

## Statistics, Costs, and Outlooks

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The baby boomer generation is the nickname given to the large number of Americans born between 1946 and 1964. As the oldest baby boomers reached age sixty-five in 2011, health professionals and policy makers expressed concern as to whether the United States was prepared to handle the largest population of older individuals in its history.

In 2010, about 13 percent of the US population (forty million people) was sixty-five years old and over. But by 2030, when the last of the baby boomers reaches age sixty-five, nearly 20 percent of the population (seventy-two million people) will be age sixty-five and over. Additionally, the US Census Bureau predicts that the number of people eighty-five and older could grow from 5.5 million in 2010 to as high as 19 million by 2050, approximately one-fifth of the total population.

This demographic shift presents many challenges, as an increasing number of older Americans face health and economic concerns with fewer younger Americans to provide care and support. Increased life expectancy may lead to more people living longer with chronic health conditions and functional limitations; therefore, the lack of available caregivers and the financial burden on the Medicare system must be addressed. Americans should also adopt healthy diets, engage in physical activity, and seek preventative care to preserve their good health.

### **Life Expectancy and Chronic Health Conditions**

Average life expectancy has increased significantly over the past few generations. An individual who reached age sixty-five in 1960 could expect to live another 14 years; by contrast, someone who reached sixty-five in 2009 could expect to live another 19.2 years. Increased longevity may, however, bring more chronic health conditions such as heart disease, diabetes, and respiratory problems. Medical advancements also mean that people are living longer with these conditions, which increase treatment costs and raise issues such as quality of life.

The rate of particular chronic health conditions varies by gender, race, and ethnicity. In general, women reported more asthma, arthritis, and hypertension than men. Men reported more heart disease, cancer, and diabetes than women. Overall, the rate of diabetes increased for all races, genders, and ethnicities, from 13 percent in 1997–98 to almost 21 percent in 2009–10. Non-Hispanic African Americans reported higher levels of hypertension and diabetes than non-Hispanic whites (69 percent versus 54 percent for hypertension, and 32 percent versus 18 percent for diabetes), while Hispanics reported higher levels of diabetes than non-Hispanic whites (33 percent versus 18 percent), but lower levels of arthritis (44 percent versus 53 percent). These differences demonstrate that there is no single solution to the chronic health issues facing the aging population. The changing gender, racial,

and ethnic composition of the US population may impact age-related health care in the coming years, and must be taken into consideration.

### **Functional Limitations**

Functional limitations describe how individuals struggle with basic household tasks, and as people enter old age they become more likely to have one or more functional limitations. In 2009, for example, about 41 percent of older people enrolled in Medicare reported some functional limitation. About 12 percent reported at least one instrumental activities of daily living (IADL) limitation, which include using the telephone, light or heavy housework, meal preparation, shopping, or managing money. About 25 percent reported limitations with at least one activities of daily living (ADL) limitation, which include bathing, dressing, eating, getting into or out of a chair, walking, or using the toilet.

Functional limitations are physically and emotionally challenging, and they can be expensive to work around. Home care assistance might allow individuals to continue living independently within their communities, and the cost may be covered by Medicare. About 4 percent of older Americans live in long-term care facilities due to functional limitations, and Medicare does not cover the cost of this service.

Overall, the percentage of individuals reporting functional limitations decreased from 49 percent in 1992 to 41 percent in 2009. However, because the actual number of older Americans is expected to increase so dramatically over the next two decades, health care experts still worry there could be a lack of trained personnel to provide the necessary assistance. This concern grows as the baby boomers' children grow older and struggle with limitations of their own.

Many older Americans also experience hearing and vision problems. For example, 46 percent of older men and 31 percent of older women reported trouble hearing, while about 11 percent of women and 18 percent of men reported having worn a hearing aid. Vision problems affected about 13 percent of men and 15 percent of women. These problems can decrease quality of life, and while they are often correctable, assistive devices such as hearing aids can be prohibitively expensive for many people.

### **Health Insurance and Medicare**

Most Americans age sixty-five and older have health insurance through the federal government's Medicare program. These plans operate similarly to private insurance policies: the beneficiary pays a premium, and in return the policy covers services such as hospital stays and physician visits. Most Medicare plans require beneficiaries to pay up to half of the cost themselves. Medicare generally does not cover long-term nursing home care or dental care, and mostly did not cover prescription drugs until the Medicare Part D program began in January 2006.

Many Medicare beneficiaries require supplemental insurance to pay for services that are not covered. Some have used policies provided by a former employer, while others purchase insurance themselves on the private market, but around 9 percent