**Appendix**

Table A1: Summary table for fixed-effects regression

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Variable | Obs | Mean | Std. dev. | Min | Max |
| share of LTC allowance recipients with care level 1 or 2 | 16,936 | 28.15 | 8.05 | 0 | 86.62 |
| share of LTC allowance recipients with care level 4 to 7 | 16,936 | 18.01 | 8.16 | 0 | 91.01 |
| share res. w/ university degree | 16,936 | 11.49 | 5.60 | 0 | 52.49 |
| share res. from TR/SRB/BIH | 16,936 | 1.31 | 1.88 | 0 | 15.65 |
| share res. from EU/EFTA countries | 16,936 | 5.04 | 3.97 | 0 | 66.23 |
| share res. from ROW | 16,936 | 1.25 | 1.56 | 0 | 24.25 |
| female employment rate | 16,936 | 70.17 | 5.40 | 37.02 | 90.91 |
| average household size | 16,936 | 2.46 | 0.24 | 1.75 | 3.91 |
| average age of res. | 16,936 | 43.03 | 2.45 | 35.09 | 57.08 |
| year |  |  |  |  |  |
| 2013 | 16,936 | 0.13 | 0.33 | 0 | 1 |
| 2014 | 16,936 | 0.13 | 0.33 | 0 | 1 |
| 2015 | 16,936 | 0.13 | 0.33 | 0 | 1 |
| 2016 | 16,936 | 0.13 | 0.33 | 0 | 1 |
| 2017 | 16,936 | 0.13 | 0.33 | 0 | 1 |
| 2018 | 16,936 | 0.13 | 0.33 | 0 | 1 |
| 2019 | 16,936 | 0.13 | 0.33 | 0 | 1 |

Table A2: Summary table for pooled OLS regression

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Variable | Obs | Mean | Std. dev. | Min | Max |
| share of LTC allowance recipients with care level 1 or 2 | 4,234 | 28.597 | 8.295 | 0 | 84.31 |
| share of LTC allowance recipients with care level 4 to 7 | 4,234 | 18.267 | 8.272 | 0 | 88.17 |
| share res. w/ university degree | 4,234 | 11.495 | 5.623 | 0 | 51.58 |
| share res. from TR/SRB/BIH | 4,234 | 1.311 | 1.883 | 0 | 15.65 |
| share res. from EU/EFTA countries | 4,234 | 5.024 | 3.972 | 0 | 63.27 |
| share res. from ROW | 4,234 | 1.120 | 1.457 | 0 | 16.15 |
| female employment rate | 4,234 | 70.499 | 5.490 | 38.55 | 88.1 |
| average household size | 4,234 | 2.458 | 0.240 | 1.75 | 3.91 |
| average age of res. | 4,234 | 43.050 | 2.459 | 35.09 | 55.65 |
| rural municipality  | 4,234 | 7.701 | 2.899 | 1 | 11 |
| municipality w/ care home | 4,234 | 0.291 | 0.454 | 0 | 1 |
| average subjective health | 4,234 | 2.602 | 0.263 | 1.94 | 3.10 |
| year |  |  |  |  |  |
| 2014 | 4,234 | 0.500 | 0.500 | 0 | 1 |
| 2019 | 4,234 | 0.500 | 0.500 | 0 | 1 |

Table A3: Robustness: FE- regression with alternative dependent variables

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|   | **model 7** | **model 8** | **model 9** |  | **model 7** | **model 8** | **model 9** |
| variable | dep. var: share of LTC allowance recipients with care level 1 or 2 (over population 70+) | dep. var: share of LTC allowance recipients with care level 4 to 7 (over population 70+) | dep. var: share of LTC allowance recipients with care level 1 to 3  | variable | dep. var: share of LTC allowance recipients with care level 1 or 2 (over population 70+) | dep. var: share of LTC allowance recipients with care level 4 to 7 (over population 70+) | dep. var: share of LTC allowance recipients with care level 1 to 3  |
| share res. w/ university degree | -0.076\*\*\* | -0.079\*\*\* | -0.385\*\*\* | year = 2013 | reference category |
| (0.027) | (0.023) | (0.052) | year=2014 | 0.411\*\*\* | 0.292\*\*\* | 0.666\*\*\* |
| share res. from TR/SRB/BIH | -0.043 | 0.044 | -0.248\* | (0.070) | (0.060) | (0.137) |
| (0.076) | (0.065) | (0.148) | year = 2015 | 0.641\*\*\* | 0.517\*\*\* | -0.906\*\*\* |
| share res. from EU/EFTA countries | -0.123\*\*\* | -0.027 | -0.224\*\*\* | (0.079) | (0.068) | (0.155) |
| (0.024) | (0.020) | (0.046) | year = 2016 | 0.460\*\*\* | 0.736\*\*\* | -1.607\*\*\* |
| share res. from ROW | -0.233\*\*\* | -0.116\*\*\* | -0.516\*\*\* | (0.093) | (0.080) | (0.181) |
| (0.030) | (0.026) | (0.058) | year = 2017 | 0.265\*\* | 0.999\*\*\* | -3.136\*\*\* |
| female employment rate | -0.002 | -0.023\*\*\* | -0.015 | (0.107) | (0.092) | (0.209) |
| (0.010) | (0.009) | (0.020) | year = 2018 | -0.086 | 0.890\*\*\* | -3.220\*\*\* |
| average household size | -1.693\*\*\* | 0.837\* | -6.709\*\*\* | (0.122) | (0.105) | (0.238) |
| (0.527) | (0.452) | (1.029) | year = 2019 | -0.355\*\* | 0.830\*\*\* | -3.279\*\*\* |
| average age of res. | -0.283\*\*\* | 0.246\*\*\* | -0.965\*\*\* | (0.138) | (0.118) | (0.270) |
| (0.052) | (0.045) | (0.102) | year = 2020 | -0.405\*\*\* | 0.693\*\*\* | -2.825\*\*\* |
| Observations | 16,936 | 16,936 | 16,936 | (0.150) | (0.128) | (0.292) |
| R-squared | 0.077 | 0.029 | 0.245 | constant | 37.003\*\*\* | 1.596 | 105.785\*\*\* |
| Number of municipalities | 2,117 | 2,117 | 2,117 |  | (3.039) | (2.604) | (5.933) |
| Notes: Standard errors in parentheses; \*\*\* p<0.01, \*\* p<0.05, \* p<0.1 |   |   |   |

Table A4: Robustness: FE- regression with alternative independent variables

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|   | **model 10** | **model 11** |  | **model 10** | **model 11** |
| variable | dep. var: share of LTC allowance recipients with care level 1 or 2 | dep. var: share of LTC allowance recipients with care level 4 to 7 | variable | dep. var: share of LTC allowance recipients with care level 1 or 2 | dep. var: share of LTC allowance recipients with care level 4 to 7 |
| average yearly pensions | 0.000 | -0.000\* | year = 2013 | reference category |
| (0.000) | (0.000) | year = 2014 | 0.480\*\*\* | 0.334\*\*\* |
| share res. from EU/EFTA countries | -0.215\*\*\* | -0.039 | (0.113) | (0.092) |
| (0.038) | (0.031) | year = 2015 | -0.903\*\*\* | -0.341\*\*\* |
| share res. from ROW | -0.370\*\*\* | -0.174\*\*\* | (0.129) | (0.105) |
| (0.046) | (0.038) | year = 2016 | -1.710\*\*\* | -0.403\*\*\* |
| female employment rate | 0.003 | -0.028\*\* | (0.147) | (0.120) |
| (0.017) | (0.014) | year = 2017 | -3.144\*\*\* | -0.763\*\*\* |
| share of single households | 0.008 | -0.006 | (0.167) | (0.137) |
| (0.026) | (0.021) | year = 2018 | -3.447\*\*\* | -0.810\*\*\* |
| average age of res. | -0.582\*\*\* | 0.223\*\*\* | (0.188) | (0.154) |
| (0.081) | (0.066) | year = 2019 | -3.566\*\*\* | -0.737\*\*\* |
| constant | 56.154\*\*\* | 12.361\*\*\* | (0.212) | (0.174) |
| (3.687) | (3.015) | year = 2020 | -3.347\*\*\* | -0.724\*\*\* |
| Observations | 16,936 | 16,936 | (0.235) | (0.192) |
| R-squared | 0.263 | 0.030 |  |  |  |
| Number of municipalities | 2,117 | 2,117 |  |  |  |
| Notes: Standard errors in parentheses; \*\*\* p<0.01, \*\* p<0.05, \* p<0.1 |   |   |

Table A5: Robustness: Pooled OLS regression with alternative independent variables

|  |  |  |
| --- | --- | --- |
|   | **model 12** | **model 13** |
|   | dep. var: share of LTC allowance recipients with care level 1 or 2 | dep. var: share of LTC allowance recipients with care level 4 to 7 |
| average ADL (1=no difficulties) | 9.401\*\*\* | 7.893\*\*\* |
| (2.273) | (2.610) |
| share res. w/ university degree | -0.268\*\*\* | -0.132\*\* |
| (0.056) | (0.052) |
| share res. from TR/SRB/BIH | -0.110 | 0.038 |
| (0.165) | (0.184) |
| share res. from EU/EFTA countries | -0.577\*\*\* | -0.172\*\*\* |
| (0.093) | (0.057) |
| share res. from ROW | 0.541\*\* | 0.139 |
| (0.253) | (0.176) |
| female employment rate | -0.160 | -0.057 |
| (0.105) | (0.068) |
| average household size | -5.597\*\*\* | 2.982\*\* |
| (1.237) | (1.426) |
| average age of res. | -0.376\*\*\* | 0.586\*\*\* |
| (0.128) | (0.143) |
| rural municipality (1=urban; 11=rural) | -0.070 | -0.187 |
| (0.119) | (0.142) |
| number of care beds in municipality  | 0.003\*\* | 0.008\*\*\* |
| (0.001) | (0.003) |
| year = 2019 (ref: 2014) | -5.748\*\*\* | -2.916\*\*\* |
| (0.923) | (0.806) |
| constant | 66.844\*\*\* | -15.501\* |
| (12.401) | (8.267) |
| Observations | 4,234 | 4,234 |
| R-squared | 0.210 | 0.079 |
| Robust standard errors in parentheses; \*\*\* p<0.01, \*\* p<0.05, \* p<0.1 |