



Listen.UP- The Podcast of the University of Potsdam

Title:	Luise Roither: Applied intergenerational justice.
Episode:	02
Speaker 1:	Bettina Kurth/BK
Speaker 2:	Julian Mehne/JM

Sound/Music Donau

Luise Roither: Yes, that is a very important focus for me in everything I do, because for me science has its greatest value for society, for the general public, for the whole world, when it is transferable to - let me call it - the real world...

Sound/Music Donau

Speaker announcement (under music): Listen.UP. The Podcast of the University of Potsdam.

Speaker BK: Today: Applied intergenerational justice. With Luise Roither.

Sound/Music Donau

Luise Roither: Because science is often, well, in a kind of capsule, but it's just as important, that's my opinion, to get that across into the real world, so that people who are not specialised can understand it and do something with it.

Sound/Music Donau

Speaker JM: Knowledge and innovation transfer are processes that have interested and occupied Luise Roither for some time. The thirty-two-year-old Berlin native is a health economist and has just completed her MBA at the University of Potsdam with a focus on innovative health management.

Speaker BK: She completed her studies while working. After her bachelor's degree, she first worked as a strategy consultant for innovations in the medical sector. Afterwards, she took a position as an advisor at the GKV Spitzenverband - which is the central representation of interests of the statutory health and long-term care insurance funds in Germany.

Luise Roither: I moved, so to speak, from the perspective of the companies and innovators to the perspective of the payers. But then I found my way back. And there I work in the area of Charité BIH Innovation, it's called.

Speaker JM: BIH (*pronounced in English*), which stands for "Berlin Institute of Health", the Berlin Institute for Health Research at the Charité.

Speaker BK: The institute was founded in 2009 to anchor and promote translational medicine in the capital. For example, it looks into the question of how research objects become products so that they can be used in actual care, i.e. reach the patient.

Speaker JM: A medical translation process, so to speak - hence the name "translational medicine".

Luise Roither: And that is of course very, very sensible and necessary in the university hospital to deal with this. And I work at this interface and do strategic co-operations. For example, recently there was a project with Israel, where Israeli start-ups came to the Charité and conducted clinical studies with their products in order to bring them to Germany and the EU. That would be one such usage.

Sound/Music

Speaker JM: In addition to her main job at the Berlin Institute of Health, Luise Roither is also involved on an honorary basis as chair of the Denkschmiede Gesundheit, an association that was founded in 2016 and sees itself as a network and mouthpiece for the young generation in health research.

Luise Roither: Denkschmiede Gesundheit is a place where I and the other members can think, talk and discuss a little independently of what we do professionally. And that is always very important for me, because you are always embedded in the very clear framework conditions of a job and an employer, and Denkschmiede Gesundheit is a place where you can break away from that and also talk about things in a more general way.

Of course, you remain an expert in a certain field, but you can also bring these aspects that we have there - generational justice for the health system - into different sectors and discuss them. And that is what we are doing there.

Speaker BK: In addition to the exchange with other young professionals, the transfer of knowledge to the media and political actors is also important. As chairwoman of Denkschmiede Gesundheit, Luise Roither sits on committees such as the "Green Business Dialogue" and writes articles and decision-maker briefings - for example for the "Tagesspiegel".

Speaker JM: July 2021, she was invited to a care hearing in the Bundestag, where she was able to comment on health economic issues.

Sound/Music

Excerpt Bundestag: Beginning (welcome)

Speaker Bundestag: My next question goes to the health think tank, Ms Roither, to counter-finance reform projects, funds from various sources are used: tax subsidy, citizens' insurance, long-term care fund. How do you assess these financial resources that are to be used against the background of intergenerational equity?

Luise Roither: Dear Mr. Chairman, ladies and gentlemen, thank you very much for asking young voices. My name is Luise Roither, I am allowed to speak on behalf of Denkschmiede Gesundheit. I will take the most important things first. According to my calculations with the GVSV's forecast model, the provident fund provides us with 13 years of contribution stability, and the provident fund is an earmarked reserve for contribution rate stabilisation, which it does, even if the overall effect is very limited. That is undisputed. But it gives us a stable contribution rate for the years 2034 to '46, those 13 years I mentioned, which gives us time to work on the causes. In other words, to tackle the fundamental problems, and nothing else currently has a comparable effect on the contribution rate. And for that

reason, and also because it is the only instrument for more intergenerational justice that we have at all, I think the abolition or rededication as it is proposed is irresponsible.

End of excerpt of speech in the Bundestag

Luise Roither: That was a completely new experience, because politicians officially questioned me, which was the dream scenario of the think tank, that politics really officially questioned us.

Speaker BK: Luise Roither also explores this question in her Master's thesis, which earned her a nomination for the "Better World Award" of the University of Potsdam. It is entitled:

Speaker JM: "Evaluation and Forecasts on the Long-Term Care Provision Fund against the Background of the Generationally Just Design of the Social Long-Term Care Insurance".

Luise Roither: I have prepared an evaluation of the social long-term care insurance and have picked out the aspect of the long-term care fund. This is a small financial instrument in this entire large insurance system for long-term care and I looked at how generation-appropriate the design of this long-term care financial system is and, above all, will be against the background of demographic change.

Speaker BK: The long-term care fund is a reserve into which 0.1 percent of the long-term care insurance contributions - i.e. about 1.2 billion euros - flow each year. The money saved is intended to cushion increases in contributions that arise when people's life expectancy rises and birth rates fall.

Luise Roither: I'll try to put it very succinctly. So, from 2035, in these subsequent years, actually until 2060, there will be five million fewer people in employment and five million more in need of care. Perhaps this illustrates quite well what kind of change we are facing, and this change has not yet been sufficiently discussed in my view.

Sound/Music

Speaker JM: In her Master's thesis, Luise Roither refers to figures and a new forecasting model of the GKV-Spitzenverband. With its help, cost developments in the care system can be predicted.

Luise Roither: And there are, of course, an incredible number of variables that play a role. I'll just mention a few examples: fertility, the unemployment rate, migration and so on. These are all questions that are important for the contribution rate. So how many contributions are paid, how much money is in the system? And just how many pensioners do I have? How many people need care? What is the probability of needing long-term care? Not every pensioner has to be in need of care. What is the probability? And if a lot of baby boomers retire now, will they need care later or earlier? How will this develop in the future? What about prevention today? So these are variables that are difficult to summarise, but which could be taken into account in this contribution rate forecast model that I was allowed to use, i.e. which were brought together. And you can also change individual variables there. That's what I liked about the model.

Speaker JM: And her work on the forecast model also illustrated for her the extent to which political decisions have an impact on demographic development.

Speaker BK: For example, the so-called "refugee crisis" of the past decade should not be seen as a crisis at all, but as a great opportunity for the contributors and recipients of contributions in the future.

Luise Roither: Because migration means more young people coming. That is something that is normally very difficult to influence. And that has an incredibly positive effect. And nothing that I can change in the financial structure of the long-term care insurance system is as effective in terms of outcome as having more young people paying contributions.

Speaker BK: Other levers that can make a positive difference are digitalisation and innovation in the health and care system, as well as investment in disease prevention.

Luise Roither: But there are two theses. The first is the medicalisation thesis, which assumes that the likelihood of nursing cases will remain as it is or even worsen. In other words, this mass of baby boomers will definitely become just as ill and in need of care as the current pensioners. But there is also the compression thesis, which stands against this and says, well, it doesn't have to be the case that they will be just as ill and in need of care. It could also be that if they behave healthier now, they will either need care later or maybe not at all. And that would actually be the greatest goal for both the beneficiaries, let's call them both the people and the contributors who have to care for them at some point.

Sound/Music

Speaker BK: Five million fewer contributors and five million more recipients of contributions - it is an explosive development that the near future holds in store and, according to Luise Roither, it has the potential to endanger social peace if highly efficient structural reforms are not introduced.

Speaker JM: Social long-term care insurance - as Luise Roither's master's thesis has shown - is not generationally appropriate. Nevertheless, it has a social character and is therefore a valuable asset, says the young health economist.

Luise Roither: So the solidarity system we have in health and care is immensely important and definitely outweighs intergenerational justice.

And I also emphasise this because intergenerational justice, if you see yourself as a campaigner for it, then you have, or should have, the concern that a generational struggle will arise between old and young, and that must be avoided at all costs. So my work should also contribute to understanding that the beneficiaries we have to take care of because they are old and sick, yes, that we have to take care of them and that we have to do something now so that they are well taken care of. They are my parents at the end of the day.

Luise Roither: And I hope that politicians will be sensitised to this. I try to do my part, but that is certainly a bigger task for many actors.

Sound/Music

Speaker BK: Luise Roither is hopeful that many young people are now interested in a career in nursing - and that the shortage of skilled workers may not hit society as hard as expected.

Luise Roither: Many sides are making great efforts to promote nursing, both in self-administration and in politics. And it finally has the status it should have. We are not at the end of the road yet and many are now saying that the pandemic has shown that many are now leaving their jobs because it is too much, because the conditions on the wards, for example, are unacceptable. But these are all just snapshots. That doesn't necessarily mean anything for the long term. And this pandemic will be with us for a few more years, because it's a pandemic that doesn't just disappear because you get vaccinated. But at some point we will overcome it. And then we had a crisis, from which we can hopefully learn a lot about supply bottlenecks and about personnel and about the question - how do you want to dignify and treat and pay professional groups?

And that gives me great hope that this crisis can now bring some lessons for the next crisis, for the demographic crisis that will come from 2035 onwards, especially if you look at the finances, almost on the doorstep.

Sound/Music

Speaker JM/Speaker BK: Considering this, it seems almost unrealistic that two opposition parties in the Bundestag spoke out in favour of dissolving a financial instrument such as the nursing care provision fund in order to solve bottlenecks in the financing of nursing staff in the short term. Such a "fire extinguishing", says Luise Roither, is not possible. Care must be financed in the long term.

Luise Roither: And that was also the reason for writing this paper, that I said that politics should not be allowed to take advantage of it. They must not simply help themselves to these pots. It is like an accounting reserve that we are not allowed to touch and that has a very specific purpose and a date for payment.

My work has just shown - and I am allowed to take this to all possible actors and decision-makers in the health system, i.e. to make this knowledge transfer - that there is a contribution rate stability through this fund of 13 years.

After these 13 years, the contribution rate will rise and return to the actual level where it would have been without the fund. But we have 13 more years to prepare things that will reform the system in such a way that the contribution rate does not explode. And as long as we don't have an instrument that can do the same or is at least as good, we can't just get rid of it lightly, we have to stick to it. And that was the most important conclusion of this work. And of course I took that and brought it to all kinds of people as a result.

Music

Speaker Closing Announcement: Listen.UP-The Podcast of the University of Potsdam.

Produced by speak low on behalf of the Innovative University Potsdam.