

**Trust in the publicly
financed care system
and willingness to pay
for long-term care:**

**A discrete choice
experiment in Denmark**

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VIVÉ



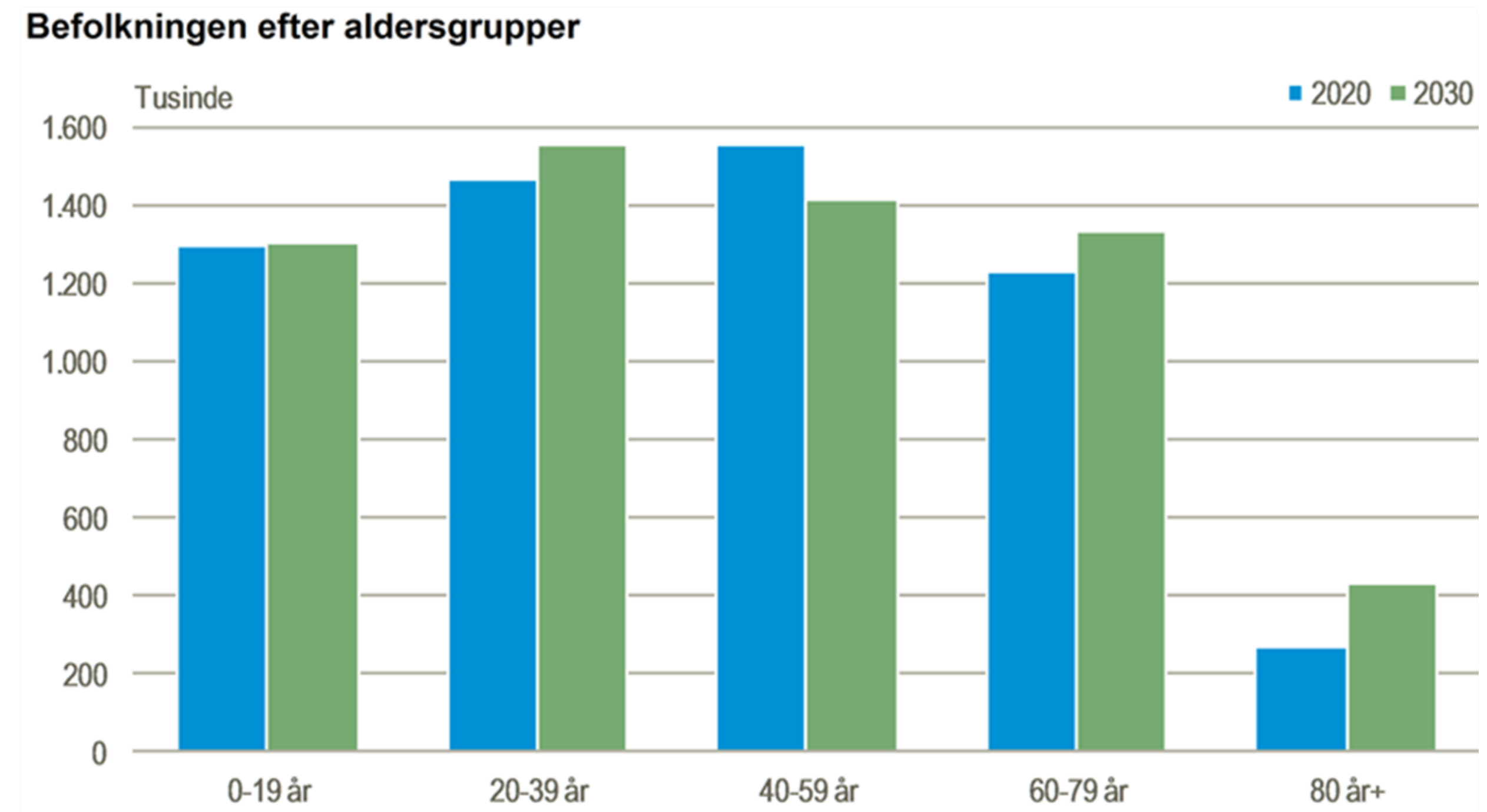
Background

Large increase in the number of older adults.

In Denmark, long-term care is tax-financed.

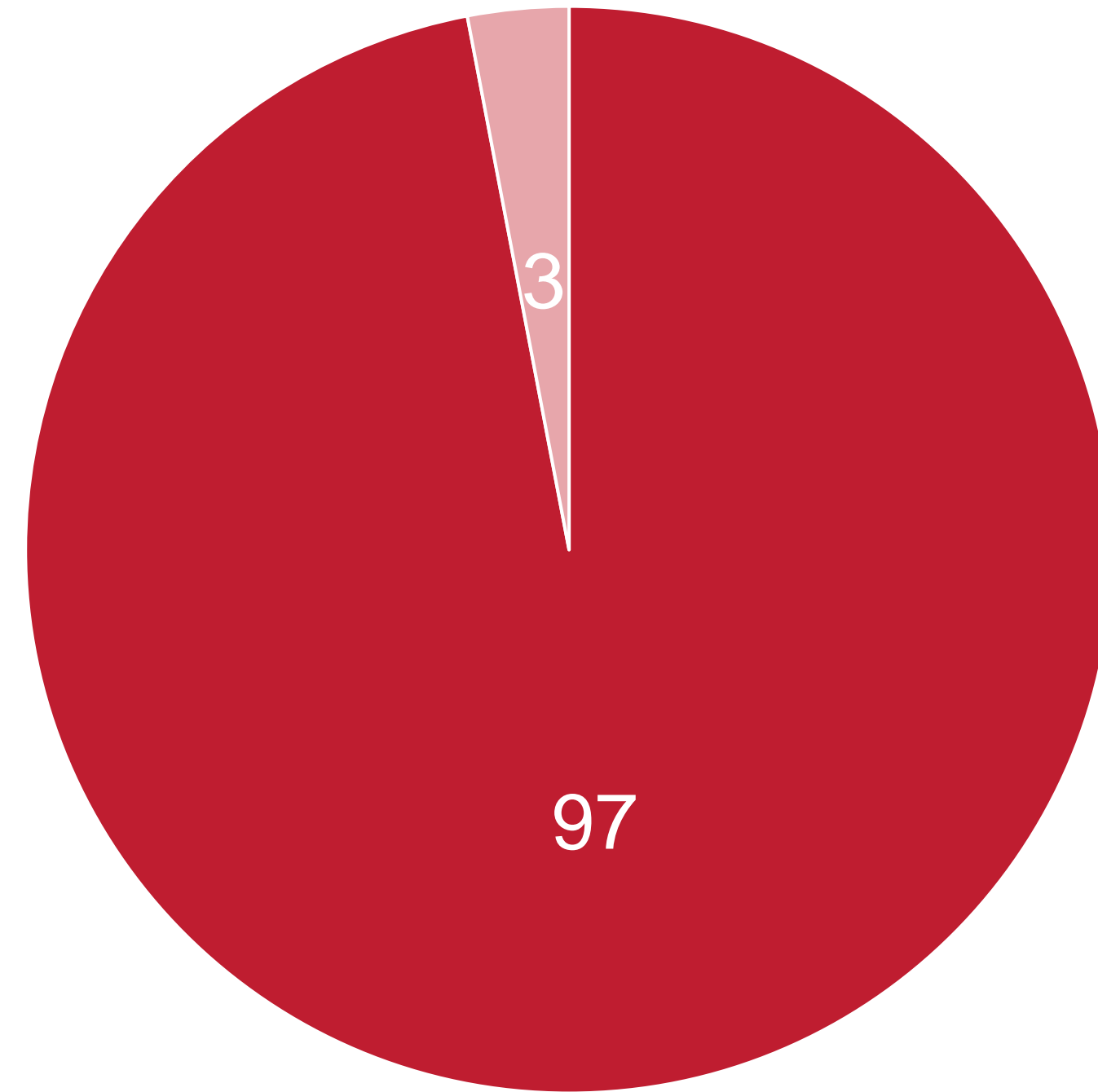
→ Pressure on care system – quality?

→ Financing?



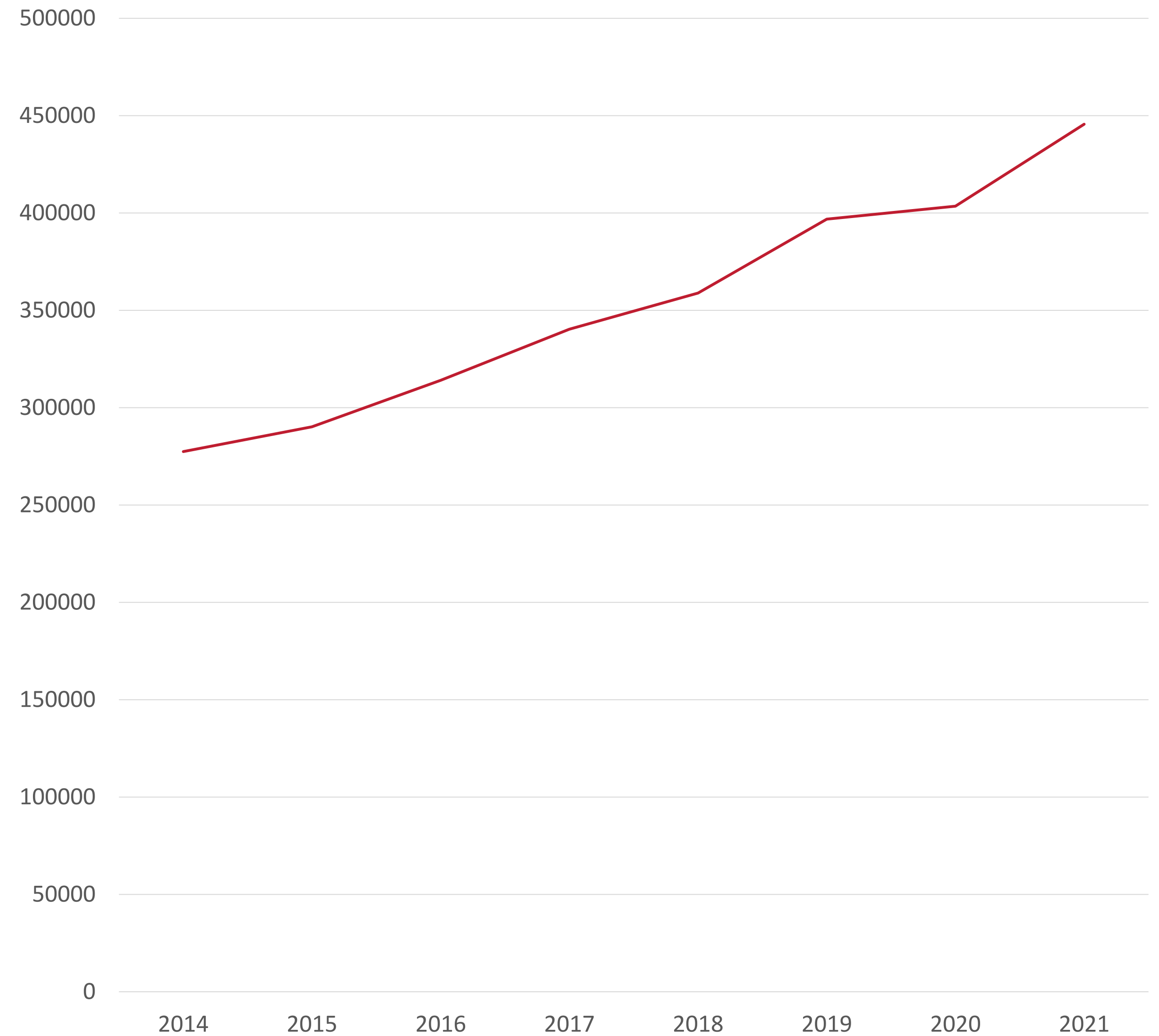
Context

- "Public authorities should provide sufficient home-care or institutional care to older adults who need it"



Source: Kjær, Amilon, Siren & Ladenburg, 2020.

- Strong preferences for formal care
 - Municipalities under pressure
 - Increasing pension wealth among older adults
- Increase in private LTC-spending in the future?



Research questions

- Do future LTC-users exhibit positive preferences for purchasing LTC services?
- If so, what services are they willing to pay for?
- Is WTP heterogenous across user groups?
- Is WTP explained by trust in the publicly financed care system?

→ DCE experiment



Design of experiment

- Survey of literature and recent media and political debate on LTC (current care).
- Interview with worker in the LTC sector (current care).
- Focus group interview with professionals and managers from the old-age care sector (future care).
- Qualitative interviews / testing of questionnaire with six individuals aged 54-64 (future care).
- Pilot test of questionnaire.

Services	Levels
Shower	Once a week (SQ) Twice a week
Organized activities in an activity center	Not possible (SQ) Once a month Once a week
Time for social interaction with the carer in connection to practical help	No time for social interaction (SQ) 15 minutes every second week 1 hour every second week
Freedom of choice in tasks	No freedom of choice (SQ) 1 hour a month for tasks chosen by care recipient 1 hour a week for tasks chosen by care recipient
Regular carers	Up to 20 different carers/week (SQ) Always the same 3-4 carers
Measurement of health data	Blood pressure and pulse are measured by a smartwatch and automatically transmitted to GP (SQ). A nurse measures blood pressure and pulse.
Service delivery	Within three hours (SQ) Within one hour
User fees	Between \$80 - \$880

“

...picture yourself as an 85-year-old, living alone and suffering from a chronic condition that demands medication and frequent monitoring. Due to your health problems, you need both practical help and personal care. Home care services visits you three times a day.



Asked to choose between three home care packages: the municipality's basic package, which is free, and two extended packages ("Basis plus A" and "Basis plus B") which cost between \$ 80 and \$ 880 per month.

All packages include help with house cleaning, laundry and grocery shopping, delivery of meals, help with daily dressing and undressing as well as daily basic hygiene.

VIVÉ

Services	Basic Package	Basis plus A	Basis plus B
Shower	Once a week	Twice a week	Once a week
Organized activities in an activity center	Not possible	Not possible	Once a month
Time for social interaction with the carer in connection with the practical help	Not possible	15 minutes every second week	15 minutes every second week
Freedom of choice in tasks	Not possible	1 hour a month	15 minutes every second week
Number of carers	Up to 20 different	The same 3-4	Up to 20 different
Measurement of health data	Blood pressure and pulse are measured by a smartwatch and automatically transferred to the GP	A nurse measures blood pressure and pulse.	A nurse measures blood pressure and pulse.
Service delivery	Within 3 hours	Within 1 hour	Within 3 hours
User fee	0 kr./monthly	3,500 kr./monthly	1,500 kr./monthly
I choose	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Sample and procedure

4,000 individuals aged 54-64 ("future" older adults) sampled from the population registry.

Retrieved information on gender, age, marital status, level of education and wealth from registries

Invitation and link to questionnaire sent out via "E-boks" (93 % of the population)

Those exempt from the e-boks, or who did not answer after two reminders, were contacted by telephone

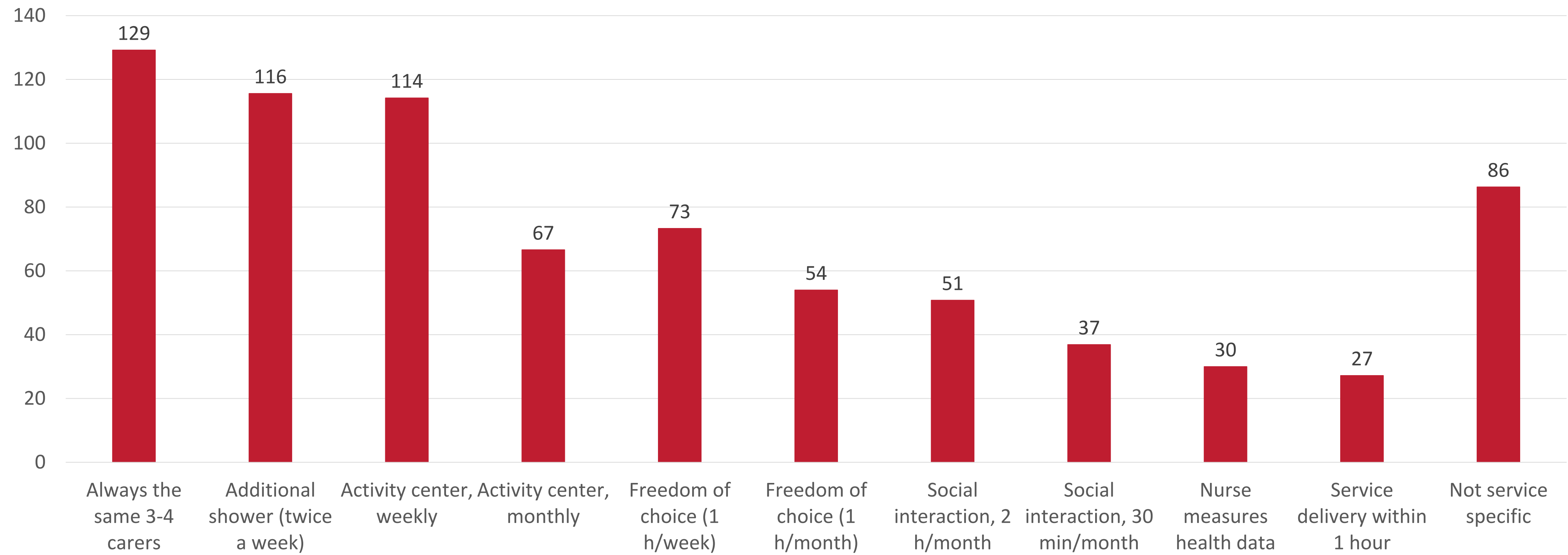
Variable	Sample	Respondents	Respondents excluding protesters
Women (vs. men)	50.5	56.2	56.8
54-59 years (vs. 60-64 years)	56.9	52.0	48.2
Married (vs. not married)	61.4	66.7	67.0
Low education (vs. intermediate and high)	29.3	21.3	20.5
Low wealth - (bottom quartile) (vs. medium and high).	25.0	21.0	20.0
Very good or good srh (vs. mediocre and bad / very bad)	-	71.8	72.5
Low trust in the welfare state model (vs. high trust)	-	24.5	23.4
Protest answers (always opt out)	-	5.7	-
Protest answers (always opt in)	-	10.7	-
Not protester (true WTP)	-	83.6	-
Respondents, N	3,996	1,153	965

Trust in the publicly financed care system?

“In the future, the welfare state will not be able to guarantee that all older people will be given the care they need”

Those who agree or strongly agree → low trust

Average WTP



Heterogeneity

Respondents high level of education and / or high wealth – have a higher WTP for...

- An additional shower
- The possibility of participating in activities in an activity center
- Freedom of choice in tasks
- Services to be delivered within one designated hour

Heterogeneity – Low trust

Respondents with low trust in the publicly financed care system have a higher WTP for

- Non service-specific improvements.

AND negative WTP for

- Participation in activities in an activity center
- A nurse measuring health data (rather than a smart-watch).

Conclusions

- Future older adults are WTP for LTC → increased marketisation of care.
- Regular carers, increased hygiene, social activities.
- User heterogeneity:
- Resources → WTP
- Low trust → WTP

- → Increasing inequalities – which may in turn further undermine trust in, and support of, the publicly financed system.

