

DOES GEOGRAPHIC LOCATION MAKE A DIFFERENCE? A COMPARATIVE ANALYSIS OF THE SOCIO-DEMOGRAPHIC AND ATTITUDINAL CHARACTERISTICS OF ACTIVE BUYERS AND NON-BUYERS OF THE FEDERAL LONG-TERM CARE INSURANCE PROGRAM

This data brief is one of eight commissioned by the Department of Health and Human Services, Office of the Assistant Secretary for Planning and Evaluation to analyze survey data collected by Long Term Care Partners from members of the federal family regarding the long-term care insurance offering available to them. This brief analyzes how geography is associated with long-term care insurance. The remaining briefs address: a Profile of Buyers; a Profile of Non-Buyers; Profile of Non-Responders; a Comparison of Active and Retired Buyers, Non-Buyers and Non-Responders; a Comparison of Engagement and Participation among Buyers, Non-Buyers and Non-Responders; a Multivariate Analysis of Buyers and Non-Buyers; and a Comparison of Active Buyers/Non-Buyers in the Federal, Private and Public Sectors. A Literature Review is also available.

I. BACKGROUND

One of the more ambitious proposals for encouraging growth in the private insurance market was passage of the Long Term Care Security Act (Public Law 106-265). This Act was passed in the summer of 2000 and was signed into law on September 19th of that year. It authorized the U.S. Office of Personnel Management (OPM) to contract for a long-term care (LTC) insurance program for federal employees. Coverage would be available to active federal employees and annuitants (civilian retirees), as well as active and retired members of the uniformed services. "Qualified relatives" of active workers and military personnel including spouses, adult children, parents, and parents-in-law would also be covered by the program. OPM expected that, like the health and life insurance programs it administers, the Federal Long-Term Care Insurance Program (FLTCIP) would become the largest employer-sponsored LTC insurance program in the nation.

The development of the program was in part meant to send a message to other employers around the country that a "progressive" employer is one that offers LTC insurance to its employees. Naturally it was expected that implementation of the program would spur additional interest and growth in the market. The program began in earnest in July 2002, which constituted the beginning of the open enrollment period. The carriers underwriting the program -- John Hancock and MetLife -- formed a joint venture called Long Term Care Partners, LLC, which is devoted exclusively to administering the program.



September 21, 2004

Page 1



Long Term Care Partners conducted one of the largest LTC educational campaigns ever. More than one million people requested enrollment kits. As of August 2004, more than 300,000 applications had been received and more than 210,000 policies issued. About 64% of enrollees were active employees and spouses, 31% annuitants and their spouses, and another 5% surviving spouses, parents/in-laws and adult children. Thus, in relatively short order, the FLTCIP became one of the largest group programs in the United States. In part this was due to the significant marketing and enrollment activities including more than 2,100 educational meetings, briefings to human resources staff and outreach programs to affinity groups.

The large number of enrollments affords a unique opportunity to better understand the attitudes and perspectives of both working and retired individuals regarding LTC concerns, the importance of planning, and the role that insurance may (or may not) play in meeting the needs of disabled individuals. An examination of such attitudes can assist policymakers as well as insurers to better understand marketplace opportunities and barriers, and devise strategies to encourage growth in the market.

II. PURPOSE

This is the eighth in a series of data briefs based on the information collected from active buyers and non-buyers of the federal program. The purpose of this data brief is to determine the extent to which the attitudes, opinions and motivations of individuals who purchased and did not purchase the federal LTC insurance policy are in part a function of geographic location. We are also interested in knowing how geography is associated with their experience with LTC and opinions about LTC insurance. Relevant research questions answered in this brief include (but are not limited to) the following:

- How do the demographic and characteristics of active buyers and non-buyers differ across geographic regions?
- What are the attitudes and opinions about retirement planning among active buyers and non-buyers across geographic regions?
- What are the similarities and/or differences in knowledge of LTC and insurance among individuals in each of the geographic regions?
- Does the extent of exposure to marketing materials and messages vary by geographic region?

III. METHOD AND SAMPLE

Long Term Care Partners used mail surveys to collect information from active buyers and non-buyers. For purposes of this research, the active sample consists of employees who are actively working. A “**buyer**” is someone who has purchased the insurance plan and paid premiums beyond the free look period. A “**non-buyer**” is defined as someone who expressed interest in a program but had not purchased the plan at the time that the survey was completed.

Three geographic segments are analyzed: (1) the “DC Area”, which comprises the District of Columbia, Maryland, and Virginia; (2) “The East” which comprises all states to the east of Minnesota, Iowa, Missouri, Arkansas and Louisiana; and (3) “The West” which includes all states west of Wisconsin, Illinois, Kentucky, Tennessee and Mississippi. As shown, about 3,300 individuals participated in the various surveys of active and retired buyers and non-buyers. Table 1 below summarizes the sample sizes by market segment and geographic regions.



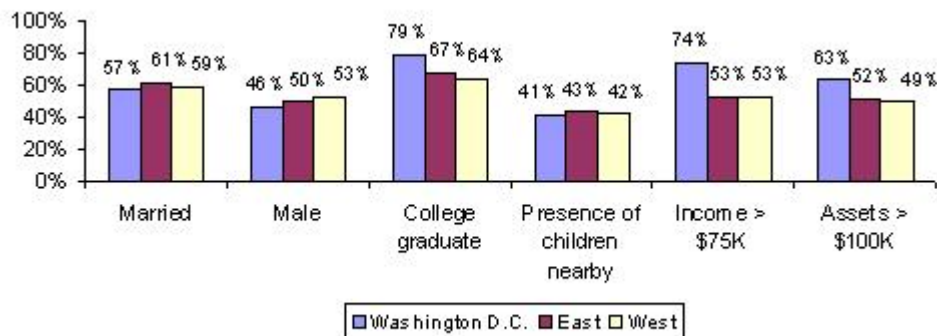
	Washington, D.C.	The East	The West
Active Buyers	196	210	228
Active Non-Buyers	94	238	223
Retired Buyers	226	427	445
Retired Non-Buyers	76	257	243
Total	632	1,348	1,363

IV. FINDINGS

A. Demographic and Employment Characteristics

Figure 1 summarizes important demographic characteristics of the aggregate active sample of buyers and Figure 2 shows similar characteristics for active non-buyers. Across each of the regions the majority of buyers are married, male, have children living nearby and are highly educated. The average age of buyers across the regions varies between 52 and 54 years. There are statistically significant differences on three variables: income, assets, and education status. Buyers in Washington, D.C. are more likely to be college graduates and to have higher incomes and assets. In fact, the average income of buyers in the D.C. area is \$98,261 compared to \$81,710 in other regions of the country. Asset differentials are even greater; the average value of liquid assets of active buyers in D.C. is about \$226,000 compared to roughly \$186,000 in other areas of the country.

Figure 1: Demographic Characteristics of **Active Buyers** by Geographic Region

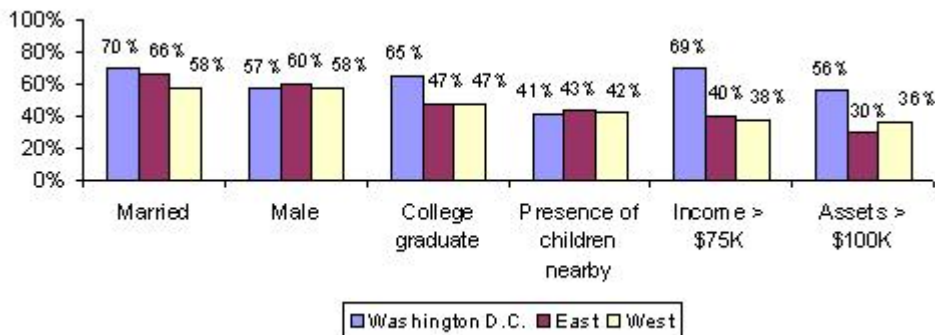


Source: Analysis of data from the FLTCIP, 2003.

As shown in Figure 2, the same pattern of results holds true for non-buyers. Again, the only significant demographic differences across regions are education status and income and asset levels. Non-buyers in Washington, D.C. are more likely to be educated and have significantly higher levels of income and assets -- \$92,000 compared to \$70,000 (income) and \$180,000 compared to \$158,000 (assets).

While there are no significant age differences between buyers and non-buyers across the regions, buyers tend to be more educated, wealthier and less likely to be married and have children living nearby. This could suggest that buyers may view having the insurance as compensating for their perceived lack of family support, which is still the largest contributor of long term care services.

Figure 2: Demographic Characteristics of **Active Non-Buyers** by Geographic Region



Source: Analysis of data from the FLTCIP, 2003.

The patterns observed for the active sample of buyers and non-buyers also holds true for the retired sample. In both cases, retiree buyers and non-buyers in Washington, D.C. have higher incomes and are better educated than those in the East and West. There are, however, no significant differences in asset levels. Again, retired buyers tend to be wealthier and more educated than non-buyers across all of the regions. Finally, in contrast to the sample of actives, there were no significant differences in the marital status of buyers and non-buyers by geographic regions. Retired buyers in the west, however, are the least likely to have children living nearby. (See Appendix for more detailed information on retirees.)

B. Attitudes and Experience with Retirement Planning and Long-Term Care

Previous briefs have established that federal employees tend to be active in planning for their retirement and understand the potential LTC risks associated with later life. Their life experiences with relatives or friends may also influence their decisions regarding the purchase of insurance. We asked a series of questions designed to illuminate key differences between buyers and non-buyers across the three geographic regions.

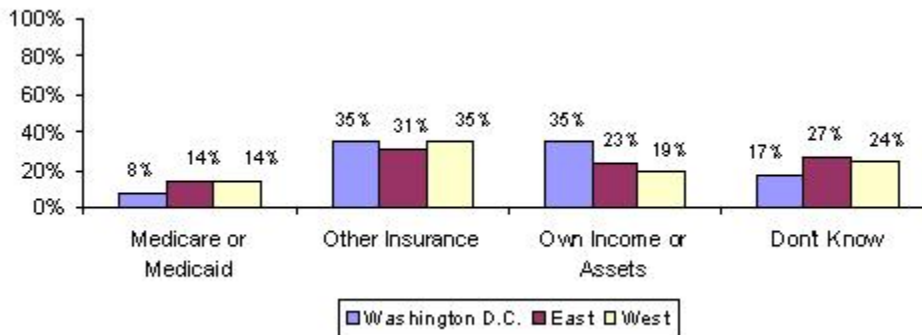
There are few differences across geographic regions among buyers regarding attitudes and opinions about retirement planning. Most (80%) have at least a general sense for how much to save to live comfortably in retirement, have thought about how to pay for LTC (96%) and believe having the insurance is important to retirement planning (97%). Geographic region is also not associated with non-buyers' attitudes about these issues. However, across all regions non-buyers are less likely to have thought about these issues or believe that insurance is an important part of a retirement plan. By and large, these same patterns hold true for the retired sample.

With few exceptions, geographic region is also unrelated to active employees' experience with LTC and attitudes about risk. Active buyers in Washington, D.C. are, however, somewhat less likely to know someone who has experienced financial hardship as a result of caring for an elderly relative. (Note that this population also is has higher levels of income and assets than buyers elsewhere.) Regarding retirees, buyers in the east are the most likely to have had caregiving experience -- 39% compared to 26% -- to have experienced financial hardship as a result of caring for an elderly relative -- 7% compared to 3% -- and know someone who has experienced financial hardship as a result of caring for an elderly relative -- 42% compared to 35%. There were no significant differences in experience across regions among non-buyers.

In past research, one factor that has distinguished buyers from non-buyers is their knowledge of potential payment sources for LTC. The insurance industry has invested heavily in educating consumers about

LTC financing and there was an extensive educational campaign for the federal program. In order to gauge the effectiveness of that education, we asked buyers and non-buyers who they believe would pay for LTC if they ever needed it. There were no significant differences in responses among buyers. Among active non-buyers, however, there was an important geographic difference regarding knowledge of payment source for LTC services. Figure 3 summarizes results among active non-buyers and shows that those in the Washington, D.C. area are more likely to understand that they will have to use their own income and assets to pay for care if it is needed.

Figure 3: Active Non-Buyers View of Who Will Pay for Long-Term Care if it is Needed by Geographic Region

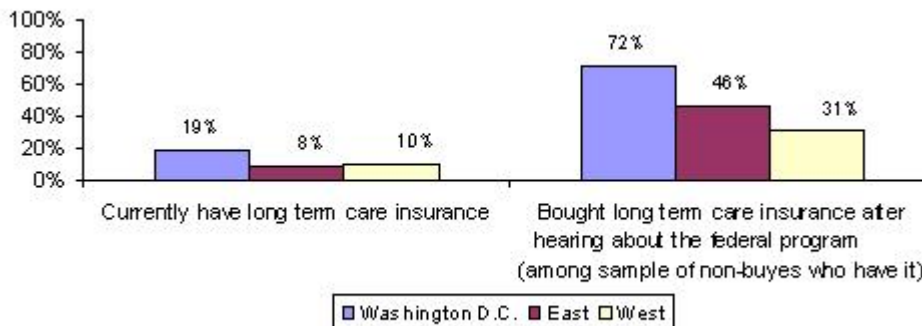


Source: Analysis of data from the FLTCIP, 2003.

Non-buyers in Washington, D.C. are also most likely to understand that Medicare or Medicaid will not pay for their LTC expenses. Finally, the further away from Washington, D.C. one gets, the more likely is there to be uncertainty about how LTC costs would be paid if services were needed. This finding may suggest that at least with respect to payment source knowledge, the education campaign in the Washington, D.C. area was more effective than in other parts of the country. Alternatively, it may be that given the higher levels of education, this is knowledge that these individuals had even before the marketing campaign began. These trends were not evident among the retiree sample.

Non-buyers of the federal program were also asked whether or not they currently had LTC insurance and whether they bought the insurance after they heard about the federal program. As shown in Figure 4, non-buyers of the federal program in the Washington, D.C. area are twice as likely to purchase LTC insurance as non-buyers in other geographic regions. Moreover, they are the most likely to have bought the insurance after hearing about the federal program. Somewhat surprisingly, of those non-buyers in the East and West who had insurance, a meaningful proportion of them -- between 17% and 25% -- had not heard about the federal program. This finding again suggests that the education and marketing campaign was either heavily targeted or particularly effective in the Washington, D.C. area. It also suggests that other carriers benefited from the wide net cast by the campaign: between one in five and one in ten non-buyers actually purchased a non-federal policy.

Figure 4: Active Non-Buyers Purchase of Long-Term Care Insurance by Geographic Region

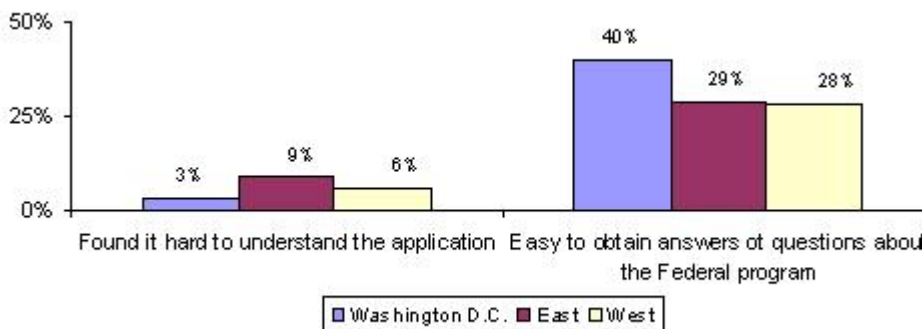


Source: Analysis of data from the FLTCIP, 2003.

C. Experience with the Application Process and Exposure to Promotional Materials

Given some of the major differences in education level and the fact that the program was national in scope, one might have expected differences across geographic region in peoples' experience with the application process. In a prior brief, we demonstrated that non-buyers had a more difficult time understanding the application materials and getting their questions answered than did buyers. This finding holds true across all geographic regions. However, among active buyers, those in the Washington, D.C. area seemed to have an easier time understanding the application and also found it easier to obtain answers to their questions about the program (see Figure 5).

Figure 5: Active Buyers Experience with Application Process by Geographic Region



Source: Analysis of data from the FLTCIP, 2003.

The program sponsors -- Long Term Care Partners -- invested significant resources in the marketing and education campaign. They did so through sponsorship of a variety of promotional activities such as educational meetings, satellite broadcasts, advertisements, articles, brochures, web sites, toll-free numbers, and more. This was done to assure maximum exposure to the program. As outlined in a previous brief, we found that non-buyers were less likely to have actively engaged in activities designed to educate and reinforce the need for insurance protection against the cost of LTC. This is fairly typical across the geographic regions. The extent of non-buyer exposure to educational activities does not vary

by geographic region except when it comes to visiting the website and reading articles about the program; non-buyers in Washington, D.C. are far more likely to have visited the website (62%) than are non-buyers elsewhere (34%). They are also more likely to have read newspaper articles about the program than non-buyers elsewhere -- 57% compared to 29%.

The same can be said of buyers: for the most part, exposure does not vary by geographic region. The exception is that compared to buyers in the West and in the D.C. area, those in the East are the least likely to talk to federal colleagues about the program. On the other hand, they are more likely to have read newspaper articles than non-buyers elsewhere. There are few significant variations in exposure by geographic region for the retiree population. Again, retirees living in Washington, D.C. are far more likely to have read newspaper articles about the program than retirees elsewhere.

V. CONCLUSIONS

For the most part, there are few geographic differences in the attitudes and opinions of buyers and non-buyers of the federal program regarding retirement planning and LTC. There are, however, a number of important socio-demographic differences (i.e., those living in the Washington, D.C. area tend to be more highly educated and wealthier), as well as those relating to experience with LTC, especially among retirees. Retirees in the D.C. area have more experience caregiving and are more likely to either know someone who has had, or to have personally experienced, financial hardship as a result of LTC.

Non-buyers in the Washington, D.C. area are also more likely to have purchased a LTC insurance policy not sponsored by the Federal Government than non-buyers in other areas of the country. Moreover, the fact that a meaningful proportion of non-buyers in the East and West who had purchased other policies had not even heard of the federal program, suggests that the marketing campaign may not have been as effective in these areas. This is somewhat supported by the finding that non-buyers outside of Washington, D.C. are also less likely to have been involved in certain promotional activities.

The analysis presented here has focused to a large extent on observed differences between geographic regions on selected variables. It is important to note that on the vast majority of parameters examined, geography is not a particularly important variable.

APPENDIX

Notes for Tables

All significance tests are based on 5% level or better. Notations for significance are as follows: If one category out of three contains the symbol (*), then the category starred is statistically different from each of the other two categories, but the non-starred categories are not different from each other. If two categories out of the three contain the symbol (*), then those two categories are statistically different from each other, but each of those categories is not statistically different from the third one. If all three categories contain the symbol (*), then all three are statistically different from each other.

Unless otherwise specified, only the response category that has a notation of significance was tested against all other categories. In some cases, it was determined that a combination of categories would be tested. These are indicated in the footnotes. It also may be the case that if categories were or were not combined, it could change the results of the test of significance.

Unless otherwise indicated, the first response category (i.e., strongly agree, very important, very likely, etc.) or the yes response was tested. Therefore, if there are no notations for significance, the test was not significant at the 5% level.

TABLE A-1: Socio-Demographic Characteristics of Active Buyers and Non-Buyers by Geographic Location (D.C. vs. East vs. West)						
Socio-Demographic Characteristics	Active Buyers DC	Active Buyers East	Active Buyers West	Active Non-Buyers DC	Active Non-Buyers East	Active Non-Buyers West
Average age	53	52	54	52	54	54
Less than 50	27	31	22	40	30	32
50 to 54	26	23	26	24	26	23
55 to 59	27	26	25	18	20	20
60 to 64	13	15	18	8	9	13
65 and over	7	5	9	10	15	12
Gender						
Male	46	50	53	57	60	58
Female	54	50	47	43	40	42
Marital status						
Never Married	22	17	13	11	9	9
Married	57	61	59	70	66	73
Divorced/separated	15	15	24	16	20	14
Widowed	4	5	3	2	4	3
Domestic Partner	2	2	1	1	1	1
Presence of children living within 25 miles						
Yes	41	43	42	53	63	59
No	59	57	58	47	37	41
Education level						
Less than high school graduate	0	0	0	0	1	0
High school graduate	4	9	4	7	17	12
Technical/trade/business school	2	4	7	5	7	4
Some college	15	20	25	23	28	37
College graduate ¹	36	34	39	20	29	29
Graduate degree	43	33	25	45	18	18
	79	67	64	65	47	47
Average income ²	\$98,261*	\$81,714	\$81,709	\$92,386*	\$70,692	\$69,603
Less than \$15,999	0	0	0	0	1	1
\$15,000 to \$24,999	0	1	1	1	1	1
\$25,000 to \$34,999	3	3	3	3	4	7
\$35,000 to \$39,999	1	2	2	2	7	7
\$40,000 to \$49,999	2	11	10	5	15	16
\$50,000 to \$59,999	3	12	11	8	15	12
\$60,000 to \$69,999	10	10	12	7	10	11
\$70,000 to \$74,999	7	8	8	5	7	7
\$75,000 to \$99,999	21	23	24	20	22	18
\$100,000 to \$124,999	17	15	13	23	10	14
\$125,000 or more	36	15	16	26	8	6
Average liquid assets ²	\$184,919	\$190,856	\$225,833	\$180,920	\$162,053	\$153,378
Less than \$10,000	4	9	7	13	18	17
\$10,000 to \$19,999	3	3	4	5	10	7
\$20,000 to \$29,999	5	6	4	3	8	8
\$30,000 to \$49,999	10	8	12	9	13	12
\$50,000 to \$74,999	7	12	19	8	14	11
\$75,000 to \$99,999	8	10	5	6	7	9
\$100,000 to \$124,999	8	9	9	7	7	8
\$125,000 to \$149,999	4	7	5	8	4	6
\$150,000 to \$199,999	13	6	9	3	5	4
\$200,000 to \$249,999	10	10	9	2	3	6
\$250,000 and above	28	20	17	36	11	12
Home ownership						
Yes	90	91	90	87	83	89
No	10	9	10	13	17	11

1. Here, having a college degree or better is tested for significance against not having a college degree.
2. Averages were calculated by taking the midpoints of the ranges.

TABLE A-2: Socio-Demographic Characteristics of Retired Buyers and Non-Buyers by Geographic Location (D.C. vs. East vs. West)						
Socio-Demographic Characteristics	Retired Non-Buyers DC	Retired Buyers East	Retired Buyers West	Retired Non-Buyers DC	Retired Non-Buyers East	Retired Non-Buyers West
Average age	65*	66	66*	70	71	72
Less than 50	3	1	1	3	2	2
50 to 54	3	4	2	5	3	2
55 to 59	18	13	12	10	7	7
60 to 64	23	24	25	8	14	10
65 and over	53	58	60	74	74	79
Gender						
Male	71	71	69	68	71	79
Female	29	29	31	32	29	21
Marital status						
Never Married	9	9	8	4	5	3
Married	71	67	69	67	69	73
Divorced/separated	8	8	11	10	9	7
Widowed	10	14	11	19	17	17
Domestic Partner	2	2	1	0	0	0
Presence of children living within 25 miles						
Yes	58*	52	48*	60	55	54
No	42	48	52	40	45	46
Education level						
Less than high school graduate	0	2	0	0	4	5
High school graduate	11	18	13	12	19	16
Technical/trade/business school	4	6	5	7	8	8
Some college	17	21	24	31	26	32
College graduate ¹	35*	28*	31	32	24	23
Graduate degree	33	25	27	18	19	16
Average income ²	\$79,825*	\$62,330	\$59,547	\$63,918*	\$49,522	\$47,304
Less than \$15,999	1	1	0	2	3	5
\$15,000 to \$24,999	1	3	4	6	12	16
\$25,000 to \$34,999	2	11	10	9	15	10
\$35,000 to \$39,999	4	10	9	12	13	17
\$40,000 to \$49,999	12	15	17	12	18	16
\$50,000 to \$59,999	13	14	18	9	11	13
\$60,000 to \$69,999	10	13	12	7	7	9
\$70,000 to \$74,999	6	9	7	12	5	2
\$75,000 to \$99,999	19	16	15	19	12	6
\$100,000 to \$124,999	17	6	4	3	2	4
\$125,000 or more	15	4	4	9	2	2
Average liquid assets ²	\$216,798	\$204,151	\$212,063	\$181,607	\$170,558	\$162,813
Less than \$10,000	4	3	4	3	12	12
\$10,000 to \$19,999	1	4	3	7	5	7
\$20,000 to \$29,999	2	2	4	6	6	8
\$30,000 to \$49,999	6	9	7	10	12	13
\$50,000 to \$74,999	9	9	10	7	10	8
\$75,000 to \$99,999	7	9	6	7	7	5
\$100,000 to \$124,999	9	7	8	10	7	4
\$125,000 to \$149,999	4	6	6	4	5	5
\$150,000 to \$199,999	6	8	11	9	7	8
\$200,000 to \$249,999	8	7	8	4	5	8
\$250,000 and above	44	36	33	33	24	22
Home ownership						
Yes	94	92	92	90	90	91
No	6	8	8	10	10	9

1. Here, having a college degree or better is tested for significance against not having a college degree.
2. Averages were calculated by taking the midpoints of the ranges.

TABLE A-3: Attitudes and Opinions About Retirement Planning and Long-Term Care Among Active Buyers and Non-Buyers by Geographic Location (D.C. vs. East vs. West)						
Attitudes and Opinions	Active Buyers DC	Active Buyers East	Active Buyers West	Active Non-Buyers DC	Active Non-Buyers East	Active Non-Buyers West
Determined how much to save to live comfortably in retirement						
Yes, a definite sense ¹	25	20	21	14	17	15
Yes, a general sense	56	62	62	61	44	53
No	18	17	16	22	36	31
Do not plan to retire	1	1	1	3	3	1
Thought given to paying for LTC expenses						
A great deal	65	63	59	25	21	21
Some	32	33	37	54	50	49
Not much thought	3	4	4	21	21	26
No thought at all	0	0	0	0	8	4
How important is LTC insurance to retirement planning						
Very important	61	61	60	24	26	23
Somewhat important	36	36	38	57	51	56
Not very important	3	2	2	13	19	12
Not at all important	0	0	0	1	0	2
Have not started planning	0	1	0	5	4	7
LTC insurance programs sold today will cover the cost of LTC services needed in the future						
Strongly agree	10	9	9	1	2	5
Agree	74	71	72	47	34	38
Disagree	13	17	17	42	53	49
Strongly disagree	3	3	2	10	11	8
How would LTC costs be paid ²						
Medicaid	1	4	2	3	3	4
Medicare	7	10	8	5	11	10
Medigap Supplement Policy	1	2	1	0	1	0
Own health insurance or retiree health care plan	24	23	23	35	30	35
Own income	39	35	38	35*	23	19*
Children will help pay	1	1	1	0	0	1
Other	3	2	3	4	4	2
LTC insurance	6	7	6	1	1	3
Don't know ³	18	16	18	17	27	24
<p>1. Here, having a general or a definite sense of how much needs to be saved were combined and tested as a single yes response. Those who did not plan to retire were removed from the analysis.</p> <p>2. Active buyers were asked whether they worried about how to pay for LTC services before they purchased the FLTCIP and how they would pay for LTC in the absence of their LTC policy.</p> <p>3. This response category was tested for significance and it was found not to be significant.</p>						

TABLE A-4: Attitudes and Opinions About Retirement Planning and Long-Term Care Among Retired Buyers and Non-Buyers by Geographic Location (D.C. vs. East vs. West)						
Attitudes and Opinions	Retired Buyers DC	Retired Buyers East	Retired Buyers West	Retired Non-Buyers DC	Retired Non-Buyers East	Retired Non-Buyers West
Determined how much to save to live comfortably in retirement						
Yes, a definite sense ¹	32	28	25	18	15	19
Yes, a general sense	51	59	61	47	58	50
No	17	13	14	35	27	31
Thought given to paying for LTC expenses						
A great deal	68	68	62	27	25	28
Some	30	30	35	53	59	52
Not much thought	2	2	2	18	12	18
No thought at all	0	0	1	2	4	2
How important is LTC insurance to retirement planning						
Very important	58	62	55	14	21	21
Somewhat important	40	37	41	47	42	48
Not very important	2	1	4	23	24	19
Not at all important	0	0	0	8	6	3
Have not started planning	0	0	0	8	7	9
LTC insurance programs sold today will cover the cost of LTC services needed in the future						
Strongly agree	8	13*	8*	6	3	3
Agree	72	67	70	29	32	34
Disagree	19	18	19	47	47	47
Strongly disagree	1	2	3	18	18	16
How would LTC costs be paid ²						
Medicaid	2	2	1	2	3	1
Medicare	6	5	7	13	14	16
Medigap Supplement Policy	0	1	1	2	2	2
Own health insurance or retiree health care plan	14	16	17	30	22	18
Own income	62	57	54	43	42	42
Children will help pay	0	0	0	0	1	0
Other	1	2	2	4	2	2
LTC insurance	8	9	9	0	1	2
Don't know ³	7	8	9	6	13	17
<p>1. Here, having a general or a definite sense of how much needs to be saved were combined and tested as a single yes response. Those who did not plan to retire were removed from the analysis.</p> <p>2. Retired buyers were asked whether they worried about how to pay for LTC services before they purchased the FLTCIP and how they would pay for LTC in the absence of their LTC policy.</p> <p>3. This response category was tested for significance and it was found not to be significant.</p>						

Experiences with LTC	Active Buyers DC	Active Buyers East	Active Buyers West	Active Non-Buyers DC	Active Non-Buyers East	Active Non-Buyers West
Parent needed LTC						
Yes	43	41	43	53	48	41
No	57	59	57	47	52	59
The respondent has been a caregiver						
Yes	24	32	24	17	24	28
No	76	68	76	83	76	72
The respondent knew someone who used most of his/her assets to pay for LTC						
Yes	45*	58*	55	44	47	52
No	55	42	46	56	53	48
The respondent has experienced financial hardship as a result of caring for an elderly relative						
Yes	4	10	5	3	11	9
No	96	90	95	97	89	91
The respondent knew someone who has experienced financial hardship as a result of caring for an elderly relative						
Yes	32*	49	48	34	41	44
No	68	51	52	66	59	56

Experiences with LTC	Retired Buyers DC	Retired Buyers East	Retired Buyers West	Retired Non-Buyers DC	Retired Non-Buyers East	Retired Non-Buyers West
Parent needed LTC						
Yes	34	39	43	49	49	52
No	66	61	57	51	51	48
The respondent has been a caregiver						
Yes	28	39*	24	39	43	32
No	72	61	76	61	57	68
The respondent knew someone who used most of his/her assets to pay for LTC						
Yes	60	59	51*	49	52	51
No	40	41	49	51	48	49
The respondent has experienced financial hardship as a result of caring for an elderly relative						
Yes	4	7*	3*	4	12	7
No	96	93	97	96	88	93
The respondent knew someone who has experienced financial hardship as a result of caring for an elderly relative						
Yes	37	42*	33*	33	37	38
No	63	58	67	67	63	62

TABLE A-7: Self-Assessed Risk of Needing LTC Among Active Buyers and Non-Buyers by Geographic Location (D.C. vs. East vs. West)						
Type of LTC	Active Buyers DC	Active Buyers East	Active Buyers West	Active Non-Buyers DC	Active Non-Buyers East	Active Non-Buyers West
How likely is it that:						
a) the respondent thinks he/she will need help with everyday activities such as bathing and dressing						
Very likely	10	12	14	5	12	10
Likely	19	16	15	9	15	14
Somewhat likely	40	45	46	36	35	35
Not very likely	25	23	21	38	30	28
Not at all likely	6	4	4	12	8	13
b) the respondent thinks he/she will need home care services for more than three months						
Very likely	12	15	13	5	11	9
Likely	19	16	21	11	15	14
Somewhat likely	45	49	41	43	37	38
Not very likely	21	16	22	29	30	28
Not at all likely	3	4	3	12	7	11
c) the respondent thinks he/she will need nursing home care for more than three months						
Very likely	11	13	13	8	11	9
Likely	17	17	16	9	13	16
Somewhat likely	41	43	42	40	32	32
Not very likely	25	20	24	31	34	29
Not at all likely	6	7	5	12	10	14
d) the respondent thinks he/she will need care provided in assisted living facility for more than three months						
Very likely	16	17	16	13	12	9
Likely	21	21	22	16	16	17
Somewhat likely	43	41	37	42	34	35
Not very likely	17	16	22	21	29	28
Not at all likely	3	5	3	8	9	11

TABLE A-8: Self-Assessed Risk of Needing LTC Among Retired Buyers and Non-Buyers by Geographic Location (D.C. vs. East vs. West)						
Type of LTC	Retired Buyers DC	Retired Buyers East	Retired Buyers West	Retired Non-Buyers DC	Retired Non-Buyers East	Retired Non-Buyers West
How likely is it that:						
a) the respondent thinks he/she will need help with everyday activities such as bathing and dressing						
Very likely	4*	9*	7	6	14	13
Likely	17	19	15	14	15	21
Somewhat likely	47	47	43	32	40	37
Not very likely	24	20	28	33	26	20
Not at all likely	8	5	7	14	5	9
b) the respondent thinks he/she will need home care services for more than three months						
Very likely	5	7	7	6	12	13
Likely	20	20	15	15	16	20
Somewhat likely	49	47	47	39	40	38
Not very likely	19	21	24	23	26	20
Not at all likely	7	5	7	17	6	9
c) the respondent thinks he/she will need nursing home care for more than three months						
Very likely	4	7	6	6	12	11
Likely	17	18	14	12	14	14
Somewhat likely	43	45	44	43	35	37
Not very likely	28	25	27	14	31	27
Not at all likely	8	5	9	25	8	11
d) the respondent thinks he/she will need care provided in assisted living facility for more than three months						
Very likely	7	10	8	4	13	10
Likely	21	20	20	16	15	13
Somewhat likely	47	46	44	35	36	45
Not very likely	18	19	22	27	28	22
Not at all likely	7	5	6	18	8	10

TABLE A-9: Opinions about Long-Term Care Insurance Among Active Buyers by Geographic Location (D.C. vs. East vs. West)			
Opinions about LTC Insurance	Active Buyers DC	Active Buyers East	Active Buyers West
What % of your expenses do you expect your LTC insurance to pay			
100%	12	17	9
61%-99%	67	67	70
40%-60%	19	13	17
35%-39%	1	2	4
<25%	1	1	0

TABLE A-10: Opinions about Long-Term Care Insurance Among Retired Buyers by Geographic Location (D.C. vs. East vs. West)			
Opinions about LTC Insurance	Retired Buyers DC	Retired Buyers East	Retired Buyers West
What % of your expenses do you expect your LTC insurance to pay			
100%	8	10	6
61%-99%	65	66	70
40%-60%	24	20	19
35%-39%	3	3	4
<25%	0	1	1

TABLE A-11: Opinions about Long-Term Care Insurance Among Active Non-Buyers by Geographic Location (D.C. vs. East vs. West)			
Opinions about LTC Insurance	Active Non-Buyers DC	Active Non-Buyers East	Active Non-Buyers West
Do you currently have LTC insurance			
Yes	19*	8*	10
No	81	92	90
Did you buy your LTC insurance after you heard about the FLTCIP ¹			
Yes ²	72*	46	31*
No	28	37	44
I did not know about the FLTCIP	0	17	25
<p>1. This question was only asked of those people who stated that they currently had LTC insurance; therefore the percentage of people who said they did not know about the FLTCIP are only of those non-buyers and non-responders who have LTC insurance.</p> <p>2. The distribution for this question is based on the answers of 18 Active Non-Buyers in the D.C. area, 30 Active Non-Buyers in the East and 32 Active Non-Buyers in the West.</p>			

TABLE A-12: Opinions about Long-Term Care Insurance Among Retired Non-Buyers by Geographic Location (D.C. vs. East vs. West)			
Opinions about LTC Insurance	Retired Non-Buyers DC	Retired Non-Buyers East	Retired Non-Buyers West
Do you currently have LTC insurance			
Yes	30	18	19
No	70	82	81
Did you buy your LTC insurance after you heard about the FLTCIP ¹			
Yes ²	7	15	14
No	79	58	55
I did not know about the FLTCIP	14	27	31

1. This question was only asked of those people who stated that they currently had LTC insurance; therefore the percentage of people who said they did not know about the FLTCIP are only of those non-buyers and non-responders who have LTC insurance.

2. The distribution for this question is based on the answers of 29 Retired Non-Buyers in the D.C. area, 90 Retired Non-Buyers in the East and 100 Retired Non-Buyers in the West.

TABLE A-13: Decision Making Process of Active Buyers by Geographic Location (D.C. vs. East vs. West)			
Decision Making Process	Active Buyers DC	Active Buyers East	Active Buyers West
I considered buying LTC insurance prior to the federal offering			
Yes	57	56	61
No	43	44	39
I would have bought LTC insurance if the Federal Government had not offered it			
Yes	34	32	33
No	15	17	17
Not sure	51	51	50

TABLE A-14: Decision Making Process of Retired Buyers by Geographic Location (D.C. vs. East vs. West)			
Decision Making Process	Retired Buyers DC	Retired Buyers East	Retired Buyers West
I considered buying LTC insurance prior to the federal offering			
Yes	67	75	72
No	33	25	28
I would have bought LTC insurance if the Federal Government had not offered it			
Yes	40	44	40
No	12	13	14
Not sure	48	43	46

TABLE A-15: Decision Making Process of Active Non-Buyers by Geographic Location (D.C. vs. East vs. West)			
Decision Making Process	Active Non-Buyers DC	Active Non-Buyers East	Active Non-Buyers West
How seriously was buying the FLTCIP considered			
Very seriously	39	33	33
Somewhat seriously	41	42	40
Not very seriously	13	16	16
Not seriously at all	7	5	6
Did not consider	0	4	5
How likely did you think it was that you would buy the FLTCIP when you requested the application			
Very likely	18	18	17
Likely	57	52	50
Not very likely	25	28	30
Not at all likely	0	2	3

TABLE A-16: Decision Making Process of Retired Non-Buyers by Geographic Location (D.C. vs. East vs. West)			
Decision Making Process	Retired Non-Buyers DC	Retired Non-Buyers East	Retired Non-Buyers West
How seriously was buying the FLTCIP considered			
Very seriously	32	25	24
Somewhat seriously	38	39	36
Not very seriously	15	20	22
Not seriously at all	7	5	7
Did not consider	8	11	11
How likely did you think it was that you would buy the FLTCIP when you requested the application			
Very likely	13	13	8
Likely	41	44	43
Not very likely	42	36	44
Not at all likely	4	7	5

TABLE A-17: Experience with the Application Process Among Active Buyers and Non-Buyers by Geographic Location (D.C. vs. East vs. West)						
Experience with the Application Process	Active Buyers DC	Active Buyers East	Active Buyers West	Active Non-Buyers DC	Active Non-Buyers East	Active Non-Buyers West
Was the following easy/difficult for you:						
a) getting an application ¹						
Did not get an application	0	0	0	14	21	25
Did get an application	100	100	100	86	79	75
Easy to get an application	98	99	97	99	94	97
Difficult to get an application	2	1	3	1	6	3
b) understanding the application ¹						
Did not attempt to understand the application	0	0	0	27	32	35
Did attempt to understand the application	100	100	100	73	68	65
Easy to understand the application	97*	91*	94	80	70	76
Difficult to understand the application	3	9	6	20	30	24
c) answering health questions ¹						
Did not answer health questions	0	0	0	42	38	44
Did answer health questions	100	100	100	58	62	56
Easy to answer health questions	99	97	98	83	76	81
Difficult to answer health questions	1	3	2	17	24	19
d) reading the application materials ¹						
Did not read the application materials	0	0	0	30	31	31
Did read the application materials	100	100	100	70	69	69
Easy to read the application materials	88	84	82	74	67	70
Difficult to read the application materials	12	16	18	26	33	30
Easy/difficult to obtain answers to questions about the federal program						
Very easy	40*	29	28*	23	17	22
Easy	56	65	63	56	52	48
Difficult	3	4	8	15	28	24
Very difficult	1	2	1	6	3	6

1. The responses for "easy" and "difficult" are calculated on the basis of only those respondents who did the specific activity.

TABLE A-18: Experience with the Application Process Among Retired Buyers and Non-Buyers by Geographic Location (D.C. vs. East vs. West)

Experience with the Application Process	Retired Buyers DC	Retired Buyers East	Retired Buyers West	Retired Non-Buyers DC	Retired Non-Buyers East	Retired Non-Buyers West
Was the following easy/difficult for you:						
a) getting an application ¹						
Did not get an application	0	0	0	23	25	34
Did get an application	100	100	100	77	75	66
Easy to get an application	100	98	98	96	96	96
Difficult to get an application	0	2	2	4	4	4
b) understanding the application ¹						
Did not attempt to understand the application	0	0	0	31	30	39
Did attempt to understand the application	100	100	100	69	70	61
Easy to understand the application	93	95	93	80	75	78
Difficult to understand the application	7	5	7	20	25	22
c) answering health questions ¹						
Did not answer health questions	0	0	0	38	39	48
Did answer health questions	100	100	100	62	61	52
Easy to answer health questions	93	92	90	80	76	75
Difficult to answer health questions	7	8	10	20	24	25
d) reading the application materials ¹						
Did not read the application materials	0	0	0	31	34	44
Did read the application materials	100	100	100	69	66	56
Easy to read the application materials	84	86	82	73	74	66
Difficult to read the application materials	16	14	18	27	26	34
Easy/difficult to obtain answers to questions about the federal program						
Very easy	30	40*	31*	22	15	15
Easy	65	57	65	56	58	63
Difficult	4	3	3	16	24	18
Very difficult	1	0	1	6	3	4

1. The responses for "easy" and "difficult" are calculated on the basis of only those respondents who did the specific activity.

TABLE A-19: Awareness about the Federal Program Among Retired Non-Responders by Geographic Location (D.C. vs. East vs. West)

Awareness about the Federal Program	Retired Non-Responders DC	Retired Non-Responders East	Retired Non-Responders West
Are you aware that the Federal Government is sponsoring a LTC insurance program			
Yes	46	29	32
No	54	71	68

TABLE A-20: Exposure to Promotional Activities Among Active Buyers and Non-Buyers by Geographic Location (DC vs. East vs. West)						
Promotional Activities	Active Buyers DC	Active Buyers East	Active Buyers West	Active Non-Buyers DC	Active Non-Buyers East	Active Non-Buyers West
Did you do any of the following:						
a) talk to colleagues about the Federal program ¹						
Did not talk to colleagues	24*	36*	33	40	52	48
Did talk to colleagues	76	64	67	60	48	52
Found it to be helpful	78*	73	65*	50	59	57
Did not find it to be helpful	22	27	35	50	41	43
b) talk to human resource representative ¹						
Did not talk to human resource representative	80	87	82	73	83	81
Did talk to human resource representative	20	13	18	27	17	19
Found it to be helpful ²	84	80	85	64	81	62
Did not find it to be helpful	16	20	15	36	19	38
c) attend educational meetings ¹						
Did not attend educational meetings	56	65	58	52	68	69
Did not know about the educational meetings	2	7	6	7	10	15
Did attend educational meetings	42	28	36	41	22	16
Found them to be helpful	95	91	95	84*	80	76
Did not find them to be helpful	5	9	5	16	20	24
d) view satellite broadcasts ¹						
Did not view satellite broadcasts	70	71	72	79	78	73
Did not know about the satellite broadcasts	9	11	10	11	16	17
Did view satellite broadcasts	21	18	18	10	6	10
Found them to be helpful ³	93	83	95	56	67	62
Did not find them to be helpful	7	17	5	44	33	38
e) read "Get Smart About Your Future" ¹						
Did not read "Get Smart About Your Future"	27	23	32	27	35	35
Did not know about "Get Smart About Your Future"	4	9	8	11	9	12
Did read "Get Smart About Your Future"	69	68	60	62	56	53
Found it to be helpful	95	94	96	81	86	90
Did not find it to be helpful	5	6	4	19	14	10
f) read advertisements ¹						
Did not read advertisements	46	40	42	31	41	37
Did not know about the advertisements	5	7	10	9	8	14
Did read advertisements	49	53	48	60	51	49
Found them to be helpful	86	89	93	66	80	75
Did not find them to be helpful	14	11	7	34	20	25

TABLE A-20 (continued)

Promotional Activities	Active Buyers DC	Active Buyers East	Active Buyers West	Active Non-Buyers DC	Active Non-Buyers East	Active Non-Buyers West
Did you do any of the following:						
g) visit websites describing the federal program ¹						
Did not visit websites describing the federal program	20	26	29	34*	58	51
Did not know about the websites describing the federal program	1	4	4	4	11	13
Did visit websites describing the federal program	79	70	67	62	31	36
Found them to be helpful	97	98	97	81	83	86
Did not find them to be helpful	3	2	3	19	17	14
h) read banner ads ¹						
Did not read banner ads	72	68	78	70	73	72
Did not know about the banner ads	10	16	11	9	16	17
Did read banner ads	18	16	11	21	11	11
Found them to be helpful ⁴	59	61	72	42	60	63
Did not find them to be helpful	41	39	28	58	40	37
i) read newspaper articles ¹						
Did not read newspaper articles	48*	62	63	38*	55	56
Did not know about the newspaper articles	4	10	9	5	15	16
Did read newspaper articles	48	28	28	57	30	28
Found them to be helpful	92	86	86	71	68	68
Did not find them to be helpful	8	14	14	29	32	32
j) read general brochures ¹						
Did not read general brochures	12	13	17	14	20	19
Did not know the general brochures	1	2	1	1	5	7
Did read general brochures	87	85	82	85	75	74
Found them to be helpful	97	95	99	82	83	81
Did not find them to be helpful	3	5	1	18	17	19
k) call toll-free number ¹						
Did not call a toll-free number	59	59	62	72	76	76
Did not know about the toll-free number	5	5	3	6	10	12
Did call a toll-free number	36	36	35	22	14	12
Found it to be helpful ⁵	93	96	94	75	75	64
Did not find it to be helpful	7	4	6	25	25	36
<p>1. The responses for "helpful" and "not helpful" are calculated on the basis of only those respondents who did the specific activity.</p> <p>2. The distribution for this question is based on the answers of 37 Active Buyers in the DC area, 25 Active Buyers in the East and 39 Active Buyers in the West. The distribution for this question is based on the answers of 25 Active Non-Buyers in the DC area, 36 Active Non-Buyers in the East and 37 Active Non-Buyers in the West.</p> <p>3. The distribution for this question is based on the answers of nine Active Non-Buyers in the DC area, 15 Active Non-Buyers in the East and 21 Active Non-Buyers in the West.</p> <p>4. The distribution for this question is based on the answers of 32 Active Buyers in the DC area, 31 Active Buyers in the East and 25 Active Buyers in the West. The distribution for this question is based on the answers of 19 Active Non-Buyers in the DC area, 25 Active Non-Buyers in the East and 24 Active Non-Buyers in the West.</p> <p>5. The distribution for this question is based on the answers of 20 Active Non-Buyers in the DC area, 32 Active Non-Buyers in the East and 25 Active Non-Buyers in the West.</p>						

TABLE A-21: Exposure to Promotional Activities Among Retired Buyers and Non-Buyers by Geographic Location (DC vs. East vs. West)						
Promotional Activities	Retired Buyers DC	Retired Buyers East	Retired Buyers West	Retired Non-Buyers DC	Retired Non-Buyers East	Retired Non-Buyers West
Did you do any of the following:						
a) talk to colleagues about the Federal program ¹						
Did not talk to colleagues	64*	74	76	75	80	80
Did talk to colleagues	36	26	24	25	20	20
Found it to be helpful ²	85	79	75	67	69	64
Did not find it to be helpful	15	21	25	33	31	36
b) talk to human resource representative ¹						
Did not talk to human resource representative	97	97	97	94	97	96
Did talk to human resource representative	3	3	3	6	3	4
Found it to be helpful ³	83	100	82	50	57	50
Did not find it to be helpful	17	0	18	50	43	50
c) read "Get Smart About Your Future" ¹						
Did not read "Get Smart About Your Future"	26	26	30	37	42	39
Did not know about "Get Smart About Your Future"	8	6	6	13	12	12
Did read "Get Smart About Your Future"	66	68	64	50	46	49
Found it to be helpful	97	96	98	86	84	89
Did not find it to be helpful	3	4	2	14	16	11
d) read advertisements ¹						
Did not read advertisements	37	36	37	39	44	47
Did not know about the advertisements	5	3	5	10	12	10
Did read advertisements	58	61	58	51	44	43
Found them to be helpful	92	95	95	75	77	82
Did not find them to be helpful	8	5	5	25	23	18
e) visit websites describing the federal program ¹						
Did not visit websites describing the federal program	54	57	51	80	76	76
Did not know about the websites describing the federal program	3	4	4	7	12	11
Did visit websites describing the federal program	43	39	45	13	12	13
Found them to be helpful ⁴	97	97	96	100	90	86
Did not find them to be helpful	3	3	4	0	10	14
f) read banner ads ¹						
Did not read banner ads	86	86	84	87	82	81
Did not know about the banner ads	7	8	8	10	13	16
Did read banner ads	7	6	8	3	5	3
Found them to be helpful ⁴	53	68	82	50	64	57
Did not find them to be helpful	47	32	18	50	36	43

TABLE A-21 (continued)

Promotional Activities	Retired Buyers DC	Retired Buyers East	Retired Buyers West	Retired Non-Buyers DC	Retired Non-Buyers East	Retired Non-Buyers West
Did you do any of the following:						
g) read newspaper articles ¹						
Did not read newspaper articles	39*	64	64	42*	52	61*
Did not know about the newspaper articles	5	6	5	1	10	9
Did read newspaper articles	56	30	31	57	38	30
Found them to be helpful	94	93	90	83	65	76
Did not find them to be helpful	6	7	10	17	35	24
h) read general brochures ¹						
Did not read general brochures	10	13	13	27	26	25
Did not know the general brochures	1	1	2	0	7	6
Did read general brochures	89	86	85	73	67	69
Found them to be helpful	100	98	98	81	84	87
Did not find them to be helpful	0	2	2	19	16	13
i) call toll-free number ¹						
Did not call a toll-free number	61	56	53	84	77	80
Did not know about the toll-free number	2	1	3	3	9	7
Did call a toll-free number	37	43	44	13	14	13
Found it to be helpful ⁶	97	100*	96*	78	76	76
Did not find it to be helpful	3	0	4	22	24	24
<p>1. The responses for "helpful" and "not helpful" are calculated on the basis of only those respondents who did the specific activity.</p> <p>2. The distribution for this question is based on the answers of 18 Retired Non-Buyers in the DC area, 45 Retired Non-Buyers in the East and 44 Retired Non-Buyers in the West.</p> <p>3. The distribution for this question is based on the answers of six Retired Buyers in the DC area, 12 Retired Buyers in the East and 11 Retired Buyers in the West. The distribution for this question is based on the answers of four Retired Non-Buyers in the DC area, seven Retired Non-Buyers in the East and eight Retired Non-Buyers in the West.</p> <p>4. The distribution for this question is based on the answers of nine Retired Non-Buyers in the DC area, 29 Retired Non-Buyers in the East and 29 Retired Non-Buyers in the West.</p> <p>5. The distribution for this question is based on the answers of 17 Retired Buyers in the DC area, 25 Retired Buyers in the East and 34 Retired Buyers in the West. The distribution for this question is based on the answers of two Retired Non-Buyers in the DC area, 11 Retired Non-Buyers in the East and seven Retired Non-Buyers in the West.</p> <p>6. The distribution for this question is based on the answers of nine Retired Non-Buyers in the DC area, 34 Retired Non-Buyers in the East and 29 Retired Non-Buyers in the West.</p>						

TABLE A-22: Comparison of FLTCIP to Other Programs Among Active Buyers by Geographic Location (D.C. vs. East vs. West)			
Reasons for Buying	Active Buyers DC	Active Buyers East	Active Buyers West
Was the FLTCIP compared to other programs			
Yes	49	45	46
No	51	55	54
Why was the FLTCIP purchased instead of a different program			
a) lower rates			
Yes	25	33	35
No	75	67	65
b) better benefits			
Yes	23	26	25
No	77	74	75
c) recommended by others			
Yes	12	6	8
No	88	94	92
d) easier to qualify			
Yes	45	38	39
No	55	62	61
e) easier to get benefits			
Yes	11	17	17
No	89	83	83
f) easier to understand coverage			
Yes	18	21	25
No	82	79	75
g) Federal Government sponsorship			
Yes	73	69	78
No	27	31	22
h) underwritten by Long Term Care Partners			
Yes	29	28	27
No	71	72	73

TABLE A-23: Comparison of FLTCIP to Other Programs Among Retired Buyers by Geographic Location (D.C. vs. East vs. West)			
Reasons for Buying	Retired Buyers DC	Retired Buyers East	Retired Buyers West
Was the FLTCIP compared to other programs			
Yes	39*	29*	33
No	61	71	67
Why was the FLTCIP purchased instead of a different program			
a) lower rates			
Yes	31*	48	47
No	69	52	53
b) better benefits			33
Yes	26*	36*	67
No	74	64	
c) recommended by others			
Yes	11*	6	6
No	89	94	94
d) easier to qualify			
Yes	19	22*	13*
No	81	78	87
e) easier to get benefits			
Yes	7	9	6
No	93	91	94
f) easier to understand coverage			
Yes	23	24*	16*
No	77	76	84
g) Federal Government sponsorship			
Yes	87	86	81
No	13	14	19
h) underwritten by Long Term Care Partners			
Yes	29*	39*	33
No	71	61	67

TABLE A-24: Reasons for Not Buying the Federal Program: Active Non-Buyers by Geographic Location (D.C. vs. East vs. West)			
Reasons for Not Buying	Active Non-Buyers DC	Active Non-Buyers East	Active Non-Buyers West
Were the following reasons not to buy the FLTCIP:			
a) have other insurance like FEHB			
Yes, a reason	11	11	17
No, not a reason	89	89	83
b) will buy the FLTCIP later			
Yes, a reason	47	51	53
No, not a reason	53	49	47
c) information about the FLTCIP too confusing			
Yes, a reason	17	23	23
No, not a reason	83	77	77
d) not happy with the features of the FLTCIP			
Yes	22	18	15
No	78	82	85

TABLE A-25: Reasons for Not Buying the Federal Program: Retired Non-Buyers by Geographic Location (D.C. vs. East vs. West)			
Reasons for Not Buying	Retired Non-Buyers DC	Retired Non-Buyers East	Retired Non-Buyers West
Were the following reasons not to buy the FLTCIP:			
a) have other insurance like FEHB			
Yes, a reason	24	18	18
No, not a reason	76	82	82
b) will buy the FLTCIP later			
Yes, a reason	13	24	23
No, not a reason	87	76	77
c) information about the FLTCIP too confusing			
Yes, a reason	13	22	19
No, not a reason	87	78	81
d) not happy with the features of the FLTCIP			
Yes	16	17	15
No	84	83	85

TABLE A-26: Factors that Would Make Active Non-Buyers More Interested in Buying the Federal Program by Geographic Location (D.C. vs. East vs. West)			
Reasons for Not Buying	Active Non-Buyers DC	Active Non-Buyers East	Active Non-Buyers West
More interested in buying the FLTCIP if:			
a) there were more choices regarding the amount of home care coverage			
Agree	50	60	59
Disagree	50	40	41
b) there was a guarantee that premiums will not increase in the future			
Agree	76	85	84
Disagree	24	15	16
c) there was a premium discount for couples who purchase the program			
Agree	64	67	66
Disagree	36	33	34
d) premiums were tax deductible			
Agree	89	87	86
Disagree	11	13	14
Three most important factors that would make a non-buyer more interested in buying			
Tax deductible premiums	32	37	33
A guarantee that premiums will not increase in the future	13	21	23
A premium discount for couples who purchase the program	20	19	17

TABLE A-27: Factors that Would Make Retired Non-Buyers More Interested in Buying the Federal Program by Geographic Location (D.C. vs. East vs. West)			
Reasons for Not Buying	Retired Non-Buyers DC	Retired Non-Buyers East	Retired Non-Buyers West
More interested in buying the FLTCIP if:			
a) there were more choices regarding the amount of home care coverage			
Agree	55	59	60
Disagree	45	41	40
b) there was a guarantee that premiums will not increase in the future			
Agree	69	77	78
Disagree	31	23	22
c) there was a premium discount for couples who purchase the program			
Agree	65	61	63
Disagree	35	39	37
d) premiums were tax deductible			
Agree	77	77	75
Disagree	23	23	25
Three most important factors that would make a non-buyer more interested in buying			
Tax deductible premiums	25	25	22
A guarantee that premiums will not increase in the future	9	19	20
A premium discount for couples who purchase the program	25	16	18

This policy brief was prepared under contract between the U.S. Department of Health and Human Services, Office of the Assistant Secretary for Planning and Evaluation, Office of Disability, Aging and Long-Term Care Policy (DALTCP) and Abt Associates. The brief was written by LifePlans, Inc. For additional information on this subject, or to view the other briefs in this series, you can visit the ASPE home page at <http://aspe.hhs.gov> or contact the ASPE Project Officer, Hunter McKay, at HHS/ASPE/DALTCP, Room 424E, H.H. Humphrey Building, 200 Independence Avenue, S.W., Washington, D.C. 20201, Hunter.McKay@hhs.gov.



Data Briefs on Federal Long-Term Care Insurance Buyers/Non-Buyers

A total of nine Data Briefs are available from the Office of Disability, Aging and Long-Term Care on this subject:

- **A Comparison of Demographic and Attitudinal Characteristics Among Active and Retired Buyers, Non-Buyers and Non-Responders to the Federal Long-Term Care Insurance Program**
[\[http://aspe.hhs.gov/daltcp/reports/charcom.htm\]](http://aspe.hhs.gov/daltcp/reports/charcom.htm) Posted June 2005
- **A Comparative Analysis of the Socio-Demographic and Attitudinal Characteristics of Active Buyers and Non-Buyers of Long-Term Care Insurance in the Federal, Private and Public Sectors**
[\[http://aspe.hhs.gov/daltcp/reports/LTCIchar.htm\]](http://aspe.hhs.gov/daltcp/reports/LTCIchar.htm) Posted February 2006
- **A Demographic and Attitudinal Profile of Buyers of the Federal Long-Term Care Insurance Program**
[\[http://aspe.hhs.gov/daltcp/reports/buyprof.htm\]](http://aspe.hhs.gov/daltcp/reports/buyprof.htm) Posted June 2005
- **A Demographic and Attitudinal Profile of Non-Buyers of the Federal Long-Term Care Insurance Program**
[\[http://aspe.hhs.gov/daltcp/reports/nonbuyprof.htm\]](http://aspe.hhs.gov/daltcp/reports/nonbuyprof.htm) Posted September 2005
- **A Demographic and Attitudinal Profile of Non-Responders of the Federal Long-Term Care Insurance Program**
[\[http://aspe.hhs.gov/daltcp/reports/nonresprof.htm\]](http://aspe.hhs.gov/daltcp/reports/nonresprof.htm) Posted September 2005
- **Does Geographic Location Make a Difference? A Comparative Analysis of the Socio-Demographic and Attitudinal Characteristics of Active Buyers and Non-Buyers of the Federal Long-Term Care Insurance Program**
[\[http://aspe.hhs.gov/daltcp/reports/FLTCIloc.htm\]](http://aspe.hhs.gov/daltcp/reports/FLTCIloc.htm) Posted February 2006
- **Marketing Activities: A Comparative Analysis of Engagement and Participation Among Buyers, Non-Buyers and Non-Responders of the Federal Long-Term Care Insurance Program**
[\[http://aspe.hhs.gov/daltcp/reports/markact.htm\]](http://aspe.hhs.gov/daltcp/reports/markact.htm) Posted July 2005
- **Multivariate Analysis of Buyers and Non-Buyers of the Federal Long-Term Care Insurance Program**
[\[http://aspe.hhs.gov/daltcp/reports/FLTCIanal.htm\]](http://aspe.hhs.gov/daltcp/reports/FLTCIanal.htm) Posted September 2005
- **What We Know About Buyers and Non-Buyers of Private Long-Term Care Insurance: A Review of Studies**
[\[http://aspe.hhs.gov/daltcp/reports/LTCIlr.htm\]](http://aspe.hhs.gov/daltcp/reports/LTCIlr.htm) Posted September 2005