



# The Aging Consumer: A New Generation

Digest of Recent Consumer Research

american association of homes and services for the aging



# ***Consumer Research Digest***

*Background Paper for  
AAHSA Cabinet on Consumer Perspectives  
in Aging Services for the Future*

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## *Introduction*

Type “aging Baby Boomer” into any Internet search engine and you’ll receive a list that contains thousands of studies, reports and news items about the generation born between 1946 and 1964—the generation expected to begin entering retirement in record numbers in less than five years. The quality and relevance of these resources will vary. Indeed, it can be very challenging work to uncover the nuggets of truth that are hidden in the sometimes overwhelming amount of available information. This *Consumer Research Digest* attempts to do just that.

This document identifies and summarizes credible and informative research that can shed light on the issues that older consumers will face in 2016 and beyond. Taken together, the resources contained in the following pages paint a portrait of future long-term care consumers as (1) individuals, (2) recipients and purchasers of health care, (3) members of families and communities and (4) workers and retirees.

The purpose and value of this digest is best explained by one of the resources contained on page 11. In *Wealth with Wisdom: Serving the Needs of Aging Consumers*, researchers at Deloitte Development LLC suggest that successfully marketing high-quality products and services to the aging population requires one important first step: managers must take the time to learn about and fully understand this population’s needs and desires.

AAHSA hopes the information presented in this digest will help its members take that first step. We present this digest as a planning tool for members who are preparing to design the services they will offer to future generations of long-term care consumers. Those future consumers will differ in important ways from the consumers that we now serve. In order to be ready to serve them — and to offer services they will want to purchase — long-term care providers must take time away from their day-to-day challenges, put their feet up and imagine new ways of serving a new aging population.

As you read this digest, you may find that many of your assumptions about aging Baby Boomers will be confirmed; the document will probably also offer some surprises as it dispels some commonly held beliefs about the consumers who will seek long-term care services in the coming decades. You may also notice that some digest items contradict others. These contradictory research findings illustrate very clearly that planning for a future aging population is not an exact science — nor is it a process that can ever end. To be effective and successful, planning for the future must be ongoing, flexible and informed by good research.

Each day, new information emerges that enlightens us a little bit more about the future aging population. We are fortunate to have so much good research at our disposal. But this information brings with it a responsibility to stay as up-to-date as possible on new studies about the characteristics and behaviors of future consumers. We hope you will read our *Consumer Research Digest* carefully; share it with your board members, staff, residents, policy makers and community partners; and use it to inform your efforts to plan high-quality services for future consumers.

## *Older Consumers as Individuals*

*Who are future consumers, what are their views on social issues,  
how will they spend their money, what do they think about getting old,  
and how do others view them?*

### *Summary*

There are about 78 million people in the United States who were born between Jan. 1, 1946 and Dec. 31, 1964. These individuals — collectively referred to as Baby Boomers — are the subject of intense speculation from many sectors. Health and service providers worry about their ability to serve this generation. Policy makers wonder how long government benefits programs can support the growing needs of this growing population group. At the same time, a variety of businesses stand eager to market expensive houses, extreme sports and exotic vacations to this aging cohort.

***Who are the Baby Boomers?*** While it is tempting to characterize the Baby Boomers as “rebellious, anti-establishment ‘68ers,” the reality of who makes up the Baby Boom generation is probably harder to pin down. Certainly, many pundits have tried to define this generation, leaving us with an eclectic set of descriptors. In the end, however, it seems safest to assume that the Baby Boomers are a mixed group that holds varied political and social views. By 2020, a quarter of them will belong to a minority group — and not all will fit into the middle class.

Boomers seem to agree on some topics. According to some studies, they tend to be more liberal and less trusting of institutions than their parents were and they believe that the federal government should provide health care to all citizens. But members of the next generation of retirees also differ from one another in important ways. Early boomers, born before 1955, hold different views than later boomers, born after that year. Boomers don’t all belong to the middle class, they didn’t all graduate from college and not all college graduates spent their co-ed years attending protest rallies. Indeed, contrary to our picture of this generation as commune-living hippies, Baby Boomers may have fewer social networks than their parents, due in part to the fact that they have fewer children and a higher divorce rate.

***How do they feel about getting old?*** Baby Boomers feel a lot younger than they are — about 7 years younger, to be exact. Generally, members of this generation feel good about their personal relationships and mental health but are disappointed in their physical and financial health. Boomers are less healthy than they thought they would be at this age and they’re not excited about growing older. They are obsessed with the idea of youth, dislike the physical signs of aging and at least one study suggests that they are willing to purchase any product that makes them look younger. Yet, they also seem to have an optimistic, albeit unrealistic, view of old age. They believe that major diseases will be cured in the next five years and that in 2050, 80-year-olds will be able to do what 40-year olds do today.

***How much money do they have?*** On average, the Baby Boomers are doing well, economically. Households headed by someone aged 55-64 report a median net worth of \$112,048, roughly 15 times the \$7,240 for under-35 households. And in 2001, the 78 million Americans aged 50+ controlled \$28 trillion, or 67 percent, of the country's wealth. Yet researchers point out that extremes of wealth within the Baby Boomer generation will raise important questions about the role that service providers must play to bridge this generation's wealth inequalities. Financial security will be a major concern for certain segments of the older population, including older women, minorities and the old-old.

***What kind of consumers are they?*** There's evidence that aging Baby Boomers tend to be more demanding consumers than their parents were. They have higher expectations of service provision than both younger and older generations and they are likely to be more demanding of health services, thanks to their greater awareness of available health interventions. They're not generally impressed by rhetoric alone, but concentrate on outcomes and performance. But they're not shy about spending money on themselves, especially when it comes to purchasing customized services that make their lives easier.

***How do they feel about technology?*** Baby Boomers have no qualms about using technology in their homes. Most are comfortable with the Internet and use it to send email, research health information, conduct banking and manage personal finances, book travel, play games and download pictures from a digital camera. This experience with technology, however, has created concerns among members of this age group that increased computer use and automation will make life more impersonal. Boomers aren't happy with automated customer services and are suspicious that companies employ such systems not to improve service, but to cut costs.

***What do others think of them?*** Despite having up-to-date knowledge about many aspects of aging, many Americans still harbor misconceptions that the majority of older people live below the poverty line; are often angry, irritated, bored or lonely; and are likely to see their economic status in the coming decades become "the same or worse than it is now." Moreover, the misconceptions that older people are typically senile, asexual, miserable, "pretty much alike," and less effective in the workplace than younger workers are common among Americans. Understandably, Americans with a lower overall level of knowledge about aging and older people are more likely to feel anxiety about the aging process.

## *Bibliography*

### **WHO ARE BABY BOOMERS AND HOW DO THEY FEEL ABOUT LIFE?**

**1. \*\*\**Baby Boomers will grow the older population.***

*A Profile of Older Americans.* 2006. Administration on Aging, U.S. Department of Health and Human Services

Growth in the older population slowed during the 1990s because of the relatively small number of babies born during the Great Depression. But the older population will grow significantly between the years 2010 and 2030 when the "Baby Boom" generation reaches age 65. The population 65 and over will increase from 35 million in 2000 to 40 million in 2010 and then to 55 million in 2020. By 2030, there will be about 71.5 million older persons, almost twice their number in 2005. People 65+ represented 12.4 percent of the population in 2005 but will grow to be 20 percent of the population by 2030. The 85+ population is projected to increase from 4.2 million in 2000 to 6.1 million in 2010 and then to 7.3 million in 2020.

<http://www.aoa.gov/prof/statistics/profile/2006/2006profile.pdf>

**2. \*\*\**Americans are living longer.***

*Deaths: Preliminary Data for 2005.* 2007. National Center for Health Statistics, Centers for Disease Control and Prevention.

A child born in the United States in 2005 can expect to live nearly 78 years. This increase in life expectancy represents a continuation of a long-running trend. Life expectancy for the black population increased slightly from 73.1 years in 2004 to 73.2 years in 2005. The death rate from three leading killers – heart disease, cancer and stroke – declined in 2005 compared to the previous year. The age-adjusted death rates for Alzheimer’s disease and Parkinson’s disease both increased by five percent.

<http://www.cdc.gov/nchs/products/pubs/pubd/hestats/prelimdeaths05/prelimdeaths05.htm>

**3. \*\*\**Older minority populations 65+ will increase.***

*A Profile of Older Americans.* 2006. Administration on Aging, U.S. Department of Health and Human Services

Minority populations are projected to increase from 5.7 million in 2000 (16.4% of the elderly population) to 8.1 million in 2010 (20.1% of the elderly) and then to 12.9 million in 2020 (23.6% of the elderly). Between 2004 and 2030, the white population 65+ is projected to increase by 74 percent compared with 183 percent for older minorities. This includes Hispanics (who will experience a 254% increase), African Americans (147%), American Indians, Eskimos and Aleuts (143%) and Asians and Pacific Islanders (208%).

<http://www.aoa.gov/prof/statistics/profile/2006/2006profile.pdf>

**4. *The number of centenarians in on the rise.***

“100-year-olds polled on secret of successful aging,” *The Mature Market*, April 2007

According to the U.S. Census Bureau, there are nearly 80,000 centenarians in the United States and that number is projected to increase seven-fold, to 580,000, by 2040.

<http://www.thematuremarket.com/SeniorStrategic/secret-of-succesful-aging-8554-5.html>

5. \*\*\**Centenarians don't smoke and are not obese.*

"Century Club: Centenarians are one of the fastest-growing populations in the United States," *North Andover Eagle-Tribune*, October 14, 2007.

The New England Centenarian Study by the Boston University Medical Center identifies certain common characteristics among centenarians. Few centenarians are obese or have a history of smoking. Most are better able to handle stress than the majority of people. Many centenarian women have a history of bearing children after the age of 35 or 40 years. At least 50 percent have first-degree relatives and/or grandparents who also achieve very old age. Many have exceptionally old siblings.

[http://www.eagletribune.com/punews/local\\_story\\_287093935?page=0](http://www.eagletribune.com/punews/local_story_287093935?page=0)

<http://www.bumc.bu.edu/Dept/Content.aspx?DepartmentID=361&PageID=5924>

6. *Boomers give their personal relationships and mental health high marks, but physical health and personal finance could be better.*

*Boomers at Mid-Life: The AARP Life Stage Survey*. 2004. Washington, DC: AARP.

Boomers are most satisfied with their personal relationships and their mental health, but not very satisfied with physical health or personal finance. Three in 10 (29%) say their physical health is worse than they expected it to be at this point in their lives. Boomers say their personal finances and their work lives are among the worst aspects of their lives. Only three in 10 (30%) say they are very satisfied with their leisure activities. However, nearly half of boomers (48%) report being very satisfied with their religious or spiritual life and the other half say they are somewhat satisfied. Boomers with high incomes and high levels of education are more likely to be satisfied with the way their lives are going.

[http://assets.aarp.org/rgcenter/general/boomers\\_midlife\\_2004.pdf](http://assets.aarp.org/rgcenter/general/boomers_midlife_2004.pdf)

7. *Baby Boomers are more impressed by outcomes and performance than they are by marketing and rhetoric.*

*Eternal Youths: How the Baby Boomers are having their time again*. 2004. London: Demos/Magdalen House.

Baby Boomers tend to be characterized as an 'untrusting' cohort, wary of institutions, authority figures and the motives behind marketing pitches. The British boomers interviewed for this study are not impressed by rhetoric alone but concentrate on outcomes and performance. They have higher expectations of service provision than other generations and they don't put their trust in government or other institutions.

<http://www.demos.co.uk/files/EternalYouths.pdf>

## **ARE ALL BOOMERS JUST AGING HIPPIES?**

8. *Boomers share characteristics of liberalism and individualism, but they are also deeply divided by age, wealth, longevity, education, gender and ethnicity.*

*The New Old: Why the Baby Boomers won't be pensioned off*. 2003. London: Demos/Magdalen House.

The Baby Boomers are difficult to define, and there's a danger of creating a caricature of the entire generation as rebellious, anti-establishment '68ers'. Baby Boomers are

renowned for two distinctive generational characteristics: individualism and liberalism. When compared with their parents, they are more anti-establishment, more non-conformist, less deferential, less trusting of those in authority and more hostile to organized religion. They are also more likely to take a liberal attitude toward sex before marriage, having children outside wedlock, cohabitation, homosexuality, sexual mores and political movements. However, the Baby Boom generation is also deeply divided by age (early boomers born before 1955 and late boomers born after have different views), wealth (not all fit the middle-class characterization), longevity (this varies by social class), education, gender (there are gaps in pay between men and women) and ethnicity. <http://www.demos.co.uk/files/thenewold.pdf>

**9. *Baby Boomers hold most political offices, but differ on political leanings.***

“The Baby Boomers dominate the halls of power,” *Scripps Howard News Service*, April 9, 2007.

More than 55 percent of America's current governors, state lawmakers and congressional representatives and senators are Baby Boomers. However, while their potential influence is huge, the Baby Boomer generation is now, as it always has been, a diverse collection of individuals with political and demographic differences. Boomers do agree on certain things, however, including abortion rights, the death penalty, gun control, stem cell research and fiscal conservatism. Nearly 60 percent believe the federal government has a responsibility to provide health care to all citizens. More than 70 percent say the government must protect the environment. Only a third says they trust leaders to do what is right most of the time.

<http://www.abqtrib.com/news/2007/apr/09/baby-boomers-dominate-halls-power/>

**10. *Baby Boomers see big roles for government and community groups.***

*A Changing Political Landscape As One Generation Replaces Another*. 2004. AARP.

Baby Boomers believe that government has a definite responsibility to provide health care and retirement benefits for all citizens, assist the poor, protect individual rights and the environment, and educate young people. Boomers assert their activism through community groups, with a majority reporting that community groups (60%) and individual Americans (57%) are doing a great deal to solve the nation's problems.

<http://www.aarp.org/research/reference/publicopinions/aresearch-import-914.html>

## **WHAT DO THEY THINK ABOUT GETTING OLD?**

**11. *Boomers feel younger than their actual age.***

*Baby Boomers Envision Retirement II: Survey of Baby Boomers' Expectations for Retirement*. 2004. Washington, DC: AARP.

There is a 7-year gap between Boomers' biological age and the age they feel. The mean age among Baby Boomers is 47, but the mean age that this generation feels is 40. Sixty-three percent of boomers feel younger than their actual age, up from 47% in 1998. Those boomers are most likely to attribute the difference between their real and imagined age to a general attitude of feeling young (41%), good health (26%) and exercise (19%).

<http://www.aarp.org/research/work/retirement/aresearch-import-865.html>

**12. Baby Boomers think they're going to die before they get old.**

"The boomer files: Hitting 60," *Newsweek*, Nov 14, 2005.

Boomers define "old age" as starting three years after the average American is dead. People 60 years old today have an actuarial life expectancy of 82.3, but boomers fully expect that advances in health care and genomics are going to enable them to live past 100. Presumably they are counting on those advances to offset the fact that 30 percent of them are obese.

[http://www.agewave.com/media\\_files/newsweek111405.html](http://www.agewave.com/media_files/newsweek111405.html)

**13. No one wants to live to 100, but most are optimistic about aging.**

*PBS Stealing Time Study: A Summary of Findings*. May 1999. Washington, DC: AARP.

Americans 18+ look forward to spending more time with family and hobbies and less time working in old age. Yet, few want to live to be 100, due to the threat of poor health and financial insecurity. Most believe they can control how they age by staying active and healthy. Most are optimistic about the well-being of older persons in the future. They believe that in 2050, 80-year-olds will be able to do what 40-year olds do today and major diseases will be cured in the next 5 years. Most think positive thoughts about aging, but when "old" comes to mind, they think of physical problems and limitations.

<http://assets.aarp.org/rgcenter/health/pbs.pdf>

**14. 60-year-olds want strong families, improved physical health and a secure financial picture.**

*Boomers Turning 60*. June 2006. Washington, D.C.: AARP National Member Research, Knowledge Management Group.

AARP asked a nationally representative sample of 800 people born in 1946 a simple question: if you could have anything you want for your 60th birthday, what would it be? Only one percent asked for "peace." Most of the respondents said they wanted love, hugs, someone to do things with, and family to visit them. Many asked for money. A third said they wanted to improve their health in the next 5 years. A third of 60-year-olds said they were doing "worse than expected" in terms of their physical health (32%) and their finances (31%). Most look forward to the coming years with confidence (85 percent), hope (86%) and a large measure of excitement (70%). One in five (22%) said they want to live to be centenarians, but just 9 percent expected to reach that milestone.

[http://www.aarpmagazine.org/people/boomers\\_60.html](http://www.aarpmagazine.org/people/boomers_60.html)

<http://assets.aarp.org/rgcenter/general/boomers60.pdf>

**15. Older women experience the freedom to be themselves.**

*Looking at Act II of Women's Lives: Thriving and Striving from 45 on, the AARP Foundation Women's Leadership Circle Study*. April 2006. Washington, DC: AARP Foundation.

Women who are 45+ are experiencing a greater sense of freedom to be themselves now that they are older (83%). About three in four women consider their older years a time for pursuing dreams and doing things they have always wanted to do (77%). Not only are 45+ women optimistic about their own lives as they age, they consider older women to be

good role models. In fact, 84 percent know of at least one woman older than they are who they consider to be a personal inspiration.

<http://www.aarp.org/research/housing-mobility/indliving/wlcresearch.html>

**16. To manage death, older people will turn to suicide in increasing numbers.**

“One in five people will face a 'shameful' death - Could it be you?”, *Medical News Today*, April 4, 2007.

Allan Kellehear, Professor of Sociology at the University of Bath in England says we are significantly more likely to die a lonely prolonged death in a nursing home or hospital, preceded by multiple organ failure, pneumonia or dementia. It is also likely that we will have exhausted the financial means by which we would pay professionals to look after us. He believes that increasing numbers of elderly and terminally ill people will turn to suicide in order to take control and manage their own death. There are approximately one million suicides per year worldwide, and the largest age-related grouping of suicides includes people over 80 years. Old people intent on suicide seem very serious about their decision to die; they are less likely to give a warning and are far more likely to complete a suicide than other ages.

<http://www.medicalnewstoday.com/medicalnews.php?newsid=66847&nfid=al>

## HOW WEALTHY ARE THEY?

**17. Baby Boomers have lots of money and they're not afraid to spend it.**

“Marketing myths: The Baby Boomer top 10,” Age Lessons, LLC

Households headed by someone aged 55-64 reported a median net worth of \$112,048, roughly 15 times the \$7,240 for under-35 households. According to the Federal Reserve and U.S. Census Bureau, in 2001 the 78 million Americans aged 50+ controlled \$28 trillion, or 67 percent, of the country's wealth. A MetLife Mature Market Institute study pegged the after-tax household income for 45-54 year-olds at \$64,080 versus \$58,275 for 35-44 year-olds. The 50+ crowd owns more than 70 percent of the financial assets in America, which includes 40 percent of mutual funds, 60 percent of annuities and 48 percent of luxury cars.

[http://www.mcdill.com/agelessons/images/Agelessons\\_TopTen.pdf](http://www.mcdill.com/agelessons/images/Agelessons_TopTen.pdf)

**18. \*\*\*Workers carry more financial burdens and are stressed by materialism.**

*The Metlife Study of the American Dream*. 2007. New York: Metropolitan Life Insurance Company.

More than half of working Americans feel they carry more financial burdens than their parents did and the overwhelming majority feels this burden will continue to grow for future generations. The increasing burdens can be attributed to two factors. First, responsibility for health care and retirement are increasingly shifting to the individual. Second, workers are stressed by contemporary society's focus on materialism. A strong majority (66%) of working Americans feels the pressure to purchase items, such as Internet access at home, a cell phone and cable television, which once were considered to be luxuries. Despite these pressures, more than two-thirds of all Americans say they would be satisfied with having enough money to meet their basic needs, rather than wanting to be rich. However, more than half (53%) said they had to change jobs (or may

need to change jobs in the future) to maintain an income to meet their basic needs.  
<http://www.metlife.com/WPSAssets/23720648601169583027V1FMetLifeAmericanDreamStudyFinal012507.pdf>

**19. \*\*\*Older minorities have higher poverty rates.**

*A Profile of Older Americans.* 2006. Administration on Aging, U.S. Department of Health and Human Services

One of every twelve (7.9%) older whites was poor in 2005, compared to 23.2 percent of older African Americans, 12.6 percent of Asians and 19.9 percent of older Hispanics.  
<http://www.aoa.gov/prof/statistics/profile/2006/2006profile.pdf>

**20. \*\*\*Poverty rate among older people will decrease...**

*Income Growth and Future Poverty Rates of the Aged.* 2001. Social Security Administration Office of Policy Office of Research, Evaluation, and Statistics

Poverty among the elderly will decrease from 10.5 percent in 1997 to about 7.2 percent in 2020 and to 4.1 percent in 2047, as long as benefit rules for Social Security and Supplemental Security Income do not change and earnings and other sources of income grow by one percent per year.  
<http://www.ssa.gov/policy/docs/workingpapers/wp94.pdf>

**21. \*\*\*...But pockets of poverty will persist.**

*What Will Happen to Poverty Rates Among Older Americans in the Future and Why?* 2005. The Retirement Project, the Urban Institute.

The expansion of the Social Security program has contributed to lower poverty among older Americans. However, there is concern that earnings inequality among today's workers, higher divorce rates, the erosion of defined benefit pension plans and a lower Social Security replacement rate could raise those poverty rates among older people in the future. The authors project that the poverty rate for the 62+ population will decline from 7.8 percent in the early 1990s to 4.2 percent in 2020 due to growth in real earnings. High poverty rates will persist among some groups, including high school dropouts, blacks and Hispanics, never-married women and men, divorced women and the oldest of the aged population.  
[http://www.urban.org/UploadedPDF/900893\\_poverty\\_rates.pdf](http://www.urban.org/UploadedPDF/900893_poverty_rates.pdf)

**22. \*\*\*Older single women tend to be poor.**

*Why Are So Many Older Women Poor?* 2004. Center for Retirement Research, Boston College.

Twenty-eight percent of single older women are either poor or near poor. During their working life, these women have lower earnings on which their retirement benefits are based. Women typically have lower wages (earning about 25 percent less than men), tend to work part-time (25% of women compared to 10% of men) and spend fewer years in the workforce (32 years for women compared to 44 years for men.) As a result, most receive lower benefits in retirement than men. Married women are often forced to depend, in part, on their husband's earnings for their Social Security benefit, which is cut when the husband dies.  
[http://www.bc.edu/centers/crr/facts/jtf\\_10.pdf](http://www.bc.edu/centers/crr/facts/jtf_10.pdf)

## HOW WILL THEY SPEND THEIR MONEY?

### 23. *Baby Boomers' traditional radicalism and non-conformism translates into an uncompromising and militant approach to their rights as consumers.*

*Eternal Youths: How the Baby Boomers are Having Their Time Again.* 2004. London: Demos/Magdalen House.

This research suggests that Baby Boomers are disillusioned by consumer services and more assertive than any previous generation in demanding what they take to be their rights. Specifically, boomers have these consumer characteristics:

**Health services:** They are likely to be more demanding of health services, thanks to greater awareness of health and available interventions.

**Charitable giving:** They are changing the business of giving, rarely responding to requests for donations made on the telephone or in the mail. Instead they seek out charities that reflect their interests and concerns and then carefully scrutinize them.

**Youth:** They are obsessed with the idea of youth and can be uncharacteristically credulous about the prospect of buying the "elixir of youth." This search for youth also has them using their powerful consumer clout to buy up the best toys. Boomers have a clear dislike of the physical signs of aging. The possibility of senility also raises a chill, as do thoughts of illness and protracted pain or suffering.

**Travel:** Boomers are interested in traveling (they traveled more than any other age group in 2002); and studying (they will prefer to dip in and out of education and work).

**Spending:** They seek to spend money on themselves and to spare no expense on customized services that make their lives easier.

**Ethics:** One quarter (23%) have boycotted a company's product based on ethical grounds, compared with only 13 percent of the older generation and 16 percent of the younger generation. Equally, 20 percent of boomers have positively chosen to buy a product or service because of the company's ethical reputation.

**Wealth:** Extremes of wealth within the Baby Boomer generation raises important questions about the potential role of service providers to bridge wealth inequalities.

<http://www.demos.co.uk/files/EternalYouths.pdf>

### 24. *Brand loyalty is greatest for insurance, bank, and customized services.*

"Baby Boomers stay loyal to insurance brand, study reveals," *Insurance Journal*, May 15, 2007.

Baby Boomers are most loyal when companies give customized service. They are willing to pay more for value if a product or service makes life easier. The most successful advertisers will offer real information about the benefits of products in order to position themselves over the competition as a tested source of quality products.

<http://www.insurancejournal.com/news/national/2007/05/15/79724.htm>

### 25. *\*\*\*Appealing to older consumers takes planning.*

*Wealth with Wisdom: Serving the Needs of Aging Consumers.* 2006. Deloitte Services LLC.

The authors suggest three steps that managers can take to tap into the older consumer market. These are to:

***Walk a mile in the customer's shoes:*** Understand the various changes 50+ customers undergo as they get older. Observe and converse with aging consumers so you can recognize their true needs.

***Analyze and fix the easy things first:*** Modify your offerings to 50+ markets so they are more age friendly.

***Research and redesign products and services:*** Research the challenges of the 50+ population, adapt products and services to their needs, and pretest those products with a representative sample. Evaluate and pretest communication packages both online and offline. Train customer service people to recognize the needs of older consumers and teach them strategies for communicating with this population and solving their problems.  
[http://www.deloitte.com/dtt/cda/doc/content/US\\_CB\\_wealthwithwisdom\\_0106%283%29.pdf](http://www.deloitte.com/dtt/cda/doc/content/US_CB_wealthwithwisdom_0106%283%29.pdf)

## HOW WIRED ARE THEY?

### 26. Boomers are technology influencers.

“Boomereyes study takes heartbeat of generation,” *The Mature Market*.

According to the Pew Foundation, home Internet usage is high across most age groups: 18-29 year olds (88%), 30-49 year olds (84%), 50-64 year olds (71%), and 65 years old and over (32%). Boomers are technology influencers, with one in three being sought out by family and friends for technological advice. Three-quarters of online boomers have high-speed Internet access at home. Besides emailing, online boomers use the Internet most often to surf the web (72%); shop (69%); do research (69%); do work processing (63%); manage personal finances (61%); research and book travel (60%); play games (53%) and download pictures from a digital camera (46%).

<http://www.thematuremarket.co.uk/uk/dossier.php?numtxt=8475&idrb=7>

### 27. Many are concerned that technology will make life impersonal.

*Eternal Youths: How the Baby Boomers are Having Their Time Again*. 2004. London: Demos/Magdalen House.

While many of Baby Boomers are enthusiastic about new technologies, their accumulated experience of those technologies has led many to the conclusion that technology can increase stress – either because it encourages the ‘speeding up’ of time or because our reliance upon it leaves us helpless. Most importantly, many are concerned that increased computer use and automation will make life more impersonal. Older Baby Boomers are horrified at what they see as increasingly depersonalized approaches to customer service and are alert to the fact that many companies are using those new technologies solely to cut costs. Many feel that such technology is ‘taking over’ and is cutting out real human interaction; for many this was a frightening picture of a cold and inhuman future.

<http://www.demos.co.uk/files/EternalYouths.pdf>

## WHAT DO OTHERS THINK OF THEM?

### **28. Caregivers are stereotyping the seniors to whom they provide care.**

“Seniors unfairly stereotyped as grouchy and frail,” *Medical News Today*, May 6, 2007.

A study of caregivers of Alzheimer's patients and non-caregivers conducted by the University of Alberta in Edmonton, Canada revealed that seniors are being stereotyped as grouchy, inflexible to change and mostly living in nursing homes. Indeed, the opposite is true. The study results are published in the May issue of *Educational Gerontology*. Study authors suggest that anytime caregivers base their care on stereotypes rather than the individual's needs, it could affect their caregiving behavior in negative ways.

<http://www.medicalnewstoday.com/medicalnews.php?newsid=69575&nfid=al>

### **29. Many Americans still have misconceptions about aging and older people.**

*Images of Aging in America 2004*. March 2006. Washington, DC: AARP

Despite having up-to-date knowledge about many aspects of aging, many Americans still harbor misconceptions that the majority of older people live below the poverty line; that older people say they are often angry, irritated, bored or lonely; that at least one in 10 older people are institutionalized; and that the health and economic status of the elderly in the coming decades will “probably be the same or worse than it is now.” Moreover, the misconceptions that older people are typically senile, asexual, miserable, “pretty much alike” and less effective in the workplace than younger workers are common among Americans. Americans with a lower overall level of knowledge about aging and older people are more likely to feel anxiety about the aging process that focuses on health, money matters, independence in older age and general concern about the future.

<http://www.aarp.org/research/reference/publicopinions/aresearch-import-926.html>

## ***Older Consumers as Recipients and Purchasers of Health Care***

*How healthy do aging Baby Boomers feel, how healthy will they really be in the future, with what medical conditions will they struggle, who will care for them, and how will they pay for that care?*

### ***Summary***

Generally, aging Baby Boomers report that their health is excellent or very good and that they are taking steps — like increasing their physical activity and adopting healthy eating habits — that will ensure good health into their retirement and beyond. Yet, health statistics often tell a different tale, suggesting that 50+ adults are increasingly overweight and obese, that they will be managing multiple chronic conditions by the year 2030, that they will enter their golden years in worse health than their parents and that some may have to retire earlier than they planned, due to unexpected health problems.

***Chronic disease and disability:*** The jury still seems to be out on just how many chronic diseases and disabilities future older people will experience. Some researchers report that one out of every four boomers (14 million) will be living with diabetes and 26 million will suffer from arthritis by 2020, while others suggest that chronic disability among older Americans has dropped dramatically in the past two decades and will continue to drop in the future. No matter how those numbers finally shake out, it seems clear that more aging Baby Boomers will suffer from certain conditions, including drug and alcohol abuse, HIV/AIDs, arthritis, Alzheimer's disease and obesity.

***The upside of aging:*** Fortunately, there are some bright spots on the health front for aging Baby Boomers. Advances in disease detection and treatment hold the promise that cancer rates will drop as the Baby Boomers enter old age. In addition, medical science is expected to find innovative ways to treat and manage diabetes and other diseases. Scientists have already made strides in identifying ways to enhance mental functioning in older adults. An emerging body of research is beginning to show that an array of mental functions holds up well into old age and may actually improve.

***Paying for health care:*** Financing health and long-term care services will remain a challenge for many years to come. A couple retiring in 2007 will need \$215,000 to pay their medical costs during retirement. Yet few Americans are saving money to cover those expenses and many incorrectly assume either that they have retiree health benefits or that Medicare will take care of every medical need. Baby Boomers are becoming increasingly concerned about paying for long-term care and most believe that the government should do more to help them meet those costs. But if the dire predictions made by the Medicare trustees pan out, the government may have serious trouble meeting those expectations.

***The employer response:*** Generally, employers are pulling back on health insurance benefits before their workers even reach retirement, either by dropping coverage altogether or shifting more costs to employees. This shift is taking place at the same time some analysts are calling on employers to play a stronger role in helping their workers purchase long-term care insurance.

***Challenges facing minorities and women:*** All Baby Boomers will be challenged by rising health and long-term care costs and decreasing health insurance benefits. But older minorities and women are particularly vulnerable when it comes to access and outcomes. Older minorities already have poorer health outcomes than older whites; African Americans are more susceptible to strokes and non-English speakers have higher disability rates. Many of these poor health outcomes can be attributed to a lack of access to insurance, which inevitably translates into a lack of access to quality health care. Indeed, racial and ethnic disparities exist throughout long-term care and affect the equitable treatment of minority older people who suffer with chronic diseases or who seek services from home health and hospice programs and nursing homes. Women's health is also at risk, with the number of women who lack health insurance on the rise.

***The task for LTC providers:*** For their part, long-term care providers will need to change the way they do business in order to meet the needs of the growing older population. Generally, consumers will not be satisfied with the current long-term care delivery system. They'll want a new model of nursing home care, one that offers more privacy, more conveniences, better services, and — most importantly — more choice. Successful providers will respond to these preferences by devising new ways to empower consumers and their families, by adopting a person-centered approach to care and services and by finding new ways to apply health information technology to home and residential settings. Providers must even be flexible regarding the level of consumer choice they offer to different consumers, as some will feel more comfortable with choice than others.

***The health care landscape:*** Long-term care providers and workers may also find themselves filling gaps in service left by the decreasing numbers and availability of geriatricians, general practitioners and specialists. For example, specialists with growing caseloads may see patients only periodically and will depend on nurses, hospice and homecare workers to provide ongoing care. Only a third of Baby Boomers say they are very confident that they will be able to visit the doctor of their choosing in retirement.

***Role of the private sector:*** Some of the demand for care and services could very well be filled by the private sector, which is already preparing to invest substantial resources in services for the growing aging population — with the expectation of healthy financial returns on that investment. Adult and senior care franchises are already offering home care and companionship services, and the number of adult day care franchises is expected to skyrocket. In addition, some venture capitalists are looking at medical markets as areas ripe for investment, in part because they expect aging Baby Boomers to have the money to spend on cutting-edge medical technologies that might prolong or improve their lives.

## *Bibliography*

### **HOW HEALTHY DO AGING BABY BOOMERS FEEL?**

**1. Adults 50+ report generally good health—but some notable health problems.**

*The State of 50+ America. 2006.* Washington, DC: AARP.

In AARP’s third annual “report card” on the quality of life of Americans age 50 and older, survey respondents report “excellent” or “very good” health status more frequently than 10 years ago. In addition, drug coverage is more widespread for Medicare beneficiaries, a higher percentage of the 50+ population is physically active and mental health and functional limitation indicators have improved. However, on the downside, the percent of 50+ adults who are overweight and obese increased over the decade, medical care has become unaffordable for more people age 50 and older and health insurance coverage for 50-to-64-year-olds has declined.

[http://assets.aarp.org/rgcenter/econ/fifty\\_plus\\_2006.pdf](http://assets.aarp.org/rgcenter/econ/fifty_plus_2006.pdf)

**2. Boomers think they are in good health and few are planning for future.**

*Baby Boomers Envision Retirement II: Survey of Baby Boomers' Expectations for Retirement.* May 2004. Washington, DC: AARP.

More than half (58%) of Baby Boomers consider themselves to be in very good or excellent health, down six points from AARP’s original 1998 study. Yet, many boomers acknowledge that they are not taking adequate steps to maintain their health. Indeed, boomers are almost evenly divided between those who are planning for a healthy and active retirement and those who are not. African American and Hispanic boomers are more likely than are whites to feel that they are *not* doing enough now to maintain their health.

<http://www.aarp.org/research/work/retirement/aresearch-import-865.html>

**3. Boomers feel they have control over the aging process.**

“Boomereyes study takes heartbeat of generation,” *The Mature Market*.

Two-thirds (65%) of Baby Boomers say they are exercising at least once a week. Boomers say they feel some (46%) or a lot of (22%) control over the aging process. Boomers have also adopted healthy eating habits, including reading nutrition labels (50%), eating smaller meals (43%), changing their diet to maintain their weight and stay healthy (41%), eating low-fat foods (37%) and monitoring their intake of carbohydrates (29%).

<http://www.thematuremarket.co.uk/uk/dossier.php?numtxt=8475&idrb=7>

### **HOW HEALTHY WILL THEY REALLY BE?**

**4. More chronic disease, obesity, doctor visits and hospital stays.**

*When I’m 64: How Boomers Will Change Health Care.* May 2007. First Consulting Group and the American Hospital Association.

More than 37 million of Baby Boomers—six out of 10—will be managing more than one chronic condition by 2030. One out of every four boomers (14 million) will be living

with diabetes; the number suffering from arthritis will peak at 26 million in 2020. More than one out of three boomers—over 21 million—will be considered obese. By 2020, boomers will account for four in 10 office visits to physicians and will make up a greater proportion of hospitalizations. (Reported in “Baby Boomers to Challenge and Change Tomorrow's Health Care System,” PR News Wire, May 8, 2007.

<http://sev.prnewswire.com/health-care-hospitals/20070508/AQTU11408052007-1.html>

<http://www.fcg.com/research/serve-research.aspx?rid=336>

**5. *Life-threatening and disabling chronic diseases affect 80 percent of older people.***

*The State of Aging and Health in America 2007.* 2007. Centers for Disease Control and Prevention and the Merck Company Foundation.

Eighty percent those 65+ live with at least one chronic disease that could lead to premature death and disability, and nearly 95 percent of health care expenditures are spent on treating chronic health conditions among older adults. (Reported in “Eighty Percent of Older Americans Live With a Chronic Disease,” *Senior Journal*, May 2, 2007.)

<http://www.seniorjournal.com/NEWS/Health/2007/7-05-02-EightyPercent.htm>

[http://www.cdc.gov/aging/pdf/saha\\_2007.pdf](http://www.cdc.gov/aging/pdf/saha_2007.pdf)

**6. *Boomers are less hale and hearty than their parents at the same age.***

“Aging boomers facing increased health problems,” *The Washington Post*, April 22, 2007.

The first wave of Baby Boomers may enter their golden years in worse health than their parents, according to the Health and Retirement Study, which is tracking more than 20,000 adults as they move through middle age through retirement. In this and other large studies, Baby Boomers are more likely than their forebears to report difficulty climbing stairs, getting up from a chair and doing other routine activities. They also report more chronic problems such as high cholesterol, blood pressure and diabetes. The obesity crisis may contribute to the findings: two-thirds of Americans are overweight and Baby Boomers tend to be less physically active than their parents and grandparents. They also report more stress than earlier generations.

[http://www.boston.com/news/nation/washington/articles/2007/04/22/aging\\_boomers\\_facing\\_increased\\_health\\_problems/](http://www.boston.com/news/nation/washington/articles/2007/04/22/aging_boomers_facing_increased_health_problems/)

**7. *Health problems will cause early retirement—and lower incomes.***

“Moving into retirement: Survey finds more leaving jobs earlier -- and not saving enough,” *The Boston Globe*, March 13, 2007.

Unexpected health problems cause nearly 25 percent of working adults in the U.S. to retire earlier than expected, according to a recent survey by Fidelity Investments. These workers are left with lower-than-expected income. Researchers surveyed and analyzed private savings, Social Security benefits and pensions of more than 2,000 U.S. workers age 25 and older who earned \$20,000 or more per year, and 793 retirees age 55 and older.

[http://www.boston.com/business/personalfinance/articles/2007/03/13/moving\\_into\\_retirement/](http://www.boston.com/business/personalfinance/articles/2007/03/13/moving_into_retirement/)

**8. Chronic disability has dropped dramatically.**

“Change in chronic disability from 1982 to 2004-2005 as measured by long-term changes in function and health in the U.S. elderly population,” *Proceedings of the National Academy of Sciences*, November 28, 2006.

The prevalence of chronic disability among people 65 and older fell from 26.5 percent in 1982 to 19 percent in 2004/2005. Chronic disability rates decreased among those over 65, with the greatest improvements seen among the most severely impaired. The proportion of people without disabilities increased the most in the oldest age group, rising by 32.6 percent among those 85 years and older. (Reported in “U.S.: Disability Among Older Americans Continues Significant Decline,” *The Mature Market*.)

<http://www.pnas.org/cgi/reprint/103/48/18374?maxtoshow=&HITS=10&hits=10&RESULTFOR=MAT=&fulltext=chronic+disability&searchid=1&FIRSTINDEX=0&resourcetype=HWCIT>

**9. Percentage of 65+ population with disabilities has declined.**

*65+ in the United States*. 2005. Washington, DC: U.S. Census Bureau and National Institute on Aging.

The percentage of people over age 65 who had a disability decreased from 26.2 percent in 1982 to 19.7 percent in 1999, and there "were signs the trend would continue," Still, about 65 percent of those over age 75 visit hospital emergency departments at least four times a year, while about a quarter had 10 or more visits per year and another quarter visited an emergency department once. (Reported in “Impact Of Aging Baby Boomer Population Might Be Less Than Thought, Partly Due To Fewer Elderly People With Disabilities, Census Report Says.” *Medical News Today*.)

<http://www.medicalnewstoday.com/medicalnews.php?newsid=39313>

<http://www.census.gov/prod/2006pubs/p23-209.pdf>

## WITH WHAT CONDITIONS WILL THEY STRUGGLE?

**10. Drug and alcohol abuse will rise.**

“Projecting drug use among aging Baby Boomers in 2020,” *Annals of Epidemiology*, 2006 Apr; 16(4):257-65. Epub 2005 Nov 4.

Greater rates of lifetime drug use among the Baby Boom generation, combined with the size of that generation, suggest that the number of elderly persons using drugs will increase in the next two decades.

[http://www.ncbi.nlm.nih.gov/sites/entrez?db=pubmed&list\\_uids=16275134&cmd=Retrieve&index=google](http://www.ncbi.nlm.nih.gov/sites/entrez?db=pubmed&list_uids=16275134&cmd=Retrieve&index=google)

Similar findings reported in:

- “Substance abuse treatment need among older adults in 2020: the impact of the aging baby-boom cohort,” *Drug and Alcohol Dependence* 2003 Mar 1;69(2):127-35.  
<https://medicine.johnstroggerhospital.org/cru/images/education/519cd99e959493c0c6ad6bf40b928794.pdf>
- “The potential impact of the baby-boom generation on substance abuse among elderly persons,” *Psychiatric Services*, September 1999 Vol. 50 No. 9.  
<http://ps.psychiatryonline.org/cgi/reprint/50/9/1184>

- “Abuse of alcohol, drugs challenging health services for elderly,” *Wilmington News Journal*, April 22, 2007  
<http://www.wnewsj.com/main.asp?SectionID=45&SubSectionID=142&ArticleID=154646&TM=85148.44>

### **11. Higher incidence of HIV among elderly worldwide.**

“One in fourteen people with HIV are over 50,” *The Mature Market*.

One in fourteen people living with HIV are over 50 and millions more older people are at risk of contracting the disease because governments are still not targeting older people in HIV and AIDS prevention programs, says HelpAge International. Latest figures estimate that the number of people over 50 who are living with HIV is 2.8 million, which is seven percent of all those living with the disease. However, due to limited data collection, the spread of HIV among older age groups continues to go undetected and unreported.

[http://www.thematuremarket.com/SeniorStrategic/hiv\\_over\\_50-8544-5.html](http://www.thematuremarket.com/SeniorStrategic/hiv_over_50-8544-5.html)

### **12. Baby Boomers need a “safe sex” refresher course.**

“Healthy living: Sex ed for aging Baby Boomers,” WCPO-TV, Cincinnati, Ohio, May 2, 2007.

Officials from the American Social Health Association and HealthCare Education Associates suggest that HIV is extremely prevalent among ages 45, 50 and older, and that it is increasing at a faster rate among older people than younger people, especially women. The Centers for Disease Control and Prevention estimates that in 2005, the number of diagnosed 40+ adults was double the number of diagnosed 20-year-olds. The incidence of acute Hepatitis B has also increased dramatically among 40-year-olds. Health care educators say the statistics indicate that the Baby Boom generation needs a refresher course in safe sex.

[http://www.wcpo.com/news/local/story.aspx?content\\_id=e6c2eb12-acb5-4172-b7c9-deb04716064d](http://www.wcpo.com/news/local/story.aspx?content_id=e6c2eb12-acb5-4172-b7c9-deb04716064d)

### **13. Boomers lead surge in arthritis cases.**

“Medical care expenditures and earnings losses among persons with arthritis and other rheumatic conditions in 2003, and comparisons with 1997,” *Arthritis & Rheumatism*, Volume 56, Issue 5, Pages 1397 – 1407, May 2007.

A U.S. Centers for Disease Control and Prevention report, which spans the six years from 1997 to 2003, detected a 25-percent jump in the number of adult Americans with arthritis and other rheumatic conditions. Baby Boomers are leading the surge. Of the nine million people newly diagnosed with arthritis or rheumatoid conditions during the six-year study, 66 percent of those people were between the ages of 44 to 64. (Reported in “U.S. Arthritis Numbers, Costs Soaring,” *HealthDay*, April 27, 2007.)

<http://www.washingtonpost.com/wp-dyn/content/article/2007/04/27/AR2007042700660.html>

[http://findarticles.com/p/articles/mi\\_kmhea/is\\_200704/ai\\_n19042919](http://findarticles.com/p/articles/mi_kmhea/is_200704/ai_n19042919)

<http://www3.interscience.wiley.com/cgi-bin/abstract/114229137/ABSTRACT>

**14. Alzheimer's deaths surpass death rates for diabetes.**

“Greater proportion of older men, women working, according to updated federal report” press release from Federal Interagency Forum on Aging-Related Statistics, July 10, 2006.

In 2003, age-adjusted death rates for Alzheimer's disease (167.7 deaths per 100,000 people) surpassed death rates for diabetes mellitus (150.7 deaths per 100,000) and influenza and pneumonia (154.8 deaths per 100,000). Some of this increase has resulted from better reporting of Alzheimer's disease on death certificates. The leading causes of death for people age 65+ in 2003 are ranked as follows: (1) diseases of heart, (2) malignant neoplasms, (3) cerebrovascular diseases, (4) chronic lower respiratory diseases, (5) Alzheimer's disease, (6) influenza and pneumonia, and (7) diabetes mellitus. [http://www.agingstats.gov/agingstatsdotnet/Main\\_Site/Data/2006\\_Documents/press-note-OA2006.pdf](http://www.agingstats.gov/agingstatsdotnet/Main_Site/Data/2006_Documents/press-note-OA2006.pdf)

**15. Alzheimer's cases will more than double.**

“Annual incidence of Alzheimer disease in the United States projected to the years 2000 through 2050,” *Alzheimer Disease & Associated Disorders*. 15(4):169-173, October/November/December 2001.

The annual number of Alzheimer's cases is expected to more than double by the midpoint of the 21st century: from 377,000 in 1995 to 959,000 in 2050. The proportion of new onset cases of individuals who are age 85 or older will increase from 40 percent in 1995 to 62 percent in 2050 when the youngest of the Baby Boomers will attain that age.

<http://www.alzheimerjournal.com/pt/re/adad/abstract.00002093-200110000-00002.htm;jsessionid=GpLTn7VnVN425vRB7TzP68IKb39p4LGdxsx11V1SHQg0p5ldqGTI!95098694!-949856144!8091!-1>

**16. The Baby Boom generation is more obese than the Silent Generation.**

“Baby Boomer obesity takes its toll on the health care economy,” *Insurance New Net*, March 21, 2007

A 2005 study by the Beth Israel Deaconess Medical Center (BIDMC) revealed that more Baby Boomers are suffering from obesity than the previous (“silent”) generation. BIDMC also observed that the condition developed at a younger age among boomers than in the silent generation. Ironically, while boomers have access to better nutrition and information about exercise than the previous generation, a forthcoming study by National Bureau of Economic Research found that boomers report experiencing more pain, drinking and psychiatric problems. Boomers also complained of difficulty in carrying out everyday tasks such as climbing stairs, carrying more than 10 pounds and kneeling or crouching.

[http://insurancenewsnet.com/article.asp?a=top\\_news&id=77454](http://insurancenewsnet.com/article.asp?a=top_news&id=77454)

**WHAT'S THE GOOD NEWS?**

**17. Some mental functions may actually improve with age.**

“The upside of aging,” *The Wall Street Journal*, February 16, 2007

An emerging body of research shows that a surprising array of mental functions hold up well into old age, while others actually get better. Vocabulary improves, as do other verbal abilities such as facility with synonyms and antonyms. Growing awareness that

old brains aren't necessarily senile brains is already fueling a slew of consumer offerings. More research is coming. Scientists are increasingly investigating healthy aging, trying to discover which factors allow some people to resist the usual ravages of time, and to get a better sense of how well older adults can function.

<http://online.wsj.com/article/SB117159082888010600.html>

### **18. Deaths from stroke and cancer are down.**

“Growing old, Baby-Boomer style,” CBS News and WebMD, January 10, 2006.

The number of obese Americans 55-64 has jumped from 31 percent (1988-1994) to 39 percent (1999-2002), according to *Health, United States, 2005*, issued by the Department of Health and Human Services. Other signs suggest, however, that boomers will enjoy not just increased longevity but better health as well. Since 1950, the death rate for heart disease has dropped by 60 percent and for stroke by 70 percent, according to the study. Since 1990 the death rate for cancer has dropped by 10 percent.

<http://www.cbsnews.com/stories/2006/01/10/health/webmd/main1195879.shtml>

### **19. Fewer cases of cancer, diabetes and heart disease.**

“Aging Baby Boomers still aim to have fun,” *USA Today (Magazine)* 128.2656 (Jan 2000).

Renee Twibell, associate professor of nursing at Ball State University says cancer mortality should decrease markedly during the first half of the next century as boomers make the right lifestyle choices and seek early detection. One type of diabetes may be prevented with a new vaccine within 15 years, while diet and exercise can prevent other forms of the disease. Also expected are injections of insulin by nasal spray, the development of an artificial pancreas and the creation of cell proteins that can repair diseased blood vessels. On the other hand, Twibell predicts bacteria that will become more virulent and resistant, and an increase in sexually transmitted diseases for which drugs may prove ineffective.

[http://findarticles.com/p/articles/mi\\_m1272/is\\_2656\\_128/ai\\_58576569?lstp=article\\_results&lstp=search&lstp=external&lstpr=other&lstw=1&lstwn=search\\_results&lstp=body\\_middle](http://findarticles.com/p/articles/mi_m1272/is_2656_128/ai_58576569?lstp=article_results&lstp=search&lstp=external&lstpr=other&lstw=1&lstwn=search_results&lstp=body_middle)

## **WHO WILL PROVIDE PRIMARY CARE?**

### **20. Modern medicine isn't tackling the health needs of the elderly.**

“The way we now age,” *The New Yorker*, April 30, 2007

Atul Gawande, an assistant professor of surgery at Harvard Medical School, suggests that modern medicine is reluctant to tackle the elderly's substantial and complex health-care needs. It may be too late to create a cadre of geriatricians to aid the U.S.'s surging population of elderly. One solution may be to ask the country's existing geriatricians to train primary-care doctors to serve the elderly. As a backup, nurses could be trained to handle some of the same care. Dr. Gawande calls this “a meager solution for a huge problem.”

[http://www.newyorker.com/reporting/2007/04/30/070430fa\\_fact\\_gawande?printable=true](http://www.newyorker.com/reporting/2007/04/30/070430fa_fact_gawande?printable=true)

**21. Boomers are confident they'll get to see a specialist of their choice.**

*Baby Boomers Envision Retirement II: Survey of Baby Boomers' Expectations for Retirement.* May 2004. Washington, DC: AARP

Thirty percent of Baby Boomers are very confident that they will be able to see a specialist in retirement when they feel they need to, up nine points since 1998. Twenty-eight percent are very confident that they will be able to visit doctors of their choosing, up four points. African Americans tend to be more confident than others that they will have the type of health care they need and want in retirement, even though a sizable plurality of this group (41%) expects to rely on Medicare for most of their health care needs.

<http://www.aarp.org/research/work/retirement/aresearch-import-865.html>

**22. Shortage of oncologists could put more pressure on hospice workers.**

"Coping with a shortage of cancer doctors," *Newsweek*, April 13, 2007

A study published in the *Journal of Oncology Practice* suggests that an aging and significantly large population of Baby Boomers will mean an increase in cancer diagnoses as this pivotal group passes 65, the age at which cancer rates spike. Add to the mix a slowing growth in the supply of oncologists and the result will be a drastic shortage of oncologists by 2020, just as cancer rates in the country are expected to soar. The oncologist of the future will be a "team leader" who will see new patients and then pass them on to other care professionals—including hospices—for follow up.

<http://www.polymva.com/blog-news/41/coping-with-a-shortage-of-cancer-doctors/>

**23. Boomer health as a business investment.**

"Health care gets attention of venture-capital firms," *The Wall Street Journal*, April 11, 2007

With Baby Boomers aging, some venture capitalists (VC) see the medical markets as an area ripe for investments. According to VentureWire, venture-capital investors poured \$8.2 billion into the health-care market in 2006. Health-care start-ups might see even more dollars flowing as VCs realize there is a way to make money in the industry. Those interviewed for this article suggest that interest in the health-care industry is being driven in part by the aging of the Baby Boomers and the fact that those boomers have the money to spend on cutting-edge medical technologies that might prolong or improve their lives.

<http://online.wsj.com/article/SB117624181007065555.html>

## WHO WILL PROVIDE LONG-TERM CARE?

**24. Few care providers are prepared to conduct health assessments specific to older adults.**

"New York University College of Nursing receives \$2.6M grant," *Medical News Today*, May 16, 2007.

Few faculty or care providers outside of the geriatrics specialty are prepared to conduct or teach the use of geriatric health assessment tools, despite the prevalence of this population.

<http://www.medicalnewstoday.com/medicalnews.php?newsid=70800&nfid=al>

**25. Nursing home patients will want different services and different environments.**

“The future of long-term care for the chronically ill,” *Nursing Administration Quarterly* 25.1 (Fall 2000): p51.

Those who will need nursing home care in the future are likely to want different services and different environments from the traditional nursing homes of today. Consumers will likely be less accepting of the lack of privacy that now exists in a traditional two-bed room or of care regimens that are offered without consumer choice.

<http://www.naqjournal.com/pt/re/naq/abstract.00006216-200010000-00015.htm;jsessionid=G2JdzwJCXyKdQ2098nvtLZbGCBLfkTFtPTDzCBglgGzHLY3h6dWl!-1804036389!-949856145!8091!-1>

**26. Consumers will want a home-like environment, conveniences and computers.**

“Broken and unsustainable: the aging of Baby Boomers means a cost crisis in long term care,” *Contemporary Long Term Care* 26.10 (Oct 2003): p22(3).

Several long-term care facility operators said they expect the next generation of seniors will demand: (1) apartment life instead of institutional care; (2) a more home-like environment wherever they live; (3) convenient, rather than drab and non-user-friendly, facilities; (4) computers and/or Internet access; and (5) wellness and exercise programs.

[http://www.ncbi.nlm.nih.gov/sites/entrez?cmd=Retrieve&db=pubmed&list\\_uids=14595909&dopt=Citation](http://www.ncbi.nlm.nih.gov/sites/entrez?cmd=Retrieve&db=pubmed&list_uids=14595909&dopt=Citation)

**27. Revolutionize long-term care by empowering individuals, making physical and organizational change and applying health information technology.**

*Out of the Shadows: Envisioning a Brighter Future for Long-Term Care in America.* 2006. A Brown University Report for the National Commission for Quality Long-Term Care.

Today’s frail elderly and their family caregivers are frustrated by the disjointed array of federal and state long-term care financing policies and dissatisfied with the limited choices in the kinds of services available to them. They fear the thought of entering a nursing home. Among other things, the report recommends that caregivers: (1) empower individuals and families by improving consumer knowledge, expectations of quality and private planning for long-term care; (2) promote physical and organization change by offering non-institutional options and adopting a person-centered approach; and (3) find new ways to apply health information technology at home and in residential settings.

[http://www.chcr.brown.edu/PDFS/BROWN\\_UNIVERSITY\\_LTC\\_REPORT\\_FINAL.PDF](http://www.chcr.brown.edu/PDFS/BROWN_UNIVERSITY_LTC_REPORT_FINAL.PDF)

**28. Let consumers decide how much consumer direction they prefer.**

“Consumer direction, consumer choice and the future of long-term care,” *Journal of Disability Policy Studies* 13.2 (Fall 2002): p 67(7).

Most of the long-term care industry has only perceived the tip of the proverbial consumer-direction iceberg. The most challenging task for states will be to develop their consumer-directed long-term care programs with the flexibility to meet the needs of consumers with very different disabilities. Ideally, consumers should be able to choose from a variety of long-term care options with a range consumer direction levels, including the independent living model. This would allow consumers to decide for

themselves how much consumer direction they prefer and how such consumer direction may be exercised to achieve their life goals.

<http://www.ingentaconnect.com/content/proedcw/jdps/2002/00000013/00000002/art00002>

**29. *Nursing home staffs need training in sexuality.***

“Most healthcare professionals lack training in elder sexuality, finds study presented at American Geriatrics Society's 2007 Annual Scientific Meeting,” *Medical News Today*, May 2, 2007.

More than half of the 200 healthcare professionals working in a large nursing home, who identified themselves as highly religious, say residents' sexual activity "should not be supported by the staff." Although nearly 60 percent of the professionals participating in the study had more than 10 years of experience working with older adults, 70 percent reported getting no formal training in elder sexuality.

<http://www.medicalnewstoday.com/medicalnews.php?newsid=69339&nfid=al>

**30. *Senior centers may play important role in keeping future elderly healthy.***

“The impact of senior centers and geriatric healthcare policy,” *Healthcare Policy Fact Sheet*, Institute for Public Administration, University of Delaware, undated.

As the nation’s elderly population continues to increase over the next 20–30 years, states will need to become increasingly aware of the demands of the aging population and supportive of programs, like those offered at senior centers, which are designed to promote healthy, active senior lifestyles.

<http://www.ipa.udel.edu/healthcare/srcenters/FactSheet1.pdf>

**31. *Note to senior centers: Baby Boomers won’t play bingo.***

“Senior center research earns recognition,” *Arizona State University Insight*, April 12, 2007

Researchers for the “Boomer-ANG Project” recommend that senior centers establish a new “identity” or “brand.” Today's senior centers offer many sedentary programs, such as knitting and bingo, which simply will not appeal to boomers, the researchers say. The Boomer-ANG Project included an extensive analysis, review and assessment of 10 senior centers in Montgomery County, Pennsylvania.

[http://www.asu.edu/news/stories/200704/20070412\\_McCabe.htm](http://www.asu.edu/news/stories/200704/20070412_McCabe.htm)

<http://www.ncoa.org/content.cfm?sectionID=44&detail=1797>

**32. *Franchises seek profits as they help older people age in place.***

“Aging U.S. population is driving growth in elderly care franchising,” *franchising.com*, December 7, 2006.

Adult and senior-care franchises typically offer a variety of non-medical home care and companionship services and include services like shopping, meal preparation, light housekeeping, errands, medical reminders, personal care and Alzheimer's care. They include Home Instead Senior Care, Sarah Care, Adult Day Services, Inc., AmeriCare Alliance, Right At Home, Common Sense Services for Seniors, CareMinders and Visiting Angels. The companies are trying to fill a niche market by offering services that will relieve burdens on family caregivers.

<http://www.franchising.com/articles/154/>

**33. Adult day care franchises are on the rise.**

“The franchise way to play the population trend,” *The New York Times*, March 29, 2007.

Although most adult day care centers are still operated as part of a larger organization like a skilled nursing home or medical center, they are gaining popularity with entrepreneurs and companies that are developing chains. Demand for these centers is projected to skyrocket. However, many businesses have trouble making a go of it and eventually convert to nonprofits so they can gain access to grants, donations and contributions.

<http://select.nytimes.com/search/restricted/article?res=F70613FE3B540C7A8EDDAA0894DF404482>

**HOW WILL OLDER CONSUMERS PAY FOR CARE?**

**34. Retirees will need \$215,000 for health care—excluding LTC.**

“65-year-old couple retiring in 2007 will need \$215,000 for future health care costs, according to Fidelity Estimate,” *Health News Today*, March 30, 2007

An average 65-year-old couple retiring this year will need about \$215,000 for health care costs for the rest of their lives, according to a Fidelity Investments estimate. This estimate assumes that retirees have no employer-sponsored health coverage and that average life expectancies are 82 years for men and 85 years for women. The costs do *not* include over-the-counter medications, most dental services or long-term care. Fidelity estimated that 65-year-old workers who plan to retire at the end of the year should expect that 50 percent of their pretax Social Security benefits will be consumed by health expenses within the next 16 to 18 years.

<http://www.medicalnewstoday.com/medicalnews.php?newsid=66517>

[http://www.kaisernetwork.org/daily\\_reports/rep\\_index.cfm?DR\\_ID=44955](http://www.kaisernetwork.org/daily_reports/rep_index.cfm?DR_ID=44955)

**35. Most boomers are concerned about paying for long-term care.**

“Long-term care: The public’s view,” *Health and Income Security Brief*, National Academy of Social Insurance, November 2005

The American public understands that the financing of long-term care is a serious policy problem and seems receptive to change. Nearly three-quarters of Baby Boomers and seniors are concerned either a great deal or a fair amount about paying for long-term care, according to a poll commissioned by the National Academy of Social Insurance’s Study Panel on Long-term Care. Seven in 10 believe that government should do more to help people meet the costs of long-term care. After hearing that Medicaid covers care only after people have exhausted virtually all their own resources, 41 percent of respondents concluded that the system of paying for long-term care “is broken and needs a complete overhaul” and another 30 percent say that it needs major improvements.

[http://www.nasi.org/usr\\_doc/HIS\\_Brief\\_No\\_8.pdf](http://www.nasi.org/usr_doc/HIS_Brief_No_8.pdf)

**36. \*\*\*Baby Boomers think they're covered but they're not.**

"New survey finds one in four Baby Boomers erroneously believe they have coverage for long-term care expenses." *America's Health Insurance Plans*, November 5, 2007.

One in four Baby Boomers erroneously believes they have coverage for long-term care expenses. As a result, these adults have not focused on planning for long-term care expenses. Among Baby Boomers nearing or at the age of 60, only one in four say they are "very familiar" with long-term care insurance. A third of Baby Boomers think they have long-term care coverage and a majority of them think Medicare or "other health insurance" will pay for long-term care.

<http://sev.prnewswire.com/health-care-hospitals/20071105/DC0646605112007-1.html>

**37. Lack of insurance coverage is greatest barrier to preventive medicine and medical intervention.**

"Health and aging among Baby Boomers," *Generations*, Spring 1998

The estimated number of uninsured people in the United States is currently around 40 million, up from 34 million in 1991. Strategies for universal health insurance have met with limited success, but a model of nearly universal health insurance in Hawaii could provide a model. More than 95 percent of people in the state are insured, and the overall cost is proportionally less than in Canada. About half of Baby Boomers expect the government to have primary responsibility to ensure that people can pay for healthcare. In a 1975 survey comparing boomers to the World War II generation, 56 percent of the boomers thought that the government should guarantee healthcare, while only 39 percent of the World War II generation thought so.

[http://www.asaging.org/publications/dbase/GEN/Gen.22\\_1.Blanchette.pdf](http://www.asaging.org/publications/dbase/GEN/Gen.22_1.Blanchette.pdf)

**38. More younger retirees don't have health benefits.**

"The disappearing benefit: As employers grapple with ever-rising costs, global competition and the legion of aging Baby Boomers, the future of retiree health coverage is cast into doubt," *Workforce Management* 84.13 (Nov 21, 2005): p34.

From 1997 to 2002, the percentage of younger retirees with health benefits declined from 39 percent to 29 percent, according to the nonprofit Employee Benefit Research Institute. Among Medicare-eligible retirees, the percentage declined from 28 percent in 1997 to 25.5 percent in 2002. Are tomorrow's retirees braced for less of a safety net? Not necessarily. According to one analysis, nearly half of today's workers (47%) expect to receive retiree health benefits. But according to another analysis, only one-fourth of retirees currently have any coverage.

<http://www.workforce.com/section/02/feature/24/21/38/index.html>

**39. Boomers expect to have their own health insurance to meet their needs**

*Baby Boomers Envision Retirement II: Survey of Baby Boomers' Expectations for Retirement*. May 2004. Washington, DC: AARP

About half of Baby Boomers (56%) expect to have health insurance that will meet their needs in retirement. About the same amount (58%) of boomers do *not* expect their current employer to cover their health insurance needs. Almost half (43%) do *not* expect Medicare to cover most of their health care needs in retirement either.

<http://www.aarp.org/research/work/retirement/aresearch-import-865.html>

**40. Employers are shifting insurance premiums to employees or dropping coverage.**

“Health coverage for aging Baby Boomers: Findings from The Commonwealth Fund Survey of Older Adults,” The Commonwealth Fund, January 20, 2006.

Employers are responding to rising health insurance premiums by shifting more of their costs to employees in the form of greater premium contributions, higher deductibles, larger co-payments and slower wage increases. Some employers, particularly small firms, are dropping coverage altogether. The combination of rising out-of-pocket health care costs and sluggish wage growth threatens workers' ability to save for retirement. This is particularly true for adults ages 50 to 64 whose per capita health care expenditures are more than twice those of younger adults.

[http://www.cmwf.org/publications/publications\\_show.htm?doc\\_id=340370](http://www.cmwf.org/publications/publications_show.htm?doc_id=340370)

**41. Low-wage earners will suffer as employer health benefits decline.**

*Employer-Sponsored Health and Retirement Benefits: Efforts to Control Employer Costs and the Implications for Workers.* March 2007. U.S. General Accounting Office.

The share of employers offering health benefits has declined from 2001 to 2006 and many employers that offer health benefits have required workers to pay a higher share of out-of-pocket costs. Similarly, an increasing share of health benefit costs is being shifted to retirees and many employers have terminated benefits for future retirees. These changes will make it more difficult for low-wage earners to afford health care coverage and save for retirement.

<http://www.gao.gov/new.items/d07355.pdf>

**42. Employers should offer long-term care insurance coverage.**

“Long-term care financing: Options for the future,” *Benefits Quarterly*, Second Quarter 2002

Three options exist for financing long-term care by 2030 when expenditures are expected to reach \$528 billion, up from \$110 billion in 2000. They include: (1) relying on future retirees to fund the majority of their long-term care costs directly out of pocket from their retirement savings; (2) expanding the Medicare program to cover more comprehensive long-term care services; or (3) expanding the private long-term care insurance market through employer-sponsored coverage. This article suggests the latter option would be the best, because Baby Boomers are at the prime age to purchase private long-term care insurance. Employers can play an important role by sponsoring group coverage and educating employees.

<http://www.watsonwyatt.com/research/deliverPDF.asp?catalog=wp-15&r=x.pdf>

## **HOW WILL MINORITIES FARE?**

**43. \*\*\*Health disparities exist for elderly minorities.**

*Key Themes and Highlights from the National Healthcare Disparities Report.* 2006. The Agency for Healthcare Research and Quality (AHRQ).

Disparities related to race, ethnicity and socioeconomic status still pervade the American health care system. Disparities affecting older members of racial and ethnic minorities

were found in the treatment of chronic diseases; in care provided in home health care, hospice care and nursing homes; and in care provided to women, older people and individuals with disabilities and other special health care needs. In one specific finding related to older people, AHRQ found the proportion of adults age 65 and over who did not receive a pneumonia vaccine decreased for whites (from 48% to 41%) but increased for Asians (from 59% to 65%) from 1990 to 2004.

<http://www.ahrq.gov/qual/nhdr06/nhdr06high.pdf>

**44. \*\*\*Minorities have worse health outcomes and access to insurance.**

*Racial and Ethnic Differences in Insurance Coverage and Health Care Access and Use A Synthesis of Findings from the Assessing the New Federalism Project.* 2006. The Urban Institute.

Racial and ethnic minorities in the United States exhibit worse health outcomes on average than non-minority whites despite an overall improvement in the health status of Americans. Several factors contribute to the poorer health outcomes of minority communities. However, diminished access to insurance, and the related poor access to medical care, can help explain these differences. The gap in insurance coverage between low-income Hispanic and white adults increased from 1997 to 2002. Non-citizens and Hispanics who primarily speak Spanish are much less likely to have employer-sponsored insurance coverage than whites.

[http://www.urban.org/UploadedPDF/311321\\_DP06-01.pdf](http://www.urban.org/UploadedPDF/311321_DP06-01.pdf)

**45. \*\*\*Blacks more likely to live in poor-quality nursing homes.**

“Blacks likelier than whites to live in poor-quality nursing homes,” September 11, 2007, Brown University press release.

While blacks make up about 15 percent of all U.S. nursing home residents, two-thirds (60%) of black residents are concentrated in less than 10 percent of those homes and those homes tend to be poor-quality. The problem is most acute in the Midwest. Blacks cited in this study were nearly three times as likely as whites to live in a nursing home that predominantly housed Medicaid residents; nearly twice as likely to live in a nursing home that was subsequently terminated from Medicare and Medicaid participation; 1.41 times as likely to live in a nursing home that had been cited with a deficiency causing actual harm or immediate jeopardy to residents; and 1.12 times as likely to reside in a nursing home that was greatly understaffed.

[http://www.brown.edu/Administration/News\\_Bureau/2007-08/07-030.html](http://www.brown.edu/Administration/News_Bureau/2007-08/07-030.html)

**46. \*\*\*Latinos and African Americans survive longer with Alzheimer’s.**

“Race/ethnic differences in Alzheimer disease survival in U.S. Alzheimer disease centers,” *Neurology*, November 14, 2007.

Latinos and African Americans survive almost 50 percent longer than whites after an Alzheimer’s disease diagnosis. African Americans were likely to survive 15 percent longer despite the fact that there is no difference in brain pathology between members of different ethnic groups. (Reported in “Latinos, blacks might survive longer with Alzheimer’s, study suggests,” *USCF Today*, November 2007.

<http://pub.ucsf.edu/today/cache/feature/200711145.html>

<http://www.neurology.org/cgi/content/abstract/01.wnl.0000285287.99923.3cv1>

**47. \*\*\**Non-English speakers have higher disability rates.***

“Racial/ethnic differences in the development of disability among older adults.” 2007. *American Journal of Public Health* 97(12), 2007.

African Americans and Hispanics who are not fluent in English are nearly 50 percent more likely to become disabled after age 65, compared to whites and Hispanics who speak English. The disability rates for whites and Hispanic English speakers were the same: 20 percent. The disparities can be attributed to poverty and lifestyle factors such as weight and low levels of physical activity. In addition, those with private health insurance seemed to be protected against disability, leading researchers to conclude that limited access to health care prior to Medicare eligibility could play a role in the disparities. (Reported in “Blacks, non-bilingual Hispanics at higher risk for old-age disability,” *Health Behavior News*.)

<http://www.ajph.org/cgi/content/abstract/AJPH.2006.106047v1>

<http://www.hbns.org/getDocument.cfm?documentID=1616>

**48. \*\*\**Southern Blacks have more strokes.***

“Regional differences in African Americans' high risk for stroke: The remarkable burden of stroke for southern African Americans.” 2007. *Annals of Epidemiology*, Volume 17, Issue 9, Pages 689-696 (September 2007).

Black Americans face a risk of stroke that is three to four times higher than whites. The rate of stroke deaths among blacks compared to whites is six to 21 percent higher in Southern states than in other states.

<http://www.annalsofepidemiology.org/article/PIIS1047279707001536/abstract>

## **HOW WILL WOMEN FARE?**

**49. *Women say they are healthy, but report conditions that affect daily activities.***

*Looking at Act II of Women's Lives: Thriving and Striving from 45 on, the AARP Foundation Women's Leadership Circle Study.* April 2006. Washington, DC: AARP Foundation.

Four in five women 45-plus (81%) consider their health “good” or better and more than half (56%) say it is “very good” or “excellent.” Nine in 10 women are confident they are doing all that they can to keep themselves as healthy as possible (91%). However, one in three report having a health condition that affects what they are able to do in their daily life a “great deal” or “moderate amount” (32%). About one in three 45+ women (36%) worry “a great deal” or “moderate amount” about losing their independence if their health worsens.

<http://assets.aarp.org/rgcenter/general/wlcresearch.pdf>

**50. \*\*\**Medicaid is a woman's health program.***

“Medicaid's role for women.” 2007. *Issue Brief*. Kaiser Family Foundation.

Medicaid, the state-federal health coverage program for the poor, provides over 20 million low-income women with basic health and long-term care coverage. Women

comprise the majority (69%) of adult beneficiaries. In 2005, one in 10 (10%) women nationally was covered by Medicaid. Women comprise the majority (70%) of older people on Medicaid because they live longer and are disproportionately poorer than men. Nearly three-quarters of nursing home residents and two-thirds of people receiving home health care are women. Medicaid has been shown to improve access to care for low-income women. Compared to their uninsured counterparts, women on Medicaid experience fewer barriers to care and have utilization rates comparable to women with employer-based coverage.

[http://www.kff.org/womenshealth/upload/7213\\_03.pdf](http://www.kff.org/womenshealth/upload/7213_03.pdf)

**51. \*\*\**Women's health is getting worse.***

*Making the Grade on Women's Health: A National and State-by-State Report Card.* 2007. National Women's Law Center (NWLC).

The health of women in America is unsatisfactory and is growing worse. The United States now fails to meet 12 of the 27 health benchmarks measured by NWLC in its health report card. This represents three more failures than in 2004. Vermont, Minnesota and Massachusetts met the most benchmarks, while Arkansas, Mississippi and Louisiana met the fewest. The national percentage of women who lack health insurance increased by 1.7 percent. One fifth (22.7%) of black women are uninsured and 37.8 percent of Hispanic women are uninsured, compared with 16.9 percent of white women. The percentage of women who are obese increased in all 51 states. The most improved benchmarks were death rates for stroke and coronary heart disease. However, the United States still received an overall "F" grade from NWLC for both indicators because so much improvement is still needed.

<http://hrc.nwlc.org/>

[http://www.commonwealthfund.org/healthpolicyweek/healthpolicyweek\\_show.htm?doc\\_id=559597&#doc559603](http://www.commonwealthfund.org/healthpolicyweek/healthpolicyweek_show.htm?doc_id=559597&#doc559603)

## *Older Consumers as Members of Families and Communities*

*What do aging Baby Boomers expect from their families, where will they want to live, and what challenges are ahead for family caregivers and communities?*

### *Summary*

The future aging population will not live in isolation. Older people will continue to live in social circles that include their families, friends, fellow residents of independent housing or long-term care facilities, and neighbors in their cities, towns and counties. How older people interact within these social networks — and what supports their social networks provide to them — will help determine the quality of life they will be able to enjoy in their later years.

***Consumer and their families:*** Baby Boomers represent only one of several generations that require long-term care services now or in the future. Members of the GI Generation, born between 1901 and 1924, are receiving long-term care services now. The Silent Generation, born between 1925 and 1945, represent the next cohort to seek long-term care services. Generation X, now in their 30s, will follow their Baby Boom parents into retirement. The good news is that family members are expected to get along in the future, with intergenerational conflict not posing major problems for the Baby Boom generation or for the generations that came before or after it. Baby Boomers assume that their lives will include both generations, and they see themselves as caregivers of both. They fully expect to be caring for an aging parent while they either live near adult children or provide financially for a child.

There will be limits to what older people will want their families to do for them — and what those families will be willing and able to do. Most Baby Boomers say that they don't want to rely on their families for financial support, but that they will count on family members' emotional support during retirement. But some studies suggest that depending on family may be difficult for Baby Boomers who generally have fewer intergenerational ties than preceding generations. Boomers will enter old age with a higher rate of divorce and fewer children and more are likely to live alone. These family characteristics may make it necessary for boomers to rely on paid services for the care they need.

The family picture becomes even more complicated for lesbian, gay, bisexual and transsexual (LGBT) older people, many of whom may have to rely on their connections to “families of choice” to receive the care they need. How stable these families will be over time was brought into question by one study, which reported that while LGBT Baby Boomers expected to become caregivers for someone else, one in five were unsure who would care for them.

***Challenges for family caregivers:*** Even if diminishing social networks cause the number of family caregivers to decrease, caregiving family members and friends will still have an important role to play in the future long-term care system. The challenges facing them will be great. Unpaid caregivers provided \$350 billion worth of care to friends and relatives in 2006 and spent 10 percent of their incomes on caregiving-related, out-of-pocket expenses. In return, they were called upon to sacrifice hundreds of thousands of dollars in lost wages and to face significant physical and mental health risks. The risks of poor health and premature death are greatest among those who care for relatives with Alzheimer's disease. In order to continue reaping the benefits that caregivers provide to older Americans, various stakeholders are urging governments and care agencies to pay more attention to family caregivers by offering better training, additional resources, new ways of assessing and meeting caregiver needs and more coordination among health care providers so caregivers can receive support before problems arise.

***Living arrangements:*** Clearly, the majority of older people want to remain independent in housing for as long as possible, but many understand that some form of assisted living may be needed at some point. Aging Baby Boomers may prove to be more creative than their parents in designing and choosing a living arrangement that meets their physical and emotional needs. That may mean moving in with friends or choosing retirement communities that foster special interests or lifestyles. Smart home technology will help this aging cohort age in place, but concerns about cost, availability and appropriate use will have to be resolved first.

***Community challenges and responsibilities:*** The need to create livable communities for all ages is becoming more pressing as communities across the country brace for significant increases in their older populations. In order to continue serving their citizens — and to guarantee that older people can age in place safely, healthfully and actively — these communities must find ways to remove barriers that older people encounter in their hometowns. These include lack of appropriate and affordable housing options, few opportunities for physical activity, inadequate public transportation, concerns about safety and security, lack of information about health and supportive services and a dearth of opportunities for meaningful work or volunteer activities. These barriers are particularly acute in many suburban areas, which are expected to age at a faster rate than the cities that they surround.

Despite the imminent challenges, fewer than half of American communities have begun planning to address the needs of their exploding older populations. Communities must begin to add the aging perspective to all of their plans, programs and policies. Some cities are beginning to make strides in this area, but much more work is needed if Baby Boomers will be able to age in place successfully.

## *Bibliography*

### **WHO ARE THE BABY BOOMERS' PARENTS AND GRANDPARENTS?**

1. \*\*\**The GI Generation is hard-working and conforming.*

“Baby Boomers - How to Communicate with aging parents,” *Ezine Articles*, October 27, 2007.

Members of the GI Generation, born between 1901 and 1924, are civic-minded and laid the foundation of the 20th century America with sheer guts, determination and native intelligence. They are loyal, hard-working, duty-oriented people who prefer to conform to the norm. They have great faith in the institutions of government and business. They lived through the Great Depression, which helped to mold cautious and conservative values about money. Baby boomers trying to relate to this population should expect some resistance to help or suggestions about institutional care because of this generation's desire to be self-reliant. Stoical by nature, they do not share personal matters with others, so family discussions about eldercare issues may not be easy for them.

<http://www.ezinearticles.com/?Baby-Boomers---How-to-Communicate-with-Aging-Parents&id=775876>

2. \*\*\**The Silent Generation is traditional and generous.*

“Baby Boomers - How to communicate with aging parents,” *Ezine Articles*, October 27, 2007.

Born in 1925-1945, the Silent Generation conformed to the values of their parents. The oldest entered the workforce after World War II and became the establishment. The youngest are approaching retirement age. This generation is traditional, disciplined, self-reliant, experienced, respectful of authority and willing to sacrifice. In the marketplace, the Silent Generation would rather have quality than efficiency. They are wealthy and generous by nature and have spent considerable income to provide the best for their Baby Boomer children. The oldest members of this generation also tend to keep their personal affairs to themselves and may not be receptive to family discussions about aging topics. However they are also adaptive and will compromise when necessary.

<http://www.ezinearticles.com/?Baby-Boomers---How-to-Communicate-with-Aging-Parents&id=775876>

3. \*\*\**The Silent Generation has distinct characteristics.*

*The Silent Generation: New Consumers, New Challenges, New Opportunities.* 7<sup>th</sup> International Conference of the International Association of Homes and Services for the Aging, June 2007.

Research on the Silent Generation by Morrison Senior Dining has yielded this information about these Americans, who range in age from 62 to 81:

**Population:** Silents have the lowest birth population in the 20th Century and, as a result, the retirement community resident population from this generation could show small declines.

**Characteristics:** Silents are significantly better educated and more affluent than members of the GI generation. They were children during the Depression era and they lived through World War II and the Cold War threat. They populated the first suburbs and

experienced McCarthyism. They believe in “the American Way” and are delayers of gratification.

**Life interests:** Silents are interested in pursuing personal growth, health and wellness, new experiences and better communities. They are committed to family and they want to age by choice (although not necessarily age in place.)

**Consumer characteristics:** Silents take time in making decisions and demand long-term relationships built on trust and disclosure. They look for price when purchasing “needs” and focus on value when purchasing “wants.” They spend more than the GI generation on “wants,” including entertainment, dining out, groceries, enrichment and clothing.

**Compared to the GI generation:** Silents have portfolios. They are assertive, independent and questioning, as well as more worldly and innovative. They want to control their choices. They are less formal and more social, have higher expectations, are more health and fitness conscious and want to have a say in how things are done. They are more likely than GIs to have a computer at home that they use daily.

[http://www.iahsa.net/malta/programme/12-B%5CDolloff\\_12B.pdf](http://www.iahsa.net/malta/programme/12-B%5CDolloff_12B.pdf)

## HOW WILL CONSUMER RELATE TO THEIR FAMILIES?

### 4. *The generations get along just fine.*

*Images of Aging in America 2004.* 2006. Washington, DC: AARP.

Intergenerational conflict is not a major problem in America today. Almost all Americans (91%) believe that older Americans receive about or less than their fair share of local government benefits and 89 percent believe that older persons have the right amount or too little influence in this country. Most Americans (85%) felt that older residents help to improve the quality of life in their communities, and half (49%) felt that the economic benefits older residents bring to their communities make up for the amount local government spends on them. Nearly nine in 10 Americans (85%) feel that older people deserve a special amount of respect because of their age.

<http://www.aarp.org/research/reference/publicopinions/aresearch-import-926.html>

### 5. *Emotional—not financial—support from families is expected and will be important.*

*Baby Boomers Envision Retirement II: Survey of Baby Boomers' Expectations for Retirement.* May 2004. Washington, DC: AARP

Most Baby Boomers (90%) would prefer not to rely on family for financial support during retirement but most (70%) count on their family’s emotional support. Those who are married expect to spend most of their retirement years living with a partner (76%) and more than half (57%) expect to live near at least one of their children. A fifth (19%) expects to have an aging parent or in-law living with them during retirement and, at the same time, to provide financially for an aging parent, in-law or a child (17%).

<http://www.aarp.org/research/work/retirement/aresearch-import-865.html>

**6. *Reduced levels of bonding and bridging social capital could make it difficult to age in place.***

*Aged Care in the Future and Baby Boomers: Shall the Twain Ever Meet?* 2004. Proceedings Papers: First Australian Aged and Community Care Informatics Conference, 24-25 August, 2004, Brisbane, Australia.

Baby Boomers claim to belong to fewer social networks and these networks are not as meaningful to them. There is a concern that this lack of networks will make it more difficult for boomers to age in place since they will receive less care from informal family carers and will have a higher demand on formal services, at greater cost to the welfare system.

[http://eprints.usq.edu.au/archive/00001783/01/Fallon\\_v2-1\\_2004.pdf](http://eprints.usq.edu.au/archive/00001783/01/Fallon_v2-1_2004.pdf)

**7. *Lack of strong family ties among Baby Boomers may make family care difficult to arrange when the need arises.***

*Eternal Youths: How the Baby Boomers are Having Their Time Again.* 2004. London: Demos/Magdalen House.

Danish longitudinal research suggests that family care will sit well with Baby Boomers. However, boomers may not be able to make this dream of family care a reality. They have fewer children, so they may have an inadequate support network. The high rate of divorce among boomers may mean that intergenerational ties will be weaker in the future, making family care less feasible. Finally, more Baby Boomers are living on their own at a younger age than their predecessors. Sixteen percent of boomers aged 35-44 have never married compared with just six percent of those who were this age in 1970. These boomers, living solo, might have to rely on private services for the care they need.

<http://www.demos.co.uk/files/EternalYouths.pdf>

**8. *Sexual orientation will change the definition of family and family care.***

*Out and Aging: The MetLife Study of Lesbian and Gay Baby Boomers.* November 2006. The MetLife Mature Market Institute, American Society on Aging, Lesbian and Gay Aging Issues Network, and Zogby International.

At least three-quarters of the self-identified lesbian, gay, bisexual and transsexual (LGBT) people ages 40 to 61 responding to a survey by Zogby International said they expect to become caregivers for someone else. However, almost one in five reported being unsure who will take care of them when the need arises. In addition to close ties with their families of origin, more than three-quarters of the respondents have important connections with what researchers have called “families of choice”—close friends who are “like family” or “like a second or extended family.” One in four said that they had provided care for an adult friend or family member within the last six months. More than one-third (36%) of LGBT boomers who are caregivers report that they are caring for parents; half as many (18%) are caring for their partners.

<http://www.asaging.org/networks/lgain/OutandAging.pdf>

**9. *\*\*\*Is Baby Boomer generosity affecting their ability to save for retirement?***

*Money Across Generations Study.* 2007. Ameriprise Financial Inc.

Baby boomers are sometimes generous to a fault when it comes to family members and many of them don't understand how their generosity affects their ability to save for future

needs. One in six boomers is providing assistance to both their parents and adult children. Two-thirds are helping their adult children pay off college loans or tuition. Boomers are helping their parents by buying groceries (22%); paying for medical expenses and utility bills (15%); and making rent, mortgage or long-term care payments (10%). Boomers are using discretionary income, regular savings or loans to finance their generosity. Only six percent admitted to pulling money from retirement savings to help their adult children. (Reported in “Baby boomer retirement funds susceptible to generosity,” *Springfield Business Journal*, September 24, 2007.)

<http://www.sbj.net/article.asp?aID=92049458.8614621.1025609.1792058.5515972.895&aID2=78884>

<http://www.ameriprise.com/amp/global/docs/pr-money-generations-research.pdf>

## WHERE WILL CONSUMERS WANT TO LIVE?

### 10. Older people prefer to stay near home.

*Aging, Migration, and Local Communities: The Views of 60+ Residents and Community Leaders*. 2006. Washington, DC: AARP.

A new AARP report has dispelled the myth that most older people move to warm, sunny climates after they stop working. According to the report, nine out of 10 people over the age of 60 prefer to stay in the same home or county where they are already living.

<http://assets.aarp.org/rgcenter/il/migration.pdf>

### 11. Women would consider living with friends.

*Looking at Act II of Women's Lives: Thriving and Striving from 45 on, the AARP Foundation Women's Leadership Circle Study*. April 2006. Washington, DC: AARP Foundation.

The desire to remain independent in housing is very strong among the women interviewed for this study, but it is tempered by an understanding that some form of assisted living may be needed at some point. One in four 40+ women worry “a great deal” or “moderate amount” that they will be forced to live someplace they do not want to live (26%). As an alternative, many women (39%) would consider living with their women friends. Women are more likely to support this idea if they are currently 45-59, do not live alone or are married/living with a partner. Those who like the idea of living with friends are attracted by the companionship (89%), ability to save money (85%), safety (80%), help in case of a medical emergency (79%) and ability to share household responsibilities (75%).

<http://assets.aarp.org/rgcenter/general/wlcresearch.pdf>

### 12. Baby Boomers are creating their own unique assisted living communities.

“When Baby Boomers grow old,” *The American Prospect*, Vol. 12 No. 9, May 21, 2001.

Writer Vivian Gornick has spearheaded an ambitious project that would allow women in the arts to age in place. Gornick's nonprofit organization, the House of Elder Artists, aims to build a 100-apartment building in New York City that would allow women in the arts to go on living and working until the end of life. Another innovative senior-housing project in Santa Fe, New Mexico is based on Buddhist principles of interconnectedness

and respect for the earth. Plans for “Jubilados” (Spanish for “those who have joy”) call for 128 units on 13 acres of arable land just outside Santa Fe that will include a meditation hall, health care unit and hospice and will house up to 160 people.

[http://www.prospect.org/cs/articles?article=when\\_baby\\_boomers\\_grow\\_old](http://www.prospect.org/cs/articles?article=when_baby_boomers_grow_old)

**13. Smart technology can help seniors age in place, but there are concerns.**

“Aging well with smart technology,” *Nursing Administration Quarterly* 29.4 (Oct-Dec 2005): p329(10).

Smart home technology facilitates aging-in-place by assisting patients with emergency assistance, fall prevention/detection, reminder systems, medication administration and assistance for those with hearing, visual or cognitive impairments. Concerns about this technology include cost, availability of technology, retrofitting complications and potential for inappropriate technology use.

<http://www.naqjournal.com/pt/re/naq/abstract.00006216-200510000-00007.htm;jsessionid=G4bQNNjRlyhQyKhJNv2w1pkMbLyvQ2m91mv2HNvZ2rxjh4pYXywr!-1804036389!-949856145!8091!-1>

**14. Housing complex offers first affordable option for LGBT seniors.**

“Coming home: At the nation’s first affordable-housing complex for LGBT seniors, created with public and private support, L.A.-area elders have a place to call their own,” *The Advocate*, June 19, 2007

Developed with local, state and federal support, Triangle Square is the nation’s first multicultural affordable-housing development for lesbian, gay, bisexual and transgender (LGBT) seniors. Triangle Square’s 103 apartments are priced for those on fixed and low incomes over age 62. Monthly rates are between \$230 and \$800. Seventeen of the housing complex’s units are designated for people who are homeless or in danger of becoming so. LGBT seniors often have trouble with housing because they lack the family support that straight elders receive or because they face discrimination in retirement communities that not gay-friendly.

[http://www.advocate.com/currentstory1\\_w.asp?id=45291](http://www.advocate.com/currentstory1_w.asp?id=45291)

**WHAT CHALLENGES ARE AHEAD FOR FAMILY CAREGIVERS?**

**15. A growing older population will depend more and more on family caregivers, but these caregivers face overwhelming challenges.**

*Caregiving in America*. 2006. Caregiving Project for Older Americans.

The economic value of unpaid family caregivers to American society is in the hundreds of billions of dollars annually, yet family caregivers often sacrifice hundreds of thousands of dollars in lost wages and face significant physical and mental health risks. Significant numbers of frail older people need caregiving help but cannot find it. Among those who find help, appropriate care is not always provided—even by intimate family members. The nation needs to create more and better caregivers by providing a national curriculum to train informal and paid caregivers and making caregiving resources easily available to those who need them.

[http://www.ilcusa.org/\\_lib/pdf/Caregiving%20in%20America-%20Final.pdf](http://www.ilcusa.org/_lib/pdf/Caregiving%20in%20America-%20Final.pdf)

**16. Family caregivers are providing \$350 billion worth of care and services.**

*Valuing the Invaluable: A New Look at the Economic Value of Family Caregiving.* 2007. Washington, DC: AARP.

The contributions of unpaid caregivers had an estimated economic value of about \$350 billion in 2006. That figure is based on an estimated 34 million caregivers age 18 or older who provide an average of 21 hours of care per week to adults with limitations in daily activities. The estimate includes only adults currently providing care or providing care within the last month; the total number of adults providing care within a full year was estimated to be 44 million in 2003. For the purpose of comparison, \$350 billion dollars is as much as the total spending for the Medicare program (\$342 billion in 2005); more than the total spending for Medicaid (\$300 billion in 2005); as much as total sales at Wal-Mart (\$349 billion in 2006) and Exxon Mobil (\$335 billion); more than \$1,000 for every person in the United States (301 million people in March 2007); and more than the amount of the U.S. budget deficit (\$248 billion in FY 2006).

[http://www.aarp.org/research/housing-mobility/caregiving/ib82\\_caregiving.html](http://www.aarp.org/research/housing-mobility/caregiving/ib82_caregiving.html)

**17. Burden on family caregivers will increase.**

*Meeting the Long-Term Care Needs of the Baby Boomers: How Changing Families Will Affect Paid Helpers and Institutions.* May 2007. Washington, DC: The Urban Institute.

The demand for paid and unpaid long-term care services will increase over the next three decades. This report found that "even under the most optimistic scenario, long-term care burdens on families and institutions will increase substantially." The report projects that the number of older adults receiving paid home care or going into nursing homes will increase between now and 2040, and that the share of older adults receiving unpaid help from their children will fall slightly, due in part to rising divorce rates, increasing childlessness and declining family sizes.

<http://www.urban.org/url.cfm?ID=311451>

**18. \*\*\*Caregivers of Alzheimer's patients may die sooner.**

"Accelerated telomere erosion is associated with a declining immune function of caregivers of Alzheimer's disease patients," *Journal of Immunology*, September 15, 2007

Caring for someone with Alzheimer's disease may shorten your life. Caregivers of Alzheimer's patients in this study had a shortening of the telomeres, the genetic material at the end of chromosomes that promotes error-free cell division. This shortening equals four to eight years of aging. Caregivers' level of depressive symptoms was twice as high as that of non-caregivers. Caregivers also had a lower level of immune system cells and a higher production of proteins that promote inflammation. (Reported in "Alzheimer's caregivers' cells seen to age faster," *Reuters Health*, September 25, 2007.)

<http://www.jimmunol.org/cgi/content/abstract/179/6/4249>

<http://www.reuters.com/article/healthNews/idUSCOL55637020070925>

**19. \*\*\*Family caregivers spend 10 percent of income on care expenses.**

*Family Caregivers – What They Spend, What They Sacrifice: The Personal Financial Toll of Caring for a Loved One.* November 2007. National Alliance for Caregiving and Evercare.

Family members who provide care for an aging parent or spouse spend about \$5,500 a year in out-of-pocket expenses. That amount is double previous estimates and represents 10 percent of most caregivers' income. The cost of long-distance care was estimated at \$8,728 a year. Caregivers handle the expenses by cutting back on discretionary spending, dipping into savings, limiting savings for the future and neglecting personal health care. (Reported in "Study finds higher costs for caregivers of elderly," *The New York Times*, November 19, 2007.)

[http://www.caregiving.org/data/Evercare\\_NAC\\_CaregiverCostStudyFINAL20111907.pdf](http://www.caregiving.org/data/Evercare_NAC_CaregiverCostStudyFINAL20111907.pdf)

[http://www.nytimes.com/2007/11/19/us/19caregiver.html?\\_r=2&adxnnl=1&oref=slogin&adxnnlx=1195477919-1aEoMLubBLBpD3Z0J4en/A&oref=slogin](http://www.nytimes.com/2007/11/19/us/19caregiver.html?_r=2&adxnnl=1&oref=slogin&adxnnlx=1195477919-1aEoMLubBLBpD3Z0J4en/A&oref=slogin)

**20. Caregiver assessment, consumer direction and provider collaboration are needed to support family caregivers.**

*Ahead of the Curve: Emerging Trends and Practices in Family Caregiver Support.* 2006. Washington, DC: AARP.

The use of paid, formal care by older persons with disabilities in the community has been decreasing while older persons' sole reliance upon family caregivers has been increasing. This report highlights three emerging trends that have important implications for addressing the needs of family caregivers: (1) assessment of caregivers' own needs in order to tailor care plans and support services to meet those needs; (2) consumer direction in family caregiver support services, which can be particularly effective in addressing the needs of families in rural areas where fewer formal services may be available; and (3) collaboration between the aging network and health care providers to identify family caregivers and offer them support before these caregivers experience any adverse effects.

[http://assets.aarp.org/rgcenter/il/2006\\_09\\_caregiver.pdf](http://assets.aarp.org/rgcenter/il/2006_09_caregiver.pdf)

**21. \*\*\*Counseling improves caregiver health.**

"Preserving health of Alzheimer caregivers: Impact of a spouse caregiver intervention," *American Journal of Geriatric Psychology*, September 2007.

Counseling and support can help caregivers maintain their physical health. This study, conducted at the New York University School of Medicine, involved 406 caregivers of people with Alzheimer's disease who were evenly divided into two groups. One group received six sessions of both individual and family counseling as well as support groups and telephone counseling when the caregiver needed extra support. The second group received only information and help—but not formal counseling sessions—and only when caregivers requested it. Caregivers in the group receiving enhanced support were able to delay nursing home admission for their aging relative, reduce their own risk for depression and improve their self-rated physical health.

<http://ajgponline.org/cgi/content/abstract/15/9/780>

<http://www.newswise.com/p/articles/view/532880/>

## WHAT CHALLENGES ARE AHEAD FOR COMMUNITIES?

### 22. *Suburbs of major cities will be older than the cities themselves.*

*Mapping the Growth of Older America: Seniors and Boomers in the Early 21st Century.* 2007. The Brookings Institution.

Projected aging of the Baby Boomer population will cause the suburbs of New York, Philadelphia, Chicago and Los Angeles to become “older” than the cities themselves. The most rapid growth in the older population will result from aging in place rather than migration. For example, Georgia’s senior population will increase by more than 40 percent from 2010 to 2020 due to the aging of existing residents. Florida still attracts the most elderly migrants, but the fastest overall growth of older people over the next two decades is projected for Georgia and Arizona. Pennsylvania and New York will experience the slowest growth.

<http://www3.brookings.edu/views/articles/200705frey.pdf>

### 23. \*\*\**Southeast will take the biggest hit on population growth.*

“Aging Baby Boomers flee from northern states to the American Southeast - Community resources will be challenged to keep up with growth,” *Reinvestment Works*, Winter 2004-2005.

General population growth in the six-state Southeast region is growing at a faster rate than many other states. Newcomers vary in age, family makeup, educational level, poverty rate, household income, racial origin and ethnic identity. The Southeast region experienced a combined growth of almost 20 percent over the 1990-2000 decade, reaching 42 million. Florida remains the real “magnet state,” especially for older people, with three million new residents during the decade. Georgia gained 1.7 million new residents during the same period. The region’s Hispanic population has grown larger and more diverse, with an increase in all six Southeast states. The Southeast states are also growing older demographically: the number of men and women in the 30-39 age group declined while adults in the 40-59 year group increased.

[http://www.communityinvestmentnetwork.org/commentary-opinion/single-view-upstreamdownstream/article/aging-baby-boomers-flee-from-northern-states-to-the-american-southeast-community-resources-will-be/?tx\\_ttnews%5BbackPid%5D=1010&cHash=5864356320](http://www.communityinvestmentnetwork.org/commentary-opinion/single-view-upstreamdownstream/article/aging-baby-boomers-flee-from-northern-states-to-the-american-southeast-community-resources-will-be/?tx_ttnews%5BbackPid%5D=1010&cHash=5864356320)

### 24. \*\*\**Governments need to prepare for an aging population.*

*Serving the Ageing Citizen.* 2007. Deloitte Services LLC.

As the population and workforce age, governments will have to examine how the growing number of elderly will impact the design and mix of services they offer, the funding sources they rely on and the delivery systems they use for citizen services. As a first step, governments need to thoroughly understand how they will be impacted by approaching demographic trends and the factors likely to shape these trends. They must also explore how they can generate adequate revenue to finance the range of services they provide, especially as the number of elderly increases and the number of citizens who shoulder the bulk of the tax burden decreases. Governments will have to modernize their tax systems to reduce their dependence on personal income tax revenues, rely more on user fees and work with more nonprofit organizations to leverage private dollars for public causes.

[http://www.deloitte.com/dtt/cda/doc/content/Deloitte\\_Serving\\_the\\_Ageing\\_Citizen\(1\).pdf](http://www.deloitte.com/dtt/cda/doc/content/Deloitte_Serving_the_Ageing_Citizen(1).pdf)

**25. Cities and counties aren't planning for an aging population.**

*The Maturing of American – Getting Communities on Track for an Aging Population.* 2006. National Association of Area Agencies on Aging, International City/County Management Association, National Association of Counties, National League of Cities, and Partners for Livable Communities.

Only 46 percent of American communities have begun planning to address the needs of the exploding population of aging Baby Boomers. More than one-third of communities do not have fitness programs for older adults. Only 56 percent of communities reported having “dial a ride” transportation services and only 40 percent reported having road signage that meets the needs of older drivers. A third (33%) of communities does not have a system to locate older adults in case they become ill or wander due to dementia. Only half have home modification programs and over 40 percent do not offer formal job training and retraining programs to help older adults remain in the workforce.

<http://www.n4a.org/pdf/MOAFinalReport.pdf>

**26. Every area of local government has a role to play in creating livable communities.**

*A Blueprint for Action: Developing a Livable Community for all Ages.* 2007. National Association of Area Agencies on Aging, Center for Livable Communities, Metlife Foundation.

The most common barriers to aging in place are: (1) a lack of affordable and appropriate housing options; (2) few opportunities for walking, bicycling, or other forms of physical activity; (3) inadequate mobility options; (4) limited information about available health and supportive services; (5) concerns about the safety and security; and (6) limited opportunities for meaningful, challenging volunteer service. Every area of local government has a role to play in creating livable communities for people of all ages. The aging perspective needs to be added to all municipal plans, programs and policies that exist or are under development. This report recommends a six-step strategy that public policy makers can use to meet these goals.

<http://www.n4a.org/pdf/07-116-n4a-blueprint4actionwcovers.pdf>

**27. Communities can increase social engagement of older citizens.**

*Beyond 50.05- A Report to the Nation on Livable Communities: Creating Environments for Successful Aging.* 2005. Washington, DC: AARP

To increase the social engagement of its residents, communities should:

- Actively solicit the contributions of older people in decision making.
- Promote design and modification of homes to meet the physical needs of older individuals.
- Ensure an adequate supply of diverse and affordable housing environments.
- Promote community features that enhance safety and inclusiveness.
- Improve the travel environment, support driver education and promote safe driving throughout the life span.
- Enhance mobility options, including public transportation, walking and bicycling, and specialized transportation for individuals with varied functional capabilities and preferences.

[http://www.aarp.org/research/housing-mobility/indliving/beyond\\_50\\_communities.html](http://www.aarp.org/research/housing-mobility/indliving/beyond_50_communities.html)

**28. Some cities are starting to accommodate their growing aging populations.**

“Cities brace for the elderly,” *USA Today*, May 13, 2007

The focus on seniors "is just now percolating to the top," says Nashville Councilwoman Diane Neighbors, a member of the National League of Cities. Cities are accommodating seniors in these ways:

**Changing zoning:** Cobb County, Georgia created the nation's first "residential senior living zoning district," which allows more homes per acre to be built near grocery stores and other services.

**Redesigning roads:** In Richmond, Virginia, older volunteers identified missing sidewalks near a key hospital and identified intersections that were hard to cross.

**Allowing "granny flats":** Santa Cruz, California hired architects to design residential units that can be added to existing houses to accommodate older relatives.

**Enlarging road signs:** The Michigan Department of Transportation is reducing glare on green highway signs and making yellow signs brighter.

[http://www.usatoday.com/news/nation/2007-05-13-cities-elderly-surge\\_N.htm](http://www.usatoday.com/news/nation/2007-05-13-cities-elderly-surge_N.htm)

**29. More examples of actions taken by cities to accommodate needs of older citizens.**

“Cities Revisit Needs of the Elderly,” *USA Today*, May 13, 2007.

In a 2005 survey by the National League of Cities, more city officials said they were concerned about the increase in seniors (72%) than other demographic changes such as rapid growth (58%), immigration (54%) and increasing school-age populations (51%). Some of those cities are taking action:

**Milwaukee:** Private and public groups joined together to build a clinic at Lapham Park public housing so older residents in need of assisted living could stay in their homes.

**Seattle:** Sound Steps encourages adults 50 and older to walk for fun and fitness.

**Maumelle, Arkansas:** The city partnered with the University of Central Arkansas in Conway to provide computer classes free to residents 60 and older.

**Mecklenburg County, N.C.:** A new information line called Just1Call is staffed by social workers who answer questions from older residents.

**Reno:** The Senior Farmers' Market Nutrition Program gives low-income seniors vouchers they can use at accredited farmers' markets.

[http://www.usatoday.com/news/nation/2007-05-13-cities-elderly-needs\\_N.htm](http://www.usatoday.com/news/nation/2007-05-13-cities-elderly-needs_N.htm)

**30. Dakota County, Minnesota has a plan.**

“Dakota County’s answer to aging population: more services,” *This Week Newspapers*, April 13, 2007.

Dakota County, Minnesota is considering a 233-page plan to prepare for its growing aging population, expected to increase by 30 percent within two years. The plan incorporates action that covers transportation, housing, health, working and community, finances and social services.

<http://www.thisweek-online.com/2007/April/13tribdcaging4-14.html>

**31. Walkable neighborhoods and universal design housing in Northern Virginia.**

“The coming culture is aging-oriented: Fairfax plans to accommodate and use its many boomers, *The Washington Post*, April 12, 2007.

A recent Northern Virginia Transportation Commission survey found that seniors who live in walkable areas with nearby shopping and other amenities were far more mobile, taking 20 percent more trips outside their homes, many on foot. The study recommends more walkable communities for seniors as well as measures that help older residents use and understand mass transit. So far, the county has trained about 200 seniors on how best to use local subway and bus systems. In addition, the Fairfax County Redevelopment and Housing Authority approved a measure that requires multifamily housing built in the county to include universal design features for seniors and residents with disabilities.

<http://www.washingtonpost.com/wp-dyn/content/article/2007/04/11/AR2007041100872.html>

## ***Older Consumers as Workers and Retirees***

*How financially secure will retirees be, how long will they work, what will they do for fun, and how many will volunteer?*

### ***Summary***

There's good news and bad news about the ability of older consumers to finance their retirement. Unfortunately, it's mostly bad news.

***Savings are down.*** Study after study shows that Baby Boomers are heading into retirement without adequate savings or investments to finance their living expenses after they stop working. One study suggests that almost a third of boomers have saved less than \$25,000 for retirement and that half believe they won't have the money to do things they want to do. Another study suggests that boomers feel they have too much debt. Still another report suggests that bankruptcy filings by Americans 55+ are increasing at a faster rate than similar filings by the general population.

***Income hasn't increased.*** Income for the typical older household hasn't increased in six years and the majority of seniors in 2003 relied on Social Security as a source of at least 80 percent of their income. Over half of the workforce doesn't have pension coverage and those who do have pensions are taking on more risk as their employers shift away from defined benefit plans. Indeed, AARP concludes that boomers will be no better off — and, in some cases, they may be worse off — than current retirees. Well-being in retirement is expected to increase only marginally among early boomers and to decline for late boomers, who will be less likely than current retirees to maintain their pre-retirement standard of living.

***There's some good news.*** Several studies project that poverty rates among the older population will decline substantially in the coming decades. Recent research is also suggesting that, despite the hype about low retirement savings, boomers have, in fact, saved enough for retirement. One study found that at least 80 percent of people born between 1931 and 1941 have saved enough. Another concludes that if you combine all of the assets of those 51 and older, most people have saved enough. A third study suggests that Baby Boomers have the highest readiness for retirement among typical working American households — they are on track to replace 62 percent of their income in retirement.

***Minorities and women are at particular risk.*** Despite the good news on retirement income, it should be noted that certain subgroups will remain vulnerable during retirement, including never-married and divorced women, African Americans, high school dropouts and those with a weak labor force attachment. Immigrants are likely to have fewer resources in retirement than other Americans, due mostly to culturally based savings patterns during their working years. African Americans are less likely to participate in retirement plans that could add to retirement income in the future. And

older women, who have lower lifetime earning levels that adversely affect retirement benefits, will be especially vulnerable in old age.

***We're all worried.*** Whether the news turns out to be good or bad, Americans are still worried about retirement. Members of minority groups associate retirement with economic hardship. "Not having money for retirement" tops the list of financial problems about which Americans have the most concern, according to a recent Gallup Poll. Even affluent Americans worry that they won't be able to pay their bills for a serious illness.

***Off to work we stay.*** To stem those worries, more Baby Boomers plan to work during their retirement. Indeed, more members of the current older generation are working into their 70s, and that trend will probably continue. More retirees will be working to earn money, rather than because they enjoy their jobs. Women are more likely to want to work longer than men and nearly 40 percent of older adults say they will work until they die. Those who stay on the job will likely want to work part-time as a way to "downshift" their working lives.

***Kayaking adventures?*** Exactly what older consumers will do when they're not working is in question. Most Baby Boomers (70%) have a hobby or special interest that they say will take a lot of time when they retire. Some studies suggest that retirees will go in for more strenuous sports like hiking, river rafting, kayaking and even hang gliding. Other studies say that moderate activities and intellectual pursuits will be more to retirees' liking.

***Still time to save the world.*** The jury is still out on whether boomers will volunteer and in what numbers. Several studies suggest that at least half of the Baby Boom generation expects to devote more time to community service and volunteering and that boomers are interested in improving their communities after they retire. But two studies — one from Harvard and one from the Corporation for National and Community Service — present opposing views of whether Baby Boomers will volunteer more or less than their parents did. Harvard says no; the corporation says yes. In any event, both documents suggest that nonprofit organizations will need to work harder to recruit and retain older volunteers. Making the best use of boomer volunteers will mean working harder to give volunteers meaningful work and to reward them for that work. Several studies suggest that Baby Boomers are interested in doing work that makes good use of their particular interests and expertise. They also want to be rewarded in tangible ways for their efforts — specifically, with small salaries or other financial incentives.

## *Bibliography*

### **PLANNING FOR FINANCIAL SECURITY IN RETIREMENT: THE BAD NEWS**

1. **\*\*\**The Silent Generation is more confident about retirement than it should be.***  
*The MetLife Retirement Income Decision Study: The Silent Generation Speaks.* 2005.  
 Westport, Connecticut: The MetLife Mature Market Institute.

While they feel confident about retirement income, many members of the Silent Generation are at serious risk of outliving their retirement assets. Some appear to overestimate the buying power of their Social Security checks and most probably overestimate the likelihood that they will be able to work part- or full-time during their retirement years. Others underestimate their post-retirement expenses, especially health care. Most have done little to develop a budget for their retirement income and they lack safeguards against overspending. Silents have focused strongly on accumulating retirement assets and have taken a near-sighted view of financial risks. They worry about health care costs and stock market downturns, but not about longer term issues such as outliving their retirement savings or the possibility that they will need to provide care to a family member who becomes chronically ill.

<http://www.metlife.com/WPSAssets/12303612051173729461V1FMetLifeRetirementStudySilentGenerationSpeaks.pdf>

2. **\*\*\**Mid-Life and older people don't know how to plan for retirement.***  
 "Across the globe Baby Boomers ready themselves for retirement, yet challenges await in making their vision a reality." 2007. Press release from The Hartford Financial Services Group.

Many middle-aged and older adults have serious concerns about their financial security in retirement but are doing little to improve their financial picture and, in many instances, don't know where to turn for help.

[http://www.businesswire.com/portal/site/google/index.jsp?ndmViewId=news\\_view&newsId=20071112006024&newsLang=en](http://www.businesswire.com/portal/site/google/index.jsp?ndmViewId=news_view&newsId=20071112006024&newsLang=en)

3. ***Baby Boomers aren't sure they'll have enough money in retirement.***  
 "Aging U.S. Baby Boomer population may find financial stress in retirement," *The Mature Market*, April 11, 2007

Almost a third (29%) of Baby Boomers have saved less than \$25,000 for retirement and more than a third (41%) will have to keep working in retirement, according to the 2007 American Retirement Study conducted by Scottrade, the online investment firm. Sixty-five percent of Baby Boomers are not sure whether their retirement savings will be enough to support them in retirement. Forty-two percent say they will not have enough money to do the things they want to do, and nearly one-third say they will have to cut back on their current lifestyle in retirement.

[http://www.50plusmarkt.com/seniorenmarketing/baby\\_boomers\\_stress\\_retirement-8524-6.html](http://www.50plusmarkt.com/seniorenmarketing/baby_boomers_stress_retirement-8524-6.html)

**4. Baby Boomers think they have too much debt and not enough income.**

“Boomereyes study takes heartbeat of generation,” *The Mature Market*.

Many Baby Boomers feel they have too much debt, too little savings and inadequate incomes. A large majority of boomers say their household debt is average or above (62 percent) while 57 percent admit their savings for retirement are below average. When it comes to compensation, boomers are pessimistic about their annual incomes, with 37 percent perceiving their incomes to be below average. Forty-two percent of boomers report invested assets of less than \$100,000, with 26 percent reporting no invested assets. <http://www.thematuremarket.co.uk/uk/dossier.php?numtxt=8475&idrb=7>

**5. Even affluent Americans worry about retirement funds.**

Financial anxiety is prevalent among Americans, even affluents,” The Gallup Poll, May 7, 2007

“Not having enough money for retirement,” generated the most concern among respondents to the Gallup Poll’s annual Personal Finance poll, updated in early April 2007. The poll asks Americans to rate the amount of concern they have about each of several financial problems. A majority of Americans in upper-income households say they are very or moderately worried about their retirement income. About half of upper-income Americans worry about having enough money in retirement while nearly four in 10 worry about paying bills for a serious illness.

<http://www.gallup.com/poll/27505/Financial-Anxiety-Prevalent-Among-Americans-Even-Affluents.aspx>

**6. Seniors rely too much on Social Security.**

“Are Baby Boomers financially prepared for retirement?,” *FDIC Outlook*, Spring 2006.

The Social Security program is designed only as a supplement to other sources of income. However, during 2003, the majority of senior Americans relied on Social Security as the source for at least 80 percent of their income. In 2003 and 2004, only 17 percent of workers were covered by defined benefit plans, compared with 41 percent in 1978. A quarter (25%) of workers was not covered under either defined benefit or defined contribution plans. For Baby Boomers who were in their 40s and 50s in 2003 and had 401(k) plans, the maximum average 401(k) accumulation was less than \$140,000 and many had considerably less.

[http://www.fdic.gov/bank/analytical/regional/ro20061q/na/2006\\_spring01.html](http://www.fdic.gov/bank/analytical/regional/ro20061q/na/2006_spring01.html)

**7. Income and pension news is mixed for the 50+ population.**

*The State of 50+ America. 2006.* Washington, DC: AARP.

Income for the typical family age 50+ has not increased in real terms in six years. However, the percentage of those 50+ who are living above 200 percent of poverty has increased by about four percentage points between 1994 to 2004. Pension coverage for those aged 50 and older has increased by 2.6 percentage points, but over half of the workforce is still without a pension. The shift continues away from defined benefit pensions that guarantee income, and toward 401(k) plans that impose greater risk on workers. Reliance on sources of income other than Social Security has improved over 10 years by two percentage points, but half of those 62+ continue to depend on Social Security for 50 percent or more of their income.

[http://assets.aarp.org/rgcenter/econ/fifty\\_plus\\_2006.pdf](http://assets.aarp.org/rgcenter/econ/fifty_plus_2006.pdf)

**8. *Early boomers will have it better than late boomers.***

*How Will Boomers Fare at Retirement?* May 2004. AARP.

Retired Baby Boomers will be no better off, or in some cases worse off, than current retirees. Well-being in retirement is expected to increase only marginally among early boomers and to decline for late boomers. In fact, late boomers will be less likely than current retirees to maintain their pre-retirement standard of living. On the other hand, poverty rates are projected to decline substantially over time. Nevertheless, certain boomer subgroups will remain especially vulnerable, including never-married and divorced women, blacks, high school dropouts, and those with a weak labor force attachment.

<http://www.aarp.org/research/financial/retirementsaving/aresearch-import-863.html>

## **PLANNING FOR FINANCIAL SECURITY IN RETIREMENT: THE GOOD NEWS**

**9. *Baby Boomers have saved enough for retirement.***

“Debate swirls over research that dispels fears about Americans' retirement savings,” *The Wall Street Journal*, February 20, 2007

Some academic papers are now suggesting that many Baby Boomers will be better off in retirement than they thought. Economist John Karl Scholz found that at least 80 percent of people born between 1931 and 1941 have saved enough for retirement. A separate study by economist David Love concludes that if you combine all of the assets of those 51 and older—including stocks, bonds, Social Security and housing—most people will have enough for retirement. Many researchers disagree with these findings, suggesting that they are mistakenly based on the assumption that the retirement experience of prior generations will pertain to the Baby Boomers. For instance, 80 percent of current retirees own their homes and receive pension and healthcare benefits. Future generations won't enjoy those benefits.

<http://online.wsj.com/article/SB117193157802513047.html>

<http://www.nytimes.com/2007/01/27/business/27money.html?ex=1327554000&en=d889b4a8bee3f24c&ei=5088&partner=rssnyt&emc=rss>

**10. *Baby Boomers can replace 62 percent of pre-retirement income.***

“Americans improve—slightly—at replacing retirement income,” *The Mature Market*, March 18, 2007.

The Fidelity Research Institute's 2007 Retirement Index shows that the typical working American household is on track to replace 58 percent of its income in retirement. Baby Boomers had the highest level of readiness for retirement, with an income replacement level of 62 percent. Many (55%) retirees in the study reported leaving the workforce earlier than planned. Nearly one-quarter (22 percent) of retirees were forced to retire early because of poor health or a disability. This is an important finding since the index found that nearly two-thirds (63 percent) of today's workers plan to work in retirement to supplement their income.

<http://www.thematuremarket.co.uk/uk/dossier.php?numtxt=8440&idrb=7>

**11. Tax relief can help Baby Boomers save for retirement.**

*10 Steps to Reforming Baby-Boomer Retirement.* April 2007. National Center for Policy Analysis

The authors suggest 10 steps to secure the retirement of Baby Boomers and future generations of retirees: (1) improve traditional pension plans so employers won't be encouraged to unload unfunded pension obligations on the federal insurance agency; (2) improve 401(k) plans to encourage individuals to pursue investment strategies that provide an adequate retirement income; (3) expand Individual Retirement Accounts so workers without employer-sponsored savings plans aren't penalized; (4) remove Social Security's penalties on work; (5) repeal the Social Security Benefits Tax; (6) allow deposits in all IRAs to be made with after-tax dollars and all withdrawals to be tax free; (7) make health insurance portable; (8) provide tax relief for post-retirement health insurance; (9) create Health Savings Accounts to help older people pay out-of-pocket medical bills; and (10) make premiums for long-term care insurance tax deductible. [http://www.kiplinger.com/businessresource/summary/archive/2007/10\\_retirement\\_steps\\_NCPA.html](http://www.kiplinger.com/businessresource/summary/archive/2007/10_retirement_steps_NCPA.html)

**HOW PREPARED FOR RETIREMENT ARE MINORITIES?**

**12. Minorities associate retirement with economic hardship; others aren't saving.**

*Baby Boomers Envision Retirement II: Survey of Baby Boomers' Expectations for Retirement.* May 2004. Washington, DC: AARP.

Members of minority groups are increasingly more likely than Non-Hispanic whites to associate retirement with negative conditions such as economic hardship, increased dependence on others for personal care, and increased isolation from society. A majority (83%) of Baby Boomers agrees that people in their generation will need more money than people in their parents' generation to live comfortably during retirement, but only 39 percent agree that boomers are saving more for retirement than the previous generation. <http://www.aarp.org/research/work/retirement/aresearch-import-865.html>

**13. \*\*\*Savings patterns give immigrants lower level of resources in retirement.**

*How do Immigrants Fare in Retirement?* University of Michigan Retirement Research Center, October 2007.

Immigrants enter retirement with significantly lower levels of total resources. Saving more could help immigrants compensate for lower income levels in retirement, but immigrants are unlikely to save. Hispanic-Americans who immigrate to the U.S. exhibit different savings behavior than other Americans. They tend to save more for short-term goals such as education or a home purchase rather than retirement. They are also extremely risk averse and place more importance on safety than on an investment's rate of return. Immigrants are more likely to expect their retirement years to be financed by the income of other family members. These transfers to family members can be viewed as a form of investment or risk pooling and may be a major component of retirement saving and planning.

<http://www.globalaging.org/elderrights/us/2007/fare2.pdf>

**14. \*\*\**Many Blacks don't invest or participate in retirement plans.***

“Employers find racial divisions in 401(k) plans,” *Asbury Park Press*, November 12, 2007.

Blacks participate in retirement plans at far lower rate than whites and are less likely than whites to invest in the stock market. This could indicate that today's black workers will be less financial prepared for retirement than white workers. Experts attribute lower investment rates to poor instruction on financial topics in public schools and misconceptions within the black community about the risk of stocks. Four in 10 African Americans with household incomes of \$50,000 or more have no money in stocks, compared to one quarter of whites. Blacks who enrolled in retirement plans save a median \$173 a month while whites save \$252. Whites are nearly twice as likely to have \$100,000 or more saved than blacks, even when education and income was constant.  
<http://www.app.com/apps/pbcs.dll/article?AID=/20071112/BUSINESS/711120321/1003>

## **HOW PREPARED FOR RETIREMENT ARE OLDER WOMEN?**

**15. \*\*\**Older women claim Social Security too soon.***

*Why Do Women Claim Social Security Benefits So Early?* 2005. Center for Retirement Research, Boston College.

Women's low wages, interrupted work histories and role as caregivers make them especially vulnerable in old age. One solution to their financial insecurity would be for women to work longer in order to add to their income, accrue additional 401 (k) savings, postpone dipping into their savings and increase Social Security benefits. Yet, women tend to claim Social Security benefits as soon as they become available. The Social Security benefit structure encourages married women to collect benefits as soon as possible and to retire when their husbands do. This creates a loss of earning and extends the period during which women need support in retirement.

[http://www.bc.edu/centers/crr/issues/ib\\_35.pdf](http://www.bc.edu/centers/crr/issues/ib_35.pdf)

## **HOW PREPARED FOR RETIREMENT IS THE YOUNGER GENERATION?**

**16. \*\*\**Generation X won't be prepared for retirement.***

*Is There Really a Retirement Savings Crisis?* 2007. Center for Retirement Research, Boston College. August 19, 2007.

Nearly half of people age 35 to 42 (known as Generation X) are at risk of not having enough money in retirement. Increasing longevity, a higher retirement age for collecting Social Security benefits and fewer traditional pensions all put this group at risk. What should this generation do to prepare better? The Center for Retirement Research suggests that they save at a higher rate, work a few more years before retiring, be prepared to start a new career in later life and avoid collecting Social Security too early. (Reported in “Generation Xs distractions put retirement at risk,” *The Chicago Tribune*, August 27, 2007.)

[http://crr.bc.edu/images/stories/Briefs/ib\\_7-11.pdf](http://crr.bc.edu/images/stories/Briefs/ib_7-11.pdf)

[www.chicagotribune.com/business/yourmoney/chi-ym-journey-0819aug19,0,3484004.story](http://www.chicagotribune.com/business/yourmoney/chi-ym-journey-0819aug19,0,3484004.story)

**17. \*\*\*Boomers' children can't count on an inheritance to pay the bills.**

"Affluent boomers may leave heirs little," *Houston Chronicle*, December 5, 2007.

Baby Boomer millionaires may leave little or no substantial wealth to their children because they have plans for a fully funded dream retirement that lasts two decades or more. Having paid for their children's education and living expenses in early adulthood, these boomers don't feel obligated to pass their wealth along to those children. Fewer than half (48.4%) of those interviewed for the Federal Reserve's Survey of Consumer Finance believed it was "important to leave an estate to heirs."

<http://www.chron.com/dispatch/story.mpl/ap/fn/5353886.html>

**18. \*\*\*Younger women are redefining retirement.**

*It's Not Your Mother's Retirement: A MetLife Study of Women & Generational Differences*. 2007. Westport, Connecticut: MetLife Mature Market Institute.

Retirement for women will be redefined by members of the younger generations who expect to have a more active retirement with more varied pursuits than their mothers did. However, these younger women will also have considerably higher levels of debt than their mothers and will have to make greater financial adjustments when forced to live on a fixed income. Daughters will work longer than their mothers did. Instead of counting on Social Security, they expect to rely on an employer-sponsored retirement plan and home equity for their retirement income.

[http://www.wiserwomen.org/pdf\\_files/notmothersretirement.pdf](http://www.wiserwomen.org/pdf_files/notmothersretirement.pdf)

## HOW LONG WILL OLDER CONSUMERS WORK?

**19. More older people are working.**

"Greater proportion of older men, women working, according to updated federal report, Press Release, Federal Interagency Forum on Aging-Related Statistics, July 10, 2006.

Labor force participation rates for older women have increased significantly since the mid-1980s, and for older men since the mid-1990s. Participation rates for men age 65 to 69 increased from 25 percent in 1993 to 34 percent in 2005. The rates increased for women in the same age bracket—from 14 percent in 1985 to 24 percent in 2005. Among men 70 and over, 14 percent were in the labor force in 2005, up from 10 percent in 1993. Among women 70 and over, participation rates increased from four percent in 1987 to seven percent in 2005.

[http://www.agingstats.gov/agingstatsdotnet/Main\\_Site/Data/Data\\_2006.aspx](http://www.agingstats.gov/agingstatsdotnet/Main_Site/Data/Data_2006.aspx)

**20. Most will work, but not for fun.**

*Baby Boomers Envision Retirement II: Survey of Baby Boomers' Expectations for Retirement*. May 2004. Washington, DC: AARP

Most boomers expect to work in retirement. However, the gap between those who plan to work for enjoyment's sake and those who plan to work for needed income is shrinking, with fewer planning to work for fun. African American and Hispanic Boomers are more inclined than Non-Hispanic whites to explore entrepreneurial endeavors during retirement.

<http://www.aarp.org/research/work/retirement/aresearch-import-865.html>

**21. Early retirement loses its appeal as Baby Boomers age.**

*Boomers Turning 60*, AARP National Member Research, Knowledge Management Group, June 2006.

At the age of 50, one in 10 respondents to this survey said they had planned to retire between the ages 50 and 55; 29 percent planned to retire between 56-64; and 26 percent planned to retire at 65. Ten years later, only eight percent figured they would retire after age 65. Asked to update their expectations, the percentage of retirees who said they would retire at 65 dropped to 20 percent, while the number who predicted retirement at 66 or later jumped to 26 percent. Men generally wanted to retire earlier than women. Of the employed 60-year-olds, over half (54%) said they plan to quit working as soon as they could, and 37 percent stated they plan to work until they drop.

<http://assets.aarp.org/rgcenter/general/boomers60.pdf>

**22. Older adults plan to work until death.**

“Almost four of ten senior citizens plan on working until they die,” *Senior Journal*, April 23, 2007.

Nearly four of 10 older adults say they plan on working until death, according to a Bankrate retirement poll. One fifth (21%) of adults between the ages of 35 and 64 say that they'll be working forever, too. Only nine percent of 25-to-35-year-olds expect to work permanently. Instead of quitting work altogether, older individuals hope to "downshift" their working lives, either because they expect to miss the intellectual and social interaction they get from a job, or because they need the money.

<http://www.seniorjournal.com/NEWS/Retirement/2007/7-04-23-AlmostFour.htm>

**23. Seniors will find work—and discrimination—in foodservice.**

“Not the retiring kind: aging workforce risks bias despite industry's job needs: experts foresee workplace frictions of elders vs. young careerists,” *Nation's Restaurant News*, April 11, 2005.

Age discrimination will pose thorny challenges for foodservice in coming decades and those risks appear worse in light of predictions that restaurateurs will need to fill a high percentage of jobs with working retirees. Lawyers and industry leaders agree that millions of aging Baby Boomers will find the restaurant industry a welcoming employer. But many are expected to face ageism as their numbers grow, according to labor lawyers, demographic experts, industry leaders and others.

[http://findarticles.com/p/articles/mi\\_m3190/is\\_15\\_39/ai\\_n13649007](http://findarticles.com/p/articles/mi_m3190/is_15_39/ai_n13649007)

**WHAT DO OLDER CONSUMERS EXPECT TO DO BESIDES WORK?**

**24. Hobbies and special interests will take up retirement time.**

*Baby Boomers Envision Retirement II: Survey of Baby Boomers' Expectations for Retirement*. May 2004. Washington, DC: AARP

Most Baby Boomers (70%) have a hobby or special interest to which they will dedicate a lot more time when they retire. Sixty-eight percent say they will have plenty of time for recreation in retirement. Half (51%) expect to devote more time to community service

and volunteering. This is similar to the proportion of boomers currently involved in volunteering. Indeed, a majority of boomers who currently volunteer (62%) expect to devote more time to community service and volunteering once they retire.

<http://www.aarp.org/research/work/retirement/aresearch-import-865.html>

**25. *Hiking, kayaking and hang gliding make the list of popular leisure activities.***

“Active recreation tops lifestyle desires for older Baby Boomers, senior citizens,” *Senior Journal*.

Golf is still a popular activity among older Baby Boomers, but adventurous pursuits such as hiking, river rafting, kayaking and even hang gliding are also emerging as a top interest for these older retirees.

<http://www.seniorjournal.com/NEWS/Features/2007/7-04-13-ActiveRecreation.htm>

## HOW MANY WILL VOLUNTEER?

**26. \*\*\**Boomers want to improve their communities after retirement.***

*New Faces of Work Survey*. 2007. MetLife Foundation and Civic Ventures.

Baby Boomers, age 50 to 59, are thinking seriously about giving back to their communities, as are their contemporaries who are just a few years older. This population group is interested in taking jobs now or in the future to help improve the quality of life in their communities. Among Americans who may work in retirement (53% of all adults age 50 to 70), more than three-quarters (78%) are interested in working to help the poor, the elderly and other people in need; 56 percent are interested in dealing with health issues in a hospital or with an organization fighting a particular disease; 55 percent are interested in a teaching; and 45 percent are interested in working in a youth program.

[http://www.civicventures.org/publications/surveys/new\\_face\\_of\\_work/new\\_face\\_of\\_work.pdf](http://www.civicventures.org/publications/surveys/new_face_of_work/new_face_of_work.pdf)

**27. *Baby Boomers don't vote or join community groups as much as their parents did.***

*Reinventing Aging: Baby Boomers and Civic Engagement*. 2004. Harvard School of Public Health–MetLife Foundation Initiative on Retirement and Civic Engagement.

Compared to their parents' generation, boomers have done less by every measure of civic engagement, including rates of voting and joining community groups. Contrary to conventional wisdom, more people volunteer in mid-life than in retirement. This means that large-scale efforts may be needed to recruit boomers as volunteers. Once volunteers are recruited, organizations may need to be revamped to absorb boomer volunteers and take account of their interests and preferences.

<http://www.reinventingaging.org/>

**28. *Baby Boomers volunteer at a higher rate than their parents.***

*Keep Baby Boomers Volunteering*. 2007. Corporation for National and Community Service.

The surge of Baby Boomers will increase the ranks of older volunteers by 50 percent by the year 2020. That number will double by the year 2036. Americans born between 1946 and 1964 want higher-skill assignments to keep them engaged. Baby Boomers are volunteering at higher rates than their predecessors. Those who volunteer 12 weeks or more annually are most likely to serve year after year. However, three out of every 10

Boomers who volunteer today leave their organizations each year. Remaining in the workforce increases the likelihood that a Baby Boomer will continue to volunteer.

[http://www.nationalservice.gov/pdf/07\\_0307\\_boomer\\_report.pdf](http://www.nationalservice.gov/pdf/07_0307_boomer_report.pdf)

**29. \*\*\*Boomers want to volunteer but aren't sure where.**

*Great Expectations: Boomers and the Future of Volunteering.* 2007. VolunteerMatch.

Nearly two-thirds of older, non-volunteering Baby Boomers are interested in getting involved but many aren't sure where to find the right opportunity. Professionals and women aged 55-64 are the most likely to be interested in volunteering. A third of non-volunteers 55+ would prefer a volunteer activity that helps them learn new skills or explore new interests. Older adult volunteers would prefer a volunteer opportunity that makes use of their personal or professional skills. The Internet is making it easier for people of all ages to find nonprofit organizations that need help.

[http://www.volunteermatch.org/nonprofits/resources/greatexpectations/GreatExpectations\\_FullReport.pdf](http://www.volunteermatch.org/nonprofits/resources/greatexpectations/GreatExpectations_FullReport.pdf)

**30. \*\*\*Peace Corps has early success targeting Boomers.**

"Peace Corps Looks for Older Volunteers," *The New York Times*, November 25, 2007.

The Peace Corps has launched an initiative to recruit people age 50 or older and is hoping that 15 percent of its volunteers will be 50+ by 2009. Older volunteers now make up five percent of the Peace Corps. Apparently, Baby Boomers are interested. General recruiting meetings usually draw about 30 people, but recent recruiting events aimed at retirees have drawn up to 300 attendees. In October, the Peace Corps nearly doubled the number of its older applicants, from 50 last year to 93 this year. The agency says it is looking for 50+ volunteers because they are "givers" with years of accumulated skills and knowledge. Older recruits are also more than three times as likely as younger recruits to serve multiple tours.

<http://www.nytimes.com/2007/11/25/us/25peacecorps.html?ref=us>

**31. \*\*\*Rewarding Volunteerism #1: Boomers want to volunteer with pay.**

"For love and a little money," *The New York Times*, October 23, 2007.

Paid volunteerism is making a big hit among retirees and nonprofit executives, leading some to believe that there's no longer a strong connection between doing good and working for nothing. There are several reasons for the switch to paid volunteerism. Retirees who would normally volunteer with no pay are finding that they need extra money to finance their retirement while continuing to be responsible for children and aging parents. Wealthy retirees are finding that being paid brings value to the volunteer work they do and organizations that pay for volunteer services — even if pay rates are lower than market rates — use their volunteers more intelligently. On the flip side, nonprofit executives say paid volunteers are more committed to their jobs.

[http://select.nytimes.com/mem/tnt.html?\\_r=1&emc=tnt&tntget=2007/10/23/business/retirement/23PAY.html&tntemail=y&oref=slogin](http://select.nytimes.com/mem/tnt.html?_r=1&emc=tnt&tntget=2007/10/23/business/retirement/23PAY.html&tntemail=y&oref=slogin)

**32. \*\*\*Rewarding volunteerism #2: Older Bostonians volunteer for tax relief.**

“For seniors, work that's less taxing,” *The Boston Globe*, September 2, 2007.

The Senior Citizen Property Tax Work-Off Program will give Boston residents age 60 and older up to \$750 in property-tax relief in exchange for their volunteer service. To qualify, applicants must be 60 or older, live in property they have owned for at least three years and make no more than \$30,000 a year for singles or \$45,000 for married couples. Applicants will be placed, according to their ability, in any city department that needs volunteers.

[http://www.boston.com/news/local/articles/2007/09/02/for\\_seniors\\_work\\_thats\\_less\\_taxing/](http://www.boston.com/news/local/articles/2007/09/02/for_seniors_work_thats_less_taxing/)

**33. Rewarding volunteerism #3: Volunteers are healthier.**

*The Health Benefits of Volunteering: A Review of Recent Research*. 2007. Corporation for National and Community Service.

Volunteers help themselves to better health while helping others. This reports shows that volunteers have greater longevity, higher functional ability, lower rates of depression and less incidence of heart disease.

[http://www.nationalservice.gov/pdf/07\\_0506\\_hbr.pdf](http://www.nationalservice.gov/pdf/07_0506_hbr.pdf)