EXECUTIVE SUMMARY

Background to the Study

This report presents the findings of a survey commissioned by the Department of Social and Family Affairs on public attitudes towards the funding of long-term care of the elderly.

In the light of recent demographic trends we find that the population in Ireland is ageing and is projected to continue to do so for quite some time to come. With a substantial inflow of retired former migrants who are returning to Ireland taken in conjunction with increases in life expectancy, the proportion of persons aged 65 years and over is projected by the Central Statistics Office to double over the period 2001-2031. By the latter date it is projected that we will have 1.1 million persons aged 65 years and over compared with a current figure of 430,000.

Given these recent trends it is particularly timely that evidence-based research should be commissioned to inform the debate in the area and assist in policy formation. Although much is written on the topic in the popular media there is, in fact, a dearth of hard statistical information on what the general public actually feels about different options for delivery or, most importantly, for the funding of long-term care of the elderly.

A central issue in the debate surrounding long-term care provision centres on the relative balance between the burden on the family and on the State. The debate on funding, in particular, has taken place in a near vacuum of hard information. It is largely this gap that the current report has addressed.

The Survey

The information upon which the report was based was recorded in a dedicated survey of 2,063 randomly selected adults aged 18 years and over. Survey work was carried out between July and September 2004. All data were statistically adjusted or re-weighted prior to analysis in line with the structure of the overall population. The sample for the survey was selected on a random digit dialling basis and all surveying was carried out over the telephone.

Funding Options

There are three main funding options for long-term care of the elderly, viz.

(i) privately funded options;
(ii) publicly funded options and partnership and
(iii) a combination of public/private funding.

Private funding can take a number of forms including accumulated savings; equity release schemes which free up capital accumulated in houses or other assets; and private insurance policies aimed specifically at funding the cost of long-term care in old age.

Publicly funded options involve raising of revenue via taxes or Social Insurance. Issues arising in the debate surrounding State funding include the extent to which provision should be universal or means-tested. If the services are to be funded through increases in the Social Insurance system then the benefits should be available to those who meet the PRSI contribution requirement. Long-term care services which were funded by an increase in taxation would imply that the entitlement would be means-tested.

A third funding option is a partnership between family and State. These may take various forms including "front-end" cover, which involves the State taking responsibility for funding in the initial period of care provision with the family stepping in after a specified period. An alternative option would be "back-end" cover which involves the family or elderly person themselves being responsible for funding over an initial period with the State stepping in thereafter.

Throughout the report we attempt to address the public's attitudes towards these funding issues as well as their preferences for the design and delivery of long-term care itself.

Preferences for Personal Care

As one might expect, we find that there is generally a very strongly expressed preference for receiving long-term care in one's own home. Over 4 in ever 5 adults feel it is 'very important' to be able to stay at home as long as possible if long-term care is necessary with a further 12 per cent recording that it is "somewhat" important to be able to do so. In terms of *delivery* of the service required there is a strong preference for having family or friends deliver it in the home of the elderly person or, if this is not possible, paying someone to provide the required care at home.

Funding Long-term Care of the Elderly

In terms of perceptions of who currently carries the burden of responsibility for funding long-term care we find that approximately one-fifth of adults feel that it is borne exclusively by the family while 13 per cent of adults feel that the government currently takes comprehensive and complete responsibility for it. In contrast, when asked a direct question on who *should* take responsibility for funding long-term care very small percentages feel that the *family* should take full responsibility while 42 indicate that the *government* should provide funding in full. The majority of adults, however, advocate a co-funding or co-financing arrangement between family and State.

In the course of the survey we recorded detailed information regarding attitudes and views towards funding options for a wide range of very specific scenarios – depending on the circumstances or nature of the care involved. On the basis of a simple (but transparent) index of attitudes towards family/State funding we find that the population breaks down roughly as follows:

	%
High family dependence	0.9
Moderate family dependence	5.3
Combined funding	35.9
Moderate State dependence	26.3
High State dependence	31.6

An important policy consideration is the extent to which preference or orientation towards State involvement in funding is related to income and educational attainment.

One-quarter of adults feel that the State could not afford to provide adequate care – two thirds, however, felt that it could. When presented with an option for back-end funding from the State – where the family would be responsible for paying the cost of care for the first two years with the State stepping in thereafter – we find that 24 per cent of adults are in favour with 59 per cent being opposed to such a scheme. Similarly, when presented with a proposal for front-end loading by the State (for the first year of nursing home care after which the family would assume full funding responsibility) we find that 80 per cent of adults are against such a proposal. Only 7 per cent agree with such a scheme.

Funding Long-term Care

We consider in detail attitudes towards various payment options. These include re-mortgaging of the home or other forms of equity release; increases in income tax or PRSI as well as increases in VAT and purchase of private insurance policies were all considered.

RE-MORTGAGE AND EQUITY RELEASE

When asked at different points in the survey we find that, in overall terms, approximately 60 per cent of persons are against equity release among elderly persons in need of long-term care to defer at least some of the costs involved. Approximately, 25-30 per cent being in favour (depending on how the question is posed) and the remainder of adults being undecided.

INCREASES IN INCOME TAX AND PRSI

An important instrument for increasing revenue for funding long-term care is an increase in income tax and/or PRSI levels. We find that just over 40 per cent of adults record themselves to be, in principle, in favour of such a proposal with 46 per cent being opposed to it (the remaining 14 per cent being undecided). In general, higher preferences were expressed in favour of an increase in Social Insurance levels than direct income tax.

Although we find a sizeable minority of adults agreeing in principle with the use of tax or Social Insurance contributions as an instrument for generating revenue to fund long-term care we found that the threshold at which they would be willing to pay is quite low when actual values for weekly or annual increases were presented to them. Even at the apparently modest threshold of €8 per week we see that almost two-thirds of those who initially indicated themselves to be in favour of an increase in tax or PRSI in principle were opposed to the level in question. Overall we find that only 14 per cent of adults would be in favour of a tax or Social Insurance increase where the weekly increase would be €8 or more each week. This has clear policy implications for the potential for the introduction of such a scheme.

INCREASES IN VAT

Fewer than 30 per cent of adults indicated their willingness to consider an increase in VAT to help fund long-term care of the elderly. A majority (61 per cent) were opposed to it. As was the case with increases in tax and PRSI, however, we find that over 70 per cent of those who agree in principle with such an increase indicate their opposition to a threshold of €8 or more per week. This means that only 7.5 per cent of all adults are in favour of an increase of €8 or more per week in VAT.

PRIVATE INSURANCE POLICIES

Private insurance policies involve taking out an insurance policy over 20 years to assist in the payment of long-term care in old age. We find that 13 per cent of adults indicated that they would be unwilling to pay any level of premium for such a policy. In broad terms, however, approximately one-third of adults appear to be willing to consider an insurance policy with a weekly premium in excess of €8 over 20 years.

Policy Implications and Conclusions

The report provides evidence that there is public support for a funding option in which individuals and the State would combine to finance long-term care. There is a clear preference that the care should be provided as long as it is required rather than for the shorter periods proposed in the front-loaded or back-loaded alternatives that would confine it to a year in the first case and postpone it for two years in the second case. Although providing care for the full period it is required is more expensive than either the front- or back-loaded

alternatives, it should be remembered that "…the costs of residential care are much lower than for pensions, because on average people require care for a much shorter period than they require a pension" as Barr (2001, p. 83) points out.[1]

The survey shows that the majority of respondents consider that those unlucky enough to require long-term care in old age should not have to sell off their homes in order to pay for such care. These strong preferences point to the need for an approach to the problem of financing long-term care in which the State would play an important role.

An approach to the financing of long-term care in which the State would participate would maximise the advantage of risk pooling by spreading the cost across the exposed population. This suggests there could be a role for a compulsory arrangement financed either through income tax, VAT, or PRSI contributions. Just over 40 per cent of respondents favour an increase in income tax or PRSI to pay for long-term care compared with about a quarter who favour an increase in VAT. Of those who favour an increase in either income tax or PRSI, almost two-thirds would prefer an increase in PRSI.

The fact that two-thirds of those who say they are in favour in principle of a tax/PRSI increase to pay for the long-term care needs of older people are opposed to such a policy when the proposed increase is €8 per week indicates that the ground would have to be prepared before a social insurance based approach to the financing of long-term care could be adopted. The public would have to be told about their exposure to the risk of requiring long-term care and how much it would cost to pay for such care privately. The advantages of making provision for long-term care through the social insurance system would have to be explained. For example, provision of long-term care through social insurance could limit the cost by specifying the severity of incapacity required to qualify for long-term care and by imposing ceilings on the range of benefits provided. It could provide cover only for the additional costs associated with medical, nursing, and other care, e.g., help getting dressed or walking. It could cover only the extra costs of daily living, such as food preparation, rather than the underlying costs that someone living independently would have to pay.

An example of the kind of benefits that might be provided if long-term care is financed by PRSI is the template benefit design considered in the Mercer (2002) report. A significant level of dependency would be required to qualify for this package and benefits would not be paid to people with disabilities generally. Where the person requires residential care in a public bed, the full cost would be covered subject to a contribution equal to 90 per cent of the Non-Contributory Old Age Pension. An individual occupying a private bed requiring "continuous" or a "high" level of care would receive a benefit equal to 90 per cent of the nursing home charge, less the same deduction of the Non-Contributory Old Age Pension, up to a specified maximum level of benefit per week that would depend on the quality of care required.

The recently published Mercer report estimates that the cost of financing its template long-term care benefit package would amount to a total PRSI contribution rate of 3 per cent shared equally between employee and employer. This would work out as a contribution of €16.86 per week for someone on average industrial earnings of €562.21 per week in June 2004, or €8.43 per week each for the employee and the employer. The survey results indicate that 27 per cent of respondents in favour of an increase in income tax or PRSI to pay for long-term care are opposed to an increase of €4 per week while the figure jumps to 64 per cent for an increase of €8 per week. An increase of

[1] The points that follow in relation to social insurance financing of long-term care are largely drawn from Barr (2001, Chapter 5) and the Mercer (2002) Report.

around €8 per week in the PRSI contribution would not, therefore, command majority support from employees.

However, it is possible that the contribution for most employees could be somewhat less than €8 per week. Since PRSI contributions are the same proportion of earnings for each contributor, employees earning high incomes pay more in absolute terms than employees earning moderate or low incomes. The total revenue required to pay for long-term care through the PRSI system might be raised by a proportional contribution of 3 per cent that would require most employees to pay less than €8 per week and some employees to pay more than this amount in absolute terms.

1. BACKGROUND AND INTRODUCTION

Current demographic trends indicate that the population is ageing. Life expectancy at birth over the period 2002-2031 is forecast by the Central Statistics Office (2004) to increase from 80.3 years to 86 years for women and from 75.1 years to 81.5 years for men. In its population projections the CSO estimates that the proportion of persons in the population aged 65 years and over will double over the period 2001-2031. It also estimates that by 2031 the total number of persons aged 65 years or more will number 1.1 million compared with an actual figure of 430,000 in 2001. The very old population aged 80 years and over is projected to increase to around 260,000 by 2031 from its actual figure of 98,000 in 2001.

These projections mean that in the future there are likely to be significantly more older people requiring long-term care. The Mercer Report (2002, p.7) on financing long-term care provides a central projection that shows that the number of people aged 65 years and over likely to be in need of long-term care could increase from 84,000 in 2001 to 144,400 in 2031 and to 203,300 by 2051. If this projection is borne out it will mean that the number of persons aged 65 years and over in need of long-term care will increase by 72 per cent by 2031 and by 142 per cent by 2051.

1.1 Current Provision

There is a variation in the degree of long-term care required by older people. Most older people will not require any long-term care. However, others will require moderate levels of care if they have minor disabilities or high levels of care if they have major mobility problems or severe disabilities. Substantial numbers of people provide care to parents or relatives in their own home. The CSO (2004a) estimated that there were 149,000 home-based carers in the country in 2002.[2] For many elderly persons there is a need for long-stay residential hospital or nursing home care. In 2000 there was a total of 24,052 long-stay beds for the elderly in the public and private sectors. A total of 19,277 of these were publicly subsidised or funded. This means that over 80 per cent of all beds in the long-stay sector are fully or partially funded by the State (O'Shea, 2002). In general, an older person in a public long-stay hospital or home retains about 20 per cent of their Non-Contributory Old Age Pension with the remainder being given to subvent the cost of their care.

A number of key questions arise in relation to the provision of care for older people and who should pay for it: what are people's preferred options for care delivery for themselves and for older relatives who can no longer live an independent life in their own home? Should individuals or the State be responsible for paying for long-term care or should the cost be shared between them? There is very little information available about attitudes to the provision

[2] Not all were necessarily caring for elderly persons. Some may be caring for younger persons with special needs.

of long-term care or to the different individual and collective methods that could be used to pay for such care. The Department of Social and Family Affairs (DSFA), therefore, commissioned a survey in June 2004 to provide this information. The primary purpose of the survey was to find out what are the general public's views and attitudes on how older people should be cared for when they are no longer able to look after themselves or to lead independent lives in their own home. In particular, the survey focused on issues relating to how the services in question should be paid for.

FINANCING OPTIONS

The question of who should pay for the provision and delivery of long-term care is a central issue in the debate on the provision of such care. In essence, this centres on the relative balance between the family and the State but it arises in the context of increasing awareness of the need to ensure appropriateness and transparency of State expenditure. It, therefore, poses questions about the funding of long-term care by the State when substantial capital is held by many of the elderly themselves in the form of houses and other assets. Much of the debate on funding, however, has been conducted in a near vacuum of hard information on the issues involved. Little is known of the general public's opinion as to what should be the appropriate mix of State/family expenditure and even less about how willing they would be to implement various funding arrangements.

Walker (1999, p. 31) notes that a Euro barometer survey of 1998 found that 42 per cent of people in Ireland said that the State should be responsible for taking care of elderly parents; 6 per cent said it was up to the elderly themselves; while a further 16 per cent felt that the elderly person's children should pay; and 21 per cent who responded spontaneously that everyone should contribute equally. A final 15 per cent were undecided or gave other options. Funding options resolve to three main types, viz. privately funded options, publicly funded options and partnership or combined funding options.

PRIVATELY FUNDED OPTIONS

Providing for long-term care out of accumulated savings is, in all likelihood, not a realistic option over a protracted period. The cost of care is high and would require a substantial accumulation of assets over a large part of the lifetime of the elderly person in need of assistance. Persons on low incomes would simply not be in a position to fund their long-term care needs in old age from savings.

A further aspect of privately funded options is some form of equity release scheme. As the Mercer Report (2002, p. 104) points out home ownership is very high in Ireland, especially among the elderly. Over 92 per cent of households in which the head of household is aged 65 years or more are owned outright. The Mercer Report (2002) suggested that this could allow people to use the value of their housing equity to fund care while at the same time remaining in their own home. However, analysis of this option by Hughes and Maître (2004) showed that most home equity products release only a small part of the value of the property and this constrains their use for financing long-term care mainly to homeowners in the upper income groups. A major disadvantage of this option is that it places the risk of having to pay for long-term care on the individual when there are potential gains from pooling risk, as not everyone will need long-term care. Barr (2001) argues that in principle some type of insurance offers a solution to the problem of long-term care. By sharing the risk, private insurance or social insurance could substantially reduce the cost of providing for long-term care by requiring the individual to pay a premium to cover only the cost of the average duration of such care rather than the maximum duration.

Long-term care insurance policies are available in many countries. However, they are not yet available in Ireland. The Mercer Report (2002) suggests that private insurance can address the long-term care needs of only a minority of older persons. It also points out that such policies will probably not be available to everyone or affordable to many.

PUBLICLY FUNDED OPTIONS

There are other options for paying for long-term care by pooling the risk and putting in place arrangements to finance it collectively. Collective options avoid the possibility that most of the burden of paying for long-term care would fall on individuals or families and expose them to the risk of catastrophic financial losses in cases where full-time care is required for elderly relatives suffering from serious degenerative illnesses.

The primary method by which formal long-term care is currently funded in Ireland is by general taxation in the form of income tax, VAT or other taxes. It could also be financed by increasing the Pay-Related Social Insurance (PRSI) contribution made by those at work outside the home. Only employers and employees at work outside the home pay income tax or PRSI whereas consumers pay VAT as a whole.

The main issue arising in the provision of State funding for long-term care is whether it should be universal or targeted by using a means test. This issue will be determined by which method of financing is chosen. Any increase in PRSI would bestow an entitlement to long-term care on those who meet the PRSI contribution conditions. This means that, as with all social insurance benefits at present, there would be a link between contributions and entitlement to benefits. Any increase in taxes (of whatever type) would mean that the provision of benefits would be means-tested. If the funds were raised through increases in taxation the entitlement would be means-tested – only those with income and/or assets below the relevant thresholds would benefit from the care in question. The issue of means-testing versus universal coverage versus contribution linkage is addressed in the current survey report.

PARTNERSHIP OPTIONS

Partnership options refer to some form of combined State/family financing of the long-term care needs of elderly persons. One option is front-end cover, which would involve State funding through Social Insurance cover for a specified period of, say, one year. Subsequent State cover would be means-tested. The Mercer Report (2002) suggests that home care should be provided without a means test for an indefinite period with residential care being provided without a means test only for the first year. This shows a bias in favour of home care which, the report feels, would be in keeping with a policy of favouring care in the community where possible.

The second option would be "back-end" cover. This would involve the State covering the funding of care in the initial period, say two years, on a means-tested basis. Social insurance benefits would be provided for care needed beyond the two year cut-off. This would mean that those who would not satisfy a means test would need to make their own provision for up to two years worth of care. They suggest that this would be manageable in most cases through private long-term care insurance, equity release or savings.

The question of who should provide and pay for long-term care has also been given added urgency by the recent finding of the Supreme Court that there was no legal basis for the long-established practice of Health Boards charging medical card patients for the cost of maintenance in institutions providing long-term care. Nevertheless, the Supreme Court has ruled that provisions in the Health Amendment Bill 2004 to impose charges for long-term care in the future are constitutional. Irish society has now reached a point where the State can establish a legal basis for charging for such care in public

hospitals or in nursing homes participating in the State subvention scheme for long-term care.

1.2 Objectives of the Present Study

The principal objective of the survey is to provide a quantitative input to the consultative process being undertaken by the Department of Social and Family Affairs into the issues surrounding the funding of long-term care of the elderly. The survey was designed to explore the attitudes of the general public towards the choices that are available to society for providing and paying for long-term care services.

In particular, we were interested in recording details on a number of issues related to delivery and funding of long-term care. These included:

- Identifying public opinion on who should be primarily responsible for paying for care provision – at a broad level. Specifically, is it felt that this should be the responsibility of the family (or elderly person), the State or a combination of family and State? The State/family balance is a particularly important aspect of the study.
- Examination of a number of aspects relating to the design of the delivery system for long-term care. In particular, whether or not public opinion feels that the Health Board or family should be the service provider; whether or not State involvement in the system should be front or back loaded (e.g. the State taking responsibility for the first few years of care with the family taking over thereafter or vice versa); whether or not cash payments should be provided to the carer who would then purchase the services on the private market?
- Investigation of public preferences for different models for paying for long-term care. Specific questions were asked on public attitudes to equity release and paying for long-term care through the income tax and VAT systems, private insurance, or social insurance.

1.3 Data and Methodology

The data that form the basis of this report were collected over a ten week period from July to mid-September 2004 in a single purpose or dedicated survey undertaken by The Economic and Social Research Institute (ESRI) on behalf of the Department of Social and Family Affairs.

The survey was conducted over the telephone by interviewers from the ESRI's national panel of interviewers. A total of 2,063 usable questionnaires was completed in the course of fieldwork with persons aged 18 years and over.

Sample selection for the survey was on a two-staged clustered basis. The primary sampling units (or sampling points) were selected at random using the structure of the national Electoral Register. For sampling purposes the register is effectively restructured so that one can form a list of spatially contiguous District Electoral Divisions (DEDs). The Primary Sampling Units (PSUs) are selected from aggregations of the DEDs. These aggregations of DEDs were formed on the basis of a minimum population threshold criterion – in this case 1,000 persons. When the Primary Sampling Points have been selected a set of randomly generated telephone numbers are derived for each sampling point or cluster. A total of 100 such numbers is generated per cluster. These are generated from a random stem within the cluster. When implementing the survey the interviewer does not, of course, know in advance whether or not any given randomly generated number for the 100 batch of numbers will, in fact, be a live telephone number to a private household. The interviewer uses the set of random numbers to reach a target of 16 completed questionnaires within each sampling point.

A stratification control is imposed at the point of interview in the selection of the individual for interview within the household to ensure that the socio-

demographic structure of the completed sample is in line with that of the national population at large. This control is determined by gender, broad age cohort and principal economic status. This ensures the selection of a representative sample of individuals within the randomly selected households.

1.4 The Questionnaire

The questionnaire, a copy of which is enclosed in the Appendix, contained 10 sections as follows:

- details on the caring responsibilities currently being undertaken by the respondent;
- perceptions of likely future needs for long-term care and broad preference for how this might be delivered;
- perceptions of who is currently responsible for the funding of long-term care of the elderly and who should be responsible for it;
- general attitudes and views on issues related to the funding mix and burden of responsibilities related to long-term care provision;
- preferences for delivery of long-term care;
- attitudes towards increases in income tax and PRSI to fund long-term care of the elderly;
- attitudes towards increases in VAT to fund long-term care provision;
- attitudes towards private insurance policies aimed at funding long-term care provision;
- attitudes towards equity release schemes;
- demographic or background characteristics of respondent such as gender, age, level of educational attainment, household size, etc.

Over the 2,063 questionnaires included in the analysis we found a mean completion time of 26.5 minutes with a median of 25 minutes.

1.5 Sample Weights

The purpose of sample weighting is to compensate for any biases in the distributional characteristics in the completed sample as compared to the population of interest, in this case the population of all adult persons aged 18 years or more resident in private households in the Republic of Ireland. The weighting adjustment is used to account for biases that occur because of sampling error, from the nature of the frame or as a result of differential response rates within different groups of the population.

Regardless of the source of the discrepancy between the sample and population distributions we used the statistical adjustment or re-weighting procedure to adjust the distributional characteristics of the sample in terms of characteristics such as age, sex, economic status and so on in order to match the corresponding structures in the population. This is achieved by comparing sample characteristics to external population figures. These latter were principally derived from the *Census of Population 2002* supplemented with figures from Q2 2002 of the *Quarterly National Household Survey* (QNHS) – both conducted by the CSO.

The variables used in the weighting scheme in the current project were:

- number of adults in the household (5 categories);
- gender by age cohort (18 categories);
- gender by marital status (14 categories);
- gender by principal economic status (10 categories);
- gender by highest level of educational attainment (8 categories);
- region (8 categories);
- gender by caring responsibility (4 categories);
- gender by whether or not in receipt of Carer's Payments from DSFA (4 categories).

The weighting procedure involved constructing weights so that the marginal distributions of each of the characteristics of responding individuals was equal to the distribution of characteristics for the population. To achieve this we used a so-called minimum information loss (minimum distance) algorithm to adjust an initial weight so that the distribution of characteristics in the sample matches those of the set of control totals.

In Appendix Table A we present the complete list of control totals for the population, the distribution of characteristics in the unweighted sample data and their distribution in the weighted sample. This shows that the unweighted sample somewhat over-represented persons from smaller households, under-represented young persons of both genders especially young single people and under-represented persons with lower levels of educational attainment. The weights correct the sample distribution with respect to these characteristics and provide a very close match to the population.[3]

1.6 Structure of Report

The remainder of the report is organised into 5 subsequent chapters. Chapter 2 contextualises the issue of home-based family care by outlining the number and profile of carers in the home. Chapter 3 looks at perceived future needs and preferences for personal care. Chapter 4 presents respondents' views on current funding arrangements and who should pay for long-term care. Chapter 5 reports respondents' views on specific private and public funding options and Chapter 6 gives an overall summary of the results of the survey.

[3] The weighted sample dos not provide an exact match because we truncated outlier weights to ensure that no case had an undue influence on the overall results. Truncation was carried out to ensure that the weights used lay in the range of +/-5 to 5 times the mean.

2. CARERS

2.1 Introduction

In the previous chapter we noted that the principal issues concerning funding options for long-term care of the elderly is the mix of family and State contributions. To contextualise public attitudes to this and related issues, as subsequently described in the report, the current chapter outlines patterns of home-based, family-funded care in Ireland. Drawing on data extracted from the *Census of Population 2002* we discuss the number, profile and general characteristics of carers in Ireland today. The reader should note that care primarily delivered at home by a carer might not be wholly funded by the family. State financed services may also be provided through the public health nurse, GP visits, visits to day or other hospitals etc. Further, home-based care may not be exclusively directed towards the elderly (children and others with special needs will also benefit).

2.2 Numbers and Characteristics of Carers

In Table 2.1 we present figures on the total number of home-based carers aged 15 years and over. Information on carers was derived from the *Census of Population 2002* (Q.23 of the census form). This asked of all persons aged 15 years and over whether or not they provided regular, unpaid personal help for a friend or family member with a long-term illness, health problem or disability (including problems related to old age). Receipt of the Carer's Allowance was not considered relevant for the purposes of the Census classification as "carer". Table 2.1 shows that there was a total of 148,754 carers recorded in the *Census of Population 2002*. From Column (e) of the table one can see that 61 per cent of these are female. Exactly one-third of all carers are females aged 35-54 years, a further 20 per cent being males in the same age category.

Table 2.1: Carers Classified by Age and Gender

	Number			Total Percentage		
	(a)	(b)	(c)	(d)	(e)	(f)
Age Cohort	**Males**	**Females**	**Total**	**Males**	**Females**	**Total**
15-24 years	5,461	6,283	11,744	3.7	4.2	7.9
25-34 years	7,448	11,029	18,477	5.0	7.4	12.4
35-44 years	14,138	23,306	37,444	9.5	15.7	25.2
45-54 years	15,194	25,767	40,961	10.2	17.3	27.5
55-64 years	8,663	14,924	23,587	5.8	10.0	15.8
65+ years	6,606	9,965	16,571	4.4	6.7	11.1
				38.6	61.4	100.0
Total	**57,480**	**91,274**	**148,754**	**57,480**	**91,274**	**148,754**

Source: Census of Population, 2002, Vol.10, Table 44B.

In Table 2.2 we outline the regional breakdown of both carers (columns (a) to (c)) and also all persons aged 15 years and over (columns (d) to (f)). Comparing the figures in Column (c) with those in column (f) gives one a measure of the extent of over- or under- concentration of carers according to the broad planning region. From the figures it is clear that caring activity is quite evenly spread across the regions and that such differences as exist between the regional breakdown of carers and the total population are

marginal. The maximum absolute percentage point difference between the distribution of carers and of all persons aged 15 years or more is 2 percentage points in the Dublin region.

Table 2.2: Carers Classified by Gender and Region

	CARERS			PERSONS 15 years +		
	(a)	(b)	(c)	(d)	(e)	(f)
	Male Carers	Female Carers	All Carers	Males	Females	Persons
Border	11.4	11.3	11.3	11.0	10.7	10.8
Dublin	26.8	27.7	27.4	28.5	30.2	29.4
Mid-East	9.4	9.7	9.6	10.4	10.1	10.2
Midland	5.8	5.7	5.7	5.8	5.5	5.6
Mid-West	9.1	9.1	9.1	8.8	8.5	8.7
South-East	10.3	10.4	10.3	10.8	10.5	10.7
South-West	15.9	15.7	15.8	14.9	14.8	14.9
West	11.3	10.4	10.7	9.9	9.6	9.7
Total	100.0	100.0	100.0	100.0	100.0	100.0
(n)	57,480	91,274	148,754	1,522,120	1,567,655	3,089,775

Source: Census of Population, 2002, Vol. 10, Table 41A.

A partial measure of the extent of State funding of care delivered through the home where the principal care-giver is a family member is given by the number of carers in receipt of a Carer's Benefit or Allowance. Carer's Benefit is an insurance-based payment made to persons who leave the workforce to care for a person(s) in need of full-time care and attention. One may qualify for Carer's Benefit if one is aged 16 years and over; has a satisfactory PRSI contributions record; has been employed for the previous three month period and has given up employment to care for a person(s) on a full-time basis. The Carer's Allowance is a means-tested payment available for carers looking after certain people in need of full-time care and attention. Table 2.3 summarises details on the number of recipients of Carer's Benefit or Allowance in 2003. From the figures one can see that there was a total of 21,955 carer's payments – of which 97 per cent were the Carer's Allowance. The distribution of payments by age of recipient obviously mirrors the pattern identified in Table 2.1 above. The figures in Table 2.3 imply that approximately 15 per cent of the estimated 148,754 carers in the country as recorded in the *Census of Population 2002* are recipients of some form of direct carer's payment from the State.

Table 2.3: Number of Recipients of Carer's Benefit and Carer's Allowance Classified by Age and Gender, 2003

Age Cohort	Carer's Benefit			Carers' Allowances			All Carers' Payments			Per Cent
	Males	Females	Total	Males	Females	Total	Males	Females	Total	
	Number			Number			Number			
29 years or less	3	36	39	119	672	791	122	708	830	3.8
30-39 years	20	200	220	548	2,858	3,406	568	3,058	3,626	16.5
40-49 years	35	216	251	1,302	4,419	5,721	1,337	4,635	5,972	27.2
50-59 years	15	85	100	1,444	4,939	6,383	1,459	5,024	6,483	29.5
60-64 years	6	20	26	474	1,884	2,358	480	1,904	2,384	10.9
65+ years	0	3	3	412	2,245	2,657	412	2,248	2,660	12.1
Total	**79**	**560**	**639**	**4,299**	**17,017**	**21,316**	**4,378**	**17,577**	**21,955**	**100.0**

Source : Statistical Information on Social Welfare Services, 2003, after Table E8, p. 50.

Table 2.4 presents summary details of carers (regardless of whether or not they are in receipt of a carer's payment) according to their principal economic status. From this one can see that just over one half (52 per cent) are at work outside the home. The next largest group (representing 26 per cent) are classified as looking after the home or family (home duties). Just over 8 per cent are retired with 4 per cent in each of the unemployed, student and permanent sickness categories.

Table 2.4: Carers Classified According to Gender and Employment Status

Employment Status	Male	Female	Total
		Per Cent of Total	
At work	25.9	26.1	52.0
Unemployed	2.2	1.9	4.1
Student	1.9	2.5	4.5
Looking after home or family	1.7	24.0	25.7
Retired	4.8	3.7	8.5
Permanently sick/disabled	1.6	2.0	3.6
Other	0.5	1.1	1.6
			100.0
(n)	(57,480)	(91,274)	(148,784)

Source: Census of Population 2002, Vol. 10, Tables 47B, 47C.

Finally, in Table 2.5 we classify carers according to gender and number of hours per week providing care. From this one can see that females tend to provide a higher intensity of care than males – 61 per cent of male carers provide 14 hours or less of care compared with 55 per cent among female carers whereas 30 per cent of female carers provide 43 or more hours care per week in contrast to 24 per cent of male carers.

Table 2.5: Carers Classified According to Gender and Time Per Week Spent Providing Unpaid Care

	Male Carers		Female Carers		All Carers	
	No. of Carers	Per Cent of Carers	No. of Carers	Per Cent of Carers	No. of Carers	Per Cent of Carers
1-14 hrs	34,975	60.8	49,887	54.7	84,862	57.0
15-28 hrs	5,862	10.2	9,547	10.5	15,409	10.4
29-42 hrs	3,142	5.5	4,815	5.3	7,957	5.3
43+ hrs	13,501	23.5	27,025	29.6	40,526	27.2
	57,480	100.0	91,274	100.0	148,754	100.0

Source: Census of Population 2002, Vol. 10, Tables 47B, 47C.

2.3 Summary

In this chapter we presented some details on the number of carers in the country from the *Census of Population 2002*. The Census identified 148,754 persons providing home-based care.

We saw that over 60 per cent of home-based caregivers are female. Only around 15 per cent of all caregivers in the home are recipients of direct funding for their time spent as carers in the form of a Carer's Benefit or Allowance through the Department of Social and Family Affairs. It should be noted that the recipients of family care also receive substantial State funding in the form of care services such as hospital care, respite care, GP or district nurse visits etc. In general, carers tend to be middle aged with no evidence to suggest regional concentration in any part of the country. Approximately 50 per cent are working outside the home.

3. PREFERENCES FOR PERSONAL CARE

3.1 Introduction

In this chapter we consider preferences for personal care options as expressed by the adult population in response to questions about the importance assigned by respondents to receiving long-term care at home (in the event of such care being necessary). We would point out that the series of questions under consideration are, by definition, in the form of statistical counterfactuals or broad hypothetical scenarios. Actual future out-turns will not always reflect the views expressed in response to such hypothetical questions. The outcomes which respondents will actually experience will depend on the integration of circumstances and events with a priori preferences and the extent to which such preferences can be accommodated by those delivering the services in question – including the respondent, his/her family or friends and the State. In interpreting the figures presented in the chapter the reader must bear in mind that the actors involved in service delivery will not always be in a position to meet the prior preferences of those in need of long-term care.

3.2 Perceived Importance of Receiving Care At Home

In the course of the survey respondents were asked a number of direct questions on the importance which they attached to receiving long-term care *at home* in the event of it being necessary. We began by asking:

> *Suppose in the future YOU needed long-term care yourself. How important would it be to you that you would be able to stay at home as long as possible – even if it meant that you would have to pay for this kind of care?*

The results are shown in Table 3.1. From this one can see that just over 4 out of every 5 adults (81 per cent) record that it would be "Very Important" to be able to stay at home as long as possible in the event of requiring long-term care. A further 12 per cent recorded that it would be "Somewhat Important" to them to be able to do so. Only 6.4 per cent of adults indicated that it would either be of limited or no importance to them.

Table 3.1: Importance of Being Able to Stay at Home if Needed Long-Term Care

	Per Cent
Very Important	81.4
Somewhat Important	12.1
Not Very Important	3.1
Not at all Important	1.3
Don't Know	2.0
Total	**100.0**

In analysing the data we found that there is actually very little variation in the overall importance attached to receiving long-term care at home across a range of social and demographic groups. Marginally higher percentages of the youngest age cohort would seem to assign a lower importance to staying at home but the differences in responses between different groups in society are

very limited indeed. Using multivariate analyses[4] we find that there is no statistically significant difference in preference for staying at home to receive long-term care across any of the groups in the table.

In Table 3.2 we pursue the issue of preference for receipt of care. Respondents were asked to consider a situation in which they needed long-term care and were then presented with 5 different options for receiving that care as follows:

- have family/friends provide all the care at home;
- be able to pay someone to provide the care at home;
- have the care provided by the Health Board;
- have the care provided in a nursing home;
- other.

From the figures in Table 3.2 it is clear that just under one-half of the adult population (48.6 per cent) indicate that their first preference for receipt of long-term care would be at home from family or friends. A further 28 per cent indicate that they would prefer to be able to pay someone to provide the care at home. Delivery of the care by the Health Broad is the preferred choice of 17 per cent of respondents with only 5 per cent opting to have the care provided in a nursing home. This may, to some degree, reflect circumstances of respondents as much as preferences. Single people may opt for State care and poorer people for Health Board care etc.

Preference patterns vary strongly with equivalised income and level of educational attainment. As both income quartile and level of educational attainment increase, one finds a substantially higher proportion of adults shifting their preferences for provision at home by *family/friends* to provision at home by *paying someone* to deliver the care in question.

Table 3.2: Preference for Different Ways of Receiving Long-Term Care

Gender	Family/ Friends Provide All Care at Home	Pay Someone to Provide the Care at Home	Care Provided by the Health Board	Care Provided in a Nursing Home	Other	Total
Male	51.5	25.5	16.0	5.2	1.9	100.0
Female	46.2	29.6	18.4	4.8	0.9	100.0
Age Cohort						
29 or less	55.4	25.1	12.9	4.9	1.7	100.0
30 – 44	46.8	31.6	16.7	3.7	1.3	100.0
45 – 59	46.7	28.2	17.9	5.9	1.3	100.0
60+	49.0	23.7	20.5	5.7	1.1	100.0
Educational Attainment						
Primary/None	58.4	13.6	20.6	6.2	1.2	100.0
Junior Cert	52.2	18.1	22.2	6.1	1.5	100.0
Leaving Cert	47.6	30.0	17.7	3.6	1.1	100.0
Third Level	43.7	36.3	13.2	5.2	1.5	100.0
Adjusted Income						
Quartile 1 (low inc)	54.3	20.7	17.9	5.6	1.5	100.0
Quartile 2	49.2	25.7	20.3	4.2	0.6	100.0
Quartile 3	47.5	30.0	15.8	5.5	1.2	100.0
Quartile 4 (high inc)	37.1	38.9	17.0	5.5	1.6	100.0
Caring Responsibilities						
Carer in home	55.0	19.8	18.9	4.5	1.8	100.0
Carer outside the home	44.1	29.1	18.5	7.9	0.4	100.0
Respondent not a carer	48.8	28.2	17.0	4.6	1.4	100.0
Total	**48.6**	**27.8**	**17.3**	**5.0**	**1.3**	**100.0**

[4] Binary logistic regression (not reported here) was used. The dependent variable was perceived importance of staying at home to receive care ("very" and "somewhat" important combined). None of the independent variables was found to be significant.

The bivariate analysis of Table 3.2 shows some interesting relationships between preferences for receipt of long-term care and education and income. Variations according to other characteristics were felt to be less obvious. To consider the statistical significance or otherwise of the variations in preference patterns Table 3.3 presents the results of a multivariate statistical approach known as binary logistic regression. In essence this allows one to control for the impact of each demographic characteristic and to assess the simultaneous effect of each on the odds of an outcome (in this case choice or preference for receiving long-term care) while accounting for the influence of other characteristics.

The logistic regression used here predicts the log of the odds of an event happening. If P is the probability of an event then the odds of the event are P/(1-P). For example, if the probability of an event is 0.4 the odds of that event are 0.4/(1-0.4) = 0.666 or two to three. Similarly, if the probability of an event is 0.6 the odds of that event are 0.6/(1-0.6) = 1.5 or three to two. By choosing any group as a reference category within the analysis one can estimate the inequalities in terms of the odds of the event happening between that reference group and others in the analysis.

In Table 3.2 we outline four models or equations. This is based on Question 20 in the Questionnaire which asked the respondent to choose his/her preference for receipt of long-term care should such care be necessary. The dependent variable in each equation is '0' or '1' where a '1' indicates that this is the recorded preference of the respondent. In the course of the interview respondents were asked to indicate which would be their preferred choice for receiving care, viz:

(a) have family/friends provide all the care at home;

(b) be able to pay someone to provide the care at home;

(c) have the care provided by the Health Board;

(d) have the care provided in a nursing home.

This information was used to set up four variables to classify each respondent – those who opted for each of the four responses above. In each of the equations in Table 3.3 a respondent is assigned a '1' if he/she opted for the relevant mechanism for care delivery or a '0' if he/she did not record the option in question.

Table 3.3: Results of Logistic Regression Analysis for Receiving Long-Term Care

	(a) Family/ Friends Care At Home Odds-Ratio	(b) Pay Someone Provide Care At Home Odds-Ratio	(c) Health Board	(d) Nursing Home
Male	1.163	0.821	0.973	1.010
Aged less than 30 years	1.722**	0.758	0.614	0.995
Aged 30-44 years	1.264	0.953	0.877	0.562
Aged 45-59 years (Ref. cat. 60 years +)	1.079	1.111	0.805	0.906
Primary Education	1.983**	0.291**	1.693	1.226
Junior Certificate or equivalent	1.386**	0.369**	2.115	1.632
Leaving Certificate or equivalent (Ref. cat. Third level)	1.170	0.710	1.430	1.169
Income quartile 1 (low)	1.705**	0.610**	0.837	0.816
Income quartile 2	1.483	0.753	0.974	0.583
Income quartile 3 (Ref. cat. Income quartile 4 (high)	1.442**	0.810	0.807	0.816
Carer in the home	1.334	0.700	0.966	0.872
Carer outside the home (Ref. cat. not a carer)	0.940	0.880	1.269	1.367

** Significant at 95 per cent or above.

In Column A of the table we consider those who opt to have family and friends provide all care at home. The figures show that the most important trend is the significant relationship with highest level of educational attainment. One can see that those with at most primary education are almost twice as likely as those with third level education to opt for home care delivered by family/friends. Those with Junior Certificate education are 1.4 times more likely and those with Leaving Certificate 1.2 times more likely to opt for this choice than are their counterparts with Third Level education.

The contrary (and statistically significant) trend is clear in Column B in respect of *paying someone* to provide the relevant care at home. One can see that the likelihood of someone recording this option significantly declines with level of educational attainment relative to those with third level education. Those in the lowest income quartile also have a statistically significant odds recording a preference for this option of only 0.61 times their counterparts in the highest quartile.

Columns C and D indicate that there is really very little significant pattern or trend related to demographic characteristics associated with (the small proportion of) respondents who indicated a preference for care delivery by the Health Board or in a nursing home.

In Table 3.4 we present details on preferences expressed by respondents to the following hypothetical scenario:

> *Suppose you had a close family member who was elderly and living alone and in need of some form of long-term care. What would you like to see happening to them?*

Respondents were then asked to state their preference choice in terms of the elderly family member:

- moving in with the respondent or another relative;
- moving closer to the respondent or another family member;
- moving into a residential nursing home or hospital;
- staying in their own home and receive help there;
- it depends.

The results in Table 3.4 show that approximately 1 in every 5 adults (20.5 per cent) feel that the elderly person should move in with a relative (the respondent or another relative). Just under 10 per cent feel they should move closer to a relative while 7 per cent record that they should go into a residential nursing home or a hospital. The overwhelming majority of adults (58 per cent), however, would like to see their elderly relative remain in their own home and receive the required help there.

Table 3.4: Family Member Needing Long-Term Care, Preference for Course of Action Taken

	Per Cent
Move in with your or another relative	20.5
Move closer to you or another relative	9.8
Go to residential nursing home/hospital	7.2
Stay in own home and receive help there	58.1
It depends	4.5
Total	**100.0**

In broad terms there is very little variation in preferences expressed by different subgroups of the population. The main variation is in respect of age of respondent. In general, as age of respondent increases there is some evidence to indicate an increased tendency to opt for the relative staying at home and receiving help there. Multivariate analysis, however, confirms that there are very few systematic statistically significant variations in preferences according to characteristics of the respondents.

3.3 Preferred Mode of Service Delivery

In addition to being asked to record preferred options for different types of care, respondents were also asked to record which of three different schemes for delivering long-term care they preferred. The options presented were as follows:

1. If an elderly person requires services they should be provided directly by the Health Board.
2. People should be given vouchers which they can exchange directly for care services e.g., home help vouchers.
3. If an elderly person requires long-term care the government should give them or their family the cash and let them pay for it themselves.

The results are shown in Table 3.5. From this one can see that the option which is apparently most favoured by the adult population is the direct provision of services by the Health Board. Just over 90 per cent of adults recorded that they would be in favour of this option for service delivery. The second most favoured option is the issuing of a voucher which could then be exchanged by the elderly person or his/her family for care services – favoured by just over two-thirds of the population. Finally, one can see that one-third of adults record themselves to be in favour of providing cash to those in need of long-term assistance with a view to letting them pay for it themselves on the open market.

Table 3.5: Adult Population Classified According to Preference for Mode of Service Delivery

Mode of Delivery	Strongly in Favour	Somewhat in Favour	Neither in Favour Nor Against	Somewhat Opposed	Strongly Opposed	Total
			(Per Cent)			
Provided directly by Health Board	54.1	36.2	5.9	3.3	0.5	100.0
Voucher-based system	23.4	43.1	10.5	14.8	8.2	100.0
Cash based system	11.1	22.2	11.3	27.7	27.7	100.0

3.4 Summary

In this chapter we considered some initial preferences regarding the delivery of long-term care among the adult population. The figures reflect a very strong preference for receiving such care in one's own home. Over 80 per cent (4 in every 5 adults) record that they feel it would be "very" important to them to be able to stay at home as long as possible if long-term care was necessary. A further 12 per cent indicated that it would be "somewhat" important to them to be able to do so. Although there are some very minor variations in these revealed preferences with socio-demographic characteristics of respondents, the variations were limited. The preference for staying at home as long as possible, even when long-term care is necessary, is quite uniform across all age cohorts, levels of educational attainment, income categories etc. This finding was confirmed by multivariate analysis presented in the chapter. We did note a statistically significant trend in terms of level of educational attainment. We saw that the chances of someone opting for staying at home and *paying* someone to come in to provide the care increased with level of educational attainment.

Finally, when presented with a number of possible arrangements for delivering care to an elderly family member living alone we saw that 58 per cent of adults felt that the elderly relative should stay in their own home and receive assistance there while a further 20 per cent indicated that they should move in with another relative (possibly the respondent) and 10 per cent indicated that they should move *closer to* a relative to receive the necessary assistance.

4. ATTITUDES AND VIEWS ON WHO PAYS FOR LONG-TERM CARE – FAMILY OR STATE

4.1 Introduction

In this chapter we consider attitudes and views among the general public on who should bear the burden of paying for long-term care of the elderly. The principal issue addressed focuses on whether or not this should be the family or the State.

We begin in Section 4.2 by considering views on who actually pays for long-term care as well as attitudes on who should pay for it. In Section 4.3 we consider attitudes to who should pay for specific care scenarios based on different types of infirmity or care requirements. We consider in Section 4.4 attitudes towards who should pay for specific types of care services. We develop in Section 4.5 a summary index of attitudes towards public or private funding of long-term care of the elderly. Finally in Section 4.6 we present a brief summary of our findings.

4.2 Views on Current and Optimal Funding Arrangements

In Table 4.1 we present details on (a) perceptions of who *currently* pays for long-term care of the elderly and (b) views on who *should* pay for it. Respondents were presented with three payment options, viz. the family, the State or on a shared basis between family and State.

Table 4.1: Breakdown of the Population in Terms of (a) Who Actually Pays for Long-Term Care of the Elderly and (b) Who Should Pay

	Paid in Full by Person Receiving Care or Their Family	Paid in Full by Government or State	Shared Between Individual and Government	Don't Know	Total
(a) Who actually pays	20.0	13.0	42.9	24.1	100.0
(b) Who should pay	3.0	42.5	54.5	0.0	100.0

From the figures one can see that approximately 1 in 5 adults (20 per cent) feel that the current actual situation involves the person receiving care (or his/her family) paying for it in full. A further 13 per cent feel the cost is borne in full by the State and 43 per cent record that it is shared between the family and the State.

The table also outlines details on whom respondents feel *should* pay for long-term care of the elderly. It is obvious that only a very small percentage of the population feel that the full burden of payment should fall on the family (3 per cent). A majority (54 per cent) record themselves to be in favour of some form of shared payment system. It is noteworthy, however, that a substantial

42 per cent of adults consider that the State should pay the full cost of long-term care of the elderly.

From Table 4.2 one can see that full State funding is the expressed preference of higher percentages of those with lower levels of educational attainment and, perhaps not surprisingly, lower income. In contrast, a shared funding model appears to be the preferred choice of those with higher educational qualifications and higher income. In interpreting these figures the reader is, of course, reminded that the respondent was presented with the choice of a free good. There would seem to be very little incentive for anyone to record that the burden of care should fall in full on the family – unless on very strongly held ideological grounds.

Table 4.2: Who Should be Responsible for Paying for Long-Term Care for Elderly Persons Needing Care

	Paid in Full by Care Receiver or Their Family	Paid in Full-by the Government or State	Shared Between Individual and Government
Educational Attainment			
Primary/None	2.6	53.8	43.7
Junior Certificate	3.5	51.6	44.9
Leaving Certificate	3.4	34.0	62.5
Third Level	2.1	30.5	67.5
Adjusted Income			
Quartile 1 (low inc)	4.3	45.9	49.8
Quartile 2	1.8	48.9	49.4
Quartile 3	2.8	40.2	57.0
Quartile 4 (high inc)	1.3	30.4	68.3

Respondents were further presented with a series of specific and directed statements relating to their views on how the balance of costs should be borne between family and State. The results are summarised in Table 4.3. From this one can once again see the strong opposition identified in Table 4.1 to a suggestion that the family carry the costs in full – 91 per cent disagree with this statement with 6 per cent being in agreement. The figures show, in statement 2 in the table, that the adult population is fairly equally split when asked whether or not the State should be responsible for paying the full cost of long-term care of the elderly. A total of 46 per cent of adults agreed that it should be the responsibility solely of the State – 42 per cent disagree.

Front-loading by the family of long-term care costs incurred in a nursing home (Statement 3) are supported by just under one-quarter of the population with almost 60 per cent disagreeing with this funding model. Strong disagreement is expressed with short-term front-loading of cost by the State (paying for the first year of nursing home care, after which the family would be responsible) – Statement 4. Just over 80 per cent of adults would oppose such a scheme.

There is general majority agreement with private insurance policies (statement 5) – with just under two-thirds agreeing that people should have to take out private insurance to cover long care costs. One-quarter of adults disagree with this option.

Table 4.3: General Views on Payment and Balance Between Family and State

Statement	Agree	Neither Agree nor Disagree	Disagree	Statement	Agree	Neither Agree nor Disagree	Disagree
		(Per Cent)				(Per Cent)	
1. People/families should be expected to pay all costs	5.7	3.7	90.6	6. The State cannot afford to provide adequate care	22.3	13.6	64.0
2. State should be responsible for paying all costs	45.8	12.5	41.6	7. VAT or Sales taxes should be increased to fund long-term care	38.4	10.7	50.9
3. People/families should pay in full for first 2 years of care in nursing home, after that State should pay in full	24.2	16.9	59.0	8. PRSI should be increased to fund long-term care	50.7	9.5	39.8
4. State should pay for first year if nursing home is needed. After that family should pay.	6.9	12.8	80.3	9. Income tax should be increased to fund long-term care	33.9	10.8	55.3
5. People should have to pay for private insurance policy	64.7	11.2	24.1				

From Statement 6 one can see that just under one-quarter of adults agree that the State cannot afford to provide adequate long-term care[5] for the elderly with almost two-thirds disagreeing that this is the case. It seems significant that a substantial minority of the population agrees that full State funding is simply not feasible. Statements 7, 8 and 9 address increases in taxation and related payments. One can see that just 38 per cent of the population would appear, at least in principle, to be in favour of an increase in VAT to assist in funding long-term care of the elderly; 51 per cent indicate their support in principle to increases in PRSI and 34 per cent to increases in income tax. The reader is reminded, of course, that these questions were put to respondents without specific reference to the associated increases in the taxes in question or to the direct cost to the respondent of such increases.

In broad terms we found that there was very little statistically significant variation with socio-demographic characteristics in attitudes to the statements presented in Table 4.3. Only in respect of Statement 2 on full State funding did we find that level of educational attainment and position in the income distribution were significantly related to agreement/disagreement. In Table 4.4 we outline the breakdown of responses to this statement according to level of attainment and broad position in the income distribution. From this one can see that there is quite a strong relationship between level of educational attainment and income on the one hand and, on the other, agreement on the State bearing the full cost of long-term care of the elderly. The percentage agreeing with full State funding is highest among those with the lowest levels of educational attainment and in the lowest income quartiles. In contrast, the proportion disagreeing with full state funding falls progressively with income group and level of educational qualification.

[5] The definition or expectation of "adequate care" may, of course, itself vary according to level of education, income group, age cohort etc.

Table 4.4: Breakdown of Attitudes Towards Statement that the State Should be Responsible for Paying all Costs Associated with Long-Term Care of the Elderly According to Level of Educational Attainment and Broad Position in the Income Distribution

	State Should be Responsible for Paying All Costs		
Characteristic of Respondent	**Agree**	**Neither Agree-Disagree**	**Disagree**
Educational Attainment			
Primary/None	57.5	14.0	28.5
Junior Certificate	50.1	15.4	34.5
Leaving Certificate	40.8	11.2	48.0
Third Level	29.5	9.0	61.5
Adjusted Income			
Quartile 1 (low inc)	57.5	6.2	36.3
Quartile 2	48.0	17.4	34.6
Quartile 3	38.1	15.9	46.0
Quartile 4 (high inc)	32.4	8.4	59.2
Total	**45.8**	**12.5**	**41.6**

The statistical significance of the results is borne out by the figures in Table 4.5. This presents the results of a logistic regression in which the dependent variable indicates agreement (disagreement) with the statement in question. In other words, if one disagrees with the statement one is assigned a code '0'. If one agrees with it one is assigned a value of '1'.

Table 4.5: Logistic Regression of Attitudes Towards the State Taking Full Responsibility for Funding Long-Term Care Needs of the Elderly

	Odds-ratio
Male	1.031
Aged less than 30 years	1.223
Aged 30-44 years	1.266
Aged 45-59 years (Ref. cat. 60 years +)	1.036
Primary Education	3.255**
Junior Certificate or equivalent	2.139**
Leaving Certificate or equivalent (Ref. cat. Third level)	1.348
Income quartile 1 (low)	1.745**
Income quartile 2	1.434
Income quartile 3 (Ref. cat. Income quartile 4 (high)	1.094
Carer in the home	1.013
Carer outside the home (Ref. cat. not a carer)	1.291

** Significant at 95 per cent or above.

From the table one can see that education and income quartile are significant and also have a substantial impact on the odds-ratio of being in favour of full State-funding. A respondent with primary education has 3.2 times the odds of agreeing with the statement as compared with someone who has completed third level education. Someone with a Junior Certificate has 2.1 times the odds and someone with a Leaving Certificate or Equivalent has 1.3 times the odds. A similar substantial and significant relationship is found in respect of income quartile or location in the income distribution.

4.3 Payment Options for Levels of Care

To further understand attitudes on who should take responsibility for funding long-term care respondents were asked to indicate who should pay for long-term care needs of the elderly in four different scenarios:

- where an elderly person who can manage well living alone all day needs help getting up and going to bed;
- where an elderly person living alone has to stay in bed for the next few months following a hip operation;
- where an elderly person living alone can move about well but gets confused and needs to be checked on several times a day to make sure he/she is safe and well;
- where an elderly person is permanently in a wheelchair and living in a specially adapted flat and in need of a substantial level of assistance.

The results are show in Table 4.6. In the first three of the four scenarios outlined, approximately one-half of the adult population feels that costs should be shared by family and State. It is clear from the table that substantial minorities of adults in all three situations feel that the State should take full responsibility for carrying the cost – 31 per cent in respect of needing help getting up and going to bed; 37 per cent in respect of getting confused and needing to be checked and 42 per cent following a hip operation. Family/relatives taking responsibility for payment of care has more acceptance in respect of assistance getting up and going to bed (17 per cent) and also of confusion and related needs for checking (13 per cent) than for aftercare following a hip operation (8 per cent).

Table 4.6: Who Should Pay for Long-Term Care for Elderly Persons in Four Situations

Statement	State	Family/ Relatives	Combination of Family and State	Other
1. Help getting up and going to bed	31.3	17.2	51.3	0.2
Available to all	59.4	-	41.1	-
Means-tested	40.6	-	58.9	-
2. Following a hip operation	42.3	8.3	48.8	0.5
Available to all	60.4	-	43.1	-
Means-tested	39.6	-	56.9	-
3. Gets confused and needs to be checked	37.3	13.1	49.4	0.2
Available to all	62.9	-	42.2	-
Means-tested	37.1	-	57.8	-
4. Permanently in a wheelchair	53.6	3.4	42.8	0.2
Available to all	67.9	-	40.9	-
Means-tested	32.1	-	59.1	-

In each of the four sections of Table 4.6 we outline the percentage of adults who feel that the State funded assistance in question should be means-tested or provided universally to everyone in need. In respect of the first three scenarios (which represent less intensive care needs) approximately 40 per cent of those who feel that the State should pay the full amount felt that the assistance should be means-tested, the remaining 60 per cent indicating that it should be universally available to all who require it. The reader is reminded that these figures relate only to those who feel that full State funding should be the norm. For example, if one considers the first scenario (requiring help getting up and going to bed) a total of 31 per cent of adults feel that the State should pay. Just under 60 per cent of these feel that the assistance should be made universally available. This means that fewer than 19 per cent of all adults (18.6 per cent) feel that there should be full State-funded assistance in this context available to all who need the care in question. A further 13 per cent of the total population[6]

[6] i.e. 40.6 per cent of the 31.3 per cent who are in favour of the State taking full responsibility for funding the care in question.

feel that the State should pay in full but that the care should be provided on a means-tested basis.

In terms of the fourth scenario (permanently in a wheelchair) we saw that in the first instance, a higher percentage of adults felt that the State should bear the full costs of long-term care. We can also see that a larger proportion of the group which advocates full State payments (67.9 per cent) feel that this assistance should be universally available to all in need, regardless of their means.

Overall, therefore, the story told by the figures in Table 4.6 indicates that approximately 50 per cent of adults would be in favour of a combined State/family funding model to long-term care provision. Depending on level of dependency, proportions ranging from just over 30 per cent to just over 40 per cent of adults feel that the State should be responsible in full for covering the cost of care. Where dependency levels are clearly high the preference for full State expenditure increases to over 50 per cent. In all cases where State support is advocated (either on an exclusive or co-funding basis) very substantial proportions of adults record themselves to be in favour of provision on a *means-tested* basis. Although the perceived role of family-sourced funding increases with level of educational attainment and income there would appear to be little systematic variation in views regarding the mix of State/family funding with other demographic variables. This finding is confirmed by multivariate analysis (not presented here).

4.4 Payment Options for Specific Items of Care

In the previous section we considered views on payment options for general care scenarios which varied according to intensity of care required. In this section we turn to consider attitudes to payment options for specific care deliverables for elderly persons in need of long-term care or assistance. The deliverables in question are:

- home help services to assist with housework;
- personal care attendant to assist with personal care such as bathing;
- feeding, etc.
- visits to or from the G.P.

In addition to these three health care services we also move on to consider views on who should fund the residential care needs of the elderly (where appropriate). Four categories of residential care are considered, viz.

- long-term care in a nursing home;
- short-term care in a nursing home;
- long-term care in a hospital;
- short-term care in a hospital.

The results are presented in Table 4.7. We first consider views on the funding of non-residential care services (the first 3 items in the table). One can see that approximately 50 per cent of the adult population feel that home help services and personal care attendants should be funded in full by the State with 40 per cent feeling that it should be funded on a combined State/family basis. One can see that somewhat higher percentages (62 per cent) would be in favour of GP visits for elderly persons being fully funded by the State with a commensurately lower percentage recording that they should be co-funded on a combined State/family basis (24 per cent).

From the lower section of each of the three segments in the table one can see that approximately 50-60 per cent of adults who feel these 3 services should be wholly funded by the State record that they should be provided on a means-tested basis. Somewhat lower proportions (35-40 per cent) of those who prefer a combined State/Family funding model feel that the service should be means-tested.

The last 4 items in Table 4.7 relate to long and short-term residential care in a nursing home or hospital. It is clear from the table that a majority of the population (57 per cent) feel that long-term hospital care should be wholly State funded. A total of 41 per cent record a preference for co-funding between State and Family. A majority (55 per cent) of the former group indicate that it should be means-tested. Approximately one-third (31 per cent) of the population who favour co-financing favours means-testing.

Table 4.7: Attitudes Towards Payment of Specific Healthcare Services to Elderly Persons in Need of Long-Term Care

Non-residential Services:		Paid in Full by Family	Paid in Full by State	Combination of Family and State
1. Home help		9.3	50.6	40.1
	Available to all	-	47.4	64.3
	Means-tested	-	52.6	35.7
2. Personal care attendant		12.4	48.3	39.3
	Available to all	-	42.3	65.3
	Means-tested	-	57.7	34.7
3. Visits to or by GP		13.8	61.9	24.2
	Available to all	-	40.4	60.4
	Means-tested	-	59.6	39.6
Residential Services:				
4. Long-term nursing home		2.6	39.4	58.1
	Available to all	-	49.5	71.0
	Means-tested	-	50.5	29.0
5. Short-term Nursing Home		15.3	36.2	48.6
	Available to all	-	43.3	64.4
	Means-tested	-	56.7	35.6
6. Long-term Hospital Care		2.2	56.7	41.0
	Available to all	-	44.8	69.0
	Means-tested	-	55.2	31.0
7. Short-term Hospital Care		12.4	51.9	35.6
	Available to all	-	37.3	64.6
	Means-tested	-	62.7	35.4

The same general trend in attitudes is held in regard to short-term hospital stays with a majority of the population (52 per cent) favouring full State funding and just over one-third (36 per cent) expressing a preference for a combined State/family option. As was the case with long-term hospital care, a large majority (about two-thirds) of those who favour full State funding are in favour of means-tested coverage. The proportions are reversed in respect of those who favour the joint funding model.

In regard to nursing home care it is evident that larger proportions of the population tend towards a family input to funding. A majority (58 per cent) consider that the combined option should be used for funding long-term nursing home care with 39 per cent indicating a preference for full State funding. In respect of short-term nursing home care slightly lower proportions (49 per cent) favour the combined model with the difference between long and short-term care being made up by the full family funding option.

4.5 Summary Index of State/Family Funding

In the above sections we considered attitudes towards the mix of State/family funding for a selection of specific aspects and items of long-term care of the elderly. Whilst it is clearly important to consider each of these in isolation it is instructive to construct a composite measure of views on State vs. family preference regarding who should bear the cost burden of long-term care provision. With this in mind we used 12 of the items on the questionnaire to construct a very crude (but transparent) index to classify the population in terms of their views regarding the State/family balance of funding. The 12 items included in the index were drawn from Q22; Q27a; Q27c; Q27e; Q27g and Q34 (7 items).

Question 22 read:

I am going to read 3 statements about who you think SHOULD BE responsible for paying for long-term care for elderly persons aged 65 or more if they need help or assistance. Please tell me which comes closest to your views.

Long-term care for elderly persons should be:

1. Paid in full by the person receiving the care or by their family.
2. Paid in full by the Government or the State.
3. Shared between the individual and the Government.

Question 27 read:

1. So, consider an elderly person who can manage well living alone all day but who needs help getting up and going to bed. Who should pay for that help?
2. An elderly person who lives alone and who has to stay in bed for the next few months following a hip operation? Who should pay for that help?
3. An elderly person who can move about well and who lives alone, but who gets confused and needs to be checked on several times a day to make sure he/she is safe and well? Who should pay for that help?
4. An elderly person who is permanently in a wheelchair and who lives in a specially adapted flat. He/she needs a substantial level of assistance? Who should pay for that help?

In respect of each of the 4 items the respondent was asked to specify whether or not it should be:

The State.
Family/Relatives/Friends.
Combination of Family and State.

Question 34 related to:

1. long-term care in a nursing home should be paid by…
2. short-term care in a nursing home should be paid by…
3. long-term care in a hospital should be paid by…
4. short-term care in a hospital should be paid by…
5. visits to or by the GP should be paid by…
6. home help to assist with housework should be paid by…
7. personal care attendant to assist with housework should be paid by…

In respect of each of the items from Q34 the respondent was asked to indicate whether or not he/she felt the care service should be:

- paid in full by the family;
- paid in full by the State;
- paid by a combination of family and State.

In constructing the index a value of '-1' was assigned to a respondent if he/she was in agreement with a statement, which indicated that the burden of payment should be the responsibility of the family. A value of '0' was assigned if the respondent indicated that he/she neither agreed nor disagreed and a value of '+1' was assigned if the response to a statement indicated that the State should take responsibility for payment.[7] Summing over the scores on the 12 items gave us a potential scale of -12 to +12. A value of -12 would indicate that a respondent is wholly in favour across all 12 items of a family-based funding approach to long-term care provision. A score of +12, in contrast, would indicate that a respondent is in favour of a wholly State-based solution to funding. A value of '0' indicates that a respondent feels that the combined option is best. The distribution of scores across the population is outlined in

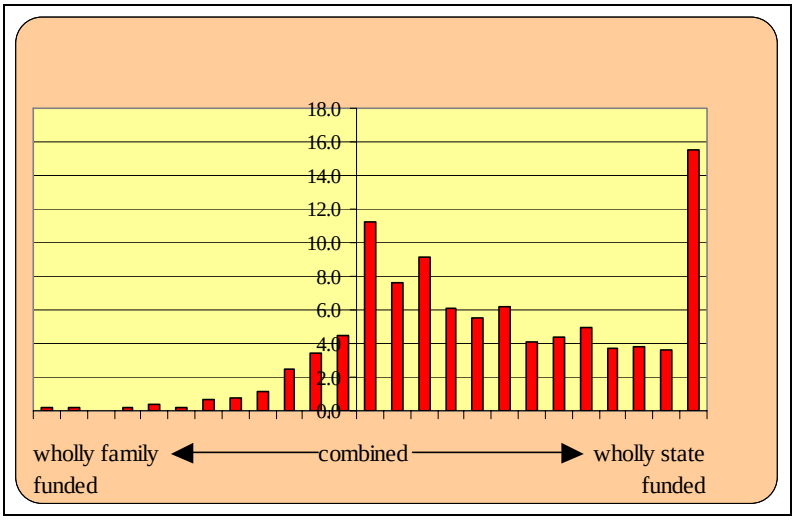
[7] The reader should note, of course, that given the wording of some statements the score or value assigned to indicate family or State involvement in funding could be counter-signed.

Table 4.8[8] and graphed in Figure 4.1. One can see that in the table we have included arbitrary cut-off points which we have labelled "high family dependence"; "moderate family dependence"; "Combined funding"; "moderate State dependence"; and "high State dependence". The thresholds between these categories (and the labels themselves) are clearly quite arbitrary in nature – they simply represent the quintile cut-off points for the potential summary scores.[9] On this basis (and from Figure 4.1) one can see that just over one-third (35.9 per cent) of the adult population could be classified as falling into the combined funding category with a summary score of –2 to +2. The 11.3 per cent of adults who have a summary index of '0' are clearly in favour of "pure" combined funding. It seems appropriate to classify the 7.9 per cent with scores of '-1' and '-2' as being in favour of a combined funding approach – albeit with a mild "family-funding orientation". One can see that on this basis, we would classify only 6.2 per cent of the population as having a preference for moderate or high family dependence in the context of funding for long-term care of the elderly. In contrast, just over one-quarter of the population would be classified as moderately State dependent and 32 per cent as high State dependent. It is noteworthy that trivial percentages (0.4 per cent) of the population score -10 to -12 on the summary index – indicating only a very small (effectively zero) subgroup of the population in favour of the family taking full responsibility for funding of long-term care of the elderly. At the other extreme, however, there would appear to be almost 23 per cent of adults who feel that the State should assume almost all of the relevant funding responsibility.

Table 4.8: Distribution of Adults According to Summary Score on State/Family Funding Preferences

		Moderate Family Dependence		Combined Funding		Moderate State Dependence		High State Dependence	
Summary Score	Per Cent	Summary Score	Per Cent	Summary Score	Per Cent	Summary Score	Per Cent	Summary Score	Per Cent
-12	0.2	-7	0.2	-2	3.4	3	6.1	8	5.0
-11	0.2	-6	0.6	-1	4.5	4	5.5	9	3.8
-10	0.0	-5	0.8	0	11.3	5	6.2	10	3.8
-9	0.2	-4	1.2	1	7.6	6	4.1	11	3.6
-8	0.3	-3	2.5	2	9.2	7	4.4	12	15.5
Sub total	0.9		5.3		35.9		26.3		31.6

Figure 4.1: Distribution of Adults According to Summary Index of State/Family Funding



[8] The authors point out that the scores assigned to each item (-1, 0 or +1) are arbitrary and the sign does not have any significance other than to signify that a respondent is oriented towards family funding, a combined funding arrangement or a State funding model.

[9] They do not purport to represent quintiles of the population according to summary score.

In Table 4.9 we consider variations in the composite funding score according to socio-demographic characteristics. In Section A of the table we outline the percentage breakdown of each category according to the 5-fold classification of State/Family funding preferences discussed above. In Section B of the table we present the mean of the score for each of the subgroups.

Table 4.9: Adult population Classified According to Socio-Demographic Characteristics and Position on Summary Funding Index

	A						B
	High Family Depend-ency	Medium Family Depend-ency	Combined	Medium State Depend-ency	High State Depend-ency	Total	Mean
Gender			(Per Cent)				
Male	1.3	4.1	34.4	25.8	34.4	100.0	4.7
Female	0.6	6.4	37.3	26.6	29.1	100.0	4.3
Age Cohort							
29 or less years	1.8	7.0	39.2	25.9	26.1	100.0	3.6
30 – 44 years	0.4	4.5	36.4	29.8	29.1	100.0	4.5
45 – 59 years	0.7	4.6	35.8	21.9	37.1	100.0	5.1
60+ years	1.0	5.2	30.9	26.4	36.4	100.0	4.9
Educational Attainment							
Primary/None	0.4	5.8	28.3	24.1	41.4	100.0	5.6
Junior Certificate	1.3	2.1	33.9	24.8	37.9	100.0	5.2
Leaving Certificate	1.0	6.3	39.8	27.2	25.7	100.0	3.8
Third Level	1.3	6.2	42.7	29.5	20.3	100.0	3.2
Equivalised Income							
Quartile 1 (low inc.)	0.2	5.4	35.5	26.0	32.8	100.0	4.8
Quartile 2	0.5	5.6	34.1	22.8	36.8	100.0	4.9
Quartile 3	0.6	5.0	40.6	24.7	29.2	100.0	4.2
Quartile 4 (high inc.)	1.0	3.4	42.9	27.9	24.8	100.0	3.9
Caring Responsibilities							
Carer in home	0.0	5.3	29.5	22.1	43.2	100.0	5.6
Carer outside the home	0.0	6.9	29.1	28.6	35.5	100.0	5.0
Respondent not a carer	1.1	5.1	37.2	26.2	30.5	100.0	4.4
Total	**0.9**	**5.3**	**35.9**	**26.3**	**31.6**	**100.0**	**4.5**

From the figures in the table one can see that higher preferences for State funding are characteristic of older persons; persons with lower levels of educational attainment as well as those in the two lower income quartiles. It is also notable from the table that those who are currently carers in the home are more oriented towards a State funding model than others – especially when compared with those who have no caring responsibilities.

With a view to assessing the statistical significance or otherwise of these broad trends and, in particular, to assess the simultaneous influences of the characteristics in question we present the results of a multiple regression approach in Table 4.10. The dependent variable is the summary index of preference for State/Family balance in funding of long-term care of the elderly – running on a potential scale of -12 to +12. The most important message from the figures in Table 4.10 is that when one simultaneously controls for characteristics such as gender, age, education, income and current caring responsibilities, only level of educational attainment is statistically significant. As education falls orientation toward a preference for State funding increases substantially and vice versa.

Table 4.10: Results of Multiple Regression in Estimating Simultaneous Effects on Preferences for State/Family Funding of Long-Term Care of the Elderly (Summary Index)

(Constant)	3.005	**	29 years or less	0.005
Primary Education	2.125	**	30-44 years	0.436
Junior Cert/Intermediate	1.890	**	45-59 years	0.494
Leaving Certificate (Ref. Cat. Third leave)	0.690	**	60-64 years (Ref. Cat. 65 yrs.+	0.268
Male	0.099		Caring responsibilities in the home	0.757
Income quartile one	-0.004		Caring responsibilities outside the home (Ref. Cat. No caring responsibilities)	0.320
Income quartile two	0.003		Adj. R-2	0.021
Income quartile three (Ref. Cat. Income quartile four)	-0.291			

** Significant at 95 per cent or above.

4.6 Summary

In this chapter we considered attitudes and views among the general public on who should bear the responsibility for funding the long-term care of the elderly – State or Family.

We began the chapter by asking respondents to indicate their agreement or otherwise with a series of possible funding options. It is important to remember that at that point we did not attempt to link these funding options with what they might mean in terms of the actual increases in weekly or annual expenditure for the respondent him/herself.

In general, we saw that a preference for shared funding was more characteristic of younger persons, those with higher levels of educational attainment and those in higher income quartiles. In contrast, older persons and those in lower income and educational categories have a much higher tendency to favour State participation in funding long-term care of the elderly.

When presented with State funded "front" and "back-end" cover options we saw that one-quarter of the population agreed that families should pay in full for the first two years of care in a nursing home with the State stepping in thereafter to wholly fund the necessary care. A total of 59 per cent disagreed with this option. Front-end State funding (involving the State paying for the first year of nursing home care with the family taking responsibility thereafter) met with a substantially negative response – just over 80 per cent of adults disagreeing with this option.

Private coverage by insurance policy received fairly widespread approval (by two-thirds of adults) with one-quarter disagreeing with this as an option for funding long-term care needs.

In terms of increase in tax and Social Insurance we saw that, in principle, VAT increases were approved of by only 38 per cent and actively disapproved of by just over 50 per cent. PRSI increases were approved of, in principle, by 50 per cent of adults with one-third approving of an increase in income taxes. The reader is again reminded that approval was based on general propositions presented to respondents who were asked to agree or disagree (in principle) with the increases in the taxes in question. No attempt, at this stage, was made to quantify their responses in the context of a stated level of increase nor of its impact on their personal expenditure.

As one might expect, adults generally saw an increasing role for comprehensive State involvement in funding care in situations of increasing dependency or need of the individual involved. Consequently, we saw that approximately one-third of the population indicated that they felt the State should bear the full responsibility for payment of care needs in situations where the care in question was relatively low-level (help in getting up and going to bed; getting confused and needing to be checked). This increased to just

under 54 per cent for those who advocated full or comprehensive State funding in the context of an elderly person in need of intensive assistance, for example, those who are living in a specially adapted flat or who are permanently in a wheelchair. In all cases where State support is advocated (either on an exclusive or co-funding basis) very substantial proportions of adults record themselves to be in favour of provision on a means-tested basis.

In the final section of the chapter we constructed a simple but transparent summary index on preference for State or family funding for long-term care of the elderly. This was based on the answers to 12 separate questions from various sections in the questionnaire. On this basis we classified the population into a number of categories as follows:

	%
High family funding preference	0.9
Moderate family funding preference	5.3
Combined funding	35.9
Moderate State funding preference	26.3
High State funding preference	31.6

Although the labels and thresholds used were arbitrary, the story told by the figures suggests a high degree of preference for combined or co-funding arrangements between family and State (36 per cent of adults). One-third of the adult population was classified on this basis as being in favour of high and comprehensive levels of State funding. We saw that, in general, the incidence of what we referred to as high State dependence was highest among older, less educated and lower income persons as well as among those with current caring responsibilities. Using regression techniques, however, we found that level of educational attainment emerged as the only factor to be statistically significant in determining where one was located in terms of the balance between State and family funding. Orientation towards State funding was significantly greater as level of educational attainment fell.

5. ATTITUDES AND VIEWS ON PAYMENT OPTIONS

5.1 Introduction

In this chapter we consider four specific funding options for long-term care of the elderly. In Section 5.2 we discuss views towards equity release schemes and the re-mortgaging of an elderly person's home to fund long-term care needs. Section 5.3 considers attitudes towards increases in tax or PRSI while Section 5.4 outlines views on increases in VAT. Section 5.5 explores views on private insurance policies for long-term care in old age. Finally, Section 5.6 presents a brief summary of our main findings.

5.2 Re-Mortgaging and Equity Release Schemes

In the course of the survey respondents were asked:

> *If an elderly person receiving long-term care in a nursing home or hospital owns a house do you think they should have to sell or re-mortgage it to help pay towards the cost of the care.*

Responses are outlined in Table 5.1. One can see that 22 per cent of adults feel that elderly persons should have to re-mortgage with 57 per cent recording that they should not. The remaining 21 per cent of the population felt that it depended on circumstances. Perhaps somewhat surprisingly, opinions in favour of selling or re-mortgaging appear to increase slightly with age (as, indeed, does the percentage recording that it depends on circumstances). One can see that 18 per cent of the youngest age group feel that an elderly person should have to sell or re-mortgage. This figure increases progressively with age to stand at just over 24 per cent among those aged 60 years or more. The view is also held most frequently among those who are currently in Local Authority rented accommodation, though the reader will also note that this group also has the higher propensity to disagree with this option.

In Table 5.2 we present the results of a logistic regression analysis that identifies which characteristics of respondents are significantly associated in a statistical sense with the view that elderly persons should have to sell or re-mortgage their property to fund long-term care needs.

The figures in the table are odds ratios. They indicate how the odds or chances of someone holding the view that an elderly person should sell or re-mortgage differ from the reference category within each block of demographic variables.

Table 5.1: Respondents Classified According to Whether or Not They Feel that an Elderly Person Should Have to Re-Sell or Re-Mortgage their House to Fund Long-Term Care

	Yes, Sell/ Re-mortgage It	No, Don't Sell/ Re-mortgage It	Depends
Gender			
Male	22.1	55.9	22.1
Female	22.0	58.4	19.6
Age Cohort			
29 years or less	18.1	66.4	15.5
30 – 44 years	21.7	58.1	20.2
45 – 59 years	25.1	51.6	23.3
60+ years	24.3	50.5	25.2
Educational Attainment			
Primary/None	26.2	54.9	19.0
Junior Certificate	19.5	53.3	27.2
Leaving Certificate	19.8	62.3	17.9
Third Level	25.0	51.6	23.4
Adjusted Income			
Quartile 1 (low inc)	22.1	57.3	20.6
Quartile 2	16.3	60.7	23.1
Quartile 3	25.0	56.4	18.6
Quartile 4 (high inc)	26.3	49.1	24.7
Caring Responsibilities			
Carer in home	16.8	66.4	16.8
Carer outside the home	24.5	59.0	16.5
Respondent not a carer	22.1	56.4	21.5
Tenure Status			
Owner occupier	21.8	57.4	20.8
Rented from Local Authority	24.0	63.7	12.3
Private rental/Voluntary Body/Other	19.3	54.0	26.7
Total	**22.0**	**57.2**	**20.8**

Table 5.2: Results of Logistic Regression on Whether or not a Respondent Holds the View that an Elderly Person in Need of Long-Term Care Should Sell or Re-Mortgage their House to Fund it

	Odds Ratio		Odds Ratio
Male	0.943	Income quartile 1 (low)	0.894
Less than 30 years	0.603*	Income quartile 2	0.689*
30-44 years	0.986	Income quartile 3	1.003
45-59 years	1.161	(Ref. Cat. Income quartile 4 (high))	0.916
(Ref. Cat. 60+)		Carer in the house	0.916
Primary Education	1.007	Carer outside home	1.039
Junior Certificate or Equivalent	0.634**	(Ref Cat. Not a carer)	
Leaving Certificate or Equivalent	0.757**	Owner occupier	0.740
(Ref. Cat. Final level)			

** Significant at 95 per cent or above.

The figures in the table indicate that very few of the variations with the demographic groups are, in fact, statistically significant. The lower odds for the youngest age category (less than 30 years) is significant as are Junior Certificate and Leaving Certificate or equivalent and also persons in the second income quartile of the equivalised income distribution.

The 42.8 per cent of respondents who recorded either that (a) they were in favour of an elderly person having to sell or re-mortgage to fund long-term care needs or that (b) it depended on their circumstances were further asked whether or not they felt it depended on the value of the property owned by the elderly person. Just over 53 per cent of these (representing 22.7 per cent of the total adult population[10]) felt that it did depend on the property values.

To pursue the issue of capitalising the asset represented by the elderly person's accommodation in the funding of their long-term care needs respondents were further asked:

> *If someone needs long-term care and owns a house one way to finance it would be through what is called an equity release agreement with a bank or financial institution. This would mean that they and their spouse could live in their home for as long as they wished. When they and their spouse die the bank would recoup the full value of the loan and interest – which could, in fact, amount to the full value of the house. Would you be in favour or opposed to this type of scheme known as equity release?*

Responses are outlined in Table 5.3. From this one can see that 29 per cent of the population record themselves to be in favour of such a scheme. In contrast, just over 60 per cent of adults would be against such a proposal. One can see that those with current carer responsibilities are most likely to be against the scheme (72 per cent opposed compared to 59 per cent of those with no caring responsibilities). Although there is some evidence to suggest opposition increasing with age cohort the relationship is not particularly strong (56 per cent for the youngest age group rising to 64.3 per cent for the oldest group). An equity release scheme would seem to be more acceptable to those with increasing levels of educational attainment. It is interesting to note that those in the private rented sector are substantially more likely to be in favour of an equity release scheme than owner occupied or those renting from the Local Authority.

In a follow-up question to those who recorded themselves to be in favour of an equity release scheme we found that a very substantial majority (87 per cent) feel that it should be undertaken on a voluntary basis.[11]

The questions relating to equity release (Questions 36 and 37) were at some distance on the Questionnaire from those which directly recorded respondents' views on whether or not an elderly person who was in need of long-term assistance and who owned a house should have to sell or re-mortgage it to contribute towards the funding of that care (Questions 26a to Questions 26d). This distance between the relevant sections in the survey minimised cross-question bias in response patterns. When we compare the results from Table 5.1 we find that 57 per cent of the adult population affirmatively record themselves as being opposed to a re-selling/re-mortgaging scheme to assist in the funding of long-term care. From Table 5.3 we find that 60 per cent of adults expressed themselves as being opposed to this option when cast in terms of an equity release scheme. Having approached the issue from these different directions it would seem that approximately 40 per cent of the population would possibly accept such a scheme – at least on a conditional basis ("it depends"). The other 60 per cent, however, would seem to be substantially opposed to it.

[10] A total of 42.8 per cent of all adults indicated that (a) the elderly person should sell or re-mortgage or (b) depend on circumstances. A total of 53.1 per cent of this group further indicated that it should depend on the value of the property. This represents 22.7 per cent of the total population (53.1 per cent of 42.8 per cent)

[11] The authors recognise that a compulsory equity release scheme would be almost impossible to implement from logistical, legal and other perspectives.

Table 5.3: Adults Classified According to Whether or Not They Are in Favour or Opposed to an Equity Release Scheme

	In Favour or Against Equity Release Scheme				
	In Favour	Neither in Favour Nor Opposed	Opposed	Don't Know	Total
Gender					
Male	29.4	7.2	50.6	5.3	100.0
Female	28.3	5.1	62.0	4.6	100.0
Age Cohort					
29 years or less	32.2	6.1	55.6	6.1	100.0
30 – 44 years	30.5	6.1	60.4	3.0	100.0
45 – 59 years	29.0	6.5	61.5	3.5	100.0
60+ years	22.2	5.7	64.3	7.9	100.0
Educational Attainment					
Primary/None	25.8	4.6	63.8	5.7	100.0
Junior Certificate	25.2	8.2	61.8	4.9	100.0
Leaving Certificate	30.5	6.9	57.5	5.1	100.0
Third Level	36.0	3.3	58.2	2.5	100.0
Adjusted Income					
Quartile 1 (low inc)	27.9	3.7	63.0	5.4	100.0
Quartile 2	25.6	7.3	62.9	4.3	100.0
Quartile 3	30.2	8.4	55.4	5.9	100.0
Quartile 4 (high inc)	35.4	7.5	55.3	1.9	100.0
Caring Responsibilities					
Carer in home	18.8	4.7	71.7	4.7	100.0
Carer outside the home	28.9	3.3	63.9	3.8	100.0
Respondent not a carer	29.3	6.6	59.0	5.1	100.0
Tenure Status					
Owner Occupied	28.7	6.1	60.7	4.6	100.0
Rented from Local Authority	19.7	8.2	63.3	8.8	100.0
Private Rental/Voluntary Body/Other	43.2	6.8	42.6	7.4	100.0
Total	**28.7**	**6.1**	**60.1**	**4.9**	**100.0**

5.3 Increases in Tax and PRSI

Respondents were asked whether or not they would be in favour or opposed to the government increasing tax or PRSI for everyone at work – specifically to help fund long-term care of the elderly. The results are shown in Table 5.4. From this one can see that just over 40 per cent of all adults are in favour of such a proposal with 46.5 per cent being opposed to it. The remainder are split fairly evenly between those who do not hold a strong opinion on the matter in either direction and those who feel that it depends on the level of income. Support for an increase in tax and/or PRSI appears to increase with rising education and to generally fall with income. Of particular interest is current employment status. One might expect that a higher proportion of those currently in the labour force would be more strongly opposed to such a proposal than would other groups in terms of their employment status. One can see, however, that 41 per cent of economically active persons record themselves as being in favour of such a proposal. This compares with 38 per

cent of those classified as Home Duties; 49 per cent of the retired; 34 per cent of those in education and 37 per cent of those classified as "Other" (mostly permanently ill or disabled). On the basis of these figures it would appear, therefore, that the retired (whom the proposal would affect least) is the only group who have a substantially higher than average propensity to favour an increase in income tax or PRSI. This may indicate a degree of self-interest in forming their views about the introduction of such a proposal.

Table 5.4: Adult Population Classified According to Whether or Not They Are in Favour or Opposed to an Increase in Income Tax or PRSI for Everyone at Work to Help Fund Long-Term Care of the Elderly

	In Favour	Neither in Favour Nor Opposed	Opposed	Depends on the Increase
Gender				
Male	42.2	6.3	45.4	6.0
Female	38.5	6.5	47.5	7.4
Age Cohort				
29 or less	36.6	6.7	49.9	6.7
30 – 44	41.4	4.2	45.7	8.7
45 – 59	40.9	6.6	46.1	6.4
60+	43.4	9.0	43.7	3.9
Educational Attainment				
Primary/None	37.9	8.7	50.5	3.0
Junior Cert	43.2	6.8	43.2	6.8
Leaving Cert	38.2	5.7	47.0	9.2
Third Level	48.3	3.8	41.7	6.3
Adjusted Income				
Quartile 1 (low inc)	44.9	7.1	43.9	4.1
Quartile 2	41.2	9.8	44.7	4.3
Quartile 3	46.0	4.4	42.4	7.2
Quartile 4 (high inc)	37.9	2.5	41.4	18.2
Caring Responsibilities				
Carer in home	42.0	9.5	44.7	3.8
Carer outside the home	41.0	5.7	45.3	8.1
Respondent not a carer	40.3	6.3	46.8	6.7
Labour Force Status				
In Labour Force	40.7	5.8	47.0	6.4
Home Duties	37.9	7.5	47.7	7.0
Retired	48.6	11.1	36.0	4.2
Education	34.4	4.5	49.4	11.7
Other	37.5	0.0	56.3	6.3
Total	**40.4**	**6.4**	**46.5**	**6.7**

To assess the statistical significance or otherwise of the variation in preferences for a tax/PRSI increase according to demographic group we present details of a multivariate analysis in Table 5.5. These results are based on logistic regression analysis in which we modelled demographic variables against a dichotomous variable to indicate that a respondent was "in favour" – 'strongly' or 'somewhat' – of a tax/PRSI increase. The figures in the table allow one to assess the simultaneous impacts of demographic variables on being in favour of the introduction of tax/PRSI increases to help fund long-term care of the elderly. From these one can see that accounting for the other variables in

the equation, males are significantly more in favour of a tax/PRSI increase than females (male odds of being in favour are about 1.3 times those of females). Education is seen to be significant as are the lower quartiles of the income distribution. Support falls significantly with a decrease in level of educational attainment. Being in lower income quartiles also significantly increases odds of support for such a policy relative to being in the top quartile (the reference category).

Table 5.5: Logistic Regression Results of Being in Favour of Tax/PRSI Increases to Fund Long-Term Care of the Elderly

Male	1.343**	Income quartile 1 (low)	1.417**
Less than 30 years	0.751	Income quartile 2	1.370**
30-44 years	0.928	Income quartile 3	1.135
45-59 years	0.863	(Ref. Cat. Income quartile 4 (high))	
(Ref. Cat. 60+ years)			
Primary Education	0.547**	Cover in the home	1.017
Junior Certificate or equivalent	0.685**	Cover outside home	1.054
Leaving Certificate or equivalent	0.744**	(Ref. Cat. Not a Carer)	
(Ref. Cat. First level)		Employed	0.878
		Retired	1.019
		Home Duties	0.863
		Other	0.833
		Ref. Cat. Student	

Respondents who recorded themselves to be in favour of a tax/PRSI increase as well as those who said "it depends" were then asked to indicate whether they would prefer a tax or a PRSI increase.

We found that, in general, 62 per cent of those in favour of an income tax or PRSI increase to help fund long-term care of the elderly favour PRSI increases. Although this preference was expressed somewhat more strongly among females, younger persons and the retired we found that there was no evidence to suggest that there are statistically significant differences in the overall levels or patterns of response as between one socio-demographic group and another.[12]

Respondents who recorded that they would, in principle, be in favour of an increase in tax/PRSI to fund long-term care of the elderly were subsequently presented with a series of thresholds or levels of weekly payments and asked would they be in favour of each of the thresholds in turn. In confronting the respondent with actual monetary levels and asking him/her to react to them we can move some way from an abstract agreement in principle to a more concrete form of agreement which has more tangible financial reality for the respondent. Table 5.6 presents the results. The figures in the table relate only to the 40.4 per cent of adults who initially indicated a willingness to accept an increase in tax or PRSI as well as the 6.7 per cent who indicated that their agreement depended on the level of change.

[12] Logistic regression analysis – not reported here – was used.

Table 5.6: Percentage of those in Favour of Tax/PRSI Increase Classified According to Level at Which They Would Oppose an Increase

Oppose at:	Per Cent	Cumulative Per Cent
€2 per week	2.6	2.6
€4 per week	24.9	27.5
€8 per week	36.3	63.8
€10 per week	15.0	78.8
€20 per week	15.0	93.8
None of the above	6.2	-
Total	**100.0**	**100.0**

The figures in Table 5.6 indicate the percentage of those who, in principle, would be in favour of a tax/PRSI increase but who indicate that they would oppose the specific increase as outlined in the table. This indicates, for example, that 2.6 per cent of those in question would oppose an increase of €2 per week (about €100 per year). A further 25 per cent say they would oppose €4 per week (€200 per year). The figures in the second column provide cumulative percentages of those who record themselves to be opposed to the specified payment levels. On this basis one can see, therefore, that almost two-thirds of adults who initially say they are in principle in favour of a tax/PRSI increase to assist in funding the long-term care needs of the elderly are opposed to such a policy when the proposed increase is €8 per week (approximately €400 per year).

As noted above, the figures in Table 5.6 relate only to those who initially record that they are in favour of tax/PRSI increases. By combining this information with the initial responses to the tax/PRSI increase we can provide a classification for the *total population* in terms of their willingness to accept the proposal at various levels of cost to the respondent. The resulting figures are presented in Table 5.7.

Table 5.7: Breakdown of *Total Population* According to their Willingness to Accept Tax/PRSI Increases to Fund Long-Term Care of the Elderly

	A Per Cent		B Per Cent	C Cumulative Per Cent
Strongly opposed	33.8	Strongly opposed	33.8	33.8
Somewhat opposed	12.7	Somewhat opposed	12.7	46.5
Neither in favour nor opposed	6.4	Neither in favour nor opposed	6.4	52.9
Depends on increase	6.7	Opposed at €2 per week	1.2	54.1
Somewhat in favour	28.9	Opposed at €4 per week	11.7	65.8
Strongly in favour	11.5	Opposed at €8 per week	17.1	82.9
Total above	100.0	Opposed at €10 per week	7.1	90.0
		Opposed at €20 per week	7.1	97.1
		None of above	2.9	100.0
		Total	100.0	-

From the figures in Column C of the table one can see that just over 46 per cent oppose the proposal regardless of level. This increases to 54 per cent of the adult population when the proposed increase amounts to no more than €2 per week (approximately €100 per year). Almost 83 per cent of adults would be opposed at a threshold of no more than €8 per week (€400 per year) and so on. These figures would seem to indicate that although substantial minorities of adults express their support in principle for tax/PRSI increases such support falls off quite substantially as they are confronted with specific financial thresholds for increased payments.

5.4 Increases in VAT

In the same way as respondents were asked to indicate whether or not they would be in favour or opposed to an increase in income tax/PRSI they were also asked whether or not they would be in favour or opposed to the government increasing sales tax or VAT, specifically to help fund long-term

care of the elderly. The results are outlined in Table 5.8. From this one can see that just over one-quarter (26.3 per cent) record themselves to be in favour of such a proposal, 8.5 per cent indicate that they are neither in favour nor against it; 61.6 per cent record that they would be opposed to such a proposal and 3.6 per cent that it depended on the level. One can see from the table that there are really no systematic trends or relationships in attitudes to the proposal between subgroups of the population. This was confirmed with multivariate analysis (logistic regression not shown here).

Table 5.8: Adult Population Classified According to Whether or Not it Would Be in Favour or Opposed to an Increase in VAT or Sales Tax to Help Fund Long-Term Care of the Elderly – All Respondents

	In Favour	Neither in Favour Nor Opposed	Opposed	Depends on the Increase
Gender				
Male	27.0	6.3	62.0	6.0
Female	25.6	6.5	61.3	7.4
Age Cohort				
29 years or less	26.7	6.7	61.0	6.7
30 – 44 years	23.9	4.2	64.5	8.7
45 – 59 years	28.0	6.6	62.1	6.4
60+ years	27.2	9.0	57.8	3.9
Educational Attainment				
Primary/None	27.7	8.7	59.7	3.0
Junior Certificate	24.9	6.8	66.3	6.8
Leaving Certificate	26.5	5.7	59.9	9.2
Third Level	25.6	3.8	63.6	6.3
Adjusted Income				
Quartile 1 (low inc)	29.9	7.1	59.9	4.1
Quartile 2	26.6	9.8	62.8	4.3
Quartile 3	27.3	4.4	58.5	7.2
Quartile 4 (high inc)	23.4	2.5	61.3	18.2
Caring Responsibilities				
Carer in home	35.9	9.5	56.6	3.8
Carer outside the home	25.4	5.7	63.7	8.1
Respondent not a carer	25.8	6.3	61.8	6.7
Labour Force Status				
In Labour Force	27.2	5.8	62.5	6.4
Home Duties	25.0	7.5	60.6	7.0
Retired	24.2	11.1	60.0	4.2
Education	25.2	4.5	59.3	11.7
Other	22.9	0.0	62.6	6.3
Total	**26.3**	**8.5**	**61.6**	**3.6**

Respondents who indicated themselves either to be in favour of an increase in VAT or who recorded that it depended on the level of increase were then presented with 5 hypothetical thresholds. In respect of each they were asked to indicate whether or not they were in favour of, neither in favour of nor opposed to or opposed to the level of increase in question. The results are outlined in Table 5.9.

The figures in the table indicate the percentage of those who, in principle, would be in favour of a VAT increase but who would oppose it at the specified

levels. This indicates, for example, that 5.6 per cent of those in question would oppose a VAT increase of €2 per week (approximately €100 per year). A further 34.2 per cent of those who were in principle in favour of an increase would oppose it at a level of €4 per week and so on. The final column in Table 5.9 shows that at €8 per week just over 70 per cent of those who initially indicated their support in principle for a VAT increase are opposed to such a policy.

Table 5.9: Percentage of those who Recorded Themselves to be in Favour of a VAT Increase or who Indicated that their View on Such a Potential Increase would Depend on the Level of the Increase Classified According to the Level at Which they Would Oppose such Increase

Oppose at:	Per Cent	Cumulative Per Cent
€2 per week	5.6	5.6
€4 per week	34.2	39.8
€8 per week	31.5	71.3
€10 per week	14.7	86.0
€20 per week	9.5	95.5
None of the above	4.6	-
Total	**100.0**	**100.0**

The figures in Table 5.10 present a breakdown of the *total population* according to their willingness to accept an increase in VAT which is oriented towards funding long-term care of the elderly.

Table 5.10: Breakdown of *Total Population* According to their Willingness to Accept a VAT Increase to Fund Long-Term Care of the Elderly

	A Per Cent		B Per Cent	C Cumulative Per Cent
Strongly opposed	46.9	Strongly opposed	46.9	46.9
Somewhat opposed	14.7	Somewhat opposed	14.7	61.6
Neither in favour nor opposed	8.5	Neither in favour nor opposed	8.5	70.1
Depends on increase	3.6	Opposed at €2 per week	1.7	71.8
Somewhat in favour	19.1	Opposed at €4 per week	10.2	82.0
Strongly in favour	7.2	Opposed at €8 per week	9.4	91.4
Total above	100.0	Opposed at €10 per week	4.4	95.8
		Opposed at €20 per week	2.8	98.6
		None of above	1.4	100.0
		Total	100.0	-

The figures in Column C of the table indicate that a very large proportion of the population (70 per cent) are opposed to (or at least not in favour of) a VAT increase in principle. As the proposed financial thresholds were presented to respondents we see from the table that the cumulative percentages opposing the increase rise quite substantially – even when the thresholds seem to represent relatively modest financial costs to the respondent. One can see, for example, that at €4 per week 82 per cent of all adults would oppose an increase in VAT specifically aimed at funding long-term care of the elderly. This clearly suggests that, as we saw with proposed tax/PRSI increases above, the percentage of respondents who are *in principle* willing to accept an increase in VAT falls off quite sharply when faced with even quite modest increases in proposed annual levels.

5.5 Private Insurance Policies

The final specific funding option presented to participants in the survey related to private insurance policies. The following statement was read to respondents:

> *One possible way to help finance long-term care of the elderly is for people to take out an insurance policy throughout their lives specifically to pay for any long-term care which they may need as they get older. Suppose you paid into a policy like this for 20 years to provide for your long-term care when you became elderly. Do*

you think you personally would take one out if you paid the following premiums each week or each year? So do you think you would take one out if it cost you:

€2 per week or about €100 per year over 20 years
€4 per week or about €200 per year over 20 years
€8 per week or about €400 per year over 20 years
€10 per week or about €500 per year over 20 years
€20 per week or about €1,000 per year over 20 years

The responses are shown in Table 5.11. The figures in the table show the percentage of respondents who recorded that they would be unwilling to take out a policy at the specified premiums. One can see that 13 per cent of adults said they would be unwilling to take out such a policy even at a premium of €2 per week (approximately €100 per year) over 20 years. A further 18 per cent said they would be opposed to taking out such a policy if the weekly premium was €4 (or approximately €200 per year) and so on. On this basis only one-third of the adult population would appear to be willing to consider any such policy with a weekly premium in excess of €8 per week (€400 per year) over 20 years.

Table 5.11: Adult Population Classified According to Willingness to Pay Pre-Specified Amounts for a Private Insurance Policy Over a 20 Year Period

Oppose at:	Per Cent	Cumulative Per Cent
Oppose at €2 per week	13.4	13.4
Oppose at €4 per week	17.6	31.0
Oppose at €8 per week	31.4	62.4
Oppose at €10 per week	13.8	76.2
Oppose €20 per week	16.4	92.6
Oppose none of the above	7.4	-
Total	**100.0**	**100.0**

5.6 Summary

In this chapter we have considered some of the main attitudes and views on various payment options. Issues of re-mortgaging homes and other forms of equity release; increases in income tax and PRSI; increases in VAT and private insurance policies specifically aimed at providing for long-term care in old age were considered.

In broad terms we found substantial opposition to the possibility of an elderly person, re-mortgaging or selling their homes to cover the costs of the care. Just over 20 per cent of the population felt that they should have to, 20 per cent felt that it depended on the circumstances and the remaining 60 per cent felt that they should not have to sell or re-mortgage. Just over half of those who felt that elderly persons should have to sell/re-mortgage or that it depended on circumstances felt that it should be conditional on the value of the accommodation. When the issue was cast in terms of equity release schemes we found that 60 per cent of adults definitively recorded their opposition to such schemes. Only a very small minority of the total population (3.8 per cent) felt that such schemes should be compulsory.

An important instrument for increasing revenue which could be used to fund long-term care of the elderly is an increase in income tax or PRSI paid by those at work. We found that just over 40 per cent of adults recorded themselves to be in favour of such a proposal with 46 per cent being opposed to it (the remaining 14 per cent either did not hold a strong view in either direction or recorded that they did not know how they felt on the matter. We were struck by the lack of systematic variation in attitudes towards this proposal with the demographic characteristics outlined in the text. We saw that only educational attainment was statistically significant in forming attitudes towards an increase in tax/PRSI.

Although we found that a sizeable minority of adults agreed in principle with the use of a fiscal instrument to fund long-term care of the elderly, we also found that the limit of what they would be prepared to pay appears to deteriorate very quickly when actual values for annual increases are presented to respondents. We saw that even at the apparently modest threshold of €4 per week almost two-thirds (63.8 per cent) of those who had initially recorded themselves to be in favour of an increase in tax/PRSI indicated opposition to the level in question. We saw that 83 per cent of the total adult population (regardless of their initial views in principle to increases in tax/PRSI) were opposed to any such annual increase of even €8 per week (€400 per year). In general terms, there seems to be a preference for an increase in PRSI in contrast to an increase in income tax.

A further fiscal instrument for increasing government funds is an increase in VAT. We found that just under 30 per cent[13] of adults record themselves to be in favour (at least in principle) of such a proposal with 62 per cent being opposed to it and the remainder indicating that they were undecided. As was the case with increases in income tax, however, we found that an acceptable threshold for the increase in VAT was very low indeed. By the time we had reached a hypothical threshold of €4 per week (an increase of approximately €200 per annum) we found that 82 per cent of adults recorded themselves to be opposed to such a proposal.

This final funding model addressed involved the taking out of a private insurance policy over 20 years to assist in the payment of long-term care in old age. We saw that 13 per cent of adults recorded that they would be unwilling to pay any level of premium for such a policy. In broad terms, approximately one-third of adults would appear to be willing to consider an insurance policy with a weekly premium in excess of €8 per week (approximately €400 per year) over 20 years.

Overall, therefore, while there may appear to be an initially high level of acceptance (at least in principle) of various forms of funding models for long-term care in old age the upper limit to which people would be prepared to pay seems to be reached quite quickly. When presented with even modest weekly increases in tax, PRSI or VAT aimed at funding long-term care of the elderly, respondents support for such proposals quickly turned to opposition. This has clear implications for policy formulation in this area.

[13] Includes those who indicated that it depended on the level of the increase.

6. SUMMARY AND CONCLUSIONS

6.1 Background

In this report we presented the findings of a survey commissioned by the Department of Social and Family Affairs on public attitudes towards the funding of long-term care of the elderly. In the light of recent demographic trends we find that the population in Ireland is ageing and is projected to continue to do so for quite some time to come. With a substantial inflow of retired former migrants who are returning to Ireland taken in conjunction with increases in life expectancy, the proportion of persons aged 65 years and over is projected by the CSO to double over the period 2001-2031. By the latter date it is projected that we will have 1.1 million persons aged 65 years and over compared with a current figure of 430,000.

Given these recent trends it is particularly timely that evidence-based research should be commissioned to inform the debate in the area and assist in policy formation. Although much is written on the topic in the popular media there is, in fact, a dearth of hard statistical information on what the general public feels about different options for delivery or, most importantly, for the funding of long-term care of the elderly. Throughout the report we have attempted to identify the preferred options for care delivery and also for the funding of that care. A central issue in the latter aspect of the debate surrounding long-term care provision centres on the relative balance between the burden on the family and on the State. The debate on funding, in particular, has taken place in a near vacuum of hard information. It is largely this gap that the current report has addressed.

The information upon which the report was based was recorded in a dedicated survey of 2,063 randomly selected adults aged 18 years and over. Survey work was carried out between July and September 2004. All data were statistically adjusted or re-weighted prior to analysis in line with the structure of the overall population. The sample for the survey was selected on a random digit dialling basis and all surveying was carried out over the telephone.

6.2 Funding Options

Funding options resolve to three main types, viz. privately funded options, publicly funded options and partnership or a combination of public/private funding.

Private funding can take a number of forms. Long-term care could be funded out of accumulated savings – probably not a realistic option for most people over a protracted period. Other forms include equity release schemes which would free up capital accumulated in houses or other assets held by elderly persons; and private insurance policies aimed specifically at funding the cost of long-term care in old age. Evidence from Hughes and Maître (2004) indicates that most equity products release only a small part of the value of the property and suggests that their use for financing long-term care is largely restricted to a small group of wealthy persons.

Publicly funded options involve raising of revenue via taxes or Social Insurance. Issues arising in the debate surrounding State funding include the extent to which provision should be universal or means-tested. If the services

are to be funded through increases in the Social Insurance system then the benefits should be available to those who meet the PRSI contribution requirement. Long-term care services which were funded by an increase in taxation would imply that the entitlement would be means-tested.

A third funding option is a partnership between family and State. These may take various forms including "front-end" cover, which involves the State taking responsibility for funding in the initial period of care provision with the family stepping in after a specified period. An alternative option would be "back-end" cover which involves the family or elderly person themselves being responsible for funding over an initial period with the State stepping in thereafter.

Throughout this report we have attempted to address the public's attitudes towards these issues of funding as well as their preferences for the design and delivery of long-term care itself.

6.3 Preferences for Personal Care

In general we found that there is a very strongly expressed preference for receiving long-term care in one's own home. Over 4 in ever 5 adults feel it is 'very important' to be able to stay at home as long as possible if long-term care is necessary with a further 12 per cent recording that it is "somewhat" important to be able to do so. In situations where a family member living alone was in need of long-term care or assistance just over 58 per cent of adults would like to see them stay in their own home and receive assistance there. A further 20 per cent feel they should move in with the respondent or another relative and 10 per cent feel that they should move closer to another relative. Only 7 per cent consider that they should move to residential care in a nursing home or hospital. The remaining 5 per cent do not have a view on the matter. In terms of *delivery* of the service required there is a strong preference for having family or friends deliver it in the home of the elderly person or, if this is not possible, paying someone to provide the required care at home.

6.4 Funding Long-term Care of the Elderly

In terms of perceptions of who currently carries the burden of responsibility for funding long-term care we found that 20 per cent of adults feel that this is borne exclusively by the family with 13 per cent holding the view that the government currently takes comprehensive and complete responsibility for it. When asked a direct question on who should take responsibility for funding long-term care very small percentages feel that the *family* should take full responsibility while 42 indicate that the *government* should provide funding in full. The majority, however, advocate a co-funding or co-financing arrangement between family and State.

In the course of the survey we recorded detailed information regarding attitudes and views towards funding options for a wide range of very specific scenarios – depending on the circumstances or nature of the care involved. We combined the answers to 12 of these questions to generate a very crude index of attitudes towards State/family funding. This yielded the following breakdown of the population:

	%
High family dependence	0.9
Moderate family dependence	5.3
Combined funding	35.9
Moderate State dependence	26.3
High State dependence	31.6

We pointed out in Chapter 4 that the derivation of the index was crude (but transparent) and also that the labels used above and the thresholds associated with those labels were largely arbitrary. Notwithstanding this caveat, however, we feel that the breakdown of the population in these terms gives a very

reasonable interpretation of the overall views of the population in Ireland today. The significance of the figures on funding preferences is that a very substantial proportion of the population is in favour of a combined funding option. An important policy consideration is the extent to which preference or orientation towards State involvement in funding is related to income and educational attainment.

In terms of attitudes towards the minutiae of individual schemes or situations of elderly persons in need of care we found that one-quarter of adults agreed that the State could not afford to provide adequate care – two-thirds, however, felt that it could. When presented with an option for back-end funding from the State – where the family would be responsible for paying the cost of care for the first 2 years with the State stepping in thereafter – we found that 24 per cent of adults were in favour, 59 per cent against and 17 per cent unable to decide on such a scheme. Similarly, when presented with a proposal for front-end loading by the State (for the first year of nursing home care after which the family would assume full funding responsibility) we saw that 80 per cent of adults were against such a proposal. Only 7 per cent agreed with it and 13 per cent were undecided.

In general, we identified a positive relationship between greater State involvement in funding and level or intensity and also permanency of the care required. As the level or intensity of the required care increased so too did the view that the State should take responsibility for funding that care.

6.5 Funding Long-term Care

In Chapter 5 we considered in detail attitudes towards various payment options. Re-mortgaging of the home or other forms of equity release, increases in income tax or PRSI as well as increases in VAT and purchase of private insurance policies were all considered.

RE-MORTGAGE AND EQUITY RELEASE

In general terms when asked the direct question on whether or not elderly persons in need of long-term care should have to re-mortgage or sell their home we saw that just over 20 per cent of the population felt they should have to; 20 per cent felt it depended on their circumstances and the remaining 60 per cent felt they should not have to. Just over half of those who felt that the elderly person should have to sell/re-mortgage or that it depended on circumstances felt that it should be conditional on the value of the accommodation.

When the issue was cast in terms of equity release schemes (at a different point in the survey) 60 per cent of adults definitively recorded their opposition to such schemes with 30 per cent indicating themselves to be in favour of them and 10 per cent being unsure. In overall terms, therefore, it seems reasonable to say that 60 per cent of persons are against equity release with 25-30 per cent being in favour (depending on how the question is posed) and the remainder of adults being undecided.

INCREASES IN INCOME TAX AND PRSI

An important instrument for increasing revenue for funding long-term care is an increase in income tax and/or PRSI levels. We saw that just over 40 per cent of adults recorded themselves to be in favour of such a proposal with 46 per cent being opposed to it (the remaining 14 per cent being undecided). In general, higher preferences were expressed in favour of an increase in Social Insurance levels than direct income tax – with all consequent implications regarding the nature of the cover provided by the revenue in question (i.e. means-test, based on Social Insurance entitlement etc.).

Although we found that a sizeable minority of adults agreed in principle with the use of tax or Social Insurance contributions as an instrument for

generating revenue to fund long-term care we found that the threshold at which they would be willing to pay is quite low when actual values for weekly or annual increases were presented to them. Even at the apparently modest threshold of €8 per week we saw that almost two-thirds of those who initially indicated themselves to be in favour of an increase in tax or PRSI in principle were opposed to the level in question. This means that only 14 per cent[14] of adults would be in favour of a tax or Social Insurance increase where the weekly increase would be €8 or more each week.

INCREASES IN VAT

Fewer than 30 per cent of adults indicated their willingness to consider an increase in VAT to help fund long-term care of the elderly. A majority (61 per cent) were opposed to it. As many as 71 per cent of those who agreed in principle, however, with such an increase indicated their opposition to a threshold of €8 or more per week. This means that only 7.5 per cent of all adults would be in favour of an increase of €8 or more per week in VAT.

PRIVATE INSURANCE POLICIES

This involves taking out an insurance policy over 20 years to assist in the payment of long-term care in old age. We found that 13 per cent of adults indicated that they would be unwilling to pay any level of premium for such a policy. In broad terms, however, approximately one-third of adults appear to be willing to consider an insurance policy with a weekly premium in excess of €8 over 20 years.

6.6 Conclusions

The survey results provide evidence that there is public support for a funding option in which individuals and the State would combine to finance long-term care. There is a clear preference that the care should be provided as long as it is required rather than for the shorter periods proposed in the front-loaded or back-loaded alternatives that would confine it to a year in the first case and postpone it for two years in the second case. Although providing care for the full period it is required is more expensive than either the front- or back-loaded alternatives, it should be remembered that "…the costs of residential care are much lower than for pensions, because on average people require care for a much shorter period than they require a pension" as Barr (2001, p. 83) points out.[15]

The survey shows that the majority of respondents consider that those unlucky enough to require long-term care in old age should not have to sell off their homes in order to pay for such care. These strong preferences point to the need for an approach to the problem of financing long-term care in which the State would play an important role.

An approach to the financing of long-term care in which the State would participate would maximise the advantage of risk pooling by spreading the cost across the exposed population. This suggests there could be a role for a compulsory arrangement financed either through income tax, VAT, or PRSI contributions. Just over 40 per cent of respondents favour an increase in income tax or PRSI to pay for long-term care compared with about a quarter who favour an increase in VAT. Of those who favour an increase in either income tax or PRSI, almost two-thirds would prefer an increase in PRSI.

[14] Amongst adults 40 per cent are in favour of tax/PRSI increase. At €8 per week 63.8 per cent of these said they would oppose the level in question – 36 per cent would accept it. 36 per cent of the original 40 per cent gives the 14 per cent in question.

[15] The points that follow in relation to social insurance financing of long-term care are largely drawn from Barr (2001, Chapter 5) and the Mercer (2002) Report.

The fact that two-thirds of those who say they are in favour in principle of a tax/PRSI increase to pay for the long-term care needs of older people are opposed to such a policy when the proposed increase is €8 per week indicates that the ground would have to be prepared before a social insurance based approach to the financing of long-term care could be adopted. The public would have to be told about their exposure to the risk of requiring long-term care and how much it would cost to pay for such care privately. The advantages of making provision for long-term care through the social insurance system would have to be explained. For example, provision of long-term care through social insurance could limit the cost by specifying the severity of incapacity required to qualify for long-term care and by imposing ceilings on the range of benefits provided. It could provide cover only for the additional costs associated with medical, nursing, and other care, e.g., help getting dressed or walking. It could cover only the extra costs of daily living, such as food preparation, rather than the underlying costs that someone living independently would have to pay.

An example of the kind of benefits that might be provided if long-term care is financed by PRSI is the template benefit design considered in the Mercer (2002) report. A significant level of dependency would be required to qualify for this package and benefits would not be paid to people with disabilities generally. Where the person requires residential care in a public bed, the full cost would be covered subject to a contribution equal to 90 per cent of the Non-Contributory Old Age Pension. An individual occupying a private bed requiring "continuous" or a "high" level of care would receive a benefit equal to 90 per cent of the nursing home charge, less the same deduction of the Non-Contributory Old Age Pension, up to a specified maximum level of benefit per week that would depend on the quality of care required.

The Mercer report estimates that the cost of financing its template long-term care benefit package would amount to a total PRSI contribution rate of 3 per cent shared equally between employee and employer. This would work out as a contribution of €16.86 per week for someone on average industrial earnings of €562.21 per week in June 2004, or €8.43 per week each for the employee and the employer. The survey results indicate that only 27 per cent of respondents in favour of an increase in income tax or PRSI to pay for long-term care are opposed to an increase of €4 per week while the figure jumps to 64 per cent for an increase of €8 per week. An increase of around €8 per week in the PRSI contribution would not, therefore, command majority support from employees.

However, it is possible that the contribution for most employees could be somewhat less than €8 per week. Since PRSI contributions are the same proportion of earnings for each contributor, employees earning high incomes pay more in absolute terms than employees earning moderate or low incomes. The total revenue required to pay for long-term care through the PRSI system might be raised by a proportional contribution of 3 per cent that would require most employees to pay less than €8 per week and some employees to pay more than this amount in absolute terms.

REFERENCES

BARR, N., 2001. *The Welfare State as Piggy Bank: Information, Risk, Uncertainty, and the Role of the State*. Oxford: Oxford University Press.

BERGIN, A, J. CULLEN, D. DUFFY, J. FITZ GERALD, I KEARNEY, D. MCCOY, 2003. *Medium-Term Review 2003-2010*. Dublin: The Economic and Social Research Institute.

CENTRAL STATISTICS OFFICE, 2003. *Census 2002: Principal Demographic Results*. Dublin: Stationery Office.

CENTRAL STATISTICS OFFICE, 2004a. *Census 2002: Disability and Carers*, Volume 10. Dublin: Stationery Office.

CENTRAL STATISTICS OFFICE, 2004b. *Population and Labour Force Projections 2006-2036*. Dublin: Stationery Office.

FÁS, 2004. *The Irish Labour Market Review 2004*. Dublin: FÁS – Ireland's Training & Employment Authority.

HUGHES, G., and B. MAITRE, 2004. *Finance and Assets Country Report: Ireland*. Part II of the International Survey of Gender and Long-Term Care of the Elderly. Dublin: The Economic and Social Research Institute (mimeo).

HUGHES, G., J. WILLIAMS and S. BLACKWELL, 2004. *Demand and Cost of Long-Term Care Services Country Report: Ireland* for the International Survey of Gender and Long-Term Care of the Elderly. Dublin: The Economic and Social Research Institute (mimeo).

MERCER LIMITED, 2002. *Study to Examine the Future Financing of Long-Term Care in Ireland*. Dublin: Stationery Office.

O'SHEA, E., 2002. *Review of the Nursing Home Subvention Scheme*. Dublin: Stationery Office.

SEXTON, J. J., and P. J. O'CONNELL, 1997. *Labour Market Studies: Ireland*. Luxembourg: Office for Official Publications of the European Communities.

WALKER, A., 1999. *Attitudes to Population Ageing in Europe: A Comparison of the 1992 and 1999 Eurobarameter Surveys,* University of Sheffield, Working Paper Series.

THE ECONOMIC AND SOCIAL RESEARCH INSTITUTE
4 BURLINGTON ROAD, DUBLIN 4

Tel: (01) 6671525 Fax: (01) 6686231

Area Code ☐☐☐ **Respondent Code** ☐☐ **Stem Code** ☐ **Date** ____/____/____

Int No. _____ **Int Name:** _____ **Time Int began (24 hr clock)** ☐☐☐☐

NATIONAL SURVEY ON LONG-TERM CARE OF THE ELDERLY, SUMMER 2004

Hello. My name is _____ and I'm from the Economic and Social Research Institute (the ESRI) in Dublin. We carry out social and economic surveys. You might have heard of us on the TV or radio.
We are doing a survey at the moment into the general publics' views on how elderly people should be cared for when they come to a stage where they are no longer able to look after themselves independently in their own homes. I would like to interview a [*describe type of respondent required*] as part of that survey. It should take about 25 minutes to complete the questionnaire

Q1. First, could I ask you whether or not you are currently caring for an elderly person or persons aged 65 years or more in your home.

Yes..... ☐1 No .....☐2 → go to Q6

Q2. How many elderly persons do you provide personal care to in your home? _____

Q.3 What is YOUR relationship to that person(s)? YOU are his/her:

Spouse…☐1 Son/daughter…☐2 In-law…☐3 Other relative…☐4 Non-relative…☐5

Q4. Are you the sole provider of care to that person(s)?

Yes ..... ☐1 No .....☐2

Q5. Do you personally receive the Carer's Allowance or Carer's Benefit from the Department of Social and Family Affairs?

Yes..... ☐1 No .....☐2

Q6. Do you personally provide care for anyone who lives outside your home?

Yes..... ☐1 No .....☐2 → go to Q11

Q7. How many elderly persons outside your home do you provide personal care to?_____

Q8. What is YOUR relationship to that person(s)? YOU are his/her:

Spouse…☐1 Son/daughter…☐2 In-law…☐3 Other relative…☐4 Non-relative…☐5

Q9. Are you the sole provider of care to that person(s)?

Yes ..... ☐1 No .....☐2

Q10. Do you personally receive the Carer's Allowance or Carer's Benefit from the Department of Social and Family Affairs?

Yes..... ☐1 No .....☐2

Q11. Does anyone in your household (other than yourself) provide personal care or assistance to an elderly person who lives in your household?

Yes.....☐1 No..... ☐2 → go to Q14

Q12. Does that person receive the Carer's Allowance or Carer's Benefit from the Department of Social and Family Affairs?

Yes..... ☐1 No .....☐2

Q13. Is that person the sole care-giver; the main care-giver or other care-giver of the elderly person in question?

Sole care giver .....☐1 Main care-giver .....☐2 Other ..... ☐3

Q14. Do you know any elderly person aged 65 or more who is currently in need of some care or assistance? This could be in a nursing home, hospital or at a private address.

Yes..... ☐1 **No .....☐2 → go to Q17**

Q15. About how many do you know? _____

Q16. What is your relationship to that person(s)? YOU are his/her:

Spouse…☐1 Son/daughter…☐2 In-law…☐3 Other relative…☐4 Non-relative…☐5

Q17. How likely would you say it is that you yourself would need long term care within the next 5 years?

Very likely.....☐1 Somewhat likely ..... ☐2 Not very likely ..... ☐3 Not at all likely..... ☐4

Q18. And how likely would you say it is that someone who is currently living in your household will need long term care within the next 5 years?

Very likely.....☐1 Somewhat likely ..... ☐2 Not very likely ..... ☐3 Not at all likely..... ☐4

Q19. Suppose in the future YOU needed long-term care yourself. How important would it be to you that YOU would be able to stay at home as long as possible – even if it meant you would have to pay more for this kind of care?

Very important..... ☐1 Somewhat important..... ☐2 Not very important .....☐3
Not at all important..... ☐4 D.K.....☐5

Q20. Suppose in the future YOU needed long term care. How would you prefer to receive that care or assistance? I am going to read out 4 options or different ways of receiving that care. Please tell me which of these 4 you would prefer. [Int. Tick one box only]

Have family/friends provide all the care at home.....☐1
Be able to pay someone to provide the care at home .....☐2
Have the care provided by the Health Board.....☐3
Have the care provided in a nursing home.....☐4
Other (please specify) _____.....☐5

Q21. What is the current weekly level of the Carer's Allowance from the Department of Social and Family Affairs?

€ _____ per week. Don't Know..... ☐5

Q22. I am going to read 3 statements about who you think SHOULD BE responsible for paying for long term care for elderly persons aged 65 or more if they need help or assistance. Please tell me which comes closest to your views.

Long-term care for elderly persons should be: **[Int. Tick one box only]**

1. Paid in full by the person receiving the care or by their family ..... ☐1
2. Paid in full by the Government or the State..... ☐2
3. Shared between the individual and the Government ..... ☐3

Q23. Now could you tell me about the CURRENT situation regarding paying for long term care of the elderly.

Do you think that, in general, paying for long term care of the elderly is CURRENTLY:
[Int. tick one box only]

1. Paid in full by the person receiving the care or by their family..... ☐1
2. Paid in full by the Government or the State ..... ☐2
3. Shared between the individual and the Government ..... ☐3
4. Don't know *(ONLY if mentioned spontaneously by resp)* ..... ☐4

Q24. Suppose you had a close family member who was elderly and living alone and in need of some form of long-term care. What would you like to see happening to them. I am going to read out 4 statements and I would like you to choose which comes closest to your views on what you would like to see happening to them. [Int. don't read out statement 'e']

a. they would MOVE IN with you or another relative ..... ☐1
b. they would MOVE CLOSER to you or another relative ..... ☐2
c. they should go into a residential/nursing home or hospital. ☐3
d. they should stay in their own home and receive help there ☐4
e. it depends (ONLY if mentioned spontaneously by resp.) **☐5**

Q24a. Who should pay for that help; Should it be family; the State or a combination of family and State

Family ..... ☐1
State ..... ☐2
Combined family and State .... ☐3

Q24b. Depends on what? _____

_____

Q25. I'm going to read a number of statements. I would like you to tell me whether or not you agree, neither agree nor disagree or disagree with each. [Int. If respondent says "agree" or "disagree" each ask would you "strongly" agree/disagree or just agree/disagree].

	Strongly Agree	Agree	Neither Agree nor Disagree	Disagree	Strongly Disagree
1. People or their families should be expected to pay ALL of the costs of their own care in old age, instead of relying on the State	☐1	☐2	☐3	☐4	☐5
2. The State should be responsible for paying ALL of the costs of care for elderly people	☐1	☐2	☐3	☐4	☐5
3. If an elderly person requires long-term care in a nursing home or hospital THEY OR THEIR FAMILIES should have to pay in full for the first 2 years. After that the STATE should pay for it in full	☐1	☐2	☐3	☐4	☐5
4. If an elderly person required long-term care in a nursing home the STATE should pay in full for the first year. After that the FAMILY should pay for it in full.	☐1	☐2	☐3	☐4	☐5
5. VAT or sales taxes should be increased and the extra revenue used to help pay the cost of long-term care for elderly persons and that care should be means-tested (i.e. provided according to their means)	☐1	☐2	☐3	☐4	☐5
6. People should have to pay for a private insurance policy over their lives to cover any cost of long term care when they get older	☐1	☐2	☐3	☐4	☐5
7. PRSI should be increased to help pay the cost of long-term care for elderly persons and it should be made available to everyone who meets the PRSI contribution requirements (i.e. NOT means-tested).	☐1	☐2	☐3	☐4	☐5
8. There should be higher income taxes to help pay the cost of long-term care for elderly persons and that care should be means-tested (i.e. provided according to their means)	☐1	☐2	☐3	☐4	☐5
9. The State cannot afford to provide adequate care for elderly people	☐1	☐2	☐3	☐4	☐5
10. Things should be left as they are. We shouldn't try to change current arrangements for paying for the care of elderly persons	☐1	☐2	☐3	☐4	☐5

Q26a. If an elderly person receiving long-term care in a nursing home or hospital owns a house do you think they should have to sell or re-mortgage it to help pay towards some of the cost of the care?

Yes, sell/remortgage it ..... ☐1 **No, don't sell/remortgage it..... ☐2** **Depends ☐3**

Q26b. On what (please elaborate)?_____

_____

Q26c. **Do you think whether or not they should have to sell or re-mortgage their house to help pay for the care should depend on the value of the house?**

Yes ..... ☐1 **No**..... ☐2

Q26d. Above what value should the house be before they should have to sell or re-mortgage it towards the cost of the care?

Less than €100,000 .... ☐1 **€100 - €200,000** ..... ☐2 **€200 - €300,000** ..... ☐3

€300 - €400,000 ..... ☐4 **€400 - €500,000** ..... ☐5 **€500,000 or more** ..... ☐6 **DK value** ..... ☐7

Q27. **I am going to read out 4 different situations regarding an elderly person and the level of care they might need. I would like you to tell me who should pay for the help necessary in each situation – the State or Government; family/relatives/friends or a combination of family and State?**

Q27a **So, consider an elderly person who can manage well living alone all day but who needs help getting up and going to bed. Who should pay for that help?**

The State..... ☐1 **Family/Relatives/Friends** ... ☐2 **Combination of Family and State** ..... ☐3 **Other (specify)** ☐4

Q27b Should this State care be provided to all people who need it or should it be means-tested i.e. provided according to their means?

To all ..... ☐1 **Means-tested** ..... ☐2

Q27c **An elderly person who lives alone and who has to stay in bed for the next few months following a hip operation? . Who should pay for that help?**

The State..... ☐1 **Family/Relatives/Friends** ... ☐2 **Combination of Family and State** ..... ☐3 **Other (specify)** ☐4

Q27d Should this State care be provided to all people who need it or should it be means-tested i.e. provided according to their means?

To all ..... ☐1 **Means-tested** ..... ☐2

Q27e. **An elderly person who can move about well and who lives alone, but who gets confused and needs to be checked on several times a day to make sure he/she is safe and well? . Who should pay for that help?**

The State..... ☐1 **Family/Relatives/Friends** ... ☐2 **Combination of Family and State** ..... ☐3 **Other (specify)** ☐4

Q27f Should this State care be provided to all people who need it or should it be means-tested i.e. provided according to their means?

To all ..... ☐1 **Means-tested** ..... ☐2

Q27g An elderly person who is permanently in a wheelchair and who lives in a specially adapted flat. He/she need a substantial level of assistance? . Who should pay for that help?

The State .....☐1 Family/Relatives/Friends .... ☐2 Combination of Family and State..... ☐3 Other (specify) ☐4

Q27h Should this State care be provided to all people who need it or should it be means-tested i.e. provided according to their means?

To all ..... ☐1 Means-tested..... ☐2

Q28. I am now going to read out 3 ways of providing care to elderly persons in need of assistance. Please tell me whether or not you would be in favour of, neither in favour of nor against or against each of these.

Scheme for Financing Long-Term Care	Strongly in Favour	Somewhat in Favour	Neither in favour nor against	Somewhat opposed	Strongly Opposed
1. If an elderly person requires services they should be provided directly by the Health Board	☐1	☐2	☐3	☐4	☐5
2. People should be given VOUCHERS which they can exchange directly for care services e.g. home help vouchers	☐1	☐2	☐3	☐4	☐5
3. If an elderly person requires long-term care the government should give them or their family the CASH and let them pay for it themselves	☐1	☐2	☐3	☐4	☐5

Q29. Would you be in favour or opposed to the government increasing income tax or PRSI for everyone at work. – specifically to help pay for the long-term care of the elderly in nursing homes, hospitals etc.

Strongly In favour ...☐1 Somewhat in favour .....☐2 Neither in favour nor opposed ....☐3 Somewhat Opposed ... ☐4 Strongly Opposed.....☐5 Depends on the increase ....☐6

Q30. Would you prefer (a) an increase in income tax to help pay for long-term care for those who need it on a means-tested basis OR (b) an increase in PRSI (Social Insurance) to help pay for long-term care for everyone who meets the PRSI contribution requirements?

Tax increase .....☐1 PRSI (Social Insurance) increase ..... ☐2

Q31. Would you be in favour or opposed to the average worker having to increase the annual amount of [taxation or Social Insurance paid] to help the State to pay for the long-term care of the elderly if the increase in [tax or Social Insurance] was:

	Strongly in Favour	Somewhat in Favour	Neither in favour nor against	Somewhat opposed	Strongly Opposed
(i) €2 per week OR about €100 per year	☐1	☐2	☐3	☐4	☐5
(ii) €4 per week OR about €200 per year	☐1	☐2	☐3	☐4	☐5
(iii) €8 per week OR about €400 per year	☐1	☐2	☐3	☐4	☐5
(iv) €10 per week OR about €500 per year	☐1	☐2	☐3	☐4	☐5
(v) €20 per week OR about €1000 per year	☐1	☐2	☐3	☐4	☐5

[Interviewer: Stop when respondent records that he/she is opposed to a figure]

Q32. **Would you be in favour or opposed to the government increasing VAT or sales tax specifically to help pay for the long-term care of the elderly in nursing homes, hospitals etc. where the care would be means-tested i.e. provided according to the means of the elderly person in question.**

Strongly In favour	Somewhat in favour	Neither in favour nor opposed	Somewhat Opposed	Strongly Opposed	Depends on the increase
☐1	☐2	☐3	☐4	☐5	☐6

Q33. **Would you be in favour or opposed to the average person having to increase the amount spent on VAT for the goods and services they buy if the increase was:**

	Strongly in Favour	Somewhat in Favour	Neither in favour nor against	Somewhat opposed	Strongly Opposed
(i) €2 per week OR about €100 per year	☐1	☐2	☐3	☐4	☐5
(ii) €4 per week OR about €200 per year	☐1	☐2	☐3	☐4	☐5
(iii) €8 per week OR about €400 per year	☐1	☐2	☐3	☐4	☐5
(iv) €10 per week OR about €500 per year	☐1	☐2	☐3	☐4	☐5
(v) €20 per week OR about €1000 per year	☐1	☐2	☐3	☐4	☐5

[Interviewer: Stop when respondent records that he/she is opposed to a figure]

Q34. **I am going to read out a number of different types of long-term care or assistance which an elderly person might need. For each, could you tell me whether or not you feel this should be paid for in full by the family; in full by the State or be shared by both.**

Type of Care/Service	A. Paid in full by family	B. Paid in full by State [If ticked ask D]	C. Combined family and State [If ticked ask D]	D. *[If ticked at B or C]* should the State Contribution be provided according to the elderly person's means i.e. means-tested? Yes	No
1. Long-term care in a nursing home	☐1	☐2	☐3	☐1	☐2
2. Short-term care in a nursing home	☐1	☐2	☐3	☐1	☐2
3. Long-term care in a hospital	☐1	☐2	☐3	☐1	☐2
4. Short-term care in a hospital	☐1	☐2	☐3	☐1	☐2
5. Visits to or by the GP	☐1	☐2	☐3	☐1	☐2
6. Home help to assist with housework	☐1	☐2	☐3	☐1	☐2
7. Personal care attendant to help with personal care, such as taking a bath; feeding etc.	☐1	☐2	☐3	☐1	☐2
8. Other care (please specify) _____	☐1	☐2	☐3	☐1	☐2

Q35. **One possible way to help finance long-term care of the elderly is for people to take out an insurance policy throughout their lives specifically to pay for any long-term care which they may need as they get older. Suppose you paid into a policy like this for 20 years to provide for your long-term care when you became elderly. Do you think you personally would take one out if you paid the following premiums each week or each year? So, do you think you would take one out if it cost you:**

Amount per week/per year	Yes	No
(i) €2 per week OR about €100 per year over 20 years	☐1	☐2
(ii) €4 per week OR about €200 per year over 20 years	☐1	☐2
(iii) €8 per week OR about €400 per year over 20 years	☐1	☐2
(iv) €10 per week OR about €500 per year over 20 years	☐1	☐2
(v) €20 per week OR about €1000 per year over 20 years	☐1	☐2

[Interviewer: Stop when respondent says 'NO' to a given amount]

Q36. If someone needs long-term care and owns a house one way to finance it would be through what is called an equity release agreement with a bank or financial institution. This would mean that they and their spouse could live in their home for as long as they wished. When they and their spouse die the bank would recoup the full value of the loan and interest – which could, in fact, amount to the full value of the house.

Would you be in favour or opposed to this type of scheme known as equity release?

Strongly in favour.... ☐1	Somewhat in favour..... ☐2	Neither in favour nor opposed ..... ☐3	Somewhat Opposed... ☐4	Strongly Opposed.... ☐5	Don't Know..... ☐6

Q37. Do you think that such a scheme should be voluntary or compulsory?

Voluntary ..... ☐1 Compulsory..... ☐2

Q38. We have almost finished now so could I just recap. Do you think the costs of long-term care of the elderly in a nursing home or hospital should be paid in full by the family or in full by the State or Government or shared by both family and State ?

In full by the family.. ☐1 In full by the State/Govt ..... ☐2 Shared by family and State/Govt... ☐3

Q39. Do you think the Government should pay for this long-term care out of existing budgets or should it raise extra funds to pay specifically for it? If the Government pays for it out of existing budgets they will have to cut back expenditure elsewhere.

Pay out of existing budgets..... ☐1 Raise extra funds ..... ☐2

Q39a. If the government pays out of existing budgets it would have to cut back on expenditure elsewhere. Which budget do you think the government should cut back on. Please specify as fully as possible _____

_____

Q39b Now I would like you to think about 4 specific areas of government expenditure : The Health System, The Educational System, Pensions for elderly persons and Unemployment Benefits. Where do you think the government should cut back. Please rank these 4 areas in terms of 1, 2, 3 and 4. Rank 1 as the area it should cut first, 2 as the second area for cutback and so on.

Reduce expenditure on:	Rank
The Health System	_____
The Education System	_____
Pensions for elderly persons	_____
Unemployment Benefits	_____

Q39c. Which would be your preferred option for the State raising the extra funds necessary:

1. Increased income tax or Social Insurance payments..... ☐1
2. Increased VAT or sales tax ..... ☐2
3. The so-called equity release scheme..... ☐3

[Interviewer: Tick ONE box only from 1 or 2 or 3 above]

Q39d In general, should the long-term care provided to elderly persons by the Government be provided to all elderly people or should it be provided according to means i.e. means-tested?

Provided to all..... ☐1 Means-tested..... ☐2

Finally, I'd like to ask you a few general questions about yourself and your household.

Q40. Respondent is: Male..... ☐1 Female ..... ☐2

Q41. What is your date of birth?

Day	Month	Year

Q42a. Could you tell me your present marital status? Are you:

Married/Living with partner ☐1 **Separated...** ☐2 **Divorced...** ☐3 **Widowed...** ☐4 **Never married.** ☐5

Q42b. Since when? _____ (record year)

Q43. Have you had any children? Yes..... ☐1 → **How many?** _____ No..... ☐2

Q44. I would like you to tell me who lives with you in this household along with a few details about them?

Person No.	*Initials*	*Age last birthday*	*Sex* **Male**	**Female**	*Relationship to Respondent*
1.	Respondent	years	☐1	☐2	RESPONDENT
2.		years	☐1	☐2	
3.		years	☐1	☐2	
4.		years	☐1	☐2	
5.		years	☐1	☐2	
6.		years	☐1	☐2	
7.		years	☐1	☐2	

Q45. So the total number of persons under 18 years living in your household is: _____ persons

The total number of persons 18 years and over living in your household is: _____ persons

Q46. What was/is your occupation in your most recent job or business? Please describe as fully as possible the type of work done. [Int. If farmer, record the acreage, if manager or supervisor record the numbers supervised and if relevant, record the rank or grade – e.g. rank in army or Gardaí, grade in civil service.]

_____

_____

Q47. Would you say that you are, in general, the person who makes most of the important decisions regarding the running of your household.

Yes..... ☐1 → **go to Q48** No..... ☐2

Q47b **What is the occupation of the person who makes most of the important decisions in his/her most recent job or business? Please describe as fully as possible the type of work done. [Int. If farmer, record the acreage, if manager or supervisor record the numbers supervised and if relevant, record the rank or grade – e.g. rank in army or Gardaí, grade in civil service.]**

_____

_____

Q48. Which of the following best describes the highest level of education you have completed yourself?

Primary ..... ☐1
Up to Group, Junior Certificate ..... ☐2
Leaving/Matric or equivalent ..... ☐3
Some third level but didn't complete it ..... ☐4
Third level at university, regional college or equivalent ..... ☐5

Q49. How would you best describe your current status regarding work?

In paid employment..... ☐1
Self employment in your own business or farm ..... ☐2
Home duties/Housewife etc. ..... ☐3
Retired..... ☐4
Student..... ☐5
Other (specify) _____..... ☐6

Q50. Are you covered for health care by a Medical Card, either in your own name or through someone else's card?
Yes, holder of Medical Card..... ☐1 Yes, on someone else's card ... ☐2 Not covered.... ☐3

Q51. Do you (also) have private health insurance (through VHI, BUPA or any other health insurance company) either in your own name or through another family member?

Yes, in own name ..... ☐1 Yes, through family member..... ☐2 Not medically insured . ☐3

Q52. Does your household own or rent the accommodation or is it provided rent free?

Owner Occupier ..... ☐1
Rented from L.A ..... ☐2
Private Rental..... ☐3
Rented from Voluntary body ..... ☐4
Other (specify) _____..... ☐5

Q52. Could you please tick the approximate level of net household income? This means the total income, after tax and PRSI, of *ALL MEMBERS* of the household. It includes *ALL TYPES* of income: income from employment, social welfare payments, child benefit, rents, interest, pensions etc

Per week	*Per Month*	*Per Year*	
A. Under *€250*	**Under *€1,000***	**Under *€13,000*** ..... ☐1	***⇒Go to Q.A***
B. *€250 - €449*	***€1,000 - €1,999***	***€13,000 - €23,999*** ..... ☐2	***⇒Go to Q.B***
C. *€450 - €699*	***€2,000 - €2,999***	***€24,000 - €36,999*** ..... ☐3	***⇒Go to Q.C***
D. *€700* or more	***€3,000* or more**	***€37,000* or more** ..... ☐4	***⇒Go to Q.D***

Please tick ONE Box only below

QA Would that be:	(per week)	***Under €100*** ☐1	***€100-€149*** ☐2	***€150-€199*** ☐3	***€200-€249*** ☐4
	(per month)	***Under €400*** ☐1	***€400-€649*** ☐2	***€650-€849*** ☐3	***€850-€999*** ☐4
	(per year)	***Under €5,000*** ☐1	***€5,000-€7,999*** ☐2	***€8,000-€9,999*** ☐3	***€10,000-€12,999*** ☐4
QB Would that be:	(per week)	***€250-€299*** ☐1	***€300-€349*** ☐2	***€350-€399*** ☐3	***€400-€449*** ☐4
	(per month)	***€1,000-€1,299*** ☐1	***€1,300-€1,499*** ☐2	***€1,500-€1,749*** ☐3	***€1,750-€1,999*** ☐4
	(per year)	***€13,000-€15,499*** ☐1	***€15,000-€18,499*** ☐2	***€18,500-€20,999*** ☐3	***€21,000-€23,999*** ☐4
QC Would that be:	(per week)	***€450-€499*** ☐1	***€500-€575*** ☐2	***€576-€649*** ☐3	***€650-€699*** ☐4
	(per month)	***€2,000-€2,199*** ☐1	***€2,200-€2,499*** ☐2	***€2,500-€2,749*** ☐3	***€2,750-€2,999*** ☐4
	(per year)	***€24,000-€26,999*** ☐1	***€27,000-€30,499*** ☐2	***€30,500-€33,499*** ☐3	***€33,500-€36,999*** ☐4
QD Would that be:	(per week)	***€700-€999*** ☐1	***€1,000-€1,199*** ☐2	***€1,200-€1,349*** ☐3	***€1,350 or more*** ☐4
	(per month)	***€3,000-€3,899*** ☐1	***€3,900-€4,749*** ☐2	***€4,750-€5,599*** ☐3	***€5,600 or more*** ☐4
	(per year)	***€37,000-€47,499*** ☐1	***€47,500-€57,999*** ☐2	***€58,000-€69,999*** ☐3	***€70,000 or more*** ☐4

Q53. Could you tell me in which county your household is located? _____
[*Note: If Tipperary, ask* **Is that Tipperary North Riding or South Riding?]**

Q54. Finally, could I ask you the size of location in which your household is situated? Would you say it is:

Open country ..... ☐1
Village (200-1,499) ..... ☐2
Town (1,500-2,999) ..... ☐3
Town (3,000-4,999) ..... ☐4
Town (5,000-9,999) ..... ☐5
Town (10,000 or more) ..... ☐6
Cities outside Dublin (Cork, Waterford, Limerick, Galway) .. ☐7
Dublin City or county ..... ☐8

I WOULD LIKE TO THANK YOU FOR YOUR TIME IN ANSWERING THIS QUESTIONNAIRE.

Time Interview ended (24 hour clock) ☐☐☐☐