



Supporting Information

Supplementary material

**This appendix was part of the submitted manuscript and has been peer reviewed.
It is posted as supplied by the authors.**

Appendix to: Ratcliffe J, Khadka J, Kumaran S, Kaambwa B. What price quality in aged care? Findings from an Australia-wide survey including over 6500 current income taxpayers *Med J Aust* 2021; doi: 10.5694/mja2.51242.

Appendix

What price quality in aged care? Findings from an Australia wide survey including over 6500 current income taxpayers

Table: Socio-demographic characteristics

Variable	Categories	Total sample N (10,315)	Percent (%)	Income taxpayers N (6563)	Percent (%)	General population* (%)
Gender	Female	5,357	50.8	3257	49.5	49.1
	Male	4,958	49.2	3306	50.4	50.9
Age category (years)	18-29	2,102	25.2	1,553	23.7	21.8
	30-39	1,846	17.7	1,530	23.3	18.5
	40-49	1,724	16.1	1,364	20.8	16.8
	50-59	1,671	15.1	1,131	17.2	15.7
	60-69	1,402	12.6	630	9.6	13.2
	70+	1,570	13.3	355	5.4	13.9
State/territory	New South Wales	3,434	32.1	2,272	34.6	31.9
	Victoria	2,644	25.2	1,790	27.3	25.8
	Queensland	1,774	20.0	1,029	15.7	20.0
	Western Australia	1,003	10.0	613	9.3	10.3
	South Australia	830	6.9	447	6.8	6.9
	Tasmania	302	2.8	167	2.5	2.1
	Australian Capital Territory	211	1.9	160	2.4	1.0
	Northern Territory	117	1.1	85	1.30	1.7
Close family member receiving aged care	Yes	2,223	21.6	1570	23.9	-
	No	8,092	78.4	4993	76.1	-

* Australian Bureau of Statistics (ABS), 3101.0- Australian Demographic Statistics, June 2018.

The key characteristics (or attributes) constituting satisfactory and high quality aged care were defined by the respondents themselves based upon their responses to a previous section of the survey employing discrete choice experiment methodology (and immediately preceding the willingness to pay questions) which asked respondents about what quality of care characteristics would define satisfactory and high quality aged care from their perspective. When responding to the willingness to pay questions respondents were directly prompted to think about their previous responses about what characteristics, in their view, constituted satisfactory and high-quality aged care respectively.

As with all contingent valuation studies eliciting stated (as opposed to revealed or real) preference data it is impossible to eliminate the possibility of hypothetical and social desirability bias.^{1,2} However, several steps were taken to minimise their potential:

- The survey was conducted as an anonymous self-complete survey. There is less potential for social desirability bias with a survey of this type relative to an interviewer administered

survey where due to the interactive nature of the survey administration the participant may feel more compelled to provide socially desirable responses.

- The possibility of hypothetical bias was reduced as respondents were informed prior to answering the contingent valuation questions that Australia's aged care system is currently predominantly funded through income tax contributions. The possibility of hypothetical bias was reduced as respondents were informed prior to answering the contingent valuation questions that Australia's aged care system is currently predominantly funded through income tax contributions. Hence respondents were being asked to make willingness to pay choices that were as close as possible to the real situation that applies directly to them as current income taxpayers. Questions were framed carefully to clearly signal an opt in or opt out option and therefore ensure that respondents were in no way compelled to indicate that they would be willing to pay any additional income tax. All tax paying survey respondents were initially asked an opt-in or opt out question as to whether they would be willing to pay any additional income tax at all to support satisfactory quality aged care (without specifying any additional amount) with Yes/No response options. Respondents who indicated a No response received no further questions on this topic. Those respondents who indicated a Yes response were asked an additional follow up contingent valuation question using a payment scale approach with a series of six possible response options increasing in 0.5% increments ranging from a minimum of 0.5% additional income tax to a maximum of 2.5% income tax and an additional more than 2.5% response option. Those respondents who indicated that they would be willing to pay more than 2.5% additional income were asked to indicate the maximum amount they would be prepared to pay to support universal access to satisfactory quality aged care for all older Australians in need. Respondents were then asked a second opt-in or opt out question as to whether they would be willing to pay more income tax to support high quality aged care (without specifying any additional amount) with Yes/No response options. Similar to the previous question framing, respondents who indicated a No response received no further questions on this topic. Those respondents who indicated a Yes response were reminded of how much additional income tax they had previously indicated that they would be willing to pay to support universal access to satisfactory quality aged care for all older Australians in need and asked a further follow up contingent valuation question about how much additional income tax they would be willing to pay (beyond their initially specified amount) using a payment scale approach with a series of six possible response options increasing in 0.5% increments ranging from a minimum of 0.5% additional income tax to a maximum of 2.5% income tax and an additional more than 2.5% response option. Those respondents who indicated that they would be willing to pay more than 2.5% additional income were asked to indicate the maximum amount they would be prepared to pay to support universal access to high quality aged care for all older Australians in need.

References

1. Frew EJ. Benefit assessment for cost-benefit analysis in health care using contingent valuation methods. In McIntosh E, Clark P, Frew EJ, Louviere JJ. Cost-Benefit Analysis in Health Care. New York: Oxford University Press, 2010.
2. Schmidt J, Bijmolt THA. Accurately measuring willingness to pay for consumer goods: a meta-analysis of the hypothetical bias. *Journal of the Academy of Marketing Science* 2020; 48: 499-518.