

Older adults today will live longer than those of previous generations, and a greater proportion of older adults rate their overall health status as good to excellent. But while death rates from many of the major health concerns of the past have declined, death rates for others have increased, as has the prevalence of many chronic health problems. Health conditions are a frequent cause of early retirement, which may result in loss of health insurance coverage. Fewer adults will have access to employer-sponsored retiree health insurance in the future, while the future costs and coverage of publicly-funded health insurance for older adults are uncertain.

## 1

**Q: Will older adults today live longer than previous generations?**

**A: Yes.** Overall life expectancy has increased from 68.9 years in 1950 to 79.2 years in 2009. People aged 65 today can expect to live another 18.5 years, which is 4 more years longer than people aged 65 in 1960.

- “U.S. life expectancy has increased from 68.9 years in 1950 to 79.2 years in 2009, in large part due to the reduction in mortality at older ages,” according to a 2011 report from the Population Reference Bureau.<sup>1</sup>
- According to the Older Americans 2010 report, “under current mortality conditions, people who survive to age 65 can expect to live an average of 18.5 more years, about 4 years longer than people age 65 in 1960. The life expectancy of people who survive to age 85 today is 6.8 years for women and 5.7 years for men.”<sup>2</sup>

## 2

**Q: Are older adults healthier today than in the past?**

**A: In some ways, yes, but in other ways, no.** Older adults rate their overall health status as somewhat better now than in the past – compared to 10 years ago, there has been an increase in the proportion of older adults who report that their health status is good to excellent. Overall death rates for all causes among individuals aged 65+ have declined, as have death rates for heart disease and stroke. However, death rates for diabetes and chronic lower respiratory diseases have increased. Higher proportions of older adults are obese. Adults aged 50+ self-report high rates of hypertension and high cholesterol, as well as other chronic conditions. Health conditions of older workers and/or a family member are frequently reported as a cause of retiring from work earlier than planned.

- During the period 2006–2008, 75% of people age 65 and over rated their health as good, very good, or excellent, compared to 72% during the period 1994-1996. Older men and women report similar levels of health, according to reports from the Federal Interagency Forum on Aging-Related Statistics.<sup>2,3</sup>
- The Older Americans 2010 report indicates that “between 1981 and 2006, age-adjusted death rates for all causes of death among people age 65 and over declined by 21%. Death rates for heart disease and stroke declined by about 50%. In contrast, age-adjusted death rates for diabetes increased by 29% since 1981, while death rates for chronic lower respiratory diseases increased by 50%.” In 2007-2008, 32% of people age 65 and over were obese, compared with 22% in 1988-1994. Chronic diseases such as heart disease, stroke, cancer, and diabetes are among the most common conditions affecting older adults.<sup>2</sup>
- Among U.S. adults aged 50+, 51.2% report that they have hypertension and 44% report high cholesterol. Other prevalent chronic conditions that were self-reported include heart disease (22.3%), mental illness (21.3%), diabetes, 18.8%, arthritis (17.4%), cancer (15.2%) back problems (14.5%) and COPD (14.0%), according to a 2011 analysis of data from the Medical Expenditure Panel survey.<sup>4</sup>
- Among persons aged 55-64 who were not working in 2004, 32.4% reported chronic illness or disability as the reason for not working, while 42.8% reported that they were retired. Among those 65 and over who were not working, 85.9% reported that they were retired, compared to 7.4% who said they were not working because of a chronic illness or disability, according to a 2007 Census Bureau report.<sup>5</sup>

- According to the 2011 EBRI Retirement Confidence Survey, “a large percentage of retirees leave the work force earlier than planned (45% in 2011). Many retirees who retired earlier than planned cite [health-related] reasons for

leaving the work force before they expected, including health problems or disability (63%), and having to care for a spouse or another family member (18%).”<sup>6</sup>

### 3

#### **Q: Will older adults have better access to health insurance in retirement compared to prior generations?**

**A: Unclear.** The proportion of older adults who have retiree health insurance benefits from their employers is declining. Many older adults are choosing to stay in the workforce longer, to maintain their employee coverage for themselves and spouses. Concerns that the cost of Medicare premiums will rise and/or that Medicare benefits will be reduced is expressed by around 90% of workers and retirees. Many older adults are enrolled in private insurance policies to supplement their Medicare coverage.

- According to a 2010 analysis of CPS data by EBRI, “in 1994, 32% of retirees ages 65-69 had retiree health benefits, while 28% of those ages 70-79 had benefits, and 21% of those age 80 and older had them. By 2008, the percentage of 65-69-year-olds with retiree health benefits fell to 26%. The portion of those ages 70-74% fell to 23%... Similarly, the portion of 75-79-year-olds with retiree health benefits fell to 23%.... The percentage of retirees ages 65–69 purchasing insurance from an insurance company to supplement Medicare decreased from 29% in 1994 to 25% in 2008. For those aged 70–74 the rate fell from 35% to 28% between 1994 and 2008.”<sup>7</sup>
- Among persons over 65 years of age, 59% have private coverage [in addition to Medicare], 28% have Medicare only, 6.3% have both Medicaid and Medicare, and 1% are uninsured, according to 2007 National Health Survey data.<sup>8</sup>
- Health care coverage and costs are the most-cited reasons for delayed retirement, especially among older workers. Over two-thirds (68%) of older workers cite keeping their health care coverage as a reason to delay retirement, while 62% cite the higher cost of health care, according to the 2010 Towers Watson retirement attitudes survey.<sup>9</sup>
- According to the 2011 EBRI Retirement Confidence Survey, respondents who are working and those who are retired “report being very or somewhat concerned that the cost of Medicare premiums will rise faster than inflation (92% of workers and 86% of retirees), that Medicare benefits will be reduced (88% of workers and 87% of retirees).”<sup>6</sup>

#### References

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