character of the political, public and scientific discourse and the concrete measures proposed. This will allow us to understand future developments.

Still another clarification is needed. Every country has its own policy-making style. In Spain, the academic and scientific discourse has never produced much impact on the decision-making process in the whole history of democratic Spain (past 30 years), with the exception of a couple of episodes in the pension and health care domain that took place in the early-mid 1990s. However, we may be witnessing a change in this respect, but such a change has affected only the long-term care policy domain so far. In fact, leading academics from the University of Alcalá in Madrid and the Pompeu Fabra University in Barcelona have played a protagonist role in the design and inception of the 2006 Law of Dependency, currently under implementation. If this trend is confirmed, it will mean a major departure from the path. One will have to wait and see. For the moment being, it is important to note that when referral is made to scientific/academic publications in this report, what is meant is that such publications were related to whatever was being considered in the political/public discourse, but this does not imply at all that such publications bore an influence and/or had an impact.

2.1 Pensions

The Spanish public pension system is a professional pay-as-you-go system of universal coverage. The vast majority of pensioners benefit from a contributory pension. Less than 1% of them benefit from a non-contributory pension. These are citizens that could not access the contributory system because: a) they did not depend on a worker or b) they failed to contribute for the minimum period to access the public system. The profile of non-contributory pensioners is that of elderly women, living mainly in rural areas. The public system counts on a minimum and a maximum pension and it is intensely redistributive. The reform pattern since the advent of democracy can be summarized in three main trends. First, all reforms have borne a parametric character, as for example changes in the minimum period of contributions and in the number of salaried years used to calculate the initial pension. Secondly, a steady increase of the minimum pension and use of top-ups. And, third, a simplification of the professional system so that the number of ‘professional regimes’ has been drastically reduced (from over a hundred in the mid 70s to less than 10 at present). This has been coupled with a convergence towards the conditions enjoyed by workers of the ‘general regime of salaried workers’. Contributory pensions are managed by the central state (the Treasury of Social Security), while non-contributory pensions are the responsibility of the autonomous regions. Since the mid 90s, the reform of the pension system is carried out in parliamentary seat, within the Toledo Pact Parliamentary Commission, and agreed upon with

the social partners, the banking system and other salient actors. The private tier consists mainly of individual pension plans (introduced in 1987 for the first time).

2.1.1 Current status and reforms during the previous year

No major legal changes have taken place in the realm of pensions during the last year. This is due to the approval of a recent piece of legislation, namely Law 40/2007, of 4 December. The approval of this law followed a long and complex parliamentary process, and it was derived from a social pact attained in 2006. The main aspects of the Law have been implemented during the last year.

The status of the Spanish public pension system was healthy before the advent of the economic crisis. This is due to several reasons. To begin with, the Spanish Social Security has enjoyed surpluses since 2002. These surpluses have been possible thanks to the remarkable creation of employment (8 million jobs since 1996) and to the increase of the number of workers as compared to the increase of the number of pensioners. However, there are other reasons for it based on already implemented reforms. First, the split of financial sources initiated in the 1980s and consecrated by the Toledo Pact in the mid 1990s, so that health care, social care services and most non-contributory subsidies have become financed out of general revenues rather than out of social contributions. Second, the increase of the number of contributors has been attained thanks to the incorporation of young people and women into the labour market but also thanks to the inclusion in Social Security of many previous informal workers (home helps, informal carers, immigrants, people depending on a scholarship, etc.). Third, from 2004 the minimum contribution bases (minimum salary) have experimented similar growth rates to those of minimum pensions, thus maintaining the correspondence between contributions and benefits. At the same time, millions of contributors have left the minimum level and contribute for higher bases, hence reducing unbalances of the system. Fourth, a stricter control of fraud has been carried out. Fifth and last, early exits have diminished and the effective retirement age has grown.

These measures have allowed for the establishment of a **pension fund** amounting to EUR 58,000 million. Furthermore, in October 2008 the Government announced an increase of 3% in the contributions of the highest salaries, in particular those over EUR 3,000 a month, for reasons of solidarity (El Mundo, 2 October 2008, p. 36). The balance of the system in 2009 will depend on the negative impact of unemployment and the positive one derived from the contributions made to the income maintenance system by those workers enjoying contributory unemployment subsidies or permanent ones depending on their age.

The main provisions of Law 40/2007 that is being implemented at present include, among others, the effective consideration of the last 15 years of salaries for the calculation of the initial pension (in force since 1 January 2008) incentives to the prolongation of working lives¹, a new calculation of disability pensions (they are never to surpass the level of

¹ The measures include forbidding pre-retirement before 52 years of age and the hardening of conditions for partial retirement. Conversely, it incentivates the voluntary prolongation of working lives after the official retirement age (65). The measures aimed at this latter objective consist of the recognition of an additional 2% over the 'regulatory base' (formula to calculate salaries for pension purposes) for each extra worked year. This can be increased to 3% in the case of workers that have contributed for 40 years or more. Importantly, workers eligible for prolongation are now all individuals having contributed for the minimum period, and not only those having contributed for 35 years as before. Moreover, the increases can be applied even if they entail surpassing the amount of the maximum pension of the system.

retirement pensions), an amelioration of widows' and minimum pensions, and new rights to widows' pensions for divorced and de facto couples.²

Employment rates of older workers have evolved very positively: an increase of 7.5 percentage points since 2000 up to 2007. For older female workers the increase is even higher, namely of 10 percentage points.³ This is related to the good performance of the economy and the labour market in the past years and to labour market policies aimed at women's integration.

The trend with respect to the effective retirement age is equally positive: a slight but steady increase. The effective retirement age was of 63.16 in 2008 (period ranging from January to July), with almost no differences by gender. Provided that the official retirement age is 65, these dates are good in absolute terms and compare well with other EU countries.⁴ Measures aimed at supporting permanence in employment have had a limited impact in this respect and should be reinforced, especially when one considers the deep ageing process that Spanish society will undergo in the near future and the high weight of early retirement, namely of 48.83% of workers in 2007.⁵

A simplification of early exit modalities is taking place under Law 40/2007. The Law also includes more rigorous conditions to access partial early retirement. According to Eurostat (2007), average labour market exit age has been increasing from 2001 (60.45 years) to 2005 (62.4) years. Differences by gender fluctuate for the period 2001-2005 so that there is no clear gendered pattern in terms of exit age from the labour market. For 2006, the average retirement age of new pensioners was of 62.92 years with no differences among men and women.

It seems that employment benefits are being increasingly used to bridge early exit with early retirement or ordinary retirement.⁶

The main recent provisions regarding minimum income for older people are included in Law 40/2007. They include the increase of the amount of topped-up minimum pensions and the broadening of the criteria to grant widows' pensions to non-married people who can prove a minimum cohabitation period. They also include further regulations for access to pensions of people who are separated or divorced at the time of death of the spouse.

The increase in the amount of minimum pensions over the average for the system is a traditional policy within the Spanish social security system which has been in place with different levels of intensity since the advent of democracy. The latest achievements are notorious. In fact, 27.32% of all pensions receive top-ups in order to reach the minimum amount fixed by the system (beneficiaries of these pensions have not contributed enough to reach the minimum pension, so that the state tops them up). Furthermore, the amounts of these pensions have increased by 35.9% for beneficiaries with spouses for the period 2004-2008. The number of current topped-up pensions is 2,249,707 people.⁷

² The rights to widows' pensions were extended to divorced and de facto couples (also to gay marriages, in accordance with the law on this issue). This is the only aspect of Law 40/2007 (*Disposición final segunda*) that needed further regulation to be implemented. Such regulation was approved by Royal Decree 296/2009, of 6th March.

³ See the National Strategy Report for the Kingdom of Spain, 2008, p. 51.

⁴ Consejo Económico y Social (CES). *Memoria sobre la situación socioeconómica y laboral 2007*. Madrid: CES, 2008.p. 723-724.

⁵ Informe Económico-Financiero. Anexo a los presupuestos de la Seguridad Social 2008. Secretaría de Estado de la Seguridad Social, Ministerio de Trabajo.

⁶ Consejo Económico y Social (CES). *Memoria sobre la situación socioeconómica y laboral 2007*. Madrid: CES, 2008. p. 724.

⁷ Consejo Económico y Social (CES). *Memoria sobre la situación socioeconómica y laboral 2007*. Madrid: CES, 2008.p. 721-722.

The financing of top-ups, as agreed in the Toledo Pact, is increasingly done through the state budget and decreasingly through social contributions (65.84% and 34.16% in 2007, as shown in p. 32 of Annex VIII to the NSR). The process is to be completed in 2013. Meanwhile, the amount of resources drawn out of social contributions to pay for top-ups still reaches EUR 3,000 million. The strategy to use taxes to finance top-ups, among others, has served the purpose of increasing the Reserve Fund of the pension system. The total number of beneficiaries of minimum income policy (including contributory and non-contributory assistential pensions) is 3,204,314.

Not surprising given the occupational character of the Spanish pension system, but still worrisome is the fact that the proportion of women depending on minimum pensions is much higher than that of men (61.82% and 38.18% respectively). This is due to the high number of women who could not enter the labour market (or could not make the minimum contributions required to enter the public system) and are dependent on a widows' pension. Even if the replacement rate for widows' pensions has been increased, their average amounts are very low (EUR 529.32 per month in 2008). Women are also overrepresented among beneficiaries of non-contributory pensions (amounting to EUR 328.44 per month in 2008).

The link between minimum provisions for old people and social assistance lies precisely on top-ups for minimum contributory pensions and non-contributory pensions.⁸ This issue is contemplated in the National Action Plan on Social Inclusion, in particular in p. 9-10.

Another worrisome aspect of the pension system is that an increase of poverty rates among older people has been detected when comparing the decade of the 80s and that of the 90s up to 2005, as compared to poverty rates of people within working ages.⁹ Poverty rates are higher among the elderly than the average for the whole population, but its intensity is lower. In other words, there is a lower proportion of severely poor (25% threshold) among the elderly. Poverty rates among the elderly increase with age and also by gender, so that elderly women have higher poverty rates than men. Again, severe poverty behaves in a different way: it decreases with age, so that it has been almost eradicated among the eldest (over 75 years of age).

This may look surprising at first sight, given that, as the NSR itself demonstrates, pension amounts have grown over inflation rates. The strategy to increase top-ups to minimum pensions and the introduction of non-contributory pensions for the elderly since 1990 explains the decrease in severe poverty. The general increase of poverty rates (60% of median equivalent income) may be explained, in turn, by the rapid ageing of the population over 65. The eldest among the elderly usually depend on pensions proportional to salaries which are older and lower in time than those of the young among the elderly. Hence, despite increases of pension amount over inflation, poverty may be accentuated.

As for information and transparency, the Ministry of Labour provides a phone service and also an on-line service for citizens who wish to solve their doubts about rights and entitlements. There is also a very good section on press notes and data bases in the Ministry's website. Furthermore, workers are periodically sent information on their "labour life" including contributions done to Social Security and acquired rights.

The tools for analysing and monitoring pension developments are, most outstandingly the Toledo Pact and its renewal in 2003, the negotiations and agreements reached with the social

⁸ A recent analysis of social assistance policies in terms of their impact and coverage can be found in Arriba González de Durana, Ana and Pérez Eransus, Begoña, "La última red de protección social en España: prestaciones asistenciales y su activación". *Política y Sociedad*, 44, 2, 2007, pp. 115-133.

⁹ Ayala Cañón, Luis y Sastre García, Mercedes "Pobreza, mayores y Seguridad Social: una perspectiva económica". *Revista del Ministerio de Trabajo y Asuntos Sociales*, pp. 207-209

partners (the latest signed in 2006) and the publications of the Ministry of Labour and the National Institute of Statistics. As indicated in the NSR, Law 40/2007 states that a report will be drafted each year on the assessment and strategies of the pension system.

The social partners are very involved in decision-making in the field of pensions. Proof of it is the long list of social pacts signed since 1995. The reform of the pension system in Spain, as it is the case for health care too, tends to be incremental but safe and steady, so that it produces big changes through piecemeal steps.¹⁰

Privately managed pension provision has neither undergone changes during the past year. The data show a steady though not dramatic increase in all modalities since 2002, both in terms of the number of pension plans and in terms of the number of people covered by them. Data from the 2007 Report of the Ministry of Economy and Finance estimate 10,288,247 participants in 2007, 81% of which belong to the modality of individual plans and whose consolidated rights represent 61.9% of the total.¹¹ The Report does not break down the data on coverage of private pension schemes either by gender, family status or education. It does provide data by age. Individual plans are contracted by people aged 52 to 65 (36.12%), followed by people aged 41 to 51 (33.33%). On the level of contributions, the Report shows that, in almost 82% of the cases, annual contributions are modest; in particular they are lower than EUR 900 per year. There are no data about accumulation of participation in several schemes.

Participation in privately managed pension provision is voluntary in Spain. The main incentives to participate in private schemes, especially in the individual plans (the largest modality in Spain) are fiscal discounts and complementing the public pension (or even fears that the public pension will be far too low).¹² Fiscal discounts consist of reductions on the imposable base equal to the amounts contributed to the pension plan. There is a maximum for the yearly contributions to individual plans per person (both in absolute terms and in relation to family income). The maximum is higher for people of 50 years of age and over. Accessibility of individual plans is very much limited to the middle and upper classes that enjoy enough income to be able to invest in such products.

A new Regulation on Pension Plans and Funds has entered into force in 2008 (Royal Decree 1648/2007, of 14 December). It is aimed at enhancing clarity and control. The new Regulation introduces changes in: transparency of actuarial aspects of pension plans, internal control norms of management organizations, and norms on administrative registers related, especially, with trans-border activities.

As already noted, the Spanish pension system is prominently public. At present, only 319,338 persons perceive benefits from private pension plans. Hence, future adequacy of pensions will depend mainly on the evolution of the public system rather than on the public/private mix, at least in the near future. At the face of the economic crisis, this circumstance can be considered both an asset and a liability. It has been an asset because private funds have not been affected by the crisis in major proportions as it has been the case in other countries. But the limited weight of private provision may also be considered as a liability for the future, given the

¹⁰ See Gutiérrez, Rodolfo and Guillén, Ana Marta (2008) "Treinta años de pactos sociales en España: un balance". *Cuadernos de información económica*, 203, 2008, pp. 173-180.

¹¹ Ministerio de Economía y Hacienda. *Seguros y fondos de pensiones. Informe 2007*. Madrid: Dirección General de Seguros y Fondos de Pensiones, 2008.

¹² Some experts consider that the main incentive to invest in pension plans is not fiscal discounts but rather their profitability in comparison with other investments. The dramatic fall of interest rates has already made such plans much less attractive than before the crisis so that a certain amount of people has decided to discontinue their contributions to private schemes, at least temporarily. This expert opinion has been kindly provided by Juan José Herrero Cerezo (Telenti Asesores, S.L.) in an interview carried out on the 20th May 2009.

combined effect of the crisis and population ageing on the public pension system. In other words, risk diversification is low in the Spanish case. The prescription included in Law 35/2006 on Tax on Income (*Impuesto de las Personas Físicas*) which lowers fiscal incentives for contributions to private individual pension plans is, in this sense, very negative, for it hinders participation in them.¹³ The maximum yearly contribution subject to reductions on the imposable base was lowered by the fiscal reform of 2006. In some cases, people use individual funds or plans to receive a lump sum at retirement point. Such lump sum is used for travelling, renewing the apartment or house or similar endeavours. This bears a negative impact on the use of private pensions to complement public ones. The fiscal reform of 2006 has also meant that it becomes more attractive to retrieve the plan as a lump sum rather than as a monthly payment. The reason for this is that the existing penalisation of 40% in the former case has been suppressed.

To conclude, there are still no data on how the economic crisis is impacting on the financial balance, employment rates of older workers, the effective retirement age of the system, early retirement, the average labour market exit age, and minimum income provisions for older people. However, it is clear that the impact is bound to be very negative given the soaring unemployment rates (see section 3). Some data on the fall in Social Security affiliations has been published by the press: according to the Ministry of Labour, affiliation has fallen from 19.356.540 workers in May 2008 (the highest point from January 2008 to present) to 18.058.122, that is, 6.5% less in one year (El País, 3 April 2009, p. 25).

The newly appointed minister of Economy has recently declared that, even if inflation is lower than the foreseen inflation rate for this year (2%) in November 2009 (November is the month of reference for the indexation of pensions), no discounts on pensions will be enforced.¹⁴

2.1.2 The public and scientific debate

Unlike other occasions, pension reform did hardly receive attention in the national electoral campaign that resulted in the victory of the Socialist Party on 9 March 2008. Electoral programmes made scant reference to the issue of pensions. For example, the Socialist Party, preferred to underline other social protection measures undertaken in the past legislature, as the Law on Dependency, family subsidies (the 'baby cheque'), the Law on Equality. The electoral programme of the PSOE only includes references to the declared aim to further increase the lowest pensions, paying special attention to widows' pensions.¹⁵ This is important but not new: this policy has been pursued for three decades in Spain already and with very positive results. Conversely, it is not possible to find any reference to pension reform in the electoral programme of the PP, not even in the section devoted to the proposal of measures oriented at the amelioration of living and welfare conditions of elderly people in Spain.¹⁶ The very limited attention paid to pensions in the electoral programmes of the two major political parties is good proof that it was not among their worries in March 2008.

¹³ An analysis of the impact of Law 35/2006 can be found in: Costa Franco, L., "Impuesto a la Renta de las Personas Físicas sobre jubilaciones y pensiones". *Revista de Derecho y Tribunales*, 5, 2007, pp. 95-112. Aneiros Pereira, J. "Los planes de pensiones de empleo en la Ley 35/2006 del IRPF". *Crónica Tributaria*, 126, 2008, pp. 55-88.

Ramírez, E. and Bauzá, M.A. "La nueva fiscalidad de los planes y fondos de pensiones y de otros sistemas de previsión social". *Perspectivas del Sistema Financiero*, 93, 2008, pp. 51-65.

¹⁴ El País, 24th April 2009, p. 20.

¹⁵ Programa Electoral del PSOE, 2008.

¹⁶ Programa Electoral del PP, 2008.

Law 40/2007 was supposed to be answering to all the adequacy and financial sustainability challenges. In this situation it is not surprising that a public and/or political debate was not opened for months after the general elections, despite the increasingly worrying signs of economic deterioration. In October 2008, after a meeting of the prime minister with the leader of the opposition, they declared the intention to call for a meeting of the non-permanent parliamentary commission for the Toledo Pact shortly (*El País*, 15 October 2008, p. 10). Furthermore, some days later, Rodríguez Zapatero stated his intention of pursuing the reform of the public pension system and that the Toledo Pact commission will meet on 15 November 2008 (*El Mundo Mercados*, 19 October 2008, p. 16). This is in accordance with the agreement to renew the recommendations for reform of the Toledo Pact every five years provided that the renewal of the Pact took place in 2003, when the initial list of 15 recommendations was enlarged to 22 in order to update and adjust them to the new situation. Nonetheless, whatever was discussed in the commission did not transcend to the media.

Also in the fall 2008, Prime Minister Rodríguez Zapatero announced an increase of 6% for minimum pensions for 2009 and an increase of 8.3% in the social security general budget.¹⁷ Even though the first clear signs of the dramatic economic crisis were already present then, such increases were incorporated into the Law on the State Budget for 2009. The Prime Minister has often repeated ever since that the crisis is not going to be translated into a lowering of social protection in Spain.

Meanwhile, academic research went on along the usual lines, without taking much concern about the increasing presence of the crisis. It is true that academic publications take a long time to be accomplished, so it is not necessarily surprising that they have not included analysis of the impact of the economic crisis on the pension system. Very recent publications (2009) are starting to pay attention to the decline on social contributions and to the formulation of proposals for reform.¹⁸

Topics favoured in academic publications during the last year include analyses of the impact of massive immigration on future sustainability and also on the adequacy of future pensions for people from abroad.¹⁹ Efforts have been also devoted to assess future sustainability of the public system, forecasts on demographic behaviour, and the impact of the incorporation of regularized immigrants into the Spanish labour market on the accounts of the system.²⁰ Some studies address the issue of incentives to prolong working lives and the impact of such incentives on the incorporation of young workers into the labour market.²¹ Finally, copious attention has been given to the private tier, including fiscal incentives of private pension plans and the factors behind the selection of a private plan by individual investors.²²

In fact, the reform of the pension system has not reached the political and public arena until very recently, precisely on 16 of April 2009, and it is bearing a highly controversial political character. The trigger has been the appearance of the governor of the Bank of Spain before the parliamentary commission for the Toledo Pact and the presentation of a report on the situation of pensions in Spain elaborated by the same institution (see Banco de España, 2009 in section 4). The analysis included in this report and the proposals for reform made by the governor of

¹⁷ See *El Mundo*, 8th September 2008, p. 8; *La Nueva España*, 1 October 2008, p. 40; *El Mundo*, 2 October 2008, p. 36; *El País*, 15th October 2008, p.10.

¹⁸ See Esteve Mora, 2009 in section 4 of this report.

¹⁹ For example, Domínguez Fanbián & Encinas Goenechea (2008) and Jiménez –Ridruejo Ayuso (2008). See section 4 of this report.

²⁰ Moral Arce & Patxot Cardoner (2008); Peláez Herreros (2008); Sánchez Martín & Sánchez Marcos (2008). See section 4 of this report.

²¹ García Gómez & Jiménez Martín (2008). See section 4 of this report.

²² Fernández Bernat & Monereo Pérez (2008) and Martí Ballester & Matallín Sáez (2008). See section 4 of this report.

the Bank of Spain derived from it have initiated an intense and heated public debate between the governor and the Government (especially the Minister for Labour). The participation in the debate has been extended to political parties and the social partners. The media are presently echoing the debate in detail. Even if closely related to the impact of the economic crisis and its impact on unemployment, the reproduction of this debate in this section devoted to pensions, rather than in the section focused on the economic crisis in this report, is important because an intense public debate on the future of the pension system very rarely takes place in Spain.

Already at the very beginning of April, the declarations of the governor of the Bank of Spain, Miguel Ángel Fernández Ordoñez, initiated a climate of tension with the Government on economic data forecasts, the Bank declaring more pessimistic prognoses on the deterioration of the Spanish economy in 2009 and 2010. The Bank forecasted an unemployment rate of 17.1% for 2009 and of 19.4% for 2010, as compared to 15.9% and 15.7% according to the Government.²³ Sadly, the Bank has been right, even too short. This war of pessimistic versus more optimistic forecasts started to irritate the Government. But from 16 April, after the meeting of the parliamentary commission for the Toledo Pact, an open confrontation has been originated and has brought pensions to the forefront of public debate. To begin with, the declarations of the governor of the Bank of Spain urged for a deep and immediate reform of the pension system, to avoid reaching a traumatic situation derived from the impact of the economic crisis. According to the media, he claimed that the system would run deficits this very year if no action is taken and it would be at risk of bankruptcy in 2025.

The reaction of the Government especially that of the minister of Labour, Celestino Corbacho, was strong and immediate. He denied the possibility of the Social Security running into deficit in 2009 and declared that the governor of the Bank of Spain was unnecessarily creating alarm and unrest among the population in general and pensioners in particular. According to the minister of Labour, the Bank of Spain should stick to its institutional role of financial surveyor and let the Toledo Pact commission come up with consensual proposals for reform after considering the situation.

Other members of the Government have also reacted strongly against the position of the Bank of Spain. Such is the case of the first vice-president,²⁴ María Teresa Fernández de la Vega, who claimed that she is totally against alarming the population without reason, as the governor has done.²⁵ The secretary of state for Social Security has also participated in the debate stating, on the one hand, that he agrees that it is important to start thinking about the necessary reforms, but that, on the other hand, he can prove that the situation is far from dramatic. He claims that the upsurge of a deficit in the Social Security accounts will not occur in the near future, but that if it did it could not be considered as a disaster given the present economic context.²⁶

The controversy has produced an alignment on both sides of different political and social actors. The main unions (*Comisiones Obreras*, CCOO and *Unión General de Trabajadores*, UGT) have strongly confronted the position of the Bank of Spain. Employers' associations (*Confederación Española de Organizaciones Empresariales*, CEOE and *Confederación*

²³ See *El Mundo*, 4th April 2009, p. 30.

²⁴ Spain is a parliamentary monarchy. However, "vice-presidents" of the Spanish government are called so because the prime minister is, in a literal translation, "the president of the government". There are usually only two: the First Vice-president acts as speaker for the government. The Second Vice-presidency is a special and outstanding Ministry, such as, traditionally, the Ministry of Economy and Finance.

²⁵ Interview published in *El Mundo*, 19th April 2009, pp. 14-15.

²⁶ *El País*, 21 April 2009, p. 23.

Española de la Pequeña y Mediana Empresa, CEPYME) have favoured a prudent position in the debate on pension reform and have declared their intention of contributing positively to it.

The opposition has reacted by paying close attention to the findings of the Bank of Spain Report on pensions and defending its position against the Government. The PP claims that the debate on reform should be initiated immediately. Ex-prime minister José María Aznar and present leader of the think tank of the PP (FAES) has shown his total agreement with the recipes for reform of the Bank of Spain.

When reading through the 2009 Bank of Spain Report on The Reform of the Pension System in Spain, one would be very surprised by the controversy generated by this document, if we were not aware of how much effort the Government has invested on avoiding the creation of an atmosphere of pessimism and alarm because of the economic crisis. In my opinion, the conflict has not been generated by the contents of the Report themselves but rather by the declarations of the governor regarding the quick occurrence of deficits in Social Security accounts. Such a consideration is not included in the Report. In fact, the Report does not defend and/or clearly rejects either overarching reforms or reforms entailing potential losses of equity. It is built as a list of proposals of reform to be discussed. The list of proposed reforms is mainly aimed at ensuring future sustainability and adequacy of the existing public pension system. They bear a 'parametric' character:

- the increase of the number of salaried years used to calculate the initial pension (15 at present) to the whole working life
- a reduction of the replacement rate for the minimum contributory career or shorter than 35 years (the replacement amounts to 50% for 15 years of contributions and 80% for 25 years of contributions at present)
- a gradual postponement of the official retirement age (65 at present)
- the increase of the minimum period required to access the public system (15 years at present)
- strict indexation of pensions to inflation
- possibility to consider the introduction of notional accounts

Finally, the Report acknowledges that a drastic decrease of the replacement rate should be carefully studied. On the one hand, replacement rates tend to be higher in Spain than in other advanced economies (84.2% in Spain as compared to an average of 72.1% for OECD countries). However, on the other hand, the level of pensions is comparatively lower in Spain: expenditure on pensions for each individual over 65 years of age amounts to 56% of per capita GDP in Spain, which is significantly lower than the average for EU countries (close to 75%).

In sum, it is yet to be seen what comes out of the debate. The status of the pension system in Spain before the crisis was good and this allows for optimism. However, the dramatic increase in unemployment and the profound ageing of the Spanish population to be deepened drastically in the near future calls for urgent consideration of reforms. In this respect, the Bank of Spain call for attention is but superfluous. But the Government is also right that there is no need to produce unnecessary alarm, and that decisions should be taken by reaching broad consensus within the framework of the Toledo Pact. Besides, new fiscal incentives to invest in private pension plans (be it at firm or individual level) should be expanded.

2.2 Health care

The Spanish National Health System is, since 2002, the gathering of the 17 autonomous regions health care systems, which are predicated on the 'national health service' model. This means that it is a totally devolved health care system, in which autonomous regions bear full responsibilities. It is financed out of public revenues. Autonomous regions use both own taxes and central state transfers to pay for the services. The Basque Country and Navarre constitute an exception to this rule, for they have the right to collect directly all taxes and then they give back an agreed 'quota' to the central government to pay for (national) services. There are no co-payments on visits or diagnosis tests; the only existing co-payment is 40% of drugs prescribed outside hospitals, the pensioners being exempted from this co-payment. Coverage of the population is universal, but it has not become a citizenship right, this meaning that access to the system is based on being a worker, being dependant on a worker or not having enough means. Coverage reaches all foreign residents, legal, and, since 1999, also illegal immigrants (these latter just have to sign up in municipal censuses in order to gain access). The coverage of services is broad and comprehensive, with the only exception of dental care. Since 1995, there is a positive and a negative list of publicly financed health care services, the positive list being very ample. Primary and specialist doctors are public salaried employees and there is a door-keeper for access to specialised care. The 1984 reform of primary care, the construction of rural hospitals (*hospitales comarcales*) and the overarching reform of 1986 gathering all pre-existing public networks into the National Health System have rendered the Spanish system highly equitable and efficient.

The main issues for future reform²⁷ are related to the fact that it is much desirable to maintain or even increase: a) the level of equity among regions in a fully devolved system, and b) the level of quality of the services. In this respect, the 2003 Law on Cohesion and Quality of the National Health System was of the utmost importance. At present, cohesion and equity among regions and a high level of quality of services has to be secured through four main means:

1-a State Pact for Health among regions

2-a clear, prominent and leading role of the Interterritorial Council in the reform of health care. Both the autonomous regions and the central state are represented in this Council.

3-a renewed pact on regional financing, in order to secure a sufficient and sustainable provision of services.

4-a search for solutions to the existing deficit of general and specialist doctors, an issue which is closely related to quality.

The debate on health care issues during the previous year has not borne a high profile, either in political and/or academic terms. No changes have occurred in health care organization, health financing, health management, benefits provided, public health and rehabilitation. However, some broad and highly significant issues have started to be discussed with the new legislature. In this report, a clear selection among these issues is carried out. Special attention is paid to the four issues listed above, which are considered as the most relevant challenges

²⁷ An outstanding publication referring to challenges for future reform in the Spanish health care systems is VVAA Several Authors, 2008. The Annual Report of the National Health Care System (Ministerio de Sanidad y Consumo, 2009) includes many of the relevant data to assess the recent evolution of the System. Finally, Del Llano (2009) offers an evaluation of the impact of decentralisation of health care in Spain, by pointing out the existing territorial inequalities, which are not prominent but should be tackled (See section 4).

for the near future. After doing this, attention turns to other issues which have arisen in the debate but bear a lesser scope or importance.

2.2.1 State Pact for Health

On 2 June 2008, the Minister for Health and Consumption stood in front of the Parliamentary Commission of Health and Consumption in order to present the general lines of his government programme for the IX legislature. In his presentation, he announced a proposal directed to autonomous regions to reach a State Pact for Health, oriented at achieving a consensus among all regional health administrations for the amelioration and consolidation of the Spanish National Health System. He was backed up by all the parliamentary groups. Also, the proposal received the support of all regional health ministers within the Interterritorial Council (in charge of coordination of the devolved 17 regional health care systems).

The six basic principles to support the Pact are: 1) equity in health services for all citizens; 2) cohesion among regions; 3) innovation; 4) quality; 5) security for patients; and 6) sustainability. The correspondent six institutional committees were constituted presented at the end of September 2008. They gather over a hundred representatives of the Ministry of Health and of the Regional Health Care Systems.

Finally, a sub-commission for the State Pact was created within the parliamentary Commission for Health. This sub-commission is to elaborate and present a report to the Commission for Health within 10 months of its constitution.²⁸ Several political instances have repeatedly asked for a meeting of political parties aimed at achieving a broad pact for health care, similar to the 1995 Toledo Pact for pensions. However, the central government defends the strategy of attaining first a pact among the regions and also to open the discussion to other social agents, such as unions, professional associations, scientific societies and patients' associations.

2.2.2 A more relevant role for the Interterritorial Council of the National Health System (CISNS) and a reduction of the responsibilities of the Ministry of Health

Given the fact that the National Health System has been fully devolved to regions since 2002, a more prominent role of the Interterritorial Council had been asked for both by politicians and academics. The Council was created in 1987 and is the top political body in charge of the coordination among regional health services. The aim is to confer to it a larger executive role, extended leadership, and political will, beyond its present consultative character. The reason for this shift in the balance of powers between the Ministry and the Interterritorial Council is that, since 2002, some regional disparities have either appeared or intensified. Such disparities/inequalities may compromise the cohesion of the National Health System in the future.

In this context, one could classify as a positive move the consideration of future financial and cohesion needs within two out of three plenary meetings of the Council in 2008. Furthermore, the Council has designed the first reference centres, services and units for intensely specialised care for the whole territory, with the aim of ensuring equity in access to such services for all citizens.

Conversely, the Ministry of Health has lost powers in 2008. The Carlos III Institute, devoted to research in health sciences, was transferred to the Ministry of Science and Innovation (this

²⁸ Diario de Sesiones del Congreso de los Diputados, IX legislatura, no. 153, 2008 (Parliamentary Commission of Health and Consumption, celebrated on the 20th November 2008).

latter created in April 2008).²⁹ This is a relevant issue both from a quantitative and qualitative point of view provided that the powers of the Ministry of Health had been substantially reduced due to the process of devolution of health care. From a budgetary perspective, the Ministry of Health has seen how the resources managed directly by it have been increasingly reduced as compared to those assigned to regional health ministries. Because of this, the Carlos III Institute had come to represent a significant share of the total budget of the Ministry of Health.

Nonetheless, the situation has dramatically changed at the beginning of April 2009 due to the ministerial re-organisation enacted by the Government. The Ministry of Health has acquired the competence over long-term care and the responsibility to implement the 2006 Law on Dependency and a new minister has been appointed. The new Ministry of Health and Social Policy has unequivocally gained visibility and weight, given the high expectations placed by the population on the Law on Dependency. This may render positive results in terms of coordination among health care and long-term care policies. The move has been broadly welcomed. The risk is that all the energies within the new Ministry are placed on long-term care at the cost of forgetting the pending problems of the much more consolidated health care system.

2.2.3 Financing and sustainability of the National Health Care System

In his investiture speech as prime minister (8 April 2008), José Luis Rodríguez Zapatero announced that one of the most important task to be carried out during the present legislature is the approval of a new regional financing model. From 2002 the management of health care has been incorporated into the general regional financing model (that is, funds are not specifically transferred to the regions to be devoted to health care, as was the case before). This affects all autonomous regions of “common financial regime”, of which only Navarre and the Basque Country are exceptions. Thus, this is a topic of much relevance for the Spanish National Health System.³⁰

The present model of regional financing was regulated by law and not by an agreement published in the State Bulletin in order to underline a vocation of permanence. Nonetheless, several factors explain the need for change. Among others, one can highlight the fact that, since 2002, six Statutes of Autonomy have been renewed.³¹ Some of the reforms included by the renewed Statutes imply a change of the criteria guiding direct central state investments in regions. In this respect, the parliament is taking into consideration two law proposals aimed at determining the volume of such investments by following uniform criteria of equity and solidarity for all regions.³² Furthermore, the design of the present model of regional financing has not allowed for automatic adjustments to new needs related to changes occurred in key

²⁹ Royal Decree 1183/2008, of 11th July, on the development of the basic structure of the Ministry of Science and Innovation. *Boletín Oficial del Estado* no. 171, of 16th July 2008.

³⁰ Two of the best studies on the regional financing model of health care published in the last year are those of Cabasés & Canterero (2008) and Costa Font & Gil (2008). See section 4 of this report.

³¹ The Statutes of Autonomy are the basic institutional norm of each Autonomous Region. They are recognised and protected by the State as an integral part of its juridical configuration (article 147.1 of the 1978 Constitution).

³² Law proposal on the reform of Organic Law 8/1980, of 22 September, on the Financing of Autonomous regions, presented by the Parliament of the Region of Madrid, *Boletín Oficial de las Cortes Generales*, Serie B no. 12-1, of 11 April 2008.

Law proposal on the reform of Organic Law 8/1980, of 22 September, on the Financing of Autonomous Regions, presented by Parliament of the Region of Valencia, *Boletín Oficial de las Cortes Generales*, Serie B no. 84-1, of 23 April 2008.

variables such as the volume of the population.³³ The massive flow of immigrants (6 million people) is distributed unequally among the regions. The model rather showed instability and was subject to political negotiations conducive to *ad hoc* modulations. The new model of regional financing is aimed at levelling out the conditions of access to public services in the hands of regions. These are fundamental services such as health care, education and social care services.

As regards health care, the plenary of the Interterritorial Council held in September 2008 discussed the criteria to determine the financial needs of the National Health System. The objective was to design and propose a versatile model, able to adapt to the variables influencing health care expenditure and, in sum, able to guarantee dynamic financial sustainability of regional health services. It is to be noted that financial sustainability of health care is one of the basic pillars of the State Pact for Health mentioned above. The implementation of the Pact depends primarily on the financial model. In any case, the political debate on the new regional model of financing will take place in the Council for Fiscal and Financial Policy (*Consejo de Política Fiscal y Financiera*, CPFF),³⁴ which is the competent institution to define and propose the new model, to be finally passed by the national parliament and those of the autonomous regions.

After the presentation of the general lines in the plenary of the CPFF of 20 May 2008 and over seventy bilateral meetings with the regional authorities, the Government sent the regions a proposal including the basic guidelines for reform on 30 December 2008.³⁵ The document proposed to equalize the financing of fundamental public services by ‘unity of need’, adjusted by aspects such as territorial area, population dispersion; insularity; population over 65 years of age; population under 18; and equivalent sanitary population (with different weights for the three intervals of age considered). Moreover, the document proposes that the regional allocations of the Fund for the Guarantee of Fundamental Public Services (*Fondo de Garantía de los Servicios Públicos Fundamentales*) are revised yearly.

Despite the recent creation of a new (Third) Vice-presidency of the Government (see footnote 14), the appointment of a new minister of Territorial Politics for it, and the declared wish of the Government to speed up the process, it is hard to foresee the attainment of a decision by the CPFF before mid 2009. The decision takes long because it is a decision of major proportions and impact: we are talking about how to distribute financing flows. Furthermore, it has to be negotiated and reached by consensus, which is usually more time consuming than unilateral decisions. This means complex negotiations both within the CPFF and bilateral ones between the central and regional governments. Moreover, one should recall that Spanish autonomous regions enjoy very different levels of capacities to exercise political pressure on the central government. In such a context, the central government has to be able to lead the process without producing inequities among regions at the same time as avoiding severe conflicts with the most powerful and/or rich regions.

³³ The Spanish population grew by 10% between 2002 and 2008.

³⁴ The CPFF is the coordinating institution between the State and the regions in financial and fiscal matters. It is composed of the Minister for Economy and Finance, the regional ministers and the Minister for Public Administration.

³⁵ Reforma del sistema de financiación de las Comunidades Autónomas de régimen común y Ciudades con Estatuto de Autonomía (Propuesta base para un acuerdo), 30th December 2008. Available in: <http://www.meh.es/Documentacion/Publico/GabineteMinistro/Varios/30-12-08%20Documento%20propuesta%20acuerdo%20financiacion%20C3%B3n.pdf>.

2.2.4 Health professionals

In the realm of human resources, the most pressing problem (or, at least, perceived so) is that of the increasing deficit of specialist doctors. Several instances have kept claiming for an evaluation of the situation and a corresponding strategic action during the last year. In this sense, the presentation of a report by the Ministry of Health on the existent supply and needs of specialist doctors in Spain for the period 2008-2025 in March 2008 should be highlighted.³⁶ The reports estimates a deficit of 3,000 specialist doctors at present, which will increase to 9,000 in six years if no measure is undertaken. Specialities worst affected comprise family doctors, child doctors, and trauma. This document allows for the design of future strategic action, which has been absent to date.

The absence of action is probably related to the inexistence of a national register of professionals of the National Health System (in process of creation). However, the mentioned report represents a key tool for it includes the register data of the regional health care systems and it complements such data with other sources of information. Also, it incorporates into the simulation model the changes in the regulation implemented recently aimed at alleviating the deficit of specialists in the short term. It foresees the updating of regulations every two years. In particular the measures implemented to alleviate the deficit comprise:

- the decrease of *numerus clausus* in Medical Schools by 34% (estimated) since 2005;
- the increase of positions for the education of specialists: 7,111 positions were offered, 25% over those offered in 2004;
- a more agile process of homologation of degrees obtained abroad. It is worth noting in this respect the proposal of Royal Decree aimed at regulating the conditions for homologation of specialist doctors with degrees obtained outside the EU, with the aim of integrating them into the National Health System (in all cases respecting the quality requisites established in Directive 2005/36/CE).

Finally, it should be mentioned the constitution of a study group on future needs of human resources for the National Health System within the Commission of Health and Consumption of the Senate on 16 October 2008.

Before turning to other less broad aspects of health care that received attention last year, we have to refer to the development of the Quality Plan for the National Health System, which can be summarized in three points: absence of a global evaluation, partial evaluation of Health Strategies and approval of new Strategies.

The Quality Plan was approved in 2006 and updated in 2007. The Plan establishes Health Strategies which translate into practice quality policies associated to pathologies. Health Strategies are agreements that allow responding to a concrete health problem within the whole national territory in a homogeneous way. They are based on an ample participation of stakeholders and a strong scientific consensus. The Plan contemplates, in both of its two versions, the carrying out of a global evaluation after two years of its approval. Such an evaluation has not taken place, but some Health Strategies have been evaluated in 2008, in particular, the Strategy for Cancer (the first approved in 2006) and the Strategy for Ischemic Cardiopathy. At the end of 2008 the process of evaluation on the Strategy of Mental Health was initiated, according to the provisions of the Plan.

³⁶ Barber Pérez, P. and González López-Valcárcel, Beatriz (2009) *Oferta y necesidad de especialistas médicos en España (2008-2025)*. Ministerio de Sanidad y Consumo. This study both updates and broadens the previous study *Oferta y necesidad de especialistas médicos en España (2006-2030)*, March 2007.

Also, and within the framework established by the Quality Plan, the Ministry of Health initiated the process to reach a consensus among the regions on the indicators that will allow for the evaluation of the AP 21 Project, oriented to the improvement of primary care in Spain.³⁷

Finally, new Health Strategies have been approved. At the end of 2008, the Interterritorial Council passed the Strategy for Ictus. At the beginning of 2008, the Ministry of Health called the first working meeting for the elaboration of the Strategy on Rare Pathologies. The approval of this latter by the Interterritorial Council will most likely take place in mid 2009.

Other less encompassing but no less important issues should be mentioned:

Waiting lists:

The guarantee of maximum waiting times is regulated by regional health systems. This has led to an uneven situation, namely, not all regions have regulated this aspect and those having done so (ten out of 17 up to the present) have established the same guarantees. In his appearance of 2 June 2008 before the parliamentary commission for health, the minister announced the elaboration a common norm for all regions in order to guarantee maximum waiting times for those services in which a delay can derive in disability or major sequels.

Draft project of the Law on Public Health

It introduces the systematic evaluation of the impact of public health policies on health levels, as an innovative measure. It is based on the coordination and cooperation of all levels of government. In this respect, it is worth noting that an agreement is tried to be reached on a common vaccination calendar in all regions and border Portuguese areas. Vaccination calendars are the responsibility of autonomous regions, so that the Ministry of Health may only 'recommend'. The Ministry of Health has announced that the new Law on Public Health will be passed before next August.

Extension of dental health services

Access to public dental care remains low and very unequal among regions. This is the only service that lacks an extension of coverage within the Spanish Health Care System. A Royal Decree was passed at the very end of the past legislature in this respect.³⁸ It plans several activities aimed at providing dental treatment to children aged 7 and 8, to be increasingly expanded to older children aged 14 and 15 during the present legislature (budget allowing). This initiative is much wished for among the population and it will undoubtedly enhance equity within the country.

(Future) Law on Food Security

The passing of such a law is foreseen in the Strategy on Food Security 2008-2012. The Strategy bears a transversal character and it was passed by the Council of Ministers in May 2008, with the aim to respond to EU regulations on this matter.

³⁷ The AP21 Project (Strategic Framework for the Improvement of Primary Care in Spain) covers the period 2007-2012. The measures included in it are aimed at facing several challenges, such as population increases (mainly due to immigration) and the rise of chronic illnesses. Available at: <http://www.msc.es/profesionales/proyectosActividades/home.htm>.

³⁸ Royal Decree 111/2008, of 1 February, regulating the concession of direct subsidies to autonomous regions for the promotion of dental services for children during 2008. *Boletín Oficial del Estado* no. 31, of 5 February 2008.

Renovation of the national policy on drug addictions

The national Strategy on Drug Addictions 2009-2016 was approved by the Government in January 2009. The previous Strategy (2004-2008) rendered very positive results, so that drug addictions have diminished for the first time since the late 1990s. The new 2009 Strategy aims at adapting actions to the new social reality. It has been agreed upon by all autonomous regions, in order to provide equitable.

Future development of the Strategy for the Evaluation of Public Health Care Policies

The aim is to value efficiency in cost-utility terms. This future development was announced by the minister of Health and Consumption in his appearance of 2 June 2008 before the parliamentary Commission.

Law proposals under processing, modifying Law 29/2006 on Guarantees and Rational Use of Pharmaceuticals and Sanitary Goods

In this case, the aim is to contemplate the participation of other professionals (for example, nurses, as well as doctors and dentists) in the prescription of certain drugs.³⁹

Non-law proposal on the Evaluation of Health Technologies

It invites the Government to foster general evaluation, i.e. going beyond of the specific plan introduced by the Ministry of Health and Consumption in 2006.⁴⁰

To sum up, in our opinion, the Spanish National Health System is working properly. Measures are being undertaken in order to ensure future sustainability and adequacy. However, the impact of the crisis and the opinion of citizens leave some room to worry about the future. The latest survey on public health care services, published in April 2009,⁴¹ shows how Spaniards continue to prefer public over private care, but less so than four years ago. The National Health System passes the exam with 6.29 points over ten (6.12 points in 2004). Still, in this April 2009 survey, seven out of ten citizens think that it works well but it is in need of changes. Improvements should be done mainly in shortening waiting lists for specialized and hospital care (50.2% of the population thinks that the situation has not improved) and in increasing financing and resources. The most valued aspects of the public health care system are the closeness of health centres and how patients are treated by family doctors and paediatricians, together with quality and technology in specialized and hospital care. Commodities in hospitals are considered too low.

³⁹ Law Proposal on the modification of Law 29/2006, of 26th July, on Guarantees and Rational Use of Pharmaceuticals and Sanitary Goods, on the prescription of drugs. It was presented by the Catalan Parliamentary Group (Convergencia i Unió). *Boletín Oficial de las Cortes Generales*, Serie B, no. 161-1, of 6 March 2009.

Law Proposal on the modification of Law 29/2006, of 26th July, on Guarantees and Rational Use of Pharmaceuticals and Sanitary Goods. It was presented by the Socialist Parliamentary Group. *Boletín Oficial de las Cortes Generales*, Serie B, no. 164-1, of 13 March 2009.

⁴⁰ Non-law proposal, presented by the Socialist Parliamentary Group, on the evaluation of Health Technologies. *Boletín Oficial de las Cortes Generales*, Serie D, no.72, of 26 September 2008. Prominent publications on economic evaluation of health technologies and services are those of López Bastida et al. (2008) and Asociación de Economía de la Salud (2008). See section 4 of this report.

⁴¹ Centro de Investigaciones Sociológicas. *Barómetro Sanitario 2008*. Madrid: Centro de Investigaciones Sociológicas 2009 (Published in April 2009).

2.3 Long-term care

The main current debate regarding long-term care (LTC) is related to the implementation of Law 39/2006, on the promotion of personal autonomy and care for people in situation of dependency (Law on Dependency for agility purposes) and to the new System of Dependency and Care for Dependency (in short, SAAD) introduced by the law.

The law on dependency is indeed a crucial and much needed law, given the intense ageing of the Spanish society and the rapid incorporation of women into the labour market. However, this law does not comprise all LTC policies in Spain. In fact, it was born somewhat divorced from socio-sanitary care provided by the regional health systems. Suffice this to make clear that there is a notorious lack of co-ordination among dependency protection and socio-sanitary care.

In contrast with the selective character of public social care services, which were characterised by mean-tested mechanisms to determine the access to the system, the new law signals that the economic situation can never be considered as a barrier to access services and benefits. In fact, it states that the only criteria regulating the access to the system's benefits consist of the level of dependency.

One of its main contributions, if not the main, is the protection of a risk (dependency) considered until recently of predominant private and family related (women) character. This change finally locates Spain among the EU countries with a recognised social right on the issue. Another fundamental aspect is that this law provides coverage with no-age discrimination and considers a wide range of disabilities. In addition, the creation of the SAAD means not only a support for the development of the quality of life in the country, but also a push for the advance of social cohesion and employment creation.⁴² Hence clearly defined expectations were created among the dependants and their families, and the population as a whole, regarding the solutions to dependency problems and LTC provision.

The coverage effort done in such a short time is undeniable. The last data published by the SAAD (April 2009) are the following: 889.712 applications, 789.369 evaluations, 769.077 dictums, and 769.077 beneficiaries with recognised benefits.⁴³ In March 2009, more than 50,000 non-professional family carers were already affiliated to Social Security.⁴⁴

After two years in rule (a bit less than a year and a half if we consider that its real implementation began in the fall of 2007), the challenges we have to face are of diverse nature and go beyond financial problems. Therefore, despite the crucial advance that the approval of this law has implied and the achievements to date, its real performance will not be possible to be attained in the short-term as many could think. It is important to bear in mind that its implementation was foreseen to be carried out gradually. Moreover, we should never forget the shortfalls of the starting point with regard to coverage levels, extension of services, professional training, etc.

There have not been either deep or meaningful reforms in the last year, but mainly an advance on the initially foreseen aspects and proposals for analysis to modify functioning problems. The main aspects remarked in this report are based on the analysis of general debates and

⁴² El País, 25th February 2009. Retrieved from http://www.elpais.com/articulo/opinion/nueva/frontera/Estado/bienestar/elpepiopi/20090225elpepiopi_13/Tes.

⁴³ The Law gives priority to the provision of services. However, more than a 40% of the assigned benefits are economic allowances for family care. This might mean a push back both for the extension of services and preventive nature envisaged by the Law.

⁴⁴ <http://www.imsersodependencia.csic.es/documentos/estadisticas/indicadores/saad/abril-2009/estadisticas-saad-abr-2009.pdf>.

publications/reports, and are related with the following aspects: 1) frustration of created expectations; 2) institutional problems, 3) distribution of responsibilities and regional disparities and related problems with access and management; and 4) funding of the system.

2.3.1 Frustration of created expectations

Firstly, the frustration of created expectations due to implementation problems and uncertainty of the financial feasibility of the system have been, and are at present, a latent issue in the political and social arena. In fact, this frustration was one of the issues mentioned by the Catalan political party *Convergència i Unió* in the amendment presented and finally approved by the parliament last October. This amendment pushes the Government to entrust an independent group of experts with the evaluation of the implementation of the law and possible modifications to it. The aim of these modifications or corrections should be based on efficiency, equity, financial sustainability, quality and full respect to regional responsibilities.⁴⁵ The Government appointed the members of this team in November 2008, and according with what was agreed at the parliament, their report should be out in June 2009. However, actual provisions point to a clear delay on its issuing.⁴⁶

In parallel and while waiting for the parliamentary report, several other reports elaborated by independent observatories have been published (see section 4). At the same time, and with the excuse of the second anniversary of the passing of the Law on Dependency, many seminars, conferences and meetings have been held with the participation of politicians, professionals, policy-makers, academics and representatives of associations. This clearly reflects the interest on the issue of the protection of dependency and the generalised will to see it functioning properly, not only last year, but prior and after its approval.

2.3.2 Institutional problems

Secondly, one should underline problems related to institutional aspects and to the split of responsibilities, which are derived to a large extent not only from the complexity of the implementation of the Law in terms of coordination and the implication of three different levels of government (central, regional and local) but also with the necessary collaboration with the health care system. Socio-sanitary coordination constitutes a basic aspect in the development of any long-term care system. However, the marked social character of the Law and the absence of a specific reference to the role of the National Health System within the Law of Dependency is still an unresolved question. Generally speaking, all these aspects are reflected on decision-making, financing, and management, bearing a direct effect on the adequate levels of equity, cohesion and quality of the system.

Regarding operational issues, the placement of social care services (traditionally in the hands of the Ministry of Labour and Social Affairs) under the new Ministry of Education, Social Policy and Sports decided right after the last elections (March 2008) did not benefit, in principle, the high expectations on the implementation of the Law of Dependency or issues related with socio-sanitary coordination. The ministerial reorganisation of the beginning of April has dissolved this ministry and Social (Care) Policy will join now health care in the new Ministry of Health and Social Policy. This reorganisation could contribute to strengthen

⁴⁵ Diariomedico.com 17th October 2008. Retrieved from <http://www.imsersodependencia.csic.es/documentacion/dossier-prensa/2008/not-17-10-2008.html>.

⁴⁶ Europa Press, 24th November 2008. Retrieved from <http://www.imsersodependencia.csic.es/documentacion/dossier-prensa/2008/not-24-11-2008bisbis.html>.

future implementation, mainly if we consider that since health care devolution was completed in 2002 the Ministry of Health has been deprived of a wide range of its former functions.

2.3.3 Distribution of responsibilities and regional disparities

Thirdly, aspects related to access, delays and daily management of the system. To begin with some institutional aspects and related to the split of governmental responsibilities in the territorial organization of Spain have to be noted. In particular we refer to the existence of regional disparities in the implementation of the Law. In fact, even though the Law itself and the central government are in charge of regulating basic aspects of the system, it is the autonomous regions that have to develop basic norms in detail.⁴⁷ Hence, there is a mounting worry caused by the lack of a clear and global definition of common criteria for all regions, which is in detriment of equity and territorial cohesion.

Delays affecting evaluation and concession of services and/or subsidies have constituted one of the first problems that the implementation of the Law has faced.⁴⁸ This is, without doubt, one of the aspects bearing a higher public impact from the beginning to the present. Appeals on delays have not stemmed so much from (potential) users but from different institutions.

Up to the present, many platforms and associations have been created with the aim of managing complaints derived from delays in the evaluation of dependencies, as for example the National Organization of Consumers (*Organización Nacional de Consumidores*, OCU). At the same time, complaints and appeals have reached not only public administrations but also the Ombudsman. The Office of the Ombudsman will include a specific chapter on the functioning and access conditions to the SAAD for the whole territory in 2008, as was also the case in 2007.⁴⁹

As for the management and access to the system, regional disparities are latent and bear diverse character. For example, differences among regions can be detected in the number of applications registered in the SAAD computing programme. Such differences do not correspond with the distribution of potentially dependent population in each of them for 2008.⁵⁰ As the II Report of the National Observatory of Dependence (*Observatorio Nacional de la Dependencia*, ONDEP) shows, Andalucía with a 32,19% of the total registered applications only has 16,49% of the potentially dependent population, while Madrid with a 4,62% of applications has a 12.82% of dependent population.⁵¹

Overall, the heterogeneous situation at the level of regions regarding the provision of services and quality standards is a given fact. As mentioned in the previous report, Order 194/2008, of 4 July, created a Special Commission for the improvement of quality within SAAD. In

⁴⁷ For a review of regional legislation, see: Observatorio Nacional de la Dependencia (2009) "*Informe implantación de la Ley de Dependencia en España: valoración CC.AA.*". Madrid. January 2009.

⁴⁸ The regulation of access to benefits is highly complex: application, evaluation, dictum of degree and level of dependency, negotiation of the Programme of Individual Attention (PIA), confirmation of the resolution of access to services, and finally effective use of the benefits. Therefore, it is of crucial importance to clarify and strengthen all this process as much as possible (i.e. case management, PIA and bodies of evaluation).

⁴⁹ El País, 26th March 2009 Retrieved from http://www.elpais.com/articulo/sociedad/Defensor/Pueblo/investiga/retrasos/Ley/Dependencia/elpepusoc/20090326elpepusoc_6/Tes.

⁵⁰ The inclusion of the data in the computing system of the SAAD has generated delay problems and lack of transparency of the information.

⁵¹ Observatorio Nacional de la Dependencia (2009) "*Informe implantación de la Ley de Dependencia en España: valoración CC.AA.*". Madrid. Enero 2009. Retrieved from [http://www.ondep.es/documentos/informes/6\(IMPLEMENTACION LEY DEPENDENCIA EN ESPA 3 21A Univ Valen\).pdf](http://www.ondep.es/documentos/informes/6(IMPLEMENTACION LEY DEPENDENCIA EN ESPA 3 21A Univ Valen).pdf).

addition, the Territorial Council of the SAAD finally reached an agreement last November on the common (minimum) criteria for accreditation of centres and services, (including not only references to equipments, but also to personnel) of the SAAD.⁵² Despite the importance of quality issues in the development of LTC, it remains in a secondary position in comparison to fundamental issues such as access.

The most recent proposal that can contribute to alleviate, at least in part, these differences was done in mid-April 2009 by the new Minister of Health and Social Policy to the Territorial Council of the SAAD. Her proposal to regional governments was the elaboration of a Good Practices Catalogue in the implementation of the Law with the aim of speeding up real enjoyment of benefits. This Catalogue (that will be elaborated by consensus among the Territorial Council, the Government and the Autonomous Communities) aims the improvement of efficiency and the exchange of experiences in the implementation process.⁵³

Mention as well that, at the end January 2009, two Royal Decrees updated the economic allowances and the minimum protection level for beneficiaries of the SAAD. Both decrees widen the recognition of dependency as they include dependants of grade II (severe dependants) level 1. The first decree on economic allowances includes an increased base of 2.4%, grounded on the CPI of November 2008.⁵⁴ The second decree, on the minimum level guaranteed, revises the amount of the monthly quantity that the Central State transfers to regions for each dependant in the present year. The general increase of these quantities has been of a 2%.⁵⁵

2.3.4 Funding of the system

Fourthly and lastly, issues related to initial and actual funding perspectives. The Law on Dependency was born with the idea that it would be financed by the central state, by the autonomous regions and by co-payments of users proportional to income and patrimony. However, basic regulation of co-payments was only approved at the end of 2008 thanks to the agreement reached by the Territorial Council of the SAAD.⁵⁶ Therefore, on the basis of the minimum and maximum quantities agreed, regional authorities will determine now the participation of beneficiaries in those services and benefits assigned.

The initial calculations of how many potential users would be in need of services were not totally accurate: there are more dependent people than initially estimated and the incorporation into the SAAD of children under 3 years of age and the mentally dependent have increased the number of potential beneficiaries. An additional burden has also been placed by the fact that one third of the severely dependant are below the poverty threshold,

⁵² Resolución de 2 de diciembre de 2008, de la Secretaría de Estado de Política Social, Familias y Atención a la Dependencia y a la Discapacidad, por la que se publica el Acuerdo del Consejo Territorial del Sistema para la Autonomía y Atención a la Dependencia, sobre determinación de la capacidad económica del beneficiario y sobre los criterios de participación de éste en las prestaciones del Sistema para la Autonomía y Atención a la Dependencia. BOE núm. 303 Miércoles 17 diciembre 2008 50722-50725.

⁵³ Presidencia del Gobierno, 15th April 2009.

⁵⁴ Royal Decree 73/2009, of 30th January, on the economic benefits of Law 39/2006, of 14th December, for the promotion of personal autonomy and attention to persons in situation of dependency for 2009. *Boletín Oficial del Estado* 27, 31-1-2009, pp. 10425-27.

⁵⁵ Royal Decree 74/2009, of 30th January, which determines the minimum level of guaranteed protection for the beneficiaries of the SAAD for 2009. *Boletín Oficial del Estado* 27, 31-1-2009, pp. 10428-30.

⁵⁶ Resolución de 2 de diciembre de 2008, de la Secretaría de Estado de Política Social, Familias y Atención a la Dependencia y a la Discapacidad, por la que se publica el Acuerdo del Consejo Territorial del Sistema para la Autonomía y Atención a la Dependencia, sobre determinación de la capacidad económica del beneficiario y sobre los criterios de participación de éste en las prestaciones del Sistema para la Autonomía y Atención a la Dependencia. *Boletín Oficial del Estado*, no. 303, 17th December 2008, pp. 50725-50726.

and, as prescribed in the Law, the central state is fully responsible for financing in such cases. All these circumstances together have posed financial challenges for the implementation of the law.

During the last year, some regions have claimed that they could not offer enough financial resources to cover their share. Municipalities, mainly small ones, with low budgets and located in rural areas are also facing problems to apply the Law, mainly due to the lack of material resources and personnel.⁵⁷ The claim to the central state for increased funds from some regional governments is indeed a hot issue. However, it is also true that according to the data of the SAAD in April 2009, it was not possible to identify the kind of benefits assigned to almost 42% of the more than 600,000 people considered as beneficiaries. Therefore, it is impossible to know whether they are really enjoying their benefits or they have only acquired the recognition as beneficiaries. The central government has demanded regions the accountancy of the Law and has threatened them with the possibility to cut funding if benefits are not justified.⁵⁸

According to the announcement of the new Minister of Health and Social Policy done on 15 April in the framework of the Territorial Council, those regions showing a better performance of the Law will receive more state funds. As a consequence, the denominated to date “agreed level” of funding would not be distributed anymore based exclusively on population criteria. The “agreed level” was established at a point in time when the number of people who would acquire the right to a benefit or economic allowance was still unknown. Therefore, taking into account, as already mentioned above, that implementation has been of diverse character in the country, the Ministry would “award” those with higher levels of attention. The Ministry also stated the satisfaction shown by the Territorial Council about this proposal.⁵⁹

Regarding State Budget’s contributions, in September 2008 the Ministry of Education, Social Policy and Sports announced that the Government would increase the budget for the law on Dependency for 2009 by over 33%. The prevision was that the State Budget will include 1,158 million of Euro in this chapter. This meant an increase of 15% over the state’s committed contributions foreseen in the Economic Memory of the law.

However, initial previsions have been increased again. In February 2009, the Ministry announced changes in the allocation of funding. The final amount will increase to EUR 1,558 million, 79% more than in 2008. This change is due to the inclusion of EUR 400 extra-million in the Law’s budget from the Special Fund for the Economy and Employment (Plan-E). To gain access to this funding autonomous regions have designed over 1,500 proposals of action for the current year. The estimation is that they will create between 30,000-25,000 jobs.⁶⁰ In April, the Government announced that it has signed agreements of collaboration with 12 regional governments. Through these funds, they will adapt more that 50,000 places of services of attention for dependency (in residential homes, day centres, home help, alarm systems, etc) through 1,345 projects.⁶¹

To conclude, we make a general overview emphasising some of the main remaining challenges:

⁵⁷ The lack of material resources and qualified personnel constitutes a widespread problem.

⁵⁸ El País, 4 April 2009.

⁵⁹ El País, 16 April 2009.

⁶⁰ SAAD, 15 January 2009

<http://www.imsersodependencia.csic.es/documentacion/dossier-prensa/2009/not-15-01-2009.html>.

⁶¹ Presidencia del Gobierno, 15 April 2009.

- Reinforce the coordination role of the central administration and of the Social Security System as fundamental “ruler” of the system.
- Strengthen the role of the Territorial Council of the SAAD in order to reinforce territorial cohesion.
- Ensure participation of Consultative Councils, social organisations, beneficiaries involved in LTC policies.
- Strengthen the participation of the local administration as established by the Law and as main gatekeeper of the SAAD and of the social services system.
- Develop the coordination with the National Health System and work on the development of socio-sanitary aspects foreseen in the Law of Cohesion and Quality of the NHS. Promote its increasing role on LTC policies
- Ensure co-ordination among autonomous regions and public and private providers.
- Clarify case management methodology and Programmes of Individual Attention (PIA).
- Provide adequate training for those involved both in management and provision as a cornerstone to guarantee quality.
- Improve the transparency and availability of information on the activities of SAAD and the adequate functioning of the computing system of the SAAD for the adequate distribution of financial resources and conditions of access.
- Strengthen the prevention and promotion of autonomy, which is still clearly underdeveloped, partly constrained by the fact that the main bulk of benefits consist so far of economic allowances to family carers.
- Ensure adequate training and support for family carers.
- Ensure future financial sustainability through annual provisions of costs.
- Revise functioning of annual agreements between the Central State and Regional Governments in order to guarantee a consolidated investment on infrastructures and services not dependant on annual transfers.

3 Impact of the Financial and Economic Crisis on Social Protection

The most outstanding impact of the crisis in Spain is, without doubt, the dramatic increase in unemployment. At the beginning of March 2009, the press reported that one million jobs had been lost in the past ten months. There were 3.5 million people unemployed (13.9 % of the active population), of which 1.3 million did not receive any unemployment subsidies.⁶² This bears a really negative effect on the financial balance of the income maintenance system: increased expenditure on unemployment subsidies (EUR 2,500 million a month) coupled with diminishing contribution payments to cover pensions and fall of the dependency ratio.

Most unfortunately, according to the Survey on Active Population,⁶³ the latest consolidated data on unemployment for the first trimester 2009 have become even worse (published on 24 April). The number of the unemployed has grown to slightly over 4 million people (17.36% of the active population, the highest since 1998). The number of households with none of their members in employment has doubled in one year: it reaches a million families. The new minister of Economy has acknowledged that the data are much worse than expected but she claims there are signs of an inflexion point already in April 2009.⁶⁴ It is true that in March 2009 the supply of jobs did not fall down for the first time in eleven months, rather a rise of 0.13% took place as compared to February 2009.

Even though the strongly cyclical profile of the Spanish labour market has been confirmed once again with the onset of the current economic crisis, one should take into account that the most intense effect has consisted of the increase of unemployment rather than of the destruction of employment.⁶⁵ In only a year and a half, since the second quarter of 2007 until the fourth quarter of 2008, total unemployment has grown from 1.8 to 3.2 million people (unemployment rate from 8% to 13.9%). However, the reduction in occupation has been much lower, from 20.4 to 19.9 million people, although that loss has taken place in the last two quarters of 2008. The greatest increase in unemployment is caused by a steady growth of the active population, which during that year and a half has added one million people, mainly due to the permanence of a considerable influx of immigrants, despite the intensity of the crisis.

Just before the advent of the crisis, Spanish public accounts showed a surplus of +1.5% of GDP, while forecasts for 2009 situate public deficit between -5% and -8% of GDP. The latter figure is more likely to become reality given the fact that, on the one hand, all signs point to further increases in unemployment and, on the other hand, the pending agreement on regional financing will most probably mean greater transfers to the regions from the central state (more public spending on the whole).

There are also very relevant circumstances in the political context worth to be highlighted. The first refers to the aforementioned pending agreement on regional financing. Negotiations have started after the general elections of March 2008. Several autonomous regions are making strong pressures on the central government for an increase of transfers. This affects directly social protection policies in the hands of regions, namely, health care services,

⁶² El Mundo, 4 March 2009, p. 29. The source cited for the data on unemployment are the State Public Service of Employment and own elaboration.

⁶³ Encuesta de Población Activa, EPA. Madrid: Instituto Nacional de Estadística (<http://www.ine.es>).

⁶⁴ La Nueva España, 25 April 2009, p. 46.

⁶⁵ Garrido, L. and Gutiérrez, R. (2009) "More quantity and better quality. Occupational change in 21st century Spain". Paper presented at the conference on *Dualisation of European Societies*, University of Oxford, April 24-25, 2009.

education, long-term care and social assistance. The April 2009 government reorganisation included the creation of a new vice-presidency of Government, in particular, a third one devoted to territorial policies. The new third vice-president (*vicepresidente tercero*), Manuel Chaves, has been appointed with the main aim of speeding up the negotiations with the regions so that an agreement on regional financing is swiftly reached. The media reflect the opposition of many social and political actors to change regional financing conditions in a period of intense economic crisis.

In the second place, the social partners have elicited profound disagreements on how to tackle the crisis, be it in its financial aspect or in its social protection/labour market reform approach. One of the most contested issues is whether redundancies should be made easier/cheaper, the employers' association proposing to lower compensations to 20 days per worked year (instead of 45 days) for open-ended contracts and the unions rejecting this proposal frontally. So far, the attainment of a tripartite social pact seems difficult despite all the efforts made by the Government. The Declaration for the Fostering of the Economy, Employment and Competitiveness (*Declaración para el impulso de la economía, el empleo y la competitividad*) of 29 July 2009 has rendered no results so far.

To make matters worse, in the third place, the results of the elections in Galicia and the Basque Country, celebrated at the beginning of March 2009, have deprived the Government of stable political support of a regional party/or some regional parties in the national parliament. Regional parties, called 'nationalist' parties in Spain, compete in the national elections and, therefore, get a number of seats in the national parliament. Even if the number of seats of regional parties in the national parliament is usually small, this is of the utmost importance when the party winning the elections at the national level does not enjoy an absolute majority, which precisely the case for the PSOE at present. The PSOE lost the elections in Galicia in favour of the Partido Popular (PP). In the Basque country, the elections were lost by the PNV (Partido Nacionalista Vasco), for the first time in 30 years. The winner of the Basque elections has been the PSOE but not with enough votes to govern the autonomous region. Instead of making a coalition with the PNV, the Basque socialists reached an agreement with the Basque PP. This has obviously irritated the PNV who used to support the PSOE in the national parliament. If the PNV supports now the main party in the opposition in the national parliament, the PP, they can together block the passing of bills. Hence, the Government is now in a situation of having to search for complex alliances depending on the bill to be passed. So far, the contacts of the Government aimed at finding parliamentary supporters have not been successful, at least, according to the media.

This means that the Government has to pass reforms mainly through Royal Decrees. Enhanced legitimisation stemming from parliamentary majorities and/or social agreements is not a tool the Spanish Government can count on at the moment.

Social unrest is growing rapidly. Demonstrations are taking place in increasing numbers and with increased intensity: agrarian workers, public transport workers, teachers, doctors, autonomous workers and owners of small firms etc. The governmental re-organisation of 8 April was undertaken as a response to social turmoil and the need to offer solutions to the crisis. Most outstandingly the changes in ministries have meant the exit of the Second Vice-president and Minister of Economy and Finance, Pedro Solbes, and the appointment of Elena Salgado in his place. This move has been received with a tepid reaction by the population.

3.1 Measures implemented or envisaged to be implemented by the Government

In the realm of **pensions**, the problem is clear, i.e. the dramatic descent of contributions because of peaking unemployment (one million less contributors for the moment being). For a pension system which is substantially public as the Spanish one, this bears even more importance than in multi-pillared systems. The reserve fund amounts to 5.36% of GDP, which gives some room for manoeuvre. As noted in the second section, the public debate on the reform of the pension system has just but opened up.

A Royal Decree was passed on 6 March 2009 aimed at increasing the protection of the unemployed and fostering the creation of employment. This package of measures will cost EUR 1,577 million. The measures comprise reductions / total exemptions of employers' contributions when creating jobs (again, this will have a negative impact on public revenues), improvements in the actions of public placement agencies and increased rights to access unemployment protection in the case of redundancy procedures (EREs, *expedientes de regulación de empleo*).

Health care services have so far not been affected by the crisis. However, these services are financed through taxes and they may be affected by the descent of public revenues, most probably entailing a drastic decrease of expenditure but in a slow down of the increase of expenditure for sure. The regional health services are experimenting increased demand by patients suffering from depression or just visiting the doctor because their self-perceived health has deteriorated. In some regions, pressures on doctors to introduce clinical management and rationalisation of costs are already causing strikes and public demonstrations. The big debate in health care revolves around the reform of the law on abortion at present.

As regards long-term care, the crisis will impact very negatively on the prospects to implement the 2007 Law on Dependency in a smooth and agile way. Two Royal Decrees passed in January 2009 contemplate a significant increase in the resources devoted to implementation in comparison with the initial budget. This means that EUR 1,558 million will be spent in 2009. However, to start with this may not be enough to cover the needs of the 'broad' and 'severely' dependent (*grandes, severos*), the first two categories to receive social protection according to the implementation plan. Furthermore, the financing problem already existed: it is not solely derived from the crisis. The Law on Dependency was passed with the support of a very broad coalition and the enthusiasm of the population, but its financial aspects were never fully clear, especially in what concerns the share of the regions. While the law is supposed to be financed by the state, the regions, and private out-of-pocket payments, services are provided by regions and municipalities. The amount provided by out-of-pocket payments is lower than envisaged (the most dependent also tend to receive the lowest pensions), so that the state is paying for all the cases where private out-of-pocket payments are not possible or very low. Unions, among other actors, keep denouncing delays in implementation and differences among regions. The law is supposed to create a good number of care jobs (around 30,000), but the labour conditions of these jobs are also in need for clarification. The Law on Dependency generated high expectations among the population. Delays in receiving protection and regional disparities are producing a sense of failure, bitterly felt by people in need of protection and their informal carers.

In general, all the measures undertaken to fight the crisis, have been grouped into what is called PLAN E (*Plan Español para el Estímulo de la Economía y del Empleo*, Spanish Plan for Stimulating the Economy and Employment). PLAN E has six main axes of activity:

1. Support of the self-employed (mainly public credits, incorporating new technologies) EUR1,622 million.
2. Support for families (mainly fiscal measures and facilitating the postponement of paying of mortgages for families who have lost jobs) EUR 14,000 million.
3. Support for enterprises, especially medium and small firms (public credits, fiscal reductions, lower social contributions and/or postponement of payment of them). Fiscal measures EUR 17,000 million; credits EUR 29,000 million.
4. Employment creation (mainly building of public infrastructures) EUR 11,000 million.
5. Fiscal and budgetary measures (rescue/support of the financial system). This has included buying (toxic) actives and public endorsement of debt issues. No nationalisations have taken place. However, on 30 March an intervention took place in Caja Castilla-La Mancha (CCL). Again it has consisted of public endorsement of debt issues, calculated initially to cost between EUR 2,000 and 3,000 to the Treasury. The default index is growing rapidly so that it has reached 4.13%, the highest level since 1996. This affects de *Cajas de Ahorro* more intensely than the banks, so that the media constantly state fears of need for further interventions from the state.
6. Modernization of the economy (aimed at enhancing productivity in sectors such as transport, energy, telecommunications, services and public administration).

On 27 March 2009, the cabinet approved the remittance of a Law Project to the parliament on Free Access to Service Activities (*Ley sobre el Libre Acceso a las Actividades de Servicios y su Ejercicio*). This Law Project is aimed at the transposing of the Services Directive and the adaptation of 48 Spanish laws to allow for its implementation. The Government has presented it as really positive move in order to modernize the economy and to enhance the creation of employment.

The most recent moves regarding anti-crisis measures have consisted of a Decree-Law also passed on 27 March lowering late-payment interests, legal interest rates and fiscal deductions for investment on R, D&I on the part of firms. Also, in April, it was decided that firms are to declare VAT only for those invoices already paid to them and not for all invoices issued (this latter was proposed by the PP in the opposition). The opposition has presented a broad anti-crisis plan in mid April. The plan includes a deep fiscal reform generally aimed at the lowering of taxes for both firms and individuals, the lowering of public expenditure, and an intense shift in the productive model.

Finally, as declared by the new minister of Economy only last week, the Government is considering the lengthening of the coverage of non-contributory unemployment subsidies for a period of around a year. The measure will be negotiated with the social partners. Declarations of the prime minister and the Government in general keep focusing on avoiding alarm and assuring people that the crisis will not be fought by diminishing social protection.

4 Abstracts of Relevant Publications on Social Protection

[R] Pensions

[R1] General trends: demographic and financial forecasts

[R2] General organisation: pillars, financing, calculation methods or pension formula

[R3] Retirement age: legal age, early retirement,...

[R4] Older workers activity: active measures on labour market, unemployment benefit policies,...

[R5] Income and social conditions for senior workers and retired people: level of pensions, accumulation of pensions with earnings from work,...

[R2] ANEIROS PEREIRA, Jaime, «Los planes de pensiones de empleo en la Ley 35/2006 del IRPF», *Crónica Tributaria*, 126: 55-85, 2008.

“Employment pensions plans in Law 35/2006 on Individual Income Tax”.

The article studies the juridical and tributary regime of private pension plans in the new Law on Individual Income Tax from a double perspective: the contributions made by the employer and the participant, on the one hand, and the returns of these saving instruments to their beneficiaries, on the other hand. The work evaluates the substantive regulation which supports this financial instrument and continues with the analysis of the legal innovations in Law 35/2006. Additionally, it examines other complementary issues, namely the possibility of applying tax reductions or exemptions via contribution to pensions plans located in other European countries or belonging to the husband/wife or to disabled persons.

[R2] ANTÓN, José Ignacio, «Efectos distributivos de los incentivos fiscales a planes de pensiones complementarios en España», *Principios: Estudios de Economía Política*, 12: 61-83, 2008.

“Distributive effects of tax incentives to complementary pensions plans in Spain”

This work aims to determine the regressivity and redistributive effects of tax incentives on voluntary private pensions in Spain. Using a sample of income tax payers from 2002, the article shows that such subsidies, which amount to 0.15% of the GDP, are highly regressive (mainly because of their internal distribution among recipients) and make income distribution slightly more unequal.

[R3] BOLDRÍN, Michele, GARCÍA GÓMEZ, Pilar, & JIMÉNEZ MARTÍN, Sergi, «Social Security Incentives, Exit from the Workforce and Entry of the Young», *Documentos de Trabajo (FEDEA)*, 42: 1-39, 2008.

“Social Security Incentives, Exit from the Workforce and Entry of the Young”

This paper analyzes the relationship between the employment of the young, exit of older people and retirement incentives using data from both the Spanish labour force survey and the Muestra Continua de Vidas Laborales (MCVL). Against a priori expectations, some (weak) evidence is found of positive (negative) relationship between the employment (unemployment) of young and the labour force participation of the older population. However, the study is unable to find a clear relationship between the employment of the young and the incentives to retirement created by the Spanish pensions system. It concludes that this is so because retirement incentives have changed very little during the last two decades.

[R2] DEVESA CARPIO, José Enrique, & DEVESA CARPIO, María del Mar, «Desequilibrio financiero-actuarial en el sistema de pensiones de jubilación del régimen general», *Revista de Economía Aplicada*, 16 (46): 85-118, 2008.

“Actuarial and financial unbalances in the general regime of the pension system”

The article defines and measures the actuarial deficit of the general regime of the Spanish retirement pension system. To accomplish this aim, a theoretical model is developed to estimate the implicit debt through two different retrospective and prospective methods. Secondly, a new measure of the imbalance of the Social Security System is defined from an actuarial perspective. Thirdly, the model is adjusted to the available aggregate data to calculate the implicit social security debt in the Spanish pension system. Lastly, different alternatives are presented to restore the actuarial and financial balance.

[R2] DEVESA CARPIO, José Enrique, & DEVESA CARPIO, María del Mar, «La deuda implícita y el desequilibrio financiero-actuarial de un sistema de pensiones: el caso del régimen general de la seguridad social en España», *Documentos de Trabajo FUNCAS*, 429, 2008.

“Implicit debt and financial-actuarial imbalances in a pensions system: the case of the general regime in the Spanish Social Security System”

The report analyses the actuarial deficit of the general regimen of the Spanish retirement pensions system. It proposes a theoretical model to measure implicit debt in a pensions system and adjust it to the available aggregate data in Spain to calculate the amount of the implicit social security debt. The model is then applied to the general regime of the Spanish Social Security System to measure its actuarial imbalance for five consecutive years (2002-2006).

[R1] DOMÍNGUEZ FABIÁN, Inmaculada, & ENCINAS GOENECHEA, Borja, «Inmigración y solvencia financiera del sistema público de pensiones tras la regularización de 2005», *Revista de Economía Aplicada*, 16 (1): 67-92, 2008.

“Immigration and financial solvency of the pension system after the 2005 normalization of non regular immigrants”

The article aims at describing the structure of the immigrant population contributing to the Public Pension System in Spain. The analysis is based on data available in the Muestra Continua de Vidas Laborales (MCVL) (Continuous Sample of Working Lives) and takes into consideration several variables. It also evaluates the solvency of the system. The internal rate return of contributions and pensions for the immigrant population is taken into account. The article carries out some projections based on the data of the MCVL and concludes that the pensions available in the future to immigrant population are not equivalent in actuarial terms to the contributions paid.

[R2] FERNÁNDEZ BERNAT, Juan Antonio , & MONEREO PÉREZ, José Luis, «Planes y fondos de pensiones: propuestas de reforma», *Documentos de Trabajo del Laboratorio Alternativas*, 137, 2008.

“Plans and pensions funds. Reform proposals”

The study considers the voluntary character of the model of private provision. Plans and pension funds should remain a voluntary mechanism. The pension system should therefore be supported by a double model organized in two main blocks, arranged in the public and private spheres, both equally binding and based on solidarity (the first public block) and on savings (the second private one). Pension plans should be the centrepiece of the whole system of complementary social security, implementation and coordination. The spread of complementary social protection should be enhanced.

Participation of workers in the definition of pension plans and funds should also be secured via collective bargaining.

[R1] JIMÉNEZ-RIDRUEJO AYUSO, Zenón, «Envejecimiento e inmigración: consecuencias sobre la sostenibilidad del sistema de pensiones en España», *Revista del Ministerio de Trabajo e Inmigración*, 74: 359-378, 2008.

“Ageing and immigration: consequences for the sustainability of the Spanish pension system”.

The article analyses the impact of immigration on the long-term sustainability of the public pension system in Spain. A simulation model is proposed to project the public expenditure on retirement pensions, the social security contributions and the GDP through to 2060. The article makes use of hypotheses on the specific impact of immigration which are backed with econometric estimations on the behaviour of current and future immigrants (namely, length of stay, fertility, wages and employment rates). This information allows for a detailed analysis of the effect of immigration on the balance of the social security system. The main result is that the solvency ratio (contributions over pensions) of immigrants is clearly above of nationals and will be so until 2055.

[R2] MADRID YAGÜE, Pilar. «Nuevos criterios técnicos para la liquidación de los capitales de coste de pensiones y prestaciones periódicas de la Seguridad Social. Problemas e Interpretaciones», *Revista General de Derecho del Trabajo y de la Seguridad Social*, 17, 2008.

“New technical criteria for the liquidation of capital costs in pensions and periodical benefits of Social Security. Problems and interpretations.”

The capitalization of certain pensions is an exception to the financial system of distribution foreseen by article 87.3 of Ley General de Seguridad Social (General Law of Social Security). The paper analyzes the new regulation on calculation and liquidation of capital costs of pensions and economic periodical benefits of the Social Security, adopted immediately after the reform operated in 2005. Likewise, it evaluates the claims raised by Insurance Companies against the first liquidations practised according to these new procedures and examines the overall impact of the reform.

[R5] MARTÍ BALLESTER, Carmen Pilar, MATALLÍN SÁEZ, Juan Carlos, & FERNÁNDEZ IZQUIERDO, María Ángeles, «Influencia de la rentabilidad en el proceso de selección en los planes de pensiones en España: un análisis de sensibilidad», *Revista Española de Financiación y Contabilidad*, 138: 279-314, 2008.

“Influence of expected returns in the selection of pension plans in Spain: an analysis of sensitivity”.

The paper evaluates the impact of expected returns and profitability in the selection of a private pension plan in Spain. It analyses the factors behind decisions taken by individual investors. It concludes that it is crucial to ensure that individual plan members have the necessary information to make appropriate choices. The paper describes a conceptual framework for considering information provision in the context of the private pension system and related factors (pension projections, investments and returns, costs, contributions paid, etc.).

[R1] MORAL ARCE, Ignacio, PATXOT CARDONER, Concepció, & SOUTO, Guadalupe, «La sostenibilidad del sistema de pensiones: una aproximación a partir de la MCVL», *Revista de Economía Aplicada*, 16 (1): 29-66, 2008.

“The sustainability of the pension system. An evaluation from the MCVL (Continuous Sample of Working Lives)”

The article approaches the need for long-term projections on pension expenditure, which is of the most importance firstly, because it represents a large share of social expenditure, and, secondly, because of the positive correlation between this variable and demographic ageing. The paper evaluates the future sustainability of the pensions system in Spain based on a model projecting contributory pension expenditure in the Spanish Social Security System and disaggregating the results by categories in the MCVL (Continuous Sample of Working Lives).

[R1] PELÁEZ HERREROS, Oscar, «Evolución del gasto en pensiones contributivas en España bajo distintos escenarios demográficos (2007-2050)», *Principios: Estudios de Economía Política*, 12: 45-60, 2008.

“Evolution of the expenditure on contributory pensions in some different demographic scenarios (2007-2050)”

This article analyses the impact of the changing age structure on the financial needs of the Spanish contributory pension system. Taking into account additional assumptions about births and deaths, some demographic scenarios are considered for that purpose. The article concludes that the contributory pension expenditure will maintain its actual weight in GDP until the end of the twenties, doubling from then onwards in absence of reforms. Finally, some actions to ensure the financial sustainability of the Spanish pension system are discussed.

[R1] SÁNCHEZ MARTÍN, Alfonso, & SÁNCHEZ MARCOS, Virginia. «Demographic change, pension reform and redistribution in Spain», *Documentos de Trabajo (FEDEA)*, 14: 1-27, 2008.

Recent demographic changes have spurred pension reforms aimed at restoring the financial sustainability of PAYG systems. In Spain, the most significant reforms were undertaken in 1997 and 2002, entailing an increase in the length of the averaging period in the pension formula, an increase in the penalties for early retirement and a change in the eligibility conditions. The paper uses an Applied General Equilibrium model populated by two-earner households to evaluate the redistributive impact of the pension system and the financial and welfare consequences of these reforms on households. The initial redistribution is assessed by comparing the internal rate of return provided to different households. A considerable variation is found depending on education and cohort. Also an increase in the implicit debt of the pension system after the reforms is detected, together with important changes in welfare. Households up to secondary education born between 1935 and 1975 are predicted to benefit from the reform, while younger cohorts will be hit by higher taxes and unfavourable macroeconomic changes.

[R1] BANCO DE ESPAÑA (DIRECCIÓN GENERAL DEL SERVICIO DE ESTUDIOS), «La Reforma del Sistemas de pensiones de jubilación en España», 2009.

“The reform of the public retirement pensions system in Spain”

The report analyses the current situation and the financial sustainability of the public retirement pensions system in Spain and recommends a set of specific measures to be taken into account towards its reform. It describes the basic characteristics of the Spanish system of retirement pensions and addresses the major challenges it has to cope with in the close future. It stresses that Spain has to rein in public spending, launch structural reforms and overhaul state pension laws, given that the social security system risks deficits in the near future.

[R2] ESTEVE MORA, Fernando, «Justicia distributiva, sistemas de pensiones y alargamiento del periodo de cotización», *Principios: Estudios de Economía Política*, 13: 35-54, 2009.

“Distributive justice, pensions systems and the expansion of periods of contribution”

This article emphasizes the importance of showing explicitly which criteria of distributive justice are being used when evaluating some proposals of reform of the pensions system because there is not a pure efficiency criterion that uses some kind of assessment about the distributive justice. As any such reform, it affects the three aspects of a pension system (individual, intra-generational and inter-generational); this is not an easy and conclusive job. Some considerations about distributive justice are presented with respect to a reform policy that plans to extend the number of periods of contribution to calculate the basis of pensions.

[H] Health

[H1] Health expenditures: financing, macroeconomic impact, forecasting,...

[H2] Public health policies, anti-addiction measures, prevention,...

[H3] Health inequalities and access to health care: public insurance coverage, spatial inequalities,...

[H4] Governance of the health system: institutional reforms, transfer to local authorities,...

[H5] Management of the health system: HMO, payments system (capitation, reimbursement,...)

[H6] Regulation of the pharmaceutical market

[H7] Handicap

[H1] CABASÉS, Juan Manuel, & CANTARERO, David «El sistema de financiación del gasto en sanidad: análisis del caso español.» *Panorama Social*, 7, first semester, pp. 54-66, 2008

“The financing system of health care expenditure: an analysis of the Spanish case”

The rapid increase of the population (as a consequence of massive immigration), demographic ageing, the growing costs of health services derived from medicalisation of society, and the high rates of technological innovation and diffusion increasingly put pressure on health care expenditure. Recent data on health expenditure in Spanish regions manifest all these pressures. However, significant differences among regions may be ascertained. This article presents the liquidations of the model of regional financing for the period 2002-2005. Then it goes to analyse critically the development of the model subscribed in 2005 in order to improve it.

[H5] BARBER PÉREZ, Patricia, & GONZÁLEZ LÓPEZ-VARCÁRCCEL, Beatriz (2009) «Oferta y necesidad de especialistas médicos en España.» (2008-2025) Madrid: Ministerio de Sanidad y Consumo. Updating and broadening of the study *Oferta y necesidad de especialistas médicos en España (2006-2030)* from March 2007.

“Supply and needs of specialist doctors in Spain (2008-2025)”

The study was based on the recollection of register data provided by the regional health care systems. The aim is to evaluate mismatches between supply and demand of specialist doctors in Spain (including family doctors) in 2008 and to build up projections up to 2025. The simulation model allows for contemplating alternative scenarios. One of the main results of the study is the apparent paradox between the existence of a deficit of supply in some specialities (an aggregated deficit of 2% is estimates) and relatively high ratios of doctors per population in comparative perspective with other countries. This result is related to how work is organized in Spain, where doctors develop activities that are in the hands of other health professionals in other countries. As for the projections, in a medium scenario, a slight increase of the deficit is expected (up to 5% in 2015), followed by a much more intense increase (14% in 2025).

[H3] COSTA-FONT, Joan, & GIL, Joan «*Exploring the Pathways of Inequality in Health, Access and Financing in Decentralised Spain*» The London School of Economics and Political Science, Working Paper No 9/2997, 2008

The extent to which equality in accessing and financing health care reduces inequalities in health is a key policy question for health-care reform. Cross-country studies, when they exist, suffer from marked comparability limitations due to data heterogeneity and differences between organisational and financing systems. The Spanish devolved national health system offers a 'unique field' for exploring these issues, and also for testing the effects of institutional reform, in the context of political decentralisation. The study uses data from 2001, the last year before decentralisation was extended to all regional governments. The working paper examines two questions. First, it evaluates the heterogeneity within regional inequalities in health, health-care access and health financing and examines whether these are associated with the political decentralisation of health care responsibilities. Second, it explores whether inequalities in health care between regional health services can be explained by inequalities in health-care use and health-care financing, using cross-correlation analysis along with other relevant variables. The results of the study suggest that inequalities in health are not associated with the regional uptake of health care responsibilities. Instead they appear to be driven by income inequalities and regional health care capacity whilst the influence of inequalities in health-care use depends on quality of life adjustments.

[H3] DEL LLANO, Juan. «*Sanidades autonómicas ¿solución o problema?*» Madrid: ed. Círculo de la Sanidad, 2009

“Regional health care systems, solution or problem?”

This book is a comparative study of regional health care systems in Spain. It bears a descriptive character, based on own elaboration of data coming from reliable sources. The majority of such data are presented in the format on maps as the results of applying cluster techniques. Temporal references adopted for comparison are from 2002, the first year when all regions enjoyed devolved powers on health care, and 2005 (in some cases 2006 or 2007). Aspects subject to comparison comprise epidemiological characterisation of populations by region; levels of expenditure; structural and human resources; levels of activity; frequencies of use, accessibility, and user's satisfaction. The study includes a critical analysis of the process of devolution.

[H5, H6] LÓPEZ BASTIDA, Julio; OLIVA, Juan; ANTOÑANZAS, Fernando; GARCÍA-ALTÉS, Anna; GISBETRT, Ramón.; MAR, Javier, & PUIG-JUNOY, Joan «*Propuesta de guía para la evaluación económica aplicada a las tecnologías sanitarias.*» Madrid: Plan Nacional para el SNS del MSC. Servicio de Evaluación del Servicio Canario de la Salud, Informes de Evaluación de Tecnologías Sanitarias: SESCS nº 2006/22, 2008

“A guide proposal for the economic evaluation of health technologies”

This study was carried out within the collaboration framework established by the Quality Plan for the National Health System, thanks to a collaboration agreement subscribed between the Carlos III Health Institute and the Canary Islands Foundation for Research and Health. Given the need to standardise the methods used in the evaluation of health technologies, the document revises a selected group of international guides, with the aim of proposing recommendations on how to carry out high quality economic evaluations. Recommendations are associated to seventeen relevant aspects of economic evaluation of health technologies: definition of the reach

and objectives of the analysis; options to be compared; types of evaluation; data on efficacy/effectiveness; measurement of results; use of resources and cost; time horizon; modelling; discount rate; variability and uncertainty; equity; transferability of results; presentation of results; limitations of the study; conclusions and conflict of interests. The document presents at the end a check list that allows for assessing with agility the extent to which an economic evaluation adapts to the methodological recommendations proposed.

[H5, H6] ASOCIACIÓN DE ECONOMÍA DE LA SALUD (AES) (2008) «*Posición de la Asociación de Economía de la Salud en relación a la necesidad de un mayor uso de la evaluación económica en las decisiones que afectan a la financiación pública de las prestaciones y tecnologías en el Sistema Nacional de Salud.*» Barcelona: AES.

“Position of the Association of Health Economy on the need to enhance the use of economic evaluation in the decisions affecting public financing of the services and technologies of the National Health System”

As the title indicates, this document aims at stimulating the debate on the actual reach of economic evaluation within the Spanish health care system. It defines the concept of economic evaluation in a very synthetic way, it argues in favour of its utility and it spells out the main challenges of economic evaluations. Furthermore, the document draws information on several European experiences and their application in the Spanish case, detailing how such experiences can help the processes of decision-making. The document ends by proposing the creation of a group of experts to facilitate and promote the systematic use of economic evaluation and the analysis of the potential impact on the budget of the Spanish health care system.

[H2, H5] VVAA (SEVERAL AUTHORS), presented by EGUIAGARAY, Joan Manuel «*Sistema Nacional de Salud 2008: nueva etapa, nuevos retos*» (Debate de expertos). Madrid: Fundación Alternativas/Fundación Agbar, 2008

“National Health System 2008: new phase, new challenges (Expert debate)”

This document gathers the transcription of an appealing expert debate articulated around three sessions. Participants in the debate included ex and actual top and medium-top positions in health care management. Each session starts with a brief introduction by several speakers, followed by interactive participation of informed public. The three broad topics discussed were: 1) views on different perspectives of the National Health System, oriented at defining challenges and needs for reform; 2) coordination and cooperation within the National Health System, and 3) public-private collaboration. The debate is beyond complacency and it signals flaws, challenges and reform proposals. The array of issues addressed was very broad, comprising conceptual depurations of equity; cooperation vs. coordination; reinforced cooperation vs. cooperation; citizenship; governance; financing and formulas for public-private collaboration. This latter, was, without doubt, the most controversial issue in the debate.

[H3, H5] MINISTERIO DE SANIDAD Y CONSUMO «*Informe Anual del Sistema Nacional de Salud 2007*» Madrid: Ministerio de Sanidad y Consumo, 2009

“Annual Report on the National Health System 2007”

This report is published each year, starting in 2004, and derived from the prescriptions of Law 16/2003, of 28 May, on Cohesion and Quality of the National Health System. This Law created the Observatory of the National Health System, which is in the hands of the Ministry of Health. Hence, this is the fifth year in which the Annual Report is published. The present structure of the document was initiated

last year and it is composed of two sections. The first section includes the main changes occurred from a global perspective. The second section deepens and analyses in more detail all the relevant comparative issues among regions, such as socioeconomic characteristics of the population; evolution of the health status of the population; normative and institutional developments; health plans and programmes; equity; human resources; drugs; research; health information systems; quality; participation; and description of innovative experiences.

[L] Long-term care

[L] ROSENBERG, Mark W., ROGERO GARCIA, Jesús, & PRIETO FLORES, María Eugenia. «Health services use by older people with disabilities in Spain. Do formal and informal care matter?», *Ageing and Society*, vol. 28, no. 7, pp: 957-978, 2008

The aim of this paper is to examine the relationship between informal and formal care and the use of health services among older people in Spain. Using a sample of 1,148 respondents aged 65 or more years from the Spanish National Health Survey of 2003, the authors analyse the association between the sources of care (formal, informal, both, or no care) and the frequency of three types of health-care utilisation: hospitalisation, emergency services and medical consultations. After controlling for sex, age, level of difficulty in the activities of daily life, self-perceived health status, and social class, it was found that older people with disabilities who received neither informal nor formal care were more likely to consult physicians than those who received informal care, but that there were no significant relationships between the type of care and health-services utilisation. The findings provide new information about the consequences of the different types of care of older people with disabilities, and suggest specifically that informal care substitutes for some tasks usually done by health professionals.

[L] JIMENEZ MARTIN, Sergi; VILAPLANA PRIETO, Cristina. «The trade-off between formal and informal care in Spain.» Documento de Trabajo 2008-22. Madrid. Fundación de Estudios de Economía Aplicada (FEDEA), 2008. Retrieved from:

<http://www.fedea.es/pub/papers/2008/dt2008-22-versionFebruary%202009.pdf>

Understanding the factors that determine the type and amount of formal care is important for predicting use in the future and developing long-term policy. In this context, the authors analyze the choice of care (formal, informal, both together or none) as well as the number of hours of care received. In particular, they estimate and test, for the first time in this area of research, a sample selection model with the particularities that the first step is a multinomial logit model and the hours of care is an interval variable. The comparison of the confidence intervals for predicted hours of care with and without controlling for sample selection reveals significant differences between them. For the case of Spanish dependent individuals, their results support the complementary and task-specific models as opposed to the substitution model for which evidence has been found in other countries. They obtained evidence against the substitution model for the male, young and married sub-samples, and only the unmarried sub-sample showed support for the substitution model. In a detailed analysis by population groups, they detected substantial differences by gender, age group and marital status, as well as geographical disparities in the provision of social services for dependent people.

[L] ALONSO GONZALEZ, Pablo, & ALBARRAN LOZANO, Irene «Long term care in Spain: Extent, costs and challenges». *Alcamentos* 0806. Universidad de Alcalá. Departamento de Estadística, Estructura y O.E.I., 2008.

The passing of Act 39/2006, of 14 December, on the Law on Dependency has created the fourth pillar of Welfare State in Spain. In order to achieve its efficient implementation, we need to know who and how many individuals should be attended and how much money is needed for the attention. However, the answers to these two questions given until now suggest that a lot of work is still to be done in order to reach the objectives proposed by the Law.

[L] CODORNIU, Julia Montserrat «El impacto de la ley de dependencia en las rentas de los usuarios mayores de 65 años: incidencia del copago». Doc. 20/2008. Madrid. Instituto de Estudios Fiscales, 2008.

“The impact of the Law on Dependency on the incomes of over 65 users: co-payment effects”

The aim of this research paper is to analyse the impact of user’s economic contribution to the cost of public services of dependency through the “model of assistential co-payment”. More precisely, the general objectives of this study are: to estimate the weight of co-payments in relation to services costs; to estimate the impact of co-payments in the Public Administration budget; to estimate the impact of co-payments on individual’s incomes. Taking into account that co-payments are related with the user’s economic capacity, this paper analyses as well income distribution of users. Therefore, the additional objectives of this study are to estimate income distribution and income sources of +65.

[L] FUNDACION EDAD &VIDA «Calidad y acreditación para las entidades prestadoras de servicios de atención a las personas mayores en situación de dependencia». Madrid. Fundación Edad & Vida, 2008. Retrieved from:

<http://www.imsersomayores.csic.es/documentos/documentos/edadyyvida-calidadycreditacion-01.pdf>

“Quality and authorisation of organisations delivering services for elderly dependants”

The need to establish quality criteria and standards is mentioned in several occasions in the Spanish Law on Dependency (i.e. arts. 11, 34, 35). In this context, this report starts investigating the current conditions for authorisation and opening of centres and services and the existent quality policies to guarantee adequate services for users in the 17 Spanish Autonomous Regions. This publication reports the existence of a disperse panorama as regards provision, quality standards and actual strategies. It also analyses different quality models and provides recommendations for the implementation of future quality standards.

[L] BURGUEÑO TORIJANO, Antonio Andrés «Atención a la dependencia. Determinantes de calidad y factores de gran impacto. Análisis de escenarios», *Agathos*, vol. 4, n 3, pp: 28-36, 2008.

“Attention to dependency. Quality determinants and factors of main impact. Analysis of scenarios”

This article explores determinants, factors of main impact and favourable scenarios for the analysis of what can be expected about the quality of the system of attention to dependency in Spain. According to the author, the suitable scenario for quality guarantees and stimulus of improvement would include aspects such as: equilibrium among demand and supply that would push competition among providers to gain potential clients; a system of access of professionals to delivering agencies based on the specialisation of long term-care for those in charge of care provision and on the

specialisation on management for those holding managerial responsibilities; the existence of specific laws protecting the rights of those facing special vulnerability and compulsory norms and rules regarding routine inspections; lastly, a society sensitive to the problems of those facing dependency and well informed on these issues.

[L] OBSERVATORIO NACIONAL DE LA DEPENDENCIA «Primer Informe del Observatorio Nacional de la Dependencia». Junio 2008. Retrieved from: [http://www.ondep.es/documentos/informes/4Primer_informe_del_ONDEP\[1\].pdf](http://www.ondep.es/documentos/informes/4Primer_informe_del_ONDEP[1].pdf)

“First Report of the National Observatory on Dependency”

This first report, of only thirteen pages, published in June 2008, analyses the implementation of the Law on Dependency in the whole Spanish territory on the basis of the following indicators: creation of new bodies and teams; elaboration of a specific model for the recognition of dependency situations; procedure for the application of the law; benefits and services; regulation of the individual programmes of attention; funding; and co-payment.

[L] OBSERVATORIO NACIONAL DE LA DEPENDENCIA «Informe implantación de la Ley de Dependencia en España: valoración CC.AA». Madrid. Enero 2009. Retrieved from: [http://www.ondep.es/documentos/informes/6\(IMPLEMENTACION_LEY_DEPENDENCIA_EN_ESPA_321A_Univ_Valen\).pdf](http://www.ondep.es/documentos/informes/6(IMPLEMENTACION_LEY_DEPENDENCIA_EN_ESPA_321A_Univ_Valen).pdf)

“Report on the implementation of the Law on Dependency in Spain: assessment Autonomous Regions”

The second report of the National Observatory on Dependency, published in January 2009, is of more extensive length and detail, 40 pages. It analyses the following issues: demographic change, context and actual situation of the sector, assessment of the System of Attention and Care for Dependency (SAAD) and recommendations. According to this report the short and mid-term main challenges are related to four main issues: the evaluation of needs of dependants; the management of the supply of services (i.e. lack of professionals, free choice of users and competency, exceptionality of informal carers versus services, etc); the economic and financial sustainability, and the need of socio-sanitary coordination.

[L] ASOCIACION ESTATAL DE DIRECTORES Y GERENTES EN SERVICIOS SOCIALES DE ESPAÑA. “Síntesis de las jornadas de análisis y evaluación del proceso de implantación de la Ley celebradas en Alcázar de San Juan y Dictamen del Observatorio de la Asociación Estatal de Directores y Gerentes en Servicios Sociales de España». 2008. Retrieved from: <http://www.directoressociales.com/>

“Synthesis of the meeting on the analysis and evaluation of the implementation of the Law on Dependency, organised in Alcazar de San Juan and Observatory Report of the Spanish Association of Social Services Managers and Directors”.

This is the first report of the Spanish Association of Social Services Managers and Directors, which provide a critical analysis of the first year of implementation of the Law on Dependency from a practical and “on the field” approach. It underlines, among other aspects, the crucial importance of the law for the advancement of the Spanish social protection system, warns about the emergence of territorial differences in the implementation and the additional burden placed on the system of social services.

[L] ASOCIACION ESTATAL DE DIRECTORES Y GERENTES EN SERVICIOS SOCIALES DE ESPAÑA. «Desarrollo e implantación territorial de la ley de promoción de la autonomía personal y atención a las personas dependientes. II Dictamen del Observatorio de la Asociación Estatal de Directores y Gerentes en Servicios Sociales de España». January 2009. Retrieved from:

http://www.cermiaragon.org/attachments/a_document_img_342.jpg

“Development and territorial implementation of the Law on Dependency. II Observatory Report”

The second report of the Observatory of the Spanish Association of Social Services Managers and Directors summarises the principles, development and some practical recommendations regarding the implementation of the System of Dependency and Care for Dependency (SAAD). At the same time, it provides a ranking of all the Spanish regions based on ten indicators (rated each 1-0, 5-0 respectively): 1) the development of specific regulation and protocols for access with timing compromises; 2) support to local authorities through the transfer of economic and of personnel resources for the development of the law; 3) equilibrium among economic benefits and services; 4) dictums of dependency: percentage over the national mean; 5) percentage of applications out of the total population over the national mean; 6) non-assigned benefits or services out of the total of those recognised; 7) degree of coordination with local authorities; 8) existence or foreseen elaboration of an updated social services law; 9) integration and adequacy of benefits and services among existent social services; 10) innovation and good practices. The four top positions of the ranking were assigned to Andalusia, Aragón, and Castilla-León, all three with 8 points, followed by the Basque Country with 7.5 points. On the contrary, C. Valenciana, Madrid and Canarias got 2.5 points and Murcia got the last position with 2 points.

[L] CONSEJO GENERAL DE COLEGIOS OFICIALES DE DIPLOMADOS EN TRABAJO SOCIAL Y ASISTENTES SOCIALES. «II Foro Nacional de Derechos sociales y dependencias: análisis de la puesta en marcha de servicios y prestaciones». Madrid. January 2009.

“II National Forum of social rights and dependency: analysis of the implementation of services and benefits”

This is the report of the second meeting of the General Council of Professional Organisations of Social Workers regarding the analysis and situation of the Public System of Social Services with a main focus on the impact of the law on dependency. Their main conclusions and worries can be related with how the SAAD influences their area of action. In this respect, they claim for a general revision of the system of social services involved now with the management of the system. They also support the recognition of more subjective rights such as dependency in the framework of the laws on social services, and they claim once again for the need of a national law on social services.

[L] FITCH. «Care Law: Additional Pressure for Spain’s Autonomous Communities» in *Fitch Ratings*. 6 August 2008.

This special report of Finch Ratings analyse with accurate precision the pressures faced in the implementation of the Law on Dependency in Spain. In particular, it signals the challenge it places on the budgets of the Autonomous Communities (regions). At the same time, it reports how the financial impact of the law is difficult to asses yet, not only due to potential variations in the demand, but also due to the wide differences in the cost of the different alternatives to cover the services.

[L] CC.OO (2008) «*El destino de la financiación compartida del sistema de dependencia 2007*». Madrid. Secretaría de Política Social de Comisiones Obreras, 2008. Retrieved from: <http://www.ccoo.es/comunes/temp/recursos/1/89255.pdf>

“Final allocation of dependency’s share funding in 2007”

This report by one of the main Spanish trade union confederations analyses the final destination of the financial agreements (convenios) allocated by the Central Government to the Autonomous Communities to fund new benefits and services assigned to the SAAD. This detailed analysis is of helpful reference in order to evaluate the implementation of the SAAD in all the Spanish Autonomous Communities. In this respect, the evaluation of the financial agreements shows that, out of those resources devoted to fund new benefits and services, 72% has been allocated to services, 15.6% to monetary transfers for autonomy and 3.9% to support teams evaluating dependency and management of the SAAD. Regarding the funding of new infrastructures for services, 70% has been allocated to finance publicly-managed infrastructures (almost equally distributed among regional and local administrations) and the rest has been allocated to private-managed ones.

[L] CASADO, DEMETRIO (dir.) «*Coordinación (gruesa y fina) en y entre los servicios sanitarios y sociales*». Editorial Hacer. 2008.

“Coordination (hard and soft) in and among health and social services”

Socio-sanitary coordination has been considered as a challenge in Spain mainly in the area of socio-geriatric attention. The main contribution of this edited book is to expand the analysis beyond this area and place attention also on complex demands of socio-sanitary attention such as those of children with disabilities (or with the risk to have them). At the same time, it provides experiences regarding initiatives for general coordination and case management.

[L] FUNDACION REY ARDID; LANZA SALCINES, Yolanda; MUR CAZCARRA, Paz, & YAGÜE JORNADA, Mónica «*Necesidades de formación para el empleo en el grupo de trabajadores afectados por la ley de dependencia en Aragón*». Zaragoza. Fundación Rey Ardid. 2008. Retrieved from:

<http://www.imsersomayores.csic.es/documentos/documentos/yague-necesidades-01.pdf>

“Training needs for employment of workers in the framework of the Law on Dependency in the region of Aragón”

It has been estimated that the new Law on Dependency will contribute to the creation of between 300.000 and 500.000 formal jobs (including transformation of informal carers). Training of workers in the area of dependency has considerably improved in the last few years. However, there is still a long road ahead as far as the training of informal carers and workers with non-official qualifications (formación reglada) that hold key positions in this area. The aim of this publication is twofold: a) investigate training needs, and b) provide content of the training of those working in the framework of the new Law. This analysis has been carried out by focusing on the specific situation of the region of Aragón.

[L] CRESPO LÓPEZ, María, & LÓPEZ MARTÍNEZ, Javier. «*Guía para cuidadores de personas mayores en el hogar. Cómo mantener su bienestar*». Colección Manuales y Guías. Serie Dependencia. Madrid. IMSERSO. 2008.

“Guide for carers of elderly people at home. How to maintain their welfare”.

The aim of this guide is to provide tools and strategies to cope with the daily burdens that informal carers face when taking care of elderly dependants.

[L] PRINCIPADO DE ASTURIAS. «Para seguir viviendo en casa. Guía de recursos de atención». Consejería de Bienestar Social. Principado de Asturias. 2008. Retrieved from: <http://tematico.asturias.es/websociales/documentos/Vivircasa.pdf>

“To continue living at home. Guide of resources”

This detailed guide provides information about a wide variety of resources for those dependants who want to continue living at home.

[L] PRINCIPADO DE ASTURIAS. «Para encontrar la residencia que se convierta en el nuevo hogar». Consejería de bienestar Social. Principado de Asturias. 2008. Retrieved from: <http://tematico.asturias.es/websociales/documentos/encont.Residenc.pdf>

“To find the residential home that becomes your new home”

This guide offers recommendations for people in situation of dependency regarding the search and adaptation when leaving their own homes and moving to a residential home.

[L] COMITE ESPAÑOL DE REPRESENTANTES DE PERSONAS CON DISCAPACIDAD (CERMI). «Propuesta de modelo de Servicio de Promoción de la Autonomía Personal». Madrid. CERMI. 2008.

“Proposal of Service Model to Promote Personal Autonomy”

The Law on Dependency specifically created services to promote personal autonomy. However, the legal text does not define or describe them. This is in contrast with the rest of services included in the catalogue of services. In this context, CERMI proposes a model to help, mainly regional administrations, to consolidate and extend this kind of services within the whole territory.

[L] JIMÉNEZ LARA, Antonio, & ZABARTE MARTÍNEZ DE AGUIRRE, María Eugenia. «La regulación de la prestación sociosanitaria. Propuesta CERMI». Madrid. Comité Español de Representantes de Personas con Discapacidad (CERMI). Ediciones Cinca. 2008.

“The regulation of socio-sanitary assistance. Proposal by CERMI”

CERMI has elaborated a proposal for a Royal Decree to regulate socio-sanitary care and services in the sanitary arena. This proposal considers this development both crucial and urgent in order to make possible and give content to collaboration of health and social services. The proposal is accompanied by a document which identifies those persons who are potential targets of socio-sanitary attention and the basic content of socio-sanitary services.

[L] MENDIZÁBAL, Francisco, & MILLÁN CALENTI, José Carlos «El envejecimiento de las personas con discapacidad intelectual». en *Dossier Gizarte* 20, Marzo 2008, pp: 2-8. 2008.

“Ageing of persons with mental handicaps”

This dossier draws attention, with special focus on the situation in the Basque Country, to a relatively novel and challenging issue: the ageing of people with mental disability.

[L] SAAD. DATOS ESTADISTICOS DEL SISTEMA PARA LA AUTONOMIA Y ATENCION A LA DEPENDENCIA. Instituto de Mayores y Servicios Sociales. Retrieved from:

<http://www.saad.mtas.es/portal/documentacion/estadisticas/estsaad.html>

“Statistical data of the System of Attention of Dependency (SAAD)”

Monthly information and evolution of the situation of the system including: demands; profile of claimers; evaluations and dictums; degrees and levels of dependency;

recognised benefits/services; agreement for non-professional carers; minimum level of protection guaranteed by the Central Government.

[L] INSTITUTO NACIONAL DE ESTADÍSTICA, INE: «Encuesta sobre discapacidades, autonomía personal y situaciones de dependencia 2008».

“Survey on Disability, Independence and Dependency Situations (DIDSS). Year 2008”⁶⁶

This survey is based on the experience of the former Survey on Disabilities, Impairments and State of Health, carried out in 1999, adapted to the current social and demographic conditions and instilled with the philosophy of the new International Classification of Functioning, Disability and Health (ICF). This offers a fundamental innovation: for the first time, research on disability is extended to the population that does not reside in family dwellings. That is, the target population of the Survey includes both those persons who reside in family dwellings and those who live in certain public or private institutions (institutionalised population) in which disability is considered especially prevalent (retirement homes, residences for the disabled, ...).

⁶⁶ Press release in English (November 2008): http://www.ine.es/en/prensa/np524_en.pdf .

5 List of Important Institutions

Banco de España - Bank of Spain

Contact person: Juan Jimeno (Head of the Research Department)
Address: c/ Alcalá, 48 (28014) – Madrid
Phone: 0034 (0) 91 338 50 00
Email: juan.jimeno@bde.es
Webpage: www.bde.es

The Banco de España is the national central bank of Spain. It was established in Madrid in 1783. It is a public independent advisory body responsible for defining and implementing the Eurosystem's monetary policy, conducting currency exchange operations, promoting the sound working of payment systems in the Euro area, issuing legal tender banknotes, holding and management of currency and precious metal reserves not transferred to the European Central Bank, providing treasury services, etc. It is also a financial agent for government debt etc. The Bank of Spain is also an autonomous adviser to the Government. It prepares and publishes reports and studies, as well as statistics relating to its functions and assisting the European Central Bank in the compilation of statistical information. These reports and studies are aimed at the regular monitoring of the Spanish, Euro-zone and world economies, the evaluation of relevant economic policies, financial regulation and supervision. The regular publications of the Bank of Spain include: an Economic Bulletin, the Annual Report, the Financial Stability Report, the Report on Banking Supervision in Spain, as well as other specific reports, books and volumes.

Círculo de empresarios - Entrepreneurs Network

Contact person: Claudio Boada Pallerés (President)
Address: Paseo de la Castellana, 15, 6º (28046) – Madrid
Phone: 0034 (0) 915 78 14 72
Fax: 0034 (0) 915 77 48 71
Webpage: <http://www.circulodeempresarios.org>

The Círculo de Empresarios is a private institution which represents the interests of business and big firms in Spain. It was created in 1977 and is aimed at the study, spreading and promotion of free business activity as an essential component of economic and social progress. The Círculo de Empresarios constitutes a space for open debate and opinion on social and economic issues. It publishes monographies and reports.

Confederación Española de Organizaciones Empresariales (CEOE) - Spanish Confederation of Business Organizations

Contact person: Pilar Iglesias (Director of Security and Health and Safety Area)
Address: Diego de León, 50 (28006) – Madrid
Phone: 0034 (0) 91 566 34 00
Email: piglesias@ceoe.es
Webpage: www.ceoe.es

The Confederación Española de Organizaciones Empresariales (CEOE) is the major representation institution of the Spanish business community. It is the legitimated interlocutor of the Government and the trade unions in social dialogue, social concertation and collective bargaining processes at national level. The CEOE also carries ongoing analyses of the Spanish economy and the social and labour situation, in order to propose solutions for increasing the competitiveness of Spanish firms. It publishes books and reports on these issues.

Consejo Económico y social de España (CES) - Economic and Social Council of Spain

Contact person: Marcos Peña (President)
Address: c/ Huertas, 73 (28014) – Madrid
Phone: 0034 (0) 91 429 00 18
Fax: 0034 (0) 91 429 42 57
Email: webmaster@ces.es
Webpage: www.ces.es

The CES is a central government advisory body on socio-economic and employment issues. It has public legal status, full capacity and organizational and functional autonomy. It has a tripartite composition, including social partners' representatives, civil servants and other independent experts. The CES draws up opinions on broad social and economic issues, on a mandatory or optional basis, for consultation processes, as well as preparing surveys and reports on its own initiative on the fields covered by its remit. It also draws up an annual report on the socio-economic and employment situation in Spain. CES' regular publications include an Annual Socioeconomic and Labour Report, as well as other reports in specific topics and the journal 'Cauces'.

Fundación Alternativas - Alternativas Foundation

Contact person: Juan Manuel Eguiagaray Ucelay (Director)
Address: c/ Zurbano, 29 – 3º izq (28010) – Madrid
Phone: 0034 (0) 91 319 98 60
Fax: 0034 (0) 91 319 22 98
Email: jmanegui@alternativas.org
Webpage: www.falternativas.org

The Fundación Alternativas is a private non-profit research institution. It was established in 1997 as a think tank and a channel for political, social economic and cultural reflection. The areas of expertise of the Fundación Alternativas range from issues of a socioeconomic nature (such as the model of growth for the Spanish economy, systems of family support, or challenges facing the welfare state) to those related to the quality of democracy and security of the public. These areas are developed in different sections: the Alternativas Laboratory is aimed at promoting the formulation of rigorous analysis and proposals. The Observatory of Spanish Foreign Office (OPEX) is dedicated to the monitoring of Spanish foreign policy in the European and global context. Estudios de Progreso is a programme aimed at young researchers. The Alternativas Laboratory is the general research service of the Fundación Alternativas. It publishes a highly relevant Working Papers series available online.

Fundación para el análisis y los estudios sociales (FAES) - Foundation for Social Studies and Analysis

Contact person: Jose María Aznar López (President) / Fernando Navarrete (Director of Economics and Public Policy)
Address: c/ María de Molina, 40 – 6ª planta (28006) – Madrid
Phone: 0034 (0) 91 576 68 57
Email: fnavarrete@fundacionfaes.es
Webpage: www.fundacionfaes.es

FAES is a private non-profit institution that works in the sphere of ideas and political proposals. The FAES is linked to the Partido Popular since its creation in 1989 and constitutes a think tank committed to nurturing the political ideas and activities of this political party. FAES develops its activities through discussion groups, seminars, lectures and

summer conferences at the FAES Campus. It also issues electronic publications, the magazine 'Cuadernos de Pensamiento Político', reports (FAES Papers Series) and books.

Fundación Banco Bilbao Vizcaya Argentaria (BBVA) - BBVA Foundation

Contact person: Francisco González Rodríguez (President) / Carmen Iglesias Cano (Advisory Committee)
Address: c/ Paseo de Recoletos, 10 – (28001) Madrid
Phone: 0034 (0) 91 374 54 00
Fax: 0034 (0) 91 374 85 22
Email: informacion@bbva.es
Webpage: www.fbbva.es

The Fundación BBVA is a private research and training institution linked to the BBVA Group. The Foundation engages in the promotion of research and transmission of scientific knowledge to society at large, focusing on the analysis of emerging issues in five strategic areas: environment, biomedicine and health, economy and society, basic sciences and technology and arts and humanities. The BBVA Foundation designs, develops and finances research projects in these areas, organizes award schemes for researchers and professionals and communicates and disseminates such knowledge through publications, debates and lectures.

Fundación Banco Santander - Banco Santander Foundation

Contact person: Antonio Escámez Torres (President) / Javier Aguado Sobrino (Director Manager)
Address: c/ Serrano, 92 (28006) – Madrid
Phone: 0034 (0) 91 781 51 58
Fax: 0034 (0) 91 781 51 59
Email: fundacionbs@gruposantander.com
Webpage: www.fundacionbancosantander.com

The Fundación Banco Santander is a private institution with a cultural and scientific mission from which it develops an activity of cultural funding in several areas, including socio-economic issues. Among other publications and reports on financial, social and economy trends, the Banco Santander Foundation publishes the journal 'Moneda y Crédito'.

Fundación de las Cajas de Ahorros (FUNCAS) - Savings Banks Foundation

Contact person: Victorio Valle (General Director)
Address: c/ Caballero de Gracia, 28 (28013) – Madrid
Phone: 0034 (0) 91 596 57 18
Fax: 0034 (0) 91 596 57 96
Email: www.funcas.ceca.es/contacto/Contacto.asp
Webpage: www.funcas.ceca.es

FUNCAS is a private non-profit institution created and funded by the Spanish Confederation of Savings Banks (CECA). It is aimed at developing research on the socio-economic situation of Spain with a view to produce useful analysis and proposals for public political design and decision-making both at national and regional level. FUNCAS regular publications include several highly relevant scientific journals (Papeles de Economía Española / Perspectivas del Sistema Financiero / Economía de las Comunidades Autónomas / Cuadernos de Información Económica / Panorama Social), a Working Paper series and reports on macroeconomic and financial analysis. It also publishes individual books and collective volumes.

Fundación de estudios de Economía Aplicada (FEDEA) - Applied Economics Studies Foundation

Contact person: Pablo Vázquez (Director) / Domingo Arranz (Administrador)
Address: c/ Jorge Juan, 46 (28001) – Madrid
Phone: 0034 (0) 91 435 90 20
Fax: 0034 (0) 91 577 95 75
Email: infpub@fedea.es
Webpage: www.fedea.es

FEDEA is a private non-profit research centre which was set up in 1985 to produce objective and independent economic analysis. It is aimed at fostering effective economic and social proposals through an understanding of their implications for individuals, families and businesses in Spain. FEDEA's research agenda has been shaped to reflect the problems faced by Spanish society down the years. Issues relating to the labour market, pensions and economic development have accounted for a substantial part of the work undertaken by the centre. Some of the best publications on pensions are elaborated by experts of this institution. Other topics, concerning innovation, the environment and immigration, also receive major attention. FEDEA's regular publications include a Working Papers Series, FEDEA Briefs and Bulletins, Economic Reports and Labour Observatory Bulletins.

Fundación Juan March. Centro de Estudios Avanzados en Ciencias Sociales (CEACS) - Foundation Juan March – Centre for Advanced Studies in Social Sciences

Contact person: Magdalena Nebreda (Administration) / Ignacio Sánchez Cuenca (Research Director)
Address: c/ Castelló, 77 (28006) – Madrid
Phone: 0034 (0) 91 435 42 40
Fax: 0034 (0) 91 576 34 20
Email: magdalen@ceacs.march.es
Webpage: www.march.es/ceacs

The Fundación Juan March – CEACS is a research and advanced training centre on Sociology and Political Science. It produces scientific reports and working papers on compared institutional analysis, political and economical regimes, inequalities, social mobility and labour market dynamics. The Foundation publishes a highly influent Working Papers Series and completes its research activities with seminars and conferences.

Fundación Primero de Mayo (Comisiones Obreras, CCOO) - First of May Foundation (Comisiones Obreras, CCOO)

Contact person: Jorge Aragón Medina (Director)
Address: c/ Arenal, 11 (28013) – Madrid
Phone: 0034 (0) 91 264 06 01
Fax: 0034 (0) 91 364 13 50
Email: 1mayo@1mayo.ccoo.es
Webpage: www.1mayo.ccoo.es

The Fundación Primero de Mayo is the research institution of the trade union Comisiones Obreras. It is aimed at promoting analysis on social and economic issues with a special focus on employment, industrial relations and labour market dynamics. It is highly active in spreading knowledge through several regular publications including the 'Journal of the Foundation', reports and studies and other monographs and books.

Escuela Julián Besteiro (Unión General de Trabajadores, UGT) - Julián Besteiro School, (Unión General de Trabajadores, UGT)

Address: c/ Azcona, 53 (28028) – Madrid
Phone: 0034 (0) 91 589 78 01
Fax: 0034 (0) 91 589 77 47
Email: informacion@ejb.ugt.org
Webpage: www.ugt.es/ejb

The Escuela Julián Besteiro is a private institution belonging to the Spanish trade union Unión General de Trabajadores (UGT). It aims at the promotion of analysis on social and economic issues, focusing on employment and labour market trends. However, it is more active in training and debate than in scientific research.

Fundación Sistema - Sistema Foundation

Contact person: José Felix Tezanos (Director)
Address: c/ Fuencarral, 127, 1º (28010) – Madrid
Phone: 0034 (0) 91 448 73 18
Fax: 0034 (0) 91 448 73 39
Email: info@fundacionsistema.com
Webpage: www.fundacionsistema.com

The Fundación Sistema is a non-profit research institution that aims at fostering debate and exchange of ideas on social and political issues, including immigration and labour market dynamics, democratic participation and civil society, among others. The think tank Fundación Sistema is independent in nature, although it has been ideologically linked to the Socialist Party (PSOE). The Fundación Sistema publishes regular informative bulletins and books.

Servicio de Estudios del Ministerio de Trabajo e Inmigración - Research Department of the Minister of Labour and Immigration

Contact person: Julio Pérez Sanz (Minister's Cabinet Director)
Address: Agustín de Bethencourt, 4 (28071) – Madrid
Phone: 0034 (0) 91 363 01 32
Fax: 0034 (0) 91 537 19 41
Email: sdirgabmin@mtin.es
Webpage: www.mtin.es

The Servicio de Estudios del Ministerio de Trabajo e Inmigración is a public body for research on Social Security, Immigration and Emigration dynamics and Employment and Labour Market issues. It issues regular reports, statistics and guides on labour and social affairs. It also publishes books and scientific journals, including the 'Revista del Ministerio de Trabajo e Inmigración' (Journal of the Minister of Labour and Immigration).

Unión democrática de pensionista y jubilados de España - Democratic Union of Pensioners and Retired Persons of Spain

Address: c/ Alcalá, 178 (28028) – Madrid
Phone: 0034 (0) 91 542 02 67
Email: informacion@mayoresudp.net
Webpage: www.mayoresudp.net

The Unión Democrática de Pensionistas y Jubilados de España (UDP) is a private umbrella organization representing the interests of pensioners and retired workers. It brings together a large number of heterogeneous organizations of pensioners at regional and local level.

Ministerio Sanidad y Política Social - Ministry of Health and Social Policy

Webpage: <http://www.msc.es>

It includes the Consejo Interterritorial del Sistema Nacional de Salud, CISNS- Interterritorial Council of the National Health System.

Note: the Ministry is right now under re-organization, so it is difficult to provide other contact details at this very moment.

Among its many publications, the Annual Report of the Spanish National Health Care System should be highlighted (published since 2004), and also Main Figures of the Spanish National Health Care System. Journals published by the Ministry include: Revista Española de Salud Pública, Información Terapéutica del Sistema Nacional de Salud, Estudios sobre el Consumo, Boletín Epidemiológico Semanal, Medicina y Seguridad en el Trabajo.

Ministerio de Economía y Hacienda - Ministry of Economy and Finance

Webpage: <http://www.meh.es>

It includes the Consejo de Política Fiscal y Financiera, CPFF- Council of Fiscal and Financial Policy.

Note: the Ministry is right now under re-organization, so it is difficult to provide other contact details at this very moment.

Ministerio de Trabajo y Inmigración – Ministry of Labour and Immigration

Address: C/ Agustín de Bethencourt, 4, 28071 Madrid

Phone: 0034 (0) 91 363 23 30

Webpage: <http://www.mtas.es>

The Ministry of Labour and Immigration is concerned with the tasks in the fields of Social Security, Immigration and Emigration and Employment.

Instituto de Estudios Fiscales (IEF) - Institute of Fiscal Studies

Contact person: José María Labeaga Azcona (General Director)

Address: Avenida del Cardenal Herrera Oria, 378 (28035) – Madrid

Phone: 0034 (0) 91 339 89 14

Fax: 0034 (0) 91 339 89 64

Email: direccion.general@ief.meh.es

Webpage: www.ief.es

The Instituto de Estudios Fiscales (IEF) is the Spanish public finance research and training centre. It is aimed at establishing and promoting forums for research on public finance and civil society. It is also responsible for developing training, specifically designed to address the analysis of the policies and strategic objectives of the Ministry of Economy and Finance. The IEF publishes several scientific journals ('Crónica Tributaria', 'Hacienda Pública Española. Revista de Economía Pública', 'Presupuesto y Gasto Público', 'Cuadernos de Formación', 'Foro Fiscal Iberoamericano'). It also issues a Working Papers series and a Working Document series, as well as books and individual volumes.

Consejo General de Colegios Oficiales de Médicos de España - General Council of Medical Associations of Spain

Address: Plaza de las Cortes, 11 (28014) – Madrid

Phone: 0034 (0) 91 431 77 80

Fax: 0034 (0) 91 431 96 20

Email: webmaster@cgcom.es

Webpage: www.cgcom.org

The Consejo General de Colegios Oficiales de Médicos de España is a private organization representing the interests of the 52 Medical Associations existing in Spain. It constitutes a

very active pressure group for health & care policy design in Spain. It also supports research and training activities carried out by its members.

Federación de Asociaciones para la Defensa de la Sanidad Pública (FADSP) - Federation of Associations for the defence of Public Health Care

Address: c/ Arroyo de la Media Legua, 29, local 49 (28030) – Madrid
Phone: 0034 (0) 91 333 90 87
Fax: 0034 (0) 91 437 75 06
Email: fadspu@gmail.com
Webpage: www.fadsp.org

The Federación de Asociaciones para la Defensa de la Sanidad Pública (FADSP) is a private organization representing the interests of professionals and citizens in the Spanish public health care system. It constitutes a very active pressure group. It also publishes books and reports, as well as a regular journal ('Revista Salud 2000').

Asociación de Economía de la Salud (AES) - Health Economy Association

Contact person: Enrique Bernal Delgado (president)
Webpage: www.aes.es

The Asociación de Economía de la Salud (AES) is a non-profit private association. It was constituted formally in 1985, although it was already developing activities before then, in particular the celebration of an annual conference from 1980. It was created to group all professionals devoted to Health Economics and/or interested on it. The number of members has grown steadily during the last decades, so that it reached 680 in April 2004 (36% are economists, 39% are doctors and the rest come from other fields of specialisation). The most common areas of research include: hospital management, health administration, public health, economic evaluation and pharmacy. Publication of AES include: 'Boletín Economía y Salud', technical reports and positioning documents. AES also manages ECONSALUD within RedIris.

Distribution list "Econsalud", lodged in RedIRIS.

Webpage: <http://www.rediris.es/list/info/econsalud.html>

This is a public service created in 1988, interconnecting computer services of universities and research centres. It is a distribution list of scientific information related to Health Economics and moderated by a webmaster. One needs to subscribe but subscription is for free.

Instituto de Mayores y Servicios Sociales (IMSERSO) - National Institute for the Elderly and Social Services

Contact person: Pilar Rodríguez Rodríguez (general director)
Address: Avda. de la Ilustración, s/n con vuelta a c/Ginzo de Limia, n.º 58. 28029 Madrid
Phone: 0034 (0) 913 638 592/ 593/ 594
Email: dg@imserso.mepsyd.es
Webpage: <http://www.seg-social.es/imserso/>

This Institute, created in 1978, is currently part of the new Ministry of Health and Social Policy. It manages complementary services of the Social Security (i.e holiday programmes, thermal services, non-contributory pensions, etc) in the area of elderly people and dependants.

Comisiones Obreras (CC.OO.)-Secretaría Confederal de Política Social - CC.OO. Social Policy Secretariat

Contact person: Rosana Costa Navarro (Head of Social Policy Secretariat)
Address: C/ Fernández de la Hoz, 12, 28010 Madrid
Phone: 0034 (0) 91 702 80 91

The Spanish trade union CC.OO has been since its origins one of the main active social partners in the inclusion of dependency issues in the political agenda, elaboration and analysis of the implementation of the Law on Dependency.

Observatorio Nacional de la Dependencia - National Observatory on Dependency

Contact person: Dr Jorge Garcés Ferrer (direction and management)
Address: POLIBIENESTAR. Facultad de Ciencias Sociales. Universitat de València-Estudi General. Edificio Departamental Occidental. Campus dels Tarongers. Avinguda dels Tarongers s/n. 46071. Valencia
Phone: 0034 (0) 96 382 81 84 / 82.02
Fax: 0034 (0) 96 382 81 84
Webpage: www.uv.es/SocialWelfare,
www.ondep.es/portal/portada/portada.aspx

This observatory has been created and is managed by the "Polibienestar" Research Unit, which is a leading group in Spain and the Valencian Region specialised in research, development and innovation, and management of social policies.

Consejo General de Trabajo Social - General Council of Social Work

Contact person: Ana Isabel Lima Fernández (director)
Address: Avda Reina Victoria 37- 2ºc, 28003 Madrid
Phone: 0034 (0) 91-541-57-76 / 77

National body including all regional associations of social workers.

Sociedad Española de Geriátría y Gerontología (SEEG) - Spanish Association of Geriatrics and Gerontology

Contact person: Dr. Pedro Gil Gregorio (president)
Address: Príncipe de Vergara, 57-59. 28006 Madrid
Phone: 0034 (0) 91 411 17 07
Fax: 0034 (0) 91 564 79 44

SEEG is a Spanish national association of specialists in geriatrics and gerontology.

Confederación Española de Organizaciones de Mayores (CEOMA) - Spanish Confederation of Elderly People Associations

Contact person: José Luis Méler y de Ugarte (president)
Address: C/ Pío Baroja 10. Edificio Cantabria. 28009 Madrid
Phone: 0034 (0) 91 573 52 62
Fax: 0034 (0) 91 573 79 28
Email: ceoma@ceoma.org

CEOMA is a non-governmental, cross-sector federation dealing with the coordination, promotion and defence of elderly people interests.

Comité Español de Representantes de Personas con Discapacidad (CERMI) - Spanish Committee of Disabled People

Contact person: Luis Cayo-Pérez Bueno (president)
Address: CERMI c/ Recoletos 1º Bajo 28001 Madrid
Phone: 0034 (0) 91 360 16 78
Fax: 0034 (0) 91 429 03 17
Email: cermi@cermi.es
Internet: <http://www.cermi.es/>

Confederation of a wide range of associations which defend the interests of people with disabilities and related illnesses.

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- (1) to improve the knowledge and understanding of the situation prevailing in the Member States (and in other participating countries) through analysis, evaluation and close monitoring of policies;
- (2) to support the development of statistical tools and methods and common indicators, where appropriate broken down by gender and age group, in the areas covered by the programme;
- (3) to support and monitor the implementation of Community law, where applicable, and policy objectives in the Member States, and assess their effectiveness and impact;
- (4) to promote networking, mutual learning, identification and dissemination of good practice and innovative approaches at EU level;
- (5) to enhance the awareness of the stakeholders and the general public about the EU policies and objectives pursued under each of the policy sections;
- (6) to boost the capacity of key EU networks to promote, support and further develop EU policies and objectives, where applicable.

For more information see:

http://ec.europa.eu/employment_social/progress/index_en.html