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External Control Secretariat  
Government Programs Control and Evaluation Secretariat

Executive Summaries

## **TCU Evaluation of Elderly Care**

Rapporteur  
Minister Adylson Motta

Brasília  
2003

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## FOREWORD TO THE ENGLISH EDITION

This series of publications contains the main results of social programs audits carried out by the Brazilian Court of Audit-TCU for the purpose of evaluating the performance of the Federal Government in areas that are strategic for Brazilian society. The activities were developed within the scope of the Brazil/UK Technical Cooperation Agreement, in force since 1998.

The aim of this document is to disseminate information about TCU's actions by reporting the development of the audited programs and their main characteristics to the Supreme Audit Institutions and other pertinent international organizations.

This issue presents information on TCU audits performed in order to evaluate actions regarding elderly care, carried out by the Ministry of Welfare and Social Assistance (MPAS). These actions are part of the Program "Appreciation and Health of the Elderly".

**Valmir Campelo**  
Minister-President





## TCU Evaluation of Elderly Care

The Brazilian Court of Audit performed an audit aimed at evaluating the continued social assistance actions of monthly care of the elderly carried out within the scope of the Program “Appreciation and Health of the Elderly”. The purpose of these actions is the maintenance of services (food, hygiene, shelter, leisure and occupation materials), the safeguard of social rights, and meeting the needs that are typical of this time of life.

The financing and management of elderly care activities are under the responsibility of the three levels of government: federal, state and municipal. The execution of the actions is decentralized to the social assistance services in the municipalities, which must work in partnership with the public or private institutions that provide services. The state only executes the services when the municipality does not have the managerial requirements to organize its own assistance network.

The State Office of Social Assistance-SEAS is responsible for monitoring the execution of the services and guiding the other government levels. It is the duty of the federal body to encourage the creation of elderly care alternatives, such as social centers, day-centers, homes and communal homes.

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### What was evaluated by the TCU?

In the beginning of the nineties, the provision of services to the elderly was systematized by the National Policy for the Elderly and by the respective government action plan. Based on these tools, the audit proposed to verify the solutions that states and municipalities have found to strengthen relations between the service providing institutions and the government by means of financing guidelines, training, guidance and overseeing. This approach allowed investigation of the causes of the scarce influence of government bodies in the care provided by the institutions.

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## Why was it evaluated?

The elderly population composes one of the priority groups in assistance services, due to typical age-related frailties. In addition to this circumstance, poverty, abandonment, and physical handicaps often befall the elderly.

Added to the situation of extreme vulnerability of the elderly population, there is the fact that the elderly segment is the one that grows most in the Brazilian population. Projections of the World Health Organization indicate that, between 1950 and 2025, the elderly population in Brazil will grow 16 times against 5 times the total population, as mentioned in the government action plan for the development of the Policy. This increase will demand restructuring of the assistance, welfare and health networks, which will have to be organized to meet the needs of this population group.

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## How was the work developed?

In order to undertake the case studies to identify best practices in the implementation of government guidelines that might be disseminated seven states and thirteen municipalities were selected. Eight institutions, six social groups, two social centers, a home and a communal home for the elderly were also visited. The survey was carried out by means of questionnaires administered in eight states, eight municipalities and in various institutions that provide assistance services. The data was collected in the period of September 24 to October 5, 2001.

## What the TCU found

The audit revealed operational problems in the fulfillment of government guidelines, which hinder the joint work between the three levels of government. The audit also confirmed the little influence of government actions on the work developed by the service providing institutions, particularly the home institutions. It also evidenced lack of investments in new modalities of care, insufficiency of resources meant for maintenance of the institutions and the small number of people covered when comparing the population being assisted to the poor population as a whole.

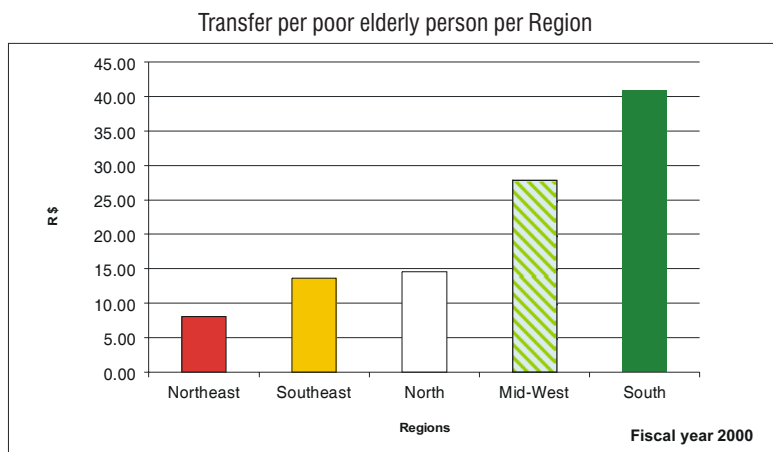
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### The financing of elderly care services

The money transferred from the National Social Assistance Fund represents a small share of the costs incurred by the contracted service network. A maximum amount of R\$ 60.82 is transferred monthly for care of the elderly dependent living in institutions, which represents less than one fourth of the average monthly cost per elderly person in these institutions. The social groups receive a monthly *per capita* amount of R\$ 4.05.

In addition to the low amounts transferred to the social assistance network, the transfer criteria based on the historical expenditure series do not contribute to making the system more equitable. The historical series was constructed based on spontaneous demand and on the existing care infrastructure in the states and municipalities, whose coverage depends on cultural factors and local politicians.

This situation is reflected in the distribution of resources for continued action services per region. The states in the south region receive slightly higher sums than the states in the northeast region, while the poor elderly population in the south region is approximately five times smaller than that in the northeast region. The ratio of transfer per poor elderly person per region is demonstrated in the graph below:



The states - with a few exceptions - do not allocate financial resources to the service network defrayed by the Union. They prefer to invest sporadically in construction and renovation.

Regarding this aspect, interpretations differ as to the concept of co-financing. The SEAS understands that it is the financial participation of states and municipalities in the same network of institutions financed with federal resources. For the states, the allocation of resources in municipalities or institutions not covered by the federal government would comply with the legal requirements. In turn, there is a common understanding among the municipal governments that expenditures with human resources and equipment for the execution of the assistance services can be considered co-financing.

## System operation

The audit found that the federal and state levels have not created operational conditions to coordinate the implementation of the Policy for the Elderly. The flow of information and the monitoring are not systematic and this prevents the Federal Government from learning about the actions carried out in the states, and the states from knowing what goes on in the municipalities. The problem is worse at the federal level, where human and material resources are insufficient.

At the local level, there is a strong need for training human resources to work with the elderly. Lack of qualification is one of the complaints at the bodies and institutions visited.

In these conditions, it is the responsibility of the municipalities to find care alternatives for the elderly population in the assistance network. As there is no coordination of the system, experiences are isolated and actions lack uniformity.

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### **The result of municipal actions vis-à-vis the assistance network**

Little interaction is observed between the municipal assistance bodies and the home institutions in terms of guidance and supervision. The analysis demonstrated that any innovation in the care provided are the initiative of managers of these institutions. As for the social groups, it was observed that the drive of the work is directly proportional to the mastering of the methods and concepts that ground the assistance policies. The audit revealed that the groups managed by the city halls have better performance.

The presence of the government and increased awareness of the people responsible for the home institutions are still not enough to ensure vitalization, improvement of basic care, and privacy to the institutionalized elderly, in such a way as to minimize the effect of being in an institution. Isolation on the part of these institutions and little awareness of their role in the elderly care policy can be observed. The advances in this area are isolated.

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### **Best practices identified**

The strong point in the execution of the Policy is the performance of the assistance agencies in partnership with government and non-government organizations. In face of the lack of resources for appropriate monitoring and execution of the actions, the agencies have promoted events with the purpose of training human resources, disseminating actions and increasing awareness. Liaison with civil and government organizations has enabled optimization of human and financial resources, virtually nonexistent in the area of care for the poor elderly population.

Among the practices identified, the factors that favor good performance can be classified in three groups:

- a) creative action by the city halls (priority given to the issue; optimization of local resources; search for concrete alternatives to meet the demands; diversity of actions; institutional organization);
- b) promotion of educational meetings that join elderly groups and interested public and private organizations (incentive to discussion of issues related to the process of human aging and issues that can contribute to the citizenship of the elderly);
- c) participatory action of the elderly councils (broad partnership for dissemination of the actions; supervision of the assistance network in partnership with the competent government bodies).

## **What can be done to improve the performance of elderly care social assistance actions**

The TCU recommended to the Ministry of Welfare and Social Assistance the following measures, among others:

- development of performance indicators to monitor evolution of the acts of supervision of the institutions, training of the agents involved, inclusion of the poor elderly population in the service network, and improvement in care conditions;
- inspection of the home institutions with a social nature, aiming at removing from these institutions to hospital institutions the elderly in need of permanent medical care or intensive nursing care;
- revision of the amounts transferred on the basis of the real costs of the services;
- development of criteria for transfer of resources to the states, municipalities and Federal District on the basis of social and economic indicators;
- technical and financial support from the federal and state bodies to the municipalities for implementation of new modes of care (day-center, home, communal home, temporary residence);
- regular evaluation of the impact and result of the continued actions of elderly care.

The Brazilian Court of Audit is overseeing the implementation of the recommendations in order to ensure that the problems raised by the audit will be addressed effectively.

