

## EXTENDED ABSTRACT

# Funding for Long-Term Care Cost: An Analysis among Malaysian Elderlies in Selangor

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### SUMMARY

Malaysia is expected to be an aged nation with more than 15% of the population that are over 60 years of age. It is projected to age by 2030, with a 15.3% old population. Cost of providing aged caregiving medicine and facilities is likewise demonstrated to follow similar pattern of an ageing population. This study found that the source to finance the long-term care cost among 276 elderlies in Selangor are mainly from the family with duration between 4 to 5 years. It can be concluded that retirement savings and pension funds are not sufficient to pay for the long-term care cost.

**Keywords:** Long term care cost, Aged caregiving, Malaysian elderlies, Population ageing

### INTRODUCTION

According to Department of Statistics Malaysia (2022), the current life expectancy for men and women are 73.2 and 78.3 years old respectively with 11.1% people aged 60 years and above (1). This has become a concern as people are expected to live longer but with a deteriorating health status of at least 12 years (2). Hence, the possible need of long-term care services which generally helps elderly people that require assistance with everyday routines. However, with the booming healthcare cost, it could be a financial burden if sufficient savings are not well prepared. One must also be able to afford themselves if there are no relatives or family members to take care of the elderly. Consequently, the retirement income or savings should also include expenses for long-term care services due to the rising life expectancy. It is then necessary to have additional funds to cater for long term care cost (3).

### METHODOLOGY

Data was collected through questionnaire surveys among elderlies residing in nursing homes and cares or are being taken care by their family members in Selangor. Selangor was chosen as it recorded the highest number of senior citizens (4). The questionnaire survey consists of demographic profiles such as age, gender, marital status, and employment status, also types of illness and financial sources.

A total of 276 respondents that needed long-term care service were collected in this study. Age of the

respondents are 60 years old and above. The questions were either attended by themselves, their family members, or the caretakers at their respective care homes.

Data are then analyzed using descriptive and regression analysis. For regression analysis, the total number of financial sources is inputted as dependent variable, while gender, age group, monthly cost, duration, and number of illnesses are considered as independent variables.

### RESULTS AND DISCUSSION

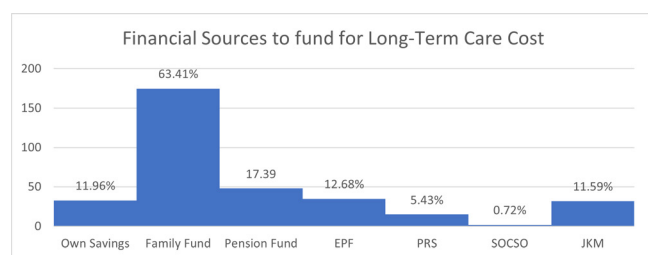
Table I shows results on the number of respondents to the types of disease diagnosed and the duration respondents are in need of long-term care service. Each respondent may suffer from more than 1 disease and the highest disease among the respondents are stroke and dementia with 39.49% and 38.04% respectively. Results also show that more than 50% of the respondents have had the long-term care services between 4-5 years.

Based on results in Fig. 1, it shows that 63.41% of the respondents are being funded by their family members. This clarifies that own savings, income pension fund and Employees Provident Fund (EPF) are not sufficient to fund the long-term care cost. The respondent's long-term care cost could be funded by up to 3 financial sources.

Regression results shown in Table II where three independent variables are significant towards the

**Table I: Descriptive Analysis on Gender and Diagnosed Diseases among the respondents**

Variables	Number of Respondents	Percentage
<b>Diagnosed Disease</b>		
Stroke	109	39.49
Dementia	105	38.04
Heart Disease	24	8.70
Cancer	3	1.09
Diabetes	77	27.9
Depression	53	19.20
Others	36	13.04
<b>Duration of Long-Term Care</b>		
Less than a year	8	2.89
1-2 years	29	10.51
3-4 years	67	24.28
4-5 years	151	54.71
More than 5 years	21	7.61



**Fig. 1: Number of respondents for Financial Sources**

**Table II: Regression Results**

Model	Unstandardized Coefficients		p-value
	B	Std. Error	
Gender	-0.155	0.257	0.017**
Age Group	0.008	0.032	0.802
Monthly Cost	-0.092	0.061	0.131
Duration	-0.087	0.035	0.013**
Number of Illness	0.095	0.044	0.032**

Note: \*\*\*significant at 5% level

number of financial sources. From the coefficient values (B), gender is negatively associated with the dependent variable, which means that taking care of an elderly male is associated with slightly higher number of financial sources used. Furthermore, duration is also negatively significant, but only with a value of 0.087 which may be because only 58 respondents utilized 2 or more financial sources. On the other hand, number of illnesses in the elderly is positively significant towards the number of financial sources used; which is consistent with the increase in medical costs for the elderly (5).

## CONCLUSION

With the increasing life expectancy and cost of care, it is not only crucial for the young Malaysians to prepare for retirement income, but also to include and start planning for other alternatives that are accessible to fund for potential future long-term care costs that may occur in the future.

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