

Policies for an Aging America: Looking Beyond the Averages

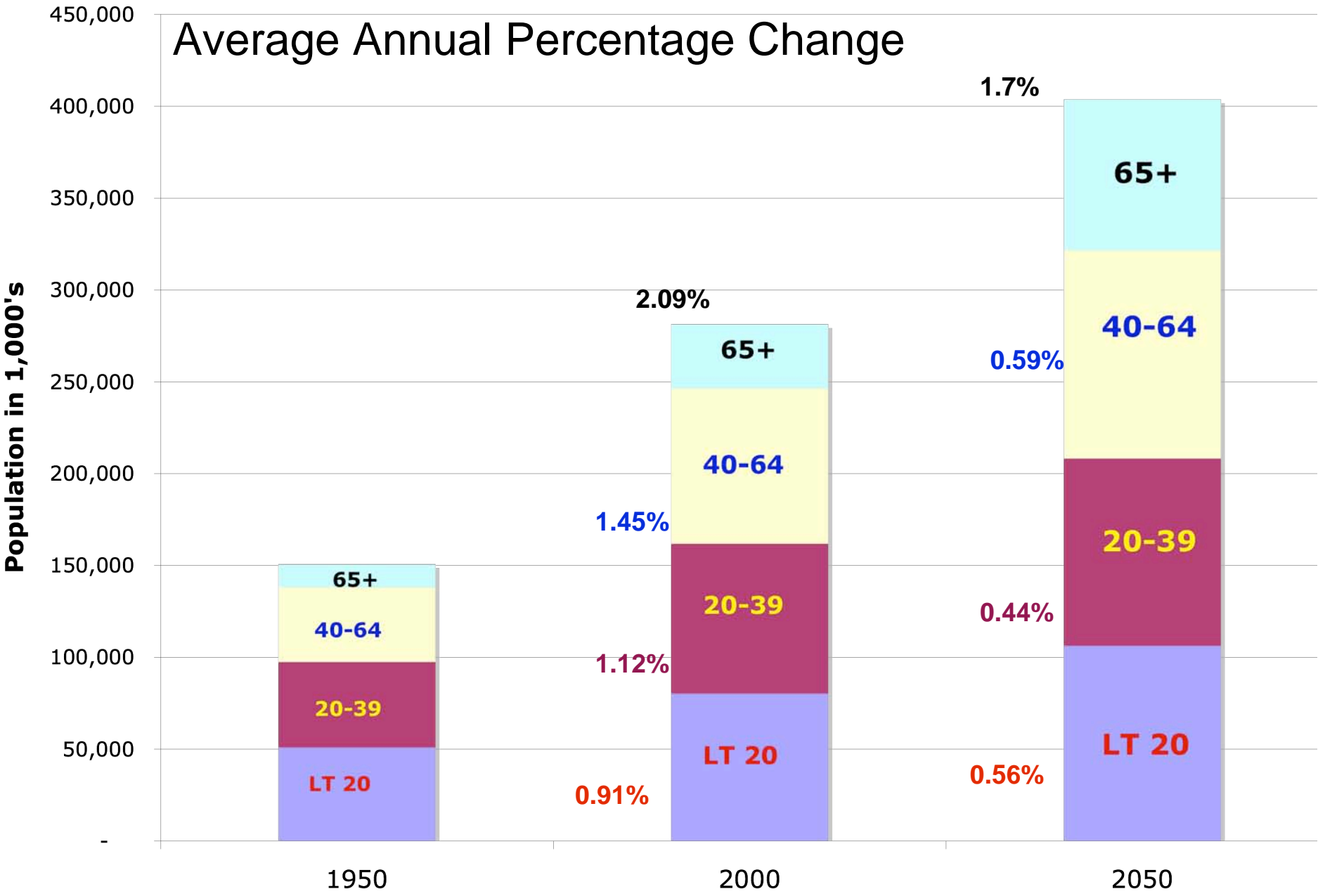
Robert B. Friedland
Georgetown University
May 9, 2008
rbf4@georgetown.edu



Center on an Aging Society

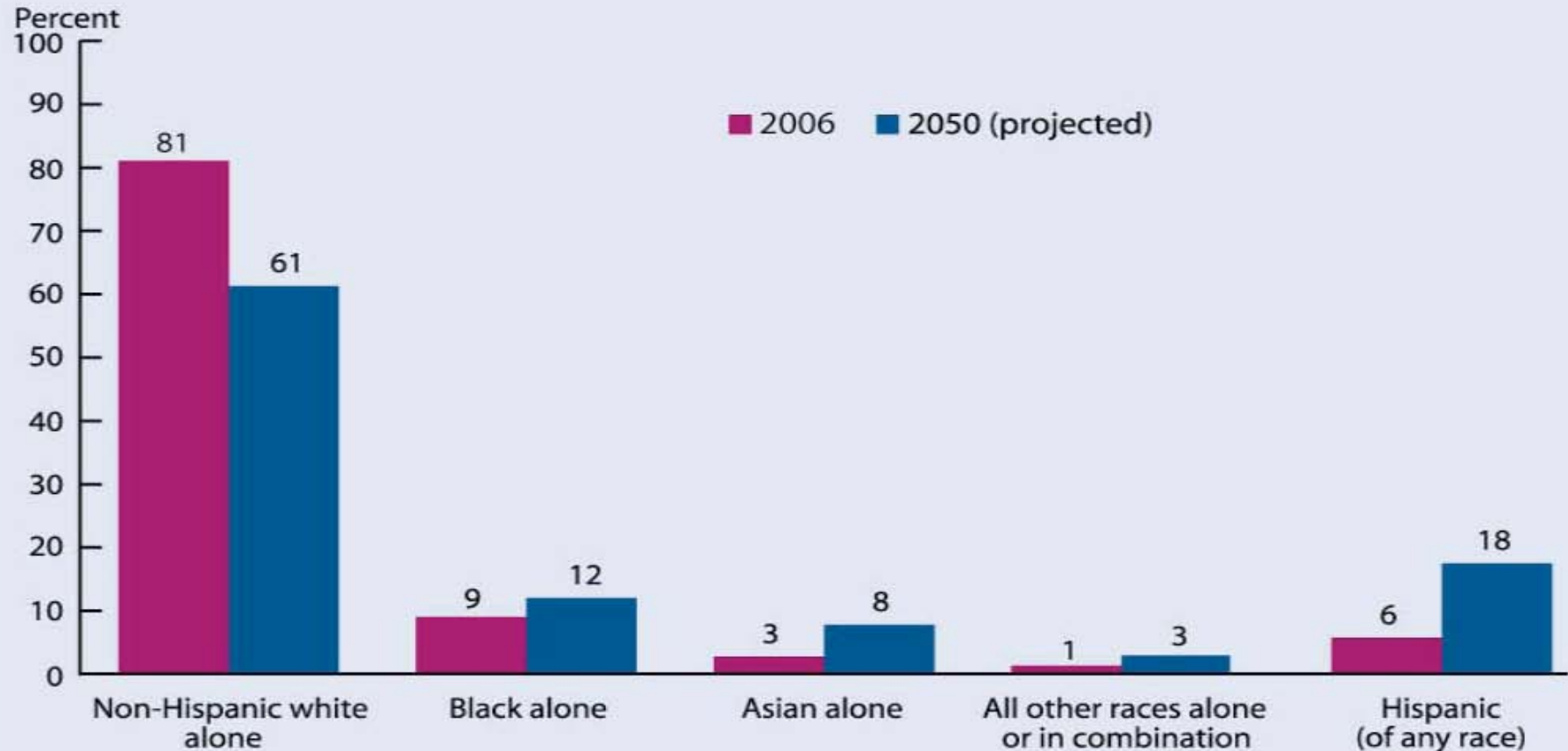
GEORGETOWN UNIVERSITY

Average Annual Percentage Change



Indicator 2 – Racial and Ethnic Composition

Population age 65 and over, by race and Hispanic origin, 2006 and projected 2050



Note: The term "non-Hispanic white alone" is used to refer to people who reported being white and no other race and who are not Hispanic. The term "black alone" is used to refer to people who reported being black or African American and no other race, and the term "Asian alone" is used to refer to people who reported only Asian as their race. The use of single-race populations in this report does not imply that this is the preferred method of presenting or analyzing data. The U.S. Census Bureau uses a variety of approaches. The race group "All other races alone or in combination" includes American Indian and Alaska Native, alone; Native Hawaiian and Other Pacific Islander, alone; and all people who reported two or more races.

Reference population: These data refer to the resident population.

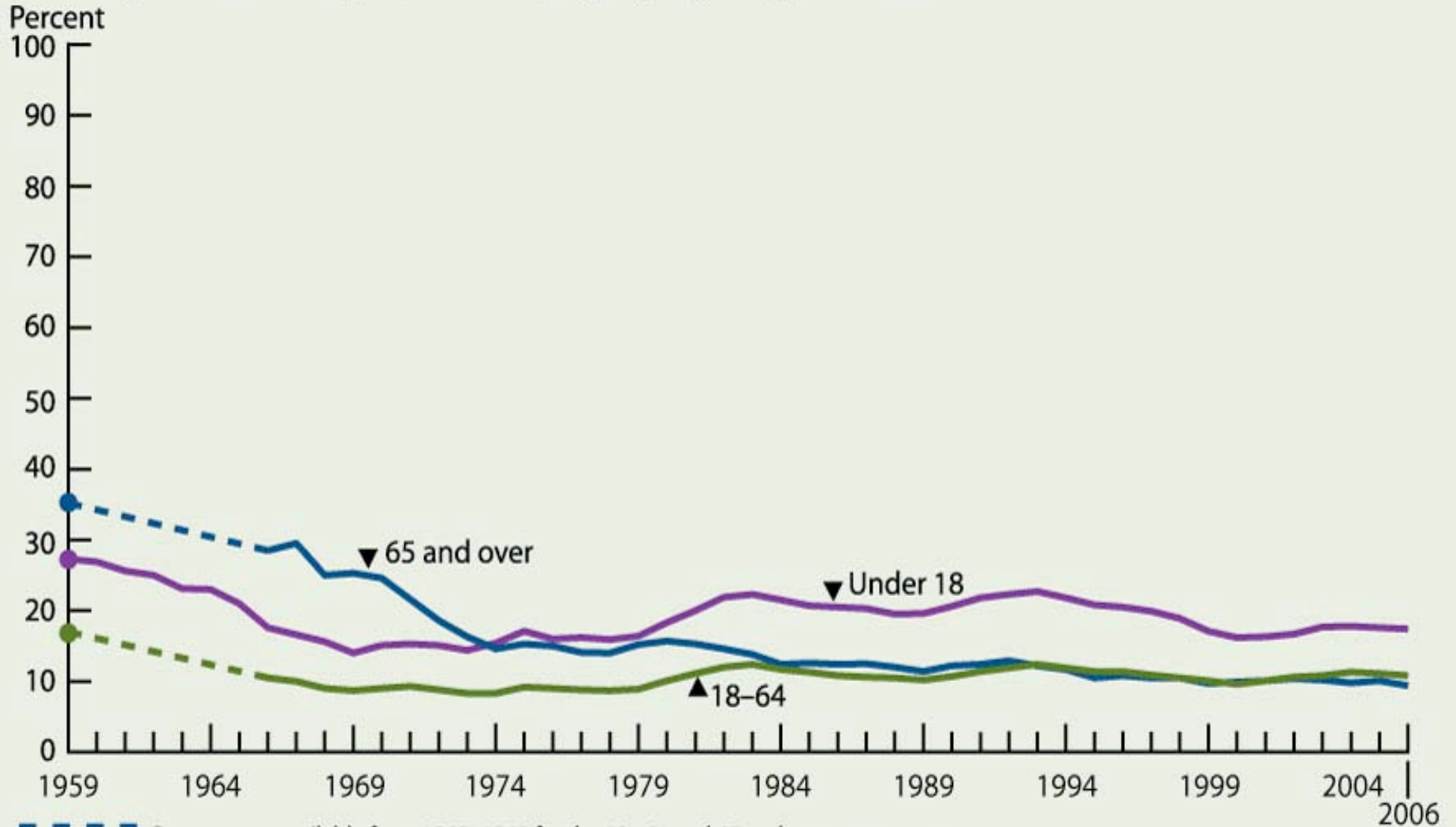
Source: U.S. Census Bureau, Population Estimates and Projections.

Born Between 1923 and 1933: Today's 75-85 year old were...

- Young children during the Depression.
- Finishing college between 1948 and 1958.
- Entering the labor force during the roaring 1960s.
- In their peak earnings years in the 1970s.
- Watching their pension plans end and their health insurance plans change dramatically in the 1980s.
- Eligible for Social Security benefits in 1985.

Indicator 7 – Poverty

Poverty rate of the population, by age group, 1959–2006



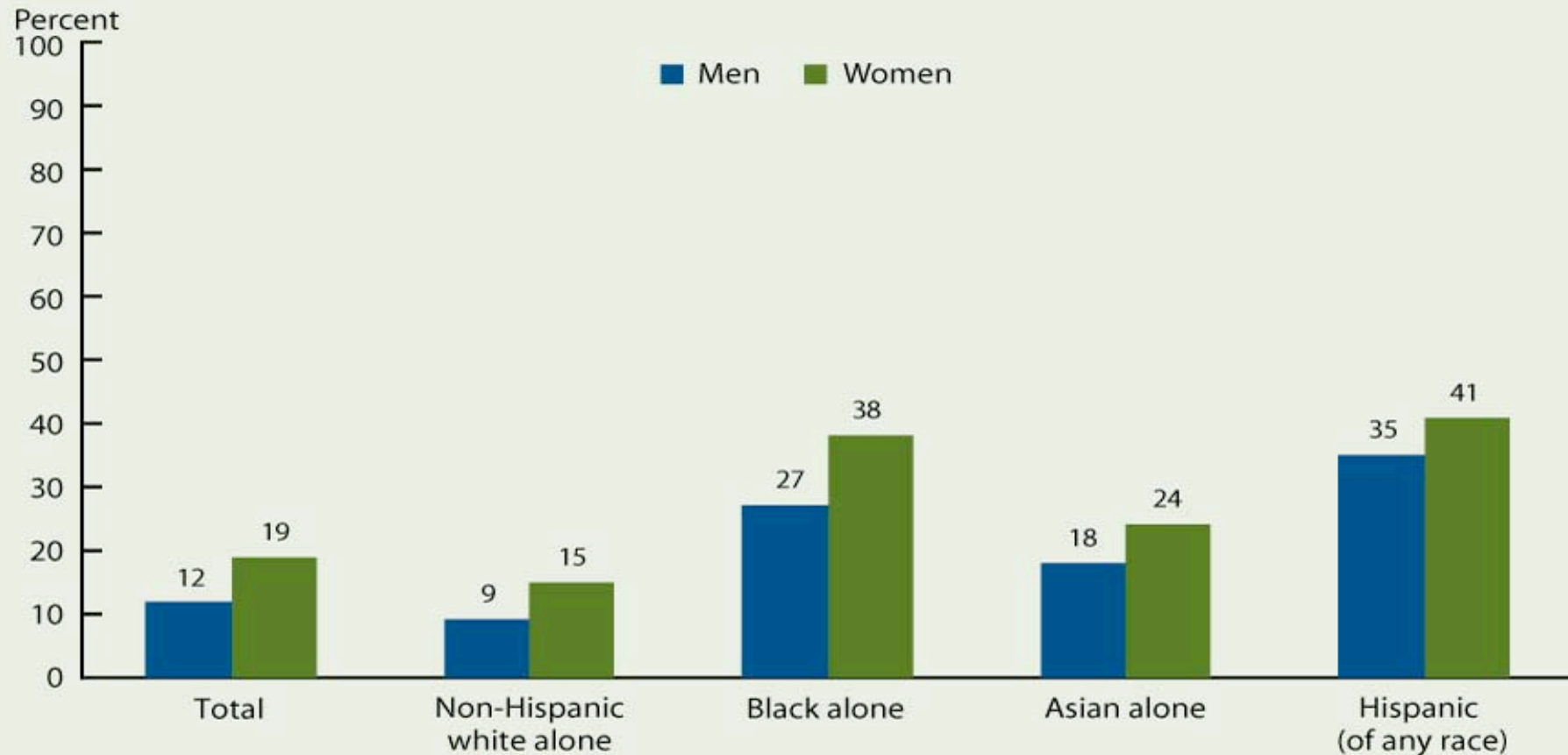
— — — — — Data are not available from 1960–1965 for the 18–64 and 65 and over age groups.

Reference population: These data refer to the civilian noninstitutionalized population.

Source: U.S. Census Bureau, Current Population Survey, Annual Social and Economic Supplement, 1960–2007.

Proportion of older people living alone in poverty

Percentage of population age 65 and over living alone and in poverty, by sex and race and Hispanic origin, 2006



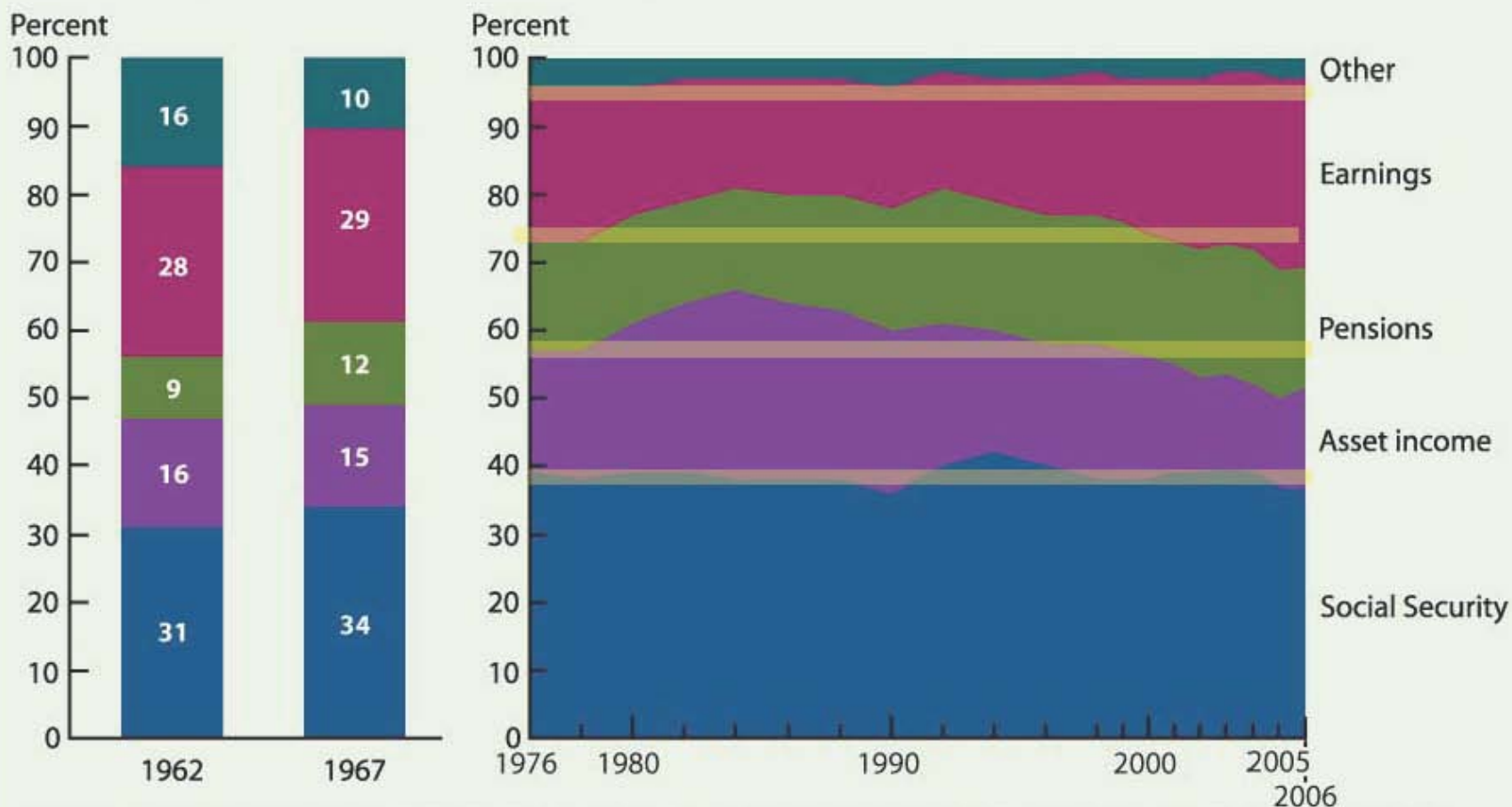
Note: The term "non-Hispanic white alone" is used to refer to people who reported being white and no other race and who are not Hispanic. The term "black alone" is used to refer to people who reported being black or African American and no other race, and the term "Asian alone" is used to refer to people who reported only Asian as their race. The use of single-race populations in this report does not imply that this is the preferred method of presenting or analyzing data. The U.S. Census Bureau uses a variety of approaches.

Reference population: These data refer to the civilian noninstitutionalized population.

Source: U.S. Census Bureau, Current Population Survey, Annual Social and Economic Supplement.

Indicator 9 – Sources of Income

Distribution of sources of income for married couples and nonmarried people who are age 65 and over, selected years 1962–2006



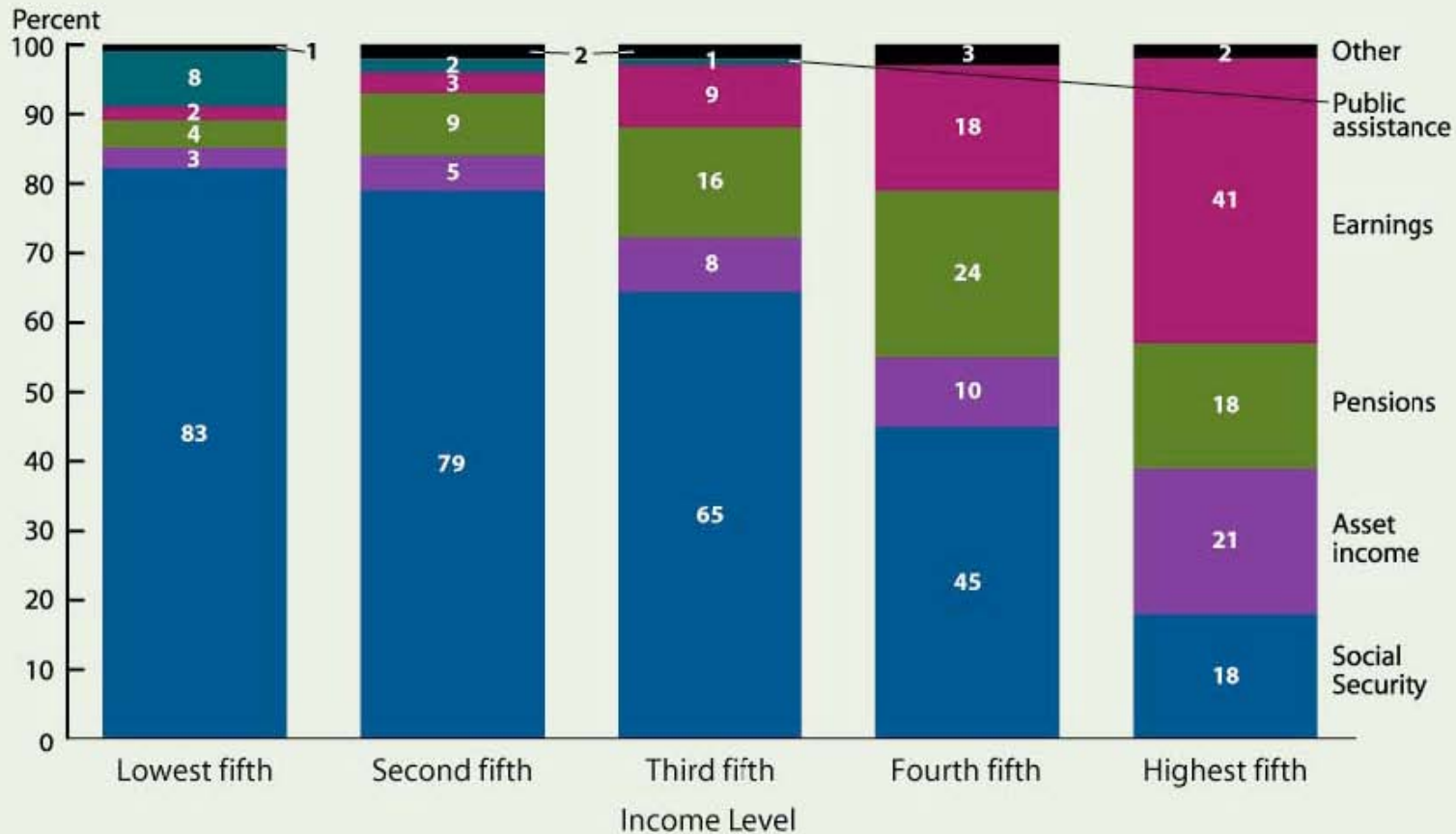
Note: A married couple is age 65 and over if the husband is age 65 and over or the husband is younger than age 55 and the wife is age 65 and over. The definition of "other" includes, but is not limited to, public assistance, unemployment compensation, worker's compensation, alimony, child support, and personal contributions.

Reference population: These data refer to the civilian noninstitutionalized population.

Source: Social Security Administration, 1963 Survey of the Aged, 1968 Survey of Demographic and Economic Characteristics of the Aged; U.S. Census Bureau, Current Population Survey, Annual Social and Economic Supplement, 1977–2007.

Indicator 9 – Sources of Income

Sources of income for married couples and nonmarried people who are age 65 and over, by income quintile, 2006



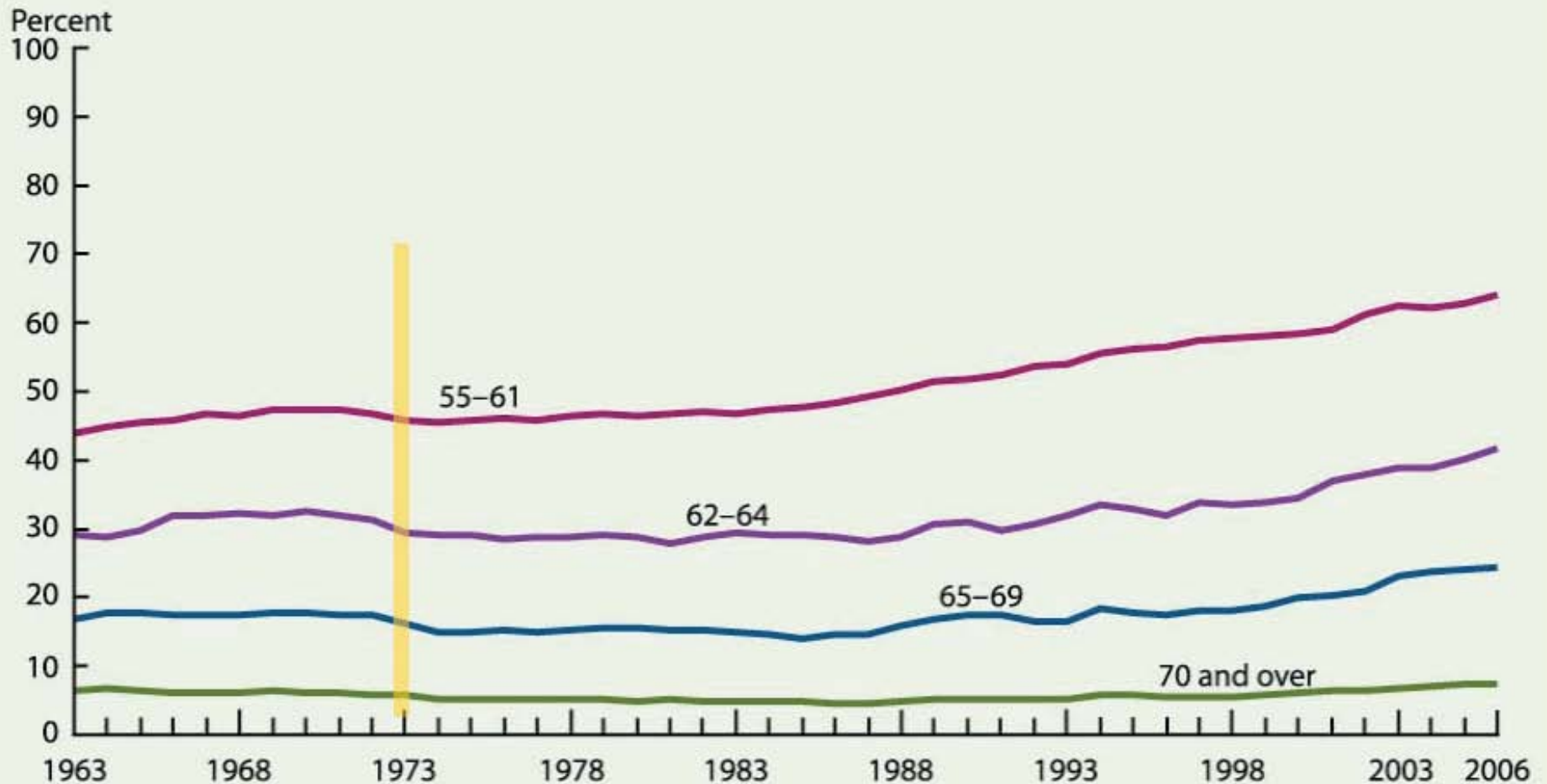
Note: A married couple is age 65 and over if the husband is age 65 and over or the husband is younger than age 55 and the wife is age 65 and over. The definition of "other" includes, but is not limited to, unemployment compensation, worker's compensation, alimony, child support, and personal contributions. Quintile limits are \$11,519 for the lowest quintile, \$18,622 for the second quintile, \$28,911 for the third quintile, \$50,064 for the fourth quintile, and open-ended for the highest quintile.

Reference population: These data refer to the civilian noninstitutionalized population.

Source: U.S. Census Bureau, Current Population Survey, Annual Social and Economic Supplement, 2007.

Indicator 11 – Participation in the Labor Force

Labor force participation rates of women age 55 and over, by age group, annual averages, 1963–2006



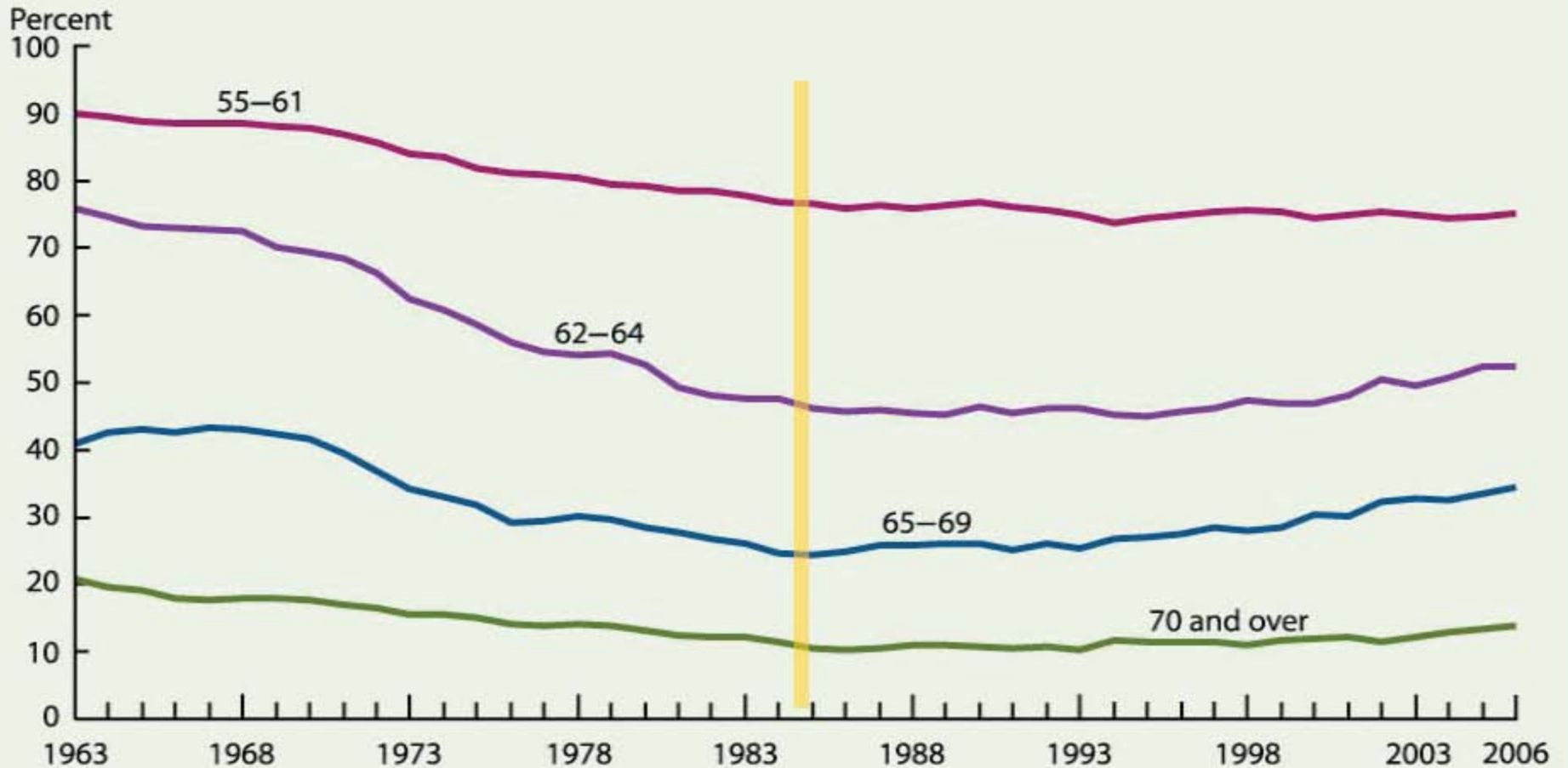
Note: Data for 1994 and later years are not strictly comparable with data for 1993 and earlier years due to a redesign of the survey and methodology of the Current Population Survey. Beginning in 2000, data incorporate population controls from Census 2000.

Reference population: These data refer to the civilian noninstitutionalized population.

Source: Bureau of Labor Statistics, Current Population Survey.

Indicator 11 – Participation in the Labor Force

Labor force participation rates of men age 55 and over, by age group, annual averages, 1963–2006



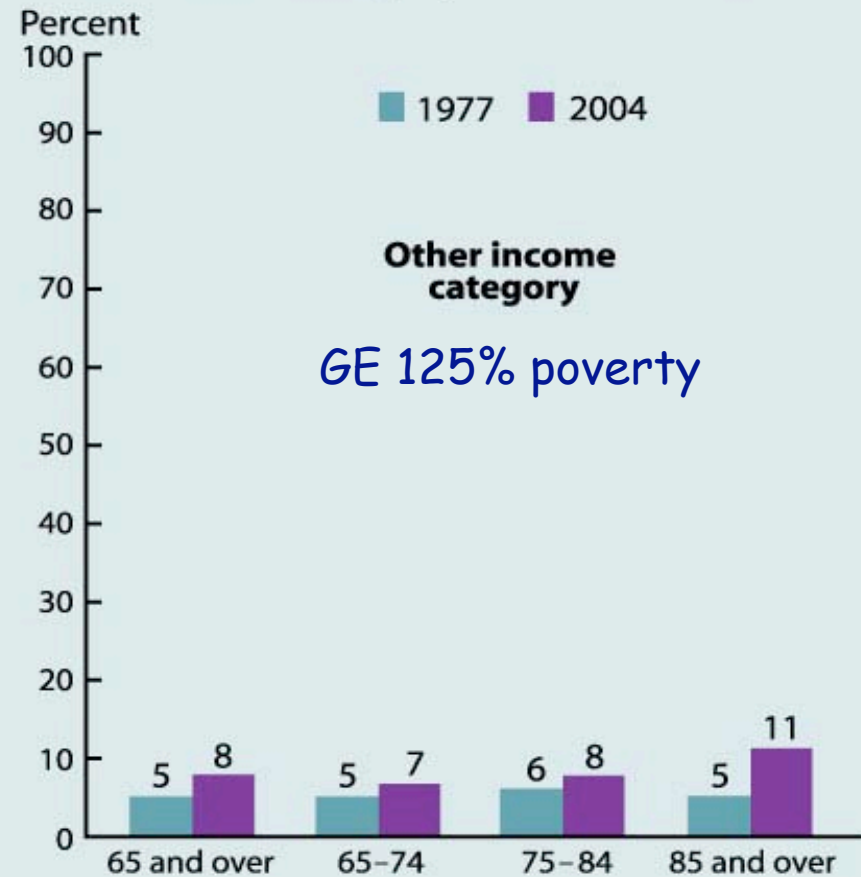
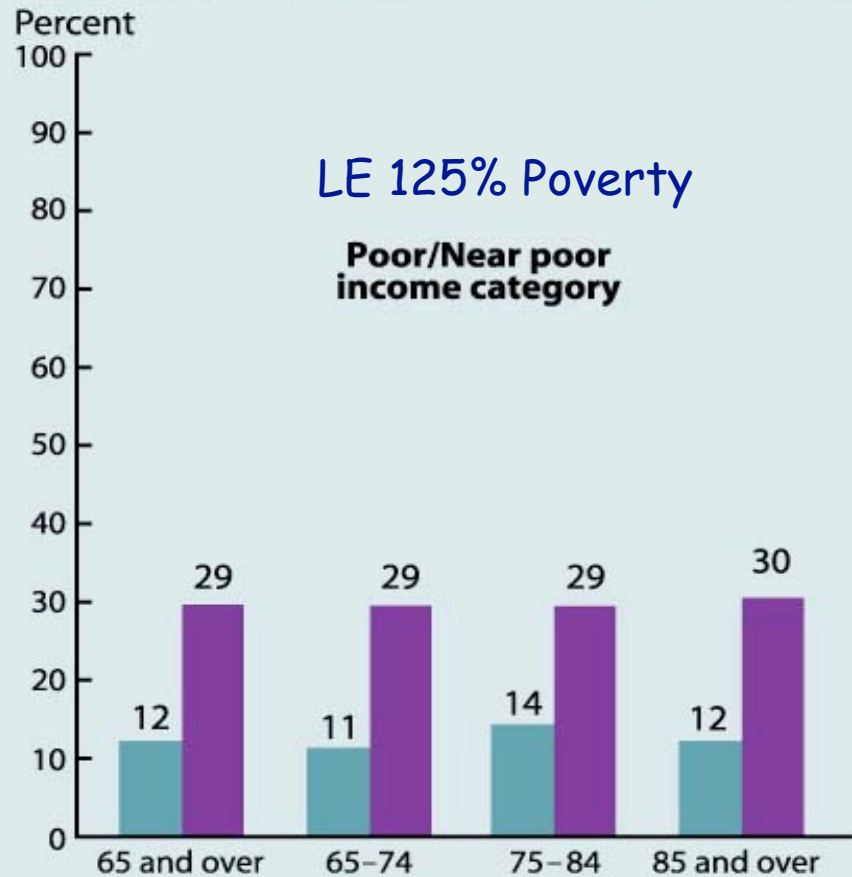
Note: Data for 1994 and later years are not strictly comparable with data for 1993 and earlier years due to a redesign of the survey and methodology of the Current Population Survey. Beginning in 2000, data incorporate population controls from Census 2000.

Reference population: These data refer to the civilian noninstitutionalized population.

Source: Bureau of Labor Statistics, Current Population Survey.

Indicator 33 – Out-of-Pocket Health Care Expenditures

Out-of-pocket health care expenditures as a percentage of household income, among people age 65 and over, by age and income category, 1977 and 2004



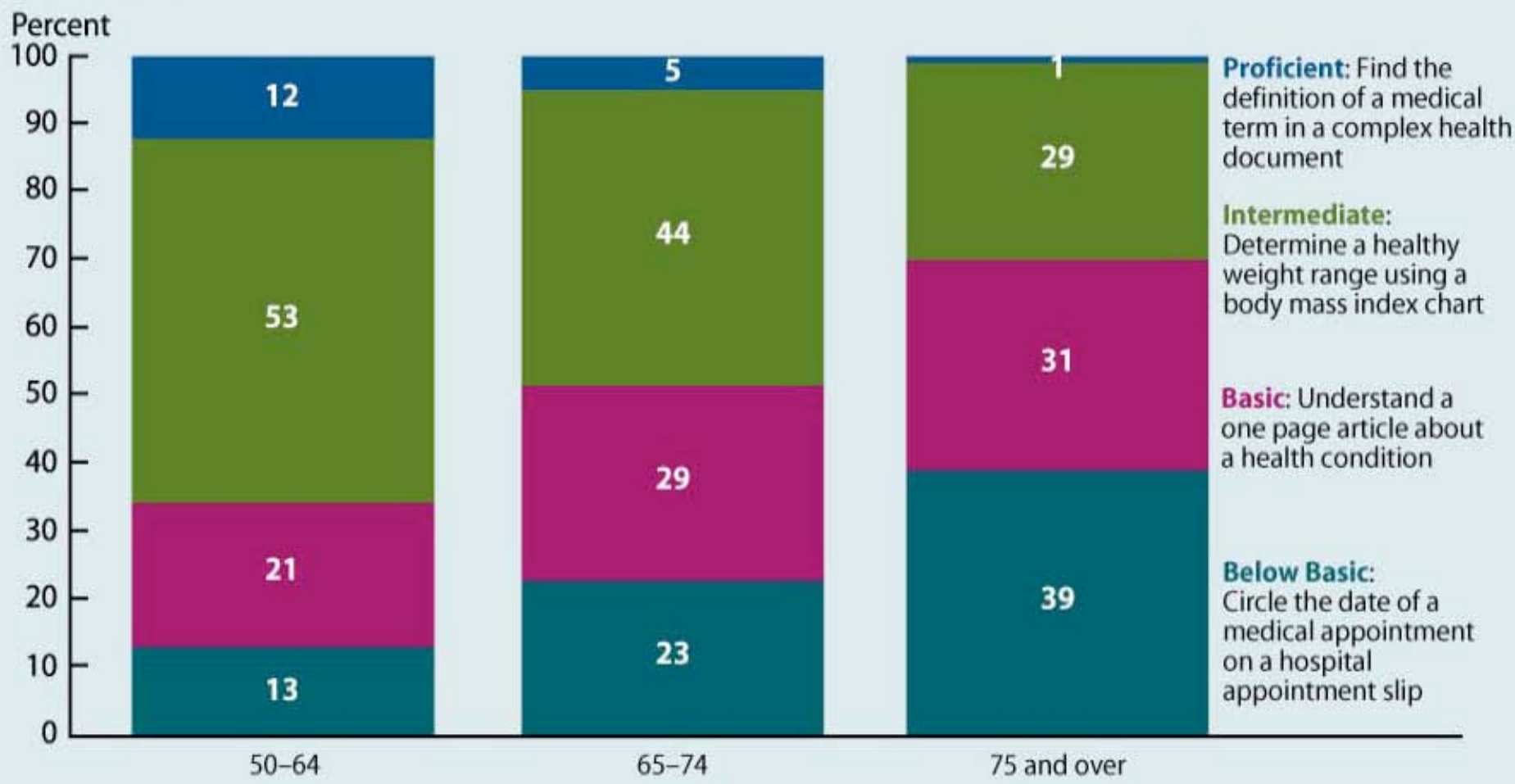
Note: Out-of-pocket health care expenditures exclude personal spending for health insurance premiums. Including expenditures for out-of-pocket premiums in the estimates of out-of-pocket spending would increase the percentage of household income spent on health care in all years. People are classified into the "poor/near poor" income category if their household income is below 125 percent of the poverty level; otherwise, people are classified into the "other" income category. For people with no out-of-pocket expenditures the ratio of out-of-pocket spending to income was set to zero. For additional details on how the ratio of out-of-pocket spending to income and the poverty level were calculated, see Table 33b in Appendix A.

Reference population: These data refer to the civilian noninstitutionalized population.

Source: Agency for Healthcare Research and Quality, Medical Expenditure Panel Survey (MEPS) and MEPS predecessor surveys.

SPECIAL FEATURE — Health Literacy

Percentage of people age 50 and over in each health literacy performance level, by age group, 2003



Note: Health literacy is the ability to locate and understand health-related information and services and requires skills represented in the three general components defined on the previous page—prose, document, and quantitative literacy. Tasks used to measure health literacy were organized around three domains of health and health care information and services—clinical, prevention, and navigation of the health care system—and mapped to the performance levels (proficient, intermediate, basic, and below basic) based on their level of difficulty.

Reference population: These data refer to people residing in households or prisons.

Source: U.S. Department of Education, National Center for Education Statistics, National Assessment of Adult Literacy.

Indicator 20 – Functional Limitations

Percentage of Medicare enrollees age 65 and over who have limitations in activities of daily living (ADLs) or instrumental activities of daily living (IADLs), or who are in a facility, selected years 1992–2005



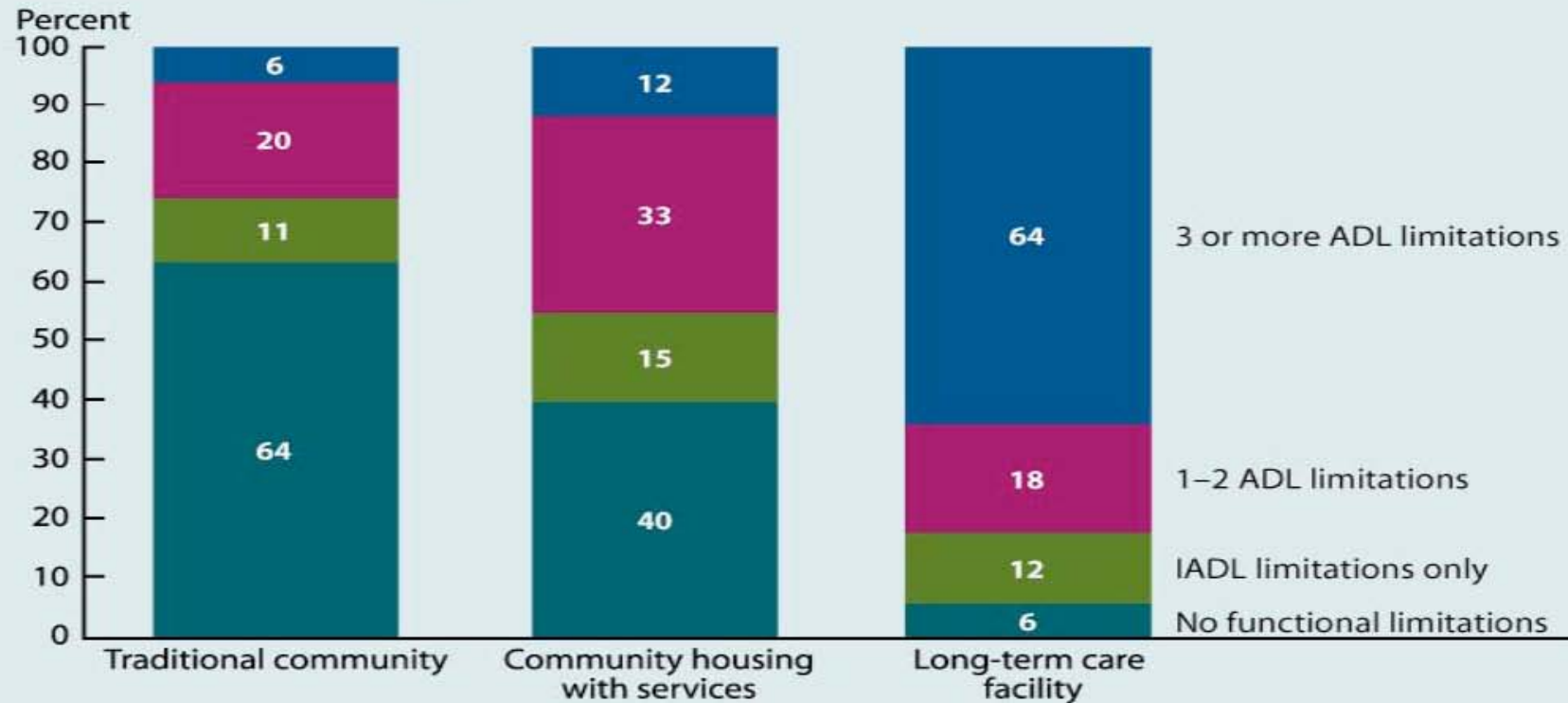
Note: The Medicare Current Beneficiary Survey has replaced the National Long Term Care Survey as the data source for this indicator. Consequently, the measurement of functional limitations (previously called disability) has changed from previous editions of *Older Americans*. A residence (or unit) is considered a long-term care facility if it is certified by Medicare or Medicaid; has 3 or more beds and is licensed as a nursing home or other long-term care facility and provides at least one personal care service; or provides 24-hour, 7-day-a-week supervision by a non-family, paid caregiver. ADL limitations refer to difficulty performing (or inability to perform for a health reason) one or more of the following tasks: bathing, dressing, eating, getting in/out of chairs, walking, or using the toilet. IADL limitations refer to difficulty performing (or inability to perform for a health reason) one or more of the following tasks: using the telephone, light housework, heavy housework, meal preparation, shopping, or managing money. Rates are age adjusted using the 2000 standard population. Data for 1992 and 2001 do not sum to the totals because of rounding.

Reference: These data refer to Medicare enrollees.

Source: Centers for Medicare and Medicaid Services, Medicare Current Beneficiary Survey.

Indicator 37 – Residential Services

Percentage of Medicare enrollees age 65 and over with functional limitations, by residential setting, 2005



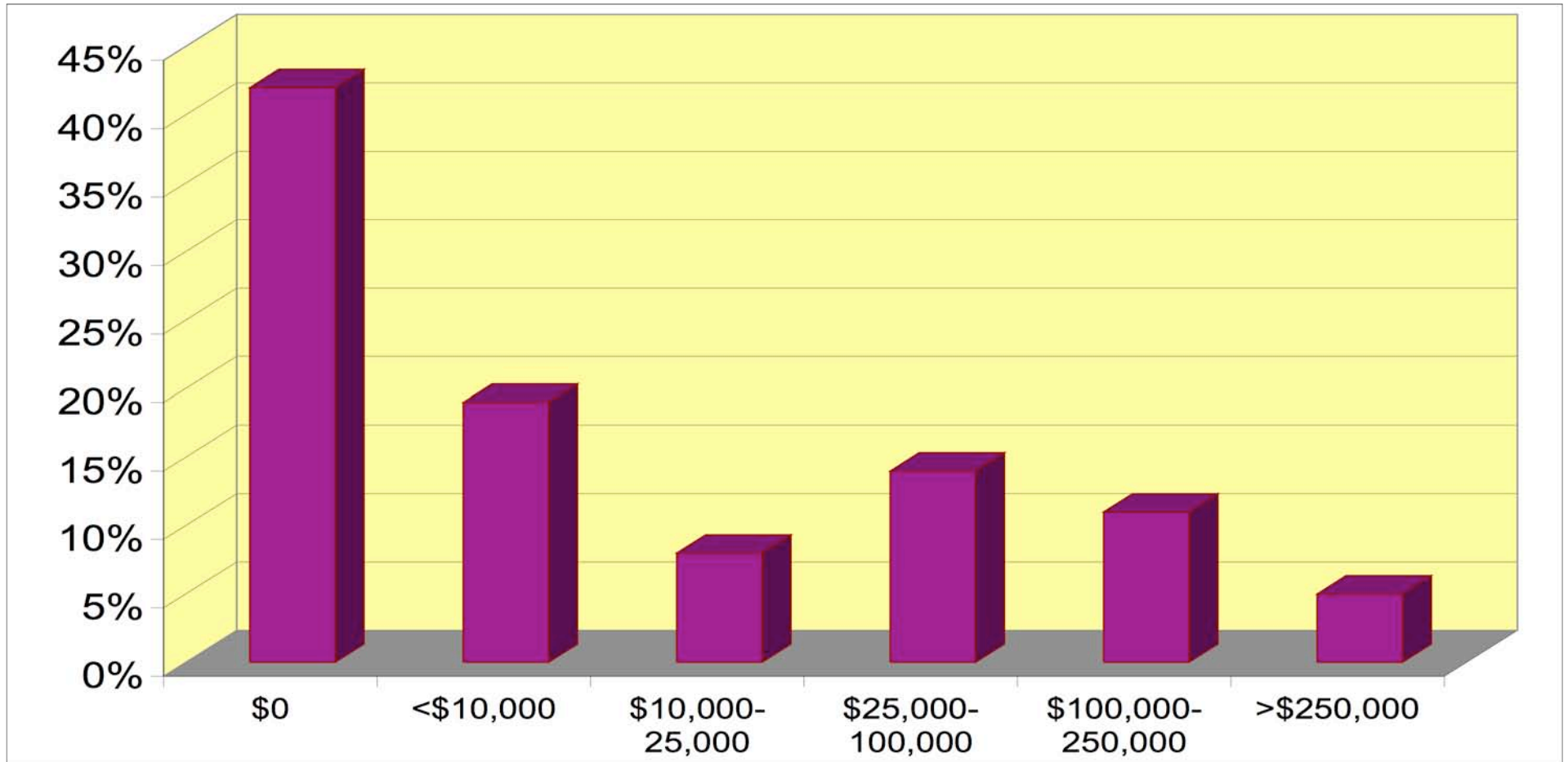
Note: Community housing with services applies to respondents who reported they lived in retirement communities or apartments, senior citizen housing, continuing care retirement facilities, assisted living facilities, staged living communities, board and care facilities/homes, and other similar situations, AND who reported they had access to one or more of the following services through their place of residence: meal preparation, cleaning or housekeeping services, laundry services, or help with medications. Respondents were asked about access to these services but not whether they actually used the services. A residence (or unit) is considered a long-term care facility if it is certified by Medicare or Medicaid; has 3 or more beds and is licensed as a nursing home or other long-term care facility and provides at least one personal care service; or provides 24-hour 7-day-a-week supervision by a non-family, paid caregiver. Activities of Daily Living (ADLs) limitations refer to difficulty performing (or inability to perform, for a health reason) one or more of the following tasks: bathing, dressing, eating, getting in/out of chairs, walking, or using the toilet. Instrumental Activities of Daily Living (IADLs) limitations refer to difficulty performing (or inability to perform, for a health reason) one or more of the following tasks: using the telephone, light housework, heavy housework, meal preparation, shopping, or managing money. Long-term care facility residents with no limitations may include individuals with limitations in certain IADLs: doing light or heavy housework or meal preparation. These questions were not asked of facility residents.

Reference population: These data refer to Medicare enrollees.

Source: Centers for Medicare and Medicaid Services, Medicare Current Beneficiary Survey.

Projected Lifetime Long-term Care Expenditures

Zero Lifetime Spending on LTC projected for 42 percent of Individuals Age 65 in 2005



Source: Kemper, Komisar, and Alecxih, "Long-term Care over an Uncertain Future," *Inquiry*, 2005.