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In the mid2030s, the health of the baby boomers will have deteriorated and many in these large cohorts will be in need of formal and/or informal long-term care.

This "**care wave**" will transform two generations: the baby boomers in need of care and their children who may supply care. It will have significant implications for labour supply, especially for women, saving behaviour, and therefore for productivity, economic growth and its inclusiveness.

The overarching objective of BB-Future is to understand the size and the implications of the care wave on economic and social outcomes, to appreciate the quality of this second ageing-related transformation and to develop policy recommendations for advance planning on the EU and Member State levels.

Abstract: *BB Future demographic projections point to increased unmet care needs across all countries studied in the upcoming decades. To reduce this care gap, policymakers must address both sides of the equation: (A) the demand side, encompassing individuals in need of care, and (B) the supply side, encompassing the infrastructure and workforce available to provide it. Both require (C) design changes of the long-term care provision and insurance schemes.*

This is Part A of BB-Future's policy recommendations which addresses the demand side of the equation.

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Policy Recommendations – Demand

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This is Part A of BB-Future's policy recommendations which addresses the demand side of the equation.

Policy Recommendations

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Preliminary recommendations

Note: These recommendations are preliminary and reflect discussions within the BB-Future consortium and with participants in the project's several policy roundtables. They will continue to be expanded and refined as the project progresses and new results emerge. The BB-Future consortium will present final policy recommendations at the end of the project.

A1: Make delay of impairment a national healthy-ageing target

Care demand is projected to increase substantially in Europe over the coming decades. However, its magnitude will depend importantly on future health trajectories. Moreover, long-term care spending is likely to be influenced far more by the health status of older individuals than by population ageing per se. Delaying the onset of functional impairment should therefore become a central and measurable objective of healthy-ageing policy, alongside efforts to expand care-system capacity.

Recommendations:

- **Make delaying the onset and progression of care-relevant functional impairment** a central objective of national healthy-ageing and long-term care strategies.
- **Track progress** using indicators such as healthy life years at 65, the expected age at onset of functional limitations, and inequalities in both measures.
- **Economists need to develop better tools to translate health improvements into economic indicators**. For example, the implications for fiscal sustainability of raising the retirement age by one year are relatively well understood, whereas far less is known about the fiscal impact of reducing the care gap.

Why this matters

Longer lives are not necessarily healthier lives

Europe's long-term care challenge is usually framed as a consequence of population ageing. While that diagnosis is correct, it is incomplete. Population ageing increases the number of people reaching ages at which care needs become common. However, it does not determine when functional limitations emerge or when those limitations translate into a need for care. Ultimately, health trajectories play a crucial role in shaping the overall demand for long-term care.

Health trajectories drive future care demand

The BB-Future projections combine demographic scenarios with alternative health trajectories to estimate the future care gap. In the optimistic health scenario, gains in longevity are accompanied by a postponement of impairment to later ages. In other words, people live longer and remain healthier for longer. In the pessimistic scenario, increased longevity is associated with substantially more years spent in need of care. The baseline scenario assumes moderate health improvements alongside continued gains in life expectancy.

The projections highlight the importance of health trajectories for the future care gap. Under pessimistic health assumptions, care demand could increase by as much as 70% in Europe by 2060. Under the baseline scenario, demand is projected to rise by around 30%.

These results are clear: **care demand and the care gap vary more across health scenarios than across demographic scenarios**.

This does not mean that increasing healthy life expectancy is sufficient to reverse the demographic pressures facing long-term care systems. Even under the most optimistic health scenario, the ratio of people with care needs to the working-age population, who could potentially provide or finance that care, continues to increase. However, the magnitude of this increase varies substantially across health scenarios. Thus, Europe's future long-term care challenge is shaped not only by population ageing, but also by the health trajectories that determine when and to what extent care needs arise.

What matters is also how many of the additional years of life are spent in good health and without functional limitations. Furthermore, while demographic pressures are largely predetermined, health trajectories are far more amenable to policy intervention. Governments must therefore pursue policies that promote healthy ageing alongside measures to expand long-term care capacity, rather than treating future care demand as fixed.

Delaying impairment also protects public finances and labour supply

The fiscal consequences are also substantial. BB-Future findings indicate that future long-term care expenditure is far more sensitive to healthy ageing than to demographic ageing per se. If gains in longevity are accompanied by improvements in health, long-term care spending remains close to current levels in most countries. However, in the absence of healthier ageing, long-term care expenditure is projected to increase by between 125% and 220% by 2070, under more pessimistic ageing scenarios.

Furthermore, public long-term care budgets are vulnerable to financial pressures. During the eurozone crisis, for example, Spain’s austerity measures reduced national support for long-term care: access to benefits was delayed for some people who were already eligible, the extension of entitlements to people with moderate dependency was postponed, and part of central-government funding was suspended between 2012 and 2020. The Spanish case provides a cautionary tale: a country can expand LTC provision, but these improvements may be difficult to sustain when public finances are under pressure. Delaying impairment cannot eliminate this risk, but by reducing future care needs it could make higher levels of provision easier to sustain and reduce the risk that financial pressures translate into a wider care gap.

The effects of population ageing extend beyond public budgets. Informal care provision nowadays already reduces effective labour supply in the five countries[1] studied by about **1.7%**, with a similar GDP loss. Under poor health developments, the labour supply loss could rise towards **2.6%** by 2070, and the GDP loss to 2.4%. If people remain healthy for longer, much of that additional financial burden could be largely avoided.

From a policy point of view, this suggests that governments should not monitor longevity alone. The relevant outcome is whether **the onset of functional limitation is moving to later ages as life expectancy rises**.

Importantly, the objective should not be defined as delaying entry into the care system. Administrative entry depends on a range of factors, including eligibility rules, service availability, prices, family circumstances, and national care arrangements. Moreover, formal entry into the care system does not necessarily reveal whether individuals' care needs are being adequately met. Statistics may suggest that people are entering the formal care system later in life, but this could simply reflect restricted access to services or rising levels of unmet need rather than improved health outcomes.

Focusing on healthy life expectancy at age 65 therefore provides a visible and internationally comparable headline indicator. However, because it is based on self-reported activity limitations, it does not map perfectly onto the intensity of care needs. It should therefore be complemented by additional indicators, such as the expected age at onset of moderate or severe functional limitation and the expected number of impairment-free years remaining at age 65.

The analysis in this policy recommendation is based on the following BB-Future sources:

- Börsch-Supan, A. and S. Douhou (2026) 'Preparing for Europe's coming care wave', BB-Future Digest 1, 22 May, BB-Future, available at: https://www.bb-future.eu/wp-content/uploads/2026/05/BB-Future-Digest-1_22052026.pdf
- Koo, D. (2026) 'In a 24-hour day, more care means less time at work', BB-Future Digest 4, 12 June, BB-Future, available at: https://www.bb-future.eu/wp-content/uploads/2026/06/BB-Future-Digest-4_12062026.pdf
- Louhalia, S. and E. Perdrix (2026) 'Three decades of long-term care policy in Europe: overview of the French, German and Spanish trajectories', Deliverable 4.5, BB-Future, available at: https://www.bb-future.eu/deliverables/.

[1] France, Germany, Italy, Poland and Sweden.

A2: Turn healthy-ageing targets into preventive action

Europe is underusing prevention as a tool to reduce future long-term care needs. BB-Future evidence suggests that strengthening preventive measures, including health literacy, physical activity, and age-friendly housing, could delay functional decline and substantially reduce the future care gap, especially in countries with relatively low levels of prevention.

Recommendations:

- **Expand access to proven preventive measures** that can delay or reduce functional decline, including health education, physical activity, falls prevention, and home adaptations.
- **Prioritise early action in countries with the largest prevention gaps**, where uptake of physical activity, health literacy, and age-friendly housing is lowest and future care pressures are likely to be greatest.
- **Integrate prevention across health, housing, and long-term care policies**, rather than treating it as a narrow healthcare intervention.

Why this matters

Europe is underusing prevention

Policy Recommendation A1 highlighted the importance of health trajectories in shaping future long-term care pressures. This recommendation identifies several preventive measures that could help improve those trajectories.

Some of the most important predictors of functional impairment in older age, including chronic disease, multimorbidity, frailty, and physical inactivity, can be prevented, delayed, or partially modified. This creates significant scope for reducing future care needs through healthier behaviours and more supportive living environments.

BB-Future examined several cost-effective levers for addressing these modifiable risk factors: health literacy, physical activity, and age-friendly housing. Across all three dimensions, Europe appears to be falling short.

Fewer than one quarter of Europeans aged 65 and over meet the World Health Organization recommendation of at least 150 minutes of moderate physical activity per week. Moreover, fewer than one in five homes have basic adaptations that support safe and independent living, pointing to considerable room for improvement.

There are also large differences between countries. Poland and Italy exhibit comparatively low levels of physical activity and home adaptation, while Germany and France perform considerably better on housing adaptations. Sweden, however, performs particularly strongly across the prevention indicators examined.

Prevention can meaningfully reduce future care needs.

Most importantly, the BB-Future simulations suggest that prevention can make a meaningful difference to future care needs. Combining improvements in health literacy, physical activity, and age-friendly housing could substantially reduce the projected care gap. In Poland, the simulated reduction reaches around one hour of care per person per month under the scenario without morbidity expansion and 1.6 hours under a strong morbidity expansion scenario.

The effect grows over time and is strongest in countries that currently lag behind on the preventive measures considered, such as Poland. This finding highlights the potential gains from closing existing prevention gaps.

More broadly, the results support a lifelong approach to prevention rather than waiting until functional impairment increases and long-term care becomes necessary. Prevention should begin well before old age and continue throughout later life, combining health education, physical activity, chronic disease management, rehabilitation, falls prevention, and appropriate housing adaptations.

Countries should therefore act earlier and more intensively where impairment tends to emerge sooner and where prevention gaps are widest.

The analysis in this policy recommendation is based on the following BB-Future sources:

- Börsch-Supan, A., H. Horton, A. Bahí and M. C. Louro (2026) 'How far prevention can go in reducing Europe's care gap', BB-Future Digest 7, 3 July, BB-Future, available at: https://www.bb-future.eu/wp-content/uploads/2026/07/BB-Future-Digest-7_03072026.pdf
- Horton, H. (2026) 'The state of the care gap in Europe', BB-Future Digest 5, 19 June, BB-Future, available at: https://www.bb-future.eu/wp-content/uploads/2026/06/BB-Future-Digest-5_19062026.pdf
- Horton, H. and A. Börsch-Supan (2026) 'The future of the care gap in Europe', BB-Future Digest 6, 26 June, BB-Future, available at: https://www.bb-future.eu/wp-content/uploads/2026/06/BB-Future-Digest-6_26062026.pdf.

A3: Measure long-term care demand in hours, not individuals

The number of people with long-term care needs does not directly translate into the amount of care required. Since care needs vary widely in intensity and complexity, counting individuals alone can underestimate or overestimate future care demand.

Recommendations:

- **Measure long-term care demand in care hours as well as in the number of individuals requiring support.** Projections should capture both the number of people needing care and the intensity of their needs**.**
- **Distinguish between different levels of care intensity.** Someone needing a few hours of help per week places very different demands on care systems than someone requiring several hours of support every day.
- **Use care-hour projections for workforce and expenditure planning.** Translating future care needs into hours makes it easier to estimate the workforce, working time, and financial resources required to meet future demand.

Why this matters

The number of individuals needing care does not reveal how much care will be required

Long-term care demand is often described in terms of the number or share of people with care needs. While useful, this measure provides only a partial picture.

Care needs vary substantially in intensity. Some older people may need occasional help with activities such as shopping, cleaning, or transport, while others may require assistance with multiple activities of daily living, supervision, or continuous support.

As a result, a projection showing that one million people will need care says relatively little about the actual volume of care that will need to be provided.

Care hours provide a better link between care needs and workforce requirements

Expressing long-term care needs in hours creates a clearer link between projected demand and the resources needed to meet it. Given the growing pressures facing long-term care systems over the coming decades, this distinction is critical for effective workforce and budget planning.

An increase in the number of people requiring care does not necessarily translate proportionally into the number of additional care workers needed. The workforce required depends on factors such as

the average number of care hours per person, the balance between formal and informal care, working-time patterns, and productivity in the care sector.

Care-hour projections can be translated into full-time-equivalent staffing requirements by accounting for working hours, part-time employment, and the share of working time devoted to direct care.

This is particularly important in a sector where part-time work is common. Headcounts alone may overstate effective labour supply if a substantial share of workers is employed on reduced hours.

Care hours also make the informal-care constraint visible

The same framework should be applied to informal care.

Future demand for formal care will depend not only on the number of older people requiring support, but also on the number of care hours that relatives are able and willing to provide.

Smaller families, greater geographical mobility, and higher employment rates among women and older workers may reduce the supply of informal care available to each person in need. As a result, even modest increases in care needs could translate into substantially larger increases in demand for formal services.

Tracking care hours required, care hours supplied informally, and the resulting formal-care gap would therefore provide policymakers with a more meaningful measure of the pressure facing long-term care systems.

Bottom line

Measure demand correctly (hours, not people) and recognize variation in intensity. Use improved metric for planning.

The analysis in this policy recommendation is based on the following BB-Future sources:

- Horton, H. (2026) 'The state of the care gap in Europe', BB-Future Digest 5, 19 June, BB-Future, available at: https://www.bb-future.eu/wp-content/uploads/2026/06/BB-Future-Digest-5_19062026.pdf.