Chapter 1.
Introduction

Changes in population size and composition greatly influence many of our nation's policies and programs. From 1995 to 2005, persons reaching age 65 will be those born during the 1930's Depression era. As a result, the growth rate of the population aged 65 and over will be relatively modest during the next ten years. When persons born from 1946 to 1964, commonly known as the Baby-Boom generation, begin turning age 65 in 2011, we will start to witness a rapid growth rate of persons 65 and over. Unlike the uncertainty associated with many projections, "inevitability" is a term that characterizes this coming rapid growth. The modest growth rate of the population aged 65 and over in the near future provides an opportunity to plan for the certain, rapid growth during the period when the Baby Boom reaches age 65 years.

Growth, then, is one vital aspect of the elderly population (persons 65 and over in this report), especially for the oldest old (the term used herein for persons 85 and over). While we have thought of ourselves as a nation of youth since the country's founding, the United States in 1994 had about as many persons aged 60 or older as children under 14 years. Within the elderly population, the growth rate of the oldest old currently is the most rapid. In the coming years, all developed and most developing countries can expect to experience the changes associated with an aging society.

As with the sheer size and growth rate of the older population, the size of other age groups also has changed radically over the decades. The Baby Boom (30 to 48 years in 1994, figure 1-1) is moving into middle age, years when their children are finishing high school, college, and starting their own families. Some are establishing an economic base for retirement. The relatively small Baby-Bust cohort is entering the labor force. Fertility, mortality, and migration changes will continue to alter the country's age structure. In this report, we will examine the implications of the growth of the elderly population.

Diversity is a key term that describes the elderly population of the United States. While the label "elderly" is commonly used for the population 65 years and over, this group is remarkably heterogeneous. We cannot fully understand the complexities of their social and economic diversity from sweeping generalizations about the elderly. Each age, gender, race, and ethnic group has distinctive characteristics, and the experience of aging differs among the demographic groups.

Also, rural elderly have characteristics and needs different from those of urban elderly. Some older people have significant financial and health problems while others spend time vacationing, exercising, and participating in sports. Some stay in the paid work force until they die while many fill their leisure time with volunteer work, care of children and the frail elderly, or other personally satisfying activities. Some are bored, angry, or depressed. In short, the elderly, like other age groups, encompasses people with varied levels of needs, abilities, and resources. In the future, "an increasingly numerous and diverse older population is destined to change our social landscape in ways we can only imagine."[1]

This report focuses on the elderly population, those persons 65 years and over. Where possible, we distinguish among the component age groups of the elderly to show the diversity of this large population group. For convenience and simplicity, the following terms are used for the component age groups: the young old (65 to 74 years); the aged (75 to 84 years); and the oldest old (85 years and over). The limitations of source data occasionally require using estimates for alternative age groups, such as 55 years and over, 80 years and over, or 65 to 84 years. Deviations from the standard age groups are noted in the text and terms such as the "older" population may be used to refer to these unconventional age groupings. The term "frail elderly" refers to the group of persons 65 years or older with significant physical and cognitive health problems and is used to emphasize that not all elderly persons have serious health problems.

We will focus on the diversity of America's older population in terms of age, race, ethnicity, gender, economic status, longevity, health and social characteristics, and geographic distribution. Throughout, we will examine possible implications of the demographic changes.

What can the elderly expect for the future? The changing characteristics of the elderly, together with the uncertain social, economic, political, and scientific changes that lie ahead, make an accurate portrayal of the elderly population profile of tomorrow problematic. We do know that the characteristics of the elderly population of the future are likely to be very different than those of today's elderly population. For instance, educational attainment levels of the elderly in the 21st century will be higher than those of present-day elderly. One might conclude, for example, that the future

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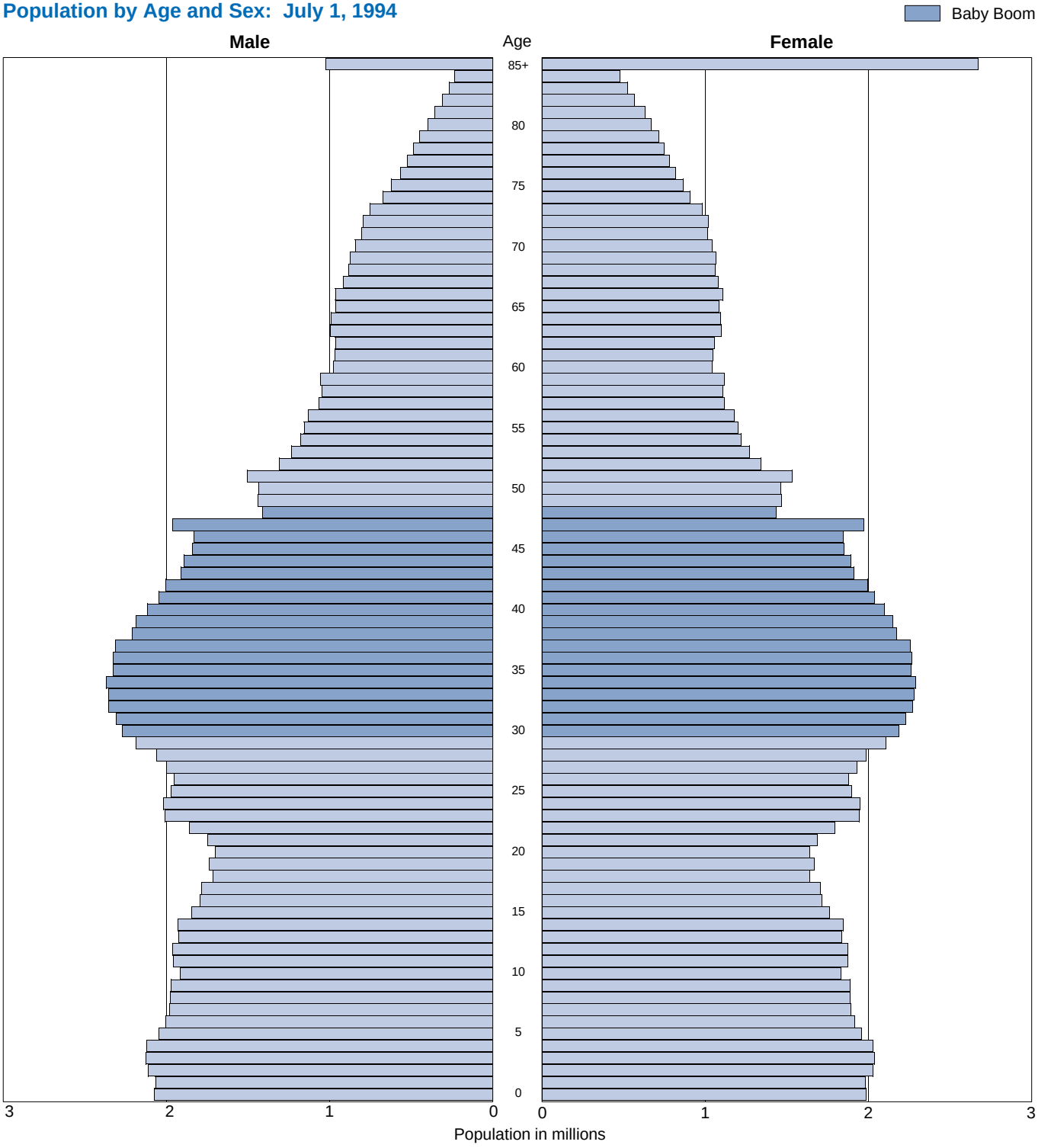
[1] E. Percil Stanford, "Diversity as a Social Force in an Aging Society," *Diversity and Long-Term Care News*, Vol. 1, No. 2, 1994, p. 1.

Figure 1-1.

Population by Age and Sex: July 1, 1994



population explosion of the elderly will result in an expanding number of stereotypically frail and dependent persons and place a serious burden on society. However, given the dynamic nature of changes affecting the future quality of our lives, alternate conclusions might be drawn. As scientists increase the body of knowledge about biological mechanisms that control the aging process, a reduction in the severity of illness and disability may lead to a reduced demand on our health resources. Older Americans can expect to live more years and lives that are healthier longer. At the same time, two important challenges are: "how to maintain the quality of life with advancing age and how to produce cost-effective health care."[2] Current social structures have not kept pace with the increased numbers, strengths, and capacities of older persons. One suggested future direction of change is toward "age integration" where opportunities for work, education, and leisure are options for persons of all ages, throughout their lives. Emerging evidence in this direction appears as colleges open up to older and nontraditional students, as companies retrain older adults, as opportunities for older volunteers grow, and as the number of elderly acting as caregivers rather than care receivers increases.[3]

Questions about the elderly of the future abound. While we know there will be many more elderly, projections vary in predicting how many more.[4] How long will they live? One postulation is that it may be "as likely for a child today to reach age 100 as it was for a child born eight decades ago to reach age 80."[5] Others have suggested that "the average life expectancy is unlikely to exceed 85 years in the absence of scientific breakthroughs that modify the basic rate of aging."[6] A 1992 survey of over 900 adults found that 61 percent would like to live to 100, yet only 4 percent expected to live that long.[7]

Even if people live longer, what will be their quality of life? National Long Term Care Survey (NLTCS) data have shown that chronic disability and institutional prevalence rates in the U.S. elderly population declined between 1984 and 1989.[8] What will be the need for care among the elderly and how will these care needs be met? New and expanded research continues to augment our understanding of the profile of the elderly population into the 21st century. This report also illustrates and discusses implications for the elderly population of tomorrow.

Data used in this report are primarily from the 1990 Census of Population and Housing, including unpublished tabulations from the Modified Age, Race, and Sex (MARS) file and the Public Use Microdata Sample (PUMS); nationally-representative surveys such as the Current Population Survey (CPS), the Survey of Income and Program Participation (SIPP), the National Health Interview Survey, the Longitudinal Study on Aging; and recent projections of population, labor force, and marital status. This report summarizes numerous reports about the elderly prepared by statisticians from the Census Bureau, other federal agencies, and private researchers, and includes information not previously released.

All demographic surveys, including CPS and SIPP, suffer from undercoverage of the population. This undercoverage results from missed housing units and missed persons within sample households. Compared with the level of the 1990 decennial census, overall CPS and SIPP undercoverage is about seven percent. Undercoverage varies with age, sex, and race. For some groups, such as 20-to-24-year-old Black males, undercoverage may be as high as 35 percent. The weighting procedures used by the Census Bureau for its surveys partially correct for the bias due to undercoverage. The final impact of these procedures on estimates is unknown. For further information, see appendix B.

The CPS estimates for the early 1990's are inflated to national population controls by age, race, sex, and

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[2] National Institute on Aging, *Older Americans Can Expect to Live Longer and Healthier Lives*, Special Report on Aging 1993, Discoveries in Health for Aging Americans, 1993.

[3] Matilda White Riley, "Aging and Society: Past, Present, and Future," *The Gerontologist*, Vol. 34, No. 4, August 1994, pp. 436-446.

[4] Burton H. Singer and Kenneth G. Manton, "How Many Elderly in the Next Generation?," *Focus*, Vol. 15, No. 2, Summer and Fall 1993, University of Wisconsin-Madison, pp. 1-11.

[5] James W. Vaupel and Bernard Jeune, *The Emergence and Proliferation of Centenarians*, Center for Health and Social Policy, Population Studies of Aging #12, Odense University, June 1994.

[6] S. Jay Olshansky, Bruce A. Carnes, and Christine K. Cassel, "The Aging of the Human Species," *Scientific American*, Vol. 268, No. 4, April 1993, pp. 46-52.

[7] Percents are from a telephone survey conducted for the Alliance for Aging Research, December 1992.

[8] Kenneth G. Manton, Larry S. Corder, and Eric Stallard, "Estimates of Change in Chronic Disability and Institutional Incidence and Prevalence Rates in the U.S. Elderly Population from the 1982, 1984, and 1989 National Long Term Care Survey," *Journal of Gerontology*, Social Sciences, Vol. 48, No. 4, 1993, pp. S153-S166.

Hispanic origin.[9] These population controls are based on results of the 1980 census carried forward to 1993. The estimates in this report, therefore, may differ from estimates that would have been obtained using 1990 census results brought forward to the survey date. Population controls incorporating 1990 census results were used for survey estimation beginning with the 1994 CPS.

Survey data are generally presented as point estimates and estimates may differ considerably from those of the census. Estimates of sampling error can be computed from information presented in each of the specific reports cited. Comparisons of characteristics made from sample data in the text are tested for statistical significance (a concept concerning the amount of confidence we have in an estimate derived from a sample) at the 90-percent confidence interval.

Estimates for the characteristics of small subgroups (such as race and detailed age groups) should be used with caution because point estimates can be misleading when population and sample sizes are small. For example, apparent differences in poverty estimates for the oldest old population by race may not be upheld when statistically tested, since the range of variability is generally wider as the population group on which the estimates are based gets smaller. For some characteristics, the range of variability in the estimate is quite narrow, giving us a good idea of what the population group is like in the particular respect.

Individual population figures usually are rounded to the nearest thousand without being adjusted to group totals, which are independently rounded. Therefore, the sums of individual items may not always equal the totals shown in the same tables. Similarly, sums of percent distributions may not always equal 100 percent because of rounding. Differences are insignificant.

Symbols. A dash (-) represents zero or rounds to zero. The symbol “B” means that the base for the derived figure from a survey (such as the Current Population Survey or the Survey of Income and Program Participation) is less than some total, usually 75,000. An “X” means not applicable, and “NA” means not available.

[9] Information on the Hispanic population shown in this report was collected in the 50 States and the District of Columbia, and therefore, does not include residents of Puerto Rico.