

## **Demographic Changes in New York State**

### **Growth in the Older Population**

Fundamental changes have taken place in the demographics of New York State's population over the last decade. The number of seniors most affected by long term care needs and compounding health, social and economic problems – the older aged (75-plus) elderly with mobility limitations and minority elderly – has continued to grow at a much faster rate than that of the general population. This population is the focus for the majority of NYSOFA's services

From 1990 – 2000, the State's age 85-plus population increased by 25.5 percent, going from 248,173 to 311,488. The 75-plus population increased by 15.4 percent - from 1,015,443 to 1,172,306. Women continue to outnumber men by almost three-to-one in this age category despite small gains in growth from men.

New York's demographic structure reflects some of the same major demographic forces that have shaped the nation's population; for example, New York's large baby boomer population is aging. However, the State's population characteristics are also unique in many ways. New York's population size, distribution, and composition have been driven by very dynamic demographic events both internal and external to the State. Forces such as foreign immigration, high levels of domestic in- and out-migration, and the high fertility rates of the State's large and expanding ethnic populations have shaped New York's population and will continue to do so in the future.

New York's population of over 19 million individuals is rich in ethnic, racial, religious/spiritual, cultural and life-style diversity. New York is known for its status as a finance, transportation, and manufacturing center, as well as for its history as a gateway for immigration to the United States. According to a 2004 estimate, over 20 percent of the population is foreign-born, with 28 percent of the population speaking a language other than English at home.

In comparison to a 5.5 percent growth in the total population of the State since 1990, the 2000 Census attests to the dramatically greater rate of growth in the most vulnerable elderly population cohorts. Over the last decade, the number of elderly (age 65+) with mobility limitations grew by 40.8 percent and the minority elderly (age 60+) grew by a 35.6 percent. These represent dramatic changes. The number of those age 65 and older with mobility limitations totaled 499,015, an increase of 144,653 , while the minority elderly population totaled 756,296, an increase of 198,627.

New York ranks third in the nation in the number of older adults - 3.4 million. Like the rest of the country, and the world, New York's baby boomer cohort will swell the ranks of the State's older population. The impact of the aging of the boomers is clearly seen in the chart depicting the projected increase in the older population for the State's 62 counties. For the majority of counties (48), older people constituted between 12 and 19 percent of each county's population in 2000. By 2015, older people will constitute 20-24 percent of the county population in 35 counties and 25-29 percent of the county population in 17 counties.

Historically, demographic changes have for the most part been reflected uniformly throughout New York’s counties. Consistent with this historic precedent, almost all counties saw rapid increases in age 85 and older, and to a lesser extent, age 75-to-84 population cohorts. However, over the last decade demographic changes in certain population cohorts have differed greatly within and among many counties. Twenty-six counties experienced growth either in the age 60 and older or under age 60 population, while simultaneously experiencing a decrease in the other population cohort. The 2000 Census reveals the age 60+ population increased by double-digit percentages in 12 of the State’s 62 counties.

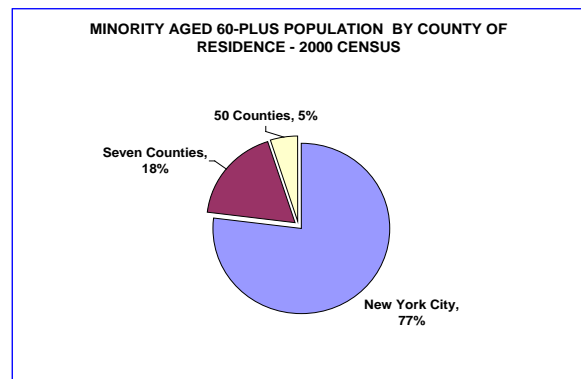
New York State 62 Counties Change in Population Aged 60 and Over 2000 and 2015		
Proportion of County Population Aged 60+	# of Counties with Specified % of Older Persons 2000	# of Counties with Specified % of Older Persons 2015
12% - 19%	48	8
20% - 24%	13	35
25% - 29%	1	17
25% - 29%	0	2

We expect counties to continue to experience rates of change that vary widely for the under age 60 and younger aged (60-to-64 and 65-to-74 years old) population cohorts. Counties will need to continue to demonstrate great flexibility in adapting to the ramifications of dynamic demographic changes as they strive to serve their varying and unique client populations.

**Racial/Ethnic Diversity and Foreign Immigration**

Some counties are affected more than others by the very rapid growth of the State’s minority elderly population. Minority elderly reside disproportionately in New York City and other metropolitan counties of the State. According to the 2000 Census, of the State’s minority age 60 and older population:

- 77.2 percent live in the five counties of New York City, comprising 46.6 percent of the City’s age 60 and older population; and,
- 17.9 percent live in the seven counties of Erie, Monroe, Nassau, Orange, Rockland, Suffolk and Westchester, comprising 10 percent or more of each county’s age 60 and older population.

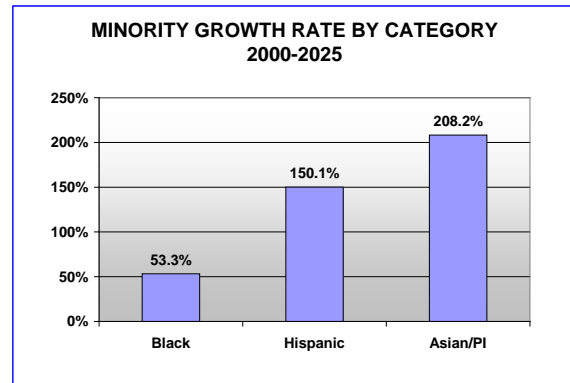


In total, 95.1 percent of the State’s minority elderly live in the aforementioned twelve counties while only 4.9 percent live in the other fifty counties of the State. The underlying dynamics of population change are reflected in available population projections (based on “Demographic Projections to 2025,” produced by NYSOFA) and show that New York State can expect:

- Continued growth in older aged population cohorts;
- Sustained rapid growth in the State’s minority elderly population;
- An aging work force as Baby Boomers – people born between 1946 and 1964 – become seniors; and,

- A decrease in the size of the State’s workforce and renewed growth in younger age 60+ population cohorts as Baby Boomers began reaching 60 years of age in 2006.

The growth rate for minority populations is expected to differ greatly over the 2000-2025 period, with the 2000 Census reflecting for the first time in history that the Hispanic population is the largest minority group in the State. Minority elderly face cultural barriers to participation in community-based and medical health care as well as entitlement and service programs.



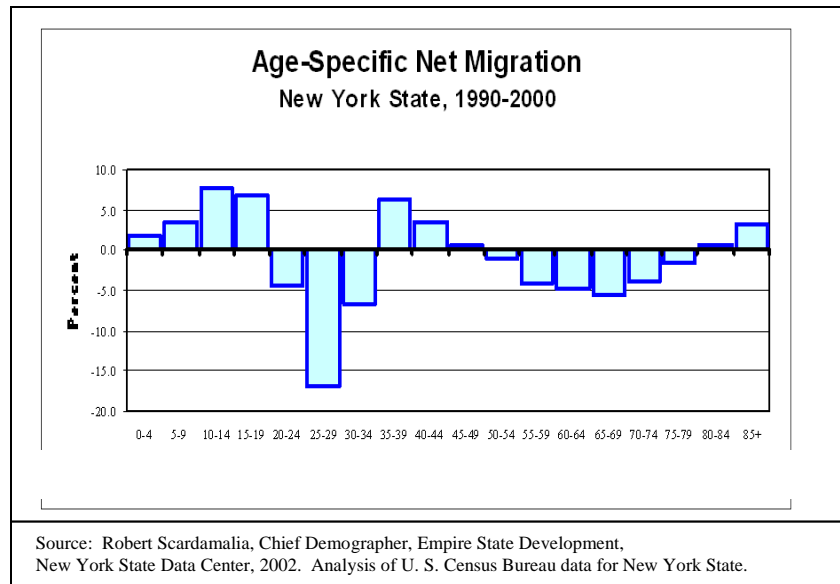
Several indices that measure the ratio of the working-age population (ages 18-64) with the age 65+ population consistently predict dramatic changes over the coming decades. The ratio of the working-age population to the age 65+ population in NYS is projected to decrease from 5.88:1 in 2005 to an estimated 4.32:1 by 2025, a decrease of 26.6 percent. This extreme shift in populations and the unprecedented changes and aging of the State and county populations during the 1990s have implications not only for government, but also for the private sector and the State’s economy including a reduction in caregivers, a reduction in available persons to fill jobs that older adults will rely on in the health and human services sectors and a reduction in revenues collected by the state due to less workers supporting more older adults.

Minority elderly (see *Aging in New York State*, NYSOFA, 1995) are typically younger when affected by the special problems of aging. By the age of 60, they have a ten percent shorter life expectancy than non-minority elderly, and after years of disadvantaged living, are often already at-risk with unmet social, economic, health and long term care needs.

The next generation of older New Yorkers will be very different from that of the current older population. Racial and ethnic subgroups will represent 34 percent of the older population by 2050, compared to just 15 percent in 1995. Of those older adults aged 60 and older, 72 percent consider themselves White, 12 percent consider themselves Black, nine percent consider themselves Hispanic, five percent consider themselves Asian, and almost two percent consider themselves a mixture of these, including American Indian. The number of older Hispanics will increase over 300 percent between 2000 and 2030, Asians and Pacific Islanders will increase nearly 200 percent, and African Americans will increase over 100 percent. In addition, New York experiences an influx of 100,000 foreign immigrants each year and 3.2 million New Yorkers of all ages report that they do not speak English “very well.” Forty-nine percent of Spanish-speaking residents, 40 percent of those speaking Indo-European languages, 59 percent of Asian/Pacific Islanders, and 31 percent of residents “speaking other languages at home” are not proficient in English language skills. All these trends paint a reality that New York is home to individuals of many, very different cultures, ethnicities, and languages. This has significant implications for how the State targets individuals for services, outreach, programs, advocacy, education, etc., as well as for the emphasis the State must place on providing such services in a culturally sensitive and appropriate manner.

## **Migration Patterns**

New York's migration patterns have been consistent for many decades, with a net out-migration pattern over time. Net migration by age follows a distinct life-course pattern in New York State. The State has a high rate of net out-migration among young adults (aged 20-34), who often leave the State for the economic opportunities afforded them elsewhere. The impact of this trend for New York is the loss of educated entry-level workers, which, together with the expected high retirement rates among the oldest baby boomers, has significant implications for New York's future workforce, including gaps in those industries devoted to delivering services to our older population.

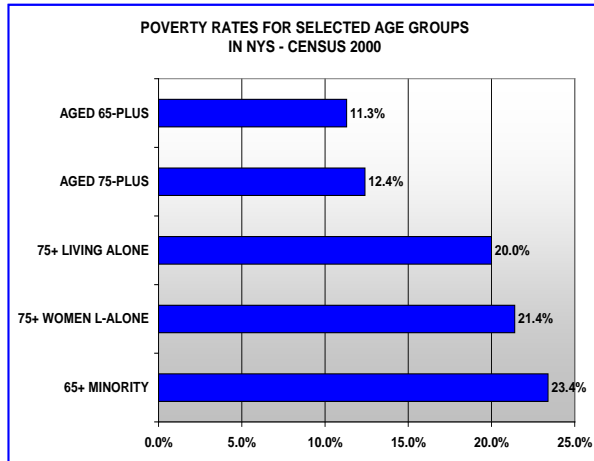


Another of the State's trends is the out-migration of early retirees and "young-elderly" (aged 55-74, typically healthy and financially stable couples), who move for a variety of reasons, primarily to southern and western states. For New York, this trend represents a decrease in the tax base, skilled and experienced community volunteers, and community-based caregivers. The State continues to experience an in-migration trend among the oldest population (aged 80 and over, typically frail, widowed, and poor), who are moving back to New York to live near family, to live their final days "back home". The frailty characteristics of these returning elderly residents have an impact on both the costs and structure of the State's health and long-term care systems.

## **Income and Poverty**

In many ways, New York is a study in contrasts. In terms of income, the State's 2005 median household income was \$49,480; yet, 14.5 percent of the population is living in poverty. Geographically, while the State may be widely known for New York City's urban atmosphere, 44 of the State's 62 counties are rural, dominated by farms, forests, mountains, rivers, and lakes. "Upstate" is a common term for New York State counties north of suburban Westchester, Rockland, and Dutchess counties; and many of New York's counties have a blend of city, suburban and rural living environments. Among the population aged 60 to 79 years old, eight percent of women are below the Federal poverty line (\$10,210 per year) while four percent of men are below the federal poverty line. For those 85 and older, almost twelve percent of women and almost four percent of men are below the Federal poverty line. While economic security is a reality today for more elderly people than perhaps ever before, the elderly remain very vulnerable to a range of economic security problems as they age. Poverty and low incomes, prescription drug and other out-of-pocket health care costs, local property and other taxes and household and housing expenses remain vital concerns of older New Yorkers, particularly, with advancing age and among minority and impaired elderly.

Economic security of the elderly is founded on Social Security, and for many, on retirement income from private and public retirement and pension plans and other sources such as annuities. According to the 2000 Census, households in New York State received a Social Security mean annual income of \$11,667. Poverty figures from the 2000 Census indicate that 264,336, or 11.3



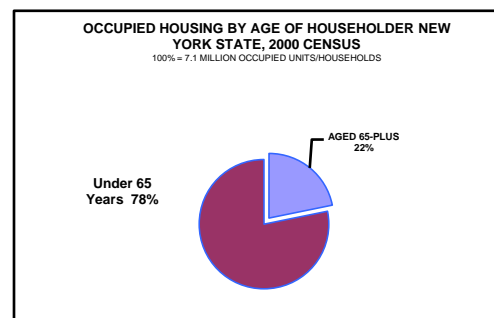
percent, of the State's age 65 and older household population are at income levels below established poverty thresholds. Elderly poverty rates are the highest for older aged, older women, those living alone and the minority elderly. The 2000 Census reports that in New York State, 20 percent of people 75 or older living alone live in poverty. Of all New Yorkers 65 and older in poverty in 2000, almost 2 of 5 (37.9 percent) are women age 75 and older, and over half (55.4 percent) are living alone on incomes of under \$8,259. The minority elderly, according to the 2000 Census, have the highest poverty rates. In comparison to 7.9

percent of non-minority age 65 or older in 2000, 23.4 percent of minority elderly age 65 or older were living in poverty.

Health care costs disproportionately impact older persons and increase with the onset of chronic health conditions as they age. While more elders today, than in previous years, are insulated against rising costs by insurance covering gaps in Medicare, the privatization of Medicare has led to higher cost-sharing for older adults and a future that is uncertain in terms of how much of the risk the government will carry. Yet out-of-pocket expenditures continue to rise dramatically for the uninsured - often the poor and those with chronic health problems - as health care costs outpace inflation.

The Consumer Price Index for the New York/New Jersey region for all urban consumers is 5.4% for the last year. Inflation results in a 5.4% decrease in the services provided by NYSOFA. In the four years 1999 to 2003, the Consumer Price Index (CPI) of "All Urban Consumers" increased by 12.97 percent for all consumer items, while health care costs and the cost of prescription drugs and supplies increased by 25.79 percent and 22.52 percent, respectively. Cost-of-Living-Adjustments (COLAs) during the same 5-year period increased Social Security checks by only 12.4 percent, close to the overall CPI increase but well behind the increase in costs for medical expenses, fuel and energy and property taxes likely to be incurred by the elderly. On average, elderly people spend 22 percent of their income out-of-pocket for Medicare associated health costs (see *Growth in Medicare and out-of-pocket spending: Impact on vulnerable beneficiaries* [Maxwell, Moon, and Segal, 2001]). Vulnerable groups, such as the poor, minorities, and persons with chronic illnesses, spend an even larger proportion of their income on out-of-pocket costs.

Household and housing costs also impact disproportionately on the elderly. According to the 2000 Census, while comprising 12.5 percent of the household population, people 65 and older are 21.8



percent of all householders, owning or renting a disproportionate share of the State's occupied housing units – over 1.5 million of the State's 7.1 million homes.

People age 65 and over living alone are 46.5 percent of all age 65 and older householders and own or rent 716,000 or 1 of 10 occupied housing units in the State. Approximately 21 percent of these householders are living in poverty on incomes of under \$8,259.

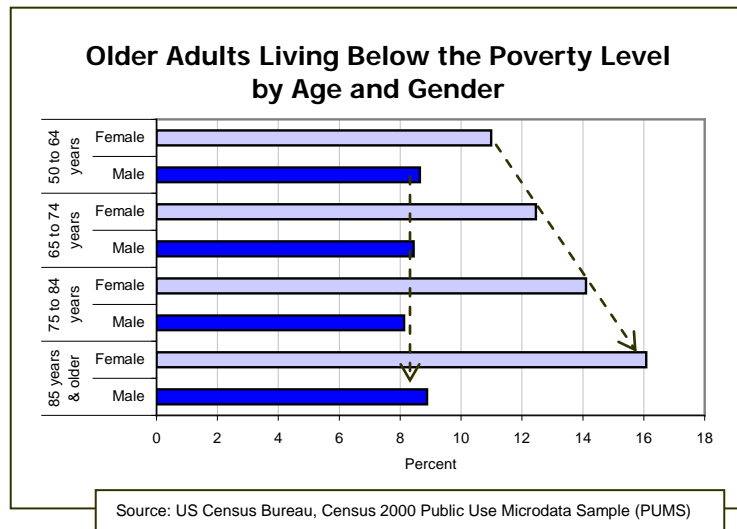
New York State's property tax initiatives have done much to ease the burden on older home owners. Still the elderly householder faces increasing costs for home fuel, maintenance and operations including electrical and other day-to-day expenses. According to the 2000 Census, housing costs consume approximately one-third of the income of 54 percent of elderly renters and 27 percent of elderly homeowners. New York's older renters could be aided through eligibility increase in the IT-214 program.

### **Gender**

Women's experiences of aging are greatly influenced by the roles they assume and the resources available to them. Women spend less time in the workforce than their male counterparts. This translates into lower pay rates, lower personal earnings, and lower retirement income compared with men. Also, the greater longevity among women compared to men tends to translate into

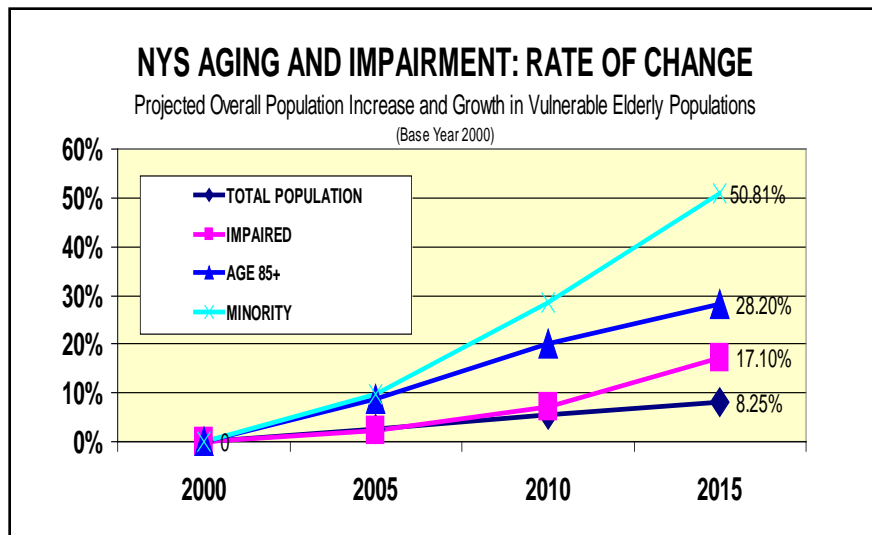
women spending more time living alone as they age and more likely to be in need of long term care services, and therefore, Medicaid.

Approximately 18 percent of women aged 50 to 64 live alone, and this more than triples among women aged 85 and older (56 percent). More women than men assume caregiving responsibilities for older family members. The average caregiver is 46 years old, female, married, working outside the home, and earning an annual income of \$35,000. Furthermore, women who assume elder care responsibilities early in life are at a higher risk of poverty later because of foregoing promotions, reducing their working hours or quitting their jobs altogether to care for a loved one. Couple that with years lost in the workforce due to childbearing and women are at a disadvantage financially later in life. A challenge is to ensure equitable workforce opportunities, assist informal caregivers, and determine opportunities that provide coordinated, accessible formal caregiver services. This balance has the potential to support our families and the economy without jeopardizing the financial future of women.



### **Health of Older Adults**

Chronic conditions are singled out as the major cause of illness, disability, and death in the United States. It is estimated that the cost of chronic conditions will reach \$864 billion by 2040, with chronic conditions among older adults being more costly, disabling, and difficult to treat – and also the most preventable.



The growth of older aged cohorts and impaired elderly as well as rapid increases in the minority elderly population will continue to drive the need for long term care in the coming decades. As evidenced most dramatically in State history during the previous decade, these populations - most likely to require long term care assistance and most

affected by compounding health, social and economic problems - will continue to grow at a rate greater than that of the general population. While the State's general population is projected to grow by only 8.25 percent between 2000 and 2015, the older old (those age 85 and older) and minority elderly are expected to grow by 28.2 percent and 50.8 percent, respectively. By 2015 NYSOFA projects (based on Woods & Poole, 2002) people 65 and older with functional impairments will grow by a rate of 17.1 percent to number 854,956, with 692,521 living in the community and 162,435 (based on New York's current long term care structure) living in nursing homes or other group care facilities.

The percent of all individuals 60 years and older describing their health as "very good" or "excellent" declined from 1994 to 2002, particularly among men 65 to 74 years old. In addition, the Centers for Disease Control and Prevention's (CDC) Office of Minority Health and Health Disparities states that "compelling evidence indicates that race and ethnicity correlate with persistent, and often increasing, health disparities among the U. S. populations." In addition to race and ethnicity, the CDC found that health disparities also occur among various segments of the population by gender, education or income, disability, geographic location, or sexual orientation. Older adults who have health problems and chronic diseases and have lower incomes face very difficult choices in terms of affording their care and financing other important household-related expenses.

The anticipated increase in the number of older adults in New York State will have a significant impact on health and long-term care services and our ability to deliver those services. Recent survey findings of individuals aged 50 years and older indicate that approximately one in four (27 percent) older adults have sufficient resources to pay for long-term care expenses totaling \$150,000 over the course of a three-year period, leaving almost *three* in four who could *not* do so. We also know that retirees' health care premiums increased 25 percent between 2000 and 2004, making it more difficult for older adults to maintain their retirement savings. The financial burden of health care services is complicated further by the fact that many of New York's older residents live in rural areas where health and long-term care services are less accessible and more costly to provide, and where availability of specialized services is less likely.

Medical costs, which are eroding the savings of retirees, are also making it more difficult for adults in the workforce to save for their retirement. When faced with higher medical bills, one in four households reports reductions in retirement-savings contributions and almost half report reductions in other savings. Automatic 401K plans have been identified as one means for employers to help employees save for their future. Additionally, policies that increase the number of higher paying jobs, promote women's workforce participation, and improve the educational attainment of New York's students are needed, as these factors have been shown to help older adults prepare for retirement and pay for health care costs.

Health promotion strategies directed toward all age groups represent another important means to stem rising health care costs since the behaviors that place people at risk of disease often begin earlier in life. Of particular concern is the rise in obesity observed among children and young adults. Communities designed to promote exercise and healthy lifestyles have a benefit on the general population, while age-appropriate programs that promote physical activity and balance are beneficial to the overall health of older adults. Additionally, helping all individuals develop accurate expectations for aging is essential, in view of the fact that those who perceive aging as an inevitable decline in well-being are least likely to participate in physical activity. Individuals with a more informed view tend to engage in activities that promote their physical well-being throughout their lives. Lastly, health strategies must couple effective treatments and best practices with opportunities for prevention and reduction in health disparities.

### **Growth in Long Term Care Needs**

The growing need for long term care is a continuing and critical problem facing our State and counties. According to the 2000 Census, 5.6 percent or 136,192 of the State's age 65 and older population live in group-care facilities, of which 111,156 or 4.5 percent live in nursing homes. In addition, for people 65 and older living at home in the community, the 2000 Census reports that:

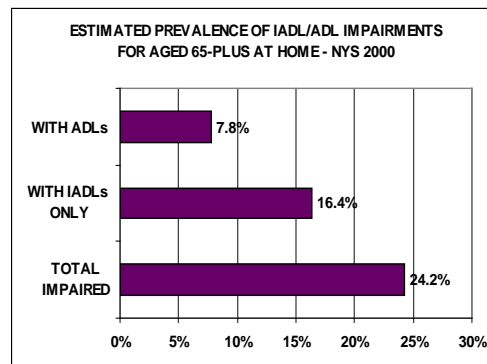
- 9.9 percent or 231,369 had self-care limitations – that is, had difficulty “taking care of his or her own personal needs, such as bathing, dressing, or getting around inside the house” due to a health condition that had lasted for six or more months; and,
- 21.4 percent or 499,015 had mobility limitations – that is, had difficulty “going outside the house alone, for example, to shop or visit a doctor's office” due to a health condition that had lasted for six or more months.

Among people 75 and older living at home, these prevalence rates increase to 15.3 percent with self-care limitations and 29.4 percent with mobility limitations. The severity of functional impairments related to disabling health conditions varies considerably. Two frequently used classifications of functional impairments are instrumental activities of daily living (IADLs) - where help is needed for outside mobility, meal preparation, grocery shopping, money management, housework and laundry or taking medications; and, activities of daily living (ADLs) - where help is needed for bathing, transferring, dressing, toileting or eating.

While 5.6 percent or 136,192 of the age 65 and older population live in nursing homes or other group care facilities, NYSOFA estimates (based on the 2000 Census and Weissart et. al. 1991) that 29.8 percent – or 729,936 – of the 2,448,352 people 65 and older in New York State in 2000 were functionally impaired by chronic health conditions. This includes:



- 7.8 percent or 191,771 with ADLs living at home in the community; and
- 16.4 percent or 401,973 with IADLs only living at home in the community.



### Nutritional Needs

The nutritional needs of older adults become more critical with advancing age especially when recuperating from acute and chronic health problems. Preparing and eating meals and maintaining recommended diets are particularly problematic for the functionally impaired elderly, elderly people following discharge from acute care, and those most disadvantaged and at-risk, the older-old, older women and minority elderly. Older people most in need of sound daily diets are, in fact, those who are least able to maintain their nutritional well being. Providing nutritious meals is a low cost solution compared to the alternatives.

A Surgeon General's report on nutrition and health declared that there is a conclusive link between diet and the leading causes of death and disability in America. (*Malnutrition in the Elderly, A National Crisis*, AoA, 1996.) Among the known facts about the nutritional needs of the elderly are the following:

- **Chronic Disease** - The nutritional status of the elderly has a significant role in disease causation, risk reduction and the treatment of chronic degenerative diseases. The presence of one or more of the chronic diseases that especially affect the elderly with advancing age often requires that the elderly follow a prescribed, therapeutic diet.
- **Medications** - Side effects and drug-nutrient interactions associated with some medications may cause mal-absorption of nutrients, weight loss, anemia, dehydration, low or high blood sugar, fatigue and depression, all of which may lead to poor nutrition and other serious health complications.
- **Oral Health** - Poor oral health may limit the type, quantity and consistency of food eaten, increasing nutritional risk.
- **Weight Loss** - Being underweight often indicates an inadequate dietary intake and is associated with frailty and possible underlying illness.
- **Social Activities** - Social interaction positively affects an individual's food intake, but its absence, social isolation, may lead to loneliness which can negatively affect dietary adequacy and thereby increase an individual's risk for malnutrition.

Malnutrition has been found to affect one out of four older Americans living in the community and is a factor in half of all hospital admissions and readmissions of older people. Individuals must consume and assimilate food to promote and replace worn or injured tissues. Without proper nutrition, water, exercise or oxygen, cells die, muscle mass decreases, respiratory and other muscles weaken, the immune system becomes depressed, and illness, disease, or disability ensues.

## **Community Involvement**

The aging of the Baby Boomers provides us with challenges as well as tremendous resources and opportunities. As the population grows, individuals with impairments will also increase, requiring a comprehensive array of community support services to allow them to age in place. The baby boom retirement will challenge the State to think differently about older age. New York will need to consider strategies to:

- Ensure individuals of all ages have access to a single, accountable and responsible entity at the local level that can provide information, assistance and screening for all long-term care services in the community.
- Ensure an adequate and trained workforce exists in health, long term care and social services.
- Provide opportunities for older adults to fill these positions in the workforce, have second careers and have an opportunity for meaningful paid and non-paid volunteer opportunities.
- Provide affordable and accessible housing and develop innovative community-supported transportation models.
- Redefine the role of the senior center and encourage its evolution into an intergenerational community center model.
- Promote health and wellness and provide new community integrated strategies for chronic disease management.
- Identify and reach hard to serve older adults from ethnically and culturally diverse backgrounds.
- Reduce the factors that contribute to elder abuse.
- Support family caregivers.
- Provide unbiased and accurate information to ensure that good choices can be made about health care options, prescription drugs, long term care insurance, etc.
- Integrate systems at the state and local level that embrace personal and family centered care, reduce the fragmentation and silos of care, and allow flexibility and reduce risk in service delivery.

Developing strategies to encourage older workers to remain in the workforce is of paramount importance. Strategies to retain, retrain, and hire older workers, engage businesses, and provide policy changes to address the tax and health-care implications that retirement brings are critical to capitalizing on the wealth of human capital New York can harness in its older worker population. Older adults can play a proactive role in the emergence of the upstate economy and economic development by utilizing their experience, expertise and desire to stay connected to their community.

## **Community Characteristics**

The characteristics of communities across New York, and across the country, continue to change.

Family structure is becoming increasingly diverse and non-traditional, including increases in persons living alone or living with non-family members, decreases in married couples, smaller family sizes among the white majority population and higher growth rates among ethnic minority families, increases in both single-female and single-male households, and increases in many other types of non-traditional households.

**Family Structure . . .**

<i>United States</i>	
Married couple families	↓
Married couple families with children	↓
Single parent households	↑
Single person households	↑
Non-traditional households	↑

Families also are more geographically diverse, as demonstrated in the out-migration trends. These evolutions, over time, have large implications for older adults, particularly in the areas of legal issues, housing, and the ability to utilize informal caregivers to help with activities and instrumental activities of daily living. Changing family structures require that NYSOFA strive to fashion its advocacy and services in a way that supports the diverse caregiver needs of non-traditional families and addresses the unresolved issues they face.