

**Comments on Jasmin Häcker and Bernd Raffelhüschen:**

**ON THE INCLUSION OF DEMENTIA PATIENTS  
INTO COMPULSORY LTC-INSURANCE IN  
GERMANY: A SUSTAINABLE STEP?**

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Problem: The German LTC system is heavily underfinanced in the long run.

⇒ Various reform options are proposed.

Paper applies generational accounting techniques in order to analyze the sustainability of German LTC system and various reform proposals (inclusion of dementia patients, civil insurance, supplementary funded system).

There are four main results:

1. Current implicit debt of LTC system amounts to 32 percent of GDP! Or: Contribution rate will rise from 1.7 to almost 4 percent in 2050!
2. Including dementia patients in LTC scheme would increase implicit debt to 44 percent! Or: Increase contribution rate to 4.5 percent in 2050!

3. Introducing a civil insurance would further increase implicit debt to almost 49 percent of GDP! Or: Contribution rate would rise to 5 percent in 2050!
4. A supplementary funded system as proposed by the Bavarian CSU is heavily underfinanced! Sustainable contribution rates to the funded system would be more than three times higher.

Two central problems:

1. Ist GA the right tool for analyzing LTC reform in Germany? (private system, contribution limits etc.)
2. If yes, why did you not provide the same information for both reform proposals? (i.e. implicit debt levels)