

A Profile of Older Americans: 2005



Administration on Aging
U.S. Department of Health and Human Services

Table of Contents

Highlights.....	1
The Older Population.....	2
Future Growth.....	3
Figure 1: Number of Persons 65+, 1900 - 2030 (numbers in millions)	
Marital Status.....	4
Figure 2: Marital Status of Persons 65+ - 2004	
Living Arrangements.....	5
Figure 3: Living Arrangements of Persons 65+: 2004	
Racial and Ethnic Composition.....	6
Geographic Distribution.....	6
Figure 4: Persons 65+ as Percentage of Total Population by State: 2004 (US Map)	
Figure 5: Percentage Increase in Population 65+ by State: 1994 to 2004 (US Map)	
Figure 6: The 65+ Population by State: 2004 (table)	
Income	10
Figure 7: Percent Distribution by Income: 2004	
Poverty	11
Housing	11
Employment	12
Education	12
Health and Health Care	12
Health Insurance Coverage	13
Figure 8: Sources of Health Insurance Coverage: 2004	
Disability and Activity Limitations	14
Figure 9: Percent of Persons with Limitations in Activities of Daily Living by Age Group: 2003	
Caregiving	15
Special Topic: Computer and Internet Access	15
Figure 10: Computer and Internet Access: 2000 and 2003	
Notes	16

Highlights *

- The older population (65+) numbered 36.3 million in 2004, an increase of 3.1 million or 9.3% since 1994.
- The number of Americans aged 45-64 – who will reach 65 over the next two decades – increased by 39% during this decade.
- About one in every eight, or 12.4 percent, of the population is an older American.
- Persons reaching age 65 have an average life expectancy of an additional 18.5 years (19.8 years for females and 16.8 years for males).
- Older women outnumber older men at 21.1 million older women to 15.2 million older men.
- In 2004, 18.1% of persons 65+ were minorities--8.2% were African-Americans.** Persons of Hispanic origin (who may be of any race) represented 6.0% of the older population. About 2.9% of the elderly were Asian or Pacific Islander,** and less than 1% were American Indian or Native Alaskan.** In addition, 0.6% of persons 65+ identified themselves as being of two or more races.**
- Older men were much more likely to be married than older women--72% of men vs. 42% of women (Figure 2). Almost half of all older women in 2004 were widows (43%).
- About 31 percent (10.7 million) of noninstitutionalized older persons live alone (7.9 million women, 2.8 million men).
- Half of older women age 75+ live alone.
- About 415,000 grandparents aged 65 or more had the primary responsibility for their grandchildren who lived with them.
- The population 65 and over will increase from 35 million in 2000 to 40 million in 2010 (a 15% increase) and then to 55 million in 2020 (a 36% increase for that decade).
- The 85+ population is projected to increase from 4.2 million in 2000 to 6.1 million in 2010 (a 40% increase) and then to 7.3 million in 2020 (a 44% increase for that decade).
- Members of minority groups are projected to increase from 5.7 million in 2000 (16.4% of the elderly population) to 8.1 million in 2010 (20.1% of the elderly) and then to 12.9 million in 2020 (23.6% of the elderly).
- The median income of older persons in 2004 was \$21,102 for males and \$12,080 for females. Median money income of all households headed by older people (after adjusting for inflation) rose by 0.3% from 2003 to 2004. Family households headed by older people reported a median income in 2004 of \$35,825.
- Major sources of income for older people were: Social Security (reported by 90 percent of older persons), income from assets (reported by 56 percent), private pensions (reported by 30 percent), government employee pensions (reported by 14 percent), and earnings (reported by 23 percent).
- For one-third of Americans over 65, Social Security benefits constitute 90% of their income.
- About 3.6 million elderly persons (9.8%) were below the poverty level in 2004 which was a statistically significant decrease from the rate of 10.2% in 2003.
- About 11% (3.7 million) of older Medicare enrollees received personal care from a paid or unpaid source in 1999.

*Principal sources of data for the Profile are the U.S. Bureau of the Census, the National Center on Health Statistics, and the Bureau of Labor Statistics. The Profile incorporates the latest data available but not all items are updated on an annual basis.

The Older Population

The older population--persons 65 years or older--numbered 36.3 million in 2004 (the most recent year for which data are available). They represented 12.4% of the U.S. population, about one in every eight Americans. The number of older Americans increased by 3.1 million or 9.3% since 1994, compared to an increase of 13.3% for the under-65 population. However, the number of Americans aged 45-64 – who will reach 65 over the next two decades – increased by 39% during this period.

In 2004, there were 21.1 million older women and 15.2 million older men, or a sex ratio of 139 women for every 100 men. The female to male sex ratio increases with age, ranging from 115 for the 65-69 age group to a high of 222 for persons 85 and over.

Since 1900, the percentage of Americans 65+ has tripled (from 4.1% in 1900 to 12.4% in 2004), and the number has increased almost twelve times (from 3.1 million to 36.3 million). The older population itself is getting older. In 2004, the 65-74 age group (18.5 million) was over eight times larger than in 1900, but the 75-84 group (13.0 million) was 17 times larger and the 85+ group (4.9 million) was 39.8 times larger.

In 2003, persons reaching age 65 had an average life expectancy of an additional 18.5 years (19.8 years for females and 16.8 years for males).

A child born in 2003 could expect to live 77.6 years, about 30 years longer than a child born in 1900. Much of this increase occurred because of reduced death rates for children and young adults. However, the period of 1980-2003 also has seen reduced death rates for the population aged 65-84, especially for men – by 32.5% for men aged 65-74 and by 24.8% for men aged 75-84. Life expectancy at age 65 increased by only 2.5 years between 1900 and 1960, but has increased by 4.2 years from 1960 to 2003.

Over 2.0 million persons celebrated their 65th birthday in 2004. In the same year, about 1.8 million persons 65 or older died. Census estimates showed an annual net increase of over 375,000 in the number of persons 65 and over.

There were 64,658 persons aged 100 or more in 2004 (0.18% of the total population). This is a 73% increase from the 1990 figure of 37,306.

(Data for this section were compiled primarily from Internet releases of the U.S. Bureau of the Census and the National Center for Health Statistics).

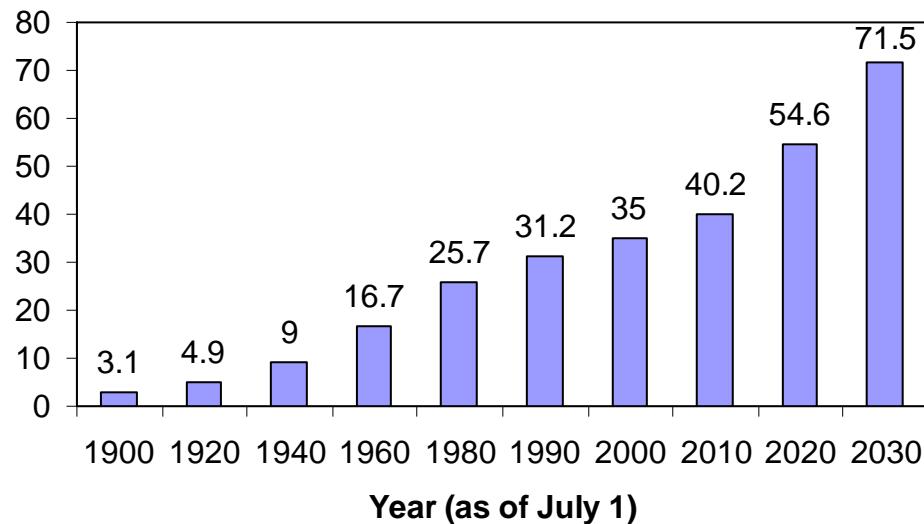
Future Growth

The older population will continue to grow significantly in the future (see Figure 1). This growth slowed somewhat during the 1990's because of the relatively small number of babies born during the Great Depression of the 1930's. But the older population will burgeon between the years 2010 and 2030 when the "baby boom" generation reaches age 65.

The population 65 and over will increase from 35 million in 2000 to 40 million in 2010 (a 15% increase) and then to 55 million in 2020 (a 36% increase for that decade). By 2030, there will be about 71.5 million older persons, almost twice their number in 2004. People 65+ represented 12.4% of the population in the year 2004 but are expected to grow to be 20% of the population by 2030. The 85+ population is projected to increase from 4.2 million in 2000 to 6.1 million in 2010 (40%) and then to 7.3 million in 2020 (44% for that decade).

Minority populations are projected to increase from 5.7 million in 2000 (16.4% of the elderly population) to 8.1 million in 2010 (20.1% of the elderly) and then to 12.9 million in 2020 (23.6% of the elderly). Between 2004 and 2030, the white** population 65+ is projected to increase by 74% compared with 183% for older minorities, including Hispanics (254%), African-Americans** (147%), American Indians, Eskimos, and Aleuts** (143%), and Asians and Pacific Islanders** (208%).

**Figure 1: Number of Persons 65+,
1900 - 2030 (numbers in millions)**



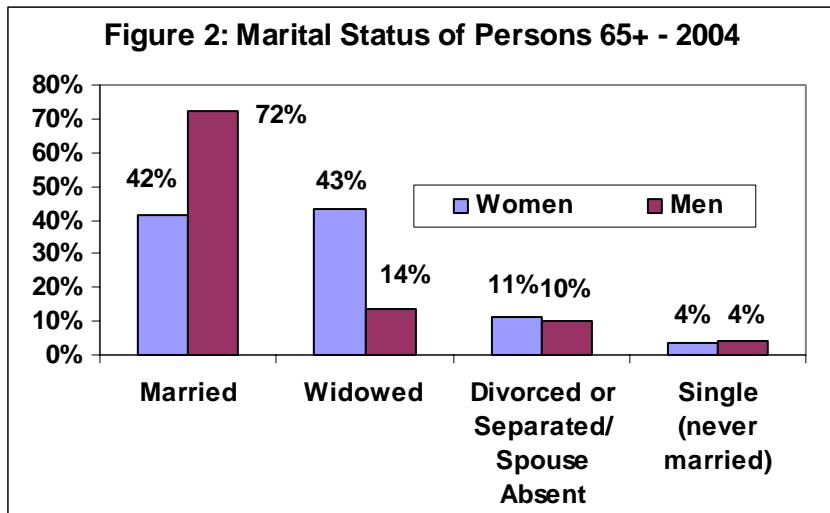
Note: Increments in years are uneven.

(Sources: Projections of the Population by Age are taken from the January 2004 Census Internet Release. Historical data are taken from "65+ in the United States," Current Population Reports, Special Studies, P23-190. Data for 2000 are from the 2000 Census and 2004 data are taken from the Census estimates for 2004.)

Marital Status

In 2004, older men were much more likely to be married than older women--72% of men, 42% of women (Figure 2). Almost half of all older women in 2004 were widows (43%). There were over four times as many widows (8.2 million) as widowers (2.0 million).

Divorced and separated (including married/spouse absent) older persons represented only 10.6% of all older persons in 2004. However, this percentage has increased since 1980, when approximately 5.3% of the older population were divorced or separated/spouse absent.



(Based on Internet releases of data from the 2004 Current Population Survey of the U.S. Bureau of the Census)

Living Arrangements

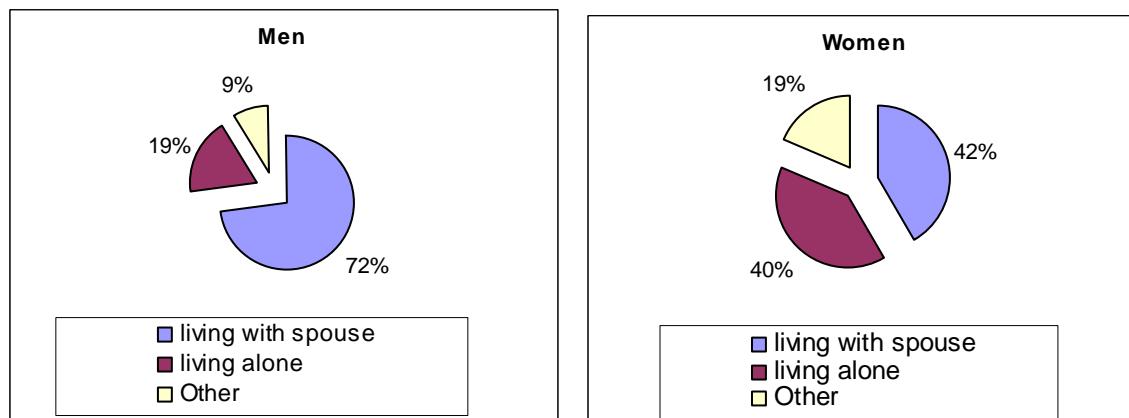
Over half (54.7%) the older noninstitutionalized persons lived with their spouse in 2004. Approximately 10.7 million or 72.4% of older men, and 8.2 million or 41.6% of older women, lived with their spouse (Figure 3). The proportion living with their spouse decreased with age, especially for women. Only 29.2% of women 75+ years old lived with a spouse.

About 30.8% (10.7 million) of all noninstitutionalized older persons in 2004 lived alone (7.9 million women, 2.8 million men). They represented 39.7 of older women and 18.8% of older men. The proportion living alone increases with advanced age. Among women aged 75 and over, for example, half (49.9%) lived alone.

About 671,000 grandparents aged 65 or over maintained households in which grandchildren were present in 2004. (Another 231,000 elderly were spouses of such people.) In addition, 618,000 grandparents over 65 years lived in parent- maintained households in which their grandchildren were present. A total of about 1.53 million older people lived in household with a grandchild present in the house. About 415,000 of these grandparents over 65 years old were the persons with primary responsibility for their grandchildren who lived with them.

While a relatively small number (1.56 million) and percentage (4.5%) of the 65+ population lived in nursing homes in 2000, the percentage increases dramatically with age, ranging from 1.1% for persons 65-74 years to 4.7% for persons 75-84 years and 18.2% for persons 85+. In addition, approximately 5% of the elderly lived in self-described senior housing of various types, many of which have supportive services available to their residents.

Figure 3: Living Arrangements of Persons 65+: 2004



(Based on data from U.S. Bureau of the Census including the 2004 Current Population Survey and the 2003 American Community Survey. See: March 2004 Current Population Survey Internet releases, Detailed Tables. and "The 65 Years and Over Population: 2000, Census 2000 Brief, October, 2001" as well as other Census 2000 data and unpublished data from the Centers for Medicare and Medicaid Services.)

Racial and Ethnic Composition

In 2004, 18.1% of persons 65+ were minorities--8.2% were African-Americans.** Persons of Hispanic origin (who may be of any race) represented 6.0% of the older population. About 2.9 were Asian or Pacific Islander,** and less than 1% were American Indian or Native Alaskan.** In addition, 0.6% of persons 65+ identified themselves as being of two or more races.

Only 6.8% of minority race and Hispanic populations were 65+ in 2004 (8.3% of African-Americans, ** 8.4% of Asians and Pacific Islanders, ** 7.2% of American Indians and Native Alaskans, ** 5.2% of Hispanics), compared with 15.0% of whites.**

(Data for this section were compiled from Internet releases of the Census 2004 Estimates).

Geographic Distribution

The proportion of the older persons in the population varies considerably by state with some states experiencing much greater growth in their older populations (Figures 4 and 5). In 2004, about half (52%) of persons 65+ lived in nine states. California had over 3.8 million; Florida 2.9 million; New York 2.5 million; Texas 2.2 million; and Pennsylvania 1.9 million. Ohio, Illinois, Michigan, and New Jersey each had well over 1 million (Figure 6).

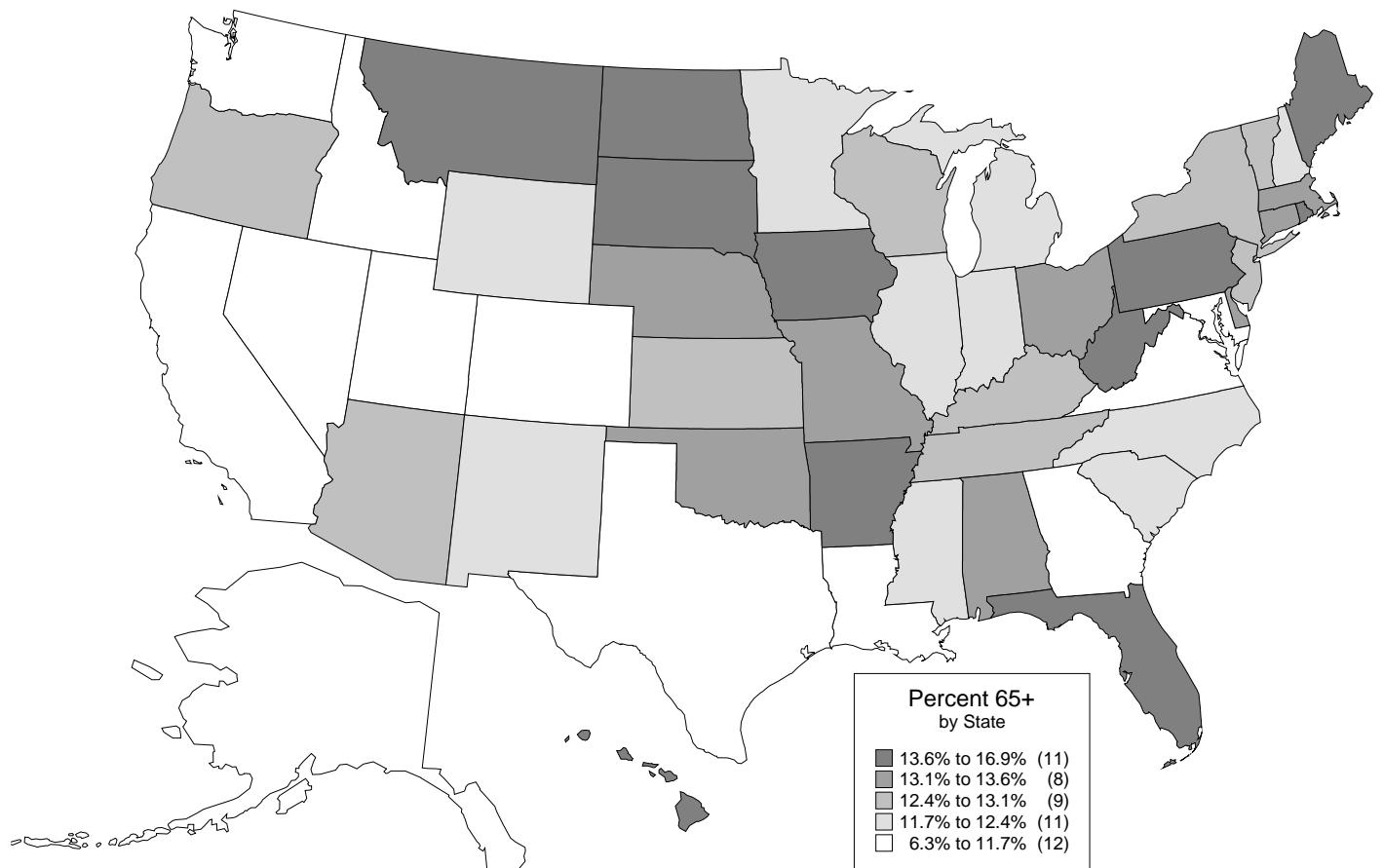
Person 65+ constituted approximately 14% or more of the total population in 8 states in 2004 (Figure 6): Florida (16.8%); West Virginia (15.3%); Pennsylvania (15.3%); North Dakota (14.7%); Iowa (14.7%); Maine (14.4); South Dakota (14.2); and Rhode Island (13.9%). In eight states, the 65+ population increased by 20% or more between 1994 and 2004 (Figure 6): Nevada (58.1%); Alaska (47.9%); Arizona (30.9%); New Mexico (26.4%); Colorado (22.2%); Delaware (22.2%); Utah (22.1%); and Idaho (20.9%). The ten jurisdictions with the highest poverty rates for elderly over the period 2002-2004 were Mississippi (17.2%); Arkansas (16.2%); Texas (15.0%); South Carolina (13.9%); the District of Columbia (13.8%); New York (13.6%); Louisiana (13.1%); North Carolina (13.0%); Alabama (12.8%); and New Mexico (12.4%).

Most persons 65+ lived in metropolitan areas in 2003 (77.4%). About 50% of older persons lived in the suburbs, 27.2% lived in central cities, and 22.6% lived in nonmetropolitan areas.

The elderly are less likely to change residence than other age groups. During the year 2004 only 4.4% of older persons moved as opposed to 14.3% of the under 65 population. Most older movers (53.7%) stayed in the same county and 76.0% remained in the same state. Only 24% (of the movers) moved to out-of-state. However, five year Census migration data from 1995-2000 show that the 85+ segment of the older population had a higher rate of moving over time. During that five year period, 32.3% of the 85+ population moved (as opposed to 22.8% of the overall 65+ population), 61.1% of them within the same county.

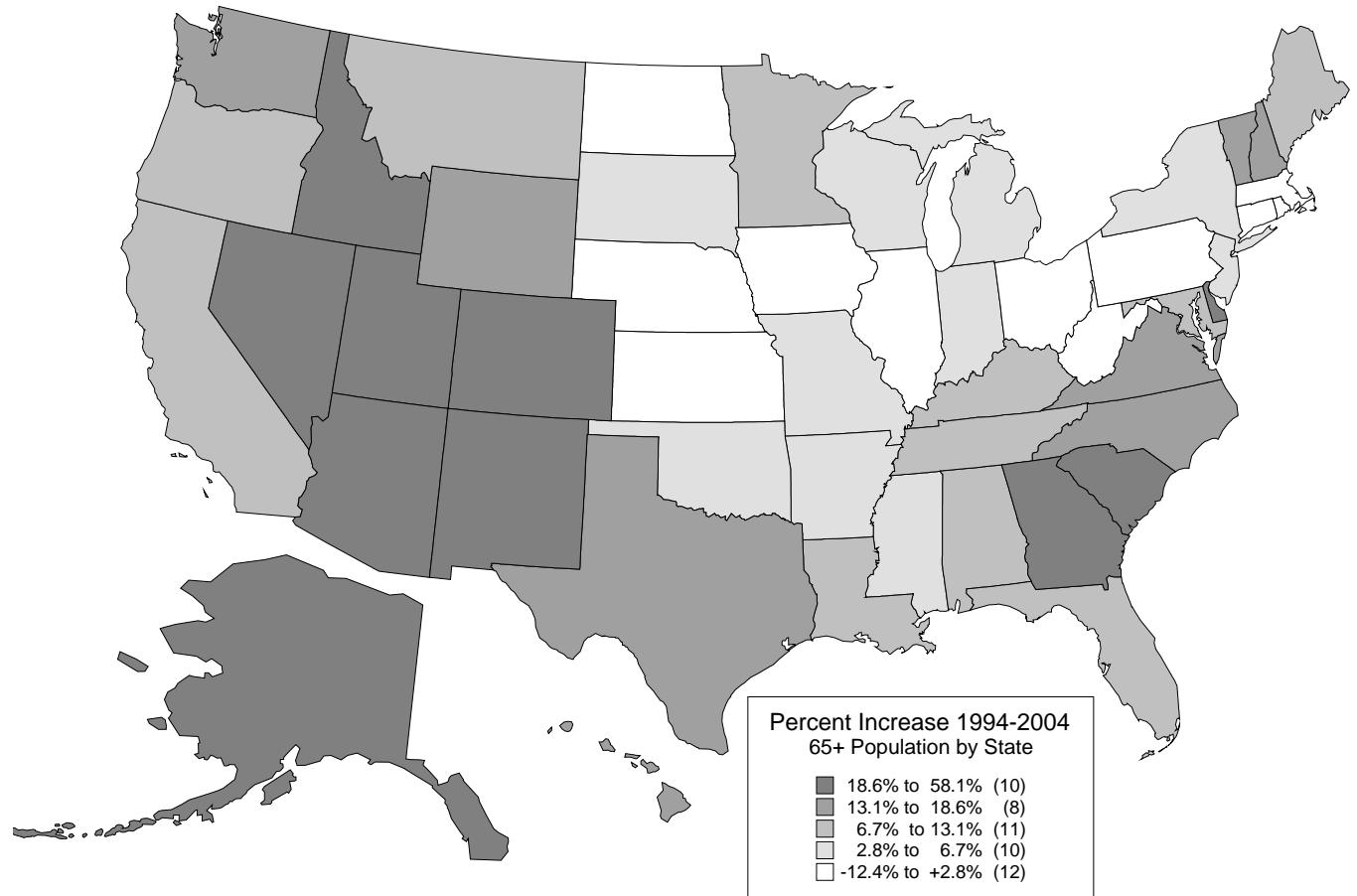
(Data for this section and for Figure 4 were compiled primarily from the Census Population Estimates for 2004 as well as other Internet releases of the U.S. Bureau of the Census including tables from the March 2004 Current Population Survey and "Internal Migration of the Older Population: 1995 to 2000," Census 2000 Special Report, CENSR-10, August 2003).

Figure 4: Persons 65+ as a Percentage of Total Population - 2004



Based on Census 2004 Population Estimates from the U.S. Bureau of the Census

Figure 5: Percentage Increase in Population 65+ -- 1994 to 2004



Based on Census 1994 and 2004 Population Estimates from the U.S. Bureau of the Census

Figure 6: The 65+ Population by State - 2004

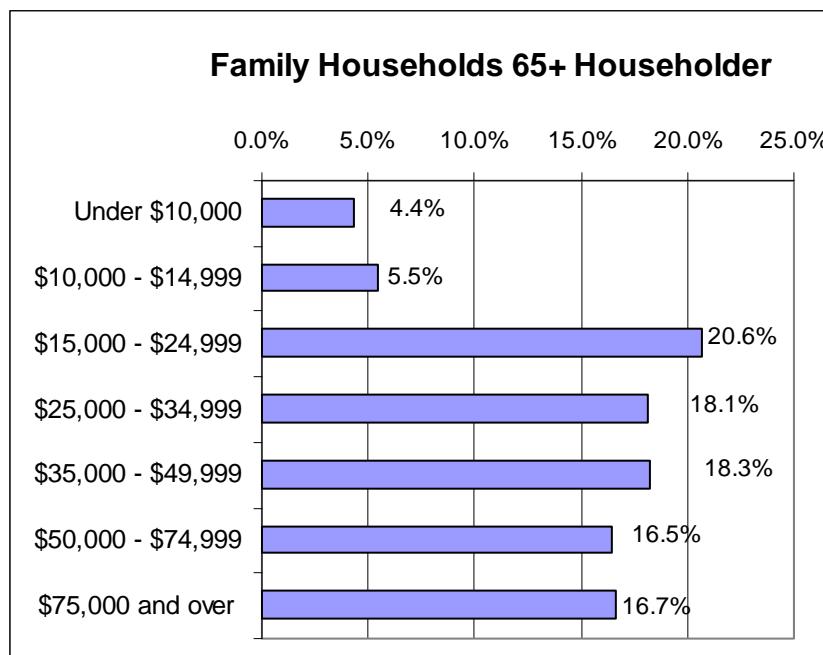
Numbers	Number of Persons	Percent of All Ages	Percent Increase from 1994 to 2004	Percent Below Poverty 2002-2004
US Total (50 States + DC)	36,293,985	12.4%	9.3%	10.2%
Alabama	597,959	13.2%	8.5%	12.8%
Alaska	41,887	6.4%	47.9%	7.7%
Arizona	732,071	12.7%	30.9%	7.1%
Arkansas	381,106	13.8%	6.0%	16.2%
California	3,822,957	10.7%	12.7%	8.2%
Colorado	450,971	9.8%	22.2%	9.5%
Connecticut	473,693	13.5%	2.2%	6.4%
Delaware	108,961	13.1%	22.2%	5.7%
District of Columbia	67,171	12.1%	-12.4%	13.8%
Florida	2,927,583	16.8%	13.1%	9.6%
Georgia	847,082	9.6%	19.6%	9.6%
Hawaii	172,008	13.6%	18.6%	9.3%
Idaho	158,695	11.4%	20.9%	5.2%
Illinois	1,520,629	12.0%	2.1%	8.7%
Indiana	772,010	12.4%	5.8%	7.6%
Iowa	433,139	14.7%	-0.1%	8.8%
Kansas	354,579	13.0%	0.4%	9.2%
Kentucky	519,327	12.5%	7.4%	11.8%
Louisiana	527,644	11.7%	7.6%	13.1%
Maine	189,751	14.4%	10.6%	10.6%
Maryland	634,743	11.4%	13.0%	10.7%
Massachusetts	854,343	13.3%	0.1%	12.0%
Michigan	1,246,595	12.3%	5.0%	9.1%
Minnesota	615,179	12.1%	7.7%	8.5%
Mississippi	352,867	12.2%	6.7%	17.5%
Missouri	765,692	13.3%	3.4%	7.9%
Montana	126,549	13.7%	11.9%	10.2%
Nebraska	231,803	13.3%	1.6%	10.7%
Nevada	262,079	11.2%	58.1%	8.2%
New Hampshire	156,672	12.1%	15.7%	7.2%
New Jersey	1,126,141	12.9%	4.0%	9.4%
New Mexico	229,474	12.1%	26.4%	12.4%
New York	2,492,816	13.0%	3.6%	13.6%
North Carolina	1,032,249	12.1%	16.3%	13.0%
North Dakota	93,171	14.7%	-0.1%	9.5%
Ohio	1,524,916	13.3%	2.8%	7.7%
Oklahoma	464,440	13.2%	5.4%	11.3%
Oregon	459,821	12.8%	9.1%	5.8%
Pennsylvania	1,896,503	15.3%	-0.3%	8.4%
Rhode Island	150,587	13.9%	-2.8%	10.6%
South Carolina	520,392	12.4%	19.5%	13.9%
South Dakota	109,493	14.2%	4.2%	11.4%
Tennessee	738,053	12.5%	13.0%	12.2%
Texas	2,216,610	9.9%	18.4%	15.0%
Utah	207,711	8.7%	22.1%	6.7%
Vermont	80,762	13.0%	15.6%	7.0%
Virginia	846,921	11.4%	17.0%	10.4%
Washington	703,145	11.3%	13.3%	8.8%
West Virginia	278,354	15.3%	0.7%	10.3%
Wisconsin	715,568	13.0%	5.4%	8.2%
Wyoming	61,113	12.1%	17.5%	7.5%

Population data is from Census Bureau Population Estimates. Poverty data is from the 2002, 2003, and 2004 figures of the Current Population Survey, Annual Social and Economic Supplements.

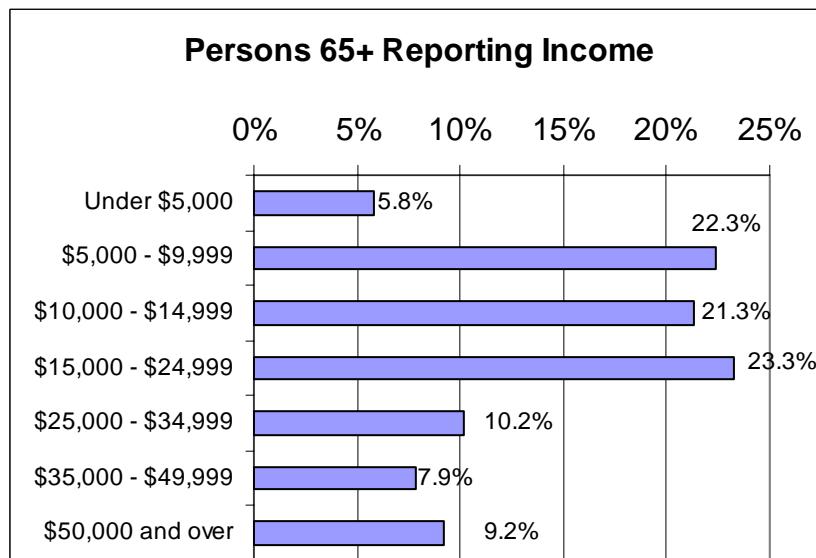
Income

The median income of older persons in 2004 was \$21,102 for males and \$12,080 for females. Median money income of all households headed by older people rose by 0.3% from 2003 to 2004; however, this difference was not statistically significant. Households containing families headed by persons 65+ reported a median income in 2004 of \$35,825 (\$37,375 for non-Hispanic Whites, \$26,282 for African-Americans, \$40,120 for Asians, and \$25,179 for Hispanics). About one of every ten (9.9%) family households with an elderly householder had incomes less than \$15,000 and 51.5% had incomes of \$35,000 or more (Figure 7).

Figure 7: Percent Distribution by Income: 2004*



\$35,825 median for 12.1 million family households 65+



\$15,193 median for 34.2 million persons 65+ reporting income

For all older persons reporting income in 2004 (34.2 million), 28.1% reported less than \$10,000. Only 27.3% reported \$25,000 or more. The median income reported was \$15,193.

The major sources of income as reported by older persons in 2003 were Social Security (reported by 90% of older persons), income from assets (reported by 56%), private pensions (reported by 30%), government employee pensions (reported by 14%), and earnings (reported by 23%). In 2003, Social Security benefits accounted for 39% of the aggregate income of the older population. The bulk of the remainder consisted of earnings (25%), asset income (14%), and pensions (19%). For one third of older Americans, Social Security constituted 90% or more of their income.

(Based on data from Current Population Survey, Annual Social and Economic Supplement, "Income, Poverty, and Health Insurance Coverage in the United States: 2004," P60-229, issued August, 2005, by the U.S. Bureau of the Census, related Census detailed tables on the Census Bureau web site, and from Fast Facts and Figures About Social Security, 2005, Social Security Administration)

Poverty

About 3.6 million elderly persons (9.8%) were below the poverty level in 2004. This change in the poverty rate was a statistically significant decrease from the poverty rate in 2003 of 10.2%. The historic lowest level of 9.7% was reached in 1999. Another 2.3 million or 6.7% of the elderly were classified as "near-poor" (income between the poverty level and 125% of this level).

One of every twelve (7.5%) elderly Whites** was poor in 2004, compared to 23.9% of elderly African-Americans, 13.6% of Asians, and 18.7% of elderly Hispanics. Higher than average poverty rates were found in 2003 for older persons were found among those who lived in central cities (13.1%), outside metropolitan areas (i.e. rural areas) (11.0%), and in the South (11.9%).

Older women had a higher poverty rate (12.0%) than older men (7.0%) in 2004. Older persons living alone were much more likely to be poor (17.9%) than were older persons living with families (5.7%). The highest poverty rates (39.9%) were experienced by older Black women and also among Hispanic women who lived alone.

(Based on data from Current Population Survey, Annual Social and Economic Supplement, "Income, Poverty, and Health Insurance Coverage in the United States: 2004," P60-229, issued August, 2005, by the U.S. Bureau of the Census and related Census detailed tables on the Census Bureau web site)

Housing

Of the 21.6 million households headed by older persons in 2003, 80% were owners and 20% were renters. The median family income of older homeowners was \$25,353. The median family income of older renters was \$13,540. In 2003, 42% of older householders spent more than one-fourth of their income on housing costs - 35% for owners and 76% for renters - as compared to 41% of all householders.

For homes occupied by older householders in 2003, the median year of construction was 1965 (it was 1971 for all householders) and 5.2% had physical problems. In 2003, the median value of homes owned by older persons was \$122,790 (with a median purchase price of \$32,905) compared to a median home value of \$140,201 for all homeowners. About 72% of older homeowners in 2003 owned their homes free and clear.

(Source: "American Housing Survey for the United States in 2003, Current Housing Reports" H150/03)

Employment

In 2004, 5.0 million (14.4 %) Americans age 65 and over were in the labor force (working or actively seeking work), including 2.8 million men (19.0%) and 2.2 million women (11.1%). They constituted 3.4% of the U.S. labor force. About 3.6% were unemployed. Labor force participation of men 65+ decreased steadily from 2 of 3 in 1900 to 15.8% in 1985, and has stayed at 16%-18% since then. The participation rate for women 65+ rose slightly from 1 of 12 in 1900 to 10.8% in 1956, fell to 7.3% in 1985, and has been around 8%-10% since 1988.

(*Source: Current Population Survey, labor force statistics. See: Bureau of Labor Statistics web-site: <http://www.bls.gov/cps/home.htm>*)

Education

The educational level of the older population is increasing. Between 1970 and 2004, the percentage who had completed high school rose from 28% to 73%. Almost 19% in 2004 had a bachelor's degree or more. The percentage who had completed high school varied considerably by race and ethnic origin in 2004: 78% of Whites**, 65% of Asians and Pacific Islanders, 53% of African-Americans, and 38% of Hispanics. The increase in educational levels is also evident within these groups. In 1970, only 30% of older Whites and 9% of older African-Americans were high school graduates.

(*Source: Current Population Survey, Annual Social and Economic Supplement, 2004 and related tables on the Census Bureau web site*)

Health and Health Care

In 2004, 36.7% of noninstitutionalized older persons assessed their health as excellent or very good (compared to 66.0% for persons aged 18-64). There was little difference between the sexes on this measure, but African-Americans** (25.1%), older American Indians/Alaska Natives (28.2%) and older Hispanics (28.6%) were less likely to rate their health as excellent or good than were older Whites** (39.6%) or older Asians (34.6%).**** Most older persons have at least one chronic condition and many have multiple conditions. Among the most frequently occurring conditions of elderly in 2002-2003 were: hypertension (51%), diagnosed arthritis (48%), all types of heart disease (31%), any cancer (21%), diabetes (16.0), and sinusitis (14%).

Almost 65% reported in 2004 that they received an influenza vaccination during the past 12 months and 57% reported that they had ever received a pneumococcal vaccination. About 24% (of persons 60+) report height/weight combinations that place them among the obese. Over 27% of persons aged 65-74 and 16% of persons 75+ report that they engage in regular leisure-time physical activity. Only 9% reported that they are current smokers and only 4% reported excessive alcohol consumption. Only 2.2% reported that they had experienced psychological distress during the past 30 days.

In 2003, over 13.2 million persons aged 65 and older were discharged from short stay hospitals. This is a rate of 3,679 for every 10,000 persons aged 65+ which is more than three times the comparable rate for persons of all ages (which was 1,195 per 10,000). The average length of stay for persons aged 65+ was 5.8 days; the comparable rate for persons of all ages was 4.8 days. The average length of stay for older people has decreased by 5 days since 1980. Older persons averaged more office visits with doctors in

2003 – 5.9 for those aged 65-74 and 7.5 for persons over 75 while persons aged 45-65 averaged only 3.8 office visits during that year. Almost 96% of older persons reported that they did have a usual place to go for medical care and only 2.6% said that they failed to obtain needed medical care during the previous 12 months due to financial barriers.

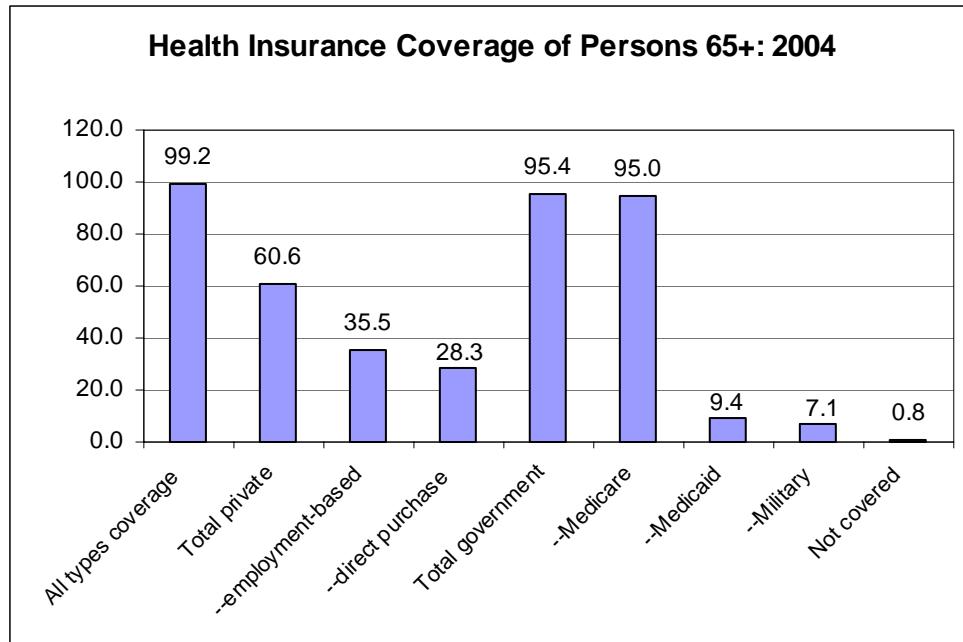
In 2003, older consumers averaged \$3,899 in out-of-pocket health care expenditures, an increase of 46% since 1993. In contrast, the total population spent considerably less, averaging \$2,574 in out-of-pocket costs. Older Americans spent 12.5% of their total expenditures on health, more than twice the proportion spent by all consumers (5.9%). Health costs incurred on average by older consumers in 2003 consisted of \$2,142 (55%) for insurance, \$920 (24%) for drugs, \$678 (17%) for medical services, and \$158 (4%) for medical supplies.

(Sources: *Advanced Data From Vital and Health Statistics and other data releases from the National Center for Health Statistics web site including the Data Warehouse on Trends in Health and Aging; and the Bureau of Labor Statistics web site*)

Health Insurance Coverage

In 2004, almost all (96%) non-institutionalized persons 65+ were covered by Medicare. Medicare covers mostly acute care services and requires beneficiaries to pay part of the cost, leaving about half of health spending to be covered by other sources. About 61% had some type of private health insurance. Over 7% had military-based health insurance and 9% of the non-institutionalized elderly were covered by Medicaid. Less than 1% did not have coverage of some kind. Over 87% of non-institutionalized Medicare beneficiaries in 2002 had some type of supplementary coverage. However, among Medicare beneficiaries residing in nursing homes, almost 58% were covered by Medicaid in 2001.

Figure 8:



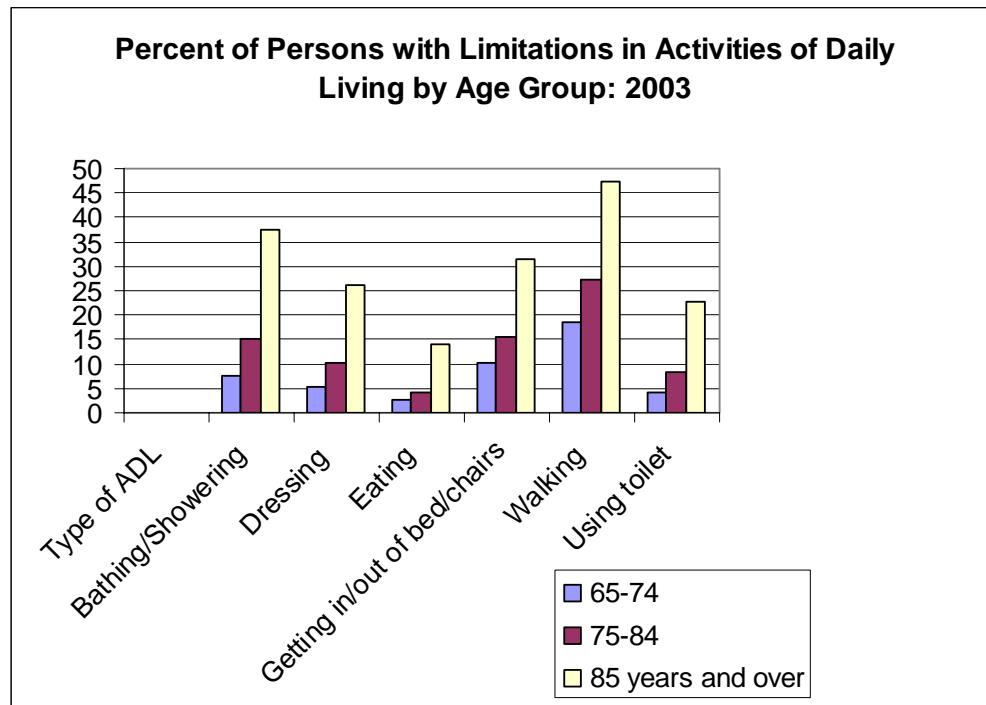
Note: Figure 8 data is for the non-institutionalized elderly. A person can be represented in more than one category. (Source: U.S. Census Bureau, *Current Population Survey, 2005 Annual Social and Economic Supplement. Based on Detailed Tables on Health Insurance Coverage, U.S. Bureau of the Census web site*. Medicare beneficiary data is from the Medicare Current Beneficiary Survey)

Disability and Activity Limitations

In 1997, more than half of the older population (54.5%) reported having at least one disability of some type (physical or nonphysical). Some of these disabilities may be relatively minor but others cause people to require assistance to meet important personal needs. Over a third (37.7%) reported at least one severe disability. The percentages with disabilities increase sharply with age (Figure 8). Disability takes a much heavier toll on the very old. Almost three-fourths (73.6%) of those aged 80+ report at least one disability. Over half (57.6%) of those aged 80+ had one or more severe disabilities and 34.9% of the 80+ population reported needing assistance as a result of disability. There is a strong relationship between disability status and reported health status. Among those 65+ with a severe disability, 68.0% reported their health as fair or poor. Among the 65+ persons who reported no disability, only 10.5% reported their health as fair or poor. Presence of a severe disability is also associated with lower income levels and educational attainment.

In another study which focused on the ability to perform specific activities of daily living (ADLs), over 27.3% of community-resident Medicare beneficiaries over age 65 in 1999 had difficulty in performing one or more ADLs and an additional 13.0% reported difficulties with instrumental activities of daily living (IADLs). By contrast, 93.3% of institutionalized Medicare beneficiaries had difficulties with one or more ADLs and 76.3% of them had difficulty with three or more ADLs. [ADLs include bathing, dressing, eating, and getting around the house. IADLs include preparing meals, shopping, managing money, using the telephone, doing housework, and taking medication]. Limitations on activities because of chronic conditions increase with age. As shown in Figure 9 (from a more recent survey), the rate of limitations on activities among persons 85 and older are much higher than those for persons 65-74.

Figure 9:



It should be noted that (except where noted) the figures above are taken from surveys of the noninstitutionalized elderly. Although nursing homes are being increasingly used for short-stay post-

acute care, about 1.6 million elderly are in nursing homes (about half are age 85 and over). These individuals often have high needs for care with their ADLs and/or have severe cognitive impairment, due to Alzheimer's disease or other dementias.

(Sources: Internet releases of the Census Bureau and the National Center on Health Statistics, including the NCHS Data Warehouse on Trends in Health and Aging)

Caregiving

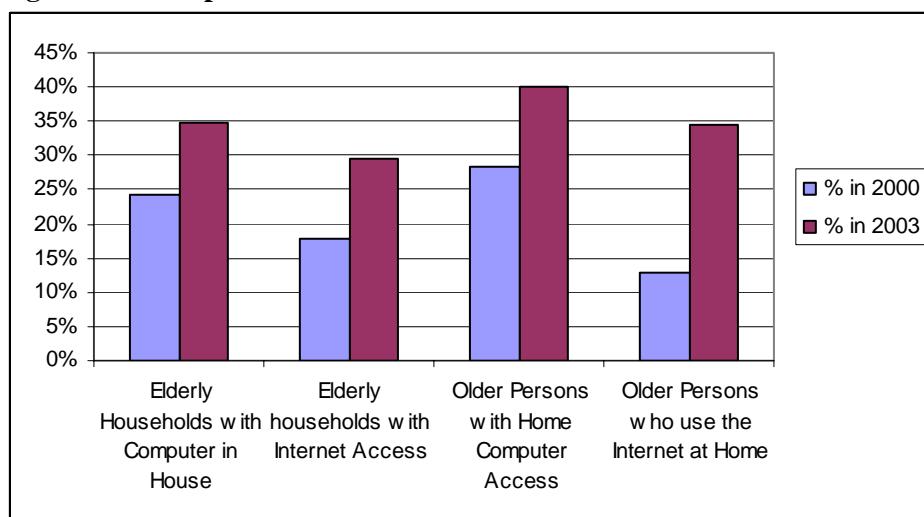
About 11% (3.7 million) of older Medicare enrollees received personal care from a paid or unpaid source in 1999. Almost all community resident older persons with chronic disabilities receive either informal care (from family or friends) or formal care (from service provider agencies). Over 90% of all these older persons with chronic disabilities received informal care and/or formal care; and about two thirds received only informal care. About 9 % of this chronically disabled group received only formal services.

(Source: National Long Term Care Survey)

Special Topic: Computer and Internet Access

Among the 23.0 million households where the householder was 65 or older, 8.0 million households (34.7%) had a computer, slightly more than half the figure for the general population (61.8%). Internet access was present in 6.8 million (29.4%) of the elderly households which is 53.7% of the figure for the general population (54.7%). On an individual basis, 13.8 million (40.1%) of the older persons had home computer access and 11.8 million (34.4%) had home Internet access, which is 58.4% of the figure for the general population. As shown in Figure 10, these figures represent a substantial increase in computer and internet access among older persons in the four years from 2000 to 2003. Of these people, 8.6 million (25.1% of the elderly) used the Internet, mostly for email, information on and purchase of products and services, and health information.

Figure 10: Computer and Internet Access: 2000 and 2003



(Sources: Computer and Internet Use in the United States: 2003, Current Population Reports, P23-208, Bureau of the Census, October, 2005 and related Detailed Tables; and Computer and Internet Use in the United States: 2000, Current Population Reports, P23-207, Bureau of the Census, September, 2001)

Notes:

*Principal sources of data for the Profile are the U.S. Bureau of the Census, the National Center on Health Statistics, and the Bureau of Labor Statistics. The Profile incorporates the latest data available but not all items are updated on an annual basis.

**Excludes persons of Hispanic origin.

***Calculated on the basis of the official poverty definitions for the years 2002-2004

**** Census 2000 figure

***** 2002-2004 combined data

A Profile of Older Americans: 2005 was prepared by the Administration on Aging (AoA), U.S. Department of Health and Human Services. The annual Profile of Older Americans was originally developed and researched by Donald G. Fowles, AoA. Saadia Greenberg, AoA, developed the 2005 edition.

AoA serves as an advocate for the elderly within the federal government and is working to encourage and coordinate a responsive system of family and community based services throughout the nation. AoA helps states develop comprehensive service systems which are administer by 56 State and Territorial Units on Aging, 655 Area Agencies on Aging, 226 Native American and Hawaiian organizations, and more than 29,000 local service providers.