The Concerns and Financial Readiness of California's 50+ Population: Considerations for Long-Term Services and Supports Financing

Authors: Lisa R. Shugarman, Ph.D., Senior Fellow & Meg Hefferon, Research Scientist

April 2026

NORC at the University of Chicago

Project Funding

In alignment with the Governor's Master Plan for Aging, this Chartbook was funded by the California Department of Aging's Long-Term Services and Supports (LTSS) Financing and Affordability Initiative, as part of the Budget Act of 2022 AB 179 (Ting). This Initiative focuses on data and research of LTSS financing and service options for older adults, people with disabilities, and family caregivers. The contents are those of the author(s) and do not necessarily represent the official views of, nor an endorsement by, the State of California. For more information, please see the LTSS Financing and Affordability Initiative webpage.

Suggested Citation: Shugarman, L.R. & Hefferon, M. (2026a). *The Concerns and Financial Readiness of California's 50+ Population: Considerations for Long-Term Services and Supports Financing*. NORC at the University of Chicago. Accessed at https://www.ltsscenter.org/OverlookedMiddle-CA.

NORC at the University of Chicago

Table of Contents

Background and Purpose

California is facing significant demographic pressures; by 2050, one in four Californians will be 65 or older.[1] Over half of all individuals turning 65 will develop a disability that requires long-term services and supports (LTSS) to help with basic activities of daily living, with an average need for assistance of over two years and a cost of approximately $120,000 in today's dollars.[2] Currently, Medicaid (Medi-Cal in California) is the dominant payer for LTSS but the Medicaid program is designed for those whose incomes typically fall below the poverty line. Approximately four in ten California adults age 50 and older have incomes that put them out of reach of Medi-Cal but unlikely to be able to afford paying for LTSS out of pocket.[3] This population is financially vulnerable and may have difficulty navigating and accessing services.

As part of **California's LTSS Financing and Affordability Initiative**, NORC conducted a survey of Californians age 50 and older with incomes at or above 139% of the Federal Poverty Limit, which is the income eligibility threshold for Medi-Cal. We asked the survey respondents about their ideas on care as they age, including their worries and concerns about their potential future LTSS needs. **Details about the survey methodology can be found in the Appendix.**

A companion Chartbook presents findings from a similar survey of Californians age 50 and older that focuses on their preferences for programs and policies to support LTSS financing, which can be found **here**.

This Chartbook

This chartbook is organized around the following themes:

- Health and well-being
- Awareness of LTSS need and who pays for this care
- Confidence with abilities to find and pay for care
- Steps respondents have taken to prepare for care needs as they age

Analyses presented here reflect all respondents but acknowledge a critical subset of individuals in the “Overlooked Middle” – those with incomes between 139-500% FPL. This equates to an annual income (in 2024 dollars) of $20,784 to $75,300 for a single-person household and an annual income of $28,208 to $102,200 in a two-person household.[4] These individuals may be able to initially afford basic living needs but would have to reduce expenditures on those when LTSS needs arise.

A note on the data: Unless otherwise noted, comparisons of sub-populations on selected metrics are statistically significant with a p-value of less than 0.05 ($p<0.05$).

Executive Summary

Key Findings: Californian's Concerns About Aging and Long-Term Services and Supports

The California LTSS Survey was fielded between May 20, 2025 and June 8, 2025. A representative sample of 1,283 California residents age 50 and older and with incomes at or above 139% of the Federal Poverty Limit completed the survey. We provide a summary of the findings from this survey around key themes.

Limited Awareness of LTSS Needs and Financing

- Just over half of all respondents correctly understand their risk for needing LTSS but only one out of five understands who pays for LTSS.
- Only 14% of survey respondents are aware of both their likelihood of needing LTSS and that personal income, savings, or assets are the primary means of payment.
- Many mistakenly believe Medicare will cover LTSS costs or that Medi-Cal will be available to them.
- Lack of awareness disproportionately affects younger respondents, males, Black and Hispanic individuals, and those without a college degree.
- This knowledge gap creates a critical barrier to planning and preparation for future care needs.

Widespread Affordability Concerns and Financial Insecurity

- Nearly 85% of respondents worry about using up income or savings to pay for care as they age.
- Nearly two-thirds of respondents lack confidence in their ability to afford two years of LTSS-related expenses.
- Concerns are especially pronounced among respondents in the Overlooked Middle, non-homeowners, those with fewer assets, and respondents more than 10 years from retirement.
- Stark disparities exist in retirement preparedness, with lower income respondents significantly less likely to have multiple sources of retirement income or long-term care insurance.

The Overlooked Middle Population

- Respondents in the Overlooked Middle comprise 51% of survey respondents aged 50 and older with incomes between 139% and <500% of the federal poverty level.
- This group is ineligible for Medicaid (Medi-Cal in California) but unlikely to afford LTSS out of pocket.
- They are more likely to be older, female, retired, less educated, and living alone with fewer assets compared to higher-income peers.

Confidence and Access to Care Challenges

- Most respondents express concern about finding high-quality care.
- Respondents in the Overlooked Middle report lower confidence in accessing services such as in-home care, assisted living, and respite programs.
- Findings highlight the need for improved outreach, education, and service navigation.

Significant Planning Gaps and Missed Opportunities

- Only 17% of respondents have set aside money specifically for future LTSS needs.
- Approximately 12% of respondents have no reported sources of retirement income.
- About 25% of respondents have had discussions with family members regarding their preferences for care as they age.
- Those aware of LTSS risks and payment responsibilities are more likely to engage in planning behaviors.

Survey Respondents

By the Numbers: Characteristics of Survey Respondents

N=1,283 Respondents with Incomes ≥139% FPL

48% Male

52% Female

52% Age 50-64
30% Age 65-74
18% Age 75+

51% White, Non-Hispanic
21% Hispanic
20% AAPI, Non-Hispanic
6% Black, Non-Hispanic
3% Other Race

44% College Graduate+ Degree

51% 139% - <500% FPL
24% 500% - <800% FPL
25% 800%+ FPL

50% Retired
30% Retiring in <10 Years
20% Not Retiring Soon

65% Household Assets $100K or More

60% Married

22% Live Alone

81% Homeowners

23% Non-English Language Spoken

Respondents in the Overlooked Middle—those with incomes above 139% and below 500% of the Federal Poverty Level (FPL)—occupy a distinct position between public eligibility and private affordability. Like higher-income respondents (500% FPL or higher), they earn too much to qualify for Medi-Cal coverage of LTSS; unlike higher income respondents, they often lack the financial resources needed to pay for care out of pocket as they age.

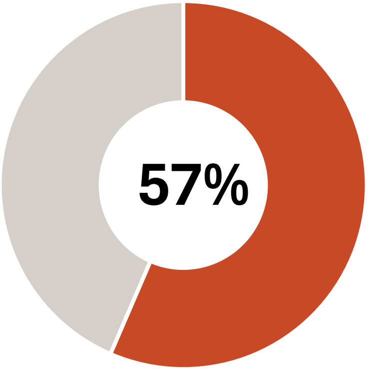
Compared to higher-income respondents, respondents in the Overlooked Middle face a constellation of demographic, health, and financial characteristics aligned with **increased long-term care risk**. They are older on average and more likely to be female, unmarried, and living alone—household characteristics associated with **limited access to informal caregiving** as care needs increase. They are also more likely to report fair or poor health, suggesting **greater potential need for LTSS over time**.

In addition, the Overlooked Middle has fewer economic buffers. They are less likely to have completed a college degree, more likely to be retired, and less likely to own their homes. Consistent with these patterns, they report lower levels of assets overall, reducing their ability to absorb unexpected health or LTSS care-related expenses. Together, these characteristics distinguish the Overlooked Middle as a population at **heightened risk of unmet LTSS needs as they age**—despite having incomes above Medicaid eligibility thresholds.

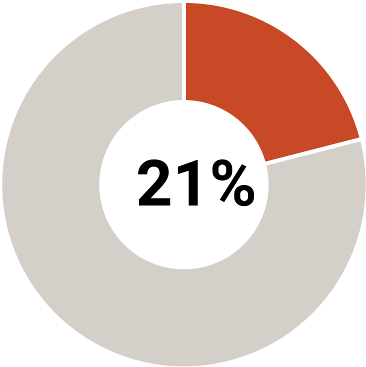
Survey Findings: Awareness of LTSS Need and Who Pays for Care

Just 14% of respondents are aware of their potential need for LTSS and who pays for this care; 1 in 5 correctly know that personal income, savings, or assets are the primary source used to pay for LTSS.

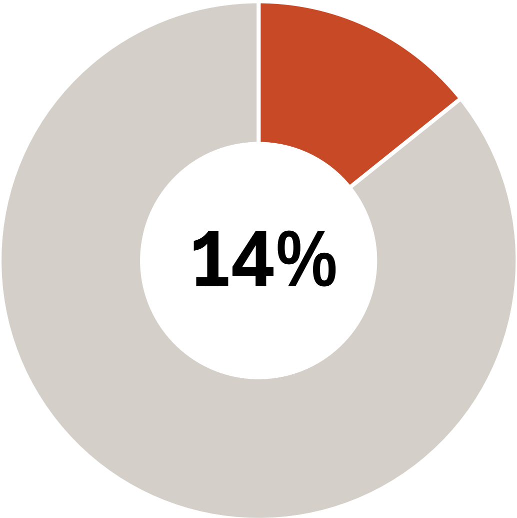
Aware of likelihood of LTSS need



Aware of who pays for LTSS



Aware of BOTH likelihood of LTSS need and who pays



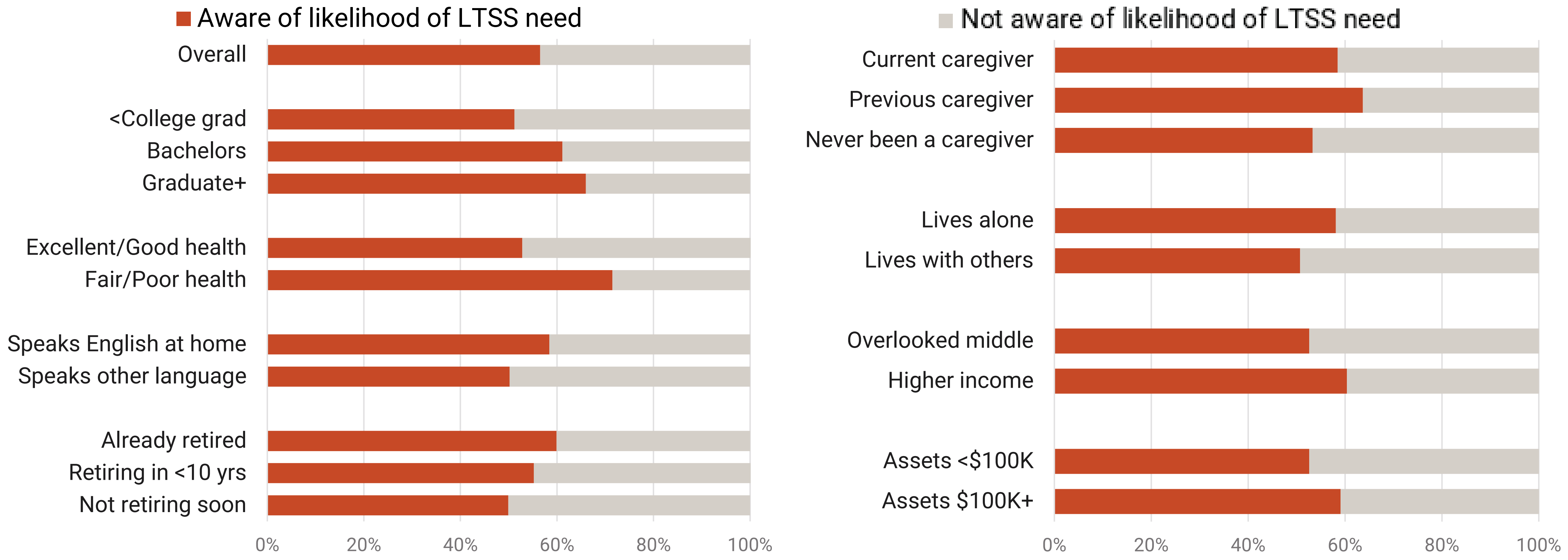
Respondents who are aware of their potential need for LTSS are more likely to be older, more educated, retired, and in fair or poor health.

And respondents who understand who pays for LTSS are also more likely to be older, female, more educated, married, with more assets, and homeowners.

Respondents in the Overlooked Middle are less likely to be aware of their potential need for LTSS or to know who pays for LTSS compared to those with higher incomes.

SOURCE: AmeriSpeak (2025). Q18A-C. How likely do you think it is that you may ever need care at home or in an assisted living facility, or nursing home, for more than 90 days (Aware=Very Likely/Likely)?; Q19. If you did need long term care at home or in an assisted living facility, or nursing home for more than 90 days, which one of the following payment sources do you expect would cover most of the cost of care (Aware=Income, Savings, or Assets are primary sources for paying for LTSS)?

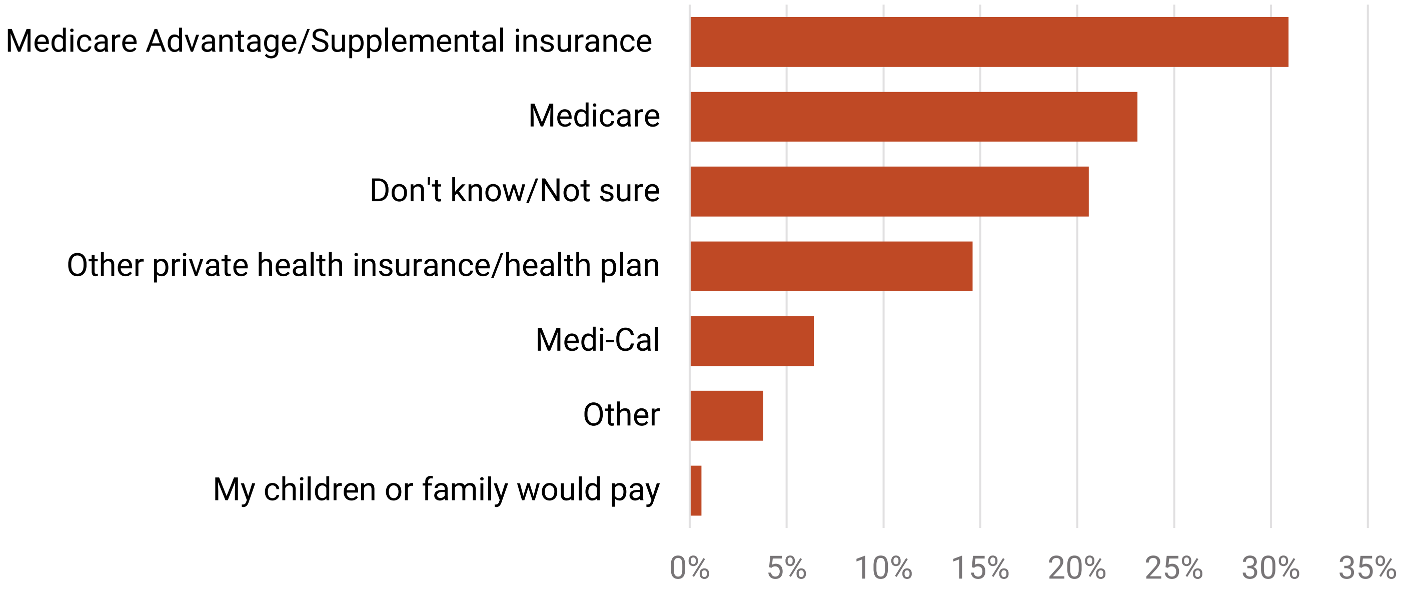
At age 65, just over half the population (56%) will develop significant disability requiring LTSS at some point in their life.[5] Almost 60% of survey respondents understand this risk.



SOURCE: AmeriSpeak (2025). Q18A-C. How likely do you think it is that you may ever need care at home or in an assisted living facility, or nursing home, for more than 90 days (Aware=Very Likely/Likely)?

Nearly 8 in 10 respondents do not know who pays for LTSS. More respondents think Medicare, Medicare Advantage, or Medicare Supplemental Insurance will cover these costs.

Among those who did not know that personal savings/income/assets pay for LTSS, they thought that LTSS would be paid for by:



Respondents in the Overlooked Middle, younger respondents, men, Black and Hispanic respondents, those without a college degree, and those not yet retired are less likely to know who pays for LTSS.

Most of the respondents unaware of who pays for LTSS think traditional Medicare, Medicare Advantage, or Medicare supplemental insurance will pay for care.

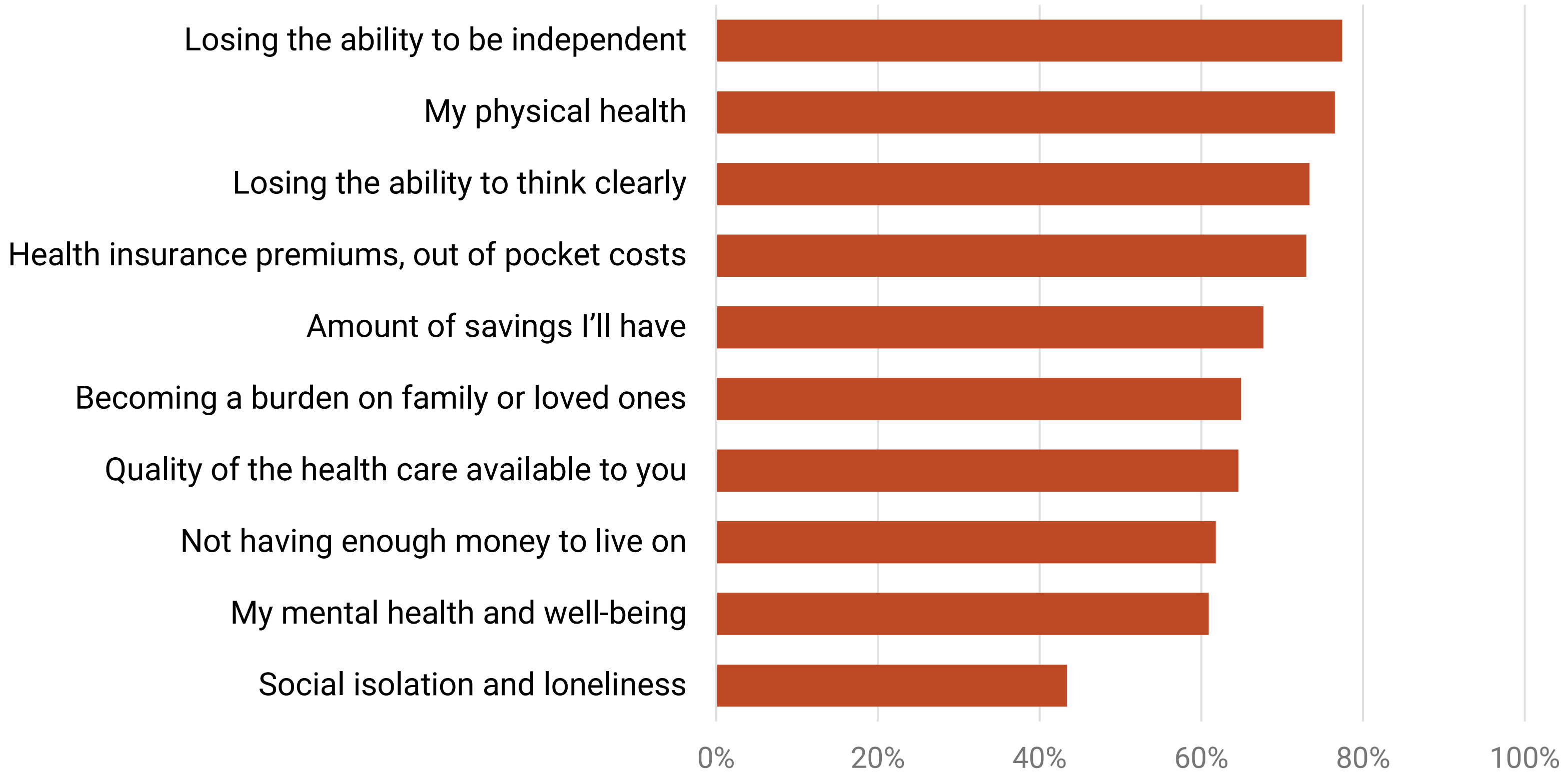
Just over 6% of respondents think Medi-Cal will pay, even though they are not currently eligible for coverage.

SOURCE: AmeriSpeak (2025). Q19. If you did need long term care at home or in an assisted living facility, or nursing home for more than 90 days, which one of the following payment sources do you expect would cover most of the cost of care?

Survey Findings: Health and Well-Being

Survey respondents are deeply concerned about their health and well-being as they age. Awareness of need for LTSS is associated with greater concern.

% Who are concerned/very concerned about the following health and well-being issues



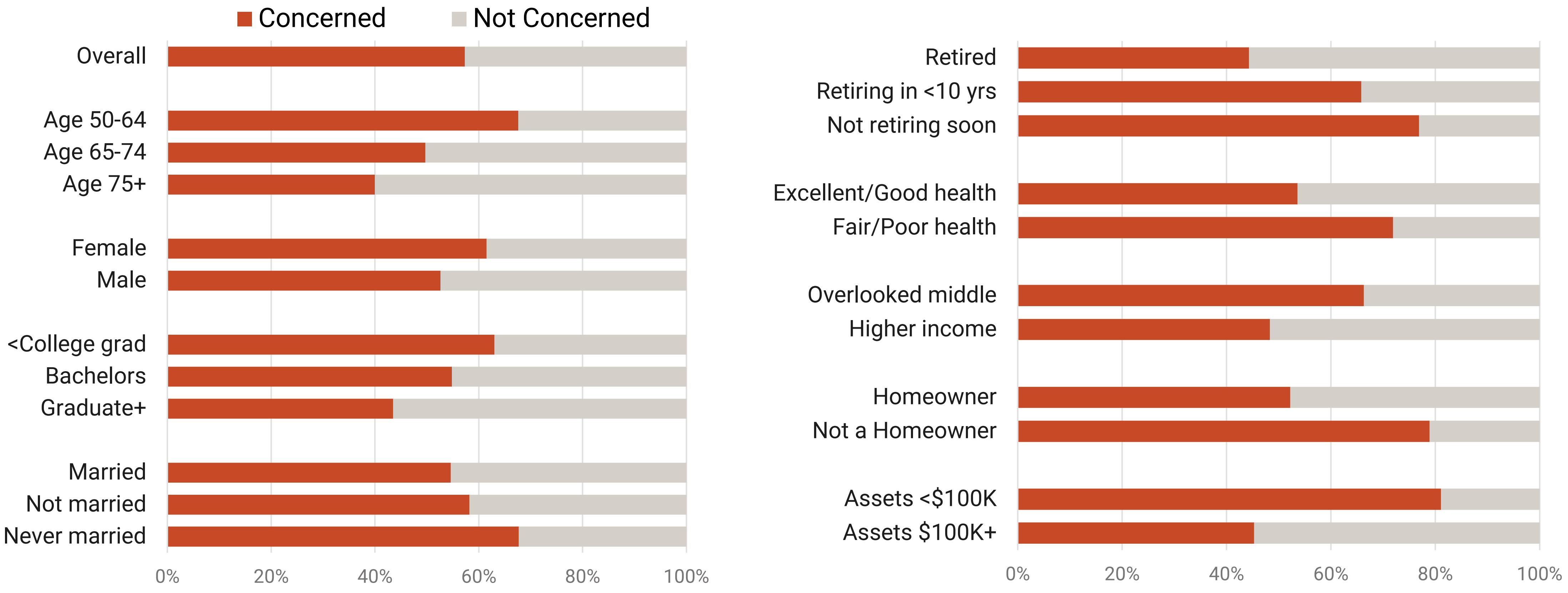
SOURCE: AmeriSpeak (2025). Q11. How concerned are you about the following health and well-being issues that older adults may encounter as they age?

Losing the ability to be independent, experiencing a decline in physical health, losing the ability to think clearly, and the costs of health insurance and out of pocket expenses are the leading concerns with over 70% of respondents indicating they are concerned or very concerned about each of these issues.

Respondents in the Overlooked Middle say they are more concerned about the amount of savings they will have as they age compared to those with higher incomes (75% vs. 60%). Nearly 70% of low-income respondents are concerned about not having enough money to live on compared to 54% of those with higher incomes.

Survey respondents are concerned about their ability to afford basic living needs as they age. Income, homeownership, and assets drive this concern.

Poor health status is associated with greater concern about ability to afford basic living needs. Concerns about affording basic living needs did not vary by race or ethnicity.



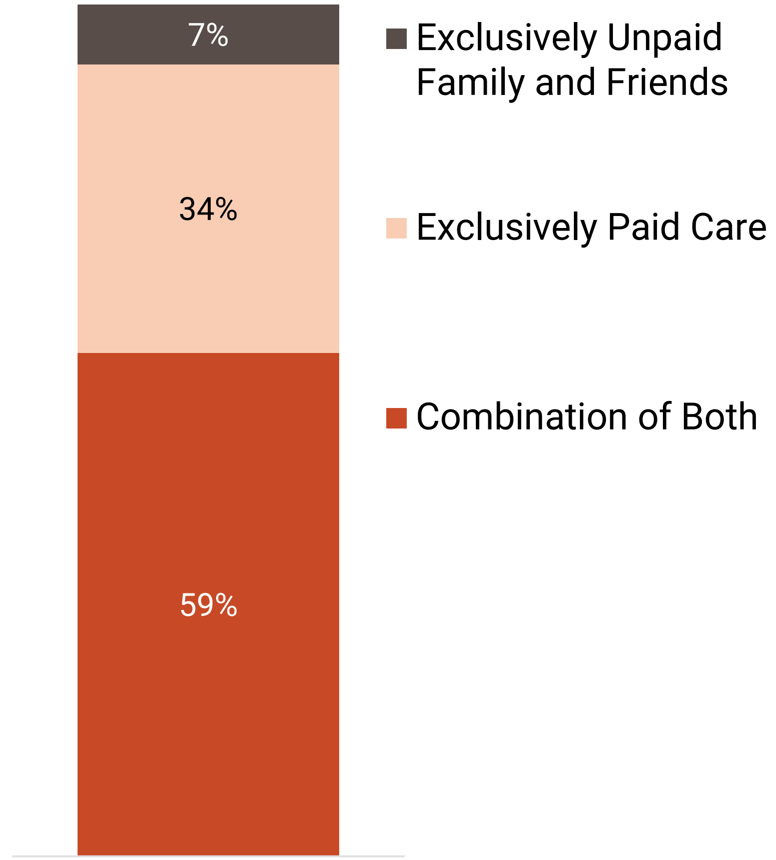
SOURCE: AmeriSpeak (2025). Q4: How concerned are you about your ability to afford basic living needs as you age?

Survey Findings:
Plans for Meeting LTSS Care Needs

Nearly 60% of respondents anticipate that they will rely on both family and friends and paid care services, should they need LTSS support.

Almost 6 in 10 survey respondents plan to use a combination of paid and unpaid care for their LTSS needs but differences emerge among those who said this care would be provided only by professional providers and services. Respondents with higher educational attainment, higher household assets, and those who do not have family living nearby are more likely to think care will be provided exclusively by professional providers. Those who are aware of who pays for LTSS are also more likely to think care will be provided exclusively by professional providers.

Income alone does not influence choices around who will provide care. Also of note, differences in planning appear based on proximity to retirement; 39% of those who are retired indicated they will rely on paid care compared with 27% of those who are more than 10 years out from retirement.



SOURCE: AmeriSpeak (2025). Q20. If you needed care, how do you anticipate that most of your care needs would be met?

Survey Findings: Aging in Place

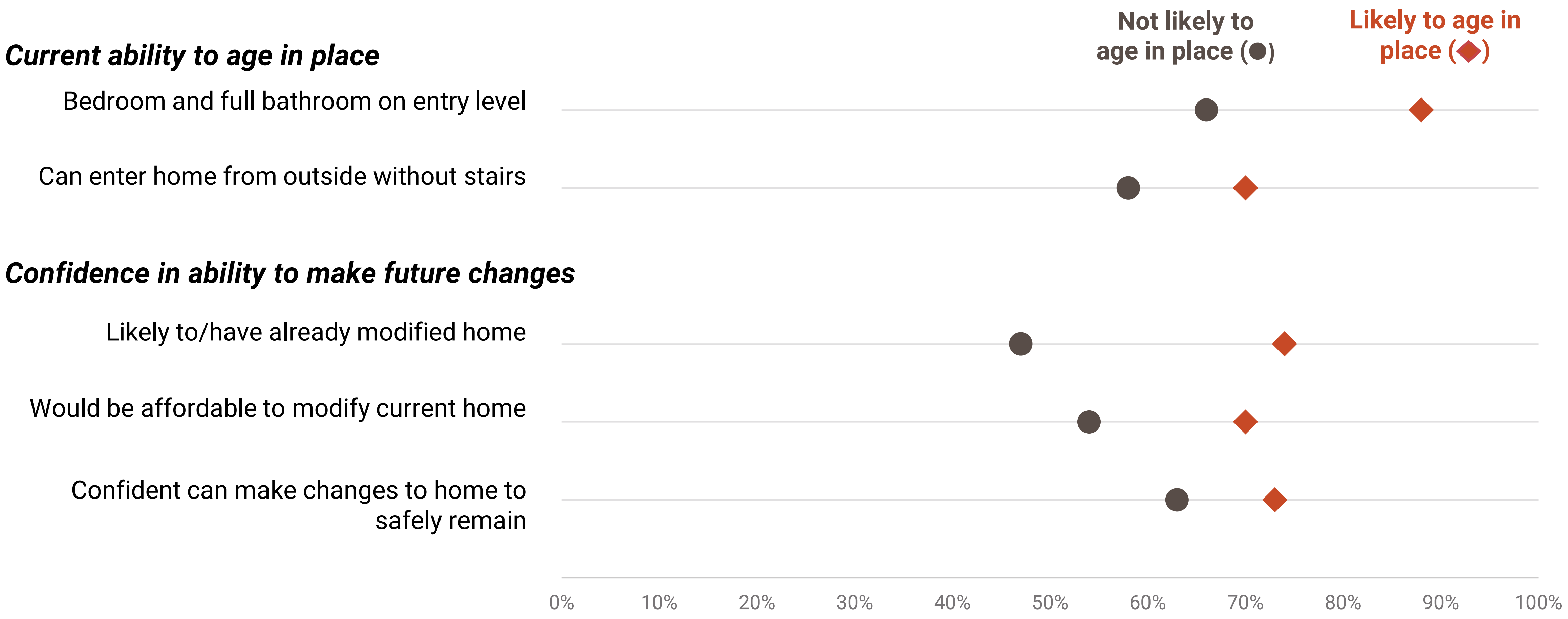
76% of respondents say they are likely to remain in their home as they age.

Respondents who indicated they are more likely to indicate they will age in place are more likely to be:

- Married
- Over age 65
- Retired
- Homeowners
- Have household assets of $100K+
- Live in rural or suburban areas
- Have children or close family nearby

SOURCE: AmeriSpeak (2025). Q6. How likely is it that you will remain in your current home as you age?

Respondents who plan to age in place are more likely to have an "age-in-place appropriate" home.



SOURCE: AmeriSpeak (2025). Q6. How likely is it that you will remain in your current home as you age?

Survey Findings:
Finding and Accessing Care

The majority of respondents are concerned about finding and accessing LTSS.

Proportion of respondents who are concerned or very concerned with:

77%	Finding high quality care
76%	Being able to control where/how they get care
75%	Having caregivers who treat them with dignity and respect
68%	Feeling safe around caregivers
66%	Having help finding the best care providers
65%	Understanding what services and providers are best for their needs
62%	Getting the information they need to choose suitable care providers

Younger respondents (age 50-64), women, those in fair/poor health, those with fewer household assets are all more concerned than their counterparts with finding and accessing LTSS.

Respondents who are aware of the risk of LTSS need are also more concerned across all of these topics compared to those who were not aware.

Respondents in the Overlooked Middle are more concerned about getting the information they need to choose suitable care providers but otherwise, concerns are shared equally regardless of income level.

SOURCE: AmeriSpeak (2025). Q25A-G. Thinking about how people find and manage their needs for care from paid professional and service organizations, how concerned would you be with each of the following?

Confidence with finding care as they age is generally high among survey respondents. Respondents in the Overlooked Middle are less confident than higher income respondents in finding services to fulfill their care needs.

Confidence with Finding Care, by Service	All Respondents	Overlooked Middle	Higher Income
Transportation to/from care appointments	72%	67%	75%
Making home modifications to age in place	71%	67%	75%
In-home care	65%	59%	71%
Training/support for family caring for you	62%	55%	68%
Respite care programs for family members	57%	54%	62%
Assisted living facility	54%	45%	65%
Adult day care	51%	44%	60%
Nursing home	45%	38%	53%

Among the most common locations for LTSS, respondents are ***more*** confident about their ability to obtain in-home care and ***less*** confident about finding nursing home care.

Respondents who are older (65+), males, married individuals, those with excellent/ good health status, current/prior caregivers, and homeowners are generally more confident in finding care.

Conversely, respondents who are aware of who pays for LTSS are ***more*** confident in obtaining most of these services (adult day care, assisted living, home modifications, nursing home care, and transportation).

Note: Comparisons by income are statistically significant at $p<0.01$.
SOURCE: AmeriSpeak (2025). Q27A-H. How confident do you feel about your ability to obtain each of the following services to fulfill your care needs (Very Confident/Confident vs. Not Very Confident/Not At All Confident)?

Survey Findings: LTSS Affordability

Using up income or savings to pay for LTSS is the greatest concern among survey respondents.

% Concerned/Very Concerned	All Respondents	Overlooked Middle	Higher Income
Using up income or savings to pay for care	83%	85%	80%
Not having enough money to pay for care	79%	84%	73%
Not being able to afford preferred care	78%	83%	72%
Cutting back on everyday living expenses	70%	76%	63%
Relying on Medi-Cal	57%	60%	53%

Note: Comparisons by income are statistically significant at $p<0.01$.

Younger respondents (50-64), women, respondents with less than a college degree, with fair or poor health status, and with <$100,000 in assets are more likely than others to be concerned or very concerned across all topics of concern.

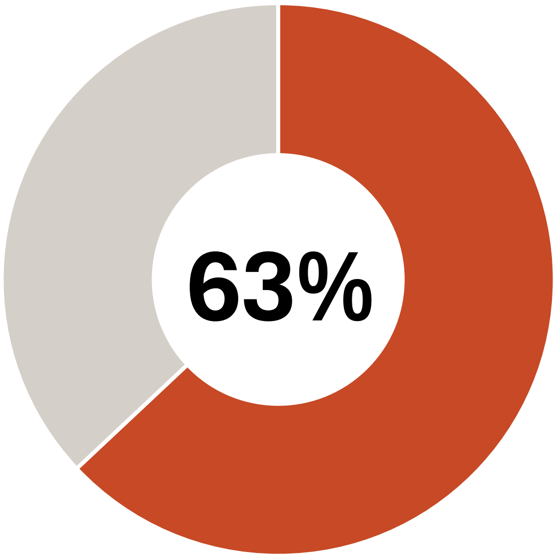
Respondents who are aware of LTSS need are more concerned with each of these issues except relying on Medi-Cal.

In addition, respondents in the Overlooked Middle are significantly more concerned/ very concerned about the financial impacts of LTSS compared to those with higher incomes.

SOURCE: AmeriSpeak (2025). Q21A-E. If you need long term care, how concerned would you be about each of the following (Very Concerned/Concerned vs. Not Concerned/Not At All Concerned)?

More than half of those who reach age 65 will need LTSS to help them with activities of daily living, with a lifetime cost of over $100,000.[6] Nearly two-thirds of survey respondents said they are concerned about their ability to pay out of pocket for their LTSS needs as they age.

63% are not confident in their ability to afford LTSS as they age.



Over 80% of respondents who are more than 10 years away from retirement lack confidence with their ability to pay for LTSS as they age compared to 52% of those who are already retired.

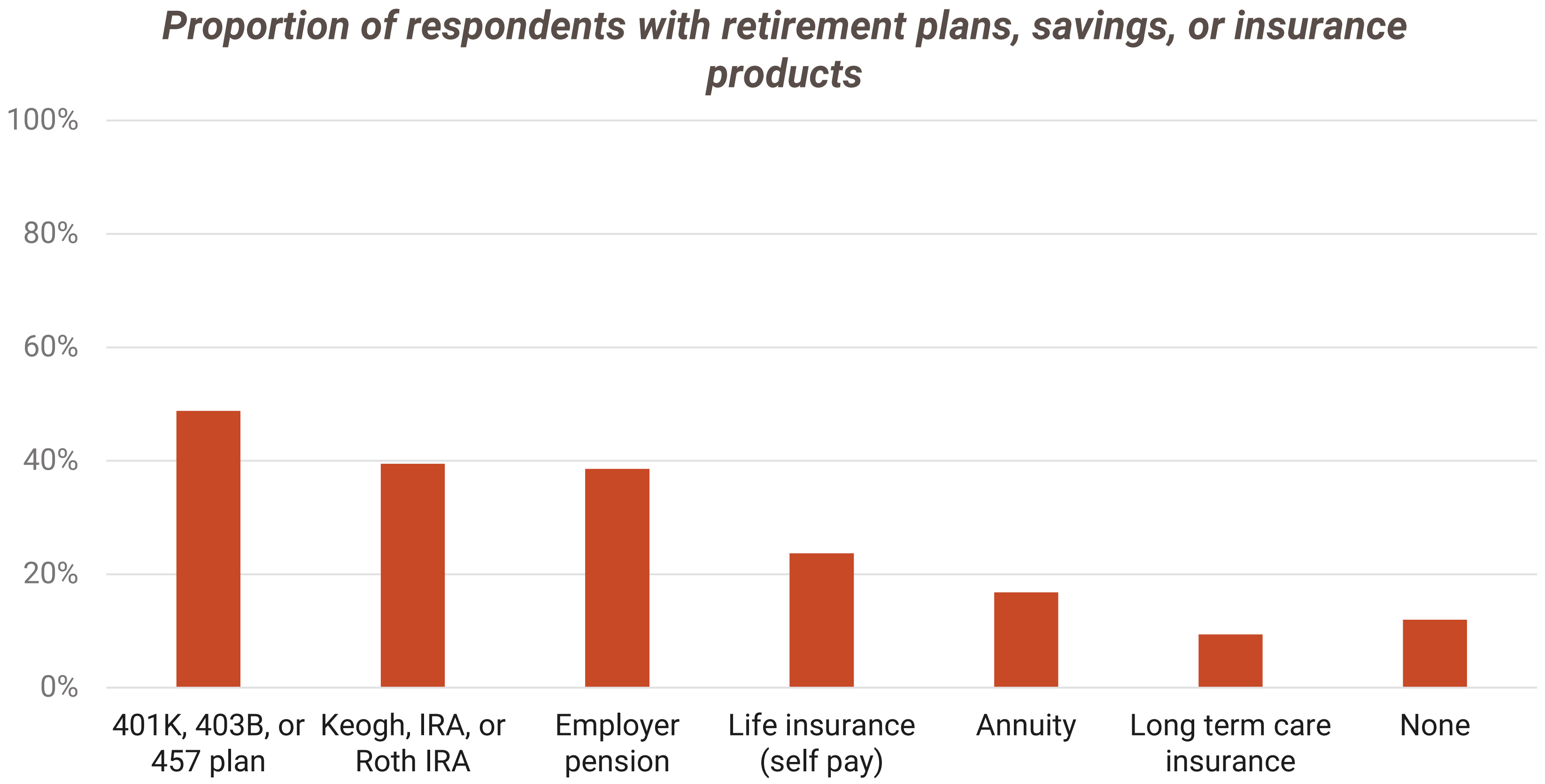
Respondents in the Overlooked Middle are more likely to indicate they lack the confidence to pay for LTSS than those with higher incomes (74% vs. 51%). Respondents who are not homeowners are more likely to say they lack confidence to pay for LTSS than homeowners (79% vs. 59%).

Other respondent characteristics significantly associated with a lack of confidence in the ability to afford to pay for LTSS for more than 2 years are: being older, female, Hispanic, having less than a college degree, and having fair or poor health status.

SOURCE: AmeriSpeak (2025). Q22. If you needed long term care in the form of daily assistance with personal needs for a period of two years at the cost of about $110,000, how confident are you that you would have the financial resources to pay for that care (Very Confident/Confident vs. Not Confident/Not At All Confident)?

Survey Findings:
Planning for Future Needs

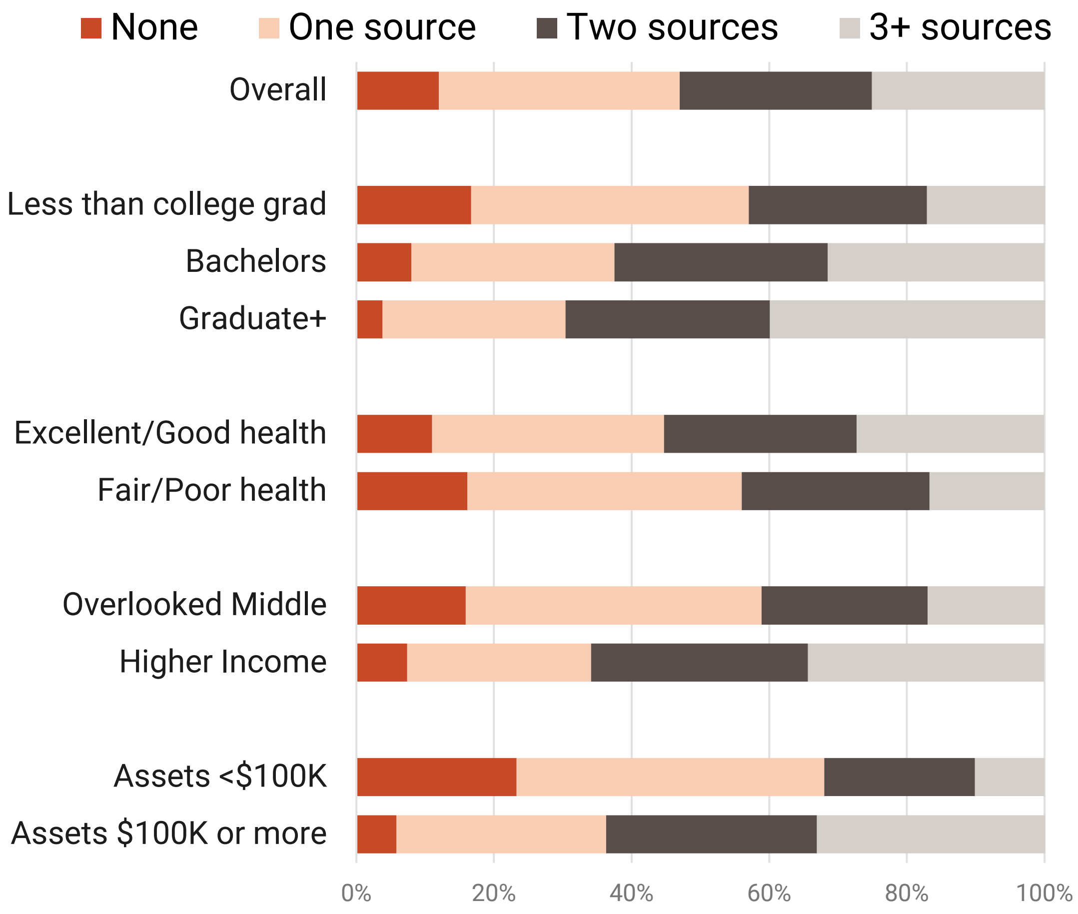
Nearly half of all survey respondents have an employer-sponsored investment vehicle to fund their retirement. Still, 12% have no reported sources of retirement income.

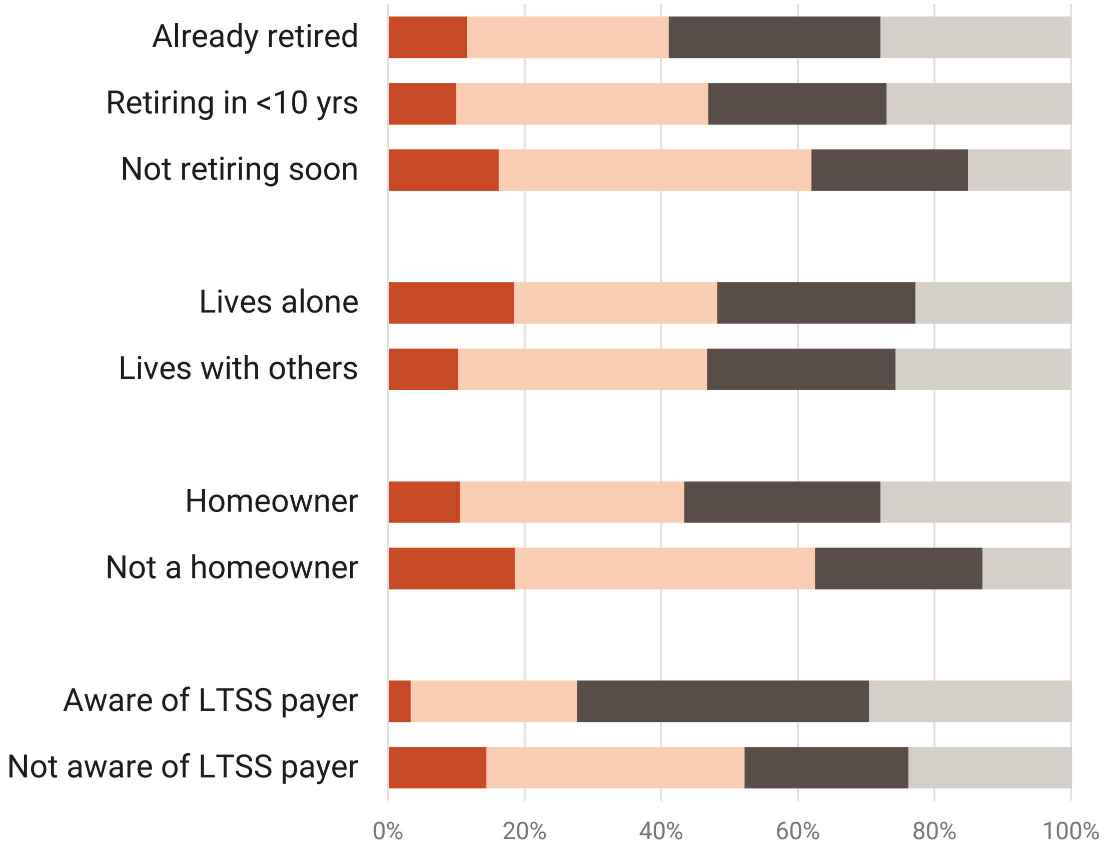


Respondents in the Overlooked Middle are more likely to have no reported sources of retirement income compared to those with higher incomes (16% vs. 7%). They are also less likely to have two or more sources of retirement income (41% vs. 66%).

SOURCE: AmeriSpeak (2025). Q34. Do you currently have any of the following retirement plans, savings or insurance products?

Nearly 1 in 10 respondents (12%) have no reported sources of retirement income while 25% have three or more sources.





SOURCE: AmeriSpeak (2025). Q34. Do you currently have any of the following retirement plans, savings or insurance products?

Few survey respondents have engaged in future planning around LTSS care needs. Knowledge about the risks of needing LTSS and knowing who pays for care is strongly associated with the likelihood of planning for the future.

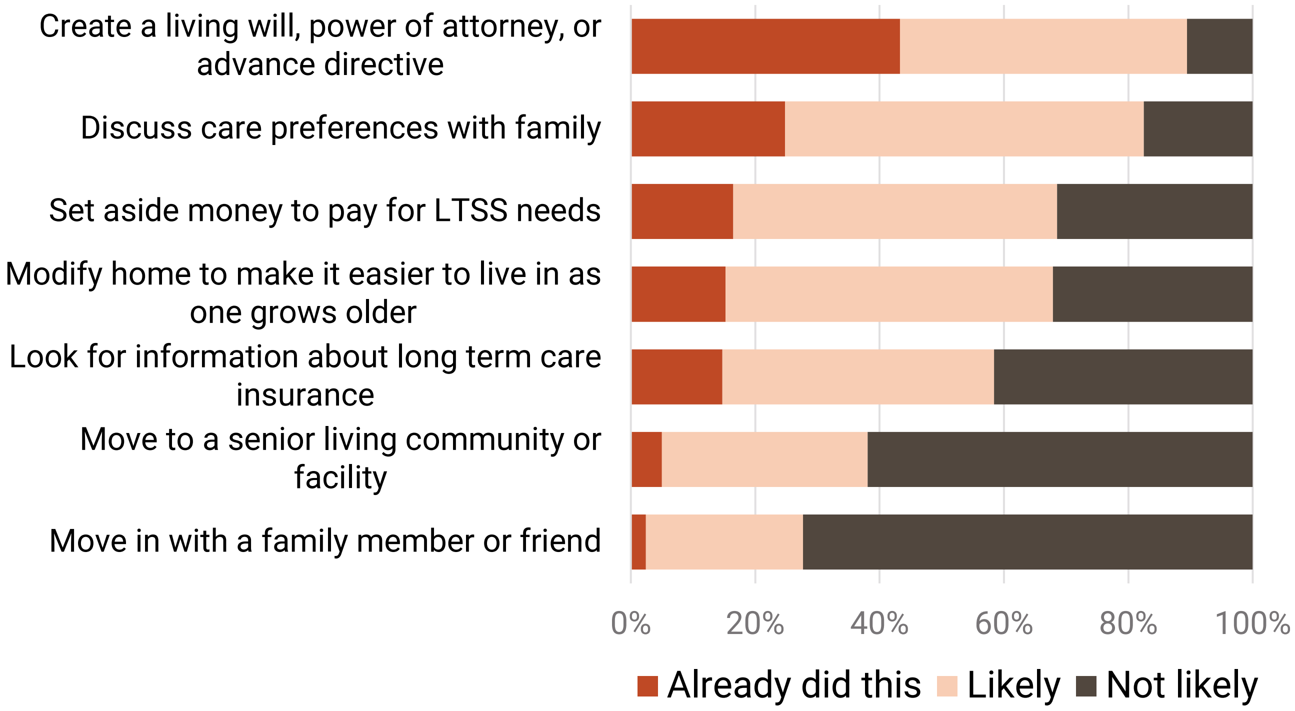
Only 17% of survey respondents have set aside money to pay for future LTSS needs.

1 in 4 of respondents have already discussed their care preferences with family; 58% indicate they are likely to have these discussions.

The majority of respondents say they are unlikely to move in with family or to a facility as they age.

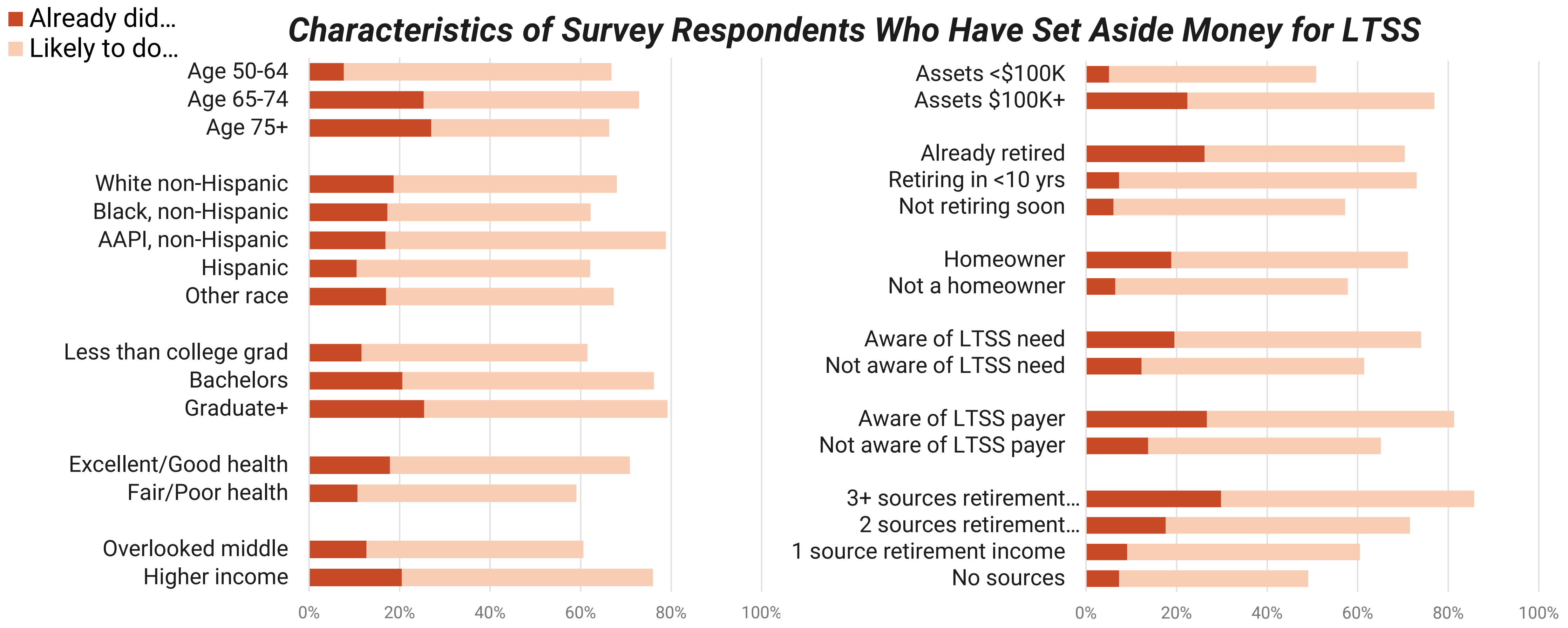
Respondents who are aware of LTSS need are more likely to say they have already done or are likely to take action to prepare for future aging needs.

Actions Respondents Are Likely To Take to Prepare for Future Aging Needs



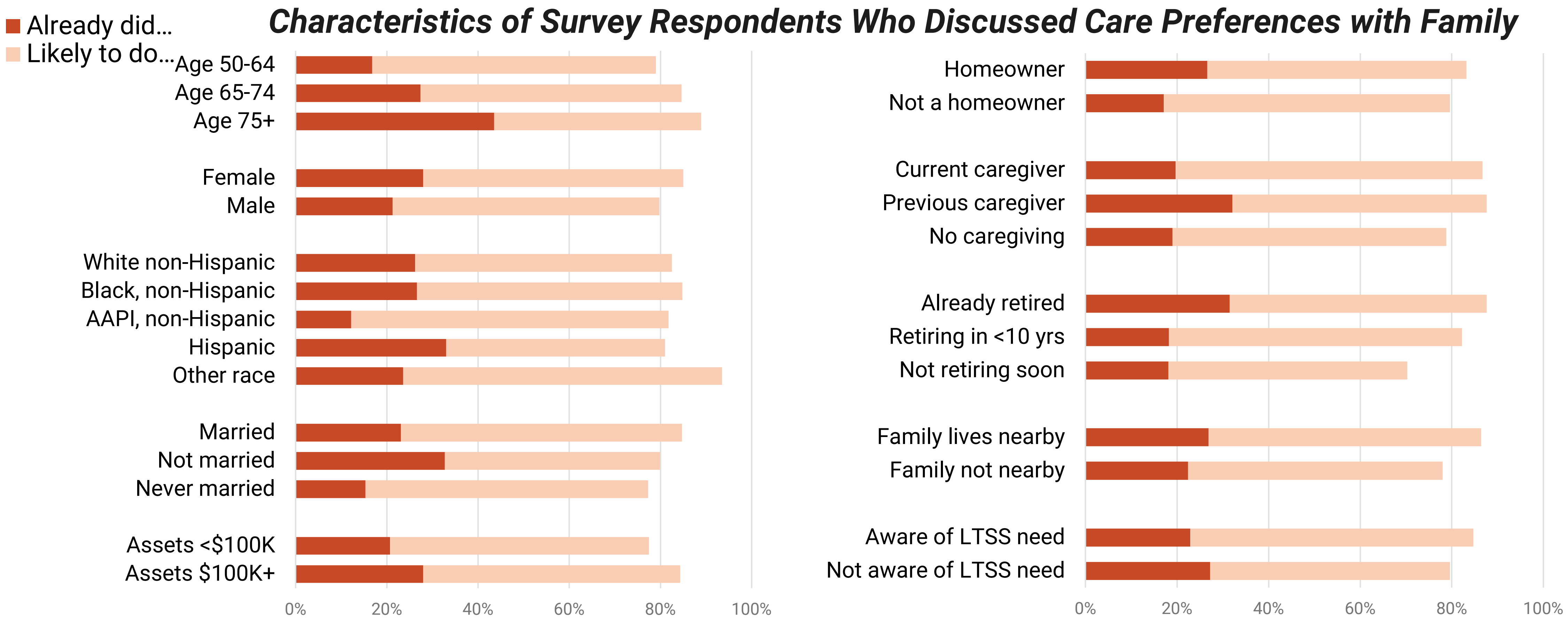
SOURCE: AmeriSpeak (2025). Q23A-G. Which of the following types of actions, if any, are you likely to take as your prepare for your future needs for care as you age?

17% of survey respondents said they have already put money aside to pay for LTSS needs. Those who are aware of who pays for LTSS were twice as likely to have set money aside to pay for LTSS.



SOURCE: AmeriSpeak (2025). Q23A. Which of the following types of actions, if any, are you likely to take as you prepare for your future needs for care as you age?...Set aside money to pay for whatever long term care you might need.

1 in 4 survey respondents have discussed their care preferences with their family. Older and retired respondents are more likely than others to have had these conversations.



SOURCE: AmeriSpeak (2025). Q23G. Which of the following types of actions, if any, are you likely to take as you prepare for your future needs for care as you age?...Discussed your care preferences with your family.

Appendix

The California LTSS Survey

The California LTSS Survey reflects the responses of a representative sample of California residents age 50 and older who are part of the **AmeriSpeak® Panel**. AmeriSpeak is a large-scale, probability-based, scientifically rigorous panel of U.S. households recruited using random sampling methods to ensure broad representation across demographics.[7]

The survey, designed in collaboration with the **LeadingAge LTSS Center @UMass Boston**, asked about respondents' concerns around health and aging, paying for their living needs as they age, finding and managing care needs, and LTSS affordability. The survey also included questions around knowledge of the risk of needing LTSS and who pays for these services as well as confidence in their ability to pay for care should they need it. Lastly, the survey inquired about how older adults are preparing for their financial and health care needs as they age.

Data reported in this Chartbook were collected via a web-based survey, with option for phone administration, between May 20, 2025 and June 8, 2025. Survey respondents are adults age 50 and older living in California with household incomes at or above 139% of the FPL.

Sample and Response Metrics

- Invited Panelists: 4,090
- Completed Surveys: 1,283 (1,259 web; 24 phone)
- Observed Eligibility Rate: 95.1%
- Interview Completion Rate: 97.8%
- Survey Completion Rate: 33.0%
- Weighted Cumulative Response Rate: 6.7%
- Margin of Error: ±3.82 percentage points
- Median Survey Duration: 16 minutes

Recruitment and Fielding Procedures

Panelists were invited via email, SMS (for those who opted in), and through secure web portals or mobile apps. NORC initiated a soft launch on May 20, followed by full deployment on May 21. Reminder messages were sent on six separate dates to encourage participation. Phone interviews were conducted from May 27, 2025 to June 5, 2025.

Respondents received a modest incentive for completing the survey. To ensure data quality, NORC applied rigorous cleaning protocols, removing 23 cases for issues such as speeding, high refusal rates, straight-lining, and income data mismatches.

Panel Integrity and Data Security

AmeriSpeak and Amplify AAPI panels are secure, invitation-only platforms. Respondents are uniquely identified and cannot participate more than once. The panels are protected against bots and fraudulent responses.

Weighting and Representativeness

Final survey weights were developed through a multi-step process involving panel weights, study-specific base weights, and nonresponse adjustments. Raking procedures aligned the sample to demographic benchmarks from the American Community Survey (ACS). Weights were trimmed and re-raked to minimize variance and ensure representativeness.

References

1. Public Policy Institute of California (July 2024). *California's Population*. Accessed at https://www.ppic.org/publication/californias-population/

2. R.W. Johnson & J. Dey (August 2022). *ASPE Research Brief: Long-Term Services and Supports for Older Americans: Risks and Financing, 2022.* Accessed at https://aspe.hhs.gov/sites/default/files/documents/08b8b7825f7bc12d2c79261fd7641c88/ltss-risks-financing-2022.pdf

3. R.W. Johnson & D. Cosic (July 2025). *Master Plan for Aging Symposium: Projecting LTSS Affordability and Prevalence in California.* Accessed at https://www.aging.ca.gov/download.ashx?lE0rcNUV0zYqrq9FedyU2g%3d%3d

4. Johnson, R.W. & Cosic, D. (2026). *Long-Term Services and Supports in California's Overlooked Middle Assessing Needs and Affordability*. Urban Institute. Accessed at https://www.ltsscenter.org/OverlookedMiddle-CA.

5. R.W. Johnson & J. Dey (August 2022).
6. ibid.
7. NORC at the University of Chicago (2024). *Technical Overview of the AmeriSpeak Panel*. Accessed at https://amerispeak.norc.org/content/dam/amerispeak/about-amerispeak/pdf/amerispeak-technical-overview.pdf

Thank You

Research You Can Trust™

NORC at the University of Chicago