

Long-Term Care: A Survey of New York AARP Members

March 2004



Long-Term Care: A Survey of New York AARP Members

Data collected by Woelfel Research, Inc.
Report Prepared by Katherine Bridges

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Acknowledgements

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Background

Americans are facing major long-term care challenges as the United States' population ages and people live longer. The fastest growing population in the United States is the cohort over the age of 85. In 2000, there were four million Americans in this age group, and there are projected to be 19 million by 2050. The number of people needing long-term care services will increase. In 2001, roughly seven million Americans over the age of 65 needed long-term care. This number is expected to increase to nine million by 2005 and 12 million by 2020.¹

The anticipated growth of the aged population will undoubtedly place additional demands on already strained long-term care services. States are currently looking for ways to slow or reduce the growth of their Medicaid budgets since this program is the largest public payer of long-term care services. Some states have created incentives to encourage people to purchase long-term care policies in hopes of reducing future demands on Medicaid. Still others have adopted more stringent Medicaid eligibility rules in order to reduce the number of people applying for this assistance program.

Due to the expected growth of the aging population in New York, combined with the recommendations for improving the Medicaid program made by the Governor's Working Group on Healthcare in January 2004, AARP conducted *Long Term Care: A Survey of New York AARP Members*, which explores the opinions of New York members on the issue of long-term care. Specifically, the survey's goal was to assess member opinions in several areas: 1) access, including where they would prefer to receive long-term care and the importance of having a single-point of entry system; 2) long-term care insurance, including whether they currently had a policy, barriers to purchasing insurance, and what would be incentives for purchasing policies; and 3) their support for or opposition to Medicaid long-term care reform proposals.

The present report uses data from this telephone survey of 1,006 New York AARP members that was conducted from March 12 through March 21 2004. The survey has a sampling error of +/-3.1%.² The full questionnaire is contained in the appendix of this report.

¹ Health Insurance Association of America. "Guide to Long-Term Care"
<<http://www.hiaa.org/consumer/guideltc.dfm>>

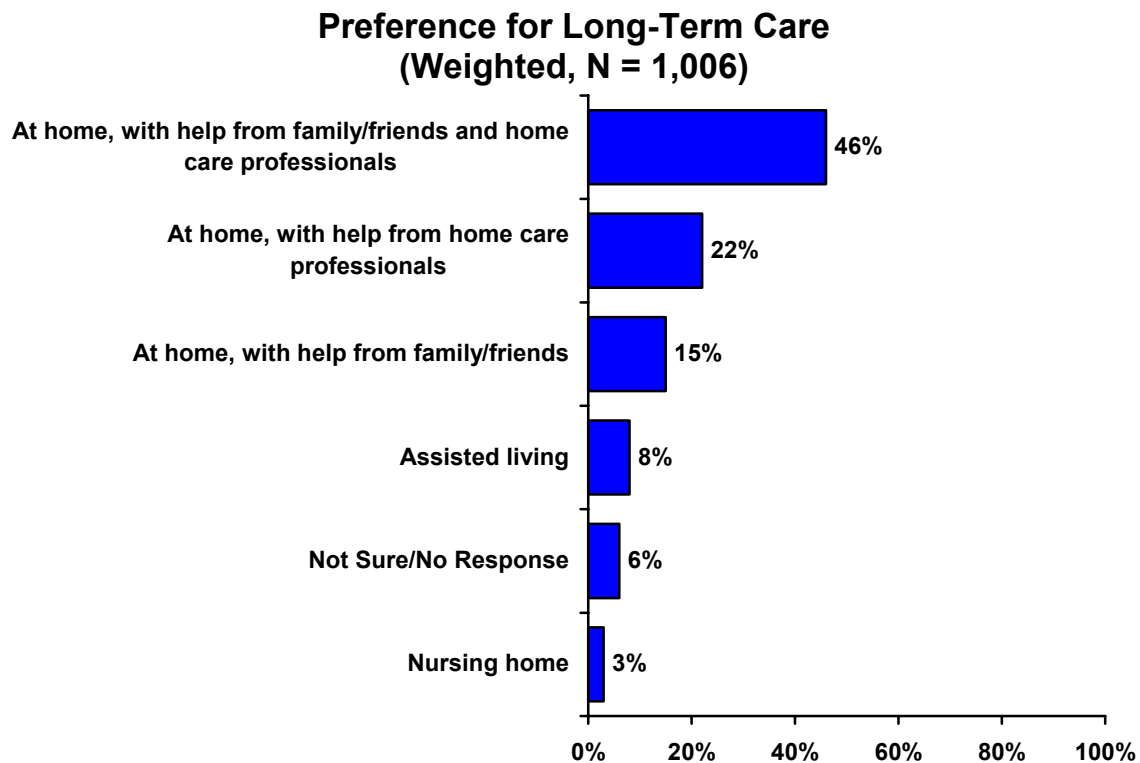
² See page 9 for a full description of the survey methodology.

Findings

Access to Long-Term Care

The majority of members would prefer to receive long-term care at home, with help from family, friends, and home care professionals.

After reading a description of long-term care and being given several options, members most often say they would prefer to receive long-term care for themselves or a family member at home with assistance from family, friends, and home care professionals, such as a nurse or personal care aid. About one in ten members say they would prefer to have long-term care provided in a residential facility, such as assisted living, and only three percent would prefer nursing home care.



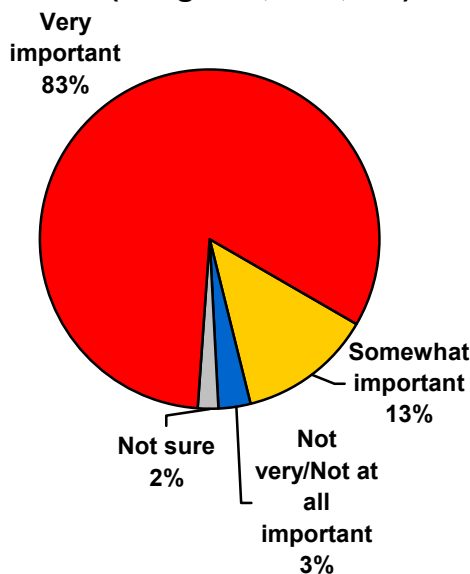
- Younger members are most likely to say they would prefer to have long-term care provided at home, with help from family, friends, and homecare professionals (55% 50-64 vs. 40% 65+). While not their top choice, older members more often than younger members say they would prefer to receive this care at home, with help from just family and friends (19% 65+ vs. 10% 50-64).

- Working members are more likely than non-working members to choose having care provided at home with help from family, friends, and health care professionals (56% working vs. 41% not working). Again, while not their top choice, members who are not working more often choose one of the other two top preferences than members who are working (help from professionals: 24% not working vs. 18% working; help from family & friends: 17% not working vs. 12% working).

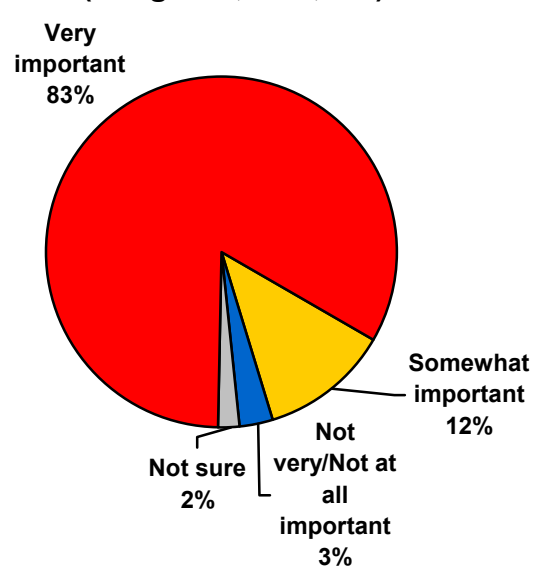
Nearly all members think it would be important to have a central place to get long-term care information.

Ninety-six percent of New York members think it would be important to have a central place to get information about all types of long-term care services as well as apply for services and benefits they are eligible for, if they or a family member needed long-term care. Moreover, the same percentage of members thinks it would be important to be able to get information from an objective source about the quality of services provided by long-term care providers, such as a nursing home report card.

Importance of Having a Central Place to Access Long-Term Care Information and Benefits
(Weighted, N=1,006)



Importance of Having Access to Objective Information About Quality of Long-Term Care Providers
(Weighted, N=1,006)



- Having a central place to access long-term care information and benefits, and having access to objective information about the quality of long-term care providers' services are more likely to be *very important* to younger members than they are for older members (central point of access: 86% 50-64 vs. 80% 65+; quality information: 87% 50-64 vs. 79% 65+).

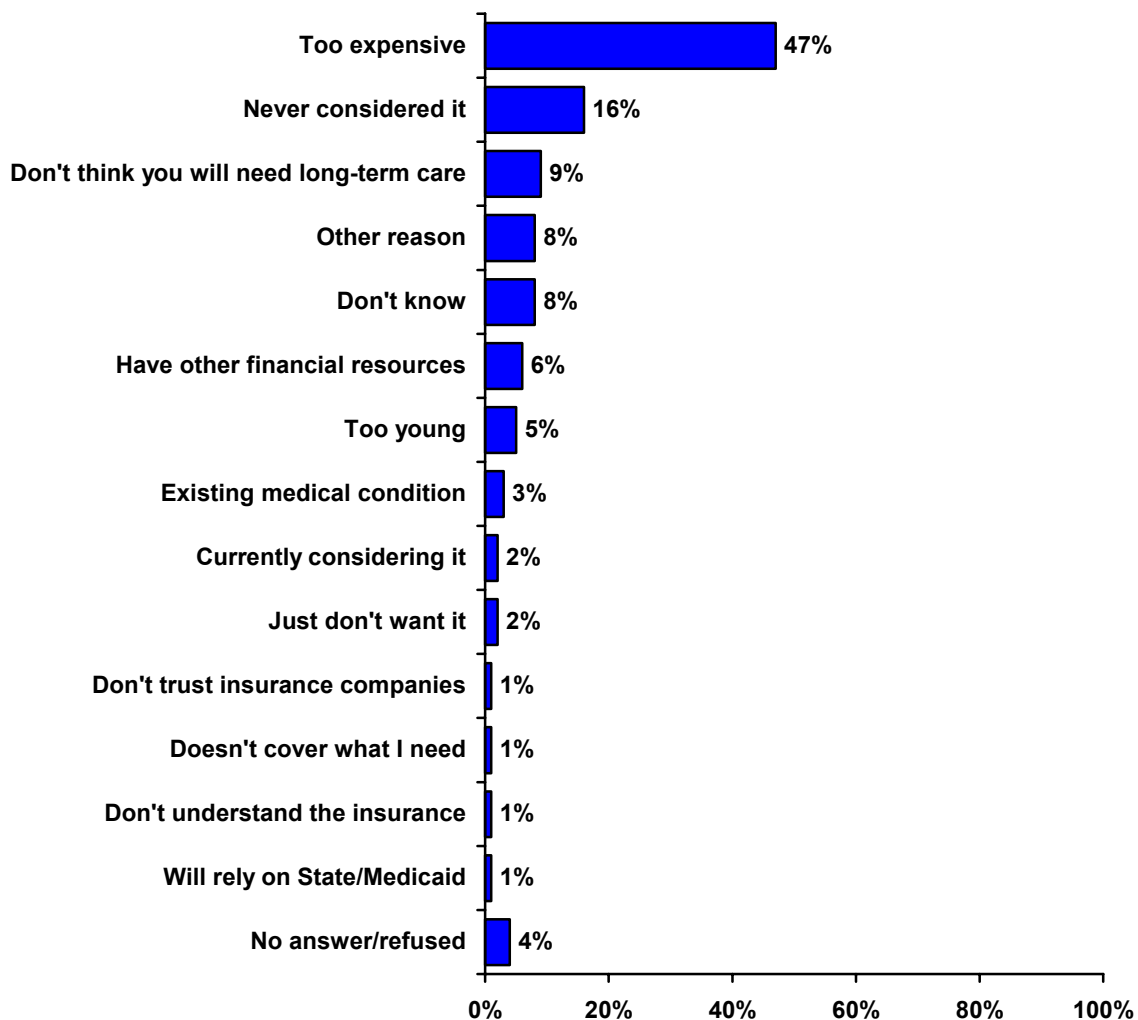
Long-Term Care Insurance

About one-quarter of New York AARP members say they have long-term care insurance, and cost is the primary barrier for those who do not.

Long-term care insurance has often been touted as a fix to rising Medicaid costs for many states. However, in New York only about one-quarter of AARP members (27%) say they currently have long-term care insurance.

The top reason given by members who say they have not purchased long-term care insurance is that it is too expensive. However, most of the members (62%) who do not have insurance and cited cost as a reason said they would purchase a long-term care policy if it was more affordable.

**Reasons for Not Purchasing Long-Term Care Insurance
(Weighted, N=735)**



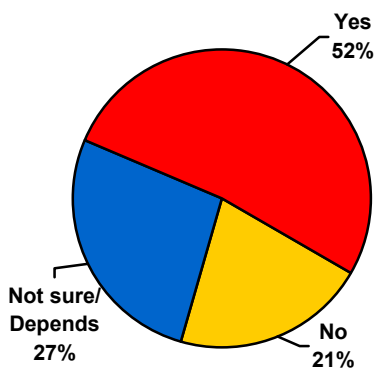
- While members age 65+ and those who are not working more often give expense as the reason for not purchasing long-term care insurance (54% 65+ vs. 42% 50-64; 51% not working vs. 41% working), younger and working members are more likely to say they would purchase a policy if they were more affordable (73% 50-64 vs. 55% 65+; 71% working vs. 57% not working).
- Younger members and those who are working more often say they have never considered purchasing long-term care insurance compared to older and non-working members (20% 50-64 vs. 13% 65+; 23% working vs. 12% not working).

Despite the largest barrier being cost and members' willingness to purchase policies if they were more affordable, only one-quarter of New York AARP members (25%) say they are aware of the New York State Partnership for Long-Term Care, which is an incentive program for residents to purchase long-term care insurance policies for themselves. There are no differences in awareness of this program by age or working status.

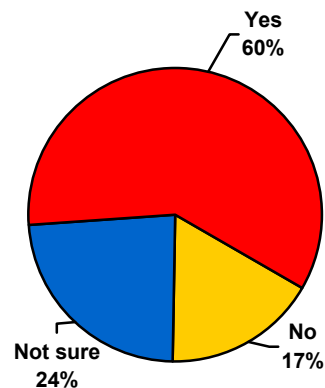
Tax incentives and more extensive coverage would entice more members, especially younger ones, to buy long-term care insurance.

Currently, the State of New York offers residents who have long-term care insurance a tax credit for ten percent of the amount they pay in premiums. About half of the New York members who currently do not have long-term care insurance say they would be more likely to purchase a policy if the State offered larger tax credits. However, even more members say they would be more likely to purchase a long-term care policy if it covered services provided at home or in assisted living facilities.

Whether Larger Tax Credits Would Increase Likelihood of Long-Term Care Insurance Purchase (Weighted, N=735)



Whether Home Care and Assisted Living Coverage Would Increase Likelihood of Long-Term Care Insurance Purchase (Weighted, N=735)



- Younger members and working members say they would be more likely to buy a long-term care policy if it covered services at-home or in assisted living (69% 50-64 vs. 52% 65+; 68% working vs. 56% not working).
- Younger members and working members also say they would be more likely to buy a long-term care policy if the State offered larger tax credits for the amount of premiums paid (65% 50-64 vs. 40% 65+; 62% working vs. 46% not working).

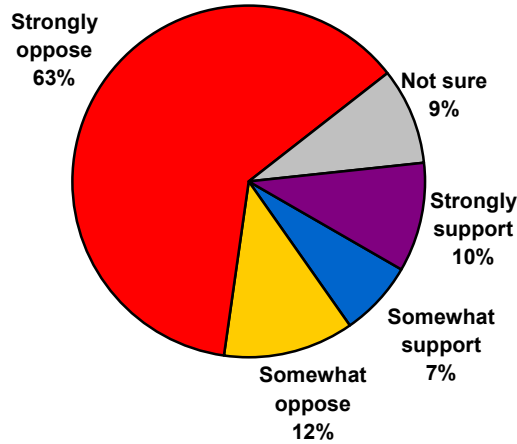
Medicaid Reform Proposals

Due to the complexity of Medicaid rules for long-term care coverage, survey respondents were given background information before being asked about several cost-containment proposals for the Medicaid program. Specifically, members were told, “The Medicaid program covers health care as well as long-term care for older adults and disabled persons whose income and assets are too low to afford the cost of care on their own. To qualify for Medicaid, an individual cannot have more than \$3,750 in assets beyond their home and car. In addition, they cannot have given money to anyone, including a child, grandchild, church or other religious organization, or charity in the three years prior to applying.”

New York AARP members strongly oppose changing the Medicaid “look back” period to five years.

Currently, if someone has given money to a relative or a charitable organization within three years of applying for Medicaid, they can be denied coverage up to the amount of money given. There is a proposal to change this “look back” period to five years in order to save the State money. When given this explanation, three-quarters of members either *strongly* or *somewhat* oppose the State extending the “look back” period to five years, with younger members being in greater opposition than older members (80% 50-64 vs. 72% 65+).

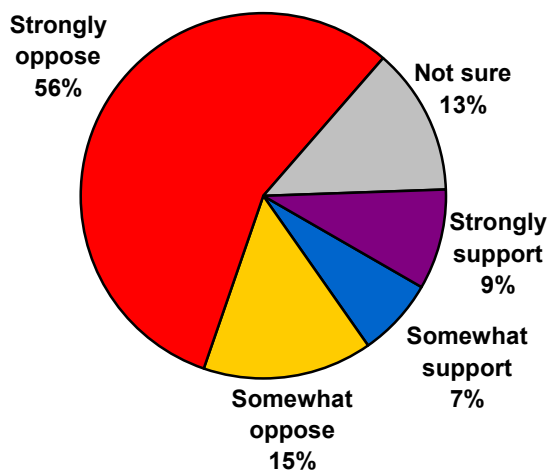
**Member Support for and Opposition to Changing “Look Back” Period to 5 Years
(Weighted, N=1,006)**



New York AARP members strongly oppose applying the “look back” period to Medicaid home care applicants.

Unlike nursing home care, there is currently no penalty for applicants who have given money prior to applying for Medicaid home care services. Over seven in ten New York members say they oppose the State changing the law so an applicant could be denied care if they have given money in the three years before applying for Medicaid home care services.

**Member Support for and Opposition to Applying “Look Back” Period to Home Care
(Weighted, N=1,006)**



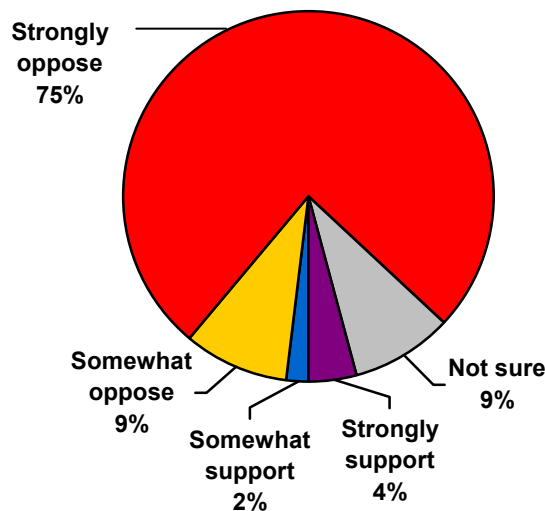
- Younger members and members who are working show greater opposition to applying the “look back” period to Medicaid home care than older members and non-working members (77% 50-64 vs. 67% 65+; 76% working vs. 69% non-working).

New York AARP members strongly oppose elimination of the Medicaid home care “spousal refusal” law.

The Medicaid program is designed so that if a married person needs nursing home care, the spouse at home is able to keep some assets, including their house, a care, and half of their savings, up to about \$93,000. This policy recognizes that the spouse who remains at home may need these assets for their own support and care in years to come. However, the Medicaid policy is different if an individual chooses to remain at home with their spouse and receive long-term care services there instead. At home, the couple can only keep \$5,400 in savings.

Under current Medicaid law, if the spouse wants to keep more than \$5,400, he or she can choose not to pay for their spouses’ home care services, and the Medicaid programs will pay for the care. The State has proposed changing the law so that the Medicaid program does not have to pay for services in this case, which would then force the healthy spouse to either spend down their savings or have the disabled spouse go to a nursing home. Upon learning this, eighty-five percent of New York AARP members said they are opposed to the State eliminating the “spousal refusal” law, by requiring a married person to spend all but \$5,400 in order to receive Medicaid home care services for their spouse.

**Member Support for and Opposition to Eliminating Home Care “Spousal Refusal” Law
(Weighted, N=1,006)**

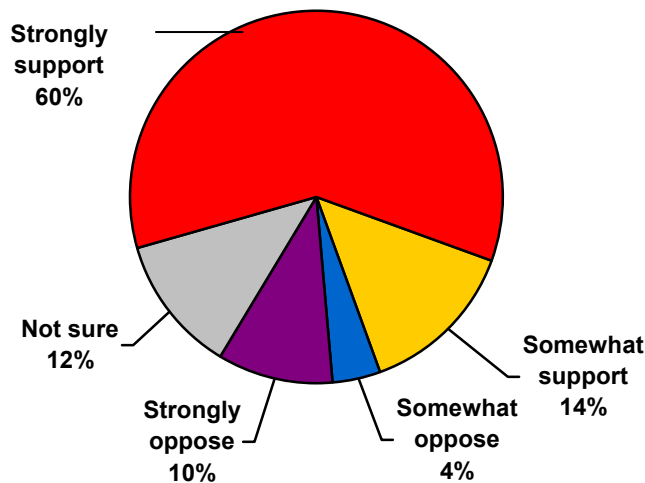


- Here again, younger members and members who are working show greater opposition to this proposal to eliminate the spousal refusal law than members who are older and not working (91% 50-64 vs. 81% 65+; 89% working vs. 82% not working)

New York AARP members strongly support extending nursing home “spousal impoverishment” protections to spouses of Medicaid home care recipients.

In another show of support for spouses of Medicaid home care recipients, New York members overwhelmingly support a change in the law that would allow the spouse of someone receiving care at home to keep the same amount of money as the spouse of someone receiving care in a nursing home. Three-quarters of New York AARP members support giving the spouse of a home care recipient equal “spousal impoverishment” protection under Medicaid law as that of spouse of a nursing home resident.

Member Support for and Opposition to Extending “Spousal Impoverishment” Protections to Spouses of Medicaid Home Care Recipients (Weighted, N=1,006)



- Younger and working members are more likely to support giving Medicaid home care recipients’ spouses the right to keep the same amount of money as the spouse of a Medicaid nursing home resident (79% 50-64 vs. 72% 65+; 81% working vs. 72% not working).

Conclusion

New York AARP members clearly would prefer to receive long-term care at home, not only from professionals but also with the assistance of family and friends. This preference for remaining at home parallels with how important it is for them to have a central location where they can get information about all types of long-term care services as well as apply for services and benefits they might be eligible for. It is also very important for them to have access to an objective source of information about the quality of service providers. These resources are particularly important to younger members and those who are working who may be accessing services for their parents.

Further evidence of members' preferences to receive long-term care at home is seen in the strong support to extend "spousal impoverishment" protections to spouses of Medicaid home care recipients. Moreover, the strong opposition to repealing the "spousal refusal" law, which if repealed would require a married person to either spend-down their savings or move his or her spouse to a nursing home, shows how important having the choice to receive care at home is among AARP members.

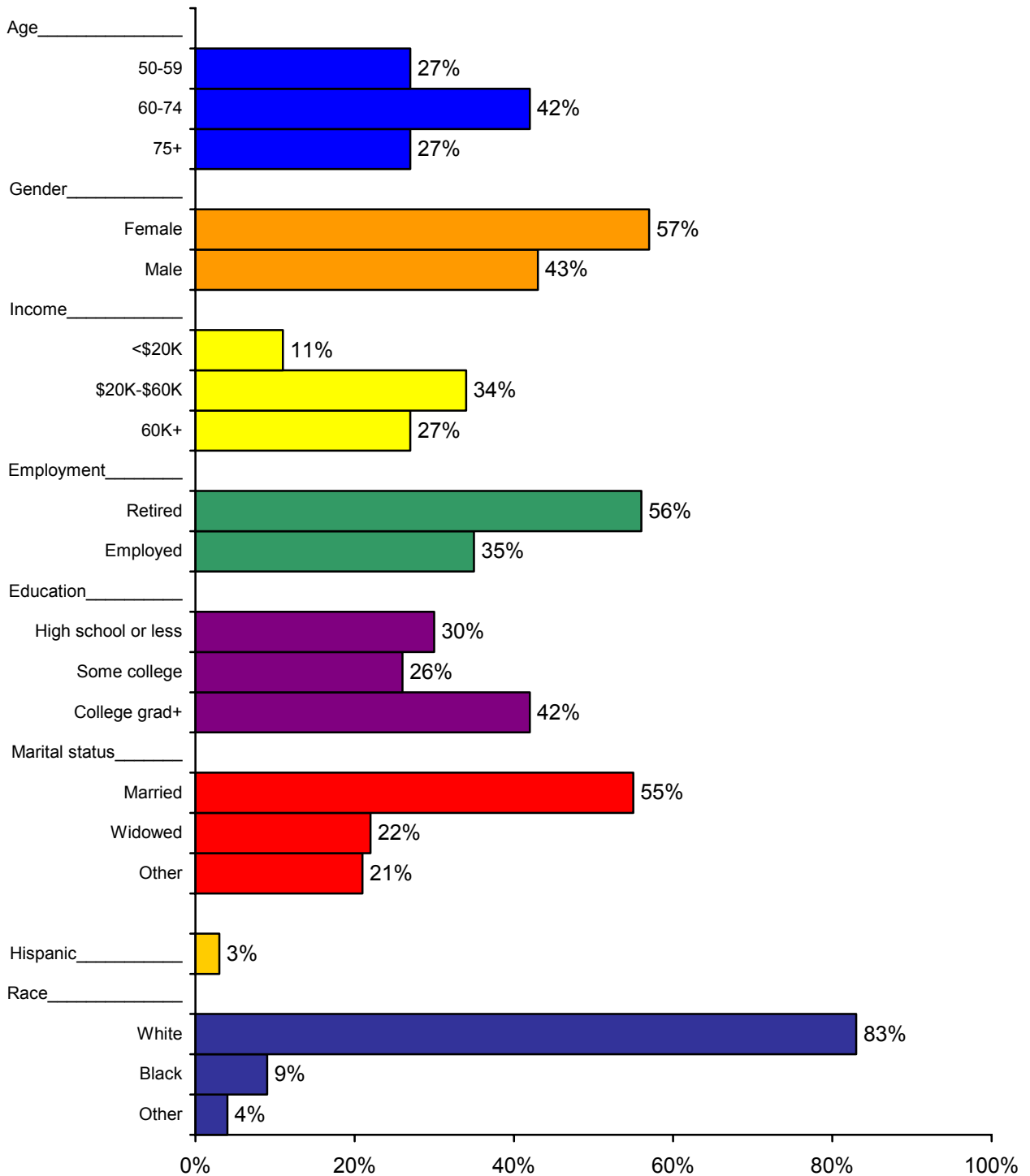
At this time, few members have long-term care insurance; but the top reason for not purchasing a policy is cost—not that they do not think they will need it or that they intend to rely on the State for care. Many members say they would be willing to purchase long-term care insurance policies if they were more affordable. In addition, members say they would be more likely to buy a policy if it covered services provided at home or in an assisted living facility.

While the Medicaid reform proposals are intended to save the New York money, they are not supported by AARP members in the State. However, there appears to be support among members for creating better incentives for people to purchase long-term care insurance as a means to reducing future long-term care expenditures.

Methodology

This telephone survey explores the opinions of New York AARP members on the issue of long-term care. It was conducted the by Woelfel Research, Inc. between March 12 and March 21 2004. A random sample of New York members was selected from the AARP membership database, and then matched for published telephone numbers. The sample was weighted by age group to represent the actual composition of AARP members in New York. The sampling error for this study is +/- 3.1 percent, meaning that at the 95% confidence level, if every member in New York was surveyed their responses would be within 3.1 percentage points of those reported here.

Demographic Characteristics Weighted N = 1,006



AARP New York Long-Term Care Survey

AARP Members N=1006, Sampling Error +/-3.1%

Introduction

Hello, this is _____ from Woelfel Research, a national research firm. I am calling on behalf of AARP. This is not a sales call and you will not be asked to buy anything either now or later. We would really like to include your opinions in our study and assure you that all of your answers will remain completely confidential. The survey should take only about 10 minutes to complete.

(ASK TO SPEAK WITH NAME LISTED IN SAMPLE FILE) (IF ASKED, "Where did you get my name?" SAY: "AARP provided a list of members for us to call.")

A. (DO NOT READ) RECORD CALL STATUS

1	Selected respondent available	CONTINUE
2	No such person	THANK AND TERMINATE
3	Selected respondent not available	CONTINUE
4	Ask for spouse	CONTINUE
5	Spouse not available	SET UP CALLBACK
R	REFUSED	THANK AND TERMINATE

Throughout this survey we will be discussing long-term care. Long-term care refers to care provided over an extended period of time at home, in a community setting, or in a nursing home. People of all ages who are frail, ill, or disabled who need assistance with regular daily activities, such as getting dressed, bathing, preparing meals or eating may receive long-term care services. The State of New York is currently considering proposals to reduce the amount of money spent on health and long-term care through the Medicaid program. We would like your opinion on some of these proposals as well as other long-term care issues.

1. If you or a family member needed long-term care services, where would you want to have this care provided...[READ LIST, CIRCLE ONE RESPONSE ONLY]

%

15	At home, with help from family and friends
22	At home, with help from home care professionals
46	At home, with help from family, friend, AND home care professionals
8	In a residential care facility, such as assisted living
3	In a nursing home
6	Don't know

2. If you or a family member needed long-term care services, how important would it be to you to have a central place where you could get information about all types of long-term care services as well as apply for the services and benefits you are eligible for?

2. (continued) Would you say it would be...

<u>%</u>	
83	Very important
13	Somewhat important
2	Not very important, or
1	Not at all important
2	NOT SURE

3. If you or a family member needed long-term care services, how important would it be to you to be able to get information from an objective source about the **quality** of services provided by long-term care providers, such as a nursing home report card? Would you say it would be...

<u>%</u>	
83	Very important
12	Somewhat important
2	Not very important, or
1	Not at all important
2	NOT SURE

4. Do you currently have a private insurance policy that would pay for long-term care, such as care provided over an extended period of time in a nursing home or at home? [IF ASKED: This would NOT be Medicare or a Medigap policy, which is a supplement to Medicare.]

<u>%</u>	
27	Yes (SKIP TO Q8)
69	No
5	NOT SURE

5. Why have you personally not purchased long term care insurance? (n=735)

<u>%</u>	[CIRCLE ALL THAT APPLY] [DO NOT READ LIST.]
47	It is too expensive
6	I have other resources to pay for long-term care
1	The insurance policy doesn't cover what I need
1	I don't understand what the insurance policy covers
1	I don't trust insurance companies
9	I don't think I'll need long-term care
5	I am too young
16	I have never considered it
3	I would be turned down because of an existing medical condition
1	I will rely on Medicaid or the State to pay for my care
8	Other (Specify) _____
2	Looking into it, considering it
2	Just don't want it
2	No Answer
8	Don't Know
2	Refused

5a. IF Q5=a. 'It is too expensive' ASK: Would you purchase a long-term care policy if they were more affordable? (n=348)

%
62 Yes
13 No
26 NOT SURE

6. If a long-term care policy covered services provided in your home or in an assisted living facility, would you be more likely to purchase a policy? (n=735)

%
60 Yes
17 No
24 NOT SURE

7. New York currently offers residents who have long-term care insurance a tax credit for 10% of the amount they pay in premiums. If the State offered larger tax credits, would you be more likely to purchase a long-term care policy? (n=735)

%
52 Yes
21 No
17 DEPENDS
10 NOT SURE

8. Currently, the State has a program, called the New York State Partnership for Long-Term Care, which is an incentive program for residents to purchase long-term care insurance policies for themselves. Are you aware of this program?

%
25 Yes
73 No
2 NOT SURE

The next few questions have to do with the Medicaid program. Before we get to those questions, I'm going to give you some background information.

The Medicaid program covers health care as well as long term care for older adults and disabled persons whose income and assets are too low to afford the cost of care on their own. To qualify for Medicaid, an individual cannot have more than \$3,750 in assets beyond their home and car. In addition, they cannot have given money to anyone, including a child, grandchild, church or other religious organization, or charity in the three years prior to applying.

9. If someone has given money to a relative or a charitable organization within three years prior to applying for Medicaid, they can be denied coverage up to the amount of money given. There is a proposal to change this “look back” period to five years in order to save the State money. Do you support or oppose changing the law so that the State can deny care to someone that gives money in the 5 years before applying for Medicaid?

<u>%</u>	
16	Support
75	Oppose
9	NOT SURE

Is that strongly or somewhat SUPPORT/OPPOSE?

<u>%</u>	
10	Strongly support
7	Somewhat support
12	Somewhat oppose
63	Strongly oppose
9	NOT SURE

10. Unlike nursing home care, there is currently no penalty for giving money when applying for Medicaid home care services. Do you support or oppose the State changing the law so an applicant can be denied care if they have given money in the three years before applying for Medicaid home care services?

<u>%</u>	
16	Support
71	Oppose
13	NOT SURE

Is that strongly or somewhat SUPPORT/OPPOSE?

<u>%</u>	
9	Strongly support
7	Somewhat support
15	Somewhat oppose
56	Strongly oppose
13	NOT SURE

The Medicaid program is designed so that if a married person needs nursing home care, the spouse at home is able to keep some assets, including their house, a car, and half of their savings, up to about \$93,000. This policy recognizes that the spouse who remains at home may need these assets for their own support and care in years to come. However, the Medicaid policy is different if an individual chooses to remain at home with their spouse and receive long-term care services there instead. At home, the couple can only keep \$5,400 in savings.

11. Under current Medicaid law, if the spouse wants to keep more than \$5,400, he or she can choose not to pay for their spouses' homecare services, and the Medicaid program will pay for the care. The State has proposed changing the law so that the Medicaid program does not have to pay for services in this case, which would then force the healthy spouse to either spend down their assets or have the disabled spouse go to a nursing home. Do you support or oppose requiring a person to spend all but \$5,400 in order to receive Medicaid homecare services for their spouse?

<u>%</u>	
6	Support
85	Oppose
9	NOT SURE

Is that strongly or somewhat SUPPORT/OPPOSE?

<u>%</u>	
4	Strongly support
2	Somewhat support
9	Somewhat oppose
75	Strongly oppose
9	NOT SURE

12. As I mentioned earlier, if an individual chooses to remain at home with their spouse and receive Medicaid long-term care services, the couple can only keep \$5,400 in assets. Would you support or oppose a change in the Medicaid law that would allow the spouse of someone receiving care at home to keep the same amount of money as the spouse of someone receiving care in a nursing home?

<u>%</u>	
75	Support
13	Oppose
12	NOT SURE

Is that strongly or somewhat SUPPORT/OPPOSE?

<u>%</u>	
60	Strongly support
14	Somewhat support
4	Somewhat oppose
10	Strongly oppose
12	NOT SURE

- 12 a. IF SUPPORT IN Q11 AND OPPOSE FOR Q12: IF a spouse was allowed to keep the same amount in assets as the spouse of a nursing home resident, would you still support requiring a person to spend all but \$5,400 in order to receive Medicaid homecare services for their spouse? (n=11)

<u>%</u>	
61	Yes
10	No
29	NOT SURE

Demographics

My last few questions are for classification purposes only!

D1. What is your marital status? Are you currently.....

<u>%</u>	
55	Married,
8	Divorced,
1	Separated,
22	Widowed,
1	Living with partner,
11	Or are you single?
*	DON'T KNOW
1	REFUSED

D2. What is your age as of your last birthday? [RECORD IN YEARS] _____

<u>%</u>	
*	25-34
2	35-49
27	50-59
42	60-74
27	75+
3	Refused

D3. Thinking about your state elections for New York Governor and Legislators in the last ten years, which of the following best describes your voting behavior? Would you say you always vote, sometimes miss one, rarely vote, or never vote?

<u>%</u>	
75	Always vote
18	Sometimes miss one
3	Rarely vote
3	Never vote
*	DON'T KNOW / NOT SURE
1	REFUSED

D4. Are you Hispanic, Spanish, or Latino?

<u>%</u>	
3	Yes
95	No
*	DON'T KNOW / NOT SURE
2	REFUSED

D5. What race do you consider yourself?

<u>%</u>	
83	White
9	Black or African American
1	Asian
1	Native American or Alaskan Native
2	Other race
*	DON'T KNOW / NOT SURE
4	REFUSED

D6. Which of the following best describes your highest level of education? **(READ)**

<u>%</u>	
4	Some high school or less
26	High school graduate or equivalent
26	Some college or technical training beyond high school
21	College graduate
21	or, Post-graduate or professional degree?
1	REFUSED

D7. Which of the following best describes your current employment status? Are you currently....

<u>%</u>	
25	Employed full-time
10	Employed part-time
56	Retired and not working
2	Unemployed and looking for work
3	Disabled and not working
3	Homemaker
1	Or something else? [Specify: _____]
*	REFUSED

D8. Now, for statistical purposes only, please stop me when I get to the category that includes your household's income before taxes in 2003. Was it... **(READ)**

<u>%</u>	
11	Less than \$20,000
19	\$20,000 but less than \$40,000
15	\$40,000 but less than \$60,000
9	\$60,000 but less than \$75,000
18	or was your income \$75,000 or more?
4	DON'T KNOW
24	REFUSED

D9. And, finally, may I verify that I reached you at: (____)_____

Thank you for participating! Your Opinion Counts.

RECORD GENDER: 43% Male
 57% Female

AARP

Knowledge Management

For more information please contact Katherine Bridges (202) 434-6329.