

# TASK FORCE ON THE AGING OF DANE COUNTY



*A report on the effects of the “Baby Boomer” generation  
and how this will influence the social, economic,  
community and political developments to come.*

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# **TASK FORCE ON THE AGING OF DANE COUNTY**

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AAA Board Member

**Area Agency on Aging:**

Rita Odegaard, MSSW  
Director

**Special thanks to:** Rita Odegaard for her knowledge and encouragement; David Schaefer and Bill Schaefer who educated us about issues of transportation; Dr. Carol Ryff; Dr. Cindy Ofstead who assisted several of our workgroups; Ed jj Olson; Michelle Marchek for organizing and note-taking; Roberta Wahl for final typing; Paul Kusuda for editing; the professionals and consumers who sat on workgroups or focus groups this past winter; and those who read and critiqued our work.

# **Purpose/Charge to the Task Force on the Aging of Dane County**

Beginning approximately 2010, Dane County will experience a profound shift in the age of its population. The first of the post war Baby Boom generation, born between the years of 1946 and 1964, will turn 65. And for the next 50 years these demographics will drive public policy and will, in turn, influence social, economic, community, and political developments and the decisions that come from them.

County Executive Kathleen Falk, in March 2003, appointed an eleven member task force to study the effects of this large population as its members enter their later years. The Task Force and its Workgroups brought together a diverse number of professionals with expertise in aging, economics, demographics, healthcare, long-term care, public safety, older adult services, and continuing education.

This task force has been organized to provide thoughtful, reasoned deliberations that identify the necessary steps to initiate change; change that must begin immediately because of the slow-moving nature of systems.

The Task Force's purpose has been to:

1. Analyze the implications and impact of increased longevity and a growing senior population and
2. Make recommendations to guide Dane County's response to the challenge of serving an aging population.

## **The Shape of the Task Force on the Aging of Dane County**

The Task Force on the Aging of Dane County had a membership of eleven, appointed by County Executive Falk, chaired by Nell Mally, MS, staffed by AAA Director Rita Odegaard, MSSW, Jill Kranz, Director, Middleton Senior Center, Karen Musser, CEO of Elder Care of Wisconsin, and clerical support by Michelle Marchek. The members began meeting in early 2003. After studying issues relating to the Boomers, and consulting with a demographer (Cynthia Ofstead, Ph.D., Population and Planning Analyst from the Bureau on Aging and Long

Term Care Resources), a gerontologist (Carol Ryff, Ph.D., Director of the Institute on Aging at the University of Wisconsin) and a futurist (Ed Olson of E j j Olson & Associates, Milwaukee), the Task Force divided itself into six workgroups. Each workgroup was co chaired by two members of the task force or support staff. Each workgroup invited a number of professionals, citizens, and consumers to address one of six different subjects. The workgroups were titled: Economics, Education and Active Aging, Health/Medical Care, Housing and Infrastructure, Public Safety, and Transportation.

In addition to the six original subjects studied, several other topics emerged for consideration. Because of a nation-wide crisis<sup>1</sup> that calls for many more caregivers, the Task Force convened a focus group of caregivers and subsequently added a section to the report examining caregivers, both informal/natural and paid. The 2000 United States Census reported that nearly 2.5 million grandparents were raising more than 4.5 million grandchildren. Because estimates are that 36 percent of Dane County grandparents, living with their grandchildren, are responsible for their financial care, the reader will also see a section within the Caregiver Report on grandparents who act as primary caregivers for their grandchildren.

The subject of elder abuse was discussed frequently throughout the workgroups; therefore, after a focus group comprised of members of the Joint Coordinating Committee on Elder Abuse and Neglect considered the topic, a section addressing Elder Abuse and Neglect was added to the Public Safety report.

The workgroups each researched, discussed, and answered the same questions:

1. How do you think the older population will change?
2. Are there present day service gaps? What are the most pressing issues and how will they change in the future?
3. What needs and challenges are anticipated in the next twenty years?
4. How should we be getting ready for these challenges?
5. What recommendations and/or policy changes would you suggest?

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<sup>1</sup> “Written in Chinese, the word ‘crisis’ is composed of two characters. One represents danger and the other represents opportunity,” John F. Kennedy, 1917-1963

Upon completion of the workgroup activity, the author compiled workgroup results, listed key findings and recommendations, shared draft documents with committee and workgroup members and professionals from a variety of disciplines, added charts and graphs, and completed the final report.

The scope of this subject matter is enormous. The wealth of emerging information about the Boomers and their interconnectedness with the norms of society, the structures of education, government, health care, and the processes of aging is staggering. In this study, we have attempted to focus on life in Dane County and on the things that we feel can and should happen in coming years. The changes that happen should, rightfully so, be accomplished mainly by Boomers themselves. As their own aging needs emerge, so must their talents, energies and innate sense of responsibility.

While we have formulated numerous recommendations, hopefully to be taken on by many entities in the Dane County community, this document is also designed to be an educational tool for those wishing to learn about the vagaries of aging and the ability to age with grace, health, dignity, strength, safety, and security in the coming years.

***We encourage dissemination of this report.  
It may be photocopied, discussed, quoted and  
augmented as appropriate to its use. NM '04***





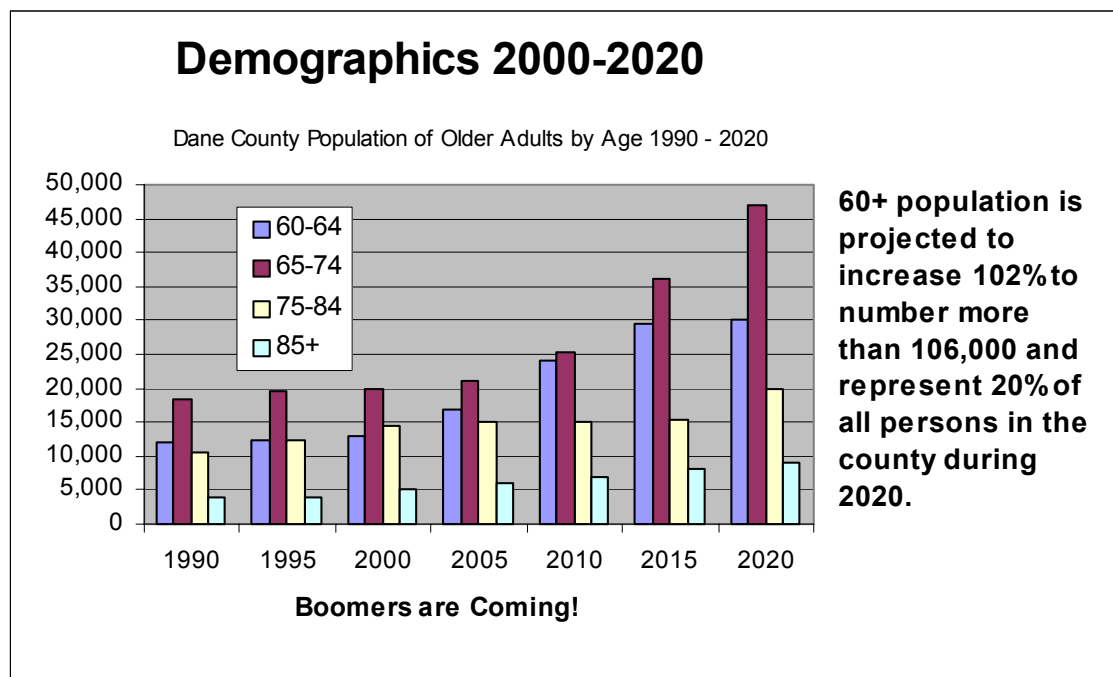
# Executive Summary

## A Profile of the Boomer Generation

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The Boomer generation (the Boomers) – 76 million Americans born between 1946 and 1964 – is the single, largest sustained population growth cohort in the history of the United States. Through its sheer size and departure from many of the values and morals of previous generations, it not only has commanded attention of more demographers, policy makers, and social scientists over the past 40 years, but has also had a profound effect on the nation’s social fabric by redefining each stage of life as it ages. It created the youth culture of the 1960s and 1970s, the dual income household of the 1980s and 1990s, and now views its forthcoming retirement years in terms quite different from previous generations.

Nationally, the number of people in the United States ages 60 and older is expected to roughly double by 2020. Older adults will make up 20 percent of the population in 2030 and this cohort will continue to grow for at least 20 years after.



By 2035 the number of workers contributing to Social Security and Medicare will rise by only 17 percent while the number of older people will have doubled or more. The ratio of the population ages 65 and older to the population in its prime working years (ages 20 to 64) will grow from 21 percent today to 32 percent in 2025.

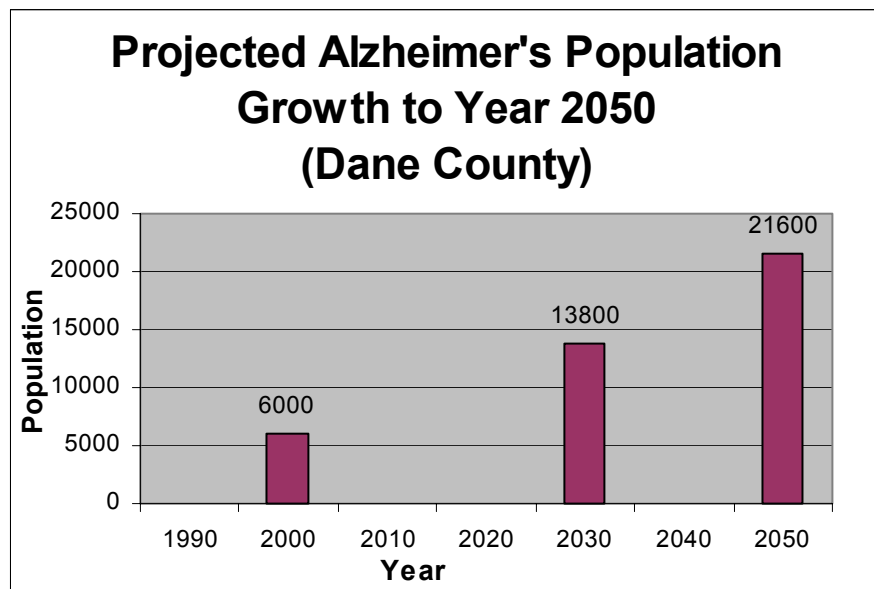
While no two Boomers are alike, many of the people born between 1946 and 1964 share some of the same characteristics:

- “The biggest thing the Boomers have done is to expand the range and the realm of personal freedom.”<sup>1</sup>
- They influenced everything they came in contact with since they were born, from schools in the 1950s, universities in the 1960s, social norms from the 1960s through the 1980s, to jobs and their workplaces from the 1970s to the present.
- The 20-year age span of its members alone has generated a wide range of life stages, personal values, levels of economic prosperity, life experiences and expectations.
- They will continue to influence the workplace, retirement, the aging process, health care performance, aging norms, the delivery of long-term care, and leisure activities.
- They are marrying later – and more often. Boomers are having children later (around age 30 instead of 21 as in the fifties and sixties). They are having fewer children (two as opposed to 3.5 in the previous generation) and are often living in blended families.
- Boomers generally are better educated than earlier generations.
- Boomers are both resilient and pragmatic.
- They are often described as ambitious, self-assured, self-indulgent, and in-charge, a generation known for going, and getting its own way.
- They may live longer than their parents.

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<sup>1</sup> Gillon, Steve, author of *Boomer Nation*, Free Press, 2004

- Because there is less stigma of getting help for mental health issues, the Boomers are willing to seek help and may generally demand mental health services.
- Boomers have billions of dollars in credit card debt.
- Many have not saved for retirement, and many more have been unable to save.
- A large number of Boomers will either need or choose to stay in the workforce beyond the traditional retirement age of 65. Indeed, they may retire several times.
- Many will lead a cyclic life, rather than a linear one:
  - *Linear*, meaning being educated during their youth, then spending adulthood with nonstop working and raising family, and then retiring;
  - *Cyclic*, meaning being educated, working, marrying and raising family, getting re-educated, working again, retiring, and working again.



- Limitations on activities because of chronic conditions increase with age. Currently, over half of persons older than seventy-five report being limited by chronic conditions. Disability takes a much heavier

toll on the very old. This will translate to huge numbers in the 2020s and beyond.<sup>2</sup>

- A national study looking at dementia shows that by 2030 in Dane County, 13,800 of the older population may have a dementia.
- Many within the ranks of Boomers will bring alcohol, tobacco, and other drug abuse issues into their older years, more so than their predecessors.
- Social Security is seriously compromised and there are fewer Generation X members to support the Elder Boomers.
- The Boomers have great potential to use their considerable talents in volunteering to help others, not only those who are their age cohorts, but younger members of the following Generation X. The greatest solution to the dilemma of too many elders and too few younger workers to care for them may come from the Boomers' ability to help themselves.
- Female Boomers who soon will be Elder Boomers will live the longest of any generation; thus, they will experience specific financial problems, partially because public policies toward the old are often constructed with men in mind.
  - Women are likely to work less than men, and when they work they often earn less. Thus, women will have smaller pensions.
  - Pensions often are not indexed to inflation. When female workers retire at 65, by the time they reach 90, their buying power diminishes by half.
  - Survivors' benefits are particularly important to women since older women are more likely to become widows. When widowed, a woman needs about 70 percent of a couple's income but is generally left with half.

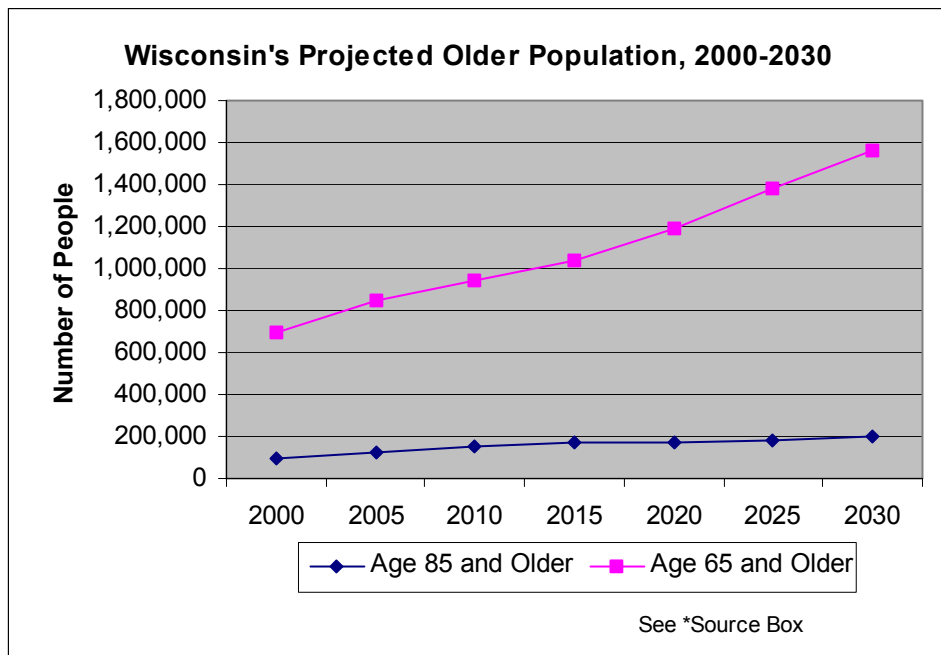
The greatest solution to the dilemma of too many elders and too few younger workers to care for them may come from the Boomers' ability to help themselves.

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<sup>2</sup>A Profile of Older Americans: 2001, Administration on Aging, U.S. Department of Health and Human Services, p.11

- Older divorced or single women will experience greater problems than women who are still married. Very old women will constitute a seriously impoverished group of females.
- Because women live longer, they will more likely experience chronic diseases often correlated to the aging process. Thus, their need for long-term care will be exacerbated because they have fewer children to help care for them.<sup>3</sup>

In the 20th century, one out of every 25 people was old. Today, that

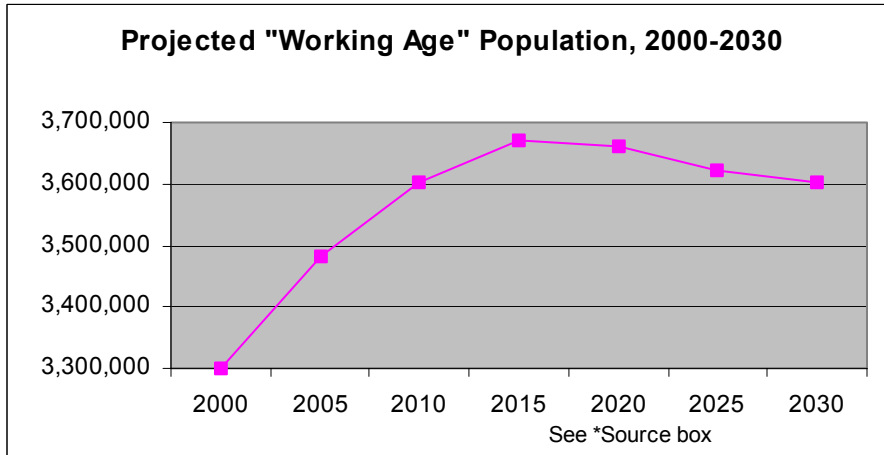


Wisconsin's older population has been growing steadily for decades, and when Baby Boomers start to turn 65 in 2011, the number of people in this age group will start to rise sharply. Their share of the total population will also increase, from about 13% in 2000 to about 21% in 2030.

number is approaching one out of every five. "Nearly one quarter of households in Wisconsin include at least one person aged 65 or older. This group will grow more than four times faster than the total

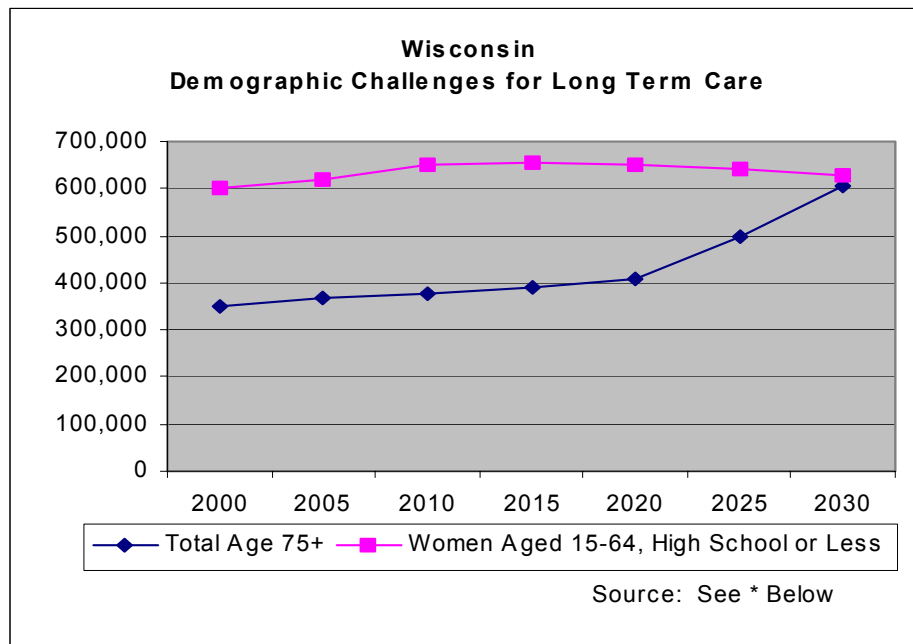
<sup>3</sup> The Age Explosion: Baby Boomers and Beyond, Estelle James, Harvard Generations Policy Journal, Vol. 1, Winter 2004, pp 46 to 52

population beginning in 2011 when those born during the Baby Boom that began after World War II, start turning 65.”<sup>4</sup>



At the same time, the “working age” population will be growing more slowly and by 2015 will actually start to shrink. From 2015 to 2030, Wisconsin will lose people of working age each year. This trend is due to low birth rates and smaller families since the end of the “baby boom” in the early 1960s.

A closer look at two specific groups illustrates the challenges ahead: while the number of people likely to need help and services increases (those age 75 and older), the number of people most likely to work in service professions declines (women with high school education or less). By 2030, their numbers will be about equal.



\*Source: US Bureau of the Census, Census 2000, Summary Files 1 and 3; WI Department of Administration Population Projects, 2002. Prepared by C. Ofstead, WI DHFS Bureau of Aging and Long-term Care Resources, 6/2003

<sup>4</sup>Cynthia Ofstead Ph.D.

The aging of the State's population is not a problem in itself, for it is a natural and reasonably predictable occurrence. Aging must be viewed neither as a problem nor as a certainty of bliss. We would be mistaken to frame it either way exclusively. Many mistakenly see the aging of the population as one big, homogenous group when, in fact, it is made up of many different subgroups, each of which will have different

characteristics and different needs. A "one size fits all" approach when developing public policy and planning for this group would be a mistake. Older people are a blend of many qualities: talents, failures, power, wisdom, vulnerability, grace, addictions, generosity, poverty, and wealth.

A lack of purposeful engagement in later life can affect a person's social and emotional state. Being socially integrated often predicts length of life and onset of disease.

..Six dimensions of psychological well-being:

- purpose in life
- environmental mastery
- positive relationships
- autonomy
- personal growth
- self-acceptance

--Dr. Carol Ryff

Dr. Carol Ryff, (University of Wisconsin's Institute on Aging), notes that there are six

dimensions of psychological well-being: purpose in life, environmental mastery, positive relationships, autonomy, personal growth, and self-acceptance. The dynamics of well-being represent people's adaptive skills, not necessarily their genetics. Purposeful engagement includes activities such as volunteering, lifelong education and some forms of work. Autonomy may mean that an older person makes choices for him or herself that might not fit the accepted norms in society, but, instead, fits himself properly. Autonomy happens when a person chooses meaningful goals and directions for his life.

How a person ages physically is often a reflection of the choices he or she made in earlier life. Earlier prevention is known to be crucial to later health. Prevention may wear either or both a physical or psychological cloak.

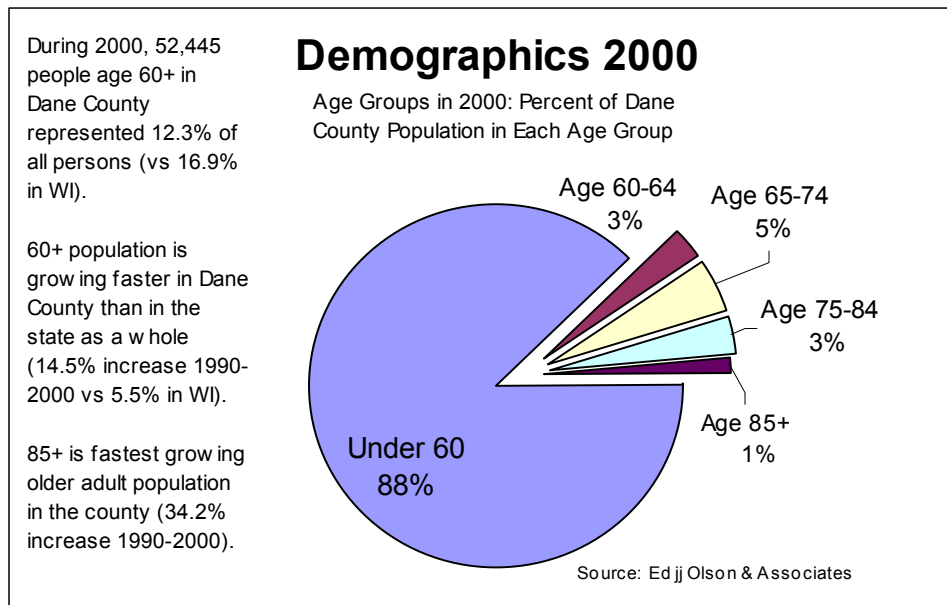
Good mental health includes feeling useful, being connected with others and having some control over one's life. Public policies

Resilience plays an important role in mental and physical health. (Resilience is the ability to maintain and regain health and well-being in the face of challenge.)

are needed that help facilitate these feelings. Dr. Ryff's hypothesis regards what she calls the "allostatic load." This is a measure of how the body responds to stress, internally and externally, in cognitive function, at the endocrine level, and within the cardio-vascular system. This is especially significant when people are dealing with loss, stress, and sorrow. Physical health is not just the absence of illness. Well-being affects the biology of the body. Health of the mind affects the health of the body, including immune function. A high allostatic load or an accumulation of stresses can be offset by the quality of a person's social relationships over his or her lifetime. Resilience plays an important role in mental and physical health. It is the ability to maintain and regain health and well-being in the face of challenge. Generally, women have a lower allostatic load than men, but those who can handle a high allostatic load often have a sense of power and meaning in their lives, thus the need for on-going involvement with the community.

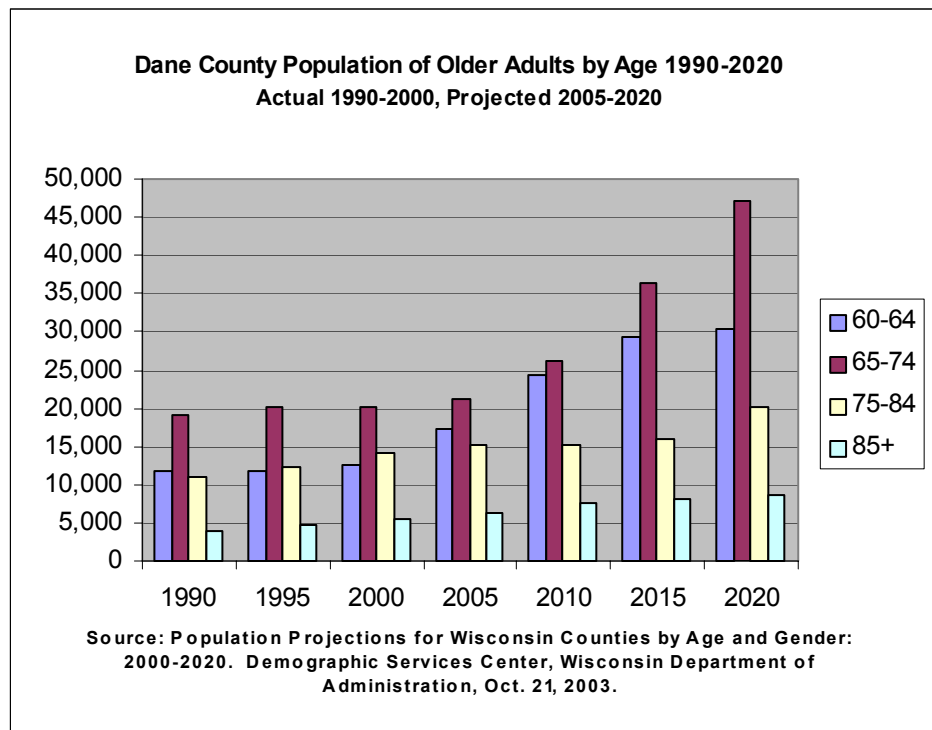
### Dane County's Baby Boomers Becoming Elder Boomers

Boomers currently make up 30 percent of our county population and have the greatest impact due to its size.





In Dane County, in the year 2000, the population over the age of 65 was 39,869, and projections are that there will be 42,745 elders in 2005 – an increase of 7.2 percent. In 2010, older adults will number 48,542, an increase of 22.5 percent. By 2020 the older population will double. Within 25 years, one out of every five persons in Dane County will be 65 or older. By comparison, between 1990 and 2000, the aged population in Dane County increased by 5,862 – or 17.2 percent. (See Housing and Infrastructure report.)

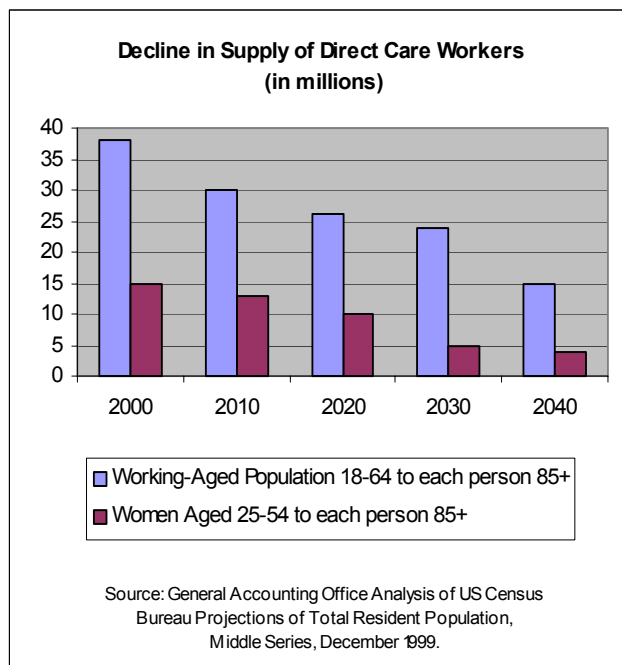
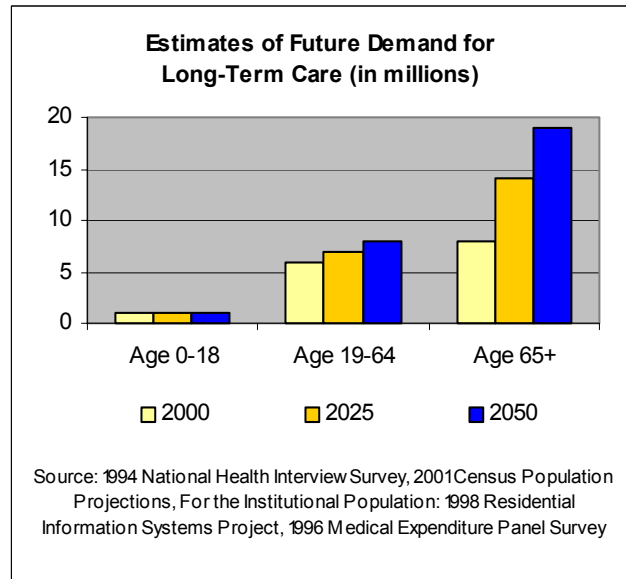




# Conclusions

The issues of greatest concern include:

- the coming scarcity of in-home, institutional, and natural caregivers and attendants for people who need hands-on care
- the plight of poor, older women, isolated and living alone (racial minority women who are old and poor face a triple threat)



- the lack of affordable transportation services
- the rising need for alcohol and other drug abuse services for older people
- the shortage of preventive medical care, the increasing costs of health care and prescription drugs, and lack of health insurance coverage

• the inability or refusal of many Boomers to save adequately for their retirement years

We are left with the realization that the Baby Boom generation must largely begin to take care of itself.

“The graying of the Boomers is forcing society to adjust its views and attitudes toward old people. We are being moved to

. . . the Baby Boom generation must . . . begin to take care of itself.

(a) acknowledge and eradicate ageism and stereotypes of aging...;

(b) review and reformat our policies and systems to meet (coming) needs;

(c) accept and honor elders as role models; and,

(d) develop ways that enable and encourage elders to continue as respected participants in decision-making and problem-solving.”<sup>1</sup>

In identifying and caring for the vulnerable in the cohort of Boomers, “part of the solution will be to provide a combination of education, and incentives along with an emphasis on personal responsibility versus entitlement to help them address the problems they had a large part in creating.”<sup>2</sup>

Within the report are recommendations to help with shortages of dollars and resources. Many recommendations are directed not only toward Dane County government but also toward businesses, faith communities, neighborhoods, educational institutions, service organizations, city council members, town and village boards, non-profit agencies, and other entities that make up our community. Initiatives will need to be taken by members of the Boomers themselves, as they become the Elder Boomers. Hopefully, Boomers will have good health, adequate resources, varied experience, and strong commitment to support those of their generation who lack the ability to sustain themselves into old age.

President Bill Clinton said, “A community is a group of people who recognize that they will go forward or fall back together, that they have obligations to one another and that they become better and fuller and richer by fulfilling these obligations.”

Nell Mally, June 2004

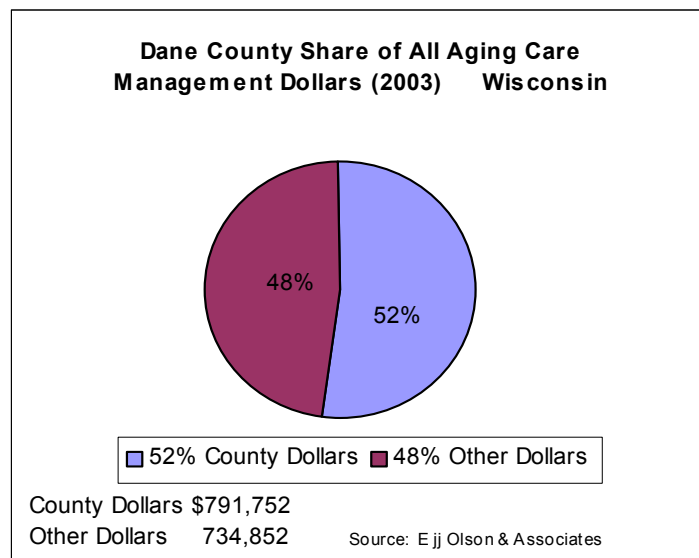
<sup>1</sup> Project 2015: The Future of Aging in New York State, New York State Office for the Aging

<sup>2</sup> Task Force on the Aging of Dane County, Economics Section

# Care Management

## Introduction

The Care (Case) Management system exists for the purpose of enabling older adults to remain in their homes and their own communities. It is one of the entry points for an older person seeking community help and long-term care. The Care Management program began in the mid to late seventies and was originally established as an outreach program. Older adult focal points (senior centers and coalitions) in Dane County were staffed with Outreach Workers; people who contacted elderly persons in the community and told them about



congregate meal sites, home-delivered meals, educational programs, transportation, and volunteer services designed to help with home chores.

By the end of the eighties, the Outreach staff began addressing emerging needs. Older people often needed more than outreach services; they needed adult daycare, mental health programs, support

groups, long-term care, and prevention programs. More and more often, staff met with the adult children of the people they were serving.

The program naturally evolved then, from Outreach to Care Management, an orderly process of getting appropriate services to the older adult. Care Management involves meeting with the older consumers (often along with their family members), assessing their needs, jointly finding or designing appropriate services, putting those services in place, monitoring the older person and their plan over time, and, periodically, reassessing the service plan.

County levy and local community monies (both public and private) have funded the Care Management program since its inception. Historically, the program has maintained wide-range support from local municipalities. Funding has not kept up with the increased need for services to vulnerable older adults. This has been the case since the early nineties. Of great concern is the projected need for increased Care Management funding as the oldest of the Boomers reach retirement.

Currently, the funding for Care Management is woefully inadequate. "Dane County faces a critical problem. It is the lack of a qualified work force to provide care to its rapidly aging population."<sup>1</sup>

A recent audit of the Care Management program by Ed jj Olson has revealed a number of needs. Dane County and each of the municipalities sharing responsibility for older, vulnerable people who live here and who have built and supported Dane County over the years must address the needs.

## **R**ecommendations

Following are recommendations put forth by the Task Force Workgroups on the subject of Care Management:

- Maintain the public policy of financially supporting Care Management.
- Base the Care Management funding on census increases and other data, rather than on increases in cost-of-living.

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<sup>1</sup> Envisioning The Next Generation of Care For Older Adults, January 2004, John A. Noreika, Oakwood Lutheran Homes, February, 2004

- Increase training budgets.
- Advocate to raise the requirements for hiring care managers to include the minimum of a bachelor's degree in a related field.
- Continue to explore the Family Care program.
- Add to the care management formula a factor that identifies the total number of people served.
- Develop a fee-for-service plan in every focal point in order to bring more funds into the Care Management program.
- Explore the Madison Area Continuing Care Consortium Community Partnership Development Project as a possible partner to provide or improve Care Management services.<sup>2</sup>
- Consider the feasibility of Dane County aging program giving the City of Madison a lump sum of support dollars for Care Management to be distributed by the City among the four coalitions according to a City of Madison formula.
- Increase funding for the Care Management system both at the local and the County level with the benefit of preserving the Care Management program as a County program that will allow county oversight and standards.
- Increase Care Management training budgets locally.
- Hire a full-time staff at the Area Agency on Aging office to
  - Lead Care Management for older adults and to
  - Organize and lead efforts to fulfill recommendations in this report and in the Care Management audit performed by Ed jj Olson. If this person were able to speak Spanish it would have great benefits.

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<sup>2</sup> Ann Albert, 608-575-4915, malbert@merr.com





# Caregiving

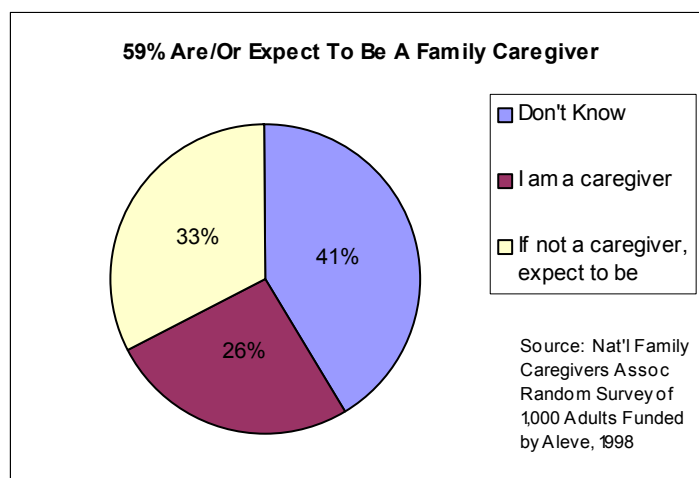
## Introduction

Never before have so many people lived so long. Living a long time often requires some kind of assistance. Family members provide most of that assistance. Seventeen percent of all adults are providing some kind of care for seriously ill or disabled relatives. That care can include: bathing, dressing, meal preparation, household or financial management and/or transportation.

*“Never believe that a few caring people can’t change the world. For indeed, that’s all who ever have.” – Margaret Mead*

Unpaid family members, friends, neighbors or church communities are called “informal” caregivers and they provide part-time or full-time care to people who need assistance. The average amount of time spent by informal caregivers is twelve hours per week. Most of the caregivers

studied by the National Alliance of Caregiving and AARP (1997) had been providing care for less than five years, while ten percent assisted for 10 years or more.



AARP says “family caregivers are the unsung heroes of our long-term care support system,

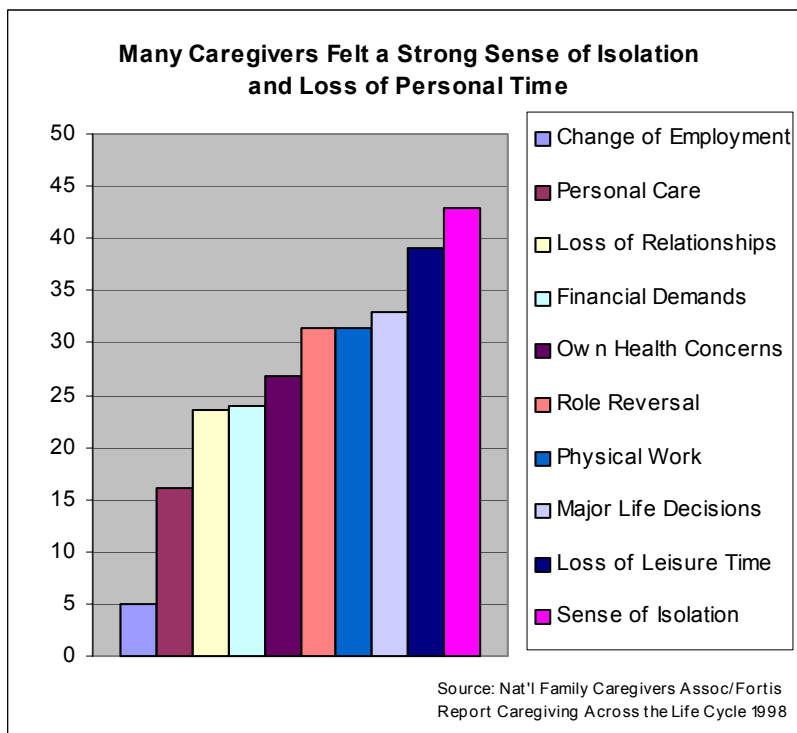
providing 80 percent of the care needed by frail or disabled adults.”<sup>1</sup>

Ethnicity plays a roll in caring for parents and other older adults. AARP reports that 19 percent of whites provide care, compared with 28 percent of African Americans, 34 percent of Hispanic Americans and 42 percent of Asian Americans.<sup>2</sup>

“Formal” caregivers are those who are paid for their service and are optimally part of a service system.

There are many reasons for needing care, including adult onset brain impairment (Alzheimer’s disease, stroke, traumatic brain injury and Parkinson’s), and the

Remembering that there will be an increased incidence of [severe] illnesses and diseases, it is imperative that the caregiver network remains strong and has the ability to grow.



disabilities of heart conditions, chronic conditions (osteoporosis, diabetes, circulatory disorders and arthritis) and others such as depression and other mental illnesses. Remembering that there will be

<sup>1</sup>AARP, Caregiving, Washington, DC, 1996

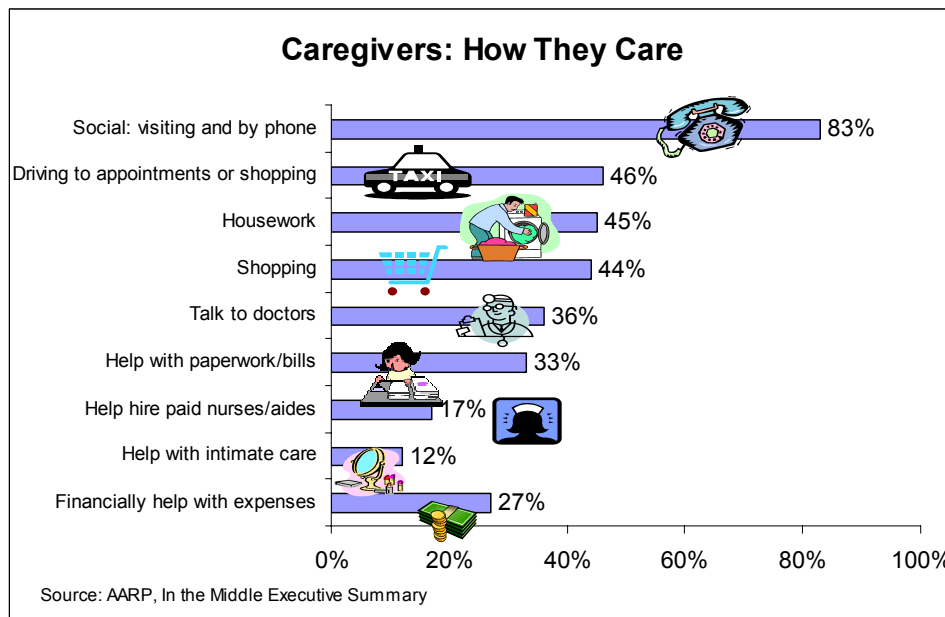
<sup>2</sup>AARP, In the Middle, A Report on Multicultural Boomers Coping with Family and Aging Issues, Executive Summary

an increased incidence of these illnesses and diseases, it is imperative that the caregiver network remains strong and has the ability to grow.

While there can be tremendous satisfaction in giving care to a person you love, there are also stresses in varying degrees. This can include physical, financial and psychological stresses. Caregivers use prescription drugs for depression, anxiety and insomnia two to three times as often as the general population.

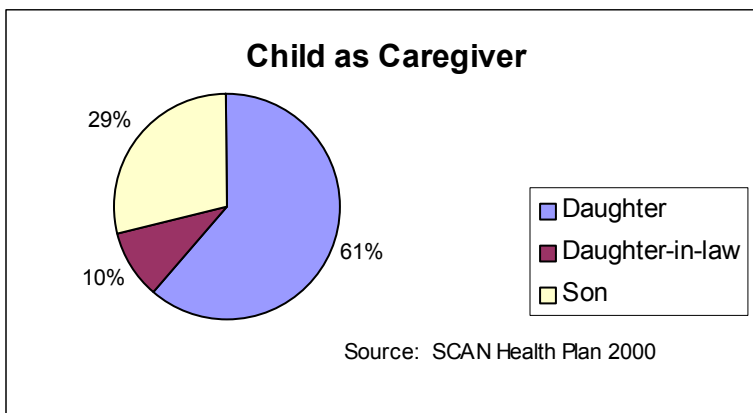
Some caregivers will simply need information about existing services. Other caregivers need emotional support, respite services and help with direct care tasks.

Nearly 80% of Boomers (45-55 years old) provide caregiving services, but do not associate themselves as being a caregiver. These caregiving services include 83% visiting and telephoning; 46% taking to doctor or shopping; 45% housework; 33% paperwork or bills. “Twenty-seven percent report contributing financially to help pay expenses for older family members.”<sup>2</sup>



Caregivers may also be grandparents raising or caring for grandchildren. They may also include older adults caring for their developmentally disabled adult children.

“According to the 2000 U.S. Census, nearly 2.5 million grandparents are currently raising more than 4.5 million grandchildren. In Dane County, 36 percent of grandparents living with their grandchildren are responsible for the financial care of their grandchild(ren), which includes providing food, shelter, clothing, day care, etc.”<sup>3</sup>



Elder-Care Challenge to Women: Women’s climb up the corporate ladder may be slowed as they remain the predominant caregiver for aging parents. A SCAN Health Plan survey found that, of seniors relying on a child for caregiving, 71% rely on a daughter or daughter-in-law.

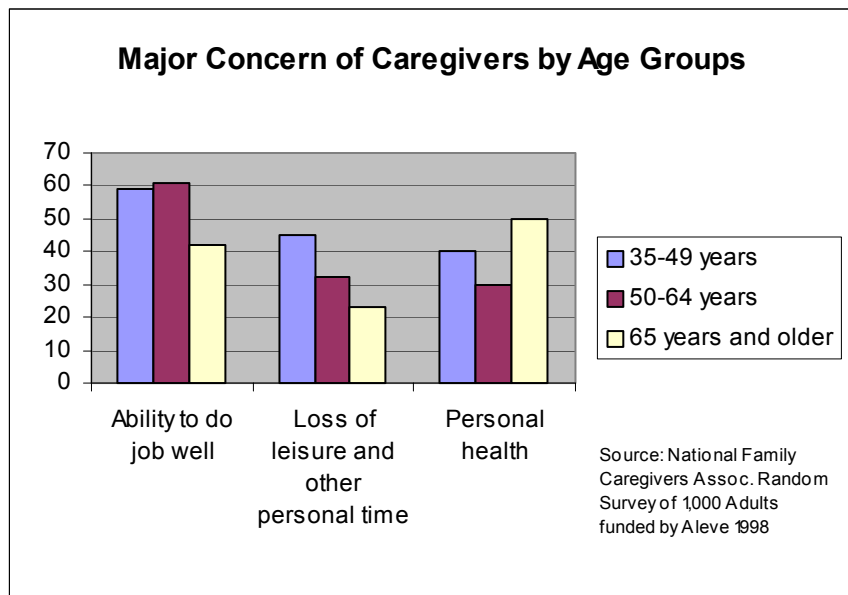
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<sup>3</sup> Caregiver Assistance News, November, 2003 Area Agency on Aging of Dane County. Contact Claire Culbertson (608-224-3668)

## Key Findings

We are on the verge of a national crisis that few people recognize. As the Boomers age there will be a staggering number of vulnerable people, their caregivers, and a need for services so that older people may remain in their own communities...in their own homes.

- “When someone falls terminally ill, it’s usually a woman in the family

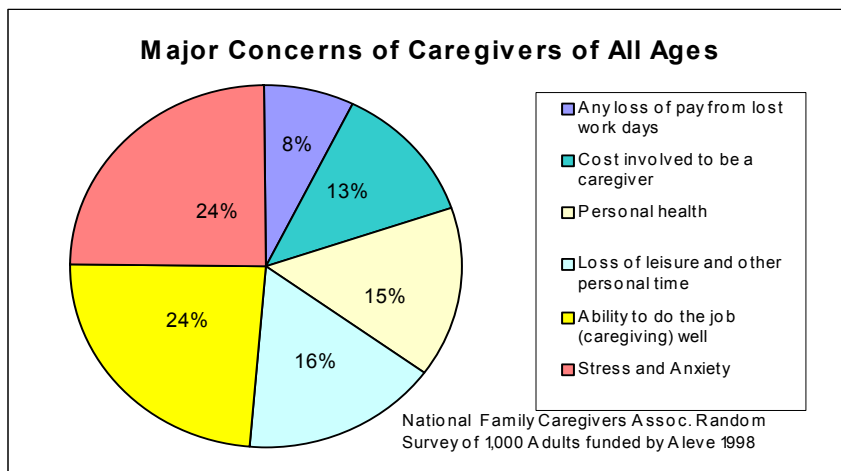


who ends up providing most of the day-to-day care, including complex nursing tasks such as changing feeding tubes and giving intravenous medication, researchers say.”<sup>4</sup>

- Most caregivers don’t realize that caregiving is actually a job. They define themselves first as a wife, a daughter, a sister, or a brother.
- Residents of Dane County need to wake up and realize the scope of this problem.
- Health care professionals often don’t realize the importance or the existence of the family caregiver.

<sup>4</sup> A study by Dr. Ezekiel Emanuel, a Bioethicist at the National Institute of Health, reported by an Associated Press news story, September 23, 1999

- The need for future services will have a fiscal impact on our community.
- End-of-life issues will increasingly be raised and debated.
- Dementia patients need labor intensive care.
- How can we fill the need for paid caregivers when the cohort of people born between 1965 and 1980 is much smaller than the Boomer cohort?
- As people live longer, they will also live longer with chronic illness.
- Many Boomers have elected not to have children. Therefore, as they age, who will care for them? There are no guarantees that family members will care for their aged relatives either. On the other hand, there may be no surviving relatives.
- Family relationships are becoming more complicated with stepfamilies and estrangements.

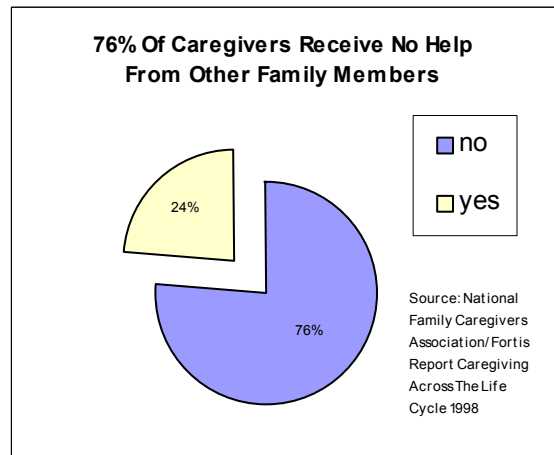


- Our society has become very mobile. Relatives may live in a distant place.
- Boomers have earned a lot of money but have not adequately saved for their retirement. This will stress the caregiver system.

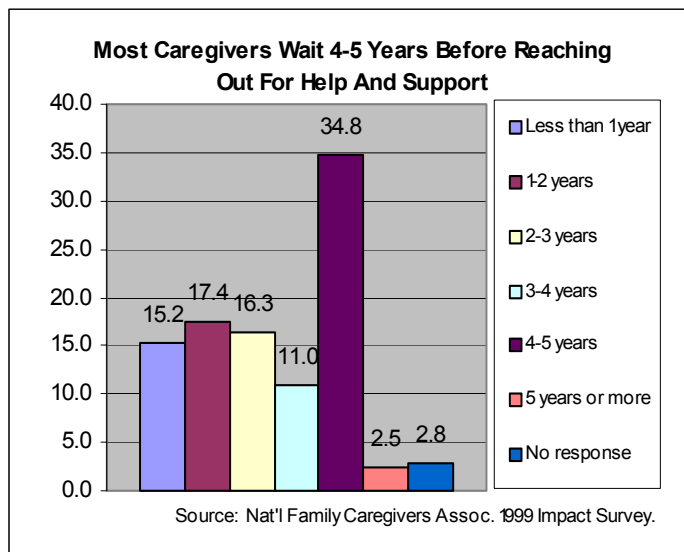
# Recommendations

## Family (Informal) Caregivers

- The corporate community needs to be more aware of the caregiving roles of their workers; that relocation of an employee may include the moving of an older family member too and that resources must be available for that family caregiver.



- On November 4, 2004, the Area Agency on Aging of Dane County (608-224-3668) will hold a forum for employers titled: “The Quiet Problem at Work: Solutions to Support Employed Caregivers and Keep Them on Board.”
- Employers should offer paid time off for caregivers to attend educational programs, increase their caregiver skills, and receive needed support.



- Employers should offer caregiver support in the workplace so that employees can have access to information on local services.
- The mental health network should address the possible future increased need for psychological services (a)

needed by caregivers who will experience stress when caring for a parent or spouse or partner or (b) experienced by the care recipient as they become dependent on the caregiver.

- The medical profession and public health system must educate younger people (40 and older) about chronic illness and what services may be available when faced with the prospect of caring for a family member (even if they are not yet 60 years old).
- The Area Agency on Aging should support the offering of the educational program “Powerful Tools For Caregivers” to anyone – not just those who are caring for an adult over age 60. “A literature review suggests that psycho educational support groups are more effective than strictly support groups or strictly educational groups.”<sup>5</sup>
- Provide information to any caregiver through the dissemination of a set of index cards about local services, problem solving, support groups, etc.
- Look for additional resources for potential caregivers, such as retired workers, immigrants and students.
- Agencies within the aging network should periodically publish facts about the National Family Caregiver Support Program in their communities. Any age adult is eligible to receive services. There is an office located within the Area Agency on Aging (608-224-3668).
- Public agencies, including schools, banks, faith communities and employers, have an obligation to encourage saving for one’s later years. Social Security and pensions are not always enough to assure the intense care that chronic illness and frailty demand.
- Priority resources for caregivers must include: transportation, respite and adult day centers. The community has a responsibility to offer/and/or expand these services.
- The aging community (perhaps in tandem with HospiceCare) must assist in providing information and educational materials that will help caregivers deal with end-of-life tasks and decisions.
- Advocates for caregivers should consider how they might encourage legislation to provide tax benefits for the cost of caring for an older person.

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<sup>5</sup> Project 2015: The Future of Aging in New York State



## Grandparents as Caregivers

- The Aging Network (senior centers, coalitions, private agencies) must support grandparents as caregivers of their grandchildren.



## Formal (paid) Caregivers

- Adequate wages and benefits **MUST** be paid to those caregivers who are trained and committed to caregiving as their employment.
- A uniform method of background checks should be agreed upon and a tracking of paid caregivers in a network-wide system.



# Economics

## Introduction

The Boomer generation -- 76 million Americans born between 1946 and 1964 --is the largest, single, sustained population growth cohort in the history of the United States. Through its sheer size and departure from many of the values of previous generations, it has not only commanded the attention of demographers, policy makers, and social scientists over the past 40 years, but also had a profound effect on the nation's social fabric by redefining each stage of life as it ages. It created the youth culture of the 1960s and 1970s, the dual-income household of the 1980s and 1990s, and now views its forthcoming retirement years in terms quite different from previous generations.

Some of these distinctions have led to generalizations that the Boomers are a cohesive, monolithic, homogeneous group. But labels, while helpful in distinguishing one group from another, usually can only denote the very broadest of differences. Such is the case with Boomers. Studies show that it is by no means a cohesive group that shares uniform values and expectations. In fact, it is a very diverse group.<sup>1</sup> The 20-year life span of its members alone has generated a wide range of life stages, personal values, levels of economic prosperity, life experiences and expectations. Therefore, a "one size fits all" approach when developing public policy and planning for this group would be a mistake.

The main objective of this report is to provide the Dane County Executive, and the Dane County Board of Supervisors, and others, with a general idea of the major economic issues the Boomer population is facing as it approaches retirement years, and the implications for public preparedness and policy. The first step is to understand the diversity of the Boomer population itself, its expectations for retirement years, and the economic realities to be

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<sup>1</sup> AARP: "Baby Boomers Envision Their Retirement: An AARP Segmentation Analysis."

confronted. From there it is possible to get a general idea of the dimensions of the challenges this population faces and the opportunities and limitations of county government in helping to address them.

## **Boomers: One Group or Many**

Except for the time period in which it emerged, the Boomers cannot be defined in broad generalizations. Supporting this observation is the AARP/Roper Boomer Study<sup>2</sup>. Conducted in 1999 this is a segmentation study of the Boomer population from which five distinct groups emerged. Although this is a national study, a brief review of its findings can be helpful in ultimately defining Dane County's focus as it prepares for the year 2008, when the Boomers begin to retire.

1. **The Strugglers.** Representing nine percent of the Boomer population, the average household income of this group was approximately \$22,300 versus \$51,700 average for the Boomer population as a whole. Only 42 percent of this segment is optimistic about retirement. They save the least of all five segments because they simply do not have the money. They would be far more negatively affected than any of the other groups if Social Security were not available or even reduced. Overall, they are the least prepared financially for retirement. They are also less optimistic about being able to secure health care as they age (46 percent versus 69 percent for the Boomer population as a whole). Approximately 64 percent are women versus 51 percent for the Boomer population as a whole and 95 percent expect to work after reaching retirement age (versus 84 percent).
2. **The Anxious.** This segment represents 23 percent of the Boomer population and at \$41,100 averages about \$10,000 per year less in annual earnings than the Boomers as a whole. They are the least optimistic about their retirement years of any of the five segments even though 100 percent reported putting money into one of the savings vehicles asked about. About 60 percent report that the absence of Social Security would have a significant impact on retirement and 84 percent expect to work after retirement.

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<sup>2</sup> 1999 AARP/Roper Baby Boomer Study

3. **Today's Traditionalists.** This segment represents 25 percent of the Boomers and averages \$49,500 in annual earnings, or 96 percent of the average for the Boomer population. Practically all of this group – 99 percent – report that they are putting money into savings vehicles. It has a much higher level of confidence that Social Security and Medicare will be available to them at retirement than the Boomers as a whole (61/64 percent versus 36/39 percent) and they have a much more favorable view of these programs (78/79 percent versus 55/60 percent). But in a significant departure from classic traditionalists, 99 percent of this group expects to work during retirement.
4. **The Self Reliant.** This segment comprises 30 percent of the Boomer population, has the highest average annual income at \$69,100 and the highest education level (42 percent college graduate or beyond versus 27 percent). Of this 30 percent of the Boomer population 100 percent are putting money into retirement-oriented investments. While 99 percent expect to work during retirement, unlike the composite of the other four segments of Boomers, far more (65 percent versus 22 percent) will do so for the sake of interest or enjoyment, not economic necessity. Only 28 percent expect Social Security to be available to them, and only 19 percent report that its absence would have a major impact on their retirement versus 41 percent for the overall Boomer population and 51 percent of the other four segments combined.
5. **The Enthusiasts.** Comprising 13 percent of the Boomers, this group might be referred to as the “Rose Colored Glasses” segment. While they earn an average of \$59,300 annually, or 15 percent more than the Boomer population as a whole, none expect to work during retirement. Along with the “Self Reliant” segment they are the most satisfied (88 percent versus 67 percent for the Boomers as a whole) with the amount they are saving and 99 percent are putting money into savings. Nearly all of this group feel they will be able to get health care when they need it (94 percent versus 79 percent of the Boomer population) and, unlike any other segment, a solid majority (66 percent versus 42 percent for the Boomers as a whole) cannot wait to retire.

While trying to anticipate the impact the Boomer population will have in Dane County as they enter the “retirement years,” national profiles must be modified to reflect individual characteristics of this population in

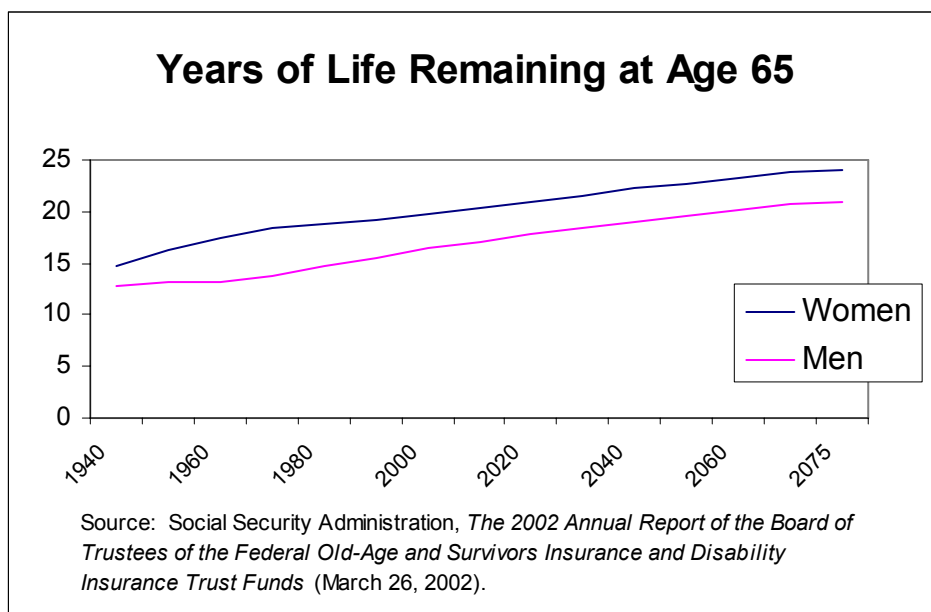
Dane County. Beyond that, the challenges this population may face can be affected by public policy changes at state and federal levels in ways that Dane County policy makers cannot anticipate. Moreover, local policy decisions in areas such as taxation and services can affect the demographics of Dane's County's Boomer population by either attracting or dissuading certain segments of this age group to reside in the County. Nevertheless, there are some areas that the Dane County cohort has in common with the AARP study sample.

## Key Findings

With such a wide variety of variables, this report can point only to possible problem areas Boomers may face based on current economic and demographic data. Future federal and state policies on debt, deficit spending, and taxation, not to mention the issues of war and peace, are too unpredictable and the variables too numerous to enable factoring into county planning. Therefore, the key areas of focus are limited to the following as Boomers approach retirement age:

- **Life Expectancy**

Boomers have a longer life expectancy than any previous generation,



and life expectancy of Wisconsin residents is longer than the national average. This, of course, has a profound effect on the value of assets

as Boomers enter retirement years. Even if they were saving as great a percentage of their income as previous generations,<sup>3</sup> the result would not produce the same level of economic security. All other factors being equal, a three-year increase in life expectancy would reduce the level of monthly income by 16 percent for men and 14 percent for women who retire at age 65.

Even if they were saving as great a percentage of their income as previous generations, the result would not produce the same level of economic security.

- **Health Care**

The manner in which health care practice has been reimbursed has exacerbated the Boomers' economic plight. The traditional emphasis on heroic measures to keep people alive longer (often in a mediocre-to-poor state of health) while neglecting preventive measures to keep people healthier, more productive, and less expensive to maintain, has created a huge unfunded liability. It seems unlikely that either Medicare or private health insurance will be sufficient to deal with such a challenge unless drastic steps are taken. Long-term care is a looming challenge that presents more questions than answers, but must be addressed, humanely and pragmatically. Answers to the coming needs of long-term care must address the most effective and efficient settings in which care will be provided, and how this care will be financed.

- **Retirement Needs versus Financial Resources**

A careful examination of the facts strongly indicates that many of the Boomers' expectations and traditional assumptions pertaining to their retirement needs and resources are unrealistic. Traditional formulas for determining income needs cannot be generalized to all segments of the Boomer population. Assumptions as to needs themselves are likely to be too high, considering that a greater portion of the lifestyle of many Boomers has been financed by debt in comparison to previous generations. In examining how these needs will be financed, assumptions about virtually all sources of wealth that Boomers and many financial advisors believe will be available are either seriously flawed or will only be realized by specific segments within the Boomer population.

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<sup>3</sup> "GAO: Baby Boomers Have More Assets, Debt." AP April 30, 2003: Siobhan McDonough

## Defining Needs During Retirement

Financial planners typically say that retired people can maintain their pre-retirement standard of living by replacing between 70 percent and 80 percent of their pre-retirement income. The basic reasoning here is predicated on a number of expense items they believe will decrease in retirement or disappear altogether. Some typical examples on which this hypothesis is based are as follows:

- Retirees no longer have job-related expenses, such as commuting costs;
- If they cease working entirely, they are no longer subject to payroll taxes;
- If they have accumulated enough wealth, they will no longer need to save as much of the current income they receive;
- If they own a home, they have typically paid off their mortgage;
- They do not usually need to spend money on their children;
- For most people, Social Security is largely untaxed, and with less taxable income they move to a lower income bracket;
- They have more leisure time, which generates more opportunities to provide services for themselves, such as cooking and home maintenance that they might have paid for earlier.<sup>4</sup>

The problem with a set standard such as 70 percent or 80 percent is that it tends to suggest a “one-size-fits-all” solution. For the upper 30 percent of this population, 70 to 80 percent represents an average annual income of \$49,000 to \$56,000, certainly enough for most people to live comfortably. But, for the lowest 30 percent this standard would represent only \$15,000 to \$32,000. For the mean average of the Boomer population, it would represent \$36,000 to \$41,000, the adequacy of which would depend on individual circumstances. As will be seen later in this report, there are substantial differences in economic preparedness for retirement among the Boomer population.

Moreover, these types of standards tend to be based on situations and conditions, such as those outlined above, which are more likely to have been experienced by retirees of the past. They do not take into account many of the following issues, which are

An overwhelming proportion (86 percent) of Boomers expect to be working during retirement...

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<sup>4</sup> Congressional Budget Office: “Baby Boomers’ Retirement Prospects: An Overview,” November 2003, Chapter 4.



largely unique to Boomers as the meaning of retirement is refined:

- An overwhelming proportion (86 percent) of Boomers expect to be working during retirement, even those who do not necessarily need the money.<sup>5</sup> If this occurs, reductions in expenses related to working may either be minimal or not be realized at all for the preponderance of the Boomers, especially in early retirement years.
- As stated later in this report, numerous studies and articles indicate that the vast majority of Boomers have not saved enough money. Discontinuing saving as a way to reduce income needs during retirement may apply to only 30 to 40 percent of the Boomers who actually saved a sufficient amount on a regular basis.
- A significant percentage of Boomers expect to have home mortgages during their retirement years. Therefore, they will not be able to reduce retirement expenses from this source. In addition, most expect to have significant credit card debt or automobile payments, with a sizeable percentage paying off debt in at least two of these three areas.
- Retirees traditionally have not had to spend much money on their children. But, it may well be different for Boomers because many had children later in life. For some this means significant expenses in early retirement, with one in five reporting that they will pay college tuition for one or more of their children. In addition, many Boomers will be the first generation to support both children and parents. Referred to as the “Sandwich Generation,” 37 percent reported in one study that they will be supporting either children or parents, and seven percent both during retirement.<sup>6</sup> Finally, some will be supporting grandchildren, the neglected victims of divorce, parental addiction, or family violence.
- Reduced income needs resulting from going to a lower tax bracket due to untaxed Social Security income will help, but not much and certainly not for all. If a person who collects Social Security at age 62 and continues working will return 50 cents of the Social Security benefits for every dollar earned over \$11,000. After age 65 with an income of \$28,000, half of Social Security benefits over that level are taxed. At the \$42,000 level, 85 percent is taxed. Based on the AARP study, if Boomers have retirement incomes equal to 70 percent of pre-retirement earnings, more than two out of three (68 percent) will pay taxes on their Social Security benefits. For the remaining 32 percent their economic plight could be dire to the point

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<sup>5</sup> AARP: “Baby Boomers Envision Their Retirement: An AARP Segmentation Analysis.” Executive Summary Part 3.

<sup>6</sup> Allstate Financial Corporation.

that the least of their worries will be a lower tax bracket – they will already be in the lowest ones.

- The notion that living expenses could be reduced during retirement as a result of more leisure time for retirees to provide services for themselves, such as cooking and home maintenance, is dubious at best. Except for those in upper-income categories, most people have been providing these services for their families throughout most of their lives. Further, the ability to do home maintenance is likely to decline with age as people become less agile and lose physical strength. So, there could actually be an increase in expenses in this area rather than a decrease.

The variables constituting need are so great that generalizations are largely meaningless for a significant majority of Boomers. However, if individual retirees can accurately estimate what their specific retirement income needs are likely to be, estimates may be made as to adequate levels of preparedness to meet those needs.

### **Assets Required to Finance Retirement**

<b>Desired Retirement Age</b>	<b>Age 62</b>	<b>Age 65</b>	<b>Age 70</b>
Current Annual Income	\$63,000	\$63,000	\$63,000
Net After Tax Income	\$50,000	\$50,000	\$50,000
Annual Retirement Income (80% of Net Income)	\$40,000	\$40,000	\$40,000
Annual Estimated Social Security Retirement Dollars	\$17,000	\$23,000	\$32,000
Annual Balance to Finance	\$23,000	\$17,000	\$ 8,000
Average Years to Be Financed	21	19	15
<b>*Assets Required to Finance Balance</b>	<b>\$354,000</b>	<b>\$233,800</b>	<b>\$85,000</b>

\*Assumes a return that is 3% greater than inflation

For example,<sup>7</sup> consider a Dane County couple that earns \$63,000 per year approaching retirement age with no employer pension plan and no mortgage payment or other debt. They would typically have about \$50,000 in take-home pay after federal and state income taxes and Social Security/Medicare payments are deducted. If they decided that

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<sup>7</sup> This example is based roughly on data contained in a report from the Congressional Budget Office: “Baby Boomers’ Retirement Prospects: An Overview”, November 2003, Chapter 4, Box 1.

they needed 80 percent of their pre-retirement income in order to retire comfortably, the figure computes to about \$40,000. To simplify the calculations, assume that they were the same age and both retired at age 62. Their Social Security benefit would be about \$17,000 leaving about \$23,000 to be financed from other sources. Assuming a three percent real rate of return (adjusted for inflation) and a life expectancy of 21 years,<sup>8</sup> they would need \$354,500 in assets to produce the difference between what they need and what Social Security would provide. If, on the other hand, they retired at age 65, they would need considerably less. At age 65 Social Security would pay more – about \$23,000 -- leaving only \$17,000 a year to finance and for only 19 years. Using the same interest rate assumptions, this couple would need \$233,800. If they retired at age 70, they would need to finance \$8,000 per year after Social Security for an even shorter period of time, which would require only \$85,000.

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<sup>8</sup> Life Insurance mortality tables, National Center for Health Statistics, U. S. Dept. HHS.

## ***Anticipated Debt***

The scenario involving the Dane County couple may be nice and neat, but it is strictly hypothetical. As stated, many Boomers will have significant debts in their retirement years, some well into their 70's and even 80's. This can be a major obstacle to anyone wanting to retire, regardless of age or the generation to which they belong. For example, the impact of a ten-year monthly mortgage payment of \$1,500 for the hypothetical couple would require them to have an additional \$129,000 regardless of when they retired. A minimum credit card payment of \$300, based on the typical ten-year term, would add another \$27,000. A \$500 per month car payment for four years would add about \$20,000.

...many Boomers will have significant debts in their retirement years, some well into their 70's and even 80's.

The ratio of personal debt to annual income has risen dramatically over the past 20 years for the population as a whole. From 1960 to 1980, the ratio was about 0.6 to 1.0, meaning that for every dollar of annual income the average amount of debt was 60 cents. By 1998, this ratio had risen to about 0.9 to 1.0. Thus, average individual debt was nearly equal to average annual income. At nearly \$7 trillion, personal debt in 1998 exceeded the national debt by a considerable margin.<sup>9</sup> During the same period, the rate of bankruptcies increased more than five fold, from 1.0 per 1,000 of population to 5.2. There is reason to believe that these ratios have increased even more since then.

The amount of actual Boomer debt has been difficult to determine. However, the relationship of debt to equity for Boomers did not differ markedly from the general population. Also, a significant number of Boomers (27 percent) do not expect to have their homes paid for before retirement. In addition, 62 percent expect to have significant credit card debt or auto payments, with a sizeable percentage paying off debts in at least two of these three areas.<sup>10</sup>

Estimating life expectancy is another facet of the debt issue that needs close review. The 21-year estimated life expectancy for those attaining the age of 62 is a mean average based on past experience. On this basis alone, an assumption can be made that roughly half of the Boomer population will live longer and need more assets when

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<sup>9</sup> The First Measured Century, Ben Wattenberg, Chapter 9.

<sup>10</sup> Allstate Financial Corporation, "Retirement Reality Check"

retirement begins. Moreover, if mortality trends of the past 75 years continue, the Boomers may well have an average life expectancy that is longer than their predecessors. On average, an increase of only two years would add \$35,000 to the assets needed to retire at age 62 (ten percent); \$25,000 at age 65 (eleven percent); and \$13,000 at age 70 (fifteen percent).

## ***Anticipated Assets***

Debt, of course, is only one part of the equation and is not necessarily a problem if there are sufficient assets. Assets that have traditionally been available to some, if not all, Americans at retirement have come from one or more of the following six sources. In order to prepare, whether as individuals or as public policy makers, it is essential to assess the viability of these sources for Boomers as they approach retirement.

1. **Employer Retirement Programs.** The defined retirement plan that was once a standard benefit in large firms is rapidly disappearing as a source of economic security. The number of Fortune 100 companies offering such pension plans has dropped, according to one study, from 68 percent in 1998 to 50 percent in 2002.<sup>11</sup> Moreover, according to one report, the federal plan that guarantees such pensions is \$11.2 billion in the red.<sup>12</sup> Further, as certain segments of the private sector struggle, such as the airline industry and manufacturing, and more middle management jobs are eliminated or exported, the number of traditional corporate retirement plans is likely to shrink further.
2. **Social Security.** Social Security has been a mainstay of retirement funding for several generations of middle-class Americans. When Social Security commenced under FDR in the 1930's, there were approximately 40 workers paying into the fund for every beneficiary. Currently, that ratio is about 5 to 1. By the time the entire Boomer generation reaches age 65, the ratio will drop to about 3 to 1.<sup>13</sup> In addition, there are other factors that imperil this program. The Chief of the General Accounting Office, David Walker, waved one of the

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<sup>11</sup> Watson Wyatt Worldwide.

<sup>12</sup> "Retirement Finances At Risk" by Gail Russell Chaddock, The Christian Science Monitor, Mar.26, 2004

<sup>13</sup> Congressional Budget Office based on Social Security Administration, The 2003 Annual Report of the Board of Trustees of the Federal Old-Age and Survivors Insurance and Disability Insurance Trust Funds (March 17, 2003).

most alarming red flags recently. Speaking of Boomers, The Washington Times quoted him as saying,

“ ‘The public has no idea how big the problem is,’ estimating that \$43 trillion in unfunded Social Security, Medicare and other retirement benefits promised to Boomers will drive the Government into insolvency by 2040 unless Congress moves quickly.”<sup>14</sup>

\$43 trillion! What an unbelievable figure! And yet, it is rare for the Chief of the GAO to speak out on such matters. The GAO’s traditional function has been to audit Government agencies and contractors, not publicly advocate for policy solutions.

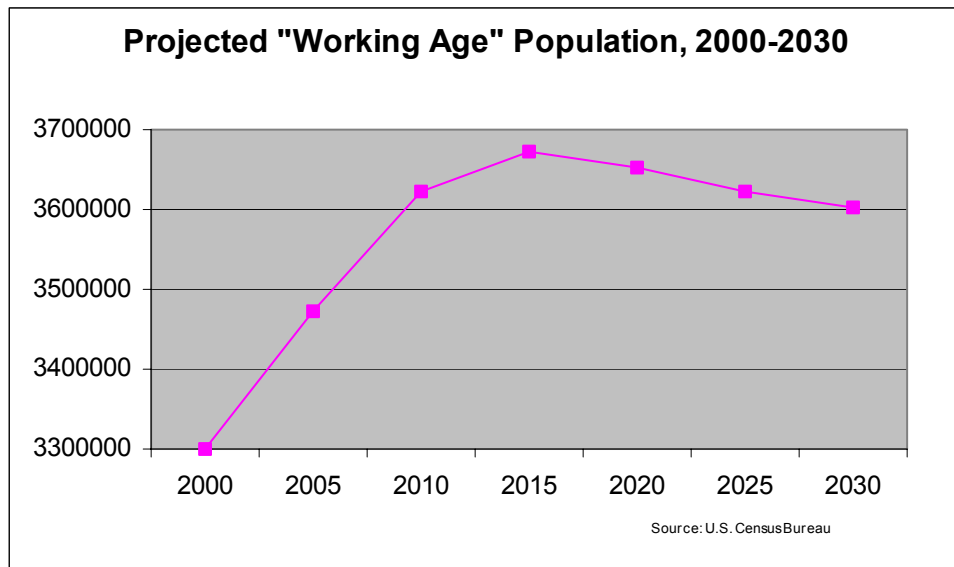
The National Debt, a return to large scale deficit spending at the federal level, increased personal debt, an obsession with cutting taxes encouraged largely by Boomers, and exportation of jobs, will all create pressure on Social Security, making it more difficult to fund and less viable as a principal source of retirement funding.

These are just some of the factors that recently prompted Federal Reserve Chairman Alan Greenspan to call on Congress to scale back future Social Security benefits. Yet, Greenspan’s suggestion, made largely to offset the Federal Budget deficit, is hardly a solution without potentially disastrous consequences to at least the 32 percent of the Boomer population: the “Strugglers” and the “Anxious.” From another perspective it could be argued that more than 60 percent of the Boomer population will be adversely affected by Greenspan’s recommendation. When added to the “Strugglers” and the “Anxious,” about half of those 38 percent constituting the “Enthusiasts” and today’s “Traditionalists,” whose average income falls below the average of the Boomer population as a whole, and one half of the “Self Reliants,” who believe they need Social Security in order to retire, could also suffer significantly if this benefit is reduced.

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<sup>14</sup> The Washington Times, Business Section, “GAO CHIEF Sounds Alarm Bells on Debt,” by Patrice Hill.

In Wisconsin as the population age 65 and over increases, the projected working age population will decline after 2015, growing smaller each year at least until 2030. It is during this period that most Boomers will reach retirement age.



3. **Personal Savings.** The decline of traditional employer pensions and a reduced role of Social Security will leave personal savings as an essential and, in some cases, the principal source of retirement funding for many Americans. Unfortunately, only 15 percent of working age Americans have an individual retirement account and only 22 percent contribute to a 401k.<sup>15</sup> While the segment of the population being addressed is ages 40 through 58, whose savings rate is higher, the overall climate for saving money should not be ignored. Workers who follow the Boomers -- Generation X -- will face financial burdens that could make it impossible for them to provide any relief to the Boomers in their old age, thus ending a 50-year phenomenon whereby younger workers, through Social Security and other contributions, helped finance the retirement of the previous generation. Only about one in three working Americans have saved more than \$100,000 for retirement, a level that would represent only 12 years income at the federal poverty level for individuals whose average life expectancy at age 65 will be approximately 16 years for men and 19 years for women.<sup>16</sup>

<sup>15</sup> Employee Benefit Research Institute.

<sup>16</sup> Life Insurance Mortality Tables, National Center for Health Statistics, U. S. Dept. HHS

Moreover, savings at this level are concentrated among the upper

“... by 2030 when all Boomers will have reached retirement age they will be \$45 billion short of what they will need to cover basic expenses.”

--- Employee Benefit Research Institute

30 percent of Boomers who constituted the “Self Reliant” segment described. This also means that by 2030 when all Boomers will have reached retirement age they will be \$45 billion short of what they will need to cover

basic expenses.<sup>17</sup> If this amount were spread evenly over the entire Boomer population, it might be manageable. But, in all likelihood, it will be most heavily concentrated among the 32 percent who comprise the “Anxious” and “Struggling” segments. Further, the exodus of white-collar jobs to overseas locations appears to be having a significant depressing effect on personal savings. According to pollster John Zogby, self-identified investors, a group that stayed the course through the worst of the Bear Market collapse after 9/11, shrank from 52 percent in the fourth quarter of 2002 to 32 percent in November 2003. More than one in five said they are afraid of losing their job in the next twelve months.<sup>18</sup>

Some see hopeful signs that Boomers are awakening to the realities of retirement financing. But, how meaningful this increased awareness will be is an open question. Even though the Boomers’ population is showing more concern about retirement, increasing from 49 percent in 1982 to 68 percent in 1991 and 74 percent more recently,<sup>19</sup> this apparently is not translating into a level of personal savings sufficient to sustain a lifestyle that would require 70 to 80 percent of their pre-retirement income. While the AARP study indicated that 90 percent of Boomers are saving some money, other sources indicate that the number is much smaller. One AP news article states that only 43 percent have investments.<sup>20</sup> Regardless of what the percentage of savers is among Boomers, the aggregate amount being saved is too low by several accounts. A survey conducted by Allstate Financial and Harris Interactive indicates that Boomers have saved an average of only 12 percent of the total needed to meet even basic living expenses in retirement.<sup>21</sup> Given

<sup>17</sup> Employee Benefit Research Institute.

<sup>18</sup> Zogby International.

<sup>19</sup> 1999 AARP/Roper Baby Boomer Study

<sup>20</sup> “GAO: Baby Boomers Have More Assets, Debt.” AP April 30, 2003: Siobhan McDonough, Related Story “Barely 43 percent of Baby Boomers Have Financial Investments.”

<sup>21</sup> Allstate Financial Corporation



the polarization of wealth in society in general and within the Boomer population in particular, the preponderance of what Boomers as a group have saved is very likely to be concentrated among the upper 30 percent.

4. **Inheritance.** Today's retirees are the wealthiest in the nation's history and one of the wealthiest segments of the current population. Some have assumed that this will translate into bequests to their children – the Boomers -- that will bridge the gap between their and resources. Unfortunately, there are serious flaws in this assumption.

To begin with, this wealth is not uniformly distributed across the current retiree population. A study conducted by James P. Smith of the Rand Research Corporation found that the top five percent of White families over age 70 on average had a wealth of \$655,000, versus \$90,000 held by the median for the group surveyed. The bottom ten percent of these White families had less than \$800. Had racial minorities been included in this study, the disparities would have been even greater. Those in typical older Black and Hispanic households had less than \$20,000 in wealth. Therefore, the overwhelming majority of Boomers will not be the beneficiaries of any significant portion of this wealth. In one study 91.9 percent of the households reported that they had received no inheritance, and of the remaining 8.1 percent that did, more than two-thirds received less than \$100,000.<sup>22</sup> Even if this imbalance were not present, research studies show that the current generation of retirees is spending down its assets much faster than past generations.<sup>23</sup> Moreover, they are also spending less on life insurance as a percentage of their total resources.

The sheer size of the Boomer population also adds to the problem. Just as this factor has contributed to the decline in the ratio of working people who fund Social Security to the number of beneficiaries, so has it led to a decline in the ratio of current retirees (potential benefactors) to Boomers (potential beneficiaries). In the 1960s, the ratio of parents age 60 to 70 to their children age 35 to 45 was 1 to 1.8. Today it is 1 to 2.3. All things being equal, this means Boomers would inherit 78 cents for every dollar their parents had inherited. Moreover, today's elderly parents are living longer;

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<sup>22</sup> The Economic Report to the President, 1999.

<sup>23</sup> Brookings Institute on Economic Activity, Vol 1. Gokhale, Kotlikoff and Sabelhaus, "Understanding the Post War Decline in National Savings"

meaning the Boomers generally would have to wait longer for an inheritance. We say “would,” rather than “will” because there are other factors that militate against windfall inheritances for Boomers.

There appears to be a declining “Bequest Ethic.” Surveys indicate that fewer people today believe it is important to leave an estate for their heirs than in the past. One study indicated that among all households, the percentage decline was from 52.5 to 48.4 percent

From 1940 to the mid-1980s the percentage of those 85 and older who lived with their children dropped from 87 to 43 percent. While increased economic independence of the elderly is often cited as a reason, studies show that it is not the elderly but their children who prefer independent living arrangements.

in the 1990s alone; among those age 65 and older, the decline was even steeper – 55.5 to 46.8 percent. Further, only 27 percent of all households and 22 percent of households headed by someone age 65 and older expect to leave sizeable bequests.<sup>24</sup> Again, the significant disparity in the distribution of wealth is a factor, but it is not the entire story.

“Out of sight, out of mind” is a non-quantifiable reality that may influence current retirees’ attitudes as to bequests. From 1940 to the mid-1980s the percentage of those 85 and older who lived with their children dropped from 87 to 43 percent. While increased economic independence of the elderly is often cited as a reason, studies show that it is not the elderly but their children who prefer independent living arrangements.<sup>25</sup> Some have suggested that the decline in the “Bequest Ethic” may be a strategic response from older parents to their children’s refusal to house them in their old age.

5. **Home Equity as a Retirement Asset.** When home mortgage interest rates were at an all time low, mortgage refinancing and home equity loans became very popular, saving homeowners hundreds of dollars per month in mortgage and credit card interest. By extending the mortgage period, monthly payments against

<sup>24</sup> Federal Reserve Bank of Cleveland: Economic Commentary, “The Baby Boomers’ Mega - Inheritance Myth or Reality?”

<sup>25</sup> Issues in the Economics of Aging, National Bureau of Economic Research, University of Chicago Press, 1990. Axel H. Borsch-Supan, “Why Don’t the Elderly Live With Their Children?”

principal were also reduced. Moreover, interest on these loans is usually tax deductible whereas the credit card and auto loan interest that they replaced was not. The problem with using either approach to bridge the gap between needs and resources is that payments must continue. The kind of debt such loans generally replaced usually accumulated because income but did not keep pace with expenses during

In the United States people over the age of 65 own over two trillion dollars worth of real estate.

peak earning years. When the term of the loan is extended well into the retirement years, a time when income is even lower, the prospects of serious financial difficulties loom large for most Boomers and current retirees. Financial experts generally advise that people of average financial means – household incomes of roughly \$50,000 – should plan to avoid being saddled with mortgage payments during retirement.<sup>26</sup>

Having a very low outstanding mortgage balance or owning one's home free and clear can have tremendous advantages to all segments of the Boomer population that go beyond the advantages of not being strapped with a mortgage payment during retirement. It makes one eligible for a "Reverse Mortgage."

Currently, much is being made about "Reverse Mortgages," and this mechanism could help many Boomers bridge the gap between retirement needs and available resources. Unlike typical mortgage and home equity loans, for which one must qualify by having sufficient income and then make monthly payments, the "Reverse Mortgage" is available regardless of credit rating or income level and there are no monthly payments. The proceeds can be taken in a lump sum or in monthly payments. The money may be used for any purpose, even to pay off the mortgage balance on the home used as collateral for the "Reverse Mortgage." It is always the first mortgage and nearly always the only mortgage loan. It is not due until the home is no longer the borrower's principal residence. When the home is sold or the borrower dies and if the loan balance exceeds the value of the house, FHA covers the difference and protects the lender through an insurance plan that is part of the loan agreement. On the other hand, if the lender goes bankrupt, this same FHA

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<sup>26</sup> Associated Press: "Refinancing Can Come Back to Haunt Baby Boomers", by Jeanine Aversa, October 19, 2003.

insurance plan protects the borrower and assures that they receive the full amount of the loan. Borrowers cannot be forced to sell their homes if they outlive the loan. At death, if the value of the home exceeds the loan balance, the difference becomes part of the estate.

Remarkable as “Reverse Mortgages” are, it is unlikely they will be available to those who need them most – the 32 percent of the Boomers the AARP characterized as “The Strugglers” and “The Anxious” -- because most of them will not have their homes free and clear at retirement age. Statistically, those groups roughly correspond to the 27 percent of Boomers in the Allstate survey who expected to have a mortgage balance at retirement age.

A final consideration regarding ... “Reverse Mortgages” ... is that owning a home ... free and clear at retirement age is much better than owning a more expensive home with a mortgage balance, even if the effect on net worth is exactly the same.

A final consideration regarding mortgage debt and “Reverse Mortgages” is that owning a home that is free and clear at retirement age is much better than owning a more expensive home with a mortgage balance, even if the effect on net worth is exactly the same. For example, if retiree A owns a \$400,000 home with a \$200,000 mortgage balance, it adds \$200,000 to his net worth, the same as his cousin across town, Retiree B, who owns a \$200,000 home free and clear. However, because the FHA will only lend up to 60 percent of the appraised value, Retiree A will only have \$40,000 as compared with the \$120,000 Retiree B will receive. (Retiree A will first have to pay off the \$200,000 mortgage balance.)

**6. The Working Retirement.**

Continuing to work into retirement years clearly has the greatest potential by which the Boomer population can enhance financial security after age 65. One implication of the AARP study is that a preponderance of Boomers expects to work during retirement and they are willing and able to do so. This is in contrast to their general reluctance to save sufficiently for retirement. The primary assumptions concerning work during retirement years are:

Continuing to work into retirement years clearly has the greatest potential by which the Boomer population can enhance financial security after age 65.

- Peak earning years can be extended, thereby allowing an accumulation of more retirement savings;
- The number of years retirees will need their savings will be reduced; therefore, less money will be needed;
- Home mortgages and other debts can be reduced.

However, being willing to work is one thing, being able to do so is something else. There are several issues that may operate against the possibility of having a working retirement.

*First, will a job be available?* The 84 percent of the Boomer population who say they expect to work represent 64 million people. Spread over 18 years, that represents nearly 3.5 million additional people looking for work each year. Even if they intended to work only an average of five years, between 2011 when the first of the Boomers reach age 65 until 2016, an additional 17 million people will flood the job market. They will be competing with “Generation X” for jobs that have been disappearing to overseas locations.

*Second, what kind of work will be available?* Boomers will face the challenge of updating their skills in a job market that will be increasingly unfamiliar to them. The extent to which job-training programs will be available to Boomers age 65 to 70 is uncertain. If employers finance job training for any particular age group, it seems likely that they will favor younger workers who can fill full-time positions over Boomers who largely prefer part-time jobs. If public funds are used to pay for training, taxes may need to be increased, not a likely prospect in the foreseeable political climate.

Even though Boomers may expect to work part time, whether this is viable is another matter. Overall, part-time work on an hourly basis often pays less than full-time jobs. In addition, commuting and other work-related expenses do not necessarily decrease with part-time jobs.

*How much will they actually be able to work and how much will they earn?* An increased labor supply generally depresses wages, particularly at lower pay levels and intensifies competition for higher paying jobs. Even though Boomers may expect to work part time, whether this is viable is another matter. Overall, part-time work on an hourly basis often pays less than full-time jobs. In addition, commuting and other work-related expenses do

not necessarily decrease with part-time jobs. As a percentage of

part-time income, the amount consumed by these costs will be high, thus reducing disposable income from part-time work for many Boomers. Beyond these considerations, health problems increase with age and will interfere with some aging Boomers' ability to work during retirement, regardless of need or willingness.

## Summary

Boomer debt is too high; savings are too low; Social Security is stable for now but not sufficiently funded long-term; employer pensions are disappearing; bequests are unlikely for the vast majority; home equity is uncertain for many; work opportunities during retirement are not likely for most. Compounding this is an increasing national debt; a war that could end up costing more than \$1 trillion over the next eight years; a history of short term gain in the form of tax cuts and credit in exchange for longer term pain in the form of increased national and personal debt; an attitude of entitlement rather than personal responsibility.

While the immediate future does not look bright for Boomers, it may even be worse for "Generation X." The \$43 trillion unfunded Social Security, Medicare and pension liability estimated by the GAO computes to \$566,000 for each of the 76 million Boomers. In order to cover this, given the expected mortality rates for the group, they would need to start saving or paying taxes immediately in the amount of roughly \$12,000 to \$15,000 each year between now and 2040. Considering their history, it is highly unlikely that they will even try unless forced by government at all levels.

While the immediate future does not look bright for Boomers, it may even be worse for "Generation X."

The alternative is that much of this debt will be left to their children and grandchildren. But these succeeding generations may be even less able to carry the burden. By virtue of their smaller numbers alone, it could be a near-impossible challenge. When combined with less educational opportunities for the middle class; less affordable housing as the Boomers gobble them up for retirement residencies; less available mortgage money as the Xers accumulate credit card debt and the Boomers secure "Reverse Mortgages," and an emerging world wide market of cheap labor, succeeding generations are already strapped economically.

Thus, the solution must be to first identify those who are vulnerable (“The Strugglers”) and those who are likely to be at risk (“The Anxious”) and focus on measures that will ease their burden. For the remainder, part of the solution will be to provide a combination of education, pressure and incentives along with an emphasis on personal responsibility versus entitlement to help them address the problems they had a large part in creating. In the meantime, the interests of the “Generation Xers” and their children must be safeguarded.

## **T**he Context For Making Recommendations

The Task Force on the Aging of Dane County organized itself into work-groups to study the dimensions of major problems the Boomer generation will face when reaching retirement age. While this enabled development of an overall report that sheds light on the situation in an organized fashion, the issues should not be viewed as discrete entities independent of each other, especially the financial condition of Boomers. Certainly, money is a seminal component of financial security; however, health status can pose a greater threat to the economic well-being of most Boomers than any other single issue. Moreover, appropriate housing along with public safety, transportation, education, and active aging can also play a significant role in the overall financial security of Boomers as they approach retirement age.

Many who are aware of the economic findings outlined above see them as both startling and, to a great extent, alarming. Yet, there are a number of factors that must be kept in mind when considering what

If their history is an indication of the future, [ Boomers ] may well find ways to cope with conditions that would have sunk the economic boats of their parents and grandparents.

Dane County might do to prepare for the Boomers’ impending retirement starting in 2008. First, their diversity highlighted in the findings must be a driving force in determining what they will need that county government can provide. Second, while there have been numerous negative generalizations about Boomers, particularly that they are self-absorbed and self-indulgent, the facts are that they are also very resilient, better educated, and more pragmatic than previous generations. If their history is an indication of the future, they may well find ways to cope with conditions that would have sunk the

economic boats of their parents and grandparents. They seem to be learning from some of the mistakes and misconceptions of previous

generations. As a result, general principles used in formulating recommendations included the following:

- Retirement and aging myths based on what generations of the past have believed and have done could not be accepted.
- An assessment of the objectivity of the interpretations of the findings had to be considered.
- Dimensions of the problem needed to be defined specifically for Dane County.
- A realistic assessment had to be made of the limitations of what the County can actually do.
- Potential unintended consequences had to be identified.
- Recommendations had to reflect a reasonable balance between entitlement and personal responsibility.

### **Myths and Misinterpretation**

Given the difference, in circumstances, belief systems, and expectations of Boomers versus previous generations, recommendations had to be based on today's realities rather than yesterday's. To do this, myths avoided in considering yesterday's ideas in light of today's reality included the following:

1. Retirement means not working.
2. Age 65 is old.
3. Retirement is an economic event.
4. A life of ease is the ultimate retirement goal.
5. Individuals can retire happily doing it by themselves.

While studies cited in the findings appeared to be valid, many were conducted and paid for by some segment of the financial services industry.



## Objectivity of Interpretations of the Findings

While studies cited in the findings appeared to be valid, many were conducted and paid for by some segment of the financial services industry. That industry, of course, has a vested financial interest in persuading people to invest and save. Therefore, while the study findings may have been accurate and the concerns they elicit legitimate, the financial industry's interpretation should not be completely accepted at face value. That does not negate the fact that a large segment of the Boomer population has too much debt and less savings than will be necessary when they decide to retire. But this reality must be tempered by yet another fact: that statistics and quantification projections using historical results may be interpreted in a variety of ways to prove a point.

## Dimensions of the Problem in Dane County

Even if all interpretations in the studies constituted accurate projections of what was to come nationally, their applicability to Dane County must be carefully assessed. There are significant differences in the economic condition between Dane County residents in general and Boomers in particular, when compared to the same age groups nationally and statewide.

The principal study cited in the findings conducted by the AARP was national in scope. The incomes cited were 1999 *mean* averages, and therefore skewed somewhat by the high-income group. Nevertheless, segmentation of Boomers' in that study was considered, and income variations of each segment from the average were found to provide a useful way to view Dane's Boomers. The 2000 Census data comparing national, State of Wisconsin, and Dane County *median* family income data for Boomers were segmented by the categories outlined in the AARP report.

By virtually any method of comparison using available data, Dane County Boomers appear to be in better financial shape than their counterparts statewide or nationally.

By virtually any method of comparison using available data, Dane County Boomers appeared to be in better financial shape than their counterparts statewide or nationally. While the median household income nationally for those age 35-54 was about \$53,300, in Wisconsin it was \$55,800, and in Dane County, \$62,700.

Breaking the Dane figures down further, for those age 35-44 it was about \$58,600 while for those 45-54 it was about \$65,900. But, as the

AARP study showed, a wide range made up the averages. The group AARP referred to as “The Strugglers” was roughly equivalent to those with median household incomes of less than \$25,000 in the 2000 Census data and represented nine percent of the Boomer population in their study. This was a huge variation from the Census data, which indicated that more than 8.6 million of the 45 million Boomer-age households nationally had median family incomes of less than \$25,000, or 19.0 percent. In Wisconsin, that segment represented about 130,000 households or 13.2 percent and in Dane County, about 8,665 households or 11.6 percent. Breaking it down further in Dane, 5,011 households age 35-44 and 3,654 households age 45-54 had less than \$25,000 in annual income.

In comparing Boomers with incomes less than \$30,000, nationally it is about 24.2 percent versus 21.7 percent for Wisconsin and 15.5 percent for Dane County.

The AARP study referred to those with incomes averaging \$41,100, or about \$10,000 under the average for the group, as “The Anxious.” The disparity among those with median family incomes under \$40,000 for Boomers in Dane County was even greater when compared to national or statewide data. About 26.4 percent of Dane’s Boomers were in this category as compared with 30.6 percent for the State of Wisconsin and 35.5 percent nationally.

Another perspective, namely, above the \$40,000 level, showed that the proportions were 74.6 percent for Dane County’s Boomers versus 69.4 percent for the State and 64.5 percent nationally. Further, for those aged 45-54, it was 75.9 percent. Thus, the ratio of potential benefactors to beneficiaries within the Boomer population itself is 3 to 1 in Dane County versus roughly 2 to 1 for Wisconsin and less than 2 to 1 for the country as a whole.

At least as important are the numbers of “Struggling” and “Anxious” Boomers in comparison with the population as a whole, both with regard to the raw percentage they represent as well as the benefactor/beneficiary ratio. Boomers with median household incomes under \$25,000 represented 8.1 percent of the total households nationally, 6.2 percent statewide; and 5.0 percent in Dane County. Thus, in this income segment, the ratio of total benefactors to potential Boomer beneficiaries was 20.0 to 1.0 in Dane versus 16.1 to 1.0 for Wisconsin and 12.3 to 1.0 for the country as a whole.

Boomers with median household incomes under \$30,000 represented 10.5 percent of total households nationally, 9.3 percent statewide, and 6.7 percent in Dane County. In this income segment, the ratio of total benefactors to potential Boomer beneficiaries was 14.9 to 1.0 in Dane County versus 10.8 to 1.0 for Wisconsin and 9.5 to 1.0 for the country as a whole.

The under \$40,000 segment was 15.3 percent nationally, 13.2 percent statewide, and 11.3 percent in Dane County. In this income segment, the ratio of total benefactors to potential Boomer beneficiaries was 8.9 to 1.0 in Dane versus 7.6 to 1.0 for Wisconsin and 6.5 to 1.0 for the country as a whole.

### **Not All Will Retire At Once**

Except where poor health is an issue, very few of Dane County's Boomers with median family incomes of less than \$25,000 are likely to consider retiring before age 65, and the preponderance will likely want to work beyond that point. Moreover, it is unlikely that very many of those with incomes under \$40,000 will retire before age 65. Therefore, if Dane County wanted to target these groups, especially those under \$25,000, for special services or for preference in providing current services, it has until 2011 to prepare.

### **Limitations Of What Dane County Can Accomplish**

National and state policies on taxation, deficit spending, health care reform, local revenue sharing, program eligibility requirements, and even farm subsidies, are just a few of the factors that play a role in determining the limits of Dane County's ability to address the potential financial problems of Boomers as they approach retirement age. Moreover, virtually anything the County decides to do for Boomers will need to be paid for by others in addition to the Boomers themselves. But even without the above-mentioned considerations, Dane County will be limited in the number of new or extended services it can provide. For the most part, the vast majority of Boomers will have to provide for themselves.

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## Potential Unintended Consequences

Attempts to assist Boomers if not well planned and prudently financed could boomerang and generate unintended consequences that will hurt Generation Xers and others. For example, tax increases to finance special Boomer programs could discourage business development and thereby reduce the number of additional jobs that will be needed as Boomers work past age 65. Without

Attempts to assist Boomers if not well planned and prudently financed could boomerang and generate unintended consequences that will hurt Generation Xers and others.

adequate business growth, Boomers will be competing with Generation Xers for the same jobs, causing increased unemployment that will reduce the County's sales tax base and simultaneously increase the need for county services. Moreover, if affordable housing is not adequately increased, Boomers, who are in a significantly stronger financial position, will outbid Generation Xers and others, thereby drying up the numbers of available units while abandoning the more expensive homes for which there will be a dwindling market. A 1999 study already shows that home ownership among those aged 35-39 is down to 68 percent from 75 percent a decade earlier. In addition, if not properly planned, special services to Boomers could serve as a magnet attracting increased numbers of "Strugglers" to Dane County from other sections of the State and country.

## Entitlement Versus Personal Responsibility; Desires Versus Actual Need

Retirement at age 65 has long been considered an entitlement by previous generations. However, the Boomers themselves have largely abandoned this notion. According to the AARP study, 91 percent expect to work past traditional retirement age, even those in the upper income categories. However, expectations can fuel desires, and desires can create an attitude of entitlement. The desire to work has long been considered admirable. Unfortunately, when someone who enjoys a retirement income of \$100,000 a year and simply wants "something to do" by occupying a \$20,000 job that is desperately needed by another whose only income after age 65 is Social Security, the notion that work is admirable is not necessarily a given.

## Recommendations

Given the issues and the context, the open question is how Dane County can realistically and meaningfully address issues described in this report. No one can predict the future, not even over the next 15 to 20 years. However, warning signs may be heeded and a realistic plan developed, perhaps starting with what the final product should be and working backwards to delineate the steps and procedures and identify resources that will be needed.

In reality, there is very little Dane County can do directly that can replace the necessity for individuals to assume personal responsibility for their lives.

In reality, there is very little Dane County can do directly to replace the necessity for individuals to assume personal responsibility for their lives. At the same time, ignoring the economic diversity and unequal distribution of wealth among Boomers and the need for assistance created for “The Strugglers” and many of

“The Anxious” would be unrealistic and inhumane. To address the issues will require a strong public/private partnership that includes county leadership and active involvement of private citizens, private business, organized labor, churches, and educational institutions. Everyone has something to contribute, and everyone can benefit as a result. It is in that spirit that the following recommendations are offered:

1. Identify the level of income and other resources necessary for Boomers to have a reasonably comfortable old age, assuming no debt. Critique the estimates of financial need currently advanced by contemporary financial managers.
2. Identify those within the Dane County Boomer population who are unlikely to be able to have a reasonably acceptable level of income in their senior years without outside assistance.
3. Channel the preponderance of public funds to those identified in Recommendation No. 2, above.
4. Provide education, consultation, and decision support<sup>27</sup> on personal financial security and health care targeted to Dane County residents aged 45 and above.
  - a. Convene a summit of the financial planning community to focus on issues and education-delivery methods to prepare those 45 and over for senior status and the financial demands of aging.

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<sup>27</sup> “decision support” – expert advice to enable those in need to make good decisions

- b. Convene a summit of health providers to focus on issues and education delivery methods to prepare those 45 and over for senior status and health care issues of aging.

Participation in such education, consultation, and decision support, either as a student or volunteer instructor, should qualify persons for direct services provided by Dane County included in Recommendations Nos. 11 and 15, below.

- 5. Encourage volunteerism as a major means by which to provide education, consultation, and decision support targeted to all Dane County residents aged 45 and above, with special focus on those identified in above Recommendation No. 2, above.
- 6. Encourage volunteerism as one of the primary means by which to provide direct services targeted to all Dane County residents aged 45, and above with special focus on those identified in Recommendation No. 2.
- 7. Coordinate provision of direct services and education programs with all other public and private organizations.

“De facto” deficit financing of any service or program should not be used. That means no current commitment of county funds to provide services to retirees or the elderly that are not economically sustainable over the next 20 years.

- 8. “De facto” deficit financing of any service or program should not be used. That means no current commitment of county funds to provide services to retirees or the elderly that are not economically sustainable over the next 20 years. Consideration should be given to both current and future costs, needs, and population characteristics. To do otherwise will simply create a whole new set of unrealistic expectations and a sense of entitlement among Boomers while leaving Generation Xers and their children with a huge unfunded liability.
- 9. Charge participant fees on a sliding scale that will cover all costs of education, consultation, and decision-support programs.
- 10. Charge participant fees on a sliding scale to pay for all direct services in an amount sufficient to cover a significant proportion of the total cost of the respective program or service.
- 11. Home ownership is crucial to both the financial stability of many residents and in providing a preferred setting in which to receive medical and other services in old age. If not in conflict with Wisconsin’s Constitution, Dane County should encourage home

ownership to volunteers and education program participants as follows:

- a. Provide real-estate tax relief through a tax waiver on the first \$50,000 of market value of privately-owned residential property.
  - b. The waiver should be increased to \$75,000 for homeowners who housed an additional elderly person who was not a member of their immediate family.
  - c. Offset the waiver program by levying a per-square-foot surtax on homes in excess of 4000 square feet, making such adjustments as are necessary on all other residential property.
12. In conjunction with Recommendation No. 11, Dane County should undertake land-use planning and development for both residential and commercial needs of Boomers in consultation with both private and public sector entities. Steps must be taken to protect Dane County against abandoned, empty buildings when the Boomer bubble has passed; Dane County should explore conditions to be imposed on new development to assure alternative use when that time inevitably comes.
13. The job market must be expanded to accommodate the economic needs of Dane County's Boomers while safeguarding employment opportunities for succeeding generations to thwart economic crisis.

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business community and organized labor, Dane County should aggressively capitalize on its strengths --- a high quality education system, strong work ethic, and outstanding quality of life --- to attract new businesses. It should develop a formal mechanism to drive economic upgrading by building on the strengths of its clusters of linked industries and institutions while developing new ones.

14. In conjunction with Recommendation No. 13, Dane County should define the role it wishes or needs to assume in educating employers about the shape and face of the workforce as Boomers reach age 62 but expect to continue meaningful roles as employees. In conjunction with this, Dane County should consider training programs it might encourage, facilitate, or initiate, particularly in the areas of biotechnology, information systems, financial services, and health care.
15. The lack of adequate health insurance, escalating health care costs and the possibility of unexpected illness or injury are a menace in any attempt to establish financial security for individuals or groups. If neither the federal government nor the State of Wisconsin establishes universal health care for its citizens in the near future, Dane County should explore the viability of providing a uniform health care program for all Dane County residents. Municipal, county, school district, and state employees along with Medicare, Medicaid, SeniorCare, and BadgerCare enrollees represent a major percentage of Dane County's population and could be the platform on which to establish such a program. Safeguards would have to be incorporated to avoid having Dane County become a magnet for the sick and uninsurable. Moreover, a mandatory decision-support program together with adequate prevention and education in addition to effective mental health and chemical dependency services should be included to contain costs and potential misuse. Eligibility should be tied to length of residency and participation in the financial and health education, consultation, and decision-support programs. Several models, including BadgerCare, and the Wisconsin Universal Health Plan supported by the Coalition for Wisconsin Health, Wisconsin Citizen Action, and AFL/CIO have high potential. Preliminary estimates indicate that the overall cost to Dane County residents could be significantly less than it is at present, and virtually no one would have to be left uninsured in Dane County.
16. Initiate a demonstration project, possibly funded by the Madison Community Foundation, to address employment needs of aging Boomers.

If neither the federal government nor the State of Wisconsin establishes universal health care for its citizens in the near future, Dane County should explore the viability of providing a uniform health care program for all Dane County residents.



17. Address workforce issues, as to the role Boomers could play in supplementing the full-time workforce.

To pursue the 17 recommendations, Dane County agencies and departments that would be significantly affected by the Boomer bubble must be identified. Each should report to Dane County leadership what it must do to prepare for the demand, including financial and human resources that will be needed. Dane County leadership should assess the need for modified or new entities, and in the process, assess whether current expectations for county-provided services need to be modified.



# Education and Active Aging

## Introduction

Can an old person learn? Can our seniors learn to care for themselves in old age? Will older adults still want to learn new things? Yes, yes, and yes. The myth among both young and old has been that elderly people cannot broaden or strengthen their minds and has created a stereotype that needs to be stopped in its tracks. Research shows that older people can and do learn until the end of their lives and they can learn well. The aging brain has the capacity to make new connections and acquire new skills. Older people can change habits, inspire others to learn new things and take responsibility for coordinating their own future needs and direction. Most are able to maintain their independence and make the decisions that enhance that independence.

The aging brain has the capacity to make new connections and acquire new skills.

The MacArthur Studies have confirmed what we know about maintaining high mental function. Three important factors are necessary to maintain this function:

- a. regular physical activity
- b. a strong social support system and
- c. a belief in one's ability to handle what life has to offer.

Those three components of high mental function are attainable, even in later life.<sup>1</sup>

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<sup>1</sup> John W. Rowe, Robert L Kahn, Successful Aging, Pantheon Books, 1998

## Key Findings and Implications

- Boomer elders and their needs will be different from the current elders in a number of ways. They are less homogeneous than previous generations. They are a vast and diverse group of people. Their life experiences have been different. And while they share many of the same basic values, their attitudes and behaviors will be different.
- Boomers, as they age, will be a huge resource. Nevertheless, their involvement in the community may be less than their counterparts in past generations. Their efforts have been directed to raising families, pursuing careers, and caring for parents who are living longer. A sense of obligation to the community needs to be instilled early in life. This leads one to question whether there will be enough volunteers among them to support the needs of their own population as they age.
  - Harvard professor Robert Putnam says that social capital is even more important than financial capital. Social capital is defined as the benefits derived when people are connected to their friends and neighbors and are involved in organizations. Medical studies have shown that social isolation poses as great a health risk as smoking. But the number of Americans who say they attended a public meeting in the last month has declined from 23 percent in 1973 to 12 percent in 2000. As an example, membership in 32 of the nation's leading volunteer groups such as the Lions Club and League of Women Voters has plunged by nearly half.<sup>2</sup>
  - If we build on their existing commitment, the good done by Boomers could be tremendous. With education and advocacy this can happen. Such as Dane County Advocacy Network Education (DANE). This program offers a two-day training for interested older adults who study state and local government, meet with legislators, and learn to fill the role of an advocate. Other entities



<sup>2</sup> Bowling Alone, published 2001, Harvard Professor Robert Putnam

fostering volunteerism include the Retired and Senior Volunteer Program (RSVP), area senior centers, Independent Living, Inc. and local hospitals.

- Boomers will want to volunteer in very specific ways. Tasks will need to be meaningful. It will not be enough to volunteer at the local library mending magazines. A better task might be gathering the history of a community or entering pertinent data into computers. Instead of taking a class, they may well wish to teach a class. Rather than learning to knit, they may wish to learn dying, spinning, and weaving of natural materials. Instead of watching travelogues, they may want to learn to fly. Boomers will carry their passions into retirement and old age.
- Most men and women alike will have earned income their entire lives. Retirement will bring a major change in lifestyle. This new freedom will allow them to explore new ventures in art, travel, reading, mentoring, community service, sports, exercise and more. One of the most important aspects of healthy aging is to focus attention on the value of staying engaged throughout life. Maintaining close relationships and staying involved in activities that are meaningful are important not only for the active older person but also "...for persons with life-long disabilities and those facing the end of life. Studies have shown that intelligence and productivity do not necessarily diminish as people age, especially when they immerse themselves in rewarding lives..."<sup>3</sup> The challenge and responsibility of Dane County's community members is to help this take place in their senior population.
- Adults learn differently than young people. Adult learners are goal oriented. Often they seek out learning opportunities because of a significant life change; not always interested in knowledge for its own sake, but as a means to an end. Adults see themselves as independent persons capable of deciding what they need and what they want to learn. An adult learning situation is informal and friendly, rather than formal and didactic. The accepted method of

This new freedom will allow them to explore new ventures in art, travel, reading, mentoring, community service, sports, exercise and more.

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<sup>3</sup> The Aging of North Carolina, Prepared by the Division of Aging NC Department of Health and Human Services, p.16

adult learning is called “androgogy” which teams the already-motivated adult student and the facilitator in a dual shared role. Androgogy must replace pedagogy (a long-time approach to teaching children where the learner relies on the instructor to direct the learning) as the accepted method of teaching adults.

- “Any type of learning leads to longevity. Learners are more likely to adapt and make changes in their health habits.... A learner gets better medical care when they go to a hospital. They ask questions and demand a higher level of care.”<sup>4</sup>



- Boomers will be more educated as a whole, will be able to take on more responsibility, and will work more independently in the role of volunteers or in the workforce. Their knowledge of technology and its applications far exceeds the generation previous to theirs, leading Boomers to creative ways of approaching their retirement and their aging. That will bode them well as they apply new technology to their own old age.
- Boomers will live longer than any previous generation, particularly if they bought into a healthy living style in their early adult years. However, many will live longer with chronic illnesses, limiting their quality of life.
- In 2001...in Washington DC, a coalition of national organizations released a major national planning document in the area of aging and physical activity. The National Blueprint: Increasing Physical Activity Among Adults Aged 50 and Older has been developed to serve as a guide for multiple organizations, associations, and agencies to inform and support their planning work related to increasing physical activity among America’s aging population. This Blueprint is intended to outline broad strategies that will lead to increasing physical activity among older Americans. The plan was developed with input from more than 60 individuals representing 46 organizations with expertise in health, medicine, social and behavioral sciences, epidemiology, gerontology/geriatrics, clinical science, public policy, marketing, medical systems, community organizations and environmental issues.

It concludes that there is a substantial body of scientific evidence, which indicated that regular physical activity can bring dramatic

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<sup>4</sup>Dr. Z. Paster, interview with Madison.com news

health benefits...and that this health benefit extends over the entire life-course.<sup>5</sup>

- Too many of us are watching sports, not participating in them. Sedentary Death Syndrome (SDS) is a condition caused by inactivity and can lead to cardiovascular disease or diabetes.
- Boomers with developmental disabilities are living longer lives thanks to medical advances. Society must address issues related to their quality of life such as: continuing education, formal retirement, and appropriate recreation and leisure activities to enrich their lives.
- Spiritual development has been demonstrated to be important to many of the Boomers. They will certainly carry this interest and need into later life; perhaps more so than having a connection with a formal religion. Boomers will need spiritual supports and outlets such as yoga and meditation, and with giving or receiving spiritual mentoring in their communities.
- Many Boomers had children late in their childbearing years and will be supporting them well into their later years. If they are also caring for aging extended family members, they may be pulled in many financial, emotional and physical directions. This may be either stressful (because of the responsibility, financial or time commitment) or energizing (because of a relationship with a beloved person who is an inspiration to take on a new and fulfilling challenge – or to better develop a relationship).
- Population groups, such as Latino aged, Hmong elders and gay and lesbian Boomers, are seeking ways to be part of the community in educational and social activities. Latino Boomers and other segments of the population do not have enough options.
- Boomers who are still relatively young, particularly those who lack proficiency in English and who have special needs, do not have an adequate way of finding educational and recreational resources and getting the guidance to use them.
- The cost of educational opportunities will increase in general, and will mean higher costs for community-based organizations and

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<sup>5</sup>The National Blueprint: Increasing Physical Activity Among Adults Age 50 and Older  
<http://www.agingblueprint.org/>

educational institutions. There will be people unable to afford educational and social programs in the community; thus, these programs may end up serving mainly those with higher incomes.

- Exploration of Internet use will help prepare Dane County to communicate with a more computer literate population. Advocacy for this coming generation is necessary, and Boomers should begin advocating for themselves now.
- There is a lack of students pursuing careers in the field of aging.
- The challenge of attracting people to the field of gerontology is two-fold:
  - to encourage an interest in working with older adults and
  - to give students and professionals the knowledge and skills necessary to continue working with and caring for older adults.
- Although it is commonly thought that mental functions decline with age, this change may not happen until old age and, even then, not in all areas. Middle-aged adults showed little or no decline in mental speed, reasoning, and short-term memory compared to younger adults. And midlife and elderly adults both outperformed younger adults in vocabulary tests.<sup>6</sup> As a rule, older people do less well than younger ones on memory tests. However, most of this apparent effect of aging is caused not by aging itself, but by differences in health and socioeconomic status. Older people who are in good physical health, who have more years of education, higher income, and who are employed do better in memory performance than other elders. Even in the oldest group of people, half showed no mental decline whatsoever during the seven-year period from age 74 to 81.<sup>7</sup>
- The modern adult education facilitator is person-centered and problem-centered rather than subject-centered.
- Participatory learning demands that all members of a group feel comfortable with each other and the atmosphere be open and honest.

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<sup>6</sup> Aging Notes, University of Wisconsin – Madison, Institute on Aging, Vol. 13, No. 2

<sup>7</sup> Rowe, M.D., John and Kahn, Robert L. PhD., Successful Aging, Pantheon Books, NY



- We all need closure in our lives. As we grow older we seek inner peace. By the process of life review, we attempt to make sense of the good and the bad. We seek inner affirmation of events that went well in our lives and events that did not. We seek to forgive and to be forgiven. It is particularly meaningful when it can be shared with another person.
- Social capital is more important than financial capital. Social capital is defined as the benefits derived when people are connected to their friends and neighbors and are involved in organizations.
- There are serious implications for how society views the aging process and the “value” of older people. We must change the perception of children that growing older is a process of decline and dependency. Children are exposed to very little information about the aging process and a positive image of aging. Several researchers have found that when schools have initiated programs at different grade levels to teach about aging, the results have been very positive on how children view older people and the aging process.<sup>8</sup> A serious barrier to teaching children about aging is the lack of statewide policies and incentives to develop appropriate curricula. The 1995 White House Conference on Aging called for the development of programs that teach children about the elderly. However, only four states have developed or tried to develop aging curriculum (Connecticut, Mississippi, Missouri and New York).

## **R**ecommendations

- Encourage school districts to study the characteristics of healthy and successful older people.
  - Use older people to teach individual lessons about prevention and health,
  - Use older volunteers to mentor students,
  - Involve students in intergenerational service projects that teach positive values,
  - Teach about older heroes in history and art, and

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<sup>8</sup> Aday, R.H., Sims, C.R., McDuffie, W. and Evans, E. (1996) Changing Children's Attitudes Toward The Elderly: The Longitudinal Effects Of An Intergenerational Partners Program. *Journal of Research in Childhood Education*, 10(2), 143-151

- Work together with existing aging programs to enhance students' knowledge of and exposure to healthy, vital aging persons.
- Encourage life review in family settings, faith communities, group homes, senior centers, PLATO classes, discussion groups, mental health programs, and other settings in Dane County.
- Allow adults to diagnose their own needs for learning.
- Involve older adults in planning and conducting their learning.
- Emphasis should be placed on tapping the experience of older people.
- Infuse the study of geriatrics and gerontology and practical experience in the field of aging into the curriculum of professionals training to work in senior centers, human service departments, medicine (particularly primary care physicians), therapies, dentistry, Community Based Residential Facilities (CBRF's), and other care facilities and programs designed to bring services to older adults.
- Promote and support continuing education for professionals working with seniors.
- Develop career ladders for paraprofessionals within the aging network as a way of attracting workers into the field.<sup>9</sup>
- Encourage employers to offer re-education and re-tooling to capture skilled retirees who re-enter the job market or shift careers at retirement age.
- Provide services to reconnect newly retired Boomers with the job market by inducing employers and volunteer agencies to offer flexible job design and training.
- Develop opportunities for spiritual enrichment in the community to reflect the need of society as a whole to adapt the concept of holistic and active aging and to expand spiritual, mental, emotional and physical wellness.

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<sup>9</sup> The Future of Aging in New York State, Project 2015, Jurgis Karuza, Paul Katz and Jennifer Rosenblum

- Encourage seniors to take advantage of opportunities for socialization, volunteerism and continuing education so they may remain mentally healthy and stimulated.
- Develop non-traditional ways to recruit and retain volunteers in agencies and institutions such as schools, hospitals, CBRF's and neighborhoods.
- Provide educational and personal enrichment opportunities for the non-English speaking population.
- Continue intergenerational enrichment programs in libraries, schools, the Retired Senior and Volunteer Program (RSVP), churches, Dane County Extension, scouts and senior centers.
- Engage older adults who are in group homes or nursing homes in intergenerational activities, continuing education, and ongoing personal enrichment.
- Assist senior centers to offer a larger variety of community programs and schools, churches, libraries to open their facilities for educational classes aimed at older adults.
- Encourage new retirees to explore entering or continuing in public service as elected officials by offering workshops for people who might be interested in running for public office.
- Encourage institutions of higher learning in Dane County to offer and actively market flexible scheduling of classes for returning, retired adults by reaching out to the over-85 population, possibly offering appropriate classes in a home setting – either on TV or online.
- Replace, in adult settings, pedagogy (which is the method of teaching children), with androgogy (which is the accepted method of adult learning).
- Maintain and enhance policies that provide free or low-cost educational programs for lower-income adults.
- Have public and private institutions take on the teaching of life planning skills, including the use of durable power of attorney for health care, living wills, pre-retirement planning, investing or saving options, and self-advocacy.

- Encourage the Area Agency on Aging and RSVP to continue offering their legislative advocacy training (DANE), offering it to groups of retired and pre-retired adults who can then use what they have learned to advocate for themselves.
- Expand the legislative advocacy-training program (DANE) and increase the funding.
- Include a veteran on the Board of the Area Agency on Aging.
- Include older adults on the County Human Service Board.
- Encourage agencies to offer affordable educational and life enhancing opportunities. This includes venues such as the Overture Center and the groups that it houses.
- Update the Over 60 Resource Directory on a scheduled basis and print copies in other languages.
  - Consider making it available on the “Web.”<sup>10</sup>
- Adapt, improve, and maintain neighborhoods for active living as related to walking and biking. Look at Active for Life (AARP) and Safe Communities Coalition as good examples.
- Encourage the Greater Madison Chamber of Commerce or the Madison Community Foundation to look at ways to maintain Boomers in the workforce as contract employees or as part-time employees.
- Work with employers to make positions more user friendly through such means as flexible hours and a less rigid work environment.
- Explore the role the Boomers could play in supplementing the fulltime workforce.
- Develop a program so that Boomers could act as teachers to their peers in exchange for incentives other than pay – such as

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<sup>10</sup> Currently the Title V employment training program provides computer support; an excellent example of partnering with the Area Agency on Aging and St. Mary’s Hospital.

assistance with health care premiums, corporate perks, or travel vouchers, etc.

- Develop grant programs so that lower-income older adults can be charged for educational programs on a sliding-fee scale.
- Encourage agencies serving older adults to keep current data on the older adult population to ensure proper planning and targeting of educational programs. Pay specific attention to cultural background, educational level and income.
- Involve Boomers in part-time employment opportunities as mentors for younger workers.
- Support efforts by employers to offer benefits to part-time workers at a reasonable cost so that Boomers can use retraining and employment as a way to manage their health care costs.
- Advocate and provide support services to bring older workers back into the workforce.
- Address the role of county Extension in the education of, and advocacy for, the County's older adults.
- Advocate for a tax break for retired volunteers.
- Educate agencies, churches and businesses that work with or employ younger people to encourage them to fill out an advance directive document.
- Educate children about growing old with a sense of optimism, wellness, pride, and fulfillment rather than as a process of decline.
- Work to develop statewide policies and incentives to develop appropriate elementary curricula that teach facts about the aging process and develop attitudes of respect.
- Include gerontology in various high school curricula.



# Housing and Infrastructure

## Introduction

During the next 30 years the expected national population shifts resulting from the Baby Boom generation will place new demands on the Dane County housing market. Although the housing market is responsive to changing times, public policy, economic forces and people's response to those forces will also influence the market. The large increases in the empty-nester population during the next decade (2010) and a decline in the typical first-time homebuyer age group may create a very tight market for sellers and a loose market for buyers. By 2020 half of the Boomers will be retired and it is estimated that one out of seven persons in the County will be over the age of 65. During that decade there is expected to be an increase in the pressure to construct more housing for the elderly. About a third of this new construction may be condominiums. During the same time frame five percent of the County population will be older seniors, (75 years of age and older) which may cause an increased need for housing with supportive services.<sup>1</sup>

Housing plays a significant role in the livability of a community. The home serves as a shelter, provides a sense of security, figures highly in a family's lifestyle, provides wealth and equity for 80 percent of older Americans, and is a symbol of comfort and independence. In an American Association of Retired Persons (AARP) survey older Americans overwhelmingly agreed or strongly agreed with the statement "What I'd really like to do is stay in my current residence as long as possible." This desire increases with age.<sup>2</sup>

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<sup>1</sup> *Dane County and Community Data: 1970-2000, September 2002.* Prepared by the Staff of the Dane County Regional Planning Commission.

<sup>2</sup> *Beyond 50 2003: A Report to the Nation on Independent Living and Disability* by the American Association of Retired People (AARP) 601 E Street, N. W., Washington, DC 20049

## **K**ey Findings

- The over-50 age group has the highest rate of home ownership and more assets than younger age groups.
- Presently mortgage debt for the over 50-age group is about one-half of the total elder debt. Therefore, they have less equity in their home.
- The mortgage debt burden is highest among those with the lowest incomes.
- Cost is a barrier to adequate housing for a number of older Americans. According to AARP in 2001, 18 percent of owners 65 and older spent more than one half of their income on housing, compared with 38 percent of renters 65 and older.<sup>2</sup>
- Property taxes are a burden on elders living on a fixed income.
- Elders, family members, and the financial community are unfamiliar with the advantages and disadvantages of reverse mortgages.
- Some elders view their house as a future nest egg for their children rather than a resource to provide them with dollars to purchase needed services enabling them to live independently.
- Members of racial or religious minority groups may have culturally relevant concerns that need considerations that differ from those of the larger community.
- Rehabilitation, retrofitting of older housing will be a continued concern in the next three decades as the housing stock ages and the need for barrier-free housing grows due to elder population increases.
- Including accessible features in the design of a new home may be less expensive than making home modifications.<sup>2</sup>
- Barrier-free features are required to a limited degree by the federal government in new multi-family rental buildings. But three-fourths of



older Americans live in single family housing not subject to federal requirements.<sup>2</sup>

- There is a gap in intergenerational housing models.
- People living alone are about twice as likely to use assistive technology as those not living alone.<sup>2</sup>
- Traditionally, elderly housing has been built on one level using more land.
- A livable community includes these elements: transportation choices, barrier free or universal housing design, home modification, security, walk ability, and supportive services.<sup>2</sup>
- The corporate community needs to be more aware of the caregiving role of workers and that relocation of an employee may include consideration of an aging family member and the resources available for caregivers.
- Even though there are therapeutic benefits in owning a pet, it is generally impossible to bring a pet into a group home or a nursing home.



# Recommendations

- Provide group and individual educational opportunities on the following topics linked to housing and infrastructure to appropriate audiences:
  - Financial planning to reduce debt burden and for retirement.
    - *Audience:* High school through older adults
  - Reverse mortgages, advantages, disadvantages, when appropriate to use and implementation.
    - *Audience:* Older adults and their family members or caregivers, caseworkers, or financial institution representatives
  - Consumer awareness of universal housing design and appropriate home modifications.
    - *Audience:* All adults
  - Needs of employees who seek housing for themselves or their older family member.
    - *Audience:* Dane County employers
  
- Increase incentives by state and local governments to encourage a small set of highly-recommended barrier free or accessibility features in designing single home construction.
  
- Change municipal codes to increase the livability of neighborhoods, such as sidewalks, cross walks, transportation choices, security and supportive community services. In the short term it may increase cost to everyone, but in the long term it may reduce costs, so elders and people with disabilities can stay in their homes longer.
  
- Explore newer models of cooperative housing, such as intergenerational housing for grandparents raising grandchildren or for family caregiving.
  
- Develop the necessary infrastructure in Naturally Occurring Retirement Communities (NORC) so elders may age in the place where they are presently living.
  
- Keep seniors independent in the home of their choice. Bear in mind that keeping someone independent, in some way, causes him or her to be dependent on you.

- Examine land use and multi-unit elderly housing to ensure wise use of land.
- Fully fund Family Care so that the dollars follow the person regardless of where they live.
- Influence the changing of building codes to enhance barrier-free building and other non-traditional types of housing.
- Explore partnerships among business, housing and nonprofits.
- Lobby for additional affordable housing.
- Support in-fill rather than urban sprawl as the need and cost of transportation increases.
- Increase the number of Care Managers.
- Encourage the training of in-home care workers.



# Medical/Health Care

## Introduction

To judge the health of any society, the state of that society's most vulnerable citizens should be examined. Sustaining and improving healthy aging requires continued commitment on the part of the individual, the government, and the society. Increased funding is imperative, commitment from the medical communities is crucial and partnering between local governments and local citizens must be fostered. Continuing education must be valued and supported.

Great strides in longevity in the first part of the 20<sup>th</sup> century have been made because of our war against infectious diseases. More recently we have impacted on the diseases of later life, such as stroke and heart disease. If we are to continue this increase in longevity, we must accentuate and enhance prevention and greatly reduce age-related disease such as cancer and heart disease. Health care costs incurred by the Boomer generation will burden insurers and increase the costs and will tax the medical system as it exists today – unless drastic steps are taken to reduce the incidence of preventable disease and accidents.

The scope of health policies and programs for older adults has broadened dramatically in the past decade. The absence of physical disease or disability constitutes an important, but not totally sufficient, basis for aging well.<sup>1</sup> Psychological and emotional well-being are equally important.

We as a community must support three major movements:

1. prevention and better care of chronic disease and injury;
  - Helene Nelson, Secretary of Wisconsin's Department of Health and Human Services said that prevention is all-important; particularly "prevention of obesity and

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<sup>1</sup> "Successful Aging," Rowe and Kahn, 1998

- smoking,” and the initiative of physical exercise and proper dental care.<sup>2</sup>
2. emphasis on mental and physical health care;
    - Ms. Nelson also emphasized the need for “quality health care being delivered on time and in the right manner” and
  3. engagement of active and stimulating lifestyle.<sup>3</sup>

According to AARP, 60 percent of workers today take Social Security benefits at age 62, that being close to the average retirement age in the U.S. When the oldest Boomers become eligible at that same age in 2008, there will be far-reaching implications for the capacity of our health care systems to provide long-term and health care services.

## **K**ey Findings and Implications

- Good nutrition will play a significant role in affecting chronic health conditions and illness. As Boomers age they will fall into three general nutrition categories:
  - healthy,
  - relatively healthy older adults, those requiring varying degrees of nutritional support, and
  - older adults who have limited or uncertain acceptable access to food. Older adults, especially those with limited financial resources, are at increased risk of suffering health consequences as a result of food insecurity.
- As we age, our chances of needing some form of long-term care during our lifetime increases. “Individuals 65 to 74 years of age have a 17 percent chance of needing long-term care. This increases to 28 percent...for those individuals aged 75 to 84. By the time they reach 85 years of age or older, their likelihood of requiring some form of long-term care increases to nearly 50 percent.”<sup>4</sup> This is particularly worrisome when one considers that the population over 85 years will likely double by 2030. There will be an increased burden on care of the aged, especially as the number of people over the age of 85 increases.

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<sup>2</sup> Helene Nelson, Secretary of Wisconsin’s Department of Health and Human Services, speaking to a group of County Directors of Aging Units (2004)

<sup>3</sup> The topic of lifestyle is addressed in the section on Education and Active Aging

<sup>4</sup> The Graying of Oregon: A Crisis in the Making

- The number of paid (and volunteer) caregivers will be in very short supply because the worker pool is shrinking. Nurses and other health care professionals and providers will be overwhelmed by the growing demand for hands-on care and medical Care Management.
- Communication linkages are weak between the medical profession and people in the community. The community should be galvanized to learn about issues and provide help.
- Resources to fund long-term care are lacking.
- Local colleges are not recruiting enough students to work in gerontology or geriatrics. They are not producing an adequate number of licensed nurse practitioners, registered nurses, or certified nursing assistants. Students in Mental Health, Social Work, Occupational Therapy, and Physical Therapy are not choosing to work with older adults in adequate numbers. Only ten percent of the US medical schools offer geriatric education.
- Family members care for about 70 percent of Alzheimer patients. But with the aging of the Boomers and the advent of smaller and less traditional families, there may no longer be that option.
- It is estimated that half of all Alzheimer's family caregivers suffer from depression.
- "Alzheimer's disease will destroy the health care system" as we know it "and will bankrupt Medicaid."<sup>5</sup>
- Mental Health services, provided primarily by non-profit agencies, are grossly under-funded and under-staffed. In-home mental health services for older adults are a critical resource for those who are homebound and dealing with issues of grief, dementia, isolation, or depression.
- Many older adults lack the skills to be self-advocates, thus becoming lost within their own communities.
- The Boomers are not receiving adequate education about screenings to prevent osteoporosis, diabetes, falls, depression and more.

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<sup>5</sup> Sheldon Goldberg, President and CEO of the Alzheimer's Association

- Falls are one of the leading problems facing the older person. Many times injury from falls leads to permanent disability, limiting a person's active, independent life. It is estimated that one-third of all persons aged 60 and older suffer falls each year. Indirectly, the fear may also be damaging. It is estimated that 20 percent of older adults who fear falling limit their activities of daily living. Risk of falling is related to three influences: the normal aging process, pathology that increases with age, and environmental conditions. Many falls can be prevented.
- The Boomer generation generally is very health conscious, exercises and watches their diets. Many have stopped smoking. They have more access to health care than in past generations. However, marketing of health and wellness is inadequate and under-funded.
- There are multiple health care providers in Dane County whose services are not integrated.
- There is a lack of knowledge of the Senior Hotline to Help phone number (608-266-9007), which offers information and referrals to services for Dane County's older adults, their caregivers, and their families.
- Prevention programs are under-valued and under-funded.
- Drugs are too costly.
- Health care insurance costs are increasing.
- There is variability in the risk of health problems for different groups within the aging population. For example, the longer a person lives, the greater the chance of developing Alzheimer's disease. An African American's chance of developing diabetes is greater than the general population.
- Boomers have greater issues of mental health. They are also coming out of a drug culture. The societal costs for mental health, alcohol and other drug abuse services will be even greater than today.
- Insurance coverage for treatment is very limited, especially for people who do not qualify for Medicare or Medicaid.



- If the national estimates of population percentages with an alcohol problem range from 10 to 12 percent, then we may be looking at about 10,800 (ten percent of 108,000) older adults in Dane County in 2020 who will need alcohol treatment.
- There are few options open to low-income people who need assisted living in the community.
- The Gay, Lesbian, Bisexual, and Transgender community is not being proactive in planning for legal documents needed to protect themselves and their significant others.
- Inadequate or inappropriate discharge planning is done at hospitals resulting in older adults being sent home with a different provider of service than their current provider. Decisions are made at the last minute to provide in-home services that are inappropriate, insufficient, or non-community-based.
- Dental care for Medicaid patients is almost nonexistent in Dane County.
- Medication management will be increasingly important as this population ages and grows. Their use of multiple prescriptions and over-the-counter drugs places them at increased risk of misuse and adverse drug reactions.
- Vision and hearing loss or impairment are common among older adults (as high as 50 percent among those older than 85) and contribute to isolation, inactivity, and communication difficulties.
- “If US Census projections hold, Whites will account for 50.1 percent of the population in 2050. That will be significantly less than in 2000, when Census Bureau data put Whites at 69 percent of the overall population...the population among Whites will drop between 2040 and 2050 as aging Boomers start to die. The fastest increase is projected to be among Asians, whose population is expected to grow by 213 percent” and people of

The fastest growing segments of the elderly are the most vulnerable:

the very old,  
women,  
racial minorities and  
elders living alone.

Hispanic origin will increase by 188 percent. We will continue to be a diverse population.<sup>6</sup>

- The fastest growing segments of the elderly are the most vulnerable: the very old, women, racial minorities, and elders living alone. Those subgroups of the elderly experience psychosocial stressors that impact mental health: the highest rates of poverty, the poorest perceived health status, and the highest levels of impairment with regard to the activities of daily living. The impact of declining physical health, the dependency which results, and their loss of autonomy affect their mental health and places them at risk.<sup>7</sup> It is estimated that between 15 percent and 25 percent of people 65 and older suffer from mental illness or emotional stress.<sup>8</sup>
- “[The] current cohort of Boomers has already shown relatively high rates of depression, anxiety and substance abuse. These trends will probably accompany them into old age, resulting in a dramatic rise in overall prevalence of mental disorder among older adults.”<sup>9</sup> In the Dane County public mental health system older adult consumers are anticipated to increase from a current 800 to a possible 1,800 in coming years.
- Cognitive impairments such as Alzheimer’s and multi-infarct dementia are, and will continue to be, a crucial mental health concern. It is estimated that ten percent of people over age 65 may have some degree of cognitive impairment.
- NORCs (Naturally Occurring Retirement Communities) are cost-sharing programs with state funding that are matched by the housing unit and use services of a multidisciplinary team of professionals. That is an example of continuity of care that stresses and supports independence and increases access to a broad variety of health practitioners who support that independence. It is currently being studied in Dane County and will be examined carefully by professionals in our community for inclusiveness and cost-effectiveness.

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<sup>6</sup> Shweta Govindarajan, Cox News Service...Wisconsin State Journal, March 18, 2004

<sup>7</sup> Project 2015: The Future of Aging in New York

<sup>8</sup> Buchwalter, Smith and Caston, 1994 Mental and Social Health of the Rural Elderly. New York: Apresquer

<sup>9</sup> Gatz, 1995 Emerging Issues in Mental Health and Aging. Washington DC; American Psychological Association

- “Physical decline accompanying advanced age and an increased frequency of dementia and chronic illness of older persons with disabilities will have a significant impact in the health care system.”<sup>10</sup>
- Among the 40 to 59 year olds currently living in Dane County, more than 600 are developmentally disabled individuals. They will join the ranks of the old in the not-too-distant future.
- “One of the biggest effects on health care delivery will be the influx of seniors in the community. The 65 and older population is expected to increase ten percent by 2006.”<sup>11</sup>
- In the last six years, there has been a thirty percent DECREASE in the number of physicians who specialize in geriatrics. To some extent, this is due to the physicians’ own aging.<sup>12</sup>
- Major geriatric clinics in Dane County have closed in recent years.
- Often physicians are guilty of believing in the ugly stereotype that says all older people are alike in their diminished abilities.

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<sup>10</sup> Janicki, Heller, Seltzer and Hogg, 1996. Journal of Intellectual Disability Research (40) 374-382

<sup>11</sup> Lefert, St. Mary’s Hospital, March 2004

<sup>12</sup> National Public Radio, 3-22-04

## **R**ecommendations

- The county must use its influence through the County Executive's Office, the County Board, and the Human Services Department, and Aging programs to educate the pre-old and the old about issues that affect the health of our seniors.
- The philosophy of supporting older adults to enable them to remain independent in their own homes must be made widely known and supported into the future.
- The Area Agency on Aging office should facilitate creation of a brief (two-page) summary of aging services and important life practices, in appropriate languages, for dissemination to physicians' offices, and clinics that see older persons. This information could also be included with county property tax bills and through public libraries.
- Public service announcements on radio and television and/or billboards should be developed to educate the public about issues tied to health care, long-term care, and prevention.
- Aging, extension and hospice agencies should provide information on end-of-life issues including palliative care alternatives.
- The curriculum of K-12 in every school, public and private, in Dane County should include information on all aspects of growing older as a normal developmental stage, and the importance of adopting a healthy lifestyle.
- Urge school boards to increase funding for physical education programs since diseases associated with obesity and inactivity, like diabetes and cardiovascular disorders, are rapidly increasing.
- Public service announcements must be used, along with educational materials (perhaps, also in utility bills) to educate the public about the importance of using the Durable Power of Attorney for Health Care. This information should be distributed not only in English but other languages as well.

- The county must take the lead in developing resources and services for its older population.
- Work to create an aging and disability resource center (Family Care Center).
- Offer caregiver support and education groups in local communities where there currently are none.
- Formulate service priorities among health care workers, families, and funding sources, delineating individuals who will receive what kind of care...and how much they must pay.
- Establish the services of a fiscal agent to assist older adults to navigate caregiver employment. Perhaps a plan could be developed to recruit and train experienced adult volunteers/advocates to assist older people in the recruiting, interviewing, checking backgrounds, hiring, supervising, and paying a caregiver. Such a plan would need to be formally overseen to ensure program quality and support of the volunteers.
- Emphasize consideration of access to services for those non-English speaking people in our community.
- Provide leadership in developing low-cost assisted living resources by encouraging private developers to make them available at a reasonable cost (CDBG and Dane County Planning, Independent Living Inc.)
- Assist in the developing and funding of additional adult day care programs in the County.
- Look to the Elder Law Center, UW Law School, and UW School of Economics to provide leadership in developing primary and long-term care insurance for seniors, and to help to create a coalition to work on insurance issues. This could include working with employers to determine what the real level of insurance needs is in the County.
- Study the issue of affordable health care for new immigrants and other special groups.

- Develop a greater network of formal caregivers. To this end, MATC should reintroduce additional training classes for caregivers and Certified Nursing Assistants, partnering with the aging services community. Churches and service organizations could be involved in recruiting people interested in receiving training as part of their community outreach. All candidates should be screened in an approved, countywide method.
- Natural (family) caregivers should be provided with backup, perhaps from neighbors, other older adults, service clubs, the scouts, and high school students planning a career in health care or social services.
- Request the Area Agency on Aging to adopt a stand on long-term care insurance.
- Encourage the community to look into and advocate for determining the role of public health in accepting responsibility for the health and health education of the older community.
- Address the role of County Extension in the education of, and advocacy for, the County's older adults.
- Provide leadership to develop prevention programs that will help Dane County's older adults.
- A combined Dane County and City of Madison Public Health Department must offer and emphasize a prevention program for all age levels – including a formal program of education for older adults. Prevention should be directed toward the reduction of osteoporosis, diabetes, obesity, poor nutrition, mental health problems, lack of exercise, falls, etc.
- Assist all Boomers to adopt healthy exercise and nutrition habits.
- Target nutritional services to food-insecure elderly.
- Improve nutrition outreach to persons who are homebound and/or who eat alone.
- Develop educational classes, under the auspices of a local agency, to teach groups of older adults, and not-so-old adults how to take ownership of their health, how to talk to their health professional and to advocate for themselves. A good, but

inadequately funded example is Dane County Advocacy Network Education (D.A.N.E.); a group formed for seniors who wish to learn about officials in the legislature and how to approach them with issues concerning older adults.

- Initiate a program such as Joining Forces For Families for older adults; looking at seniors as an integral part of the family. This team approach could help them to remain in their own homes and could provide prevention and intervention. This would enhance the current Care Management system at 15 already-established focal points and could involve RSVP and parish nurses.
- Encourage the County and local aging programs to explore the possibility of developing an interfaith outreach program that provides monitoring for safety and other volunteer in-home assistance to seniors through their faith communities.
- Encourage Dane County to provide leadership through its lobbying program to influence the State regarding the lack of State support for basic programs to serve the increasing number of older adults. Older adults and Boomers must act as advocates, emphasizing the need for the State to provide needed financial resources.
- Medical and social services must be brought together in a flawless continuum of care.
- Medicare reimbursement rates should be adequate to provide competitive wages and benefits for long-term care, in-home, and health workers.
- Implement long-term care reform to turn around the funding bias that provides entitlement to nursing homes but fixed resources for community care.
- Increase state efforts to provide resources to the County to serve people with multiple needs such as those with mental health concerns or developmental disabilities and aging. Accessible Medicaid services such as dental and psychiatric care for elders should be made available.
- Increase funding for community-based programs such as Community Options Program (COP) and the Wisconsin

Partnership Program to enable more people to remain in the community rather than to enter a nursing home.

- Advocate for legislation that gives elder abuse professionals access to bank records as they work toward prosecution of people who financially abuse older adults. Current law does not allow such access.
- Assist Dane County to lead the way in developing and implementing technology to make possible reductions in costs of staff and services through optimal use of technology.
- Explore the use of items such as motion sensors, telephones with call buttons, and other in-home monitoring or call-for-help systems to help keep elders safely in their homes. Research “best practices” in other communities.
- Follow up these recommendations through the use of an enlarged number of persons providing input into the planning process and a more widely published county aging plan providing a true blueprint for both current and future aging services.
- Encourage Dane County to hire/assign someone to implement the health care recommendations presented in this report – or contract with a specialized agency to get additional input, explore service innovations, technologies, etc., for Dane County, and plan and implement a County-wide forum on the future needs of the aging community in Dane County. Seek funding from appropriate organizations such as Robert Wood Johnson or the Helen Bader Foundation to pay for this follow-up effort.
- Assure future planning to develop consensus methodologies as expanded input is received.
- Develop mechanisms to encourage the community to accept responsibility for support of the County efforts to provide adequate, affordable, and appropriate services for its older citizens.
- Expand the nursing degree program at MATC and Edgewood and shorten the waitlist substantially.



- Encourage MATC to recruit more students with an interest in gerontology into its two-year Human Service Program, perhaps working with high schools and youth groups as places of recruitment.
- Solicit ideas for agencies such as the Mental Health Center of Dane County to recruit geriatric psychiatrists for the UW Medical School.
- Expand mental health resources such as the Mobile Outreach to Seniors Team (MOST) to accommodate the increased need for mental health services, especially for low-income and non-English speaking older adults.
- Establish formal partnerships among parish nurses, public health nurses, senior centers and other agencies (if not currently in existence) to make referrals, provide education, and assist with prevention programs.
- Offer, periodically, a course in ethics – or discussion groups, to keep in the forefront the best and most ethical way to offer services to the most vulnerable population. (Edgewood, Madison Urban Ministry, UW, local hospitals, etc.)
- Continue evaluation of responsibility between the individual and the state. “Individual” is defined to include faith communities, service organizations, neighborhoods, and business. “State” is defined as all forms of government, including the smallest of municipalities.
- Assure access to all services, particularly for the most isolated and most vulnerable.
- Assure that people throughout Dane County will have access to user-friendly, reliable, accurate, and up-to-date health information.
- Encourage the medical community to shed generalizations about the population of older adults, believing that older adults are all alike; when in fact, the most-alike that we will ever be to one another, is the day we are born.

- Encourage the medical community to re-establish geriatric clinics and encourage medical and nursing students to enter the field of geriatrics.
- Advocate for an increase in funding, of at least ten percent, for Older Americans Act programs.
- Support programs to reduce obesity. Studies show that eating disorders can carry over into later life.
- Review, annually, the type of food and its nutritional content served at county nutrition sites and home-delivered meal programs.
- Establish a Monitoring Committee to meet periodically with the Area Agency on Aging Office, appropriate County Board committees, and the County Executive's Office to review the status of the recommendations.
- Include in the Dane County Aging Plan items from this Task Force report and make intensive efforts to acquire follow-up staff to include more individuals and organizations in developing the County's comprehensive aging plan.

# Public Safety

## Introduction

While Dane County is an unusually safe place in which to live, there are special concerns that law enforcement, elder abuse specialists, social workers, attorneys and other partners in the aging network have when it comes to protecting its oldest citizens.

Concerns about older drivers and about older pedestrian safety require attention to neighborhood safety as do all issues connected with elder abuse and neglect. The proposed Elder Justice Act of 2002 (SB2933) deserves attention. Many in the aging network are concerned about fraudulent acts directed toward vulnerable older adults and about the number of elderly people who are abusing their credit cards when gambling.

Community policing adds to already-good law enforcement departments – especially for older adults living in smaller communities around Dane County. But the increase in older adults coming in the next five to twenty years, points up the need to address the safety of those older persons loudly and directly in the face of the public in Dane County.

## Definition of Elder Abuse

1. **Physical abuse** is the willful infliction of physical pain, injury or unreasonable confinement. Included are sexual abuse and inappropriate medication use.
2. **Material abuse** or financial abuse is the misuse of an elder's money or property. Included are deception, the diversion of income, mismanagement of funds and taking money or possessions against a person's will.

3. **Neglect** consists of a “significant danger to an older person’s physical or mental health because the caregiver fails to provide adequate food, shelter, clothing or medical or dental care.”<sup>1</sup>
4. **Self-neglect** means “a significant danger to an elder person’s physical or mental health because the elder person is responsible for his or her own care but is unable to provide adequate food, shelter, clothing or medical or dental care.” Included is hoarding of goods.

Wisconsin’s elder abuse law recognizes the competency of all older adults (unless the individual is declared incompetent by a court of law) and their right to make their own decisions on how to solve their own problems.

Dane County’s elder abuse hotline is 608-224-3666.

## **K**ey Findings and Implications

- Boomers will be technologically skilled, comfortably skilled with computers, the Internet, and other related systems. They will be capable of doing their own research.
- Boomers will be willing to talk more openly about abuse, particularly sexual abuse. And they will be more open to new ideas, new research, and trends.
- Boomers will undoubtedly be less willing to take traditional roles, having little interest in being a crossing guard or acting as babysitters or caregivers. There is concern about finding people to take on these “safety net” roles.
- Because of the lack of competent legal advice available to address elder issues, older adults often receive bad advice.
- The community, as a whole, does not look at elder abuse as a serious problem; there has been diminished reverence for the wisdom and sanctity of elderly persons in our communities.



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<sup>1</sup>State of Wisconsin, Bureau of Aging and Long Term Care Resources, 608-266-2536

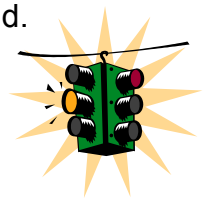
- Although the 911 system may be intimidating to some elderly persons, as Boomers move into retirement they will increasingly see the need to use it.
- Technology crime will be happening in ways we cannot yet predict, because technology is changing so rapidly. (Examples include: Internet scams, identity theft, and crimes using cell phone/cameras.)
- Technology will help to solve more crimes (digital cameras, DNA, etc.). However, because of the expense, the challenge will be to keep and fund the latest crime prevention and investigation technology.
- If Social Security should become dismantled, the economic health of the retired may be negatively affected by amount and type of crime that ensues.
- Financial abuse is currently where domestic abuse was twenty years ago. Those who can identify and prosecute financial abuse must increase their knowledge quickly enough to protect the abused person of the future. Often law enforcement buys into the attitude that says, "The adult child is simply taking money that would eventually be theirs anyway." There may be a greatly increased incidence of financial abuse in coming years.
- Financial abuse is seldom reported. Generally, there are no witnesses. Often, the older adult is too embarrassed to report this crime. They feel tremendous guilt and shame. When adult children have been receiving money or goods from their parents over many years, a difficulty arises to say at what point the acceptance of material help becomes a crime of greed and abuse. Additionally, adult children often see themselves as entitled to their parents' assets, particularly when they acted as a caregiver.
- The criminal justice system often fails to take an elderly person's claim seriously. Unfortunately, older adults can be intimidated by the system.
- It is predicted that Boomers will carry their staggering credit card debt into their older years.

- Boomers have less equity in their homes than any other generation.
- The Administration on Aging and the American Association of Motor Vehicle Administrators have introduced a campaign to educate people, especially drivers over the age of 65, to learn about the effects of aging on driving ability, to begin discussing the facts, and to make wise choices as they grow older. Their website is: [www.granddriver.info](http://www.granddriver.info)
- Physically abused older people are often hard to find because it is more socially acceptable for an older person to remain homebound or out of sight. Perhaps the Boomers will be more assertive as elders and more willing to report abuse, particularly if there is a safety net for them in the community.
- A serious issue is the question of who will take care of the older person whose abuser is incarcerated.
- Since divorce is no longer as stigmatized as in the past, dissolution of an abusive marriage may be a safer solution for an abused person than remaining married.
- A differentiation between an older person's right to self-determination and self-neglect is not simple. The dilemma is to decide when someone is no longer competent to make self-decisions.
- Among citizens of all ages there is a growing perception that communities are not as crime-free as in the past. Often older and more vulnerable people have higher levels of fear of crime; however, different types of crime may be reported, rather than an increase in crime.
- Half of the Boomer population living into their later years may be expected to suffer from some form of dementia. This may be exacerbated by earlier drug and alcohol abuse, or mismanagement of prescription drugs. The increase in life expectancy obviously has a role.
- More support will be necessary from families as the Boomer generation brings mental health and drug abuse problems into

<p>Self-regulation of drivers may fail when there are no appropriate local solutions.</p>
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the aging community. Family stress can cause issues of elder abuse.

- In the next ten to twenty years the number of older drivers will burgeon.
- “Older adults feel that driving is synonymous with independence and freedom...” But safe driving “is a matter of function and not age; however the incidence of chronic health-impaired driving increases as people age.” Dr. John C. Nelson, President of The American Medical Association, believes that we need to look at driving skills on a person-to-person basis.<sup>2</sup>
- Self-regulation of drivers may fail when there are no appropriate local solutions.
- There are several places in Dane County where older prisoners could be housed. If they were in the Oakhill Correctional Facility they could be returned to the local community, perhaps performing community services.
- Personal safety can be compromised by other factors like falling. Something as simple as a throw rug or a fast-moving cat underfoot or clutter in a walking space can cause a fall. “Age, gender, mental impairment, side effects from medication” or alcohol use can cause falls.<sup>3</sup> The fall that injures someone can mean the difference between living independently and moving into a life of dependency. Half of all hospitalizations for an injury are related to falls. Wisconsin reports the second highest rate of death from falls (666 deaths in 2001).<sup>4</sup>
- Old age is not an automatic indicator of diminished driving ability and skill. The testing of drivers should not have to do with AGE,<sup>5</sup> but instead, if they demonstrate FUNCTIONAL IMPAIRMENTS.<sup>5</sup> While it is sensible to test drivers as they grow older, that should include the testing of all drivers, particularly the young and old.
- Our roads were not designed with older adults in mind. We need larger, brighter signs, better road markers and



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<sup>2</sup> Senior Driver Safety, 2004 Priority Issues, West Madison Senior Coalition

<sup>3</sup> Michael Reineck, MD, Wisconsin Medical Society, 2004

<sup>4</sup> Center For Disease Control Injury Mortality Data, 2001

<sup>5</sup> Audrey Straight, AARP, Washington DC teleconference, 2003

reflectors to be used to increase day and night driving ability, installed both by Dane County and smaller municipalities. (Stoughton has begun a program of signage replacement to assist older drivers in their community.)

## **R**ecommendations

- Encourage Federal Legislators to include in the proposed Elder Justice Act, legislation allowing elder abuse social workers access to a victim's financial records to facilitate prosecution of abusers.
- Provide the Area Agency on Aging with sufficient funds to create job openings for four elder abuse specialists in the coming years. One specialist is needed NOW.
- Advocate for Dane County to add additional staff to the Elder Abuse Victim Advocate Program to protect victims through the court system, by mentoring, counseling and handholding as necessary throughout the process.
- Join the Area Agency on Aging and Dane County in promoting, supporting, and funding the Joint Coordinating Council on Elder Abuse and Neglect. The group is made up of representatives from the Area Agency, law enforcement, care managers, City of Madison, and other agencies that deal with victims and the violence committed on them. It is the best group to head up the prevention education effort.
- Encourage local agencies to educate the soon-to-be-old about scams that may target them in coming years, for example, the Canadian lottery.
- Amend the law to require that physicians report any suspicious injuries (not just gunshots and stab wounds), observed in older adult patients.
- Encourage health care professionals to make use of their trusting relationships so patients will self-report abuse.
- Support the aging network to address service gaps, which include voluntary, confidential financial management services for older adults.



- Encourage the aging network to lobby for an informed group of service providers who are willing to work with abusers of older family members, additional intensive Care Management, substance abuse counseling, and mental health services.
- Encourage the Area Agency on Aging to host/house the Benefit Specialists, currently a part of the Coalition of Wisconsin Aging Groups.
- Assert that Dane County lobby at the State level for tight regulation of small group homes. (There are 65 Community-Based Residential Facilities and group homes in Dane County.)
- Encourage the State Bureau on Aging and Long Term Support to require staff training in emergency protocol for Certified Nursing Assistants.
- Lobby for the portability of Power of Attorney for Health Care (AB554).
- Train older adults as advocates for the safety of others.
- Assist the court system to appoint more guardian ad litem for older people who need protection and help with finances.
- Educate people who sign Power of Attorney documents to add a paragraph saying that “the interest and needs of the person who is being cared for will always rise above that of the caregiver.”
- Suggest that courts use restitution monies from selected crimes against older persons to fund elder abuse staff and an elder abuse attorney in the County Prosecutor’s Office.
- Seek federal start up funds to support a cooperative unit for elder abuse police work, joining forces among law enforcement, the County’s elder abuse unit, and other agencies. Among their goals would be to protect evidence and prosecute criminals.
- Develop educational partnering of business, higher education, school districts, the medical community, and others in the area of abuse prevention.
- Include in prevention programs education about such topics as wills, financial security, and use of credit cards. (An interesting

and graphic video titled “Traveling Alone in America” is available for viewing from R.S.V.P 608-238-7787)

- Coordinate Register of Deeds, Probate Court, attorneys, and police to find abuse of land transfer, etc. If a bigger fee were attached to land transfers, people could be trained to watch for red flags in the land transfer transactions.
- Encourage media attention to perpetrators, once they are found guilty, to foster deterrence in others. “Shaming is not all bad.”
- Encourage law enforcement to advertise ways, other than 911, to report suspected crime.
- Educate the public about “Reverse 911” which uses mass phone calls and e-mailings to alert people in a given area about emergencies or scams. There are plans for putting this “reverse 911” in operation in the near future.
- Expand elder abuse as a category of crime and develop community standards for helping older victims of abuse, then follow with education of the public and Dane County professionals. Recognize “everyone’s desire to be needed, wanted and appreciated no matter their age or station in life.”<sup>6</sup>
- Develop specific rules and standards for older adult guardians and Powers of Attorney. Make certain that both older adults understand expectations of the courts and the persons appointed to guide/guard their finances.
  - They must also understand the authority of the legal documents and procedures.
- Lobby the State and the Legislature to expand the Ombudsman Program that guards the rights and safety of institutionalized persons. The State may wish to establish a volunteer Ombudsman Program utilizing law students.
- Implement a Court Watch Program for which volunteers are trained to watch court proceedings and keep statistics on the outcomes of cases involving older adults.

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<sup>6</sup> Public Safety Workgroup

- Study the viability of a tool developed by the Marshfield Clinic and the American Medical Association to use in making assessments regarding a person's ability to drive.
- Encourage study of that tool for possible use in our own County.
- Encourage physicians to take greater responsibility for assessing a person's ability to be a competent, safe driver.
- Increase the availability of rides for older adults who can no longer drive.
- The Benefit Specialist Program must be both maintained and enhanced over the coming years.
- Support and enhance Community Policing in municipalities throughout the County.
- Actively monitor deinstitutionalized older adults who live in assisted living or family group homes.
- Encourage Dane County to continue to review feasibility of participation in Family Care to assure the safety and oversight of older adults.
- Offer public safety education, including warnings about all forms of abuse, driving safety, walking safety and other programs, to elders through web sites and other interactive Internet media.
- Explore the possible use of the "Toolkit" developed by the State of Michigan and Michigan's Office of Services to the Aging to help communities and older driver advocates assess how friendly communities are toward older drivers. It can be used to understand key traffic engineering standards, assess roadways, and identify resources for pursuing older driver traffic safety issues. The "Toolkit" is available on the Internet at: [www.semcoq.org/regplan/elderlyissues](http://www.semcoq.org/regplan/elderlyissues).
- Encourage older, more vulnerable elders to moderate their perceptions of community safety with facts, not media sensationalism.
- Suggest that communities request older adults to take part as volunteers in neighborhood watch programs.

- Request elder abuse trainers to educate bankers and other professional workers in the world of finance about how to help their clients protect themselves financially.
- Advocate on a state level to install tighter regulation of assisted living facilities to assure the physical and financial safety of their residents.
- Request churches to widen their interest in the older adult and their safety to the entire community since they may be one of the strongest members of the social infrastructure in a community.
- Encourage every municipality to update emergency plans on an annual basis.
- Encourage the Area Agency on Aging to be a leader in the lobbying for seatbelts on any bus that transports older adults.
- Establish prevention programs that address fire safety in every community, including fire safety in public buildings, senior centers, family group homes, adult day programs and private homes.
- Have every agency and community address the serious issue of falls since incidents of older adults falling are accurate predictors of their longevity.
- Encourage older citizens to take advantage of a “falls assessment” offered through senior centers and coalitions around the County.
- Educate adult children to watch the older persons in their lives for warning signs predicting a fall: trouble getting out of a car or a chair, the use of a walker, dependence on walls or furniture to get around their home, the presence of throw rugs, dizziness upon rising, and/or the use of alcohol.
- Promote Dane County, perhaps in conjunction with surrounding counties to establish a group home for older women victims of abuse who may have difficulty being placed in a shelter where there are young children.

NOTE: Additional recommendations are in the Transportation section.

# Transportation

## Introduction

Across the world, the car symbolizes success and independence. The United States is an automobile-dependent culture, and travel by automobile is the preferred method of transportation for young and old alike. (The United States is the world's largest emitter of carbon monoxide.) Declining numbers of retail establishments in smaller communities exacerbated by the convenience of "big box" shopping necessitates traveling to larger communities for both goods and services. (Services for older adults can include health and dental care.) Thus, reliance on automobile travel is increasing in rural and small town areas and will be more visible in the older population, which will double by 2020. That population growth will affect Dane County profoundly, not only because the older population will keep steadily rising each year, but also because the attitudes, needs and habits of the older adult will change along with the population increase.

Even if mobility ... slows with age, it remains an essential characteristic of being alive ... The desire to be mobile does not disappear with age...."

Generations, Summer, 2003

"To speak of mobility and older people is to speak of mobility and all people. When we are free to come and go as our basic needs require – to gather food, to work and to play – we are happy.

"Mobility is as fundamental as the difference between plants and animals, the two kingdoms of the world. Mobility defines us. Withdrawal of mobility is the classic punishment. Even if mobility...slows with age, it remains an essential characteristic of being alive.... The desire to be mobile does not disappear with age..."<sup>1</sup>

The evolution of segregated-use zoning (which includes areas specifically zoned for commercial use, other areas for retail, and yet other areas for residential) has made it more popular for land use and

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<sup>1</sup>Generations, Summer, 2003 p.68

municipal planners. However, this results in greater distances between residential and retail areas. Additionally, the trend is for owners of community based residential facilities (CBRFs) to plop them down, willy-nilly in communities with not much thought for the transportation needs of their residents. The CBRFs are often built on the edges of town where land is available for less cost.

Older adults must retain connections with their community, and that requires community mobility.<sup>2</sup>

A discussion of aging Boomers' future transportation needs must include discussions centered on automobile transportation, public transportation and alternative transportation. Further, that discussion must also reflect the differences between urban and rural needs.

Note: Most issues involving driver safety and licensing are addressed in the section of this Task Force Report under Public Safety.

## **K**ey Findings

Boomers view transportation as a necessity in a different fashion than did their parents and grandparents. Boomers tend to walk less, drive more, and live longer than previous generations. They are accustomed to engaging in more activities away from their home and community. The local neighborhood is no longer considered the center of activity.

The increase in use and need for transportation results from three major factors:

1. Major population growth.
2. People living longer, which in turn intensifies population growth.
3. Higher use and demand for transportation in general.  
The increase in miles older adults drive is estimated to translate to an increase of approximately 465 percent more miles for males and a 500 percent increase in miles driven by females between 1990 and 2020.<sup>3</sup>

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<sup>2</sup> Audrey Straight, AARP, Washington, DC, teleconference

<sup>3</sup> Executive Summary of a report funded by the National Highway Traffic Safety Administration

If 800,000 people in the United States have to give up driving every year, one can imagine the numbers of non-driving people as the Boomers age into their later years. They are the people who will need transportation services.

Older adults generally are quite active and healthy. The majority of those aged 65 to 85 and almost half of those 85 and over do not report any limitations on their abilities to perform basic activities of daily living. Many older drivers, however, do report increasing difficulty when driving, especially when driving at night. Performance of visual, cognitive, and motor tasks does decline, on an average, with age. Losses in visual abilities are more pronounced in poor viewing conditions (at night, at dusk, or in fog or rain). The speed of decision-making slows with age, particularly when the person is confronted with a complex problem. These declines in performance reduce driving skills, especially under poor driving conditions.<sup>4</sup>

Because of safety concerns and decreased driving abilities of many older adults, conservative estimates are that men stop driving six years before their deaths and women, about eleven years. During the time gap between inability to drive and death, lives of older adults continue, as do their transportation needs. The majority of older adults continue to be active and productive. Without transportation, most are unable to continue their usual lives or to remain involved in their community. Their quality of life is dramatically compromised. Many are forced to accept the isolation and disassociation from the community because they have no other option.

States should continue to require periodic in-person license renewal for all drivers. A four-year cycle is the most common period for renewal and should be continued until evaluation research indicates that a longer or shorter period between renewals is warranted.

Affordable and accessible transportation is a significant factor in avoiding social isolation, a decline in health, and the loss of an individual's participation in community life.

Based on census information from the Dane County Regional Planning Commission, currently (2003) there are approximately 29,500 adults over the age of 70 in Dane County. That includes 11,000 over the age

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<sup>4</sup> Transportation in an Aging Society, Improving Mobility and Safety for Older Persons Volume 1, Special Report 218, Transportation Research Board 1988, Pages 72, 89

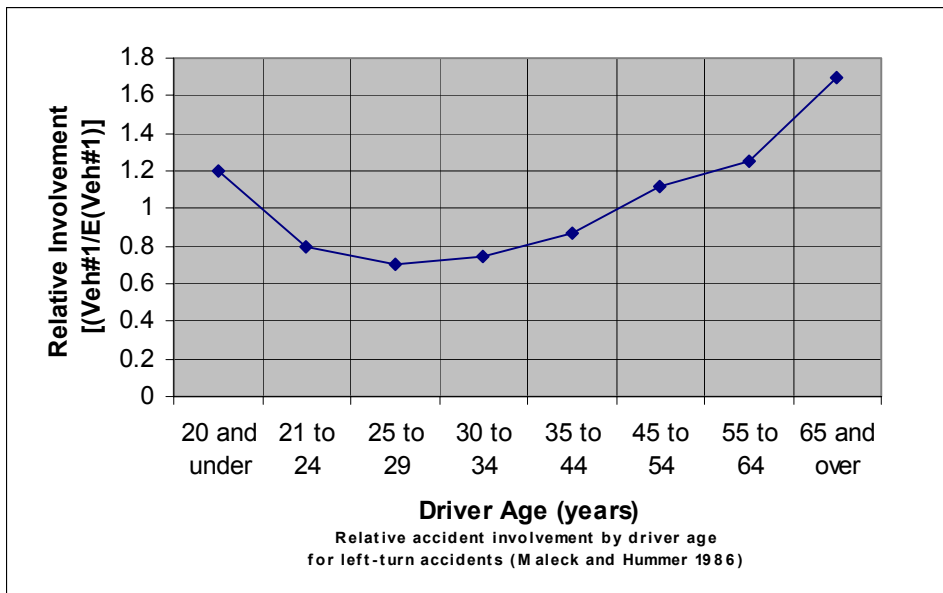
of 80. They would be the first target group to require alternative transportation on a regular basis. If an additional 20 percent is considered for the estimated increase, approximately 35,000 folks will need transportation in coming years.

To help communities develop a strategic plan to increase the proportion of older adults who walk and bike safely, the Partnership for Prevention developed “Creating Communities for Active Aging.” To order this guideline see footnote.<sup>5</sup>

Often, using the strengths of drivers to overcome their weaknesses can allow older adults to practice skills, correct bad driving habits, and help to build confidence. Actual devices to modify a car to compensate for changes and needs can be developed based on individual need.

More than 80 percent of trips by all persons 65 and over are currently made in automobiles and reliance on the private vehicle is growing.

Driver-licensing programs have a limited capability to screen out drivers



who are at a higher risk of accident involvement. State licensing

<sup>5</sup>To order or download this guide, visit [http://www.prevent.org/publications/Active\\_Aging.pdf](http://www.prevent.org/publications/Active_Aging.pdf) or call Partnership at 202-833-0009 ext 3 or order from the National Highway Transportation Safety Administration’s catalog by visiting their website at: <http://www.nhtsa.dot.gov/people/outreach/media/catalog/Index.cfm> and entering item # 6P0169.



procedures have long relied on specific points to demarcate the age at which a person can become a driver but not the age at which a person is too old to drive.<sup>4</sup>

- **Madison Metro**

Madison Metro's fixed-route service requires older adults to be at designated bus stops at designated times.



Many bus stops do not have shelters with proper cover or seating.

There are no emergency call stations, and many older adults do not have cell phones.

Lighting at night is not adequate for safety.

Many older adults will not have ridden the bus before and will not be comfortable trying it alone.

There are limits on how far the Metro bus will travel outside of Madison.

- **Metro Para Transit**

Metro Para transit door-to-door service is limited to within  $\frac{3}{4}$  of a mile on each side of a regular fixed metro route and is provided during the same hours as the regular route.

Older adults using this service must meet eligibility standards to qualify. Many elderly people who need the service do not meet the current requirements. Those unable to walk to a fixed-point bus stop should be allowed to use para transit services.

This service does not cover all of Dane County.

The Monona Lift has hourly and destination limitations.

- **Senior Group Access Service (GAS)**

GAS provides scheduled weekday group trips to adult daycare, nutrition sites, shopping, and other on-the-way drop-off destinations.

Their service area and the number of people for which they can provide rides are very limited.

No rides are offered to medical destinations.

- **Rural Senior Group Transportation Program**

Rural transportation provides scheduled weekday group trips to adult daycare, nutrition sites, shopping, and other on-the-way drop-off destinations. The program has a limited service area and can only provide rides in limited-sized vans.

No rides are offered to medical destinations.

- **Retired Senior and Volunteer Program (RSVP) Driver Escort Program**

This is an all-volunteer program of driver escorts, made up of, mainly, retired persons from Dane County. Volunteer drivers are reimbursed on a per-mile basis. There is, currently, far more demand for service than the volunteer pool can serve. Also, it is currently limited to medical appointments only.

- **Other findings**

Low-income riders who qualify for Medicaid have options to receive transportation to medical appointments, food pantries, and other case-related services.

Older adults will expect friendly, flexible drivers and safe transportation options. They will also expect training on how to use those options.

Drivers over 65 are involved in a disproportionate number of fatal crashes in which they fail to yield the right of way.

Drivers 65 and over are the least likely to be charged with driving recklessly or too fast, or to be reported drinking and driving.

## **R**ecommendations

Develop comprehensive policies to improve mobility and safety of older persons.

Improve license renewal procedures and vision-screening standards.

Expect the Area Agency on Aging to continue to hold the philosophy that a fee-for-service is the preferable way to offer transportation services.

Encourage both middle-aged and older adults to plan with their families, neighbors and friends for their future transportation needs and to research, before moving to a new location, transportation available for older adults who do not drive.

Insist that transportation services be included for residents before municipalities approve future developments, particularly Community Based Residential Facilities.

- **Madison Metro Fixed Route Service**

Encourage building and maintaining of bus stops with proper shelters, covers, lighting, and seating by sponsoring community and/or business groups. A uniform plaque would recognize the sponsor, as with the roadside maintenance campaign.

Encourage community sponsors to fund initial costs for emergency call stations and the city or county or utilities to maintain them.

Recruit volunteers to ride with an older person for their first bus ride and suggest free rides for first-time riders accompanied by a volunteer.

Extend geographic limits of the Metro bus system.

Provide a county version of the Madison Metro System for pick up and drop offs at scheduled times in each Dane County community for transportation to Madison.

Encourage shared-ride taxi service that allows door-to-door pick up at a reduced rate. Explore grants available to help offset costs

involved with operating a shared-ride taxi service. Assist communities in researching and obtaining this funding. (Currently Sun Prairie, Stoughton, and Marshall contract with private providers for shared-ride taxi service.)

NOTE: The federal/state funding available covers approximately 66 percent of costs. Communities may apply for Dane County Community Development Block Grant funding to cover, up to two years, the remaining costs not covered by fare box revenue.

- **Metro Para transit Service**

Incorporate this door-to-door service to include more locations in Madison, not just ¾ mile of a bus route.

Adjust eligibility requirements to meet the realistic limits and needs of the elderly.

Encourage shared-ride taxi service that allows door-to-door pickup using available funding sources.

- **Senior Group Access Service (GAS)**

Increase the service area and number of people allowed to be served.

Honor the request of older adult Hmong in Madison to transport them from the East side to the West side so they can meet with relatives and friends.

Review the policy that disqualifies elderly people who need transportation to and from Assisted Living facilities.

- **Retired and Senior Volunteer Program**

Suggest that the aging network assist RSVP in recruiting additional volunteers, including younger volunteers, especially from faith communities, neighborhood associations, and business and industry.

Assist RSVP in raising money to help offset administrative costs related to recruiting, training, and coordinating volunteers.

Advocate for additional reimbursement monies to increase RSVP rides.

Expand RSVP services to include non-medical rides and weekend transportation services.

Create a centralized source of information (clearinghouse) for transportation options.

Plan senior housing developments in areas with good transportation options and services such as shopping and medical clinics within walking distance.

Request Dane County to review zoning and transportation resources requirements for new retirement and assisted living development and to set guidelines requiring transportation alternatives to be addressed in any development plan prior to building and zoning approval.

Examine possibilities and need for RSVP and senior centers to acquire vehicles for transportation. (Note: Federal/state funding is available to nonprofit agencies to purchase vehicles for specialized transportation. Funding covers 80 percent of the costs.)

Explore the feasibility of using ElderCare's federal/state funded vehicles at night and on weekends when ElderCare is not using them. Investigate whether other agencies have unused vehicles that have been acquired with federal/state funds.

- **Other Recommendations**

Advocate for City-County partnering with public and private sector transportation.

Require seat belts on any bus used by older adults.

Encourage County Board Supervisors and local municipal officials to meet with their constituents asking what kind of transportation they need, where they need to go and when. Join forces with RSVP, local senior centers and others who could be part of the solution.

Advocate that highway and road design, traffic signs, crosswalks, and length of crosswalk lights be adjusted to meet the needs and

abilities of older people, either walking or driving. [The Federal Highway Administration (FHWA) has developed Older Driver Highway Design Guidelines. Pedestrian facilities include turn/refuge islands, in-pavement lighting on crosswalks, and audible signals at crosswalks.]

Offer occupational therapy-type evaluations and interventions to help older adults adjust to their diminished functional driving abilities.

Encourage legislation that reduces insurance premiums for older drivers who successfully complete skill building classes such as AARP's 55 Alive Driver training program.