

Educating Consumers About Financing Long Term Care: Opportunities and Challenges

This presentation offers an overview of financing long term care consumer education development efforts at the University of Minnesota Extension Service. The goals of the program are: a) improving the financial literacy of baby boomers and older adults regarding long term care and later life financial health; b) increasing communication and planful behaviors regarding financing long term care; and c) providing access to conceptually sound research based educational resources to improve informed decision making.

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Assessing Existing Consumer Education Resources

An assessment was conducted to identify existing resources designed to help consumers make long term care financing decisions. Over 80 items were identified. They ranged from government to advocacy organizations, and for profit organizations. Each resource was analyzed to assess how long term care was defined, along with if and how risk, costs, financing alternatives, and decision making criteria were included as content.

The findings suggest a majority of resources focus on one private or public strategy for financing long term care (e.g. long term insurance). Few resources are designed to help consumers understand the range of private and public financing alternatives or offer decision making criteria. Existing resources commonly present long term care as meaning only institutionalized care. Information sources are often developed and distributed by sources with some self-interest in the message provided, making it difficult for consumers to know what information sources are trustworthy. Existing resources also often focus only on the legal and financial dynamics of financing long term care, ignoring the complex issues of unwritten family rules, differing values and perceptions of who should be responsible for financing long term care, and financial security goals. The review found few links between long term care and retirement planning education. The impact of longer life expectancies and the implications for financial health are often ignored, focusing instead on getting to retirement, the early retirement years, and on health care choices not covering long term care. One challenge of educating consumers involves the need for state-specific information. Overall, the assessment of existing resources helped to identify gaps and strengths in consumer education resources and reinforced the need for research-based decision making resources. Consumer educators are encouraged to conduct a state-wide assessment of existing long term care resources to help avoid duplication, clarify content gaps and needs, and identify potential collaborators as well as competitors.

Development of Educational Resources

Consumer education materials have been developed to build knowledge and skills regarding financing long term care. The following decision making points provide the conceptual foundation: a) recognizing who is at risk of long term care; b) understanding possible long term care costs; c) sorting out later life financial security expectations, goals, and concerns; d) understanding financing alternatives and consequences; e) choosing financing alternatives that meet your goals, and f) taking action now before a crisis. Worksheets, fact sheets, and quizzes cover essential content in each decision making area. These materials are currently being pilot tested with 600 women (50 years and older) to assess changes in knowledge, skills, and behavior after participating in an educational session. Collaborative efforts with the Minnesota Board on Aging and Department of Human Services involve targeting state employees for employer sponsored education regarding later life financial security. Future challenges include identifying delivery strategies to increase access to these new educational resources, working with collaborators, and gathering evaluation data.

Endnote

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