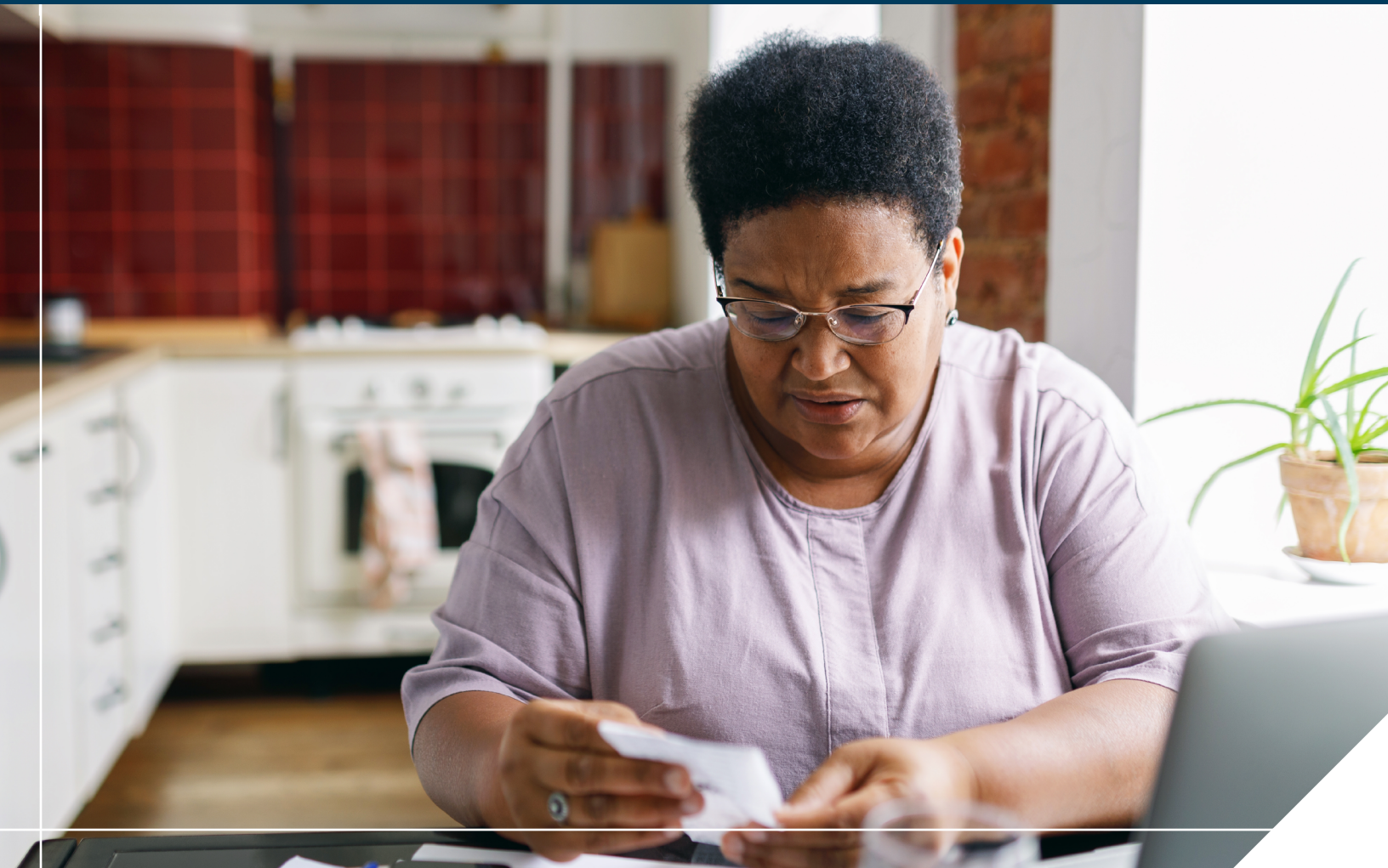


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Financial Worries of Diverse Californians With Needs for Long-Term Services and Supports

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INTRODUCTION

Long-term services and supports (LTSS) are key to the well-being and quality of life for an estimated 4.1 million older adults and adults with disabilities (18+ years of age and older) in California.¹ Yet LTSS are often not available to meet even the most basic needs of this diverse and growing population. LTSS includes a range of physical and social supports that can be provided by a variety of individuals and organizations (e.g., family members and friends, direct care workers, and health and social care professionals) across a broad continuum of care settings (e.g., at home, in the community, or in institutional settings).

The largest share of LTSS is provided by family members and friends. While most are willing to provide this assistance, doing so is often not sustainable for these caregivers, who may experience significant physical, emotional, and financial strain over time.² Furthermore, nearly 1 in 4 adults with disabilities live alone,³ and many do not have the support of family or friends. In these cases, family caregiving could be supplemented or replaced by services provided by private agencies and publicly financed programs. However, most public programs have income and other needs-based eligibility requirements that restrict the provision of services to a small segment of the population who need and could benefit from LTSS. Since the out-of-pocket costs for LTSS such as home care are prohibitive for most California households, many people with LTSS needs either continue to rely solely on family and unpaid caregivers or go without having their essential care needs met.^{4, 5}

This fact sheet uses statewide population-level data to describe the financial worries experienced by California adults who have needs for LTSS⁶ and to assess the extent of these worries by race or ethnicity and by employment status. It further illustrates how financial worries and income are potential drivers of specific health outcomes (i.e., self-reported health and serious psychological distress).

Data were obtained from the 2019–2020 California Long-Term Services and Supports (CA-LTSS) Study, a follow-on survey of the 2019–2020 California Health Interview Survey (CHIS). Earlier reports from these data documented specific financial challenges experienced by this population and showed that 2 in 5 of adults with disabilities who experience difficulties with day-to-day activities have unmet needs for personal care (e.g., assistance with bathing or dressing) and routine care (e.g., help with shopping and transportation).^{7, 8}

Many people with LTSS needs either continue to rely solely on family and unpaid caregivers or go without having their essential care needs met.

For additional survey results related to the economic and social drivers of health and well-being for California older adults and adults with LTSS needs, please see the related policy brief, [The Health of Diverse Californians With Needs for Long-Term Services and Supports](#), and fact sheet, [How a Sense of Neighborhood Cohesion Affects the Health of Diverse Californians With Needs for Long-Term Services and Supports](#), which were released in tandem with this fact sheet.

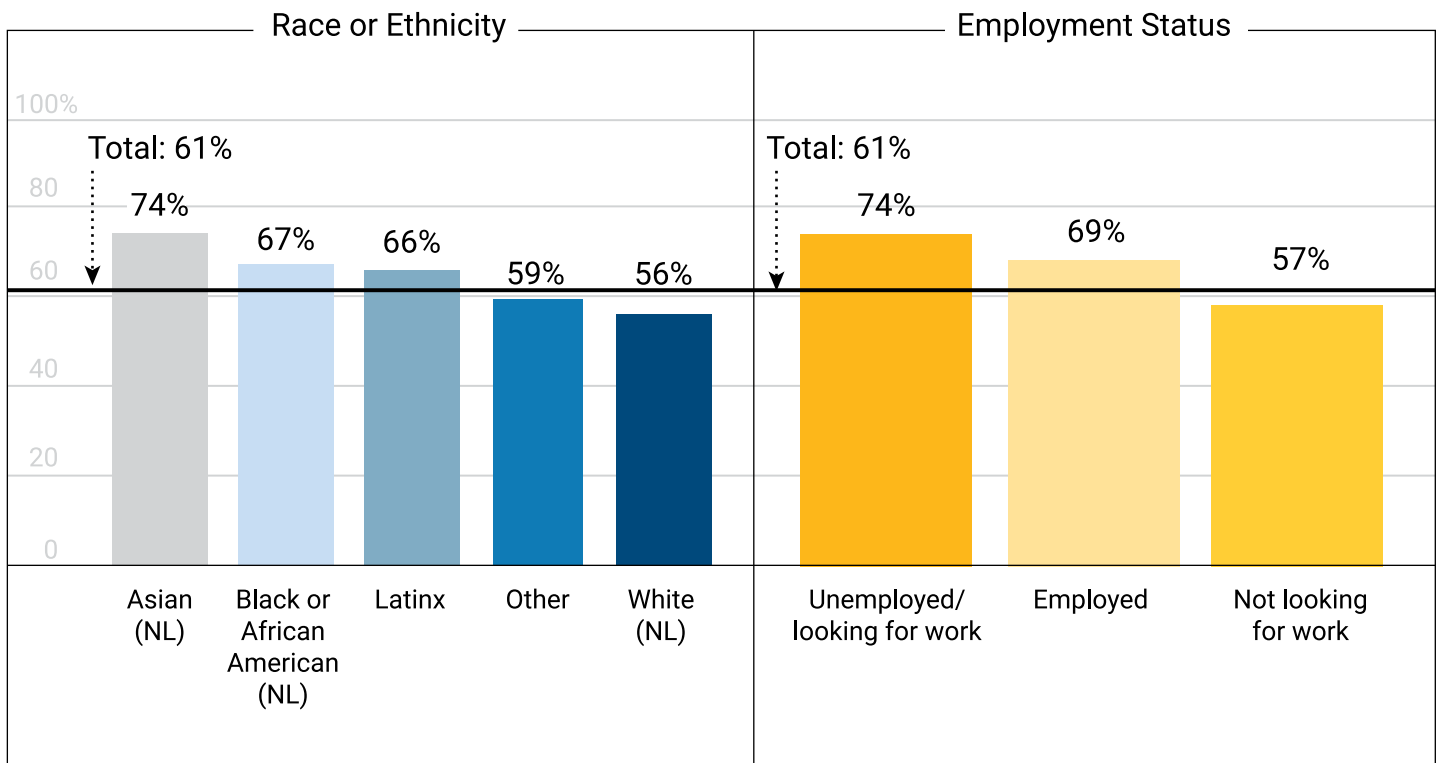
Findings

Most of California’s older adults and adults with disabilities who have LTSS needs also experience financial worries. We found that

close to two-thirds of California adults with needs for LTSS (61%) were experiencing financial worries.⁶

The experience of financial worries varies depending on race or ethnicity and employment status. Significantly larger proportions of Asian (74%), Black or African American (67%), and Latinx (66%) adults with LTSS needs reported financial worries compared to white adults (56%) and those who identified as other races or ethnicities (59%). With respect to employment status, adults who were either unemployed (74%) or employed (69%) were significantly more likely to report financial worries than those not looking for work (57%) (Exhibit 1).

Exhibit 1 / Percentage of Adults With LTSS Needs Reporting Financial Worries, by Race/ Ethnicity and Employment, California, 2019–2020



NL = Non-Latinx

Other = American Indian or Alaska Native; Native Hawaiian or Pacific Islander; two or more races

Source: Authors’ analyses of 2019–2020 California Long-Term Services and Supports (CA-LTSS) Study and 2019–2020 California Health Interview Survey (CHIS) data

More than one-third of Black or African American adults with needs for LTSS (39%) had a household income below 100% FPL, a rate higher than those for all other racial/ethnic groups (data not shown). While having a low income clearly contributes to the experience of financial worries, it is not the only factor that might explain the racial or ethnic differences exhibited here.

Employment status is another factor that is important to consider. While our finding that those who are unemployed are the most likely to experience financial worries may not be surprising, the extent of financial worries experienced by those who are employed raises some questions. For instance, how many are employed in quality jobs that provide sufficient compensation, hours of work, and benefits?

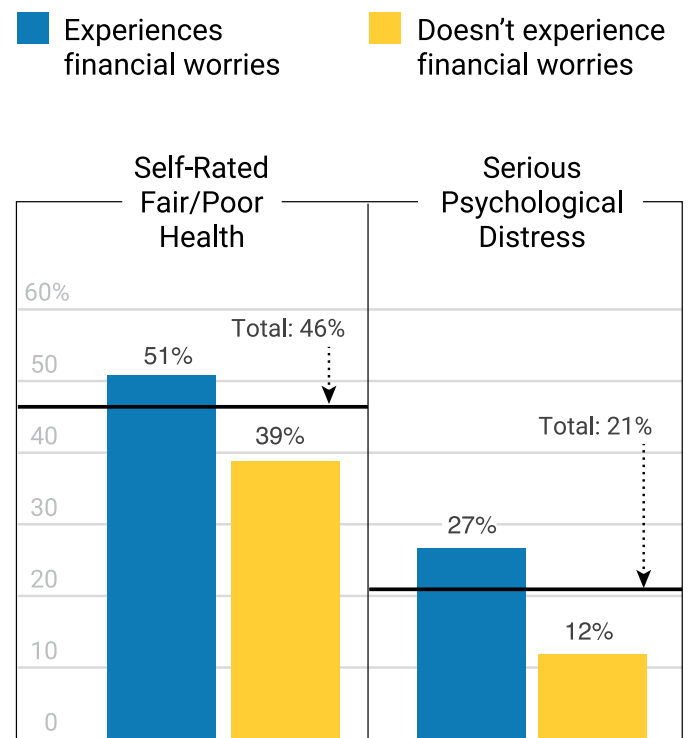
The experience of financial worries among California adults who have LTSS needs has implications for health outcomes.

While fewer than half (46%) of all adults with LTSS needs reported having fair or poor health, slightly more than half (51%) of those experiencing financial worries reported poor or fair self-rated health, significantly higher than the rate for those who did not report financial worries (39%). Furthermore, those experiencing financial worries (27%) were more than two times as likely as those without financial worries (12%) to report serious psychological distress (Exhibit 2).

Lower income among adults with LTSS needs is associated with poorer health outcomes.

One in 5 (21%) adults with LTSS needs reported household income below 100% of the federal

Exhibit 2 / Percentage of Adults With LTSS Needs Reporting Self-Rated Fair or Poor Health and Serious Psychological Distress, by Financial Worries, California, 2019–2020

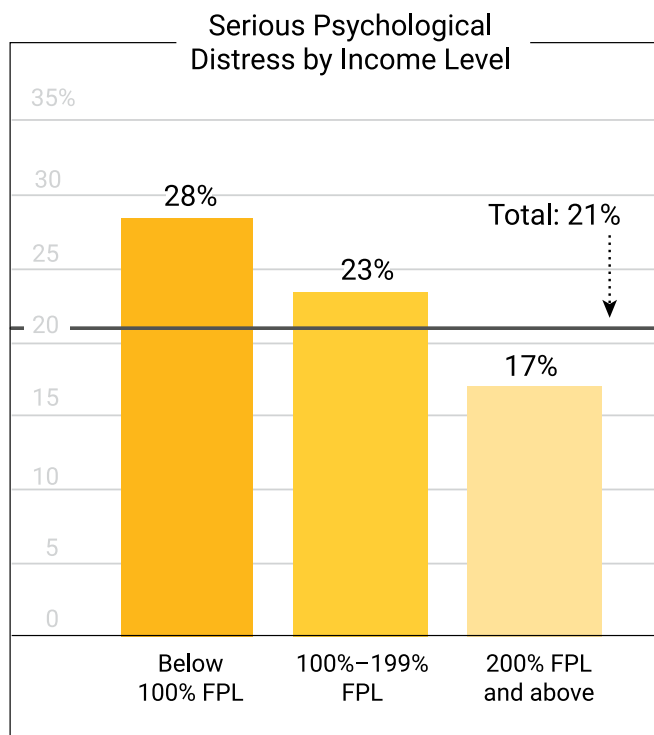
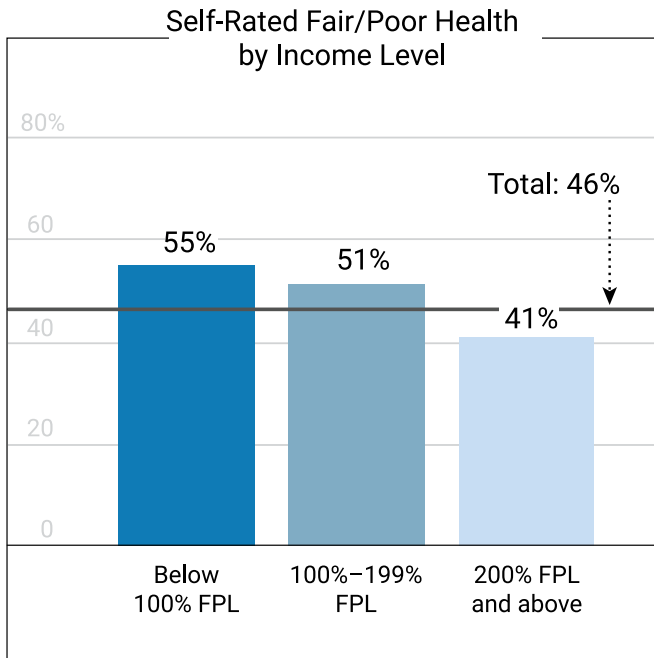


Source: Authors' analyses of 2019–2020 California Long-Term Services and Supports (CA-LTSS) Study and 2019–2020 California Health Interview Survey (CHIS) data

poverty level (FPL); 1 in 4 (24%) had income between 100% and 199% FPL; and more than half (55%) reported income of 200% FPL or above (data not shown).

Self-rated health. More than half of adults with LTSS needs whose household income was below 100% FPL (55%) or between 100% and 199% FPL (51%) reported fair or poor health, rates significantly higher than the rate for those with a household income of 200% FPL and above (41%) (Exhibit 3).

Exhibit 3 / Percentage of Adults With LTSS Needs Reporting Self-Rated Fair or Poor Health and Serious Psychological Distress, by Income Level, California, 2019–2020



Source: Authors’ analyses of 2019–2020 California Long-Term Services and Supports (CA-LTSS) Study and 2019–2020 California Health Interview Survey (CHIS) data

Serious psychological distress. Significantly larger proportions of adults whose household income was below 100% FPL (28%) or between 100% and 199% FPL (23%) reported serious psychological distress compared to adults with incomes of 200% FPL or above (17%) (Exhibit 3).

Implications

Understanding how race or ethnicity, employment, and income contribute to the experience of financial worries has implications for the health outcomes of Californian adults with LTSS needs. The findings presented here suggest that a more robust, accessible, affordable, and equitable system of LTSS is needed to better address both the supportive care needs and the financial concerns of this population.

Methodology

A total of 3,990 adults (9%) who responded to the 2019 and 2020 California Health Interview Surveys (CHIS) answered “Yes” to at least one of the following three questions and were therefore eligible to participate in the California Long-Term Services and Supports (CA-LTSS) Study:

- 1) Because of a physical, mental, or emotional condition, do you have serious difficulty concentrating, remembering, or making decisions?
- 2) Do you have difficulty dressing or bathing?
- 3) Because of a physical, mental, or emotional condition, do you have difficulty doing errands alone, such as visiting a doctor’s office or shopping?



The California Health Interview Survey covers a wide array of health-related topics, including health insurance coverage, health status and behaviors, and access to health care. It is based on interviews conducted continuously throughout the year with respondents from more than 20,000 California households. CHIS interviews were offered in English, Spanish, Chinese (both Mandarin and Cantonese), Vietnamese, Korean, and Tagalog. CHIS is designed with complex survey methods requiring analysts to use complex survey weights in order to provide accurate variance estimates and statistical testing. CHIS is a collaboration of the UCLA Center for Health Policy Research, the California Department of Public Health, the California Department of Health Care Services, and the Public Health Institute. For other information about CHIS, visit chis.ucla.edu.

Among the 2,030 respondents who completed the CA-LTSS survey, 54% reported serious difficulty concentrating, remembering, or making decisions; 36% reported difficulty with personal care; and 53% reported difficulty with routine care. All results are weighted based on population characteristics in California.

The measure of financial worries was assessed based on the extent to which participants reported being worried that their income was

not enough to meet their living expenses/bills. We categorized “very worried” and “somewhat worried” as “worried,” and “not too worried” and “not at all worried” as “not worried.”

Self-rated health was assessed based on participants’ description of their health as excellent, very good, good, fair, or poor. We categorized “good,” “very good,” and “excellent” as “good health,” and “poor” and “fair” as “fair/poor health.”

Serious psychological distress was assessed using the Kessler 6 (K6) scale. The questionnaire asked participants how they had been feeling during the past 30 days with respect to the following six items: 1) nervous; 2) hopeless; 3) restless or fidgety; 4) so depressed that nothing could cheer you up; 5) everything was an effort; 6) worthless. Each item was coded as: 0 = None of the time/Never; 1 = A little of the time; 2 = Some of the time; 3 = Most of the time; 4 = All of the time. The resulting range for psychological distress is 0–24. A score of 13 or greater indicates serious psychological distress.

Funder Information

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The primary data source for this policy brief, the California Long-Term Services and Supports (CA-LTSS) Study, was funded by the California Department of Health Care Services (Grant Agreement 18–95340).

Endnotes

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- 2 Tan S, Kudaravalli S, Kietzman K. 2021. *Who Is Caring for the Caregivers? The Financial, Physical, and Mental Health Costs of Caregiving in California*. Los Angeles, CA: UCLA Center for Health Policy Research.
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- 5 Johnson RW. 2019. *What Is the Lifetime Risk of Needing and Receiving Long-Term Services and Supports?* Washington, DC: Office of the Assistant Secretary for Planning and Evaluation, U.S. Department of Health and Human Services.
- 6 “Adults who have needs for LTSS” = those who are living with disability or managing chronic care needs that have developed over time and are using, or could benefit from using, long-term services and supports (LTSS) to meet their day-to-day needs and optimize their independence, health, and quality of life. Examples of formal/paid services include personal care and homemaker services (e.g., In-Home Supportive Services), nutrition programs (e.g., Meals on Wheels), transportation services (e.g., Access Paratransit), adult day care, and case management services. LTSS also includes informal, and most typically unpaid, care provided by family members, friends, and neighbors. These are the unpaid sources of support upon which many community-dwelling older adults and adults with disabilities rely.
- 7 Chen L, Kietzman KG. 2022. *Older Adults and Adults With Disabilities in California Struggle to Make Financial Ends Meet*. Los Angeles, CA: UCLA Center for Health Policy Research.
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