



**Strategies to Support
Home and Community-
Based Long-Term Care:
A New Jersey Survey**

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Strategies to Support Home and Community-Based Long-Term Care: A New Jersey Survey

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AARP is a nonprofit, nonpartisan membership organization that helps people 50+ have independence, choice and control in ways that are beneficial and affordable to them and society as a whole. We produce *AARP The Magazine*, published bimonthly; *AARP Bulletin*, our monthly newspaper; *AARP Segunda Juventud*, our bimonthly magazine in Spanish and English; *NRTA Live & Learn*, our quarterly newsletter for 50+ educators; and our website, www.aarp.org. AARP Foundation is our affiliated charity that provides security, protection, and empowerment to older persons in need with support from thousands of volunteers, donors, and sponsors. We have staffed offices in all 50 states, the District of Columbia, Puerto Rico, and the U.S. Virgin Islands.

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Background

New Jersey's aging population has a need for long-term care services right now. In 2003, thirteen percent of New Jersey's residents were 65 or older. This translates into 1.06 million people.¹ Compared to other states, New Jersey has a moderately high percentage of people age 65 and older with activity limitations.² New Jersey also will have greater demands placed on its long-term care system in the future. In 2025, the number of residents age 65 and older is projected to jump to 1.65 million.³

The current needs and projected population growth in New Jersey demand long-term care services. AARP New Jersey believes that where those services are provided is critical. Long-term care is often associated with nursing homes. Indeed, over half of all women and a third of all men who reach the age of 65 are expected to spend some time in a nursing home.⁴ However, three in four people in need of long-term care live in settings other than nursing homes, and family or friends provide the majority of care.⁵

This report examines members' opinions about several legislative strategies to assist persons to obtain the type of care they need, want, and can afford, such as:

- simplifying and speeding up the process of enrolling persons in home and community-based care programs,
- offering assistance to pay for home and community-based care services, and
- increasing home and community-based care options.

This report is based on a subset of questions included in the *2005 AARP New Jersey Legislative Issues Survey*. The full survey, including questions focused on prescription drugs, campaign finance reform, and the priority of state legislative issues, is included in the appendix to this report. The survey was conducted by mail among a random sample of AARP New Jersey members between January 6, 2005 and February 3, 2005. A total of 1,005 members responded prior to the cut-off date and are included in this analysis.

1 <http://www.census.gov/acs/www/Products/Profiles/single/2003/ACS/Tabular/040/04000US341.htm>

2 Gregory, Steven R. & Gibson, Mary J. (2002). *Across the States 2002: Profiles of Long-Term Care New Jersey*.
http://research.aarp.org/health/d17794_2002_atg_ga.pdf

3 <http://www.census.gov/populations/www/projections/stproj.html>

4 Nursing Homes (Skilled Nursing Facilities). (2003). http://www.helpguide.org/elder/nursing_homes_skilled_nursing_facilities.htm

5 National Conference of State Legislatures' State Health Lawmakers' Digest. <http://www.ncsl.org/programs/health/forum/shld/11.pdf>

Highlights

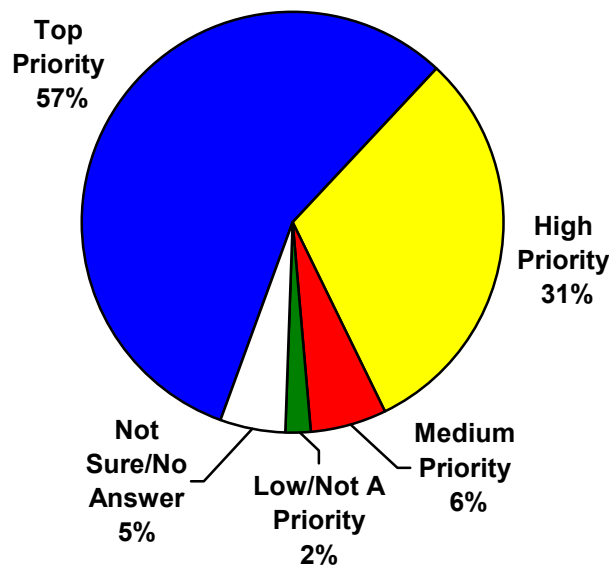
- Nearly nine in ten New Jersey AARP members report it is a top (57%) or high (31%) priority for the state to simplify and speed-up the process of enrolling residents in home and community-based long-term care programs when they are designated as eligible for nursing home care.
- More than eight in ten members say it is a top (53%) or high (30%) priority for New Jersey to offer assistance in paying for home and community-based services to people who need long-term care services but who cannot afford them.
- A similar percentage indicates it is a top (48%) or high (35%) priority for New Jersey to implement a system that increases home and community-based care options when individuals select long-term care services.
- Nearly three in four members are not very (25%) or not at all confident (48%) they would be able to pay the cost of long-term care services for two years if they or a member of their family needed the services.
- More than two in five members project that they or a member of their family are very (14%) or somewhat (29%) likely to need long-term care services in the next five years.
- More than four in five members report that it should be a top (51%) or high (33%) priority for AARP New Jersey to work on legislation that would increase affordable long-term care choices.

A large majority of New Jersey members say it is a top or high priority for the state to simplify and speed-up enrollment in home and community-based care services.

Members were advised that long-term care refers to a range of services used by people who have lost the ability to fully-function independently. In addition, they were told that although most people would prefer to receive long-term care in their homes and communities, 76 percent of government funds for long-term care in New Jersey are allocated to nursing home care.⁶ Currently, it is much easier to qualify for nursing home care than for home and community-based care services. People who are eligible for assistance in New Jersey have had to wait up to six months for the state to verify that they are eligible for long-term care in home and community-based settings, even though they can obtain nursing home care immediately. Members were asked how much of a priority it is to them to streamline this process.

Nearly nine in ten members say that it is a top or high priority for the state to simplify and speed-up the process of enrolling residents in home and community-based long-term care programs when they are designated as eligible for nursing home care. Very few report that it should not be a priority.

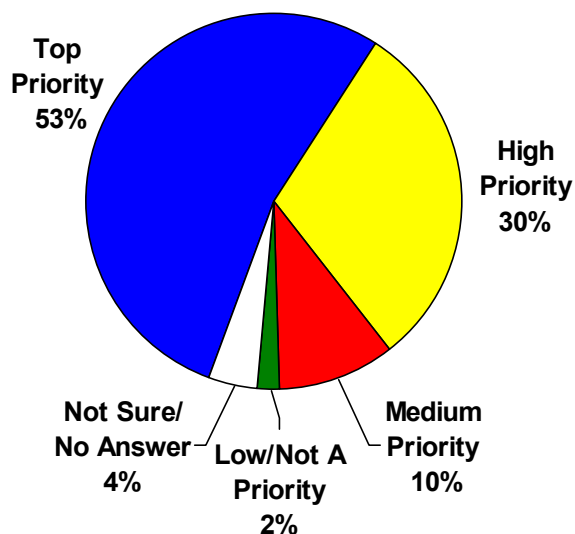
Priority of Simplifying and Speeding-Up Enrollment in Home and Community-Based Care Services
(N=1,005)



⁶ Across the States: Profiles of Long-Term Care (2004). AARP Public Policy Institute, Washington, DC.

Eight in ten members report that it should be a priority for the state to pay for home and community-based care services for those who need services but are unable to afford them.

Priority of State Assistance to Pay for Home and Community-Based Care Services for Those Who Cannot Afford Them (N=1,005)

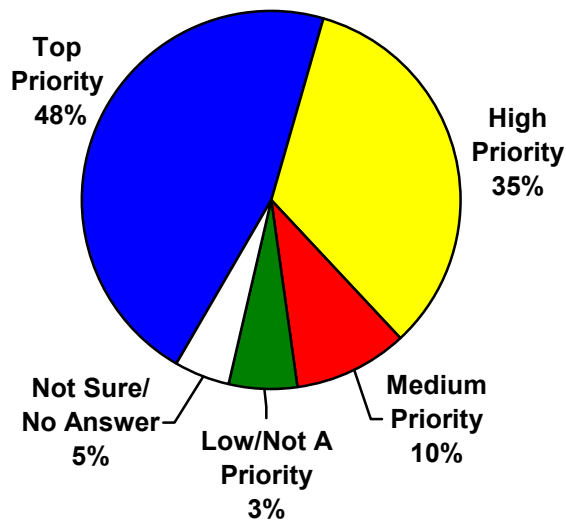


Members were informed that currently in New Jersey, if a person is in need for long-term care and qualifies for Medicaid, then the state will pay for nursing home care costs that the person cannot afford. However, if the same person can be cared for in the home or community, he/she might be placed on a waiting list for the needed services or receive the care in a nursing home instead. Members were asked to rate how much of a priority it should be for the state to offer assistance in paying for home and community-based care rather than more expensive nursing home care. More than eight in ten members think it should be a priority for the state. Few believe it should not be a priority.

The vast majority of New Jersey members report that it is a priority to increase home and community-based care options.

Members were next asked how much of a priority it should be for New Jersey to implement a system that increases home and community-based care options when patients select long-term care services. More than eight in ten members believe it is a priority to increase home and community-based care options. Few say that it is not a priority.

Priority of Implementing a System to Increase Home and Community-Based Care Options in New Jersey (N=1,005)

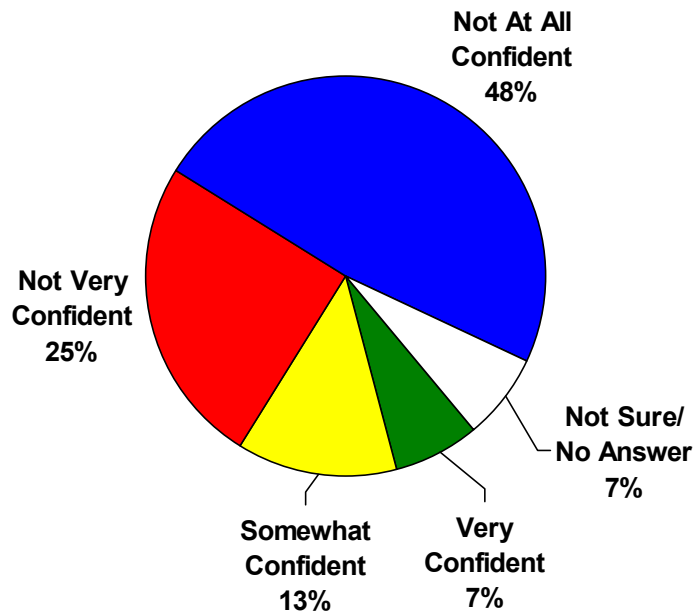


A majority of New Jersey members are not confident that they could afford the cost of nursing home or assisted living services for two years.

Members were advised that the cost of nursing homes and assisted living long-term care services in New Jersey ranges from about \$30,900⁷ to \$80,180⁸ per year. They were asked how confident they are that they could afford to pay for these services if they or a family member needed them for two years.

A solid majority of New Jersey AARP members indicate they are not very or not at all confident that they could afford to pay for the costs of these services for two years. Only one in five reports they are confident.

Confidence in the Ability to Pay the Cost for Nursing Home and/or Assisted Living Services for Two Years
(N=1,005)



⁷ The MetLife Market Survey of Assisted Living Costs (2002). Mature Market Institute: Westport, CT.

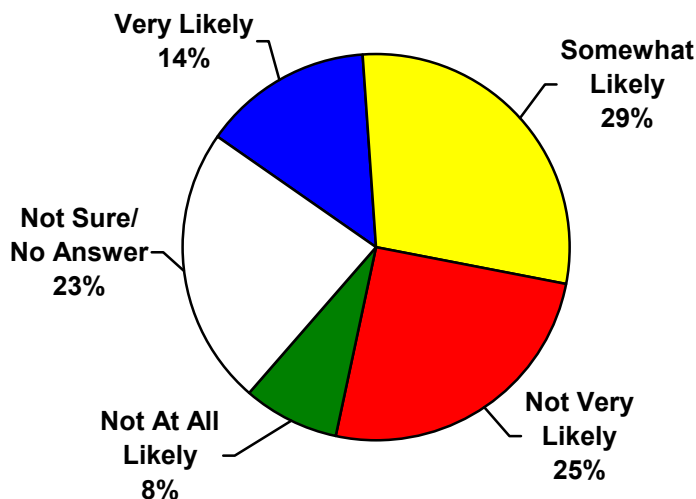
⁸ GE Financial Services Nursing Home Costs Survey (2003).

https://www.gefinancial.com/pressroom/releases/20030803_nursingcosts.html

More than two in five New Jersey members believe that it is very or somewhat likely that they or a family member will need long-term care in the next five years.

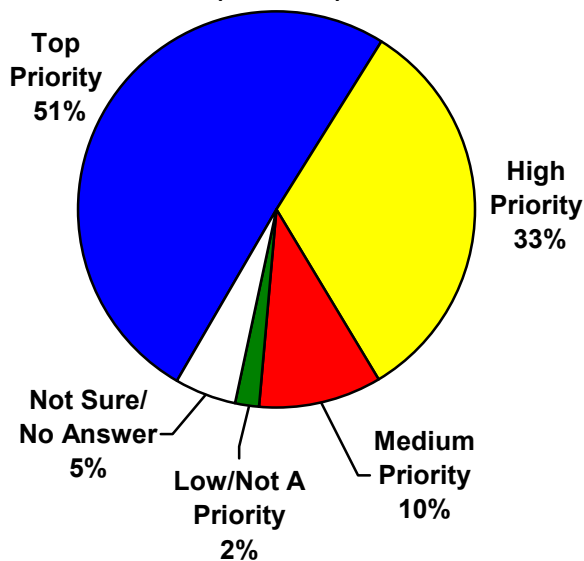
More than four in ten New Jersey members believe that they or a member of their family will need long-term care services in the next five years. One in three reports that it is not very or not at all likely. Slightly more than one in five is unsure.

Likelihood of Need Long-Term Care Services in Next Five Years (N=1,005)



Increasing affordable, long-term care choices is a priority for eight in ten AARP New Jersey members.

Priority of Increasing Affordable Long-Term Care Choices in New Jersey (N=1,005)



AARP New Jersey members were presented with a list of 12 important issues facing AARP members. They were asked to report how much of a priority each issue should be for AARP New Jersey. One issue focused on increasing affordable long-term care choices. More than eight in ten members report it should be a top or high priority for AARP New Jersey. Very few indicate it should not be a priority.

Conclusion

Having affordable long-term care choices is a priority for AARP New Jersey members. While two in five members project that they or a member of their family may need long-term care in the next five years, nearly three in four are not confident that they could afford the cost of long-term care services for two years.

Members also think that increasing home and community-based care options should be a priority for the state. Furthermore, they indicate it should be a priority for the state to offer financial assistance programs to persons who need these services, but cannot afford them.

To enable more persons to take advantage of the choice of having paid services offered in the home and community, AARP New Jersey members believe it should be a priority of the state to simplify and speed-up the process of enrolling persons in home and community-based long-term care programs when they are designated as eligible for nursing home care.

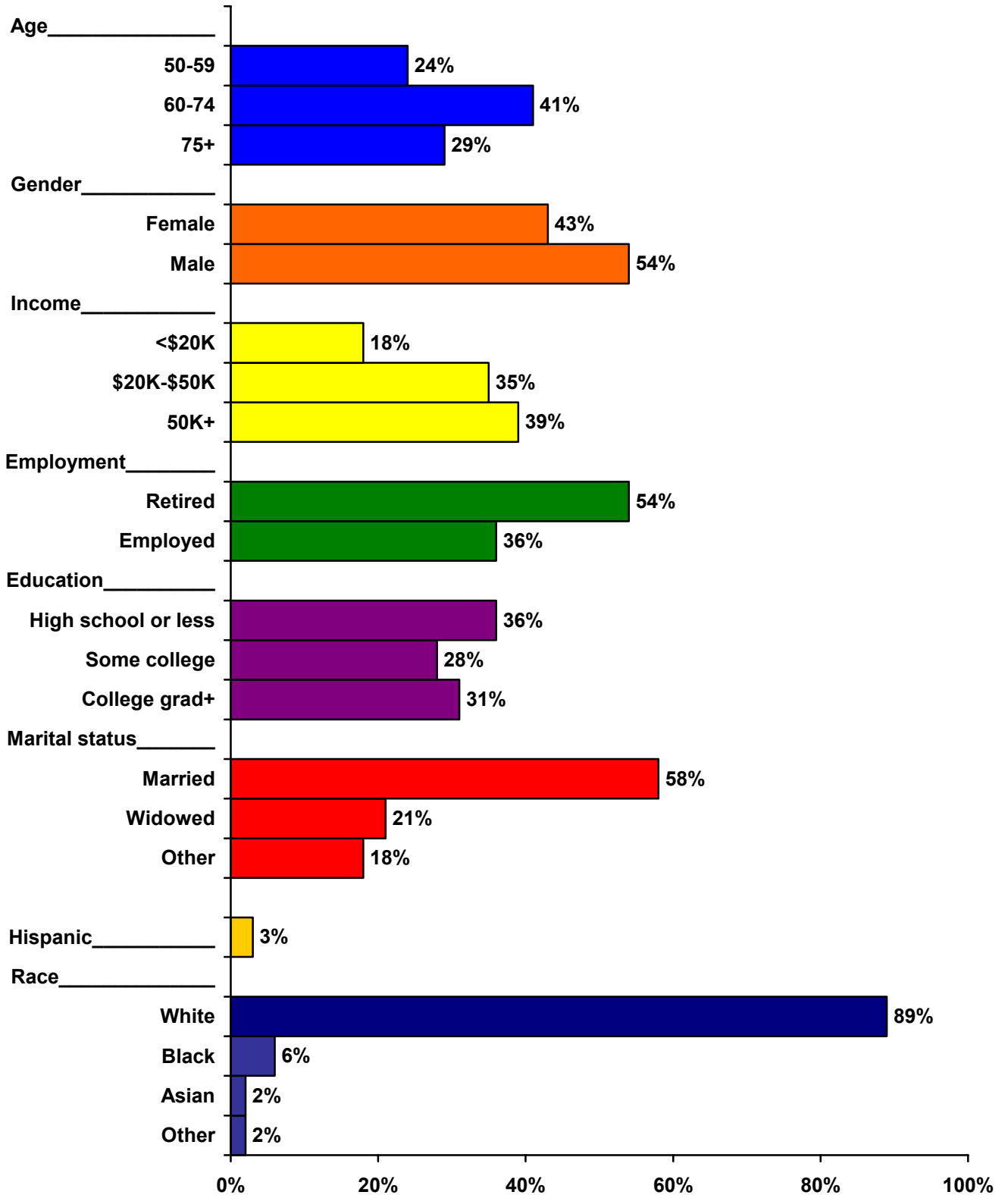
Members demonstrate both interest and support in streamlining long-term care and making it more affordable for all residents. They believe that AARP New Jersey should make it a priority to work on strategies to address affordability issues.

Methodology

AARP conducted the *AARP New Jersey Legislative Issues Survey* from January 6, 2005 through February 3, 2005. A random sample of 2,000 AARP members in New Jersey, proportionally stratified by three age segments, 50 to 59, 60 to 74, and 75+, was selected from AARP's membership database. Each sampled member was contacted about the survey in four ways: a pre-notification postcard, the survey itself, a reminder postcard, and a second survey. Fifty-four percent of the sampled New Jersey members returned surveys, with 1,005 coming in by the cut-off date which were then used for this analysis. Thus, the survey has a sampling error of plus or minus 3.16 percent.⁹ Survey responses were weighted to reflect the distribution of the age segments in the member population of New Jersey. As of January 31, 2005, the number of AARP members in New Jersey was 1,339,679.

⁹ This means that in 95 out of 100 samples of this size, the results obtained in the sample would fall in a range of 3.16 percentage points of what would have been obtained if every AARP member in New Jersey age 50 or older had been surveyed.

Demographic Characteristics (N = 1,005)



Appendix

Annotated Questionnaire

2005 AARP New Jersey Legislative Issues Survey

Weighted n = 1,005; Response Rate =54 %; Sampling Error = +/- 3.16%

(Percentages may not add to 100% due to rounding or multiple responses. A “*” means less than 1%.)

Prescription Drugs

There are more than 1 million New Jersey residents who lack prescription drug insurance. People in New Jersey with lower incomes can qualify for financial assistance to pay for their medications through Medicaid, PAAD (Pharmaceutical Assistance of the Aged and Disabled), or the Senior Gold Program.

1. How strongly would you support or oppose the State of New Jersey creating a prescription drug assistance program for low-income individuals who lack prescription drug insurance and who don't qualify for existing prescription drug assistance programs?

<u>%</u>	
67	Strongly support
21	Somewhat support
3	Somewhat oppose
3	Strongly oppose
5	Not sure
1	No Response

The New Jersey Legislature is currently considering a bill that would require the State Department of Health and Senior Services (DHSS) to negotiate with drug manufacturers to obtain discounted prices for many prescription drugs. Low-income New Jersey residents who currently do not have prescription drug coverage or who have only minimal health insurance would be eligible to purchase discounted drugs under the program.

2. How strongly would you support or oppose legislation in New Jersey that would require the state to negotiate prescription drug discounts for low- and middle-income people with no or minimal prescription drug coverage?

<u>%</u>	
74	Strongly support
19	Somewhat support
3	Somewhat oppose
2	Strongly oppose
3	Not sure
1	No Response

Many states have adopted the use of preferred drug lists as one method of controlling rising prescription drug costs in state-funded prescription drug assistance programs such as Medicaid, PAAD, and Senior Gold. A state preferred drug list would be a list of effective and discounted drugs that physicians can freely prescribe to patients on state programs. If a patient wants a prescription drug that is not on the preferred drug list, the physician must seek approval to prescribe the medication.

3. How strongly would you support or oppose New Jersey adopting a preferred drug list for use in state-funded prescription drug assistance programs?

<u>%</u>	
44	Strongly support
27	Somewhat support
10	Somewhat oppose
7	Strongly oppose
8	Not sure
4	No Response

Although the new Medicare prescription drug benefit (which comes into effect in January 2006) will not help many middle-income people, it will pay for prescription drug coverage for many residents of New Jersey with lower incomes. This means that the state of New Jersey, which currently pays for prescription drug coverage for low-income individuals, could save hundreds of millions of tax dollars each year.

4. How strongly would you support or oppose the state of New Jersey using these savings to improve and expand PAAD and Senior Gold, New Jersey's current prescription drug assistance programs?

<u>%</u>	
57	Strongly support
24	Somewhat support
4	Somewhat oppose
4	Strongly oppose
7	Not sure
4	No Response

5. How strongly would you support or oppose the state of New Jersey using these savings to expand prescription drug assistance coverage for middle-income older and disabled residents currently without prescription drug insurance?

<u>%</u>	
71	Strongly support
18	Somewhat support
2	Somewhat oppose
2	Strongly oppose
4	Not sure
4	No Response

The Inspector General's Office at the Health and Human Services Department released a report in September 2004 which studied the prices that state Medicaid programs paid for a sample of 28 brand-name and generic medications in 2001. According to the report, the New Jersey state government pays the most for Medicaid prescription drugs and on average paid \$200 more per prescription than the lowest-paying state.

6. How much of a priority do you feel it should be for the state of New Jersey to implement a system that would ensure that New Jersey does not continue to pay higher prices for the same prescription drugs that other states are buying at discounts?

<u>%</u>	
73	Top Priority
19	High Priority
2	Medium Priority
1	Low Priority
1	Not A Priority
2	Not sure
3	No Response

Long-Term Care

Long-term care refers to a range of services used by people who have lost the ability to fully-function independently. Although most people would prefer to receive long-term care in their homes and communities, 76 percent of government funds for long-term care in New Jersey are allocated to nursing home care. Currently, it is much easier to qualify for nursing home care than for home and community-based care services. People, who are eligible for assistance, in New Jersey have had to wait up to six months for the state to verify that they are eligible for long-term care in home or community-based settings even though they can obtain nursing home care immediately.

7. How much of a priority do you feel it should be for New Jersey to simplify and speed-up the process of enrolling residents in home and community-based long-term care programs when they are designated as eligible for nursing home care?

<u>%</u>	
57	Top Priority
31	High Priority
6	Medium Priority
1	Low Priority
1	Not A Priority
2	Not sure
3	No Response

Currently in New Jersey, if you are in need of long-term care and you qualify for Medicaid, the state will pay for nursing home care costs that you cannot afford. However, if you can be cared for in your home or community, the state will not always pay for that care, and you might be placed on a waiting list for these services or receive the care in a nursing home instead.

8. **How much of a priority do you feel it should be for New Jersey to offer assistance in paying for home and community-based services to people who need long-term care services but cannot afford them?**

<u>%</u>	
53	Top Priority
30	High Priority
10	Medium Priority
1	Low Priority
1	Not A Priority
3	Not sure
1	No Response

9. **How much of a priority do you feel it should be for New Jersey to implement a system that increases home and community-based options when patients select long-term care services?**

<u>%</u>	
48	Top Priority
35	High Priority
10	Medium Priority
2	Low Priority
1	Not A Priority
4	Not sure
1	No Response

10. **Currently, the cost of nursing homes and assisted living long-term care services in New Jersey ranges from about \$30,900 to \$80,180 per year. If you or a family member needed long-term care for two years, how confident are you that you would be able to pay for the services you would need?**

<u>%</u>	
7	Very Confident
13	Somewhat Confident
25	Not Very Confident
48	Not At All Confident
6	Not sure
1	No Response

11. **How likely is it that you or a family member will need long-term care within the next five years?**

<u>%</u>	
14	Very likely
29	Somewhat likely
25	Not very likely
8	Not at all likely
22	Not Sure
1	No Response

Campaign Finance Reform

12. How strongly do you agree or disagree with the following statement: ‘Politicians are unduly influenced by groups that make large contributions to their campaigns’?

<u>%</u>	
76	Strongly Agree
16	Somewhat Agree
1	Somewhat Disagree
2	Strongly Disagree
3	Not sure
1	No Response

13. How strongly do you agree or disagree with the following statement: “Major changes are needed in New Jersey’s campaign finance laws to decrease the influence campaign contributors have on the political process.”

<u>%</u>	
78	Strongly Agree
14	Somewhat Agree
2	Somewhat Disagree
1	Strongly Disagree
4	Not sure
1	No Response

14. How much of a priority should it be for AARP New Jersey to advocate for reforms aimed at reducing the influence of money in the state political process?

<u>%</u>	
53	Top Priority
31	High Priority
8	Medium Priority
1	Low Priority
2	Not A Priority
4	Not sure
1	No Response

“Clean Elections” laws that have passed in Maine and Arizona have given candidates for office the option to run using public funds exclusively, rather than relying on money from private donors and interest groups. To qualify for public funds, the candidates must first demonstrate popular support among voters in their districts and agree to a number of rules including participating in debates and limiting their spending. Two-thirds of the Maine legislature is now made up of legislators who ran for office using this “Clean Elections” system. Establishing a similar system for all New Jersey legislative and gubernatorial elections are estimated to cost every New Jerseyan \$5 per year.

15. How strongly would you support or oppose the state of New Jersey creating and adequately financing a “Clean Elections” system?

<u>%</u>	
67	Strongly support
21	Somewhat support
2	Somewhat oppose
2	Strongly oppose
7	Not sure
1	No Response

State Legislative Priorities

16. To be effective, AARP New Jersey wants to work on the most important issues facing AARP members. Keeping in mind what’s most important to you, how much of a priority should it be for AARP to work on the following legislative issues in New Jersey?

	Top Priority	High Priority	Medium Priority	Low Priority	Not A Priority	Not Sure	No Response
a. Protecting consumers from business practices that are unfair or fraudulent	44%	31%	14%	4%	1%	1%	4%
b. Improving programs to make utilities such as gas, electric and phone services more affordable	45%	32%	14%	4%	1%	1%	3%
c. Helping older persons to remain in their own homes or communities as they age	59%	30%	7%	1%	*	*	3%
d. Lowering property taxes through fundamental tax reforms	66%	22%	6%	1%	1%	1%	4%
e. Increasing affordable, long-term care choices	51%	33%	10%	1%	1%	1%	4%
f. Reducing the undue influence of money in the political process	54%	26%	11%	2%	1%	2%	4%
g. Making prescription drugs more affordable	69%	22%	4%	1%	1%	*	3%
h. Working to expand access to affordable housing	35%	31%	22%	5%	2%	1%	4%
i. Protecting consumers from identity theft	57%	20%	14%	4%	1%	1%	3%
j. Strengthening consumer protection in telecommunications	35%	27%	21%	8%	2%	3%	4%
k. Protecting Social Security benefits and insuring the long term solvency of the program	81%	12%	2%	1%	1%	1%	3%
l. Ensuring that all residents of New Jersey have basic health coverage	64%	22%	6%	1%	2%	1%	4%

About You

The following questions are for classification purposes.

17. Are you male or female?

<u>%</u>	
54	Male
43	Female
3	No Response

18. What is your age as of your last birthday? _____ years

<u>%</u>	
24	50-59
41	60-74
29	75+
6	No Response

19. What is your current marital status?

<u>%</u>	
58	Married
2	Living with a partner
21	Widowed
10	Divorced
1	Separated
6	Never married
3	No Response

20. What is the highest level of education that you completed?

<u>%</u>	
8	Less than high school
28	High school graduate or equivalent
28	Some college or technical training beyond high school
14	College graduate (4 years)
17	Post-graduate or professional degree
5	No Response

21. Which of the following best describes your current employment status?

<u>%</u>	
27	Employed or self-employed <u>full-time</u>
9	Employed or self-employed <u>part-time</u>
54	Retired and not working
4	Other such as homemaker
1	Unemployed and looking for work
4	No Response

22. What is your race?

<u>%</u>	
89	White or Caucasian
6	Black or African American
2	Asian
*	Native American or Alaskan Native
0	Hawaiian or Pacific Islander
2	Other
2	No Response

23. Are you Hispanic, Spanish, or Latino?

<u>%</u>	
3	Yes
87	No
1	Not sure
9	No Response

24. What is your 5-digit zip code? WRITE IN YOUR ZIP CODE _ _ _ _ _

25. What county do you live in? WRITE IN YOUR COUNTY _____

26. What was your annual household income before taxes in 2004?

<u>%</u>	
5	Less than \$10,000
13	\$10,000 to \$19,999
12	\$20,000 to \$29,999
13	\$30,000 to \$39,999
11	\$40,000 to \$49,999
17	\$50,000 to \$74,999
10	\$75,000 or \$100,000
12	More than \$100,000
7	No Response

Thank you for completing this survey.

Please use the postage-paid envelope and return it to State Member Research, AARP, 601 E Street, NW, Washington, DC 20049, by **February 3, 2005**.

AARP
Knowledge Management
For more information contact Katherine Bridges
(202) 434-6329