A Case Study of the Elder Care Functions of a Chilean Non-Governmental Organization

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Abstract

This paper examines the history and role of a faith-based Chilean nonprofit organization, *Hogar de Cristo* (Christ's Home), in providing elder care in the context of recent demographic and sociopolitical changes in that country. Chile has been at the forefront of market based reforms in the delivery of social services and its experience provides insights into the intersecting roles of the State, the Market, and the Non-Governmental sector in providing for basic human needs. Based on in-depth interviews, archival data, and field observations, the authors discuss the role of Non-Government Organizations (NGOs) in the care of the elderly generally, and investigate the institutional, political, and social factors underpinning the successful experience of *Hogar de Cristo* in providing basic services to the elderly poor in Chile. The unique success of this organization results from a number of factors including a capacity to adapt to changing client needs, the successful adoption of an entrepreneurial style of management and outreach, and the building of trust through effective public relations. Although conditions unique to the situation of this faith-based organization in a highly Catholic country may account for its success, the experience of *Hogar De Cristo* provides useful lessons for the future of elder care policy in the Americas.

Introduction

The population of the world stands on the threshold of a demographic revolution unparalleled in human history. The growing number of elderly persons, and the increasing proportion of the population that they represent, present developing as well as developed nations with a wide range of problems related to the care and support of a dependent older population and the need to ration scarce resources among age groups. Nowhere is this situation more urgent than in the nations of North and South America, in which populations will age rapidly well into the twenty-first century (Palloni, De Vos, and Pelaez, 2002). By 2025, at least one-fifth of the populations of fifteen countries in the western hemisphere will be sixty or older (Chamie, 2005). In a period that will likely be characterized by slow or no economic growth national, regional, and local governments will face increasing difficulties in providing all of the support their citizens, including their older citizens, need (Pierson, 2001). Population aging in Latin American countries creates a new demographic and social reality that requires novel approaches to the care of older adults, as well as the formulation of public policies that increase the use of non-governmental organizations (NGOs) in providing support services that the State is ill-equipped to provide.

In this paper we focus on Chile, which like other Latin American nations has traditionally looked to the family as the primary source of care for the elderly (Soldo & Freedman, 1994). This reliance on the family, though, is today strained by profound demographic and social changes that undermine the family's care giving capacities. Where the family cannot cope, the State and market provide potential alternatives. Yet in Chile market-based solutions to elder care have not been, nor are they likely to be, the answer. Institutional long-term care is simply too expensive for the majority of families or for the nation as a whole. In 2002 fewer than two percent of elderly Chileans resided in nursing homes (Marin, Guzman, & Araya, 2004). Although this percentage may increase in the future, at least among the middle class, for the poor other solutions must be found. Today fewer older Chileans live in extended families than in the past, and like other developed and developing nations Chile has experienced a rapid growth in

female labor force participation (De Vos, 2000; Duryea, Edwards, & Ureta, 2001), meaning that fewer adult women remain at home to care for aging parents and in-laws. By 2003 women made 36 percent of the Chilean labor force (United Nations, 2005). These demographic and social changes mean that the family care-giving labor force has dwindled and the elderly have fewer informal sources of ongoing support. Other social trends, such as the increased urban segregation of the poor, undermine the mutual support capacities of extended social networks and erode the care-giving capacities of entire communities (Kaztman, 2001).

This decreased caring capacity of families and communities occurs in conjunction with increases in the prevalence of disabling chronic conditions. Data from the Survey of Ageing and Well-being in Latin America reveals that in Chile 68.1% of women and 57.8% of men sixty and over suffer from poor health (Palloni et al., 2002). Approximately one out of every two (46.8%) Chilean Women and one out of every three men (38.4%) over the age of 75 suffer some difficulty in performing instrumental activities of daily living, such as managing money or preparing meals. As nations like Chile confront the problems of a growing dependent population during a period of protracted fiscal austerity, non-governmental organizations (NGOs), which face increasing financial pressures themselves, have been forced to assume new or expanded roles in caring for the elderly.

The Utility of a Case Study

In this paper we examine the role of one faith-based NGO in Santiago to asses its role in providing care to the elderly. We examine the factors that have impelled this particular organization to assume responsibility for various services for the poor elderly, and also elaborate the reasons for its impressive growth in size, as well as its extensive social and cultural influence throughout the country. The objective of this case study is both to understand the magnitude of emerging problems in the realm of long term care in a fairly affluent Southern hemisphere nation and to detail one potential response. Within this context we wish to understand the emerging distribution of responsibilities among the State and other organizations, as well as the specific conditions under which the NGO sector can address certain long-term care needs. Our objective

might be usefully summarized in terms of Stake's (1994) description of the "instrumental" case. The label refers to the fact that the "case" is of interest not necessarily because it is representative or typical of a class, nor because it may be useful for generalization, but because it provides useful insights and *ideas* about a specific problem or it provides an opportunity to refine a theory. The case represents an opportunity to frame and investigate a new domain or an old one from a new perspective (Stake 1994 cited in Arzaluz Solano 2005). From this perspective the unique aspects of *Hogar de Cristo* as an organization, far from representing obstacles to understanding important social processes, provide an excellent opportunity to identify those conditions under which the contribution of a nongovernmental and nonprofit organization can be feasible and effective. Of course given the uniqueness of any particular organization, specific generalizations concerning an entire service sector must be made cautiously. Nonetheless, case studies provide the detailed assessment of a variety of factors in context that more of an overview analysis might miss.

The data for this case study were collected during two summers of fieldwork in Santiago, Chile in 2003 and 2004. Contact with *Hogar de Cristo* was made as part of a larger project that the authors are carrying out on the role of civil society in the provision of health care services in poor communities in the Southern Cone region. The senior author conducted in-depth interviews with staff members and directors of the organization, as well as officials from municipal and central government health agencies. These primary sources were complemented with field observations at different institutional settings and contrasted with archival data, both provided by the organization and available through informal sources. Former employees of the organization living in the United States also served as a valuable source of information. As a Catholic organization in a highly Catholic country *Hogar de Cristo* has strong community ties through local parishes. It also enjoys popular support which has been fostered by the fact that it provides a broad range of services to the poor of all ages throughout the country. In what follows we present the information collected from these sources and examine the origin and mission, the administrative structure, staffing and funding sources of *Hogar de Cristo* and provide

information concerning aspects of its institutional capacity and effectiveness in dealing with the social problems of the elderly.

A Looming Demographic Crisis and the Public Policy Context

As Table 1 reveals, by the middle of the current centuries over a fifty of the populations of most Latin American nations are projected to be over sixty years of age. In light of this unprecedented demographic change all of the nations of South America will face serious challenges in providing for the basic social and medical care needs of the elderly. In the context of this new demographic and social reality attempts to understand successful models of community care take on a vital importance. Even though it is well ahead of other Latin American

Table 1: Percentage of Adults Over 60 in Selected Latin American Nations, 2000 to 2050

Country	% Population 60 years or older		
	2000	2025	2050
Argentina	13.3	16.6	23.4
Bolivia	6.2	8.9	16.4
Brasil	7.9	15.4	24.1
Colombia	6.9	13.5	21.6
Cuba	13.7	25.0	33.3
Chile	10.2	18.2	23.5
México	6.9	13.5	24.4
Paraguay	5.3	9.4	16.0
Perú	7.2	12.6	22.4
Uruguay	17.2	19.6	24.5
Venezuela	6.6	13.2	21.4

Source: José Miguel Guzmán, *Población y Desarrollo*, Series CEPAL, April, 2002

nations in addressing the problem, Chile has only recently begun to develop a formal approach to assessing the health and social care needs of the elderly. The most notable developments in this regard stem from the privatization initiatives in health and social security that were begun during the 1980's and that have led many to view Chile as a model of market reforms. Even prior to

these market reforms, though, some limited governmental initiatives designed to assist the elderly were implemented during the Pinochet dictatorship. For the most part these were based on a paternalistic and traditional approach. It was not until the 1990s after the return of democracy that formal policies that dealt with the elderly were introduced. Today a range of public programs address a wide range of needs among the elderly from the need for legal assistance, recreation, health care, access to the web and library resources, financial assistance, and much more **(**Hogar de Cristo, 2004). The general philosophy informing the new policy initiatives has been to encourage *autovalencia* (self-reliance), and *envejecimiento sano y activo* (healthful and active aging). These objectives were to be achieved through flexibility in policy design based on a combination of decentralization of control with the State's role consisting of regulatory oversight. The culmination of this changing policy environment was the creation in 1999 of the *Servicio Nacional para el adulto mayor* (National Service Agency for Mature Adults).Despite these new initiatives in public policy focused on the elderly the overall approach remains inadequate given the extent of the need. Most fundamentally, since new programs are designed primarily for fairly self-reliant individuals with defined and limited needs they do not address the needs of the impoverished and dependent elderly with multiple and complex problems. Like many public programs designed for specific groups they fail to take socio-economic or cultural differences, or even differences in physical and mental health care needs, within the elderly population into account. It is specifically in response to these shortcomings that *Hogar de Cristo* defines its unique niche. As an independent but influential and powerful faith-based organization it has been able to develop culturally specific and integrated responses to the needs of specific subgroups.

Privatization and targeted programs in Chile formed the core of the neoliberal social policy agenda begun under the military regime in the 1970s, and these policies were reaffirmed by civilian presidents after the restoration of democracy in 1990. The privatization of health care services during the Pinochet regime entailed the development of a for-profit private health sector consisting of institutions called ISAPRE's otherwise known as *Instituciones de Salud Previsional* (Health Providing Institutions). This system covered the middle class, which could afford to pay for services. Although the plan was successful in fostering a private health care market, privatization could not address the needs of the poor nor provide long-term care for the elderly (Rojas, 1998). Growing levels of need that neither the State under National Public Health Fund (*Fondo Nacional de Salud,* FONASA) nor the market could address formed the vacuum in which NGOs and grass-roots organizations began to define their new roles.

After the end of the military dictatorship, elected governments actively encouraged the growing presence of NGOs in social services –formerly tolerated by Pinochet--through the development of an array of formal policies that strengthened the NGOs' capacities and that actively encouraged their involvement in providing social services. Presidents Aylwin, Freire, and Lagos increased the amount of social service funding funneled through these organizations. During the early years of the democratic restoration (1990-1993) the Chilean government's financial support of NGO activities increased by approximately 600% (Cancino & Vergara, 1996). In Chile today the mobilization of civil society organizations to address the needs of the elderly is proceeding apace. Directories of local or municipal non-profit sectors are filled with large numbers of social, recreational and other organizations that provide opportunities for the social integration of the elderly. A national network of *clubes de ancianos* (elder clubs) founded in the 1960s and sponsored by the Catholic agency *Caritas* gained high visibility during the 1980s and 1990s and promote self-help and provide services and assistance to the elderly. According to data from the *Comité Nacional para el Adulto Mayor* (National Committee for the Elder Persons) there were 6,094 elder clubs in 2001, comprising a membership of approximately 200,000 individuals. In 2001 the Catholic Church sponsored 2,014 *Clubes Parroquiales del*

Adulto Mayor (Parish Elder Clubs) that promote social integration and mutual support for more than 60,000 elder persons.

Despite the great number of such organizations though, an examination of their activities suggests that only a few provide more than minimal health care. Even the numerous elder clubs, which promote a holistic approach to health, provide only limited health services. A study of Catholic Church assistance to elder groups revealed that only six percent of the financial support given to these groups is used for medical purposes (CISOC, 2001). As we noted earlier, this limited role in direct health service provision is hardly surprising. The requirements in terms of infrastructure, technology, and trained personnel make population health care a clear State responsibility. Although some physician associations may be legally registered as non profits, they are clearly different organizations than the community-based NGO that provides a broader range of community-based support services.

It is in this economic, organizational, and cultural context that *Hogar de Cristo* (Christ's Home) stands out in providing care to the elderly. The organization, with more than 60 years of experience has earned a nationwide reputation based on years of highly visible work with the poor and the elderly. Among other unique features, the organization offers the full range of residential assistance, including in-home assistance, day-care centers, assisted living residential homes, and for those with no family options, nursing homes. This array of services is provided without direct assistance from the State. In Chile today "elder clubs" and *Hogar de Cristo* represent more than new organizational forms, they are clearly part of a social movement with grass-roots origins that has emerged to address the needs of a growing population of impoverished elderly persons. The following case study is motivated by the fact that although NGOs have become an increasingly important part of the health care landscape worldwide little is known about the nature and extent of their operations (Frank & Salkever, 1994). Nor is there extensive evidence concerning the scope of their coverage or the effectiveness of the services they provide (Edwards & Hulme, 1996).

The Case Study: *Hogar de Cristo* (Christ's Home) in Santiago, Chile

Hogar de Cristo, both as an organization and a social movement, was founded in 1944 by a charismatic leader, Father Alberto Hurtado,[1] a Jesuit priest who felt compelled to respond to the large number of homeless people in Santiago. One of the organization's initial initiatives was the establishment of a shelter for homeless people in 1946. The elderly were not singled out as a particular focus but have come to represent a large fraction of the clientele served. Since it was founded the organization's mission has grown and become more focused on specific populations and areas of need. Today, the organization's structure reflects the diverse mission of the organization, which includes not only elder care programs, but also services for impoverished children, families and communities; homelessness and temporary shelter; high-risk youth; and health. The mission of the organization is deeply rooted in the social doctrine of the Catholic Church, which teaches that all citizens are responsible for caring for the poor. In addition to its mission of ministering to the needs of the poor, *Hogar de Cristo*'s activities include advocacy and public relations aimed at raising the public's awareness of the problem of poverty in Chile. By 1951 the organization had already provided shelter to 700,000 people and distributed 1,800,000 meals (Erlick, 2002).

Today, the organization has become the public embodiment of altruism and solidarity in Chile and its influence continue to grow. Since its beginning *Hogar de Cristo* has become professionalized and has adopted managerial, administrative and fund-raising strategies that have allowed it to increase private donations and avoid dependency on the State or on the Catholic Church. In 2002, nearly 32,000 people received services daily (AmeriSpan, 2004). In Santiago alone, 2,654 clients aged sixty and over receive services on a daily basis. National survey data indicate that *Hogar de Cristo* is the most trusted organization in the country (CERC, 1996). The recent canonization of Padre Hurtado by Pope Benedict XVI only enhanced the founder's

[1] Father Alberto Hurtado was born in Viña del Mar in 1901 and died in 1952. He was beatified by Pope John Paul II in 1994 and proclaimed Saint by Pope Benedict XVI in October 23rd 2005. In memory of his life, the day of his death was declared the national holiday *Día Nacional de la Solidaridad* (National Day of the Solidarity) in Chile.

reputation as well as that of the organization among Chileans. Although religion remains an intrinsic part of the organization's life, employees, volunteers and those who receive help can be of any religion. *Hogar de Cristo* offers membership and the organization has strong membership support, which is a major factor that allows it to remain financially independent. Membership has continued to rise since the option was made available in the early 1970s. During the last six years membership has almost doubled in Santiago and more than tripled in the rest of the country. In 2004, *Hogar de Cristo* had close to 650,000 members which represent slightly over three percent of the Chilean population of 15 million.

Hogar de Cristo's Unique Niche

With few exceptions, community-based NGOs are best suited for providing frequently needed and relatively inexpensive services on a time and resource limited basis (Pereira and Angel, 2005) Such assistance might include providing or preparing food or temporary shelter, assisting with small monetary subsidies, providing medical supplies, or training family members to assume care giving responsibilities. *Hogar de Cristo* is somewhat exceptional in that it provides a certain amount of long-term care which is by definition time and resource intensive. The inclusion of medical services in the organization's structure such as vision, hearing and dental care, as well as psycho-social assistance related to chronic diseases, address the most seriously unmet health needs of the elderly in Chile (Marin and Wallace 2002). Nonetheless, for the most part its mission focuses on the bounded needs of specific sub-populations with the ultimate goal of assuring adequate provision of culturally competent care based on an intimate knowledge of and capacity to work in these communities. In the domain of elder care NGOs like *Hogar de Cristo* provide a wide range of social and medical services to families and individuals who have limited support from other safety networks and received insufficient responses from public services. At their most intensive, the services provided can include geriatric primary care preventive services, mental health care and long-term care when insufficient family assistance is available.

Perhaps the most important questions that arise, though, relate to the effectiveness of NGOs in particular problem areas. In the domain of elder care we might operationalize the *effectiveness* of the delivery model in terms of the extent to which NGO intervention prevents institutionalization and provides viable community options for support. In the case of severe functional incapacity when independent living is no longer possible certain NGOs like *Hogar de Cristo* might provide institutional care. While temporary or occasional support services are probably provided by all such organizations, only a few are capable of providing full institutional care given its cost. Offering a range of services from home care to residential care represents the ideal since the need profile of the population varies from those with minimal needs to those who are completely dependent.

What distinguishes formal NGOs from more basic community or grass-roots community or informal care efforts is that they are characterized by some degree of *professionalization,* in terms organizational structure, management, and the supervision and skills of the care providers. Like any other organization, in order to be effective in its mission the NGO must have adequate resources and use them in an actuarially responsible manner. It must have the capacity to assure the training of staff and volunteers to provide high-quality services and it must insure a professional institutional environment. To be effective the NGO must achieve an adequate level of professionalization while optimizing the ability of staff and volunteers to respond to changing community needs and to draw upon local knowledge. The successful NGO, then, must combine the often conflicting needs of organizational professionalization and bureaucratization and the desire to remain close to the community and clients on which its unique approach is based.

Mission, Organization and Structure

Within each of service domains area coordinators oversee different programs and activities that employ professionals, educators, psychologists, social workers and volunteers. Clearly, much of the success of *Hogar de Cristo* in attracting resources and public participation stems from the fact that its founder and the organization draw upon the cultural capital of a Catholic identity in a highly Catholic country. Professionalization and growth have not

weakened that identity. Administratively, a nine member board of trustees, the most senior of which is a Jesuit priest, oversees national operations. All members of the board are volunteers and their duties include assuring that the activities of the organization conform to the mission statement, the approval of new programs and areas of intervention, and the creation of subsidiary organizations. In additional to the national board, the organization relies on regional boards of directors whose purpose is to foster local support and develop an understanding of local needs. The regional boards of directors are appointed directly by the national board and are responsible for the progress and administration of local projects.

Because of its size and complexity, *Hogar de Cristo* has two executive directors, one in charge of managing social programs and the other responsible for administrative oversight. Both directors report to the board of trustees. Approximately, 2,500 staff members and 7,000 volunteers carry out the organization's work (AmeriSpan, 2004). Two related but privately managed entities are the *Hogar de Cristo* Funeral Home, of which *Hogar de Cristo* owns 98%, and *Hogar de Cristo* Housing, the organization's housing division that has built 440,000 housing units for low-income families in Chile (The Nonprofit Enterprise and Self-sustainability Team, 2000). The administrative director coordinates the activities of the financial and human resources departments and is in charge of overseeing and providing administrative support to all affiliates throughout the country. The division between administrative and service delivery functions has been identified as a major factor in *Hogar de Cristo's* overall success.

One of the problems that accompany growth of service-delivery organizations is the loss of contact with the grass roots. The complex structure of *Hogar de Cristo* and the reliance on regional boards and affiliates, though, appears to enhance the organization's ability to retain much of its grass roots focus. The organization has established more than 50 affiliates in the various regions of the country, including three in the Santiago metropolitan area itself. Although the decentralized nature of the organization may have contributed to its success, the board is currently moving toward a more centralized model of governance as a means of exerting greater control over the regions and of preserve the "image capital" accumulated by *Hogar de Cristo*

throughout its history. Again, growth and success require more bureaucratic rationality and accountability and it will be interesting to see if the organization is able to maintain its close ties at the community level in the future. The national directors have expressed their objective as an attempt to develop a model of governance that is "territorially decentralized but functionally centralized."

A great deal of importance is given to the recruitment, training, and monitoring of volunteers who on average devote four hours a week of their personal time. A specific department under the supervision of the social service director receives requests for volunteers from different programs and is charged with the responsibility of recruiting and training individuals to serve. Each service domain includes an individual who is charge with monitoring the performance of volunteers. This position is necessary since problems with volunteers arise from a lack of preparation and conflict between volunteers' desires and the needs of the program. All of these features reflect an organization that has reached a size that requires a great deal of internal coordination and administration.

Assessing Client's Needs and Targeting Services

Hogar de Cristo's mission statement states that its elder care function consists of the delivery of care in a dignified and integrated manner to men and women living in poverty who have no other social resources available to them. The ultimate objective is to mobilize and strengthen the social resources available to an older individual, his or her family, and community in order to increase autonomy and avoid dependency to the maximum possible extent. Even a large organization like *Hogar* faces serious limitations to what it can do and it has developed a formal policy of targeting services to those in greatest need. This targeting is based on a screening instrument used to asses the degree of need among those who seek assistance. In addition to determining the amount of community and family support available to each applicant, the screening instrument assesses other areas of potential need or vulnerability. These include assessments of mental health; physical disability; chronic illnesses; income adequacy; cultural factors associated with deprivation and marginality; domestic violence; past and present alcohol

and drug abuse; and the degree of access to basic services. A lack of social support and an inadequate income are two factors common to all individuals who receive help from *Hogar de Cristo*.

Given the clearly negative impact of physical or mental problems on the independence and well-being of the elderly these domains represent major concerns. In addition to those with such problems, those considered to have the highest need include elderly couples and individuals with low levels of autonomy who are living alone, elder persons who are providing care to a disabled family member, and older persons living in families that lack the economic resources to provide for the older person's needs (*Hogar* de Cristo, 2004). This formal targeting of services is based on the realization that the elderly do not comprise a homogeneous population. For certain individuals, especially those who were unable to save or accumulate assets during their working years, old age bring with it the serious risk of poverty and illness. Those with the fewest social and economic resources are the individuals that are often not well served by poorly coordinated government programs. Within the population in need each individual's situation represents a combination of unique factors that require personalized intervention strategies. Again, governmental programs are often ill equipped to personalize services and offer one-size-fits-all program packages. *Hogar de Cristo* is particularly successful at the tailoring of targeted services to specific constellations of need.

Few problems that older individuals face exist in isolation and many are part of a package of needs that require an understanding of a problem's social, economic, and cultural roots. The integrated multidisciplinary approach to which *Hogar's* mission statement refers specifically focuses on the need to attend to these multiple dimensions of need. In order to do so, individuals with a wide range of professional skills and knowledge of the community participate in the elder care programs. In addition to their unique configuration, the problems and needs that older individuals face do not remain static or constant over time. Effective intervention and assistance requires flexibility and a close attention to the context in which an older person and his or her

family operates. Again, *Hogar's* close to the ground approach allows it to adapt its services to changing client circumstances.

Organizational Responsiveness and Flexibility

Among *Hogar de Cristo's* key operational characteristics that have contributed to its success are the organization's capacity to scale up services quickly, its ability to reach out to new target populations, and its ability to widen the scope of interventions without compromising the quality of the services provided. This flexibility reflects the unique structure of the organization that incorporates specialization and professionalization and a vertical administrative hierarchy with flexibility in defining problems and employing volunteers. As a consequence, the organization has been able to remain loyal to its original mission while adapting its responses to the changing needs of the poor and taking on the challenges posed by new models of intervention.

The increasing share of the elderly among the organization's target population and the growing challenge it faces in providing assistance to families in the community who care for elderly individuals require new adaptations. Today the largest share of expenditures, approximately one-third, goes to support programs for the elderly. Although *Hogar de Cristo* is commonly viewed as providing supportive services in the community, the organization has also embraced discourses and practices that emphasize self-help, empowerment, and community participation. The conflict between service delivery and community capacity building has been an ongoing source of tension. Currently, programs for the elderly consist of community assistance, day care, and residential programs (Hogar de Cristo, 2004).

A core objective of each component is to maximize an elderly individual's autonomy and independence. In response to the growing need for long-term care and the desire for elders to remain in the community with dignity and respect, *Hogar de Cristo* offers a continuum of care that covers the full range of needs, from nearly complete reliance on community and family members to institutionalization. The four options that make up the continuum include: (1) in home assistance; (2) day care centers; (3) self-managed residential homes; and (4) protected

residential homes. On a daily basis the organization serves 2,654 older individuals through these programs in Santiago. Several factors are considered when determining an elderly person's eligibility for admission to residential programs. These include age (one must be sixty years old or over); income (one's family income must be lower than the poverty threshold which was $40,000 Chilean pesos in 2005); available housing quality and safety (one must be homeless or living in substandard housing or the victim of mistreatment/violence); and health (suffering from alcohol abuse, and/or afflicted with a disease or health problem) (Hogar de Cristo, 2004).

The types of services the organization provides to community residents include transportation to health care facilities, help with medications, legal and financial assistance, and help with food, household items, clothing and other daily necessities (Hogar de Cristo, 2004). Another intervention model is embodied in social support programs that are focused on the prevention of isolation. These programs are based in day care centers that provide educational services, recreational activities, occupational therapy, family intervention, nutritional and health information, transportation to and from the centers, assistance with hygiene and hairdressing, laundry services, household repair, temporary care and other services as needed. These services overlap and complement those of the independent living initiatives (Hogar de Cristo, 2004).

The most ambitious and extensive interventions are part of the organization's housing and assistance programs, which include institutionalization in the most serious cases. *Hogar de Cristo* is perhaps unique in actually providing long-term care in its own facilities. These programs are geared toward those elderly individuals who are too impaired or who do not have the family resources to live in the community. These residential services, which are offered on a temporary or longer-term basis depending on need, are provided in housing units that are located near the day care centers (sure?). The residents receive the full range of services offered by the other programs. In Santiago a total of 1,260 people receive services in these residential facilities (Hogar de Cristo, 2004).

Hogar de Cristo's success has led to an increasing demand for its elder care services. The magnitude of this demand has required that certain of the specific service delivery entities of

the organizations *convenios* (contractual agreements) with third parties to help fill the gap. These subcontracts include such ancillary service providers as foundations, parishes, other NGOs and religious congregations. These third parties administer aspects of the service delivery programs and in certain cases they also contribute funding and infrastructure. For the most part, though, *Hogar de Cristo* funds the subcontractors and provides supervision, consultation, and assistance with the targeting through its centralized screening procedures for determining who receives services. Such subcontracted services represent a large share of the total number of individual served. In 2003, for example, while 831 individuals were housed in *Hogar de Cristo's* own long-term care homes, 378 were in subcontracted home situations. Of the 606 individuals receiving day care services, 335 were served by subcontractors.

Reflecting its high level of professionalization, *Hogar de Cristo* employs best practice management techniques and innovative fundraising strategies. The fact that the organization receives relatively little of its funding from the State makes it an exception to other NGOs in the region. Indeed many NGOs have become little more than State agencies, a fact that has resulted in much criticism (Gideon, 1998). Although *Hogar de Cristo* is a faith-based organization, it does not receive direct funding from the Catholic Church (The Nonprofit Enterprise and Self-sustainability Team, 2000) although it does receive funds from all of the national and international Catholic fundraising sources. *Hogar de Cristo*, in fact, serves as a source of funding and expertise for other charitable organizations and groups who call upon *Hogar* to assist in fund raising campaigns and the support of other community projects.

Most of *Hogar de Cristo's* financial support comes from private donations rather than public funds or private grants (Nonprofit Enterprise and Self-sustainability Team 2000). In 1998, 82% of the organization's expenses were funded through its internal income generation strategies: 47% from membership donations, 15% from fee for services (including 10% from contacts with Chilean Government); 4% from sales of products, such as holiday and greeting cards, 6% from rental property income; and 10% from licensing agreement royalties (Nonprofit Enterprise and Self-sustainability Team, 2000). The organization also co-owns three

supermarkets (The Nonprofit Enterprise and Self-sustainability Team, 2000). In 2002, the foundation created a private enterprise, *Providencia SA*, to assume the responsibility of collecting monthly dues, a move that shifted responsibility from voluntary collectors to paid professional subcontractors.

An important source of revenue is a funeral home founded in 1954. The project was begun in response to the fact that many Chileans could not afford to pay the burial expenses and other costs associated with the death of a loved one. The funeral home has contracts with *Parque del Recuerdo* (Memory Park) cemetery, *Prever (*a funeral service company), and *Cinerario Hogar de Cristo* (a crematory). One of the most effective fund raising mechanisms is the selling of *Coronas de Caridad* (Crowns of Charity), which are memorial cards that convey expressions of love for a departed loved one and served as replacements for traditional funeral wreaths. These cards have become a national symbol throughout Chile and are a valued vehicle for expressing affection while supporting the work of the organization.

As we noted, *Hogar de Cristo's* fund raising capacity is so highly developed that it has, in practice, become a foundation and it serves as a source of funding for other organizations, NGOs, grass roots and projects. In recent years international donor agencies have reduced their contributions to intermediary NGOs in Latin America. In this environment *Hogar de Cristo's* capacity for self-sufficiency in fund raising has persisted and makes it stand out within the NGO domain.

Hogar de Cristo employs a very detailed system of accountability. Every unit keeps detailed records of all services provided, persons served, and money spent. This information is transmitted to a central accounting department which compiles the data. The detailed system of accountability enables the organization to calculate the daily cost of the different services provided to recipients, including the elderly, on a detailed basis. The informational system is very important for planning future budgets, identifying inefficiency and waste, and identifying effective and ineffective programs. Since the organization raises the majority of its funds from the general public, public accountability is more of an issue than governmental accountability.

The public favorably views the organization because of its reputation and commitment to service (The Nonprofit Enterprise and Self-sustainability Team, 2000).

Conclusion

As envisioned by Stake's (1994) typology of case studies, our examination of the elder care functions of *Hogar de Cristo* raises several questions that suggest a promising research agenda for the future. This case study produced several insights related to the operational environment in which this particular organization operates, as well as its effectiveness in the problem domains it addresses. Perhaps most obviously, it is clear that the State, in its legitimizing, funding, and regulatory capacity, largely determines the legal and social environment within which the organization operates. In Chile today the State's influence is manifested through several mechanisms. These include policies related to the privatization of service delivery; the decentralization of services and a greater emphasis on a municipal administration, and democratization, which creates greater opportunities for civil society in framing and addressing social problems.

Another insight was the extent to which *Hogar de Cristo* stands out among nongovernmental and nonprofit organizations is the degree to which it is able to avoid economic dependency on the State. Many NGOs function largely as State agencies in carrying out mandates funded by governmental agencies. Of course, given the size of the Catholic Church in Chile this distinction is perhaps not remarkable since the Church possesses great resources and social power and is in many ways a State unto itself. This independence from the State does not come without costs, though; perhaps most notably in the fact that even given its size *Hogar de Cristo* does not have the resources to adequately address the full range of needs of poor elderly Chileans. On the other hand, one can only be impressed by the extent to which *Hogar de Cristo* appears to have successfully dealt with the frequent tensions among resource generation, professionalization and accountability, and community relevance and contact. Even as it has expanded its services in the area of elder care, though, the limitations of *Hogar de Cristo's* reach makes the inherent limitations of such a non-State approach obvious. Most high tech and

complicated medical services remain in the domain of public hospitals. It is obvious that attempting to deal with the most complex medical or social problems would stretch the limits of an NGO and detract its attention away from the broader range of needs that it can effectively address.

Hogar de Cristo is also unique in the extent to which it has been able to avoid the difficulties that emerge with the need to compete with other organizations for scarce resources, including funding. As we noted, *Hogar de Cristo's* relationship with other NGOs and similar organizations is one of sponsorship or contractor. Again, the position of the Catholic Church in Chile represents a major source of social and cultural power, and *Hogar de Cristo's* institutional survival is assured by the unique conditions that grant it a unique amount of popular support, a large contributing membership, and a favorable and valuable public image. Whether aspects of this organizational success could be adopted by or transferred to other nongovernmental organizations remains to be seen.

The question takes on vital importance since enhancing the capacity of civil society to deal with the problems of aging populations represents a major challenge for the nations of Latin America and the rest of the world in the next century. Under the leadership of President Ricardo Lagos -and now Michelle Bachelet- the Chilean government has made health care reform a major priority (World Bank, 2001). A major concern focuses on the inevitable increases in the fiscal burden that result from the aging of the population and the potential movement of the retired population from the private health care system to the public system (Escobar & Panopoulou, 2000). Currently in Chile a large fraction of the poor population is covered by the public system FONASA while a smaller, younger and richer fraction of the population is privately insured by the new private ISAPREs that we mentioned earlier, or other private plans (Rojas, 1998). These two systems differ not only in terms of the age and income of their beneficiaries, but in terms of health service utilization patterns as well. The shift of individuals from the ISAPRES to the FONASA as they age represents a potentially serious increased burden for the public system.

During the 1970s under the Pinochet regime health care reform in Chile focused on the privatization of services, a policy that left many poor older persons on their own without adequate coverage. In this context, NGOs were forced to fill the gap that resulted from the State's lack of adequate health and social policies, including policies for the long-term care of the elderly. In this highly politicized context *Hogar de Cristo* fostered a position of political neutrality as a strategy to effectively engage in service delivery and to counteract some of the negative effects of the government's neo-liberal economic and social service reforms. In the polarized post-dictatorship era the organization avoided political alignments or affiliations, again focusing solely on providing social services.

We end then with the question with which we began. Is *Hogar de Cristo* so unique as to offer few generalizable findings, or can it provide wisdom on how faith-based or other civil society organizations can function effectively in this one domain? Our initial exploratory research into the NGO sector identified domains in which this organizational form worked better than in others. In Chile, clearly only the State can provide high-tech medical interventions or address major crises, such as natural disasters. By contrast, NGOs appear to be well suited to address common problems at the community or grassroots level and to provide non-technical support services. From that perspective they are particularly well suited to address the routine needs of growing older populations that the State cannot provide efficiently and that the family and community find it increasingly difficult to provide. We are left with the question of whether *Hogar de Cristo* and organizations like it will continue addressing the problem of community-based long-term care and perhaps even increase their involvement as the need grows. Might there be limits to what such organizations can do, especially those that do not have the cultural, social, and fiscal capital of *Hogar de Cristo*? The answers to these questions require that we identify universal processes and the unique history, politics, and economics of specific nations.

Today NGOs like *Hogar de Cristo* are helping to address new and emerging needs of the poorest of the poor for several reasons. Perhaps the most important reason is that the State, even the Chilean State with all its institutional capacities, is not well suited to the task of providing

routine care for the elderly population. State functions revolve around such clearly national issues as defense, the regulation of commerce, international relations, and providing high-cost technical health care. Much of what low-income elders need is low-cost, non-technical, and best provided by trained volunteers and employees who are in close contact with the person. Daily social interaction with an older person, helping with grooming, dressing and the preparation of meals, and taking an older person to doctor's appointments are tasks that family members usually assume. When no family members are available or able to do so someone else must assume the role of care giver assume that role. The decision as to who that will be and what daily assistance should be provided cannot be decided effectively or efficiently by an administrator of a State agency who does not know the person or his or her situation. Such a task best carried out by someone who knows the community and who can come to know the individual and his or her situation.

The financing of long-term care for the elderly raises serious issues of sustainability and tax burdens for all nations. Although community care may be desirable in terms of maintaining a person's quality of life, even community care is expensive and at some point the State may reach a limit to what it can do. An additional problem that undermines the support capacity of the community in many nations is segregation. Segregation based on income in Chilean cities has resulted in residential areas that are very different from one another. Patterns of urban segregation that reflect the limited housing choices for poor elderly Chileans brings with it the risk of serious isolation. Many older individuals are trapped in neighborhoods that lack the institutions that buffer against deprivation.

Hogar de Cristo has evolved as an organization to respond to changing demographic landscape in which a growing number of older individuals will need long-term care. We might ask, though, whether this organization or others can continue to address the needs of a growing older population. *Hogar de Cristo* is providing for the poorest of the poor, but in the future it might be called upon to address the needs of the near-poor elderly, greatly increasing the potential burden. Like the State, an aging population might simply overburden the capacities of

the NGO sector to provide all of the response asked of it. Future research should examine interactions between the State and the NGO sector in the domain of elder care. In the absence of NGOs the public health care sector might well be overwhelmed.

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