

California Voters 40 and Older Are Struggling to Make Ends Meet and Financially Unprepared for Growing Older

August 16, 2011 – A new survey released today examines the financial struggles of California voters 40 and older, their views toward long-term care and their ability to afford it. On behalf of The SCAN Foundation and UCLA Center for Health Policy Research, Lake Research Partners and American Viewpoint conducted a statewide survey among 1,490 registered voters in California ages 40 and older. The survey was fielded June 16 through 27, 2011. The margin of sampling error is ± 2.8 percentage points.

Following are key findings:

- **Californians are worried about the costs of growing older.** Two-thirds of voters 40 and older (66%) worry about not being able to afford long-term care, and 63% worry about affording future health care costs. Other worries include losing their independence and having to rely on others (73%), losing memory or other mental abilities (70%), and their health worsening (70%).
- **Affordability of long-term care services is out of reach for many voters 40 and older.** Right now, a majority (66%) of respondents could not afford more than three months of nursing home care if they had to pay for it themselves. About four in ten (42%) could not afford a single month of care. Most respondents (85%) say they do not have long-term care insurance, or they are not sure.
- **The recession is still having profound effects on Californians,** with nearly half (48%) of voters 40 and older saying their household income has declined in the past 12 months, and 50% saying they have had to take money out of savings to meet their expenses. Four in ten (41%) have had to cut down on the amount they spend on food in the past year. Six in ten respondents (60%) say they are worried that their total family income will not be enough to meet their family's living expenses.
- **California voters want elected officials to find solutions to these issues.** According to survey respondents, high priorities for elected officials in California should include making long-term care insurance more affordable (64% say high priority) and having enough affordable options for in-home care (63%). Survey respondents also want more available information on how to get help for people who cannot take care of themselves independently (59%).

Other key findings related to long-term care and aging include:

- **Those caring for an aging loved one say it is emotionally stressful** (63%) and nearly half (49%) says they are not regularly getting the social and emotional support they need.
- **A majority of respondents underestimate the likelihood for needing help with daily activities in the future.** While data project that 70% of seniors will need help at some point with daily activities and personal care,¹ most respondents (63%) give a lower estimate of seniors likely to need help.

Key findings among Latino voters 40 and older are:

- **Latinos are more likely than others to say they are worried about making ends meet.** More than eight ten Latino respondents (84%) say they worry that their income will not be enough to meet their expenses and bills (vs. 60% of all voters 40 and older.)
- **A majority of Latino respondents (62%) say their income has declined in the past year,** compared to 48% of all respondents. A similar proportion (59%) has cut down on the amount they spend on food, compared to 41% overall.
- **Seven in ten Latino voters 40+ (71%) are worried about affording long-term care services if they or family member needs it.** Two-thirds of all voters 40+ (66%) say the same.
- **A majority of Latino respondents (73%) could not afford a single month of nursing home care,** compared to 42% of all respondents. Fifty-eight percent could not afford one month of in-home care, compared to 32% of all voters 40+.

Following are detailed findings.

¹ National Clearinghouse for Long-Term Care Information; U.S Department of Health and Human Services; http://www.longtermcare.gov/LTC/Main_Site/index.aspx

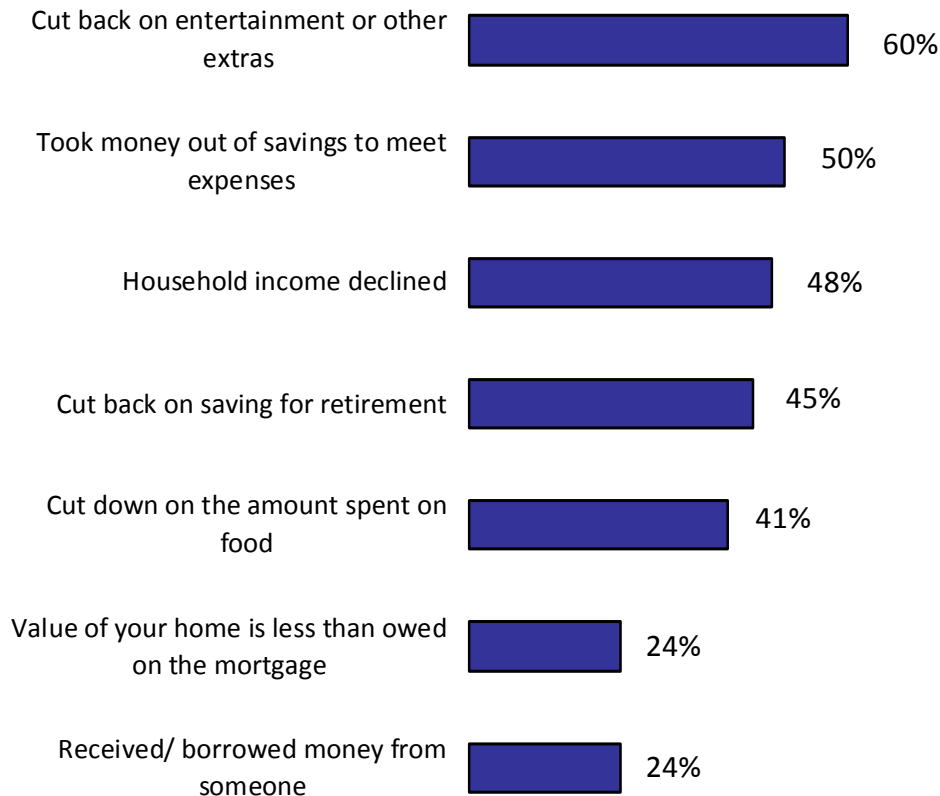
Detailed Findings

The recession continues to affect families throughout California.

California voters 40 and older are continuing to face tough financial choices in their daily lives. Nearly half (48%) say their household income has declined in the past year, and 50% have had to take money out of their savings to meet daily expenses. Forty-five percent of respondents say they have cut back on saving for retirement in the past year. One in four (24%) has had to borrow or receive money from a friend or family member just to help them get by. (See Figure 1.)

Latinos are more likely than whites, Asians and African Americans to say they have cut back on saving for retirement (52%), and had to receive or borrow money from a family member or friend (45%) in the past year. Los Angeles County voters are more likely than those in other areas of the state to say their household income has declined in the past 12 months (55%).

Figure 1: Have you experienced any of the following in the past 12 months:
Percent saying yes



Q. On a different topic, have you experienced any of the following in the last 12 months?

Six in ten respondents worry that their total family income will not be enough to meet their family's living expenses and bills.

A majority (60%) of California voters 40 and older worry these days that their total family income will not meet their family's living expenses and bills. One in four respondents (26%) say they are very worried. Twelve percent of survey respondents say they are not worried at all about making ends meet.

Latino respondents (84%) are much more likely than others to say they worry about making ends meet. (See Table 1.) Respondents ages 40 to 64 (67%) are much more likely than those 65 and older (44%) to be worried about covering their expenses and bills.

Table 1: Worry about family income meeting expenses and bills

<i>Percent very or somewhat worried</i>	Very / somewhat worried total family income will not be enough to meet expenses and bills
All voters 40+	60%
40-64	67%
65+	44%
Whites, non-Hispanic	53%
African Americans ²	56%
Latinos	84%
Asians	62%
<\$30K household income	80%
\$30-\$49K	69%
\$50-\$74K	58%
\$75K+	42%
Caregivers	63%
Non-caregivers	57%

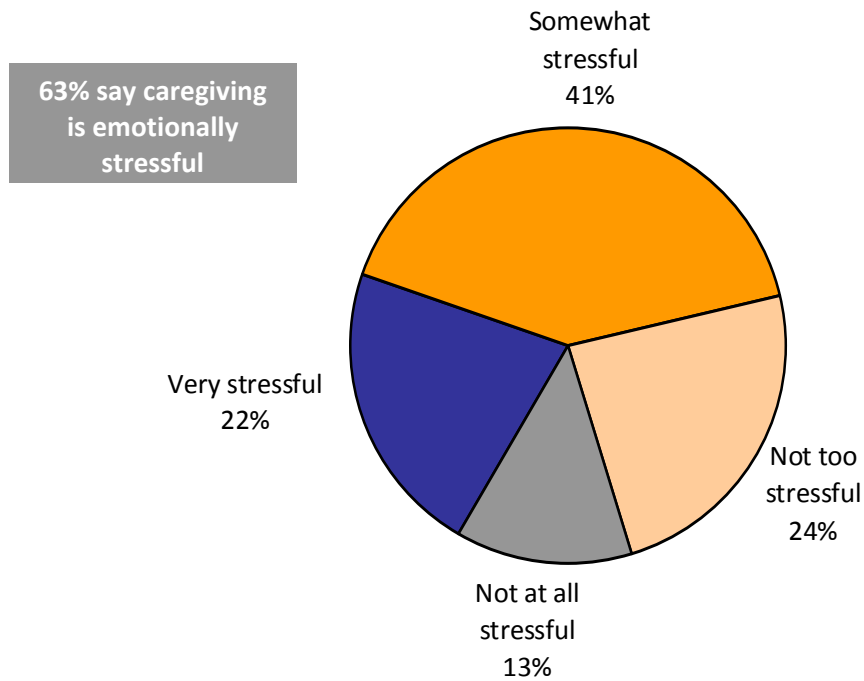
Q. *How worried are you these days that your total family income will not be enough to meet your family's living expenses and bills?*

Caregiving adds a financial hardship for some. Nearly four in ten (38%) survey respondents say they have been a caregiver of a friend or family member in the past 12 months. About three in ten caregivers (29%) say they have faced a financial hardship due to providing care.

² Sample size for Latinos is n= 203 with a margin of error of ± 6.9 percentage points; Sample size for African Americans is n=111 with a margin of error of ± 9.8 percentage points; Sample size for Asians is n=101 with a margin of error of ± 9.8 percentage points.

In addition to financial concerns, many caregivers (63%) say providing care is emotionally stressful. One in five (22%) says it is very stressful. (See Figure 2.)

Figure 2: How emotionally stressful would you say caring for your friend or family member is?



Q. During the past 12 months, did you provide any such help to a family member or friend? Q. How emotionally stressful would you say caring for your friend or family member is?

Along with current financial struggles of California voters 40 and older, many say they lack the social and emotional support they need in daily life.

Half of survey respondents (48%) say they only sometimes, rarely or never receive the emotional and social support they need. Sixteen percent say they always receive the support they need, and 36% say they usually get that support.

Respondents ages 40 to 64 are much less likely than older respondents to say they are lacking regular support (53% say they only sometimes, rarely, or never get support vs. 35% of 65 and older.) As income increases, survey respondents are more likely to say they get the support they need. (See Table 2.)

Table 2: Sometimes, rarely or never receive support, by demographics

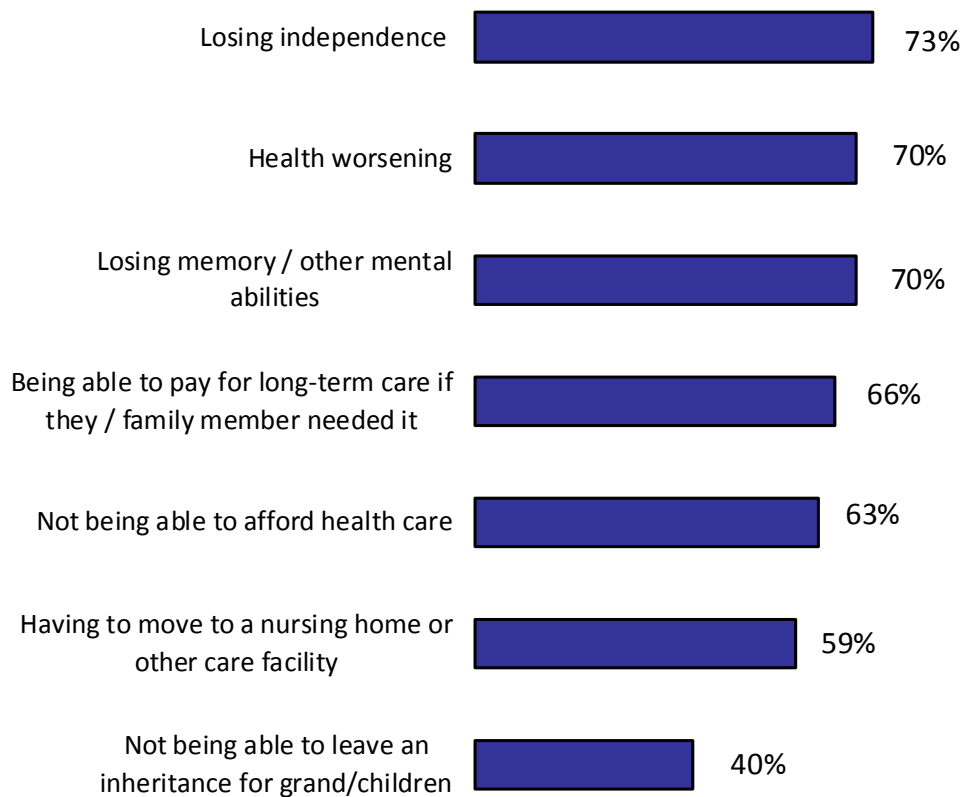
<i>Percent sometimes/ rarely/ never receive support</i>	Sometimes, rarely or never receive social and emotional support in daily life
All voters 40+	48%
40-64	53%
65+	35%
Whites, non-Hispanic	47%
African Americans	54%
Latinos	51%
Asians	41%
<\$30K household income	57%
\$30-\$49K	52%
\$50-\$74K	48%
\$75K+	39%
Caregivers	49%
Non-caregivers	47%

Q. Thinking about the stresses you face in your daily life, how often would you say you get the social and emotional support you need?

Affordability of future long-term care is a worry for survey respondents.

Losing independence (73%), health worsening (70%), losing memory or other mental abilities (70%), and paying for long-term care (66%) all top the list of concerns about growing older. Respondents worry just as much as about affording long-term care as they do health care. (See Figure 3.)

Figure 3: Thinking about growing older, how worried are you about:
Percent saying very/somewhat worried



Q. Thinking about growing older, how worried are you about each of the following issues: Q. The next questions are about long-term care, which includes a range of services people need when they can no longer care for themselves independently. These services include providing help in people’s homes or communities with daily activities like bathing and taking medications, as well as care in a nursing home.

Voters between ages 40 and 64 (70%) are more likely to worry about paying for long-term care than those 65 and older (58%). Racial and ethnic differences are also evident, with Latino (71%) and Asian (78%) respondents among the most likely to be worried about affording long-term care services. African Americans are least likely to be worried (47%).

Interestingly, majorities in all income brackets express concern about affording services. Sacramento voters 40 and older (58%) are less likely than those in other areas to say they are worried about their ability to pay for long-term care services. (See Table 3.)

Table 3: Worry about paying for long-term care, by demographics

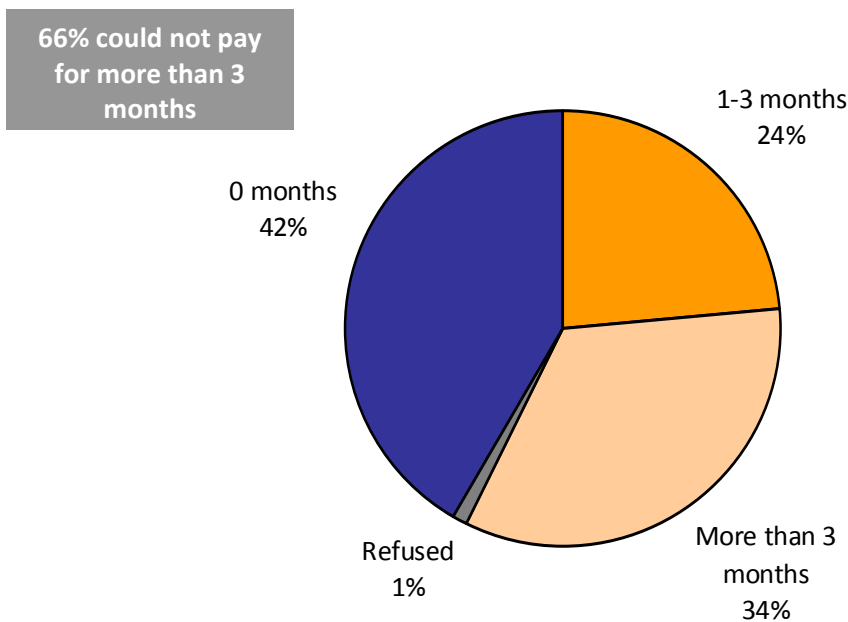
<i>Percent very/somewhat worried</i>	Worried about being able to pay for long-term care services
All voters 40+	66%
40-64	70%
65+	58%
Whites, non-Hispanic	66%
African Americans	47%
Latinos	71%
Asians	78%
<\$30K household income	71%
\$30-\$49K	69%
\$50-\$74K	68%
\$75K+	61%
Democrats	71%
Independents	64%
Republicans	62%
Caregivers	71%
Non-caregivers	64%
LA County ³	71%
San Diego	71%
Sacramento	58%
Bay Area	71%

³ Sample size for LA County is n=286 with a margin of error of ± 6.3 percentage points; Sample size for San Diego is n=165 with a margin of error of ± 7.8 percentage points; sample size for Sacramento is n=148 with a margin of error of ± 9.0 percentage points; sample size for the Bay Area is n=451 with a margin of error of ± 5.4 percentage points.

Two-thirds of voters could not afford more than three months of nursing home care if they needed it.

Survey respondents were presented with average costs of long-term nursing home care in California (\$6,500 per month). Respondents were also told that Medicare and regular private insurance plans do not pay for these costs. With this information, 42% say they could not afford one month of care. Two-thirds (66%) say they could not afford more than three months of care. (See Figure 4.)

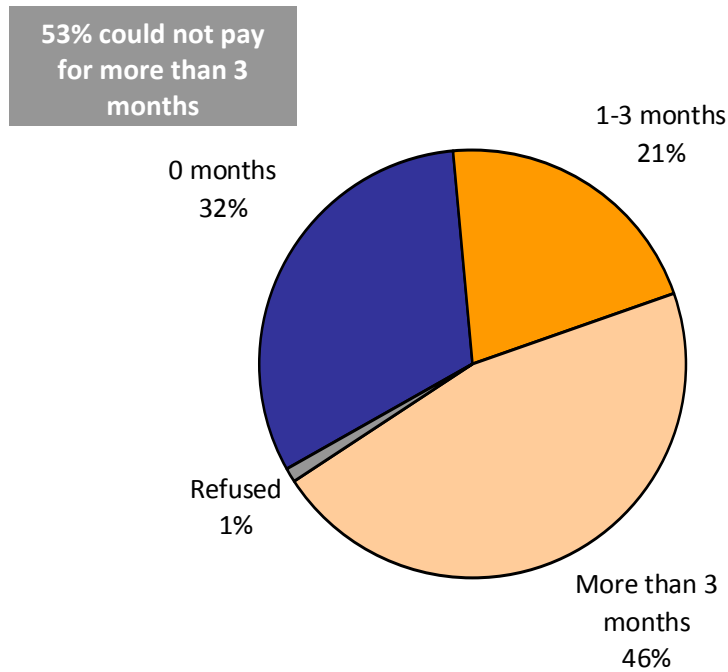
Figure 4: How long could you afford nursing home care if you had to pay for it yourself?



Q. Right now, nursing home care costs about \$6,500 a month in California. Medicare and regular private insurance plans do not pay for any of these costs. How many months could you afford nursing home care, if you had to pay for all of it yourself?

The survey also asked respondents to gauge whether they would be able to afford a part-time, licensed personal care aide if they needed it. Respondents were told that this service would cost about \$2,000 per month. Nearly one-third (32%) of California voters 40 and older say they would not be able to pay for one month of this type of in-home care. One in five (21%) say they would be able to pay three months or less, while about half (46%) says they could afford in-home care for more than three months. (See Figure 5.)

Figure 5: How long could you afford a part-time, licensed personal care aide if you had to pay for it yourself?



Q. Right now in California, it costs about \$2,000 a month to have a licensed personal care aide come into the home part-time to help an older person with a chronic illness, such as a stroke, with daily activities. Medicare and regular private insurance plans do not pay for any of these costs. How many months could you afford this care, if you had to pay for all of it yourself?

Women, African Americans, Latinos, and voters ages 40 to 64 are less likely than their counterparts to say paying for care is a possibility. Inability to pay also spans incomes below \$75,000. (See Table 4.)

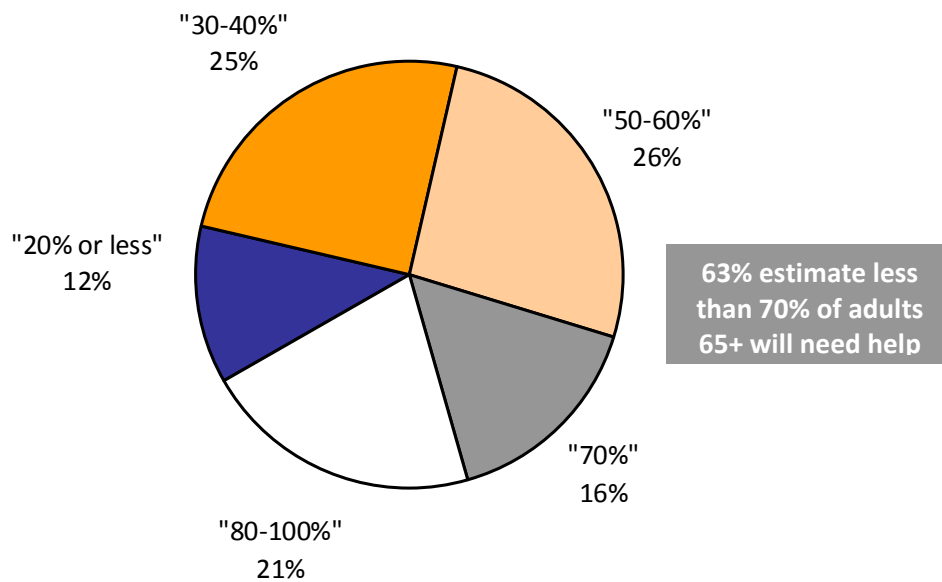
Table 4: Inability to afford long-term care, by demographics

	Nursing Home Care		Part-Time In-Home Personal Care Aide	
	<i>Could Not Afford More than 3 Months</i>	<i>Could Not Afford 1 Month</i>	<i>Could Not Afford More than 3 Months</i>	<i>Could Not Afford 1 Month</i>
All voters 40+	66%	42%	53%	32%
Men	61%	39%	50%	28%
Women	70%	45%	57%	35%
40-64	73%	51%	62%	40%
65+	49%	21%	34%	13%
Whites, non-Hispanic	57%	35%	47%	26%
African Americans	88%	62%	78%	53%
Latinos	88%	73%	78%	58%
Asians	58%	21%	42%	13%
<\$30K household income	87%	68%	78%	58%
\$30-\$49K	71%	45%	61%	37%
\$50-\$74K	67%	46%	54%	30%
\$75K+	48%	20%	33%	13%
Democrats	71%	47%	60%	36%
Independents	64%	38%	50%	29%
Republicans	59%	38%	48%	28%
LA County	76%	57%	67%	44%
San Diego	73%	33%	47%	26%
Sacramento	73%	38%	56%	30%
Bay Area	51%	31%	43%	22%

A majority of California voters 40 and older underestimate how many seniors will need help with daily activities and personal care as they grow older.

Data project that 70% of seniors will need help at some point in their lives with daily activities and personal care. A majority of respondents (63%) underestimate this need. (See Figure 6.) This belief spans racial and ethnic differences, household income levels and areas throughout the state.

Figure 6: What percent of Americans age 65 and older will need help?

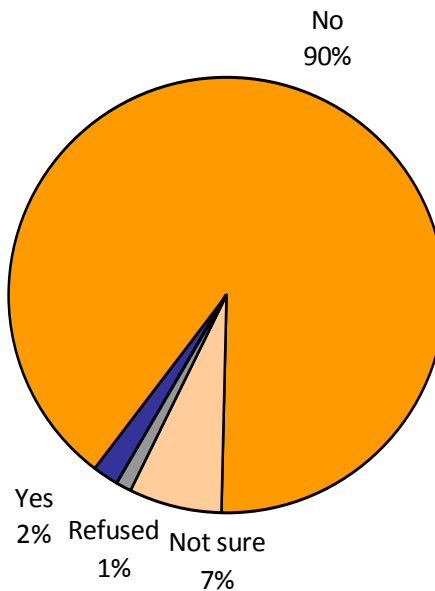


Q. What percentage of Americans age 65 and older do you think will need help at some point with daily activities and personal care because they can no longer take care of themselves independently? (Just your guess is fine).

While the CLASS Plan is unfamiliar to voters 40 and older, after reading a description of the plan, most have a favorable opinion.

Prior to reading a description of CLASS, survey respondents were asked whether they had heard of the federal Community Living Assistance Services and Supports Plan or the CLASS Plan. Only two percent of California voters 40 and older say they have heard about the CLASS Plan. (See Figure 7.)

Figure 7: Have You Heard About the Federal Community Assistance Services and Supports Plan, or the CLASS Plan?



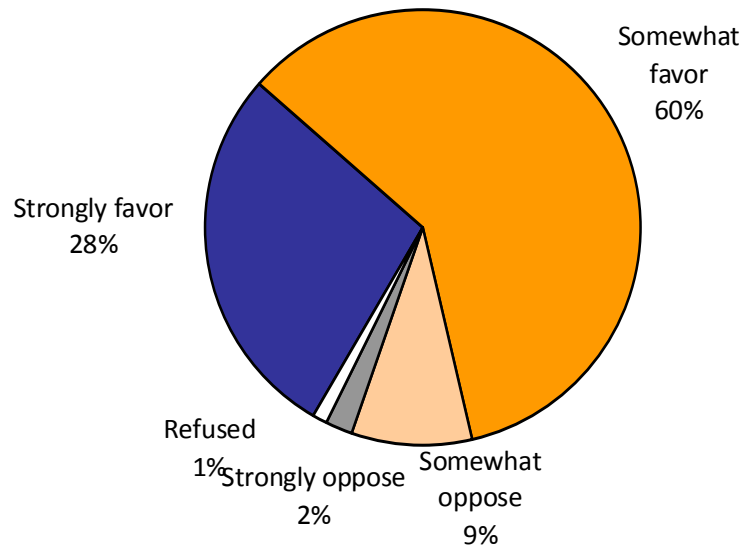
Q. Have you heard about the federal Community Living Assistance Services and Supports Plan, or the CLASS Plan?

To get a read on voters' attitudes toward the Plan, respondents were presented with the following description followed by a question about whether they favor or oppose the Plan:

The CLASS Plan is new consumer-funded long-term care insurance option that workers can purchase to help pay for future care and supportive services in the home. Currently Medicare does not cover any of these types of help. In this voluntary, federally-administered program, no one can be denied coverage due to pre-existing conditions. When participants need help down the road, they would get a daily cash amount to spend on the services of their choice to help them stay independent. The CLASS Plan is funded through premiums, not by taxpayer dollars.

Reactions to the description of the Plan are favorable. Nearly nine in ten (88%) say they strongly or somewhat favor the CLASS Plan. Eleven percent oppose the Plan. (See Figure 8.) Support for the CLASS Plan spans party affiliation, with 90% of Democrats, 88% of Republicans, and 86% of independents expressing favor.

Figure 8: Do you favor or oppose the CLASS Plan?

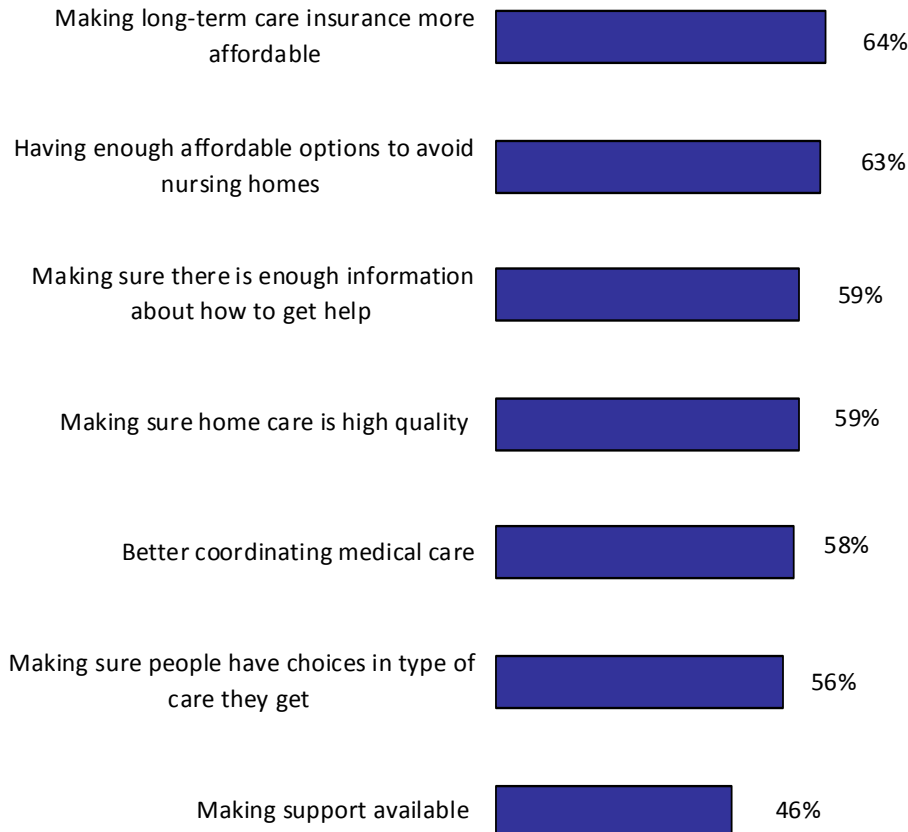


Q. Now that you've read more, do you favor or oppose the CLASS Plan?

According to survey respondents, affordability and accessible information should be high priorities for elected officials in California.

Finally, California voters 40 and older were asked about priorities around long-term care for elected officials. Priorities include making long-term care insurance more affordable (64% say high priority), having affordable options to avoid nursing homes (63%), and having enough information about how to get help for people who cannot take care of themselves (59%). (See Figure 9.)

Figure 9: Voters’ Priorities for Elected Officials in California:
Percent saying should be high priority



Q. How high of a priority do you think each of the following should be for elected officials in California:
a. Making support available to people who are providing care for their family and friends, including things like support groups b. Having enough affordable options available so that older people can get help in their homes and communities instead of going into nursing homes, regardless of their incomes c. Making sure people can have a choice in the type of care they get as they get older and need more help d. Making sure the care people get in their home or community is high quality and focuses on quality of life e. Better coordinating medical care with in-home or community support services to make it easier for seniors with health problems to live independently f. Making sure there is enough information about how to get help for people who cannot take care of themselves independently g. Making long-term care insurance more affordable

Methodology

Lake Research Partners and American Viewpoint conducted this survey, administered by [Knowledge Networks](#), among a representative probability sample of N = 1,490 registered voters ages 40 and older in California. Oversamples of Asians n=50, African Americans n=20 and San Diego n=70 were also included. The questionnaire was administered in both English and Spanish. The survey was fielded June 16 through 27, 2011. The margin of sampling error for the total survey results is ± 2.8 percentage points. The sampling error is larger for smaller subgroups within the sample.