

# **AN EARTH- SHATTERING KA-BOOM:**

**The generation that changed everything  
it touched — including old age.**

**SPECIAL SERIES eBook 1: BABY BOOMERS**



GETTY IMAGES

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## GOVERNING

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1100 CONNECTICUT AVE. N.W., SUITE 1300,  
WASHINGTON, D.C. 20036  
916.932.1300 PHONE | 916.932.1470 FAX

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# Changes: About Governing Generations

Pretty soon now you're gonna get a little older  
Time may change me  
But I can't trace time.

—David Bowie, *Changes*, 1971

By Zach Patton

**A**merica is getting older. Fast. Baby boomers—the 76 million people born between 1946 and 1964—are rapidly hitting retirement age. The oldest boomers turned 65 in 2011, and for the next two decades, Americans will hit that age at a rate of 8,000 a day. By the time you finish reading this paragraph, another five boomers will have reached 65.

That massive transition marks an unprecedented demographic upheaval—and a historic challenge for government. Much of the discussion about the so-called silver tsunami involves the impending pressures on federal entitlement programs, including Social Security and Medicare. But the wave of aging Americans poses sweeping challenges to states and localities as well.

*Governing* set out to analyze and examine the impact of this generational shift through a series of in-depth stories in the magazine and online. Over the course of several months, we have explored the ways in which our aging population will change our communities and our country.

The design of our cities will change. Gone are the days of packing up and retiring to sprawling golf resorts in Florida or Arizona. Older people increasingly say they want to age in place, or relocate to

urban centers where culture, health care and transit are more readily accessible. Retiring boomers will dramatically alter the landscape of America's big cities—from the design and layout of individual homes to the look and feel of the cities themselves. How we move through those cities will also change, as transit services become more integral. The shifting politics of an older nation will also hasten change.

The impact on health care, of course, will be monumental. It already is. As the country grows older, the health-care system will face unprecedented pressures. Many of those challenges—how to address funding inefficiencies, how to shift the models of care—will be left to the states, cities and counties. Some innovations, including managed care, data-mining and telemedicine, show promise. But the health-care challenges remain hugely daunting.

Underlying all of this is the issue of poverty. For decades, it's been the case that older Americans were generally well off financially. After a lifelong career, they'd amassed a decent nest egg and could retire comfortably. That's no longer true. Many baby boomers saw their savings decimated by the Great Recession, just as they were on the cusp of retiring. That means more boomers are planning to work later in life, and it means a growing number of our nation's seniors will be unable to make ends meet. **G**

November 2013



# Talkin' 'bout My Generation

What makes the boomers  
the boomers?

In 1946, less than a year after World War II ended, Americans began to notice something unexpected: The economy was not sinking back into the Great Depression. Rather, to everyone's surprise, it was growing strongly. And then people noticed something else: lots of babies. Married couples who had put off having kids in the 1930s and during the war were now eager to start a family. Birth rates surged. The nation was ready to grow. "The Great American Boom is on," announced *Fortune* magazine that summer.

By the early 1950s, everyone was talking about this "baby boom." When would it end? Not soon, it turned out. Increasing productivity and rising wages for young workers—along with new social infrastructure such as suburbs and the interstate system—kept families growing for another decade and a half. By the mid-1960s, the live-for-today counterculture finally extinguished the urge to marry early and have lots of kids, and the birth rate fell. But by then, America had already experienced a seismic demographic shift unlike anything in its history. Baby boomers, defined by the Census Bureau as everyone born from 1946 to 1964, had arrived.

The oldest boomers began entering America's college campuses in the mid-1960s, helping to ignite countercultural passions and push the nation into an era of political idealism, cultural

BARREY LINK

By Neil Howe

awakening and social upheaval. In the years that followed—from LBJ to Reagan, from hippie to yuppie—boomers shook the windows and rattled the walls (to paraphrase Bob Dylan) of everything their parents had built. In so doing, this generation began to manifest so many of the collective attitudes and behaviors for which they have since become famous: their individualism, their attraction to personal risk, their distrust of big institutions, their carelessness about material wealth, their cultivation of self, their die-hard moralism.

Now the baby boomers are starting to get old. The first boomer born in 1946 turned 65 last year; the last will reach age 65 in 2029. By then, the total population of Americans over 65 will swell from 41 million to 70 million, a 75 percent increase. In many states, the increase will be even more extreme. For most of the next two decades, the senior population will be growing at well over 3 percent per year. That's far faster than total U.S. population growth, and faster than real gross domestic product (GDP) growth (in recent years, anyway). In 2010, seniors accounted for 13 percent of the population; in 2029, they'll account for 19 percent. One in five people you see walking down the street will be over 65.

And the elderly themselves will be getting older. Thanks to the tremendous advances in medicine over the past half century, the boomer wave isn't just about the post-65 crowd. Between 2020 and 2039, boomers will expand the 75-and-over population by 93 percent. Between 2030 and 2049, the number of Americans 85 and over will climb by 113 percent. Come midcentury, people over 65 will outnumber those age 15 and younger.

The consequences of this quantitative population shift are dramatic and sweeping. First and foremost, of course, health-care consumption will skyrocket, along with massive spending increases in federal entitlement programs like Social Security and Medicare. As retirement-age boomers begin to move out of the workforce, there will be a depressing effect on employment, production, revenues and GDP. Consumption rates will increase, while savings rates will fall. Public capital investments in areas such as training, education and work-related infrastructure will likely decline.

But the real story of America's aging population goes far beyond the numbers. There are huge forthcoming shifts in the attitudes and behaviors of seniors. The generation that's about to retire will have vastly different wants, needs, likes and dislikes from previous waves of retirees. To understand the real impact that this demographic change will have—to prepare for this unprecedented shift in population—one must examine what it is that makes this particular generational cohort unique from all others. It's time to get to know the boomers.

**T**here's a persistent myth that baby boomers have a lot of wealth. They don't. Even before the Great Recession, boomers weren't very well positioned for retirement. In 2007, just before the housing bubble burst, older households (between 55 and 64) had a median net worth of \$266,000, according to data from the Federal Reserve. As David Callahan, an author on wealth and a senior fellow at the liberal Demos policy organization, wrote in June, "That figure included everything—home equity, savings, 401(k)s, etc.—and is hardly the kind of money people need to get through their golden years. By 2010, though, the nest eggs of Americans approaching retirement had shrunk dramatically, falling to \$179,400—a 33 percent drop."

Thanks to a host of factors—including a declining focus on socking money away, the high costs of funding their kids' college educations and paying for their own aging parents' care—a large portion of boomers have found their savings wiped out. A Harris Interactive poll last year found 25 percent of boomers don't have any money saved for retirement, and 26 percent have no personal savings at all.

Today's elderly, especially "Silent Generation" retirees currently in their 70s, are fairly well off. Indeed, relative to younger households, present-day retirees are more financially comfortable than at any time in history. This is a generation that, for the most part, played by the rules and saved scrupulously. They were able to retire on generous defined-benefit pension plans and got to cash out their home and retirement assets before the 2008 crash. Federal data released earlier this year show that, for the first time ever, households headed by people age 75 and over have a higher median net worth than any younger age bracket.

Yet this elder affluence is destined to fade fast as successive waves of boomers turn 65. There will be a pronounced, predictable shift in retirees' overall socioeconomic situation, including a decline in educational attainment and the share with college degrees, a decline in the professional share, a decline in household net worth and pension assets, and a relative decline in pre-retirement income. As a result, these new elders will be in gradually greater risk of ending up in poverty or on the brink of it. That means a rising challenge for public officials concerned for "young elders" without income, food, personal care or health insurance.

At the same time that the living standards for the median elder will be on the decline, the inequality of living standards will be on the rise. As economists Mary Elizabeth Hughes and Angela M. O'Rand explain in *The Lives and Times of the Baby Boomers*, this generation (especially the late-wavers) was hit hard in the 1960s and '70s by rising divorce rates, surging immigration and a widening gap between college and non-college wages. The

**By 2030, 10 states will have more Medicare-eligible seniors than they have school-age children.**

—AARP

combined effect was to increase the distance between the haves and have-nots. Other authors, such as Myron Magnet or Charles Murray (in his recent book, *Coming Apart*), stress a different reason for the rising “spread” in boomer outcomes: the greater lifestyle freedoms young boomers enjoyed, including the freedom to not go to school, get a job, get married or plan for the future. They argue this freedom has adversely impacted America’s working class more than its elite.

Whatever its causes, this rising inequality will reshape the material look and feel of the new elder lifestyle. High-end vacations and luxe retirement goods may still find a niche market. But staunchly middle-class retirement options likely will disappear. Boomers invented “the hourglass economy,” according to business writer Michael Silverstein, which is characterized by “death in the middle” for the merely average, as opposed to the premium or discount. Even if they can afford it, most boomers are repelled by the idea of a middle-class brand. In the homes of tomorrow’s Old Aquarians, you’ll find more things from Restoration Hardware or the Dollar Store, and fewer items from anywhere in between.

Ethnic and racial diversity will also be on the rise. If today’s Silent Generation of elders seems culturally homogeneous, there’s good reason: Due to their spot in history as children of the Great Depression and young adults of the 1950s, the Silent Generation has turned out to be the least-immigrant generation per capita in American history. Boomers will not follow suit. The Hart-Celler Act of 1965 greatly widened the legal window for newcomers, and many other boomers climbed through windows that weren’t exactly in the law—making boomers a generation of rising immigration from first to last cohort. Between now and 2030, the Hispanic share of Americans ages 65 to 84 will jump from 7 to 12 percent; the Asian share, from 3 to 6 percent; and the African-American share, from 9 to 11 percent.

Boomers aren’t as diverse as the younger generations—Generation Xers and millennials—that follow them. But in languages, cuisines, religions and customs, boomers will be a markedly more diverse generation of retirees than the last.

**W**hat does all this mean for retiring boomers? How will they differ from the generations that preceded them?

For starters, boomers will redefine the whole idea of retirement. As the “G.I. Generation” (born between 1901 and 1924) began to retire in the mid-1960s, they pulled the retirement age down dramatically. Back in 1960, one-third of all males over age 65 were employed. By the mid-1980s, thanks to Social Security, Medicare and the spread of private retirement plans, only 15 percent were employed. The retirement age has essentially remained unchanged since then, but boomers are starting to push it up again. The median age of retirement on Social Security, after lingering around 63 for many years, recently ticked up to 64. And the number of Americans in their late 60s who are still working has skyrocketed. In fact, the Great Recession has hardly touched the employment of seniors. Since 2007, the number of jobs held by Americans over 60 has risen by 3 million—while declining by more than 5 million for everyone 60 or younger.

It’s not hard to explain why more seniors are working, and why the number will accelerate even faster as more boomers rush past 65: economic necessity. According to AARP, “current financial need” is by far the single biggest reason older workers cite for working past the normal retirement age. What’s more, this is no surprise to most boomers, who have known for a long time that they would have to retire later. Between 1996 and 2006, according to the Employee Benefit Research Institute, the share of workers

ages 45 to 54 who expected to retire at some point beyond age 65 rose from 13 to 31 percent. Since the financial meltdown, the numbers have simply tilted further. In 2012, 43 percent expect to retire after 65.

But money isn’t the whole story. Even among aging Americans who can afford to retire, many will choose to keep working. For a lot of successful boomers, retirement sounds like death. They’ll choose to

**At 17 percent, Florida has the nation’s highest number of people over 65 as a share of its population. By 2029, the share in every state will be higher.**

—AARP

stay engaged in productive activity even if they don’t need the money. One out of five boomers, according to AARP, insist that they work mainly for “psychological or social fulfillment.” Millions of boomers are following the model of Bill Clinton or Bill Gates and starting a post-retirement “encore career,” using their skills in the service of some higher cause—education, health, the environment, social welfare—for little or no pay. *New York Times* columnist Nicholas Kristof calls this a “give-back revolution” and hopes that if enough boomers find a meaningful calling late in life, “they may just be remembered more for what they did in their 60s than for what they did in the Sixties.”

The bottom line is that over-65 households in the next few decades are much more likely to be working households than their counterparts 10 or 20 years ago. That will be helped along by the increasing popularity of free-agent and part-time working arrangements, as well as broadband and other technological improvements that

# As of 2010, one-third of boomers were either **divorced, separated or had never been married.**

—Bowling Green State University analysis of Census data

make it easier and more acceptable for the multitude of boomer “cultural creatives” to work from home.

Boomers whose jobs don't allow them to work remotely or part-time—and those with disabilities that prevent them from continuing to work—will be at a disadvantage. Unfortunately, many of those people are already low-income earners. In recent years, boomers (mostly those without college degrees) have been “retiring” on disability insurance (DI) before age 65 at a 50 percent higher rate than the Silent Generation did back around 1990. Few DI recipients ever work again or regain any sort of income security. The disability boom among boomers (DI cash benefits have grown nearly as fast as Medicare over the last decade), accompanied by surging employment by nondisabled boomers approaching age 65, further reinforces the widely divergent outcomes within this new generation of elders.

All told, retirement for boomers won't look anything like what it's been for the past several decades. For most, retirement will be delayed and gainful employment will become the new normal. And if the weak job market lingers for younger Americans, fat senior wages could trigger broader policy changes. Gen Xers and millennials may complain that boomers' refusal to retire is making it impossible for them to advance in their careers. It was just that kind of argument that helped secure passage of the original Social Security Act of 1935—intended to clear out the deadwood and, in the words of New York Sen. Robert Wagner, the original sponsor of the bill, to “make new places for the strong and eager.”

**T**hirty or 40 years ago, there were stark, clear differences in generational likes and dislikes. Youthful boomers invented the generation gap and the notion that you shouldn't trust anyone over 30. Boomers actively, purposefully chose to have nothing in common with their parents. Not so today. Pop culture now is much more universal. Boomers and their kids swap book recommendations and trade emails about last night's “American Idol.” They post Facebook updates about the same celebrity breakups, and they see the same movies. Their iPod playlists overlap. The generation gap has been erased.

Beyond pop culture, a growing closeness between boomers and their young adult children reflects a major shift in family dynam-

ics. One example: Millennials are much more comfortable gravitating back home. In 1980, 11 percent of 24- to 34-year-olds lived with their parents. In 2010, 22 percent did. Part of that certainly has to do with the weak job market, but it's also indicative of the complete closure of the values gap. Boomers and their children maintain much closer financial relationships than boomers did with their own parents. Boomers are still helping their kids find jobs, cosign mortgages or car loans, pay for family vacations, and care for grandchildren. Grown kids, meanwhile, are helping their boomer parents with chores, shopping and other errands.

Those stronger family connections will continue to play out as boomers get older. When the G.I. Generation retired, many of them packed up their bags, sold their homes and moved to retirement communities in sunny climes far away from their adult children. Most boomers won't want that—partly because of the desire to be near their kids, and partly because, again, many boomers will continue working well past retirement age. The new elders are much more likely to choose to age in place, in the house where they already live, than to decamp to an existing retirement village. The boomer buzzword for this phenomenon will be NORC, or “naturally occurring retirement community.”

Four out of five boomers tell AARP they want to remain in their own homes even when they need assistance. The next decade promises to be the golden age of the home remodeler, as boomers with funds turn that circa-2000 pleasure-palace McMansion into a rambling circa-2020 extended-family home reminiscent of the rambling Depression-era residences in all those old Frank Capra movies.

# 67

The age most people today expect to retire.

# 60

That figure in 1996.

—Gallup (April 2012)

To the extent that boomers do move, they'll be much less interested in exclusive elder communities. Many will prefer mixed-use urban quarters where they can be around young people. And of course many will be attracted to locales—university towns, art centers—where they can reaffirm their connection to the world of the mind and culture. Even when they do opt to move to active adult communities, they'll choose to stay closer to home. Already, retirement-home developers have begun building fewer massive seniors-only projects in Arizona and Florida, and more smaller

# Wyoming and New Mexico are projected to see their over-65 populations **increase by 130% over the next two decades—more than any other states.**

—U.S. Dept. of Health and Human Services

developments around various cities in the Northeast and Midwest. Wherever it's located, though, the elder community of the next couple decades is likely to have fewer rules and more opt-out provisions. Forget those restrictions against kids living in the communities. (For now, such edicts remain a great favorite among local authorities who want the revenue that comes with retirees, but not the extra costs that come with kids. That will change.)

With boomers, as always, one must keep in mind the widening spread in outcomes—not just between rich and poor, but between familial and unfamiliar. Coming of age amid feminism and watershed changes in gender roles, lots of boomer women have chosen not to have kids. To be specific, the share of women who are childless at or near the end of their childbearing years has risen from 10 percent for those born around 1940 to 20 percent for those born around 1965. So even with all the reconnecting within extended families, a growing number of boomer elders will have new ways of defining family. They will be adoptive parents, connecting into blended families through remarriage or doting on their nieces and nephews. Many will gather in intentional communities, cooperatives or just close groups of friends and neighbors and consider these their “family.” Today, we habitually think of elders as defined by their lifetime marriages and nuclear families. Twenty years from now, we no longer will.

**C**ompared to their parents' generation, boomers have always lived on the edge. In their youth, they launched a behavioral trend toward personal risk-taking: higher rates of drug use, teen pregnancy, suicide and self-inflicted accidents, along with lower test scores, later marriages and later career choices. They've taken that “born to be wild” streak—“If I have to break the rules to do it my way, I will”—and stuck with it. Americans in their 50s and early 60s have recently been experiencing sharply rising rates of drug overdoses, sexually transmitted diseases, motorcycle

fatalities, and suicides. This will continue as they move past age 65.

Especially worrisome are personal-risk habits that have adversely affected their health. As boomers have reached midlife, for example, rates of chronic disease for people in their 50s and 60s have risen sharply, especially diseases driven by obesity, like type 2 diabetes. Disabilities that limit activities of daily living (ADLs) are also more common. For the last 30 or 40 years, as the G.I. and Silent generations retired, ADL disabilities among those 65 and older have been on the decline. Some health experts and demographers believe that as boomers move past 65, that trend may reverse. “Even in older age, people have an amazing ability to change behavior and for that to change health risk,” Teresa Seeman, professor of epidemiology at the University of California in Los Angeles, told the *Los Angeles Times* a few years ago. “If we don't do anything, we're going to face an older population that is bigger and much more disabled.”

The implications for health-care spending are alarming. Even before the boomer age wave hit, U.S. health spending was already growing faster than GDP. The sheer size of the boomer demographic is certain to accelerate the pace of health spending. The elderly spend three times more than the average per capita on acute care, and 10 times more on long-term care. Adding the extra kicker of accumulated lifestyle behavior will push costs up even more. In other words, higher risks have higher costs.

Yet boomer attitudes toward health care may come with a bright side. This is a generation that came of age with a new “natural” and “holistic” attitude toward diet, exercise and healthy living. While that hasn't proven very effective in improving lifestyle habits, it has certainly changed boomers' approach to health-care treatment. More than their parents or grandparents, boomers look energetically for alternatives to high-tech industrial medicine and want to be fully informed and personally involved in their own healing. Most physicians believe these attitudes tend to improve compliance and keep costs down. Hospitals are now starting to offer natural foods, allowing complementary and alternative medicines, building rock gardens, and hiring spiritual and lifestyle counselors. Many of these New Age tools may help. They can't hurt. And they're much cheaper than installing another million-dollar MRI scanner.

Boomers' aversion to long-term institutional care—combined with the greater willingness of family to pitch in and the reluctance of government to spend—has already led to a dramatic reduction in the new nursing home units that state and local governments are expected to build. (Several states have flatly declared they will build no new units.) Boomers will be much more interested in home-health options or more flexible modes of assisted living. When boomers do enter long-term care, a growing share will insist on small, informal, decentralized units that have live-in staff and allow plenty of plants and pets. One prototype for this new approach is the Green House Project, whose motto (“Caring homes for meaningful lives”) is pitch-perfect for boomers.

Overall, boomers are struggling with the challenge of staying healthy, and many are losing in that struggle. Yet they're also much more open to the argument that health is partly a state of mind. For states and cities, this outlook could allow health dollars to be more effectively targeted. It certainly opens the way to positive reforms



in the way the health-care industry is organized and how it provides services.

**T**here's long been a notion that elders are active, engaged citizens and one of the biggest, most organized political blocs. That was largely true for G.I. and Silent generation retirees. But don't expect it to continue. Boomers in old age will be less "gray panthers" and more "bowling alone." The generation that invented McMansions and the exurbs has never been big on group cooperation, and that isn't going to change now. With every age bracket they've entered so far, boomers have marked a decline in civic participation, including voting, municipal meetings, petition campaigns, letter-writing and responding to pollsters. That attitude will start to transform the reputation of seniors as highly engaged civic participators to something far less—or at least different. The media keeps reiterating the idea that boomers will add their vast numbers to the powerful senior associations that exist today. But the me-first boomers don't join associations.

Boomers will engage on issues, but they'll tend to be single-cause issues. Unlike their parents, boomers have never organized successfully around their own self interest. In other words, boomers won't respond at all until you push their buttons and elicit passionate and perhaps "uncivic" engagement. Distrust and cynicism will rise. Today's retirees tend to be civil and respect expertise even when they may disagree with it. Tomorrow's boomers will find it much easier to be uncivil, to regard passion as a sign of commitment and to disrespect expertise freely. Prepare for a plethora of angry bloggers and retired professionals who know how to file an obstructive lawsuit in a heartbeat.

For state and local governments, that could represent a shift in how they communicate and interact with the population at large. Currently, government communications often start with older generations—including seniors—as the best way to get everyone on board: Elected officials phone civic leaders, visit corporate boards and place editorials in newspapers. By engaging older people and getting their attention and compliance, the assumption is that tuned-out young people will simply go along. As time passes, governments may want to rethink that strategy. A better way may be to try harder to connect with a more trusting, networked and plugged-in generation of young adults while actually doing less with an increasingly unplugged generation of elders. This means communicating more through K-12 schools, colleges, youth groups and on Facebook—and leveraging the power of young parents and volunteers to spread the message and sway opinion through their own networks.

Boomers can still be helpful, but in a new way. The boomers' parents—those whom we still call "senior citizens"—were (and in their 80s and 90s, still are) happy to serve as ground troops, licking 100 envelopes, phoning 10 friends, and following any directions they are given. With boomers, though, that won't be any more effective after age 65 than it was before. What works much better is to bring in boomers early in the process, listen to their insights, help them "discover" for themselves the need for a new government initiative and then let them communicate that "vision thing" to the community in any way they want. Again, boomers have always been better talkers than doers. Don't even try to give

them orders. Instead, inspire them to become passionate advocates of your cause.

Even while boomers fall in civic engagement and dissociate themselves ever further from the "senior citizen" self-image, they will continue to rise in terms of social cachet and cultural creativity. They'll continue to drive popular culture: Expect to keep seeing the likes of Mick Jagger, Tom Petty, Madonna and Brian Wilson celebrated during Super Bowl halftimes even as they age into their 70s. For boomers, the most sought-after local communities will be renowned for their culture, their soul, their unique story, their authenticity—not, as it might have been for G.I. Generation retirees, for their wide roads, gleaming tiles and endless golf courses. Many boomers will be congregating around

# 38%

The number of non-retirees who say **they'll have enough money to live comfortably when they retire, a new low.**

—Gallup (April 2012)

universities and colleges, art and music hubs, and natural and historic landmarks. In so doing, the boomers will have entirely reversed the reputation of their G.I. Generation predecessors in old age as civically powerful and culturally weak; elder boomers will be civically weak and culturally powerful.

The takeaways for policy leaders are clear. Even as officials push communication about rules, regulations, cooperation, and compliance toward the young, they will want to invite the old to frame the rhetoric and announce the vision around which the community is being asked to come together. In the 2020s, young people will listen to the old on values—in a way they never dreamed of doing back in the 1970s. **G**

*Email [howe@lifecourse.com](mailto:howe@lifecourse.com)*

*Neil Howe is a historian, demographer and the author of several books on generational change, including *The Fourth Turning* and *Millennials in the Workplace*. He is the founder and president of *Lifecourse Associates*, a consulting group focused on generational transitions. Neil is a baby boomer.*

Data and graphs at [governing.com/generations](http://governing.com/generations)  
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# Rock the Vote



**They hold tremendous influence—more than half the nation’s voting-age population is now over 45—but baby boomers and their role at the polls are a bit hard to pin down.**

**A**bout a year ago, the Center for Colorado’s Economic Future at the University of Denver sent a small shudder through the state Capitol. The center’s analysts, who’d been asked by the Legislature to delve into the fiscal sustainability of state government, declared that Colorado was speeding toward a brick wall.

“Twelve years from now,” they wrote, “Colorado will generate only enough sales, income and other general-purpose tax revenue to pay for the three largest programs in the General Fund—public schools, health care and prisons.” In other words, if nothing changes, taxpayers’ money will be eaten up by the young, old and poor, as well as by housing for criminals. Everything else—public higher education, courts, child welfare, roads, bridges and other basic state services—will have to go begging.

COREIS

**By Rob Gurwitt**



**It's assumed baby boomers will be politically active like the seniors before them. Not necessarily, say some demographers.**

Not surprisingly, the report set off a spirited debate about how the state should fund itself over the next decade. But it also set off a quieter, equally interesting exchange about an even touchier subject: how to avoid an intergenerational war over tight budgetary resources. It didn't take much imagination to see a pitched battle shaping up between older residents and the state's schoolchildren. "We hear politicians talk a lot about how the most important thing government can be doing is to help educate kids," says Rich Mauro, senior policy analyst at the Denver Regional Council of Governments (DRCOG). That's still true, he says, but policymakers and elected officials are more aware than ever of the challenges ahead for older populations and what they will mean for public policy and budgets.

This new political awareness is being driven partly by simple demographics. According to data compiled by demographer William Frey of the Brookings Institution, Colorado is one of a group of states that is seeing rapid growth at both ends of the age spectrum. Between 2000 and 2010, Nevada and Utah led the nation in the growth of their under-15 populations, at 27 and 25 percent, respectively. Colorado was seventh, at 12 percent growth. The national average was 1.6 percent. Meanwhile, the soon-to-be-senior population of those ages 55 to 64—in other words, the leading half of the baby boom—grew 76 percent in Colorado, faster than in any other state except Alaska. Other Western states saw numbers that were

only slightly lower: 69 percent in Utah, 68 percent in Idaho, and 66 percent in Nevada and Washington.

It's not that "pre-seniors" are moving in unusual numbers to these states. Rather, they moved there in their 30s and 40s and are now aging in place, as are most people in the over-65 cohort. In fact, in every corner of the country, in fast-growing and slow-growing states alike, those older than 65 and those approaching it are coming to represent a larger share of the population simply by staying put. "The migration aspect of population change in the elderly is relatively small," says Frey. "The bigger issue is where soon-to-be-old people are ready to age in place—and that's everywhere."

This plain demographic fact has an obvious political result. More than half the nation's voting-age population is now over 45—the first time that's ever happened. As the immense bulge of the baby boom ages, politics in every state, county, city and town will reflect its influence. Yet what's most interesting about this is that no one really knows how.

Given how thoroughly scrutinized, analyzed, dissected and judged the baby boom has been since 3.4 million of its members were born in 1946—compared to the 2.8 million babies of 1945—one would think it would be easy to predict how they'll behave politically as they age. But it's never been an easy generation to pigeonhole. Its leading edge started coming of political age around

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the time of President John F. Kennedy's assassination, and its tail around Ronald Reagan's inauguration. In the 1960s and '70s, as the Pew Research Center noted last year in a report profiling the politics of different generations, boomers as a whole wanted little to do with the Republican Party, but by the 1980s that changed significantly. To make things even more complicated, there is a political difference between the first half of the baby boom and the second. "Older boomers, who cast their first ballots in the Nixon elections of 1968 and 1972, have voted more Democratic than have younger boomers who came of age under Ford, Carter and Reagan," the report commented.

And it's not just that the coming wave of older Americans is all over the map in partisan terms. "Really, the senior vote is something of a myth," says Frederick Lynch, a professor of government at Claremont McKenna College and author of *One Nation Under AARP: The Fight Over Medicare, Social Security, And America's Future*. "It breaks apart by education, class, ethnicity and family structure. And among pre-seniors, you've got elite boomers who got good degrees, bought into globalization and were able to adjust to a changing economy, versus the white working class, which is mostly boomers who have been completely dislocated by cheap immigrant labor and their jobs sent overseas. In numbers, the senior and pre-senior bloc is a sleeping giant, but the question is will it awaken and mobilize?"

It is crucial, says demographer Neil Howe [see "Talkin' 'bout My Generation," page 26], not to assume that aging boomers will act like the generations before them. "People assume that age-bracketed behavior doesn't change," he says. "They remember the efficacy of the senior lobby back in its glory days—the 'greedy geezer' days—and project it onto the boomers' numbers and what they get is that the boomers will suck all the resources out of our system." But that assumes, he argues, that aging boomers will know what they want and go after it effectively. "What have they ever done in an organized fashion, collectively, on behalf of their own generation?" he asks. "Boomers are excellent at rhetorical wars over values, but I've never seen them effectively organize."

There is no shortage of potential flash points that could see state and local voters polarize along age-related lines. Taxation, schools, long-term care, Medicaid, urban design, transportation—all carry the potential for conflict. Even ethnicity could be a sensitive topic. Pew's research suggests that boomers are generally less tolerant of the increasingly diverse, multi-ethnic character of the U.S. than the cohorts that follow them—though they are more accepting than their elders. Likewise, as controversy grows in states like California over pensions for public workers, it's hard not to notice that the Golden State boomers who are now retiring are majority white, while the younger taxpayers called on to support them are not.

But there is another possible scenario. Aging in place means that people are growing old in communities they're familiar with and that are familiar with them. Moreover, says Howe, "We know that boomers are more engaged with their families than their parents were, and they work cross-generationally with their families." The same may well be true of their larger communities. Nina Glasgow and David Brown, sociologists at Cornell University, have found that older adults who migrate to new rural communities for

retirement often plunge into community life, starting libraries, rejuvenating YMCAs and raising funds for nonprofits and hospitals. A plethora of civic organizations from Habitat for Humanity to the Experience Corps, which uses volunteers older than 55 to tutor and mentor public school students, often in inner-city schools, have

**"In every corner of the country, in fast-growing and slow-growing states alike, those older than 65 and those approaching it are coming to represent a larger share of the population simply by staying put."**

found a rich source of help among aging Americans of every class, race and ethnicity.

"Much more is made of the potential for intergenerational warfare than there is evidence for," says Laura Carstensen, a psychology professor who directs the Center on Longevity at Stanford University. "We can surely avoid it, if we provide roles for people to remain engaged not just with their own families, but with their communities."

That is precisely the thinking taking place in Colorado, says DRCOG's Mauro. Advocates both for seniors and for kids and education have been meeting regularly to talk about ways of avoiding conflict. "We want to make sure that we can be on the same page on these things," he says. "I go to meetings with senior advocates where they say, 'We need to be sure money won't be taken away from kids, because I've got grandkids and their education matters.'"

At the same time, advocates for older Coloradans have stepped up their argument for shifting the state's spending priorities toward in-home and community services—services that will allow seniors to avoid expensive hospitals and institutions, sidestep having to spend themselves into poverty in order to qualify for Medicaid, and remain in their communities. "We're trying to argue that putting money into these community and in-home services would provide savings for other areas of the budget, with the added benefit that you'd be helping people grow old where they want to be," Mauro says. **G**

*Email robg@valley.net*

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# Boom(er) Town

How will an aging population reshape America's cities?

**W**alk around Arlington County, Va., the compact, urbanized jurisdiction just outside Washington, D.C., and you may start to notice some interesting design details. The sidewalks are wide—six feet in commercial areas and five in residential neighborhoods. Pedestrian “walk/don’t walk” signals have been replaced with newer versions that count down the seconds left before the light changes. And buses sit lower, eliminating the need for passengers to climb up and down steps to board and exit.

These are just a handful of the new elements that have been implemented in recent years as Arlington has pursued a plan to prepare for its aging baby boomer population. In 2006, the county assembled a task force to examine what it would need to do to accommodate older residents. The move was prescient, but to some residents it may even have seemed unnecessary. Arlington is a bastion of young, educated, urban professionals, many of them working for the federal government and associated industries. More than one-third of the county’s residents are between the ages of 25 and 39; nationwide, fewer than one in five Americans fall into that age range. But county leaders knew that change was on the horizon. By 2030, the county’s over-65 population is projected to double, and its over-85 group is set to almost triple. In the not-too-distant future, officials realized, their relatively small population of seniors would become vastly larger.

Some of the changes—like the new crossing signals and the minimum sidewalk widths, which will better accommodate residents using walkers and wheelchairs—are fairly small tweaks. Other changes are more significant. Arlington County has

By Ryan Holeywell

# Going Mobile

**T**ransit officials have generally had a rather straightforward job: move the masses. But a growing number of transit agencies are turning their attention to individual riders through a relatively new technique called mobility management.

The strategy involves partnering with other agencies and nonprofits to improve convenience for individual riders and achieve cost savings at the same time, says Art Guzzetti, vice president of policy at the American Public Transportation Association (APTA). The approach, which has gained traction over the last decade in Denver; Portland, Ore.; Michigan and elsewhere, is especially crucial as transit agencies face an upcoming surge in the number of senior residents expected to use their service.

This spring, APTA held a conference devoted entirely to the concept of mobility management. “The trends are all pointing to this,” Guzzetti says. “We really need to plan and participate.”

In Louisville, Ky., for example, the Transit Authority of River City (TARC) created a mobility manager position in 2006. Nancy Snow, who holds that job, works with the community to assess the needs of riders and match them with the best available transit option, whether it’s paratransit or a particular bus or trolley route. “We need accessible, universal and affordable transportation,” Snow says.

To that end, TARC has stepped outside its traditional role and partnered with about a dozen nonprofits. Since these organizations will increasingly help transport the over 65 and disabled, TARC will perform low-cost vehicle maintenance. Building partnerships with other providers is important, says TARC Executive Director Barry Barker, because the agency doesn’t have the money to increase the size of its own vehicle fleet.

The agency is also contracting with private taxi services to supplement its federally mandated paratransit service, and is using federal grant funds to make its entire bus fleet wheelchair accessible. That move could offer disabled passengers more freedom since they wouldn’t have to make advanced reservations to use paratransit, and it could save TARC money since it’s less expensive to provide bus service than paratransit.

Once aging baby boomers hang up their car keys, they’ll begin relying on transit agencies to “demystify the experience for someone where public transit is new,” Guzzetti says. Snow has partnered with the city to improve bus stops and surrounding sidewalks for passengers, and she’s helped coordinate travel training to teach residents how to use the transit system.

TARC’s Barker says the concept of mobility management extends beyond Snow’s role and is now part of the agency’s culture. “It is all about giving people an array of options where they live.” —**Lauren Henry**

expanded a transit service that provides door-to-door transportation for the disabled. Parks and recreation officials are sponsoring bicycling groups for seniors to help introduce them to a driving alternative. And a new zoning ordinance allows some homeowners to build accessory dwelling units, often known as “granny flats,” where aging residents can live in proximity to relatives or friends.

County leaders say they’re expecting to see the population age not just as existing residents grow older, but also as young professionals move their parents to Arlington to better care for them. Terri Lynch, director of the Arlington County Agency on Aging, says that given the changing behavior of elderly people, the county has to take a different approach than communities may have in the past. Because retirees live longer and are more active than they previously have been, it’s crucial that the county address the needs of older residents, Lynch says. “It isn’t your grandmother’s aging.”

Across the country, urban planners and transit officials are realizing that the wave of boomer retirees will transform the way cities look, from the way they grow and sprawl to minutiae such as curb heights and the fonts on street signs. “We’re in a period of transition that’s pretty dramatic,” says David Dixon, who leads the planning and urban design practice at the Boston-based firm Goody Clancy. “You look at major metro areas, and sometimes a third or more of their growth for the next 30 years is folks over 65. That’s a hugely [significant] and rapid transition.”

Gone are the days when retiring meant packing up and moving to adults-only communities in Arizona or Florida, says Nancy LeaMond, executive vice president of AARP’s state and national group. Surveys by her organization indicate that 84 percent of baby boomers plan on staying in their current homes as they age, she says, some because they want to, and others because they can’t afford to move. Those empty nesters who do move may be more interested in relocating to smaller apartments in connected urban centers than to retirement golf-course communities.

The bottom line, planners say, is that city and county governments face a growing challenge: how to design a community for a population they haven’t had to cater to in the past. If they come up with the right answer, they can help aging residents lead fulfilling lives and remain engaged and active, even in their senior years. But if they fail, they risk alienating and isolating a rapidly growing cohort of taxpayers. “We’re trying to be predictive about where the populations are in a community that doesn’t necessarily have senior citizens now, but in a few years will have a tremendous population,” says Anna Ricklin, manager of the American Planning Association’s Planning and Community Health Research Center.

**M**any of the aspects of designing an age-friendly community—walkable downtowns, cohesive transit networks, mixed-use urban villages—are the same things smart growth advocates have been pushing for 20 years. “By making the space accessible for seniors, you’re making it more accessible for everyone else,” Ricklin says.

But there are other issues that are directly related to aging residents. A recent World Health Organization report on aging communities, for example, highlights the need for things like greater numbers of public benches, safer crosswalks and plenty of public toilets to accommodate older people.

Experts say communities will also need to consider how they make transit service available to boomers, since many will become increasingly dependent on buses and rail as they stop driving. Officials in Westchester County, N.Y., for example, have been conducting outreach campaigns to sign seniors up for fare cards and teach them to use the bus. “In all of the surveys that we do of seniors and the outreach to the senior community, we find that their No. 1 concern about getting older is transportation,” says Naomi Klein, director of planning at the county’s public works and transportation department. “They don’t want to lose their independence. There’s real concern about having to give up driving.”

In addition to teaching seniors how to use the bus system and read schedules, Westchester officials have also changed the design of their bus timetables to make them more readable for people who have trouble with small typefaces. And one bus route was altered to ensure it reached destinations that seniors were most interested in visiting, including pharmacies and the medical center.

When it comes to buildings themselves, many advocates have touted the idea of universal design—making buildings more accommodating to all, often in subtle ways—and encouraging developers to embrace these principles. That means wider hallways and doorways, and the absence of thresholds to help prevent trips and falls. There’s also been a movement to encourage builders to introduce facets into their structures that cater to people who might not be disabled today but could be in the future. For example, residential bathrooms could have walls designed to accommodate the eventual installation of grab bars, since it would be easier and less expensive to do that during the construction phase than to have to replace drywall later on. Related to that is the concept of “visitability”—the idea that even if you aren’t disabled yourself, your home should be able to accommodate guests who are.

Portland State University, for instance, has worked with the city of Portland to include language in the city’s planning guide that emphasizes the needs to address accessibility issues for the elderly and disabled. Former Housing and Urban Development Secretary Henry Cisneros and others have called for governments to consider age-friendly plans modeled on home weatherization programs that would modify buildings to accommodate older people with mobility issues. AARP, for its part, says it plans to work with homebuilders and developers to get them to voluntarily adopt these types of standards; the group believes such a strategy will be more effective than pursuing zoning and building code reforms across the country.

What’s clear is whether it’s through municipal building codes or voluntary, market-driven adjustments, the home design will need to change to accommodate the older population, says Alan DeLaTorre, project coordinator at Portland State University’s Institute on Aging. “For the last 50 to 100 years, we’ve been building Peter Pan housing. It assumes you’re not going to grow up and grow old.”

**O**n a broader scale, the aging trend will also require a rethinking of the type of housing stock that’s offered. While single-family homes with multiple bedrooms are often the cornerstone of residential communities, they aren’t necessarily practical for an elderly retiree, says Dixon, the urban designer. “Large parts of this country have a housing stock that is increasingly out of sync with demand in the market today and really out of sync going forward.”

Beyond that, some communities are starting to focus on better incorporating hospitals, nursing homes and other elder facilities into the community. John Norquist, president of the smart growth organization Congress for the New Urbanism, has touted efforts in some California communities to try to more closely link hospitals to sidewalks and transit. He says similar efforts could be adopted at some retirement communities so that instead of being surrounded by a parking lot, which may promote a sense of isolation, retirees can have access to the surrounding neighborhoods.

Implementing those kinds of changes will be a challenge. Many seniors who are aging in place live in suburbs that haven’t embraced walkable design and may not have large enough populations to support the density that would make it possible. Ellen Dunham-Jones, author of the book *Retrofitting Suburbia*, suggests the key to designing cities for the elderly is creating brand-new town centers, in some cases built upon the sites of old shopping centers. She touts Mashpee Commons, an open-air mall in Cape Cod that was a typical shopping center in the 1960s but was redeveloped in the 1980s and today includes a nearby library, Boys & Girls Club and senior center. City and county leaders in Wisconsin Rapids, Wis., renovated a former downtown Walmart into a community center. The city-owned facility leases space out to an adult day care and an organization that helps connect elderly people with resources like Medicare and transportation. It also has a community theater and space for after-school services run by the parks department. Planning experts say facilities like that can help foster a sense of community in the elderly.

Part of the solution could lie in reinterpreting federal law. Architect Scott Ball, author of the book *Livable Communities for Aging Populations*, advocates a reexamination of the Americans with Disabilities Act (ADA). The 1990 law uses buildings codes to ensure the disabled have access and maneuverability within individual structures. But it doesn’t address the larger issues of designing an accessible community. Ball and others say the ADA should consider things like zoning, and he argues that providing access to the disabled can be more of an urban planning issue than an architectural one.

In that sense, designing an age-friendly community is about much more than wheelchair ramps and countdown walk signals. It involves a comprehensive approach that focuses as much on the individual as technical standards. “There are few places that are getting any younger,” says LeaMond of the AARP. “We don’t want people, as they get older, to get more and more isolated from community activities and services they need.” **G**

*Email rholeywell@governing.com*

# Back to the Playground

**B**obby Dinkins admits his idea to build a playground for seniors wasn't exactly original. "I actually just got the idea [through] Google," says Dinkins, director of the Boyd Esler Senior and Community Center in Springfield Township, Ohio. "I went online and googled 'exercise equipment for seniors' and read about the Hyde Park playground in England. I realized they were really popular in Europe and Asia, but not over here."

Dinkins is right: Playgrounds designed specifically for aging residents have popped up in England, Finland, Germany and throughout Asia. But the idea is just now taking off in the U.S. The parks feature low-impact exercise equipment designed to promote balance and flexibility, such as elliptical machines, static bikes and body flexors.

After securing \$33,500 in Community Development Block Grant funds for the facility, Dinkins opened it last

November. "The idea behind the equipment is to get seniors to stay active and to prevent them from falling," Dinkins says. "Improving balance is important because a fall can be physically and emotionally devastating for seniors. Plus, it's just fun."

The Hyde Park playground that inspired Dinkins was built in 2009 with the idea that many older residents in the nearby neighborhood felt disconnected from the community, says Joanna Hughes, a spokeswoman for The Royal Parks, the United Kingdom government agency that manages eight parks in London. "While there are certainly physical health aspects to the playground, it is also there to nurture social and mental health."

In the U.S., the approach seems to favor playgrounds that cater to multiple generations instead of being designed exclusively for the elderly. KaBOOM, a nonprofit organization that builds playgrounds in low-income areas, has

partnered with the Humana Foundation to build multigenerational playgrounds throughout the country. Eleven have been built since last year; another 16 are in the works. Their intent is to provide a place where aging adults can participate alongside their children or grandchildren, says Mike Vietti, a KaBOOM spokesman. "This way, instead of adults just sitting on benches while their kids play, they can also be active and keep an eye on the kids."

One of the recently opened KaBOOM projects, at the Midway Safe Harbor Center in Sanford, Fla., has been a big asset to the community, says center Director Brenda Knight. "When you're talking about an area with high crime and poverty, it is often the case that the grandparents are taking care of their grandchildren. Before the playground, neither the kids nor the grandparents had a place to go, and now they have a place to go together."

—Leigh Ann Renzulli

London's first senior playground opened in 2010.





# Is Your City Age-Friendly?

What features are essential for an age-friendly community? The World Health Organization studied 33 cities in 22 countries across the globe, and it published a checklist of the elements a city needs in order to be a place where residents can age comfortably.

The full checklist includes more than 80 items. Here's a sampling:

## Outdoor spaces and buildings

- Pedestrian crossings are sufficient in number and safe for people with different levels and types of disability, with nonslip markings, visual and audio cues, and adequate crossing times.
- Services are situated together and are accessible.
- Buildings are well-signed outside and inside, with sufficient seating and toilets, accessible elevators, ramps, railings and stairs, and non-slip floors.

## Transportation

- All city areas and services are accessible by public transport, with good connections and well-marked routes and vehicles.
- Specialized transportation is available for disabled people.
- A voluntary transport service is available where public transportation is too limited.
- Taxis are accessible and affordable, and drivers are courteous and helpful.

## Housing

- Sufficient, affordable housing is available in areas that are safe and close to services and the rest of the community.
- Home modification options and supplies are available and affordable, and providers understand the needs of older people.
- Public and commercial rental housing is clean, well maintained and safe.

## Social participation

- Venues for events and activities are conveniently located, accessible, well lit and easily reached by public transport.
- Activities and attractions are affordable, with no hidden or additional costs.
- There is consistent outreach to include people at risk of social isolation.

## Respect and social inclusion

- Older people are regularly consulted by public, voluntary and commercial services on how to serve them better.
- Older people are specifically included in community activities for “families.”

## Civic participation and employment

- A range of flexible options for older volunteers is available, with training, recognition, guidance and compensation for personal costs.
- Training in post-retirement options is provided for older workers.

## Communication and information


- Printed information—including official forms, television captions and text on visual displays—has large lettering and the main ideas are shown by clear headings and bold-face type.
- People at risk of social isolation get one-to-one information from trusted individuals.

## Community and health services

- Home-care services include health and personal care and housekeeping.
- Community emergency planning takes into account the vulnerabilities and capacities of older people.

See the rest at [governing.com/generations](http://governing.com/generations)

<http://www.governing.com/topics/mgmt/gov-age-friendly-city-checklist.html>



**Q&A on senior housing with former HUD secretary.**

# Becoming Independent

By Ryan Holeywell

**H**enry Cisneros—the former San Antonio mayor, Housing and Urban Development secretary, and now real estate investor—has now taken on another role: editor.

This spring, University of Texas Press published his new book, *Independent for Life: Homes and Neighborhoods for an Aging America*. The book's 20 chapters are written by a variety of authors, including former Atlanta Mayor Shirley Franklin and Chattanooga, Tenn. Mayor Ron Littlefield.

It serves as a guide for policymakers and practitioners on how urban and building design will need to change in order to address the needs of aging baby boomers. *Governing's* Ryan Holeywell asked Cisneros what the local and federal government can do to address the challenge. This interview has been edited and condensed for clarity.

**Ryan Holeywell: How did this become such a big issue for you? Did it come on your radar while you were at HUD?**

**Henry Cisneros:** It's been an issue on my mind for a long time, even before HUD. I used to go to town hall meetings in communi-

ties and neighborhoods. I noticed in some neighborhoods, everyone was older. The housing stock was older. The problems they brought to the table were unique. They had different concerns about security. They had different concerns about access and isolation and municipal services of various kinds. I thought, if a city were to intelligently use Census data to identify which neighborhoods were growing older as a result of the fact that children had moved on and parents stayed ... we'd actually regard those neighborhoods as different.

Years later, I was asked by AARP to speak on the community issues surrounding aging. From that, a number of people chimed in and said this is a subject that's really important. We should work on this.

The rationale is the following: American is aging very rapidly. We have about 40 million over age 65 presently. In 2030, we'll have 72 million. They're growing in absolute numbers. They're growing as a percentage of the population. Luckily, the U.S., will have an infusion of young people as a result of immigration, which is not the case in Germany or Japan. We'll have a larger, older population, but we'll still have some balance. This is a good thing from a societal and economic standpoint. But it doesn't absolve us from having to pay attention to the sheer reality of larger numbers of

people who will be frail, who will be dependent on different kinds of services, and who will need help.

The book focuses on those people who've made the decision they'll stay at home. Only 5 percent of older people will be at a nursing home. The vast majority will be in their own homes. As a country we not only have to think about increasing the stock of housing that's appropriate for their age, but also adapting the stock we've got, especially for those who will stay in their own homes.

My mother is 88 and lives in a home that, my dad years ago added boys' rooms and storage space to in the attic. But you have to climb the stairs to get to it. That's off-limits to her. She can't handle those stairs, and certainly not when she's home alone. There's adapting restrooms, leveling showers, installing proper lighting for night use, communication systems that allow people to convey they're in trouble, transportation systems that link households so people can get to doctors' appointment and groceries.

I'm finding that, as I go across the country, there's an awful lot of ferment and interest, especially in states that are aging the most.

**RH: Do local officials understand this challenge yet, or is it just starting to bubble up?**

**HC:** There's a handful of communities that get it. People like Mayor Ron Littlefield, who wrote a chapter in the book, and Davis, Calif. which, is allowing denser housing on the same lots so you can build multi-generational housing.

There are communities that are moving there. This so-called villages network. It started in Beacon Hill but spread. It's very smart. Communities are figuring it out. But many other mayors — it's just coming to the floor, and people are saying "Oh my God, that makes sense! I get it!" I think you'll see over the next few years lots of focus. I think you'll see municipal workshops. You'll see people like the U.S. Conference of Mayors and the National League of Cities realizing this is an important issue. You'll see foundations and other public interest groups get into funding projects. We're just on the cusp of recognition.

**RH: It sounds like there are two issues—the urban planning side, and the housing side—and on the planning side, it sounds very similar to New Urbanism and Smart Growth. Is there more to it?**

**HC:** The four themes are: One, what do you do about existing homes? My take is we need to be talking about a strategy like retrofitting existing homes the way we talk about addressing energy efficiency in homes. That would be a huge breakthrough, to use existing federal programs like CDBG to help people retrofit their homes.

Second, it's existing communities, and what do we do about communities where everyone is older. How do we stitch together, virtually, a sense of community that has been lost so that people don't feel isolated? When we do town halls, the people tell us their number one fear they have is being left alone. It's finding ways to patch people together in a virtual community when you have a neighborhood in place. That's not urban planning. It's an intelligent extension of services.

Thirdly, it's the new home. We don't need McMansions. We need it to scale. We need to accessorize it for the elderly.

The fourth piece is new communities. This is a lot like the New Urbanism. But you have to be intentionally conscious of the need to keep older folks in mind. I think the New Urbanism works for every age group.

We organized the book around those four design issues. The fifth is the whole rubric of community services, and also technology and the appliances that can be adapted to break down the isolation to connect people and get services to them.

**RH: You've worked on both the government and the private-sector side of housing. Does the private sector have an incentive right now to do what's needed?**

**HC:** The private sector will do a lot of this at the moderate to upper income levels. It's not rocket science. We know what the pieces are. They're affordable to people of the upper-middle to upper income. They're available.

The trick is going to be recognizing that aging will impact every income demographic. We've got to engage government in figuring out how to make a lot of this available at middle-income and below.

**RH: Are the more unique housing options, like accessory dwelling units or co-housing, the solution? Or will they remain a niche?**

**HC:** I don't think they'll ever be the dominant form. But their percentage as a solution will grow. The absolute number will most certainly accelerate. A lot of what we described in this project is driven more by local governments than federal. It's a matter of recognizing the new constituency and the new population and tailoring government programs to meet those unique needs.

**RH: Can this be addressed by expanding HUD's 202 affordable housing program for seniors?**

**HC:** The 202 program is a separate thing. It's subsidized housing. This is about the mass of aging Americans. It's not about a few hundred thousand or a million people. It's about millions—the millions in the middle who are neither candidates for subsidization nor wealthy enough to pay for the more resort-type communities. If we're smart about this, we can do this relatively inexpensively by working in the existing housing stock. It's not like we have to build new homes. We just need to make sure we have some ramps, we eliminate stairway entrances, bathrooms have walk-in showers, fixtures are lowered, you have latches and levers you can turn instead of things that are hard on the wrist, and so-on.

When we look at the medical analysis, it shows people who stay in their own home can feel greater independence, maintain their health, and do not have to be rushed by their families into the most expensive for of care there is, which is end-of-life care. They can stay in their homes for 10 or 15 years, provided we accessorize them properly. This country can save a lot of money on these buildings. **G**

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Takoma Village Cohousing resident Ann Zabaldo, who has multiple sclerosis, prepares lunch with Brigitte Wazana, a resident of the Blueberry Hill Cohousing community in nearby Vienna, Va.

# Everybody Get Together

Aging residents are increasingly turning to cohousing.

By Ryan Holeywell

Photographs by Matt Roth

**S**everal years ago, Steve Pretl of Potomac, Md., saw that his next-door neighbor was outside, so he walked over to say hi. They chatted for a few minutes before the neighbor stopped Pretl and said, “You know I moved out three months ago, right?” He had only stopped by pay a visit. Pretl had had no idea. He took it as a wake-up call. Perhaps it was time to get to know his neighbors.

Today, Pretl is in his 12th year of living in a type of tight-knit residential development known as cohousing, and it’s a good bet that his neighbors won’t move—or experience some other life-altering events—without his knowing about it. “It’s a blend of community and privacy,” says Pretl, 73. “You can have all the privacy you want. But if you do it too long, people will ask, ‘Why don’t we see you around?’”

Pretl and the other 80 or so residents of Takoma Village Cohousing in Washington, D.C., treat one another like extended relatives. They range in age from 12 months to 85 years. Every week they cook and eat dinner together. Communal facilities—living spaces, a children’s play area, a tool workshop—encourage interactivity. There’s no professional management company in charge: The residents themselves handle basic repairs, cleaning and landscaping. When somebody’s ill, there’s an understanding that the neighbors will help out.

Once a relative novelty, cohousing developments continue to increase in popularity—and they could become a key part of the way developers and cities accommodate an aging population. Unlike their parents’ or their grandparents’ generation, baby boomers say they don’t want to decamp to Florida or Arizona upon retirement. They want to stay in the communities where they’ve spent their adult lives. For many experts on housing and senior issues, cohousing looks like an increasingly attractive solution.

The idea of cohousing originated in Denmark in the 1970s; American developers imported the model in the early 1990s. Today, there are about 110 cohousing developments throughout the country, says Joani Blank, a former board member of the Cohousing Association of the United States, which acts as a clearinghouse of information about the developments.

Blank first moved into a cohousing residence in 1992, and she has the enthusiasm of an early adopter. The idea behind cohousing, she says, is very simple. It’s about creating “intentional neighborhoods” in which residents interact with their neighbors, as an alternative to the relative anonymity of high-rise apartment complexes or sprawling exurban McMansions. “Our intention is to be close to our neighbors, and be known by our neighbors, and know them,” Blank says. “And that’s it.”

The cohousing development where Blank lives, in Oakland, Calif., has wide sidewalks to encourage residents to stop and congregate. Cars don’t park in between homes, because doing so would create a barrier. A staple of cohousing is lots of meetings and lots of committees, since residents play such an active role in decisions large and small. In Blank’s community, residents have windows over the kitchen sink, and most tend to keep the curtains open. “In cohousing,” she says, “we want to maximize the openness.”

Inevitably, Blank says, people learning about cohousing for the first time are tempted to view it as co-op-meets-commune, a dream of hippie counterculture. (The fact that many cohousing residents are baby boomers who came of age in the 1960s only fuels those parallels.) But Blank says that’s just a caricature. “We all have completely functional, self-contained units. I could be in any condo in the country.”

**H**istorically, cohousing developments have included residents of all ages, but now there’s a growing interest in developments exclusively for aging residents, says Kathryn McCamant, president of the developer CoHousing Partners and one of the earliest pioneers of the cohousing movement in the U.S. “Boomers are looking for an alternative that hasn’t been there before,” McCamant says. “They don’t want to live in communities of thousands of old people. They want to stay in charge.”

Those leading the shift will likely be seniors who’ve already lived in multigenerational cohousing developments, which tend to focus on families, and who may be searching for something else. “It’s not that the kids are annoying. Everybody loves them,”

says Jim Leach, CoHousing Partners’ chairman and a resident of Silver Sage Village, a senior cohousing development in Boulder, Colo. “But when you have an intergenerational community with a lot of young families, the kids come first. Dinners are like going to McDonald’s Playland. Ours are like going to a nice restaurant.”

Advocates of senior cohousing say it’s an attractive option for many reasons. Developments in urban areas would allow aging people to be less reliant on cars. The units are much easier to maintain than large single-family homes. And cohousing allows them to remain socially active and engaged with the community. Meanwhile, there’s the very practical benefit of knowing that there are people close by in case of a medical emergency. While cohousing

## Cohousing Developments, by State

California	41
Washington	20
Colorado	17
Massachusetts	13
North Carolina	11
Oregon	11

SOURCE: COHOUSING ASSOCIATION OF THE UNITED STATES. NUMBERS INCLUDE PROJECTS AT ANY STAGE OF DEVELOPMENT.





### Cohousing developments cater to Boomers' preference to stay in charge as they age.

isn't a solution for those suffering from serious medical conditions, it can be a useful solution for people who merely need the occasional helping hand.

"When people are connected, they start to work as an extended family," Leach says. "They tend to take care of each other, even though there's no obligation."

When a resident of Blank's development in Oakland was diagnosed with cancer, neighbors provided round-the-clock help so that her husband could continue going to work. Advocates say that with a minimal amount of care—in some cases, just the care that's provided by thoughtful neighbors—seniors can remain at home and relatively independent much later in life than they may otherwise have been able to. "[Seniors] want to feel like they control their own destiny," Leach says. "A high percentage of them don't want to be stuck somewhere where people are taking care of them, and they don't have much of a relationship with them."

Groups like AARP and the American Planning Association have paid close attention to cohousing, since both styles—seniors-only and multigenerational—may be an attractive option to aging baby boomers. The model will no doubt remain a niche option. But the boomer demographic is so large that it's worth paying attention to, says Rodney Harrell, senior strategic policy adviser with AARP's Public Policy Institute. "You've got enough numbers that there are still people out there to fill every niche and category," he says.

**C**ohousing isn't for everybody. Some critics say more work must be done to encourage affordable housing units within the developments. Otherwise, they say, cohousing will remain a boutique option for the already well-to-do. As one resident of Takoma Village Cohousing notes, while her neighbors often tout the racial and religious diversity within their community, the economic makeup of the development is

homogeneous: solidly and entirely middle class. "We don't just want condos for rich people," Harrell says. "We want affordable units mixed in. But it's a challenge, especially [because] when it's such a niche option, prices tend to go up."

Advocates have also called on city governments to help encourage cohousing by creating zoning policies that foster the type of dense development that includes cohousing. "It's a matter of recognizing the new constituency and the new population and tailoring government programs to meet those unique needs," says former U.S. Department of Housing and Urban Development Secretary Henry Cisneros, who has written about housing options for aging Americans.

In some places, local officials have worked to help support cohousing developments. Dene Peterson, one of the founders of ElderSpirit Community at Trailview, located in southwest Virginia, says the development leveraged government money in order to secure private loans before opening in 2006. The development became a reality thanks largely to a combination of loans from the Virginia Housing Development Authority and a grant distributed by the Virginia Department of Housing and Community Development. Of the senior development's 29 units, 16 are designated as low-income rentals. In fact, ElderSpirit calls itself "the first mixed-income, mixed-ownership elder cohousing community in the United States."

Peterson, who says she wasn't interested in a nursing home, couldn't imagine spending her final years anywhere else. "I expect to die at home," she says. "And one reason I built this was for a good death for myself." **G**

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*Email [rholeywell@governing.com](mailto:rholeywell@governing.com)*

Photo slideshow and more stories on aging at [governing.com/generations](http://governing.com/generations)

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By Caroline  
Cournoyer


# When Disaster Strikes

## Helping the elderly during crisis.

**A**s the baby boomers age and increasing numbers of older Americans choose to live at home rather than in long-term care facilities, governments face new challenges trying to plan for and respond to disasters.

One way to keep track of people is registries, and Florida is likely the only state that requires localities to keep registries of people who would need special assistance before, during or after an emergency, according to researchers at the Centers for Disease Control and Prevention.

Florida's registry, which is updated every year, alerts local emergency management agencies of people with physical, mental, cognitive or sensory disabilities. It also gives older adults the chance to pre-authorize emergency workers to enter their home so they can help, when needed, as fast as possible. Emergency management planners work with home health agencies, hospices, home medical equipment providers, the Agency for Persons with Disabilities and the departments of health and elderly affairs to get the necessary information.

"There's a misperception that older adults who need the most help are in facilities," says Margaret Moore, a public health advisor for the CDC's Healthy Aging Program, which compiled a comprehensive guide to help states and localities aid older adults during emergencies.

Disasters hit older Americans harder than most. When Hurricane Katrina hit, more than 70 percent of the storm's victims in Louisiana were over the age of 60, according to the CDC.

Though Florida is likely the only state to require municipalities to keep track of this information, registries are used for disaster planning throughout the country. Some registries, as in Florida, track a broad range of people with "special needs" while others have more specific registries that, for example, identify people who need help securing transportation during evacuations or people who have medical conditions that prevent them from evacuating without assistance.

During Hurricane Katrina, according to Moore, planeloads of older adults were flown to safe harbor in Arkansas but their sense of relief was short-lived upon realizing that their medications and medical equipment like oxygen tanks and walkers didn't make the trip with them. Having a medical registry in place may have prevented people from being separated from their medical equipment.

Registries are just one way localities can plan for disasters, but according to Moore, the places that aid the elderly during emergencies the most effectively are those that have strong, ongoing relationships with their area's aging agency – which includes Florida.

"It's not so much the plan that gets written that's important," she says. "The important thing is that people sit down, talk about what could happen and get to know all the different people in every sector. If you know who to call, that makes all the difference." **G**

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By Dylan Scott

# Rocky Path Back to Work

Senior job training:  
Growing need,  
shrinking budgets.

**E**verybody knows the statistics: older Americans are working longer and many feel insecure about their retirement savings. With those trends in place, a little-known senior job training program is seeing a greater and greater need—but in an era of budget cuts and deficit reductions, state and local officials worry it doesn't have the funding to meet it.

The program is called the Senior Community Service Employment Program (SCSEP). It's been around since the Older Americans Act took effect in 1965, but has always lived in the shadow of other senior-focused programs passed that year, particularly Medicare. It's overseen by the U.S. Department of Labor (although President Barack Obama has proposed moving it to the Department of Health and Human Services), but administered by state, local and non-profit entities.

Here's how it works: low-income seniors (125 percent of the federal poverty level and below) seeking employment can apply. If they meet certain requirements, including being unemployed, they are placed in jobs at non-profit community organizations, typically working 20 hours a week for minimum wage. The federal government funds their paycheck, and there is a 48-month cap for participation. The goal is to teach them new skills, such as food service or office administration, and eventually move them into "unsubsidized employment" at either their SCSEP site or somewhere that can make use of their recent experience.

With an impending boom in seniors seeking work—the expected retirement age has jumped from 60 in 1996 to 67 in 2012, only 38 percent of Americans anticipate having enough money to retire comfortably and the number of Americans over 65 is projected to increase 75 percent by 2029—state and local administrators believe that SCSEP is going to see an increasing need in the coming years.

"It's not going to go away. It's only going to grow," says John Koontz, director of senior employment for the City of Los Angeles. "We're constantly getting calls. We've got to turn away a lot of folks."

But budgetary realities don't always reflect that reality. SCSEP lost nearly 25 percent of its funding last year, forcing state and local programs to reduce the number of spots they could offer to seniors. Sequestration also looms at the end of this year. Funding

for Koontz's office dropped from \$1.7 million to \$1.5 million. Jennifer Morrell, state program manager at the Illinois Department of Aging, says her program's support fell from \$4.6 million in FY 2011 to \$3.4 million in FY 2012.

At the same time, Morrell says some of the local offices in Illinois have more than 700 people on a waiting list to get a spot in the state program—nearly double the amount of people who participated in the entire state's SCSEP in 2011. The state had to close enrollment last year because no money was available for additional positions. Koontz says his office is also aware that the potential population who could take advantage of the program is far greater than the number of spots the Los Angeles program can actually offer.

"We can't reach as many people as actually need the assistance. The budget has hit us hard, like every other program," Morrell says. "There is definitely more need out there than we're able to meet."

Despite a tough fiscal climate, SCSEP is still making an impact. More than 100,000 seniors were employed through the program in FY 2010, the last year national estimates are available, according to the U.S. Department of Labor. Nearly half of them found unsubsidized employment. Koontz's office helped employ 276 seniors, according to preliminary figures for FY 2011, providing more than 180,000 hours of community service at area non-profits. The state of Illinois found positions for 391 individuals in the last fiscal year, who worked nearly 135,000 hours, and more than 50 of whom moved onto unsubsidized jobs.

Advocates seize on those positive figures and hope that, with a little lobbying in statehouses and on Capitol Hill, they will help save the program from further budget cuts. More than most, they're aware that a growing senior population and an uncertain economy will make SCSEP and other senior job training efforts even more crucial.

"People are more frightened of what's going on in the economy, and we have a fraction of the funding we need to meet the need," says Steve Cook, who oversees AARP activities in the western United States. "Any of our offices would tell you that visibility is an issue for us. But we do like to think that we're the best-kept secret on the block." **G**

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By Heather Kerrigan

# Exit

# Strategy

The mass exodus of baby boomers from the workforce has been a crisis in the making for years. Yet in many cases the public sector is still not prepared.

**A** little more than a decade ago, a report by the Pew Research Center's Internet & American Life Project coined the now well known phrase "silver tsunami." The report looked at the potential impact of the approaching retirement of baby boomers—a wave of retirements that was expected to crash on public- and private-sector shores in 2011, when the boomers began to turn 65. It was an event that was forecast to continue throughout most of the next decade, leaving in its wake an unprecedented shortage of skilled workers.

But then the recession hit, and most of these baby boomers stayed put. Instead, the percentage of the workforce under 25 dropped 13.2 percent, according to the Bureau of Labor Statistics, while the portion of workers over 55 rose by 7.6 percent. The economic downturn may have given employers a respite, but it also may have done

more harm than good. Baby boomers are lingering in the workplace, while millennials can't find a job. And even when they do, it's likely not with the government. Eleven years after Pew first reported on the silver tsunami, many in the public sector are still remarkably ill-prepared for the impending turnover in the workforce.

Delayed retirements should have been a blessing for state and local governments, an unanticipated grace period to engage in the kind of workforce planning they should have done years before. But the same economic turmoil that delayed the retirements also hampered governments' capacity to manage. Budget cuts pushed planning to the backburner, and worse, cuts forced massive layoffs in several states and localities. Since seniority often plays a role in determining who goes, those younger employees who would have been promoted into the positions of retirement-eligible workers are, in a lot of places, gone. That leaves fewer employees to develop for the positions vital to government work.

But there are some bright spots, says Leslie Scott, executive director of the National Association of State Personnel Executives (NASPE). “One of the things the recession has done,” she says, “is make states look at the way they do business and make sure they have the right workforce.”

In Pennsylvania, for example, agencies collected data on the ages and skill sets of their employees, and used the information to determine which job functions would take the greatest hit after retirements. Armed with this, the state was able to undertake candidate searches targeted toward these positions. In Tennessee, recent civil service reforms brought about changes in hiring and put a greater focus on the skills needed to do a job rather than on one’s years of experience or seniority.

But most of the work done around succession planning so far has focused on knowledge transfer. This has been a particular area of concentration for Fort Collins, Colo., where officials in the utilities department became alarmed two years ago when they realized they’d be losing a record number of long-term employees to retirement in the next five to 10 years. Succession planning and knowledge transfer quickly became top priorities.

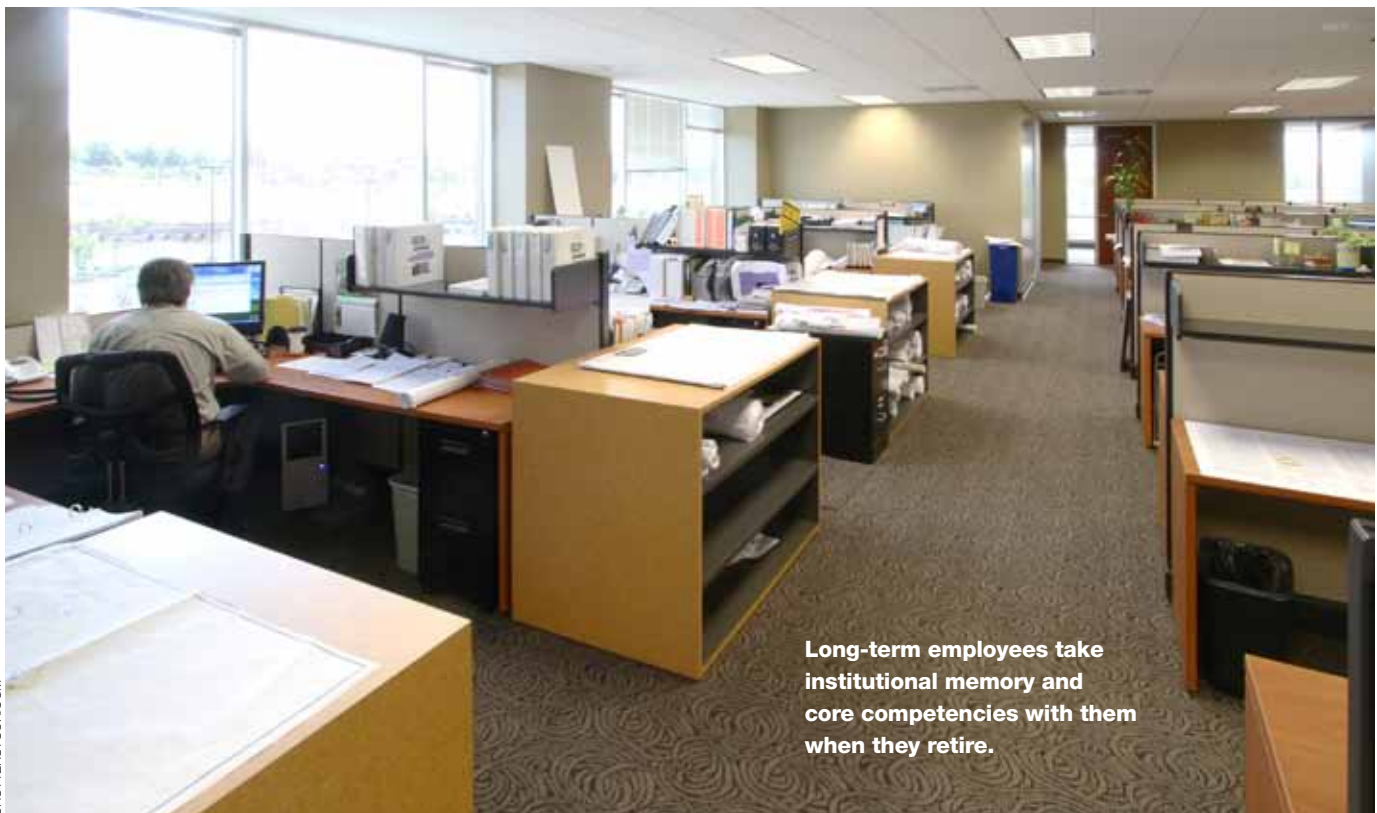
The department ultimately chose a two-phase plan. In the first phase, it pinpointed core competencies for various positions, assessed areas of risk within the workforce including both age and organizational structure, and identified the tools and opportunities to mitigate these risks. In phase two, a five-year plan was developed which included decisions about how to train its workforce for the jobs that will be important to its future.

The two phases included the development of a toolbox for managers to help them implement knowledge transfer and succession

planning. These tools include allowing managers to temporarily rehire a retiree; phased retirement; an internship program; cross-training; an advanced notification process through which an employee can announce his or her intention of retirement several years out without fear of penalty or being overlooked for promotions; and a partnership with the city to develop young leaders.

One of the more unique tools available to managers is known as the expert interview. When the utility in Fort Collins first began laying out its two-phase plan, 10 senior leaders were identified as potential retirees within the next five years. Instead of waiting until the employees’ last days to conduct an exit interview, the utility brought in a consultant to interview each of the identified employees. The purpose of these interviews, according to Janet McTague, the city’s electric utility project manager, was to “learn about the flavor of the job.” These interviews documented the contacts, relationships and resources the employees use to get their jobs done. Although the utility didn’t have any evidence of former employees leaving a knowledge gap upon retirement, “I think [the effort is] more preemptive. We’ve had employees that we wish we had more information from,” says McTague. “We need to be proactive and do something about it before these people walk out the door.”

**W**ashington state didn’t wait for dire predictions of a mass exodus to plan its future. It was an early adopter of knowledge transfer and succession planning, developing the road map “Workforce 2000” in the 1990s to pull together strategic objectives in staffing and identify key areas of need.



**Long-term employees take institutional memory and core competencies with them when they retire.**

The state's approach is unique in that it doesn't rely on enterprise-wide succession planning. Rather, Washington goes agency by agency because of the differing employment dynamics. "One of the things we're focusing on today is trying to segment out our workforce into different disciplines and business areas," says Mark Sullivan, senior planning and performance manager at the Office of Financial Management. By doing this, the state can look at the business drivers for those segments and see where they might have knowledge gaps. Right now, the state is giving a lot of attention to the IT workforce, looking at turnover, retention and age demographics, and figuring out what skills and abilities are necessary for the people they want to hold on to, acquire or develop.

Because Washington began planning more than 20 years ago, Sullivan says the state probably knows better than most what it's looking for in terms of a future workforce. "The advantage of experience is you understand what questions to ask, even if you don't necessarily have all the answers," he says. The state has already learned a few lessons other states are just now realizing, like the different skills needed to manage or supervise at varying levels and how best to teach them. "Oftentimes with succession planning, especially with leadership positions, they try to lump it into one big category. We have a more sophisticated understanding about what kinds of skills we want at the supervisory versus senior executive level," Sullivan says.

Washington's foresight has certainly given the state an advantage, but whether that puts it in a better place to act when the time comes remains to be seen. Washington may have prepared early, but without the mass exodus—and no indication of when it will start—Sullivan says state agencies haven't had a chance to put their preparations to the test.

**P**lanning for the future wave of retirements isn't solely about figuring out where the gaps will be and how to transfer the skills vital to those positions. Today's challenge is as much about keeping the current workforce engaged in their jobs as preparing them for advancement. Fort Collins' McTague says retention is as big a concern as succession. For one thing, younger employees have completely different expectations of what they want from a job. "Younger people want [work-life] balance," McTague says. To that end, the Fort Collins utilities department is offering greater flexibility and opportunities for growth and education. "We're trying to give younger employees opportunities and incentives to stay," she says. "It's a competitive world out there for good employees." Currently, the utility offers benefits including flextime, the opportunity to work remotely, a tuition assistance program, and cross-training and shadowing, which McTague says "allows employees to interact on a one-to-one basis with an existing employee to determine their own capabilities, compatibility and interest in pursuing possible vacancies."

Along those lines, a handful of communities are getting creative in the types of training and opportunities they offer young workers. In Albuquerque, N.M., for instance, the city's training department offers a program targeted toward employees who desire managerial positions but don't have the required two years'

experience. The participants are nominated for yearlong training that includes public speaking, business courses and leadership skills development. At the end of the year, and upon successful completion of a final exam, graduates of the program receive a two-year supervisory credit that can be used to apply for a front-line management position. Similarly, Boulder County, Colo., created the Leadership Academy, a yearlong program that gives some of the county's 1,700 employees the opportunity to develop leadership skills.

St. Louis County, Mo., has also taken an interest in developing its young talent base. Late 20-somethings Katrina Sommer and Adam Roberts were working in the county's Office of Community Development when it dawned on them that a large portion of the county's senior workforce was eligible for retirement, but turnover was still low. Understanding the inevitable leadership transition, they began thinking about how they could prepare themselves and their peers to move into these positions. The pair created the St. Louis County Government Young Professionals Group and put together networking events, community-service activities and a speaker series for their 74 members. "It gives people that avenue to explore their intrinsic motivations for professional development [within] the county to make sure we keep the knowledge and we don't have brain drain," says Sommer, also noting that it keeps workers engaged in their jobs. It helps employees connect with the community, she says, which has the benefit of piquing their interest in government service because they see where they can make a difference.

**W**hile states, cities and counties cobble together what they can in terms of workforce and succession planning, the missing piece of the puzzle is when the boomers will finally decide to leave. As of 2011, more than 36 percent of employees at the state level and more than 35 percent at the local level were over age 50. According to an April 2012 study conducted by the Center for State and Local Government Excellence, more than 22 percent of its members report that employees are accelerating their retirement plans. Some of this increase can be credited to the uptick in the economy, and some to the recent retiree pension and health-care benefit changes imposed by some states and localities as budget-cutting measures. Still, it's very hard to know when the silver tsunami will hit, says NASPE's Scott. And as Washington state has already learned, with this much uncertainty, you can only plan and prepare so much.

What is certain is that millennials will make up 75 percent of the workforce by 2025. With that in mind, states and localities need to focus on attracting younger employees and training them for leadership positions. Otherwise, Scott says, "There's not going to be people who know how to manage and lead." **G**

*Email [kerrigan.h@gmail.com](mailto:kerrigan.h@gmail.com)*

More stories on aging at [governing.com/generations](http://governing.com/generations)

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Transportation agencies turn to mobility management.

# Going Mobile

By Lauren Henry

**T**ransit officials have generally had a rather straightforward job: move the masses. But a growing number of transit agencies are turning their attention to individual riders through a relatively new technique called mobility management.

The strategy involves partnering with other agencies and non-profits to improve convenience for individual riders and achieve cost savings at the same time, says Art Guzzetti, vice president of policy at the American Public Transportation Association (APTA). The approach, which has gained traction over the last decade in Denver; Portland, Ore.; Michigan and elsewhere, is especially crucial as transit agencies face an upcoming surge in the number of senior residents expected to use their service.

This spring, APTA held a conference devoted entirely to the concept of mobility management. “The trends are all pointing to this,” Guzzetti says. “We really need to plan and participate.”

In Louisville, Ky., for example, the Transit Authority of River City (TARC) created a mobility manager position in 2006. Nancy Snow, who holds that job, works with the community to assess the needs of riders and match them with the best available transit option, whether it’s paratransit or a particular bus or trolley route. “We need accessible, universal and affordable transportation,” Snow says.

To that end, TARC has stepped outside its traditional role and partnered with about a dozen nonprofits. Since these organizations will increasingly help transport the over 65 and disabled, TARC will perform low-cost vehicle maintenance. Building partnerships with other providers is important, says TARC Executive Director Barry Barker, because the agency doesn’t have the money to increase the size of its own vehicle fleet.

The agency is also contracting with private taxi services to supplement its federally mandated paratransit service, and is using federal grant funds to make its entire bus fleet wheelchair accessible. That move could offer disabled passengers more freedom since they wouldn’t have to make advanced reservations to use paratransit, and it could save TARC money since it’s less expensive to provide bus service than paratransit.

Once aging baby boomers hang up their car keys, they’ll begin relying on transit agencies to “demystify the experience for someone where public transit is new,” Guzzetti says. Snow has partnered with the city to improve bus stops and surrounding sidewalks for passengers, and she’s helped coordinate travel training to teach residents how to use the transit system.

TARC’s Barker says the concept of mobility management extends beyond Snow’s role and is now part of the agency’s culture. “It is all about giving people an array of options where they live.” **G**

Flickr/PAUL SABLEMAN

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# Safe Behind the Wheel?

**States struggle to identify disabilities in older drivers.** By Caroline Cournoyer

**B**y 2020, one in six drivers on the road is expected to be over the age of 65. Older drivers are also keeping their licenses for longer and getting behind the wheel more often than ever before. Should this worry other drivers? According to motor vehicle and car insurance experts, not necessarily.

“When there’s a really bad crash, they’ll be an outcry to deal with older drivers and I think there’s a tendency to dramatize the problem they cause on the roads,” said Anne McCartt, the senior vice president of research for the Insurance Institute for Highway Safety (IIHS). “But if you compare older drivers to teens, older drivers are not as big a problem to other people on the road.”

Older drivers are involved in more car accidents and more of their crashes are fatal, according to the Insurance Information Institute, but this is due to their increased susceptibility to injury—not necessarily the severity of the crash.

When older drivers have car accidents, it’s usually because they failed to yield to the right of way either because they misjudged whether there was time to go before the other cars or because they failed to see the oncoming car at all.

Nineteen states require older drivers to renew their license more often than younger drivers, and nine states require older drivers to take vision tests when they renew their license. In Maryland, special renewal provisions (which in this case means vision testing) start for drivers as young as 40; while Texans have 85 years before they have to start getting their license renewed more often than younger drivers, according to nationwide data compiled by IIHS and the Highway Loss Data Institute.

According to IIHS, studies show that vision testing older drivers is associated with lower fatal crash rates. But Thomas Manuel, the program director for driver fitness at the American Association of Motor Vehicle Administrators, said that seniors’ vision, which can be corrected, isn’t the problem.

“The issue is that when they [older drivers] lose their cognitive abilities, then they think that they’re okay to drive when really they’re not,” Manuel said. “There’s lots of screening out there for cognitive abilities, but they don’t know how it relates to driving.”

Maryland is one of the only states with research-based cognitive testing for older drivers, according to Manuel. When police officers come across an older driver who may have cognitive disabilities, they notify the state’s medical advisory board and the person is brought in to take more than a handful of scientifically-validated tests that assess their mental and physical abilities. They may be asked to walk a straight line in a certain amount of time or they may be asked to make quick decisions while in a vehicle.

If they fail, boomers have to pay about \$300 to see an occupational therapist who specializes in driving. The state might also put restrictions on them such as prohibiting their night or highway driving, according to Manuel.

While Maryland’s cognitive screening process is better than most, it’s still not accurate enough to identify drivers with cognitive impairments before they’re brought to the state’s attention. The AAMVA has been working on changing that.

Though more than half of the states (28 plus the District of Columbia) regulate older drivers in some way, many do not. According to Manuel, this is because “like it or not, the DMV is a political world,” and singling out seniors for shorter renewal periods or additional testing can be construed as discriminatory. Once older drivers feel discriminated against, that may change their vote come election time.

“The object is to keep them on the road as long as they’re safe,” he said. “States don’t want to take licenses away from older drivers because as soon as you take away the keys, it cuts them off from the world.”

Taking older drivers off the roads not only affects them but the economy, according to Manuel. “If you take away their driving, you take away their ability to spend money and that will affect the economy.”

States have varying license renewal laws, with some requiring accelerated renewal for older drivers. The state map illustrates each state’s requirements. An interactive version is available online. Information was obtained from the Insurance Institute for Highway Safety and was current as of August, 2012. **G**

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# Whose Bus is it Anyway?

Transit service for disabled may feel impact of seniors.

By Ryan Holeywell

In most lines of work, customer growth is considered a good thing. In the world of transit—specifically, transit service for the disabled—it’s a serious challenge.

Across the country, transit systems are taking steps to slow the increasing number of passengers who use paratransit, the federally-mandated service they’re required to provide for disabled customers who are unable to use traditional buses and rail.

It’s a trend worth paying attention to, as it may be a harbinger of things to come: Experts say a growing number of baby boomers will rely on transit—and in some cases paratransit—to move around in the not-too-distant future. And that could put even more strain on paratransit systems that are struggling with the costly mandate.

Nationwide, transit agencies are trying to find creative ways to reduce their expenses by steering people who would ordinarily use paratransit shared-ride vans towards more traditional service.

- In Riverside, California—where paratransit serves 4 percent of the system’s riders but eats up 18 percent of the budget—officials are teaching people with cognitive disabilities to read bus schedules.
- In Portland, Oregon—where TriMet spends almost 10 percent of its operating budget on 1 percent of its riders—paratransit now serves a smaller area and fares have increased from \$1.85 to \$2.15.

- Transit officials in Washington, D.C. have made an offer to the disabled: if they’ll ditch the expensive door-to-door service, they can ride buses and subways for free.

“In paratransit, we don’t celebrate our demand skyrocketing,” says Christian Kent, assistant general manager of access service at Washington Metropolitan Area Transit Authority. “We got to a place a few years ago where our board was making decisions about its budget, and the word ‘unsustainable’ was used for the first time.”

## ADA boosts paratransit ridership

The Americans with Disabilities Act, the landmark 1990 law, put all public transit systems into the paratransit business. The law didn’t give them extra funding, but it did force them to provide a service that’s expensive, costing big city transit agencies an average of \$34 per ride, according to 2010 American Public Transportation Association report.

In addition to being more expensive than typical transit service, it’s also growing faster. From 2000 to 2010, the number of “demand-response” trips—namely, paratransit—increased about 80 percent. Overall, transit trips increased by about 10 percent in that time, says Art Guzzetti, the vice president of policy at the American Public Transportation association.

Those two dynamics have created a service that represents a disproportionately large part of transit agency budgets. Even

though paratransit customers represent about 1.9 percent of all transit riders, the service eats up about 13.7 percent of transit agencies' costs, says Guzzetti.

And because paratransit programs are so heavily subsidized, transit agencies face a frustrating paradox: if they make the service more convenient, they'll attract more customers. And if they attract more customers, they'll lose more money. So today, much of the work of the officials working in the field of paratransit is to persuade riders not to use the service.

"[I]f you're being good stewards of your taxpayer dollars, you try to put them in check," says Guzzetti. "You don't want to be providing more of those trips than you need to be."

### Transit costs vs paratransit costs

Transit agencies have taken a variety of steps to try to turn the tide. In Washington, the MetroAccess paratransit service carries about 2.3 million passengers annually. From 2005 to 2011, ridership on the service increased by about 20 percent annually, Kent says. That number is staggeringly high; traditionally, transit advocates are thrilled at a 1 or 2 percent increase in overall ridership.

That growth isn't just fast. It's expensive. MetroAccess has an operating budget of \$118 million, according to the proposed FY 2013 budget. That means 7.5 percent of the system's operating budget pays for less than 1 percent of its trip.

As transit agencies craft their operations budgets, their costs typically outweigh revenue. In other words, the cost of a ticket doesn't really pay for the cost of a ride. In the case of the Washington Metropolitan Area Transit Authority, the shortfall is closed with a subsidy paid by the local governments served by Metro.

For rail, the subsidy costs about 76 cents per ride, according to the proposed FY 2013 budget. For MetroAccess, that subsidy averages about \$50.45 per passenger. Governments pay more than 93 percent of the costs of MetroAccess.

Put another way: the subsidy local governments pay to move one MetroAccess customers could move 65 rail customers.

### Transit systems shifting costs

One technique that many transit agencies have started to embrace, including WMATA, is offering free rides on bus and rail to the disabled. Paratransit is so heavily subsidized that it's less-expensive for the government to give away a free bus or subway ride than to provide paratransit service, even when they charge customers.

WMATA has also started training the disabled to use traditional bus and rail service, in hopes of facilitating that transition, and it's changed the way it evaluates customer eligibility for the paratransit program. Those changes mean the agency's preliminary FY 2013 budget projects paratransit ridership to be lower than it was in FY 2010.

But it's unclear whether all the reforms being pursued by WMATA and others will be enough to stave off a surge in paratransit demand as a result of aging seniors, as people over the age of 65 represent a disproportionately large percentage of the disabled population.

Demand for ADA paratransit use is expected to increase by nearly 12 percent for the under-65 population through 2030, according to the APTA report. But for those over 65, the increase will be more than 75 percent.

The report goes on to project that the operating funds needed to provide ADA paratransit for seniors will increase from nearly \$1.7

billion annually in 2010 to more than \$2.9 billion annually in 2030.

Uncomfortable battles for transit dollars could break out, since paratransit competes with traditional bus and rail for precious budgetary dollars. "It is putting a strain on total resources and what we have available for all other modes," MBTA General Manager Jon Davis said last year.

In Boston, the cost of the paratransit service, called The Ride, has increased nearly 400 percent in the last decade. Author Edward Glaeser, writing in a *Boston Globe* column earlier this year, called paratransit an unfunded federal mandate that causes additional pressure on already cash-strapped transit agencies.

Glaeser's solution: take paratransit out of the purview of Massachusetts Bay Transportation Authority, and structure it as a stand-alone state agency funded by general state revenue. Maintaining the status quo, he wrote, would mean a paratransit service that would eventually eat up the entire transit agency's budget.

Few are seriously considering that option. Instead, transit agencies say their solution is to steer paratransit customers towards traditional transit service when appropriate and scale back on service when legal. They argue that in many cases, traditional transit service can actually serve the needs of the disabled better, since they can operate on their own timetable instead of having to schedule pickups.

Jeff Becker, senior development manager at Denver's Regional Transportation District, argues that paratransit's growth isn't poised to cause a fiscal crisis. He says transit agencies need to get more creative and more flexible to reduce costs. "I don't see why there's a reason to panic," Becker says.

Transit agencies aren't always obligated to provide one-seat, no-transfer rides to the disabled—even though historically they have, according to Becker, who says more agencies will also need to use paratransit as a way to connect the disabled to traditional service rather than to bypass it entirely.

"It's not as convenient for the customers, but neither is any transit service," Becker says.

### Paratransit advocates criticize changes

Those moves aren't popular with the disabled, and in places like Portland and Washington, they have been met with an outcry from the disabled community.

Pat Spray, a MetroAccess customer who has used a wheelchair for 10 years, says the agency's efforts to push disabled customers towards typical bus and rail is "upsetting and unnerving." The subway's stations are dimly lit, its escalators and elevators are often out-of-service, and new fare machines lack the option of having audio prompts for the visually impaired. In other words, the system isn't as friendly to the disabled as some may think.

Meanwhile, Spray notes, MetroAccess isn't a "gimme" program. Riders have to schedule pickups, and just like traditional bus and rail, they may or may not arrive at their destination on time. Spray is aware of the costs of the program but argues that by allowing people to travel independently—as opposed to entering assisted living institutions—it actually saves money in the long-term.

"The whole paratransit issue needs to be reframed in a broader context," says Spray, who became wheelchair-bound after a botched surgery. "It's part of a market basket of services. We're trying to keep grandma out of the home." **G**



# Information, Please!

**Better exchanges of health data could fundamentally change the nation's health-care systems, especially for older patients.**

In the ongoing effort to rein in health-care costs, many policymakers and health workers view data and information as a crucial next frontier. The increasing expenses of health care, the thinking goes, are often a symptom of poor coordination and communication, a problem that could be remedied if health-care providers and governments were better equipped to share data.

"More and more innovation is happening with more and more data being made available," U.S. Chief Technology Officer Todd Park said at the 2012 Health Datapalooza in Washington, D.C., in June. "Health data is no longer a government initiative. It is an American initiative."

Seniors—and specifically dual eligibles [see "Stay at Home, Mom," page 32]—could benefit the most. With the dual-eligible demonstration projects created by the Affordable Care Act, intended to improve coordination between state-run Medicaid and federally run Medicare for the nine million people under both, states are gaining access to Medicare data for the first time.

Some state officials are almost giddy at the prospect. "We had a huge void because we didn't have access to that data," says Denise Levis, director of clinical programs and quality improvement at Community Care of North Carolina, the organization overseeing that state's demonstration. "Now that we do, it should have a huge impact."

North Carolina is one of 26 states developing dual-eligibles demonstrations under the health-care reform law. It has already begun integrating Medicare data into its existing health information exchange, an online warehouse that collects information from several state agencies and now the Centers for Medicare & Medicaid Services (CMS). In March, the exchange received Medicare data on hospital and primary care claims for the first time. The state is currently negotiating with CMS to access its prescription data as well.

Once it has as much federal data as it can get its hands on, North Carolina will run the information through algorithms to

identify dual eligibles with the highest risks. Those individuals can then be targeted for disease management and medication management to make sure they are controlling their conditions as best they can. That should lead to lower costs. State officials project they'll see savings within the first 12 to 18 months if all goes according to plan.

More than 250 health information exchanges like the one at work in North Carolina are operating across the country. Some are government-run; others are run by insurance companies or health-care providers. They allow patient data to be shared electronically across providers and government agencies, giving doctors and hospitals a more complete picture of the people they're treating. For a high-needs population like dual eligibles, who typically have a history of health issues, that information can be invaluable.

Many analysts have extremely high hopes for these information exchanges. A recent survey of senior health IT specialists found that 40 percent believe that health information exchanges, more than anything else, "can have the most impact on patient care by improving clinical and quality outcomes."

Obstacles remain. Maintaining these exchanges requires funding, and it can be difficult to facilitate trust among the health-care providers involved. Overcoming those challenges is important, advocates say, because of the potential for data exchanges to revolutionize the health-care industry. "Electronic health information exchange addresses a critical need in the U.S. health-care system to have information follow patients to support patient care," wrote officials with the federal Office of the National Coordinator for Health Information Technology in *Health Affairs* this March. "Today little information is shared electronically, leaving doctors without the information they need to provide the best care. ... The demand for health information exchange is poised to grow." **G**

*Email dscott@governing.com*



# These Slippers Could Save Your Life



Telehealth will revolutionize health care for aging patients—if states can get out of the way.

**T**his exists: a pair of house shoes, equipped with pressure sensors and a special pedometer, that can sense when the wearer is about to stumble and send out an instant message to that person's doctor. Developed by AT&T in 2009, the slippers monitor the gait of the person wearing them and can alert a physician if there's anything unusual. That early notification might prevent a dangerous fall and a costly trip to the emergency room.

Seem crazy? How about a doctor's visit that takes place entirely through video conferencing? Or an in-home blood-pressure monitor that instantly relays a patient's stats to her doctor's office? Or glucose meters that constantly upload information to a password-protected website, allowing a diabetic patient's daughter to track her mom's health online?

It still sounds a little like science fiction for senior health care: Jetsons Age technology for a generation that grew up on "The Jetsons." But it's part of the very real, very rapidly growing telehealth industry, which is expected to triple in size to \$273 billion by 2016, according to projections by BCC Research, a market research firm.

It could be a cost-saver too. Some industry analysts have said remote monitoring could lead to savings of 20 to 40 percent by reducing unnecessary hospitalizations and catching chronic problems early. Others have cited pending doctor shortages—a national gap expected to reach 130,000 by 2025, as the baby boomer retirement wave crests—as reason to embrace remote health-care technology.

But state policies must first catch up.

Regulations set by state medical boards can make it difficult for doctors to practice telemedicine, Gary Capistrant, senior director of public policy at the American Telemedicine Association, told *Kaiser Health News* in May. State boards often require an existing doctor-patient relationship or a prior in-person exam—severely

limiting for an industry that frequently crosses state lines. Just two years ago, in a ruling that was decried by telehealth advocates, the Texas Medical Board expressly prohibited physicians from treating new patients virtually without an initial face-to-face exam (or a referral from another doctor who had met with the patient in person).

The national Federation of State Medical Boards convened in March 2011 to examine the relationship between regulation and telemedicine. Members voiced concerns over maintaining quality of care and providing adequate tech training for physicians. But there was an acknowledgment that telemedicine offers an important opportunity. "We have scarce resources, and there is recognition that life has changed when it comes to how best to ensure access to medical care for those in need," Dena Puskin, a senior adviser at the federal Human Resources and Services Administration, told the group.

Some states are embracing telehealth. The New Mexico Medical Board, for example, will issue a telemedicine license to any health-care provider outside the state who is licensed in any other state or territory in the United States. At least nine other state boards have modified their licensing requirements to allow some kind of telehealth practices across state lines. But with the other 40 states maintaining in-state licensing requirements, telehealth advocates say more action is needed.

"The best thing we could do is get rid of the term 'telemedicine,'" said Jay Sanders, president and CEO of the Global Telemedicine Group, at the 2011 conference. "When we started using CAT scans we didn't call it 'CAT-scan medicine,' and when ultrasounds came in we didn't call it 'ultrasound medicine.' It's medicine, period." **G**

*Email [dscott@governing.com](mailto:dscott@governing.com)*

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After three years in a nursing home, Delores Powers moved in with her son and daughter-in-law. Her caregiver, Angie, helps her around the house five days a week.

Photographs by Kristina Krug

# Stay at Home, Mom

By Dylan Scott

States are searching for affordable ways to allow seniors in need of long-term care to remain in their homes.

**F**or three years, Delores Powers languished in a nursing home. Already struggling with diabetes and early dementia, the 86-year-old Decherd, Tenn., resident landed in the hospital in 2008 after mismanaging the dozen or so medications she takes every day. Doctors told Delores' son David and his wife Dale that unless somebody could stay with her all day, she needed to live in a nursing home. Both David and Dale work full time, so staying home was not an option. Delores was moved to a nursing home, the default option for someone in her situation.

"She seemed to be going downhill, picking up speed," says Dale of how her mother-in-law handled the move. She recalls the conversations she and her husband had about what they could do. They talked about Dale quitting her job to stay home with Delores. "But we really couldn't afford that."

Then, a few years ago, Tennessee lawmakers approved a new program called CHOICES. Implemented in 2010, the program was conceived as a way to help seniors on Medicaid receive home- and community-based care instead of living in a nursing home. After an assessment of Delores' condition and finances, state officials approved her for the program.

This June, Delores came home. A caregiver named Angie, whose salary is paid by the state, comes from 7 to 5 every weekday. Angie gives her a bath, doles out her medications, checks her blood sugar, prepares lunch and takes Delores on walks outside. "You could say she does everything," Dale says. A physical therapist works with Delores at the house twice a week, and a registered nurse stops by once a week to check her vitals.

Today, Delores' life is getting back to normal. It's the little things: a shopping trip to Walmart, her first hair salon appointment in years, sitting on the porch in her small town of 2,200, waving as people walk by. In the afternoons, Angie hangs up a curtain in Delores' bedroom so she can watch movies late into the night, just as she likes.

The concept of managed care—the model that allows people like Delores to remain at home—has been around in health policy circles for years. But it's now gaining particular attention for seniors. The idea is that one company or organization oversees all of a patient's health-care needs. The company manages long-term aides and caseworker visits. If a patient ever needs more acute health care, such as a trip to her physician or specialist, the organization contracts with doctors, "managing" her care in a more holistic way than if she were left to navigate the system on her own.

Coordinating every aspect of one patient's health care is complicated enough. But when that care is paid for by the government, coordination can become next to impossible. Medicaid pays for almost all long-term care services for low-income

patients. Medicare, the federal insurance program for individuals 65 and older, covers more acute care, such as emergency room visits and most prescriptions. Low-income seniors, such as Delores, are known as "dual eligibles." They qualify for both programs and are constantly bouncing back and forth between them—Medicare for an operation, Medicaid for long-term recovery. Sometimes, Medicaid pays part of a patient's out-of-pocket costs for Medicare premiums.

It's a maze.

As a result, reconciling the two programs can be a nightmare. Many primary care doctors who work under Medicare are not aware of their patients' options for long-term home- or community-based care under Medicaid. Everyone involved in



health policy has heard horror stories of patients being stuck in a nursing home while the two programs bickered over which would pay for different services.

It's a piecemeal system and one that's unacceptable, says Matt Salo, executive director of the National Association of Medicaid Directors. Speaking at a Washington, D.C., conference this July, Salo called it "a national shame that we're subjecting the poorest and sickest among us to this fragmented care."

Dual eligibles can also be a major expense for states. They make up 15 percent of the 62 million Medicaid enrollees nationwide, but they account for nearly 40 percent of the program's costs. And roughly 70 percent of those costs are tied up in long-term care. Better management of long-term care for dual eligibles means a lower burden on state resources.

**Under CHOICES, Angie's help allows Delores to remain as independent as she can. One recent afternoon, Angie took Delores to get her hair done for the first time since she came home.**

That's why a program such as CHOICES is so attractive to policymakers. A decade-long study published in *Health Affairs* in 2009 found that states with established home- and community-based care programs had cut their overall Medicaid long-term care spending by nearly 8 percent. States that instead relied on institutions like nursing homes saw their long-term costs increase by almost 9 percent. According to a 2011 report from the Bowles-Simpson presidential commission on fiscal reform, placing dual eligibles in Medicaid managed-care programs like CHOICES could save up to \$12 billion by 2020.

"As the population ages and more and more people need long-term care, if nursing homes are our default option, we're not going to be able to afford that," says Patti Killingsworth, chief of long-term services and supports at Tennessee's Medicaid office, which oversees CHOICES.

But improved coordination is not just about keeping costs down. It could also mean higher quality of care and a better patient experience. The federal Centers for Medicare & Medicaid Services (CMS) estimated in 2005 that 45 percent of hospitalizations for dual eligibles could have been avoided through better coordination between the two programs. Better coordination means greater independence for patients.

More than 80 percent of Americans over 50 say they want to remain in their home as they age, according to AARP. That includes Delores. "We didn't want her to leave before her time, and we felt like it was getting to that point. We had to do something. This is the best thing that ever happened," Dale says. "When they can come home, it changes everything. She's happy, she's going places, she's doing things."

**T**ennessee may seem an unlikely place to look for a national model of health-care reform. Before CHOICES passed in 2009, Tennessee had a poor record on long-term care. According to an AARP analysis, it had the nation's lowest percentage of low-income seniors who received home- or community-based care. In 1999, less than 1 percent of Tennessee seniors on Medicaid received that kind of care. In 2009, as planning for CHOICES was under way, the share was still below 10 percent. "We really had nowhere to go but up," says state Sen. Lowe Finney, who formed a study committee after taking office in 2006 to explore options for improving care for those individuals.

Tennessee's Medicaid program, TennCare, has one of the most expansive managed-care systems in the country. Health-care providers are paid on a per-patient basis, rather than per procedure, as was the case in more traditional fee-for-service models. TennCare has been in place since 1994, but seniors hadn't been integrated into the managed-care system. Instead, the default option for Medicaid-eligible seniors in need of long-term care was living in a nursing home.

In his 2008 State of the State address, then-Gov. Phil Bredesen made the CHOICES program the centerpiece of his plan for the state. "We need to make it easier to stay at home with more home- and community-based services. We need more residential alternatives to nursing homes," Bredesen said in his speech. "If you want to stay in your home, if it makes sense to do so, this is the year we're going to start making it easier."

With that, planning for CHOICES accelerated. Finney's study committee had found that 90 cents of every state dollar spent on long-term care went to nursing-home residency, the most expensive kind of care. So policymakers set dual goals: finding a more cost-effective solution and giving seniors a choice about what kind of care they would receive. Unsurprisingly, nursing homes were concerned that they would lose substantial amounts of revenue if more patients received at-home care. Lawmakers included provisions in the bill allowing nursing homes to provide additional services, such as adult day care, to make up for the reductions in permanent residents. The CHOICES Act passed the state General Assembly in May 2008 without a single "no" vote. A federal Medicaid waiver, which was required to modify the state's program, was granted in July 2009. "Everybody understood the goals we were trying to achieve," says Tennessee's Killingsworth, "and believed, based on everything we had studied and reviewed and analyzed, that this was the thing that was going to get us there."

Of course Tennessee is not alone in searching for new approaches for its long-term care population. Oregon's coordinated care organizations served as a model for Tennessee policymakers when they were designing CHOICES. Vermont had already implemented a tiered system similar to CHOICES, in which patients who didn't require nursing-home care could opt to stay at home. Arizona and Texas have had managed long-term care systems in place for more than 10 years. At the federal level, the Affordable Care Act created the Medicare-Medicaid Coordination Office within CMS. Twenty-six states—including Tennessee—have told the new office they will develop dual-eligibles demonstration projects over the next few years to improve coordination.

But Tennessee did something those other states hadn't. It integrated CHOICES into its overall managed-care program, rather than creating a separate entity for long-term care recipients. The idea was that it would be more efficient if that population could draw on the resources of the larger program. Since its implementation, Killingsworth says her office has fielded calls from more than 20 states about CHOICES. Other states' officials involved with developing long-term care strategies have visited to see the program at work firsthand, as have officials from CMS.

Since Tennessee's program took effect, the number of long-term care recipients who stayed in their homes or their community doubled from 17 percent in 2010 to 34 percent in 2012. The state is seeing a financial benefit as well: Its Medicaid program's costs are projected to increase by half the national average in 2013.

Other states are now developing managed-care systems modeled on Tennessee's. When Kansas officials decided in 2010 to implement a managed-care program, including for long-term services, they spoke to Killingsworth and her office. "They've been there, done that, and they've been successful," says Susan Mosier, director of the Kansas Medicaid office, which is set to implement KanCare in January.

Similarly, New Jersey officials determined that they should adopt a managed long-term care system. (Like Tennessee prior to CHOICES, New Jersey has ranked near the bottom in terms of home- and community-care services.) Before filing a waiver application with CMS last September, New Jersey officials sent



potential health-care providers on site visits to meet with their counterparts in Tennessee.

Valerie Harr, director of the New Jersey Medicaid office, says she regularly exchanges emails with Killingsworth about how Tennessee's experience could be translated to her state. "They're a model. You have to look to states that have been in the same situation," Harr says. "They've already asked all the questions that we're trying to answer."

**M**anaged long-term care is the first step toward a coordinated approach on dual eligibles. Of the 26 states set to initiate dual-eligibles demonstration projects, 15 say they plan to move forward next year; the other 11 say they will to start theirs in 2014. Tennessee was one of 15 states to receive a \$1 million federal grant to plan its demonstration. The state plans to integrate Medicare benefits into its managed-care system. Patients would have a single insurance card and a single care management office to oversee their needs. Savings are expected for both Medicare and Medicaid within three years if the demonstration is successful.

That's just one of the myriad ways that states are proposing to improve coordination for dual eligibles. Generally, the plans fall into one of two categories: blended rate, which sets a single rate for health-care providers to offer both Medicare and Medicaid services; and state coordination, in which the state takes responsibility for integrating care and could qualify for financial bonuses if certain savings targets are met.

There's widespread agreement that dual eligibles and managed long-term care offer an important opportunity for policymakers. But there are challenges, to be sure. Dual eligibles are, almost by definition, a high-needs population. There are many questions about whether state-run managed-care systems are prepared to handle

those needs. And there's uncertainty about proper oversight and how to measure and maintain quality when health-care services are increasingly being delivered in individual patients' homes. Some patient advocates have already warned against rushing into Medicare-Medicaid coordination. "Part of our concern is that there is a lot of vagueness, a lot of unknowns," Patricia Nemore, senior policy attorney at the Center for Medicare Advocacy, told *Governing's* Health newsletter in July. "You can't talk about duals uniformly. You can't even talk about a state uniformly: The infrastructure is different in city versus rural, one part of a state versus another part."

But federal officials say the best option available is to let states experiment with different approaches. "There's not one model that would work in every case," says Alper Ozinal, a CMS spokesman. "We need to be flexible enough to recognize that states have different strengths and delivery systems to build around."

Now is the time to act, say advocates of dual-eligible reform. With a rapidly aging population, they say, states must be as proactive as possible. "You have two options," says Killingsworth. "You can either plan now or you can wait till it gets here. The only way we're going to be ready is if the planning occurs now and these kind of decisions are made now rather than later." **G**

**Since 2010, CHOICES has doubled the number of seniors like Delores who receive home-based long-term care. A regular exercise routine, overseen by Angie, ensures Delores is as healthy as possible.**

Email [dscott@governing.com](mailto:dscott@governing.com)

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# Remember Me

As America ages, states prepare for Alzheimer's crisis.

By Dylan Scott

**O**ne in eight older Americans—5.4 million—live with Alzheimer's disease, according to the American Alzheimer's Association. The disease costs the health-care sector up to \$200 billion annually. If those trends hold as the nation's population ages (the number of Americans over 65 is expected to balloon by 75 percent by 2029), those costs, both personal and fiscal, could increase exponentially. The association places the tangible costs at \$20 trillion over the next 40 years.

So what are states doing about it?

In 2009, the Alzheimer's association worked with lawmakers in 20 states to pass legislation that created State Government Alzheimer's Disease Strategic Plans. They create a system for coordination among state legislators, government agencies, health-care providers and patients to confront the disease through public policy. Advocates hailed the movement as an important step toward crafting an organized approach to a disease that is the sixth-leading cause of death in the United States. As of September 2012, 24 states have finalized a plan, and 16 others (plus the District of Columbia) have established task forces to develop one.

"We have a crisis on our hands, and it's not getting better. It's getting worse," says Matthew Baumgart, senior director of public policy at the American Alzheimer's Association. "We're not prepared, as a country, and states are really on the front lines."

The efforts transcend more traditional politics. California and Texas—two states that reside firmly on opposite ends of the political spectrum on most issues—have crafted two of the most detailed roadmaps for addressing the needs of those suffering from Alzheimer's.

California officials estimate that Medicaid enrollees with Alzheimer's and other forms of dementia cost the state two-and-a-half times more than those without those conditions. The state expects its number of residents with Alzheimer's to double to 1.2 million by 2030. Its strategic plan to address that looming problem is broad, ranging from increased public outreach to combat stigma to increased funding to support state and local services. It includes expanding CalCare Net, an online resource for long-term services and support, to all 58 counties and enhancing other consumer assistance programs such as the 2-1-1 information line. California will make various forms that are of particular importance for Alzheimer's patients and their families—such as power of attorney and physician orders for life sustaining treatment—available for free to the public at public libraries and online. The state also intends to increase the care services, such as adult day care and in-home support services, which are available to patients.

Texas officials took particular interest in unpaid caregivers: there are an estimated 10.9 million nationwide and more than 850,000 in Texas alone who care for family members with Alzheimer's without compensation (the total uncompensated care is estimated to be nearly \$12 billion). They set a goal of engaging 20 non-traditional partners in disseminating information about the disease and supports available to those with it and those caring for them. The state will contract with one health-care system or group of primary-care physicians to develop a pilot programming allowing licensed professionals to work with unpaid caregivers to improve quality of care. Texas also plans by 2015 to develop formal guidance for targeted preventive brain health fitness screenings and accompanying training for physicians to perform them. And with their eyes well into the future, policymakers also recommended increase funding to the Texas Alzheimer's Research Consortium and a 25 percent funding increase for other researchers.

Several themes found in these two states' plans were common in most states, Baumgart says: training both health-care providers and support staff to handle those suffering from Alzheimer's and expanding home-and-community-based services for long-term care to ensure that those who are capable of staying at home are able rather than going directly to a nursing home. The latter coincides with broader goals that policymakers have set out for the aging population, as *Governing* detailed in its October 2012 issue.

The long-term hope remains finding a way to eradicate the disease entirely. However, the financial landscape could lead to fewer government resources going toward research and support. California, which since 1985 has had one of the most generous state-funded grant programs for Alzheimer's research, cut its program by 50 percent in 2009. Those cuts are expected to extend at least through 2015.

But counterexamples like Texas provide advocates with some optimism. The federal government invested nearly \$500 million this year into research, Baumgart says, yet he acknowledges that—in an era of budget cuts and deficit reduction—advocates have to remain vigilant in pushing for investments that they say will pay off in the future.

"It is vital that the government not only maintain, but increase its commitment to Alzheimer's research," he says, pointing to the expected costs with an aging population. "An increased commitment now can actually save a lot of money down the road, for programs like Medicare and Medicaid, if we're able to improve treatment and even possibly find a cure." **G**

Originally published in October 2012.

# Last Rights

Aging baby boomers want control of their end-of-life care.

By Jonathan Walters

**A**ssisted suicide. Euthanasia. Death panels. Rationed health care. There's nothing like a well-chosen phrase to inflame talk about end-of-life care—how the health-care system cares for those who are in the last stages of a terminal illness and how much control patients and their families have over that process.

It can be an emotional and divisive issue, and for lawmakers, a dangerous business. That's certainly something President Obama quickly learned when a provision in the Affordable Care Act (ACA) that encouraged doctors to engage patients in discussions about end-of-life care quickly deteriorated into a nationwide war of words over whether such one-on-one discussions between patient and physician would result in "death panels" determining who should receive care.

But with America rapidly aging, the subject of end-of-life care isn't going to go away. It has the attention of any legislator or government official trying to make sense of health-care budgets in general and Medicare expenditures in particular. That's because in their last year of life, older adults consume more than a quarter of Medicare's expenditures, costing more than six times as much as other beneficiaries. It also has the attention of hospital officials. Under the ACA, hospitals will be penalized by Medicare for high readmission rates. That means there will be more focus on avoiding the ping-ponging of terminally ill patients that often takes place between nursing homes and hospitals as people near the end of their lives.

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Meanwhile, an increasing percentage of Americans say they want more control over how they will be treated should they become terminally ill. Faced with the mechanistic environment of hospital intensive care units, many older patients say they prefer to die at home, surrounded not by machines but by their family. Others want every option explored, every high-tech trick tried to prolong their lives, even if they are unconscious.

Today, the discussion over end-of-life care is alive and well—but not on a national level. “It’s pretty quiet right now, and has been since 2009 and the whole death panel debate,” says John Carney, president and CEO of the Center for Practical Bioethics, formed in 1984 to parse out complicated ethical issues around medicine and medical research, including issues like end-of-life care. Rather, the debate and press toward a political solution are currently taking place at the state level. There, policymakers and advocacy groups are managing to defuse the raw emotional responses that national, partisan-fueled battles elicited when the ACA was being debated.

The reason for that is straightforward. Rather than pursuing the “death with dignity” approach to end-of-life decisions—which immediately inflames the right-to-life lobby—a low-key movement has evolved in the states. This movement is focused on giving patients facing tough decisions about end-of-life care more say in what medicine and medical procedures they want or don’t want.

If advocates for more rational and patient-centered end-of-life care can avoid the specter of death panels and health-care rationing, there’s the real possibility of progress. Dr. Susan Tolle, who practices general medicine in Oregon and serves as director of the Center for Ethics in Health Care at the Oregon Health & Sciences University (OHSU), says, “When people are using language like ‘death panels,’ there’s more emotion and fear than if you say you want to honor the wishes of this individual.”

**O**ne tack that end-of-life care activists are taking is to push state legislation requiring health-care professionals to counsel terminally ill patients and their families on medical choices and palliative care, which is an area of health care that focuses on relieving and preventing the suffering of patients. Such initiatives have not triggered a negative response with right-to-life interests. But that doesn’t mean it has been easy to pass such laws.

According to the national chapter of Compassion & Choices, which is dedicated to advocating for more open discussion around alternatives to intensive and intrusive end-of-life interventions, only California and New York have counseling laws on the books. In New York, it was the Medical Society of the State of New York that came out strongly against the Palliative Care Information Act. Doctors there argued that it inserts the state into what should be private physician-patient relationships. That argument didn’t get far in Albany; the law passed in 2010.

Last year, New York took that approach one step further. The Legislature passed the Palliative Care Access Act, which requires institutions like hospitals, nursing homes and other long-term care facilities to offer end-of-life and palliative care counseling. This step is more significant than the Palliative Care Information Act. According to Kathy A. McMahon, president and CEO of the Hos-

pice and Palliative Care Association of New York State, it has led to a statewide coalition of all the health-care organizations that represent institutions like hospitals and nursing homes and gotten them to pull in the same direction on end-of-life care counseling. “The way to get real change,” McMahon says, “is to get the groups representing the facilities that are required to do this to buy in.”

But working through health-care professionals and health-care facilities to promote end-of-life care counseling is not getting a huge amount of traction in other states. More promising is a rapidly growing end-of-life care phenomenon known as “physician orders for life-sustaining treatment,” or POLST.

**T**he basic idea behind POLST is to give anyone who is judged to have less than a year to live the chance to set out very detailed directions about what sort of care they want or don’t want. “It’s basically a DNR on steroids,” says Carney of the Center for Practical Bioethics. But unlike a “do not resuscitate” order, or an advance directive, POLST forms are formal physician’s orders worked out in advance with a patient or a patient’s advocate. “We have found POLST to be a very successful way to convey immediately actionable medical care based on patients’ wishes,” says Dr. Alvin Moss, director of the Bioethics Program at the West Virginia University School of Medicine.

The other advantage of POLST, at least when done thoroughly, is that it is instantly accessible to everyone from EMTs in an ambulance to doctors in an emergency room. That’s the case in Oregon, where the state maintains a rapidly expanding registry of more than 100,000 POLSTs available online 24 hours a day, seven days a week. There are currently five states with POLST registries, although as electronic medical records systems evolve and grow, POLSTs are likely to become part of any patient’s instantly accessible online record.

Given the registry and general knowledge of POLSTs in Oregon (the state implemented its POLST program way back in 1995), there’s been a significant shift in the behavior of both patients and health-care professionals. “There is a huge amount of public empowerment in this,” says Tolle of OHSU, which hosts the Oregon POLST registry. “We’ve seen a major transformation from ‘We didn’t ask, we just intubated,’ to [medical personnel] asking if someone has a POLST form.”

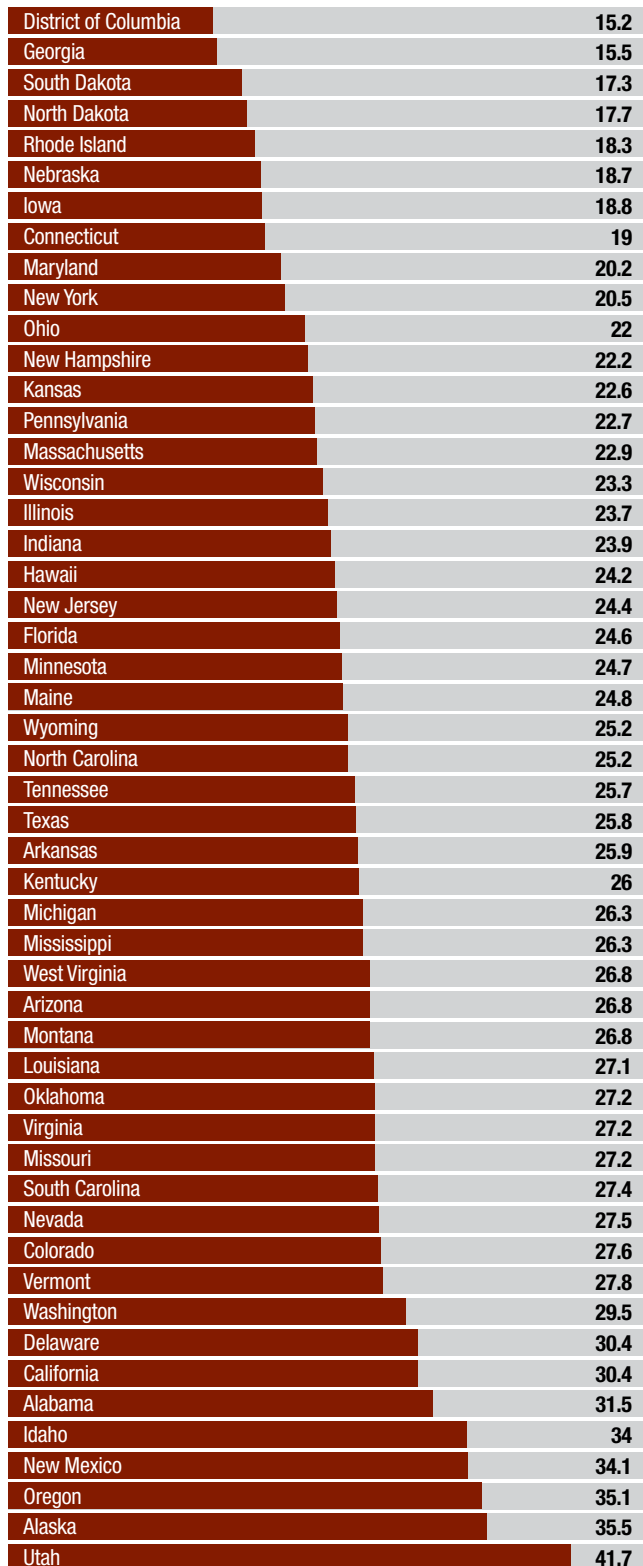
As for the politics of POLST, the death panel insinuation has not materialized. That may be because health professionals involved in the movement learned their lesson during the ACA fight. Now, when a state legislature is considering a POLST bill, there is a concerted effort to get all interests to the table at the very start, including right-to-life and disability rights groups.

In West Virginia, the key to successfully establishing its POLST program was to send a clear message that POLST wasn’t about helping or even coercing patients to forgo care. It’s about patient choice, says Moss, who also serves on a national POLST task force. The right-to-life lobby agreed to stay neutral on the bill, he says, because they understood that POLSTs were optional. “If a person does want to fill one out, they can say they want CPR, they want a feeding tube. They can have all that.”



# Dying at Home State by State, 2005-2009

Percentage of Total Deaths Reported in Home



SOURCE: CDC AND THE NATIONAL CENTER FOR HEALTH STATISTICS; "UNDERLYING CAUSE OF DEATH" DATA OBTAINED FROM CDC WONDER ONLINE DATABASE

THE PLACE OF DEATH IS OBTAINED FROM DEATH CERTIFICATES AND REFERS TO WHERE A DEATH IS PRONOUNCED. INDIVIDUALS WHO PASS AWAY IN THEIR HOMES, BUT ARE TRANSPORTED TO HOSPITALS, WILL NOT BE RECORDED AS DYING AT HOME. FIGURES ARE FOR NON-INJURY RELATED DEATHS.

The notion of patient control and choice and its two-way nature seems to be fundamental to why POLST has not been as controversial as other laws related to end-of-life care.

Working in its favor, says West Virginia state Sen. Ron Stollings, is the simple reality that it's directly in line with patients' wishes. "It's what my patients want," says Stollings, a general practice physician who sees a large percentage of elderly clients. "They want high-touch, low-tech. They want meals on wheels and in-home services. They want to get out to the grocery store if they can. They don't want CAT scans and MRIs."

More than 14 states now have some form of a POLST system in place, with another 25 states considering programs. Typically, POLST laws and regulations also include language granting caregivers immunity if they follow a POLST form. In registering, POLST participants almost uniformly agree that the form be accessible to all health-care providers, which gets around the privacy concerns of Health Insurance Portability and Accountability Act regulations.

But POLST's low profile cuts both ways. While it is off the radar of the political social wars, the lack of awareness of or information about POLST is considerable, which means in some states it is nowhere near to living up to its potential. "The process is a slow one," says David Leven with Compassion & Choices of New York (the state passed a POLST law in 2009). "That's unfortunate because studies show that when there is a POLST document it's much more likely that a patient's wishes will be honored and they will have less aggressive interventions, which makes for a higher quality of life. Right now there's a major deficit in knowledge."

The steep learning curve aside, the ultimate promise of POLST is significant. So far, the programs haven't elicited the strong opposition that arrives with assisted suicide bills. That difference is on full display right now in Massachusetts. There, a bitter, high-profile battle is raging over a ballot initiative to allow terminally ill patients to give themselves a lethal dose of drugs. (Three other states have such laws in place: Montana, Oregon and Washington.)

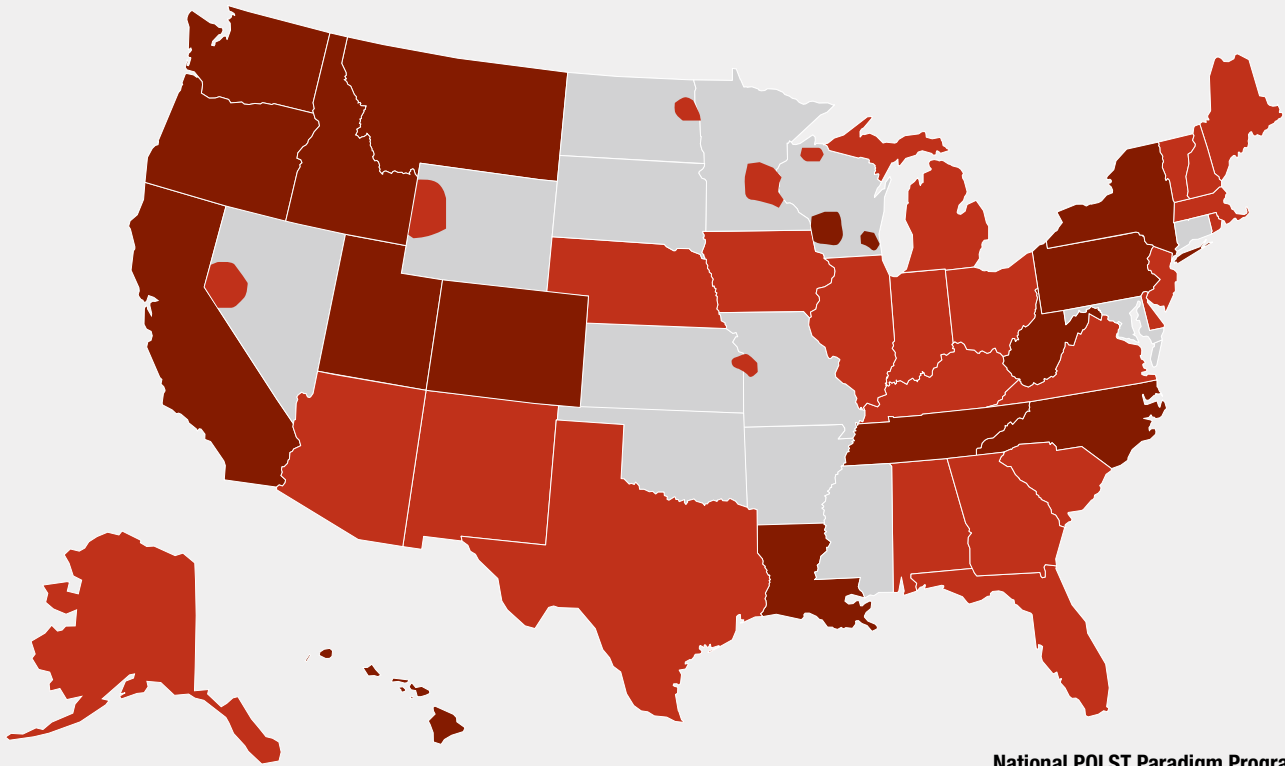
Meanwhile, Massachusetts is also pursuing a POLST initiative. As long as it hews to hospice and palliative care discussions and doesn't wander into the territory of assisted suicide, it isn't a problem with right-to-life interests in the state, says Anne Fox, president of Massachusetts Citizens for Life.

The end-of-life care movement is clearly gathering steam. Public officials and the medical community alike are discussing the topic in growing numbers. With good reason: An aging baby boom cohort and their families are much more tuned in to the subject than previous generations.

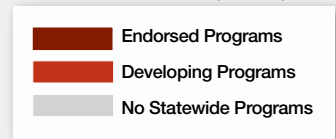
Ultimately, the drive toward a more rational, reasoned and patient-centered approach to dying is pretty straightforward. "We are," says West Virginia's Moss, "spending lots of money on people who die within a year, in settings they don't like, getting treatments they don't want." **G**

Email [jwalters@governing.com](mailto:jwalters@governing.com)

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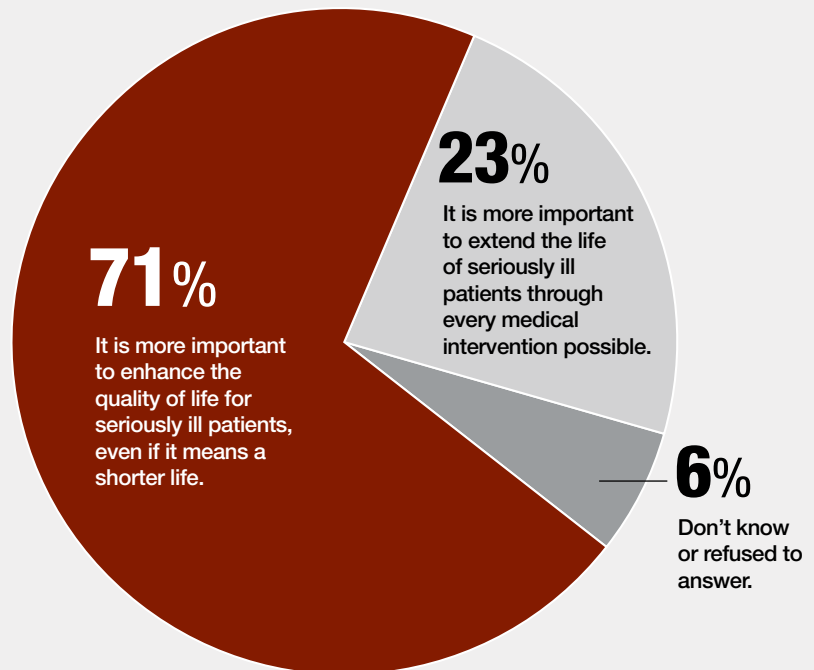
National POLST Paradigm Programs



\* AS OF SEPTEMBER 2012

# Let's Talk About the End

Talking about death isn't easy for anyone. But when the conversation goes public, it can become so politically charged that it simply deteriorates into a war of words. Since about 25 percent of all Medicare spending is on end-of-life care, the conversation is a vital one. A February 2011 *National Journal* and Regence Foundation poll asked which of the statements to the right most closely reflected respondents' beliefs. While talk of death panels has put the end-of-life care discussion on hold at the national level, states have quietly picked up the torch. "Physician orders for life-sustaining treatment," or POLST programs, are now in 14 states. These initiatives give people the chance to define clearly what kind of treatment they want or don't want at the end of their lives.



SOURCES: NATIONAL POLST PARADIGM TASK FORCE (MAP); REGENCE FOUNDATION/NATIONAL JOURNAL POLL, CONDUCTED FEBRUARY 2011 (CHART)



# ‘Can You Imagine Being 85 and Homeless?’

By Jonathan Walters

**Poverty among aging Americans  
is getting harder to ignore.**

If you are a senior citizen in Seminole County, Fla., you might consider yourself lucky. The county is home to the Seniors Intervention Group, a coalition of not-for-profit organizations and businesses dedicated to ensuring that the county's older population doesn't get lost behind closed doors in poverty and neglect. The group provides help ranging from cash assistance and transportation, to home repair, retrofitting and cleanup.

The genesis of the Seniors Intervention Group can be traced to a single person: Zach Hudson, who joined the city of Lake Mary's police department in 2007. Shortly after arriving on his beat, Hudson began noticing something troubling. He'd go to a call involving an elderly resident victimized by fraud or some other crime and would discover what could arguably be described as a more serious issue than the one he was being asked to investigate: far too many seniors in Lake Mary who were just barely scraping by.

"I went to the home of a mother who was in her 90s living with her daughter who was in her 70s, and they had no electricity and very little food," says Hudson. "They were cutting pills in half to save money."

When he tried to get them help, he discovered that, in essence, there wasn't any. No state, county or city agency was there to step

in and pay the electric bill, fill the refrigerator with food or secure adequate medication. In matters of acute physical or mental health problems, says Hudson, there were some potential support services available. But when it came to simple, basic poverty—elders who had fallen through the cracks due to a lack of resources—help was hard to find.

"We have 10,000 people turning 65 every day," says Hudson. "And the fastest growing segment of homeless are among the elderly. Can you imagine being 85 and homeless?"

"The data on boomer finances is troubling," agrees Margaret Neal, head of the Institute on Aging at Portland State University in Oregon. "The fact that we just aren't saving enough for retirement is concerning."

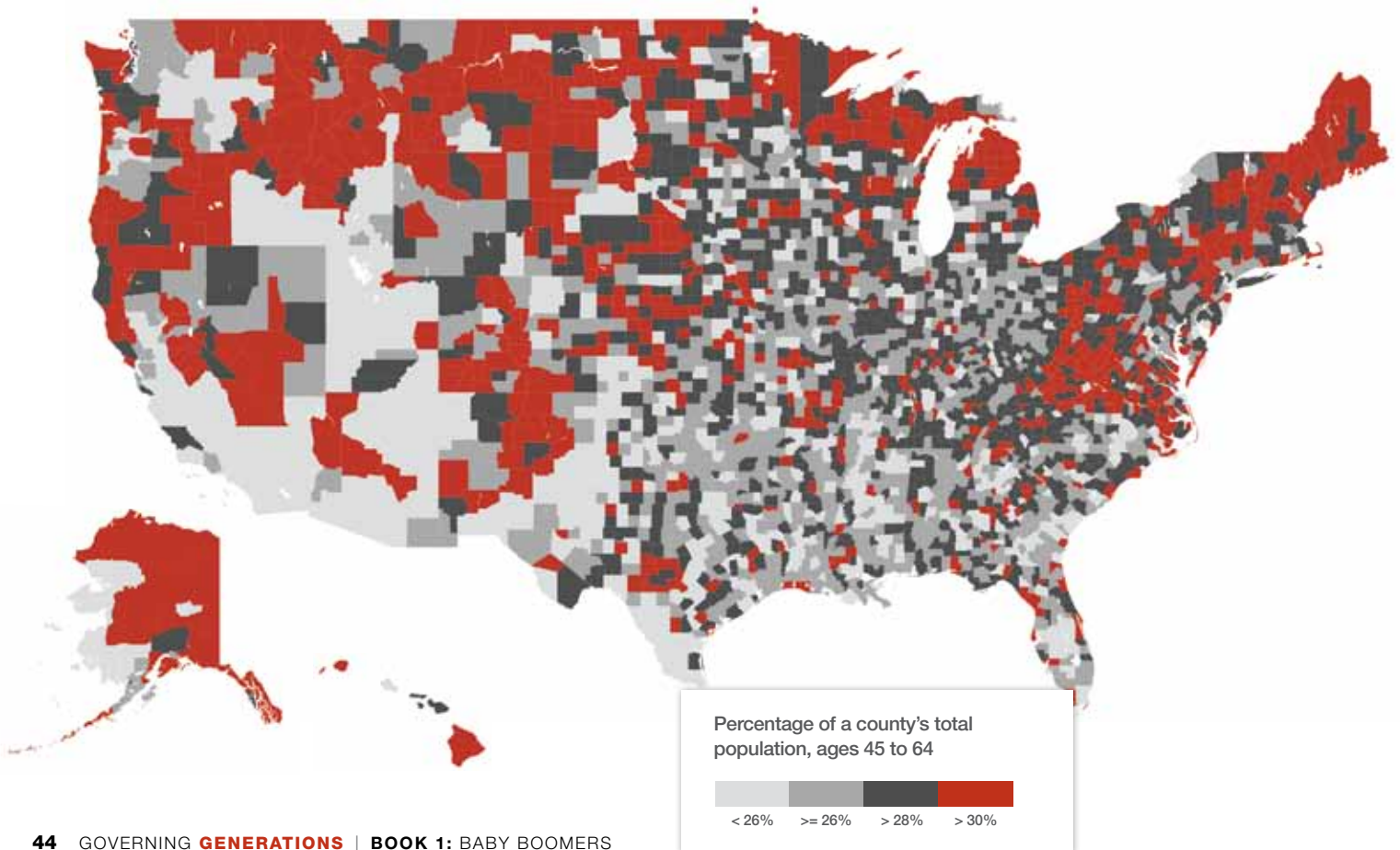
That fact has set up an interesting tension when it comes to the study of aging in the U.S. On the one hand, there has been a considerable amount of work on how to make communities more livable and friendly for the elderly—how streetscapes, co-housing, public transportation, food supply, recreation centers, volunteer opportunities, continuing education and so forth can all be blended to make for a rich and positive aging experience. Less attention has been paid to the darker side of aging. Many elders are ill-prepared to shoulder the cost of retirement, and the gap between what seniors

# Aging Boomers

More than 10,000 people are turning 65 every day.

View an interactive map with detailed data for each county at [governing.com/babyboommap](http://governing.com/babyboommap)

SOURCE: 2010 CENSUS



need to live on versus what they *have* might land squarely on state and local governments.

Take, for example, a recent report from Clark County, Wash., on the impact of the aging population there. Finalized last February, the report is an exhaustive but relatively upbeat assessment on what the county should be doing to prepare. It includes a wide variety of recommendations. Some would cost significant amounts of money ("Provide bus rapid transit or light-rail transit service to areas where the density and ridership will support it"); other recommendations would require new levels of intergovernmental coordination ("Develop a village to village program to encourage aging-in-place"); and others are flat-out hopeful exhortations ("Encourage the development of a geriatric mobile outreach program"). Still, the county has been able to make progress on a handful of the report's recommendations, says Marc Boldt, the county commissioner who pushed for the study, none of which have cost much money. They include a voluntary age-friendly building code, some park improvements and a new approach to subdivision planning that discourages cul-de-sacs. The county has also helped launch a Web-based service that connects elders who need help with things like shopping and lawn care with volunteers willing to step up.

But then the report gets much more real—and the recommendations a whole lot thornier—with the introduction of an "Elder Economic Security Index" for Washington counties. The index looks at the costs of independent living for elders, including their household size, health status, geographical location and whether they rent or own their home. Then it uses that data to calculate the level of income necessary to support an independent, age-in-place lifestyle. According to the report, "The Elder Index, with its modeled scenarios for older adults living in different circumstance, shows the difficulties low- and moderate-income elders confront in meeting their living expenses. In every county in the state, elders who live at the federal poverty level, or who are totally dependent on the average Social Security payment in 2009, need housing and health-care supports to make ends meet. Long-term care adds significant costs."

As the Elder Index lays out, older people who own their homes outright, who are in relatively good health and who reside in areas where the cost of living isn't too high can get by on a relatively modest amount of money. But throw in a mortgage and poor health, and the amount of income needed to live independently quickly skyrockets.

Looking at the looming fiscal crisis among the elderly and the limited government resources available, Boldt says, "I think we're going to have to acknowledge that other cultures do this much better than we do" regarding intergenerational caretaking. "We're where we are because our parents helped us, so maybe it's time to help them out with things like housing, having a cottage in the backyard."

When it comes to the story of aging in America, there are two bottom lines. The first is that everyone is getting older. That of course brings attendant health and mobility issues, as well as added costs. (According to one of the bleaker assessments on the American Medical Association website, by age 65, two-thirds of Americans will have at least one chronic disease and will be seeing seven different doctors; a fifth of elders will have five or more chronic diseases and will be tangled up with 14 doctors.) The second bottom line is that a huge proportion of our rapidly aging

population simply isn't going to have the financial resources to live out their lives in independent comfort and security.

**T**he data on poverty—and potential poverty—among the elderly are sobering. AARP has documented an alarming increase in home foreclosures among those over age 50, with 2011 witnessing 1.5 million of them, a 23 percent increase from 2007. And the problem is getting worse. "Americans 65 and older sustained the *largest* increases in poverty of any group in 2009," according to a 2011 AARP report on the relative readiness of local governments to handle their rapidly aging populations. Affordable housing opportunities—obviously a key alternative for middle- and low-income elders—declined from 2005 to 2011, the report said. Meanwhile, local governments facing their own fiscal difficulties have scaled back on things like property tax breaks for the elderly.

There's a simple, fundamental reason for the looming economic insecurity among elders: They haven't saved enough money. "It's a very bleak picture," says Alicia Munnell, director of the Center for Retirement Research at Boston College. According to the latest data, says Munnell, people ages 55 to 64 have approximately \$120,000 total on which to retire. "You can imagine how long that's going to last."

It's not the cost of living that's really the problem here, says Munnell. It's the cost of trying to stay alive. Things like the cost of food, housing, heat and other day-to-day necessities will certainly contribute to fiscal hardship, says Munnell, but they'll be nothing compared to the cost of health care. Total U.S. health-care expenditures will surpass \$3 trillion in 2014 and reach \$4.8 trillion in 2021, according to the Centers for Medicare & Medicaid Services. "If we could somehow bend the health-care cost curve, that would make a lot of difference," says Munnell. "Other than that I can't see that this is anything but bad news."

Meanwhile, Munnell's center recently updated what's known as the National Retirement Risk Index, which measures the share of working households that are "at risk" of an inability to maintain pre-retirement living standards upon leaving the work world. They found that the working household risk index jumped from 44 percent in 2007 to 53 percent in 2010. That's nearly a 25 percent increase. "Even if households work to age 65 and annuitize all their financial assets, including the receipts from reverse mortgages on their homes," says the report, "more than half are at risk of being unable to maintain their standard of living in retirement"

That finding squares almost exactly with what states now using the Elder Economic Security Initiative (EESI) have calculated by way of income insecurity among the elderly. Besides Washington, 16 other states have deployed the EESI, which was developed by the organization Wider Opportunities for Women. The EESI is an adaptation of another index the organization had developed around the time of welfare reform, says Acting President and CEO Shawn McMahon, when the organization decided to take on what it viewed as the fuzzy math of the U.S. Census Bureau's poverty rate. "We asked, 'What does a family *really* need to be independent?'" says McMahon. "In the mid-2000s we realized we needed to ask the same question for elders." The answer? A lot more. Fifty-two

percent of seniors are economically insecure.

There are, of course, significant variables in all of this. Single women and minorities are disproportionately represented as income insecure. Meanwhile, one of the Retirement Center report's key assumptions around the Retirement Risk Index is based on a figure that's rapidly gliding north: that 65 is the magic and essential age at which Americans all throw in the towel. Another possible bright spot, according to data from the Institute on Aging, is that more than half of all new small business startups are being launched by those 55 and older.

But even given the likelihood that Americans will be working longer and retiring at an older age, poverty experts like McMahon despair over the relative readiness of states and localities to deal with the looming needs—and costs—associated with an aging population.

The pressure on states and localities will be especially acute in light of the federal government's unwillingness to "reform any



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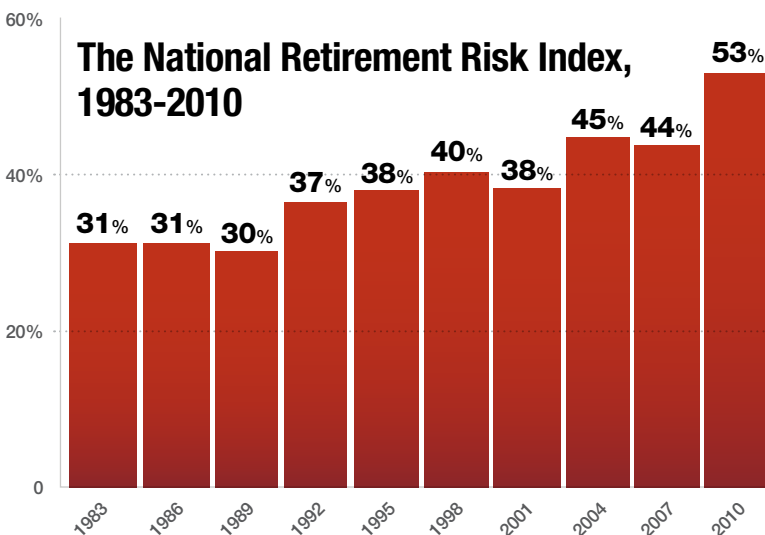
agencies on aging—to use the EESI as part of their long-range policy planning. Other states, he says, have used the EESI to make the case for things like increases in supplemental security income and home heating assistance.

Others are a little more sanguine. Matt Thornhill, who runs an elder-focused market research firm in Richmond, Va., called the Boomer Project, is working with AARP on amassing a database of state and local action related to dealing with the wave of aging boomers. It's a sign, says Thornhill, that state and local governments are at least waking up to the demographic wave starting to roll over them.

But the question remains: Will the response to the needs of an aging population be a multisector and intergovernmental mosaic, or a haphazard mishmash that will inevitably leave the most unfortunate impoverished elderly to fall through the cracks?

"I wish I could say otherwise, but I think the current system is going to persist," says McMahon, "with this mix of often inadequate private-sector donations, church charity and local nonprofit efforts to fill gaps that good incomes and governments used to fill."

McMahon adds, though, that he sees "some hope" in the fact that more people are at least becoming more attuned to the historic demographic shift that's occurring, and the financial challenges that will come with it. So even the most pessimistic agree that the message of a looming and huge group of impoverished seniors is starting to get through. That's the good news. The very real bad news is that what many would like to characterize as the silver cloud of opportunity represented by rapidly aging boomers at the moment appears to be defined by a decidedly dark lining. **G**



**The share of working households "at risk" of being unable to maintain their pre-retirement standard of living is growing.**

SOURCE: CENTER FOR RETIREMENT RESEARCH AT BOSTON COLLEGE

known system in favor of elders," McMahon says. If anything, the feds are trying to figure out how to cap or at least better control entitlement costs, whether it's Medicaid, Medicare or Social Security.

McMahon does, however, appreciate the fact that the issue of poverty among the elderly is at least starting to come up more often on the country's radar. He cites, for example, a new law passed by the California Legislature requiring so-called "triple A's"—area

Email [jwalters@governing.com](mailto:jwalters@governing.com)

More stories on aging at [governing.com/generations](http://governing.com/generations)

# Winding Down Culture Wars

By Paul W. Taylor

From same-sex marriage to marijuana, demography is upending old biases.

**O**n a recent trip to New York, I made a pilgrimage to the Avenue of the Americas to walk among the buildings that are the headquarters of broadcast giants CBS, NBC, Fox, and ABC. Of the four, Fox did not exist when, as a kid growing up on the Canadian prairies, I tuned in to hear that signature opening, “From New York City...” most evenings on cable TV.

But it was Fox News Channel’s home in the News Corporation building with its wrap-around news ticker that made me stop that Sunday afternoon. There, in the second floor studios in late March, the broadcaster’s conservative news host Bill O’Reilly capitulated on same-sex marriage after oral hearings before the Supreme Court on the subject. “The compelling argument is on the side of homosexuals...,” acknowledged O’Reilly. “We’re Americans—we just want to be treated like everyone else.”

If O’Reilly wasn’t declaring an end to hostilities, it sure sounded like a draw down after three decades of culture wars. Growing up, I could never make sense of Sunday morning television. The TV preachers spoke differently than the one at the church my family attended. It was as if it was a different gospel. In fact, it was. “Don’t drink, dance or chew or go with girls who do,” was core to the blue laws that made up much of TV preaching. It wasn’t hard to imagine their positions on other forbidden subjects but the occasional messages on homosexuality and retro references to reefer madness filled in any ambiguity.

Political operatives exploited this pietistic earnestness and the two became conflated under the misnomer of the religious right. Its constituents celebrated election and courtroom wins until demography began to catch up with them. Millennials, the generation born since 1980 and now aged 18-32, has seen its proportion of the population grow from the single digits a decade ago to more than a quarter (27 percent) today. Their world view is showing.

A pair of surveys from the Pew Research Center for People and the Press help tell the story. In the last decade, support for same-sex marriage has risen from one-third in 2003 to almost half (49 percent) today. Among Millennials, support is fully 70 percent. When asked about legalizing the use of recreational marijuana, fully two-thirds (65 percent) of Millennials indicated support, far higher than among other generations, and up from 50 percent in only 5 years.

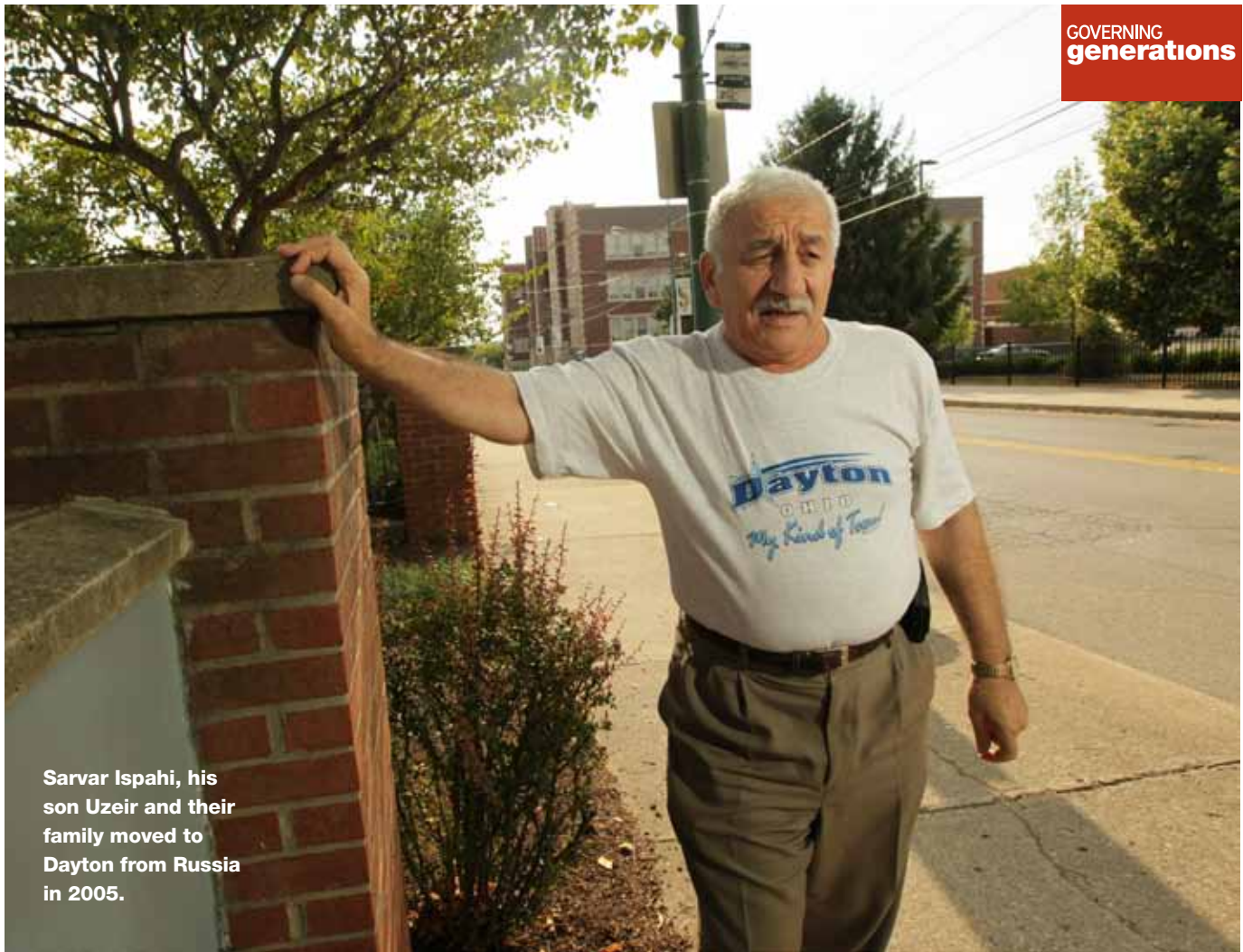
Demographer and historian Neil Howe reminds us that “laws against pot are part of a world view Millennials don’t remember because they missed the counter culture.” Having missed the height of the culture wars, they also don’t understand or recognize “old arguments about gay rights as asserting a right to be deviant,” says Howe. Instead, they now ask, “why they shouldn’t they be allowed to be normal?”

The political tensions these demographics changes are having on our culture can be viewed through a story I once heard from the late singer-songwriter and storyteller Harry Chapin, who lived and championed social justice through music and activism. His grandfather told Chapin “there are two kinds of tired.”

One is that “bad tired,” which happens when you fight “other people’s battles, you lived other people’s days, other people’s agendas, other people’s dreams. And when it’s all over, there was very little you in there. And when you hit the hay at night, somehow you toss and turn; you don’t settle easy.”

In bold contrast, he said a “good tired” comes when “you knew you fought your battles, you chased your dreams, you lived your days and when you hit the hay at night, you settle easy, you sleep the sleep of the just and say ‘take me away.’”

Our civics may be tired but, for many, it is in a good way. Our politics are tired too but in a different, less hopeful way. They can be excused for needing to toss and turn. **G**



Sarvar Ispahi, his son Uzeir and their family moved to Dayton from Russia in 2005.

JIM WITMER

# The Changing Face of America

Boomers, millennials and immigrants are shifting the needs of the country.

By Peter A. Harkness

**M**ore than four months before the 2012 presidential election, even as Mitt Romney was rising in the polls, demographer and political analyst Ruy Teixeira accurately predicted the outcome. Obama was likely to win, he said, because of the same powerful demographic forces identified a decade earlier in his book, *The Emerging Democratic Majority*.

To the dismay of such sophisticated and seasoned Republican political veterans as Karl Rove and Frank Luntz, Teixeira was right. In an election pitting demographics against economics, a solid base of African Americans, a burgeoning number of Hispanics, a group of mostly single and highly educated women and a cadre of younger voters—millennials—combined to overcome the GOP's hold on the white working class.

Those same demographics will have a profound effect on government at all levels in the coming years. And in the wake of the election, more state and local officials are showing a keen interest in just how that will play out.



The most profound trend, of course, is the aging of the population, with obvious consequences like soaring health-care costs. But some aspects of the trend are not so predictable. First, it turns out the baby boomers are not as financially prepared for retirement as we may have thought. Thanks to growing levels of obesity, they also are not as physically healthy as we once assumed. And in the past two decades, the number of divorces among people 50 and over has doubled, effectively cutting retirement assets for those affected in half.

Washington will have to contend with soaring entitlement and health-care costs, but the states and localities will have to battle—in fact, they already are battling—a crowding out of resources for K-12

communities close to amenities and public transit; they likely will include how to provide for growing numbers teetering on the edge of poverty.

On the other end of the spectrum, no age group was more deeply affected by the recession than millennials, who saw their unemployment rate pop up to 12 percent, more than a third higher than the national average. Saddled with college loans averaging \$27,000 a student, 43 percent of millennials quickly found themselves in jobs that did not require those expensive degrees. The share that moved back in with their parents doubled from the rate 30 years ago.

What's more, many are putting off marriage and having children. In fact, the nation's birthrate has fallen to the lowest level since we started tracking it in 1920. They also are slashing consumer debt and deferring purchases of cars or houses, even holding off on obtaining driver's licenses.

Part of the reason for that is where they want to live, which is often an urban setting—either in core cities or closer in “urban light” neighborhoods—that revolves around walkable town centers, in close proximity to hot spots where they can find “shared” transportation like Zipcar and bike-share stations.

As *Governing* Contributing Editor Alan Ehrenhalt reported in his book, *The Great Inversion*, the half-century mass movement of population out of cities into the ever-expanding periphery is changing. Many central cities and their inner suburbs are expanding again, particularly attracting the more affluent and holding their value far better than those farther out. In 2012, according to Mayor Michael Bloomberg, more people moved into New York City than left for the first time in 60 years, setting a new population record of more than 8.3 million residents. And the Big Apple is not alone.

If there is anything holding back this movement, it is the lack of supply of affordable housing in these sought after areas. So it will behoove city officials who want to attract new residents to streamline their planning and permitting processes so developers don't have to wait years to break ground.

And no, the farther out suburbs are not going to disappear, but their composition is changing. Newer residents often are immigrants, particularly Asians, who recently outnumbered Hispanics among new arrivals into the country. The largest component is from India; they come well prepared, either seeking a college degree or already holding one. It makes them, according to a Pew Research Center report, the “the most highly educated cohort of immigrants in U.S. history.”

Exurbia will be alive and well. It will just look different. **G**

Originally published in May 2013.



Guzman's restaurant has thrived here. “We always wanted to own a restaurant. That was the dream,” she says through her son. “This city has been good to us.”

and higher education; infrastructure spending, which is now a third of what it was in the 1960s as a share of GDP; workforce training; and other services.

The experience of the so-called “Silent Generation,” people born between 1925 and 1945, may have lulled us into complacency because they are rather well off. Recent Census data revealed that households headed by people 75 and over have a higher median net worth than any younger age bracket.

The first wave of boomers will change that, as will each successive wave. The over 75 population will almost double in the next 25 years, and the number over 85 will more than double by mid-century. They will have lower household net worth, lower relative pre-retirement incomes and a lower share with college educations. As a result, many boomers are being forced to work longer, and the average age of retirement is inching up.

For state and local governments, concerns over the well-being of “young elders” may be more basic than how to provide livable com-

# Epilogue: Our Next 30 Years

I think I'll take a moment, celebrate my age  
The ending of an era and the turning of a page  
Now it's time to focus in on where I go from here  
Lord have mercy on my next thirty years.

—Tim McGraw, *My Next Thirty Years*, 2000



**By Zach Patton**

**T**he story isn't over. As America's generations continue to shift, the *Governing* Generations series will keep highlighting the ways states, cities and counties are responding.

Much has already been written about millennials, the generation that's arriving in the workplace just as baby boomers are retiring. And just as the boomers' retirement is having a profound effect on state and local government, the arrival of Gen Y is also making an impact. Whether it's the new class of millennial mayors or one young local leader's quest to revitalize her factory town, Gen Y is already shaking up the way cities are run. Millennial employees at all levels are helping improve government through new uses of technology—and they're even influencing the way governments interact with citizens.

Sandwiched between the boomers and the millennials—and often overlooked—is Generation X. That cohort's impact on state and local government was the focus of a recent in-depth

*Governing* cover story. As writer Rob Gurwitt put it: "As they go through their 30s and 40s, members of Generation X are moving into more active roles as citizens and into upper management ranks in local government. While it's too much to say that this generational change is the force driving local governments' more expansive view of public engagement, the blending of the two trends is no coincidence. It shouldn't be surprising that this generation, which long ago shook off its disengaged-slacker stereotype to become known for its entrepreneurialism, DIY ethic, skepticism about bureaucracy and comfort with collaborating over far-flung networks, would now be pressing local government to think in new ways about the work of democracy."

As boomers, Gen Xers and millennials each continue to reshape the nation in different ways, *Governing* Generations will continue.

Read all of our coverage—and join the conversation—at [governing.com/generations](http://governing.com/generations). **G** November 2013

# “Where’s the kaboom? There was supposed to be an earth shattering kaboom!”

— Marvin the Martian, an early wave boomer, Looney Tunes, 1948.

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1100 CONNECTICUT AVE. NW, SUITE 1300.  
WASHINGTON, D.C. 20036  
916.932.1300 PHONE | 916.932.1470 FAX  
GOVERNING.COM, @GOVERNING