## A Profile

of

## Older Americans: 2003



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

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## Highlights *

- The older population (65+) numbered 35.6 million in 2002, an increase of 3.3 million or $10.2 \%$ since 1992.
- The number of Americans aged 45-64 - who will reach 65 over the next two decades increased by $38 \%$ during this decade.
- About one in every eight, or 12.3 percent, of the population is an older American.
- Over 2.0 million persons celebrated their 65th birthday in 2002.
- Persons reaching age 65 have an average life expectancy of an additional 18.1 years (19.4 years for females and 16.4 years for males).
- Older women outnumber older men at 20.8 million older women to 14.8 million older men.
- Older men were much more likely to be married than older women--73\% of men vs. $41 \%$ of women (Figure 2). Almost half of all older women in 2002 were widows ( $46 \%$ ).
- About 31 percent ( 10.5 million) of noninstitutionalized older persons live alone (7.9 million women, 2.6 million men).
- Half of older women age 75+ live alone.
- Almost 400,000 grandparents aged 65 or more had the primary responsibility for their grandchildren who lived with them.
- By the year 2030, the older population will more than double to 71.5 million.
- The $85+$ population is projected to increase from 4.6 million in 2002 to 9.6 million in 2030.
- Members of minority groups are projected to represent 26.4 percent of the older population in 2030, up from 16.4 percent in 2000.
- The median income of older persons in 2002 was $\$ 19,436$ for males and $\$ 11,406$ for females. Median money income of all households headed by older people (after adjusting for inflation) fell by $-1.4 \%$ from 2001 to 2002; however, this difference was not statistically significant.
- The Social Security Administration reported that the major sources of income for older people was:
o Social Security (reported by 91 percent of older persons),
o Income from assets (reported by 58 percent),
o Public and private pensions (reported by 40 percent), and
o Earnings (reported by 22 percent).
- About 3.6 million older persons lived below the poverty level in 2002. The poverty rate for older persons was $10.4 \%$ in 2002 which is not statistically different from the rate in 2001. Another 2.2 million or $6.4 \%$ of the elderly were classified as "near-poor" (income between the poverty level and $125 \%$ of this level).
*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 35.6 million in 2002 (the most recent year for which data are available). They represented $12.3 \%$ of the U.S. population, about one in every eight Americans. The number of older Americans increased by 3.3 million or $10.2 \%$ since 1992, compared to an increase of $13.5 \%$ for the under-65 population. However, the number of Americans aged $45-64$ - who will reach 65 over the next two decades - increased by $38 \%$ during this period.

In 2002, there were 20.8 million older women and 14.8 million older men, or a sex ratio of 141 women for every 100 men. The female to male sex ratio increases with age, ranging from 116 for the 65-69 age group to a high of 230 for persons 85 and over.

Since 1900, the percentage of Americans 65+ has tripled (from $4.1 \%$ in 1900 to $12.3 \%$ in 2002), and the number has increased eleven times (from 3.1 million to 35.6 million). The older population itself is getting older. In 2002, the 65-74 age group (18.3 million) was eight times larger than in 1900, but the $75-$ 84 group ( 12.7 million) was more than 16 times larger and the $85+$ group ( 4.6 million) was almost 38 times larger.

In 2001, persons reaching age 65 had an average life expectancy of an additional 18.1 years (19.4 years for females and 16.4 years for males).

A child born in 2001 could expect to live 77.2 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 past two decades have also seen reduced death rates for the population aged 65-84, especially for men - by $29.0 \%$ for men aged $65-74$ and by $22.5 \%$ for men aged $75-84$. Life expectancy at age 65 increased by only 2.5 years between 1900 and 1960, but has increased by 3.8 years from 1960 to 2001.

Over 2.0 million persons celebrated their 65th birthday in 2002. In the same year, about 1.8 million persons 65 or older died. Census estimates showed an annual net increase of approximately 249,000.

There were 50,364 persons aged 100 or more in 2002 ( $0.02 \%$ of the total population). This is a $35 \%$ 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.

By 2030, there will be about 71.5 million older persons, more than twice their number in 2000. People $65+$ represented $12.4 \%$ of the population in the year 2000 but are expected to grow to be $20 \%$ of the population by 2030. The $85+$ population is projected to increase from 4.6 million in 2002 to 9.6 million in 2030.

Minority populations are projected to represent $26.4 \%$ of the elderly population in 2030, up from $17.2 \%$ in 2002. Between 2000 and 2030, the white** population $65+$ is projected to increase by $77 \%$ compared with 223\% for older minorities, including Hispanics (342\%), African-Americans** (164\%), American Indians, Eskimos, and Aleuts** (207\%), and Asians and Pacific Islanders** (302\%).


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 2002 data are taken from the Census estimates for 2002.)

## Marital Status

In 2002, older men were much more likely to be married than older women-- $73 \%$ of men, $41 \%$ of women (Figure 2). Almost half of all older women in 2002 were widows ( $46 \%$ ). There were over four times as many widows ( 8.9 million) as widowers ( 2.0 million).

Divorced and separated (including married/spouse absent) older persons represented only $10 \%$ of all older persons in 2002. However, this percentage has increased since 1980, when approximately $5.3 \%$ of the older population were divorced or separated/spouse absent.

Figure 2: Marital Status of Persons 65+-2002

(Based on Internet releases of data from the 2002 Current Population Survey of the U.S. Bureau of the Census)

## Living Arrangements

Over half (53.6\%) the older noninstitutionalized persons lived with their spouse in 2002. Approximately 10.2 million or $72 \%$ of older men, and 7.8 million or $40 \%$ of older women, lived with their spouse (Figure 3). The proportion living with their spouse decreased with age, especially for women. Only 28.8\% of women $75+$ years old lived with a spouse.****

About $30 \%$ ( 10.5 million) of all noninstitutionalized older persons in 2002 lived alone ( 7.9 million women, 2.6 million men). They represented $41 \%$ of older women and $18 \%$ of older men. The proportion living alone increases with advanced age. Among women aged 75 and over, for example, half (49.4\%) lived alone (in 2000).

About 633,000 grandparents aged 65 or over maintained households in which grandchildren were present in 1997. In addition, 510,000 grandparents over 65 years lived in parent- maintained households in which their grandchildren were present. In 2000, almost 400,000 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+: 2002

(Based on data from U.S. Bureau of the Census. See: March 2002 Current Population Survey Internet releases. See also: "America's Families and Living Arrangements; Population Characteristics: June, 2001, Current Population Reports, P20-537" 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 2002, 17.24\% of persons 65+ were minorities--8.1\% were African-Americans,** $2.7 \%$ were Asian or Pacific Islander,** and less than 1\% were American Indian or Native Alaskan.** Persons of Hispanic origin (who may be of any race) represented $5.5 \%$ of the older population. In addition, $0.5 \%$ of persons $65+$ identified themselves as being of two or more races.

Only 6.7\% of minority race and Hispanic populations were 65+ in 2002 (8.2\% of African-Americans,** 8.18\% of Asians and Pacific Islanders,** 6.6\% of American Indians and Native Alaskans,** 5.1\% of Hispanics), compared with 15.0\% of whites.**
(Data for this section were compiled from Internet releases of the Census 2002 Estimates).

## Geographic Distribution

In 2002, about half (52\%) of persons 65+ lived in nine states. California had over 3.7 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 9 states in 2002 (Figure 6): Florida (17.1\%); Pennsylvania (15.5\%); West Virginia (15.3\%); North Dakota (14.8\%); Iowa (14.7\%); Rhode Island (14.2\%); Maine (14.4); South Dakota (14.2); and Arkansas (13.9\%). In nine states, the 65+ population increased by $20 \%$ or more between 1992 and 2002 (Figure 6): Nevada (63.8\%); Alaska (53.6\%); Arizona (35.2\%); New Mexico (28.4\%); Colorado (24.3\%); Hawaii (24.0\%); Delaware (24.0\%); Utah (23.7\%) and South Carolina (20.7\%). The ten jurisdictions with the highest poverty rates for elderly over the period 2000-2002 were the District of Columbia (18.8\%); Mississippi (17.9\%); Alabama (15.2\%); Tennessee (14.6\%); North Carolina (14.0\%); Arkansas (15.2\%); New Mexico (13.8\%); Texas (13.7\%); Louisiana (13.2\%); and Kentucky (12.4\%).

Most persons 65+ lived in metropolitan areas in 2002 (77.4\%). About 50\% of older persons lived in the suburbs, $27.4 \%$ lived in central cities, and $22.6 \%$ lived in nonmetropolitan areas.

The elderly are less likely to change residence than other age groups. In the five year period from 1995 to 2000, $22.8 \%$ of older persons had moved (compared to $47.7 \%$ of persons under 65). Most older movers (59.7\%) stayed in the same county while only $18.8 \%$ (of the movers) moved to another state. The 85+ segment of the older population had a much high rate of moving. During this period, $32.3 \%$ of the $85+$ population moved, $61.1 \%$ of them within the same county.
(Data for this section and for Figure 4 were compiled primarily from the Census Population Estimates for 2002 as well as other Internet releases of the U.S. Bureau of the Census including tables from the March 2002 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 - 2002


Based on Census 2002 Population Estimates from the U.S. Bureau of the Census

Figure 5: Percentage Increase in Population 65+ -- 1992 to 2002


Based on Census 2002 Population Estimates from the U.S. Bureau of the Census

Figure 6: The 65+ Population by State 2002

| Numbers | Number of Persons | $\begin{array}{\|c\|} \hline \text { Percent of All } \\ \text { Ages } \end{array}$ | Percent Increase 1992-2002 | Percent Below Poverty 20002002 |
| :---: | :---: | :---: | :---: | :---: |
| US Total (50 States + DC) | 35,601,911 | 12.3\% | 10.2\% | 10.2 |
| Alabama | 588,542 | 13.1\% | 9.6\% | 15.2 |
| Alaska | 39,200 | 6.1\% | 53.6\% | 6.3 |
| Arizona | 701,243 | 12.9\% | 35.2\% | 7.5 |
| Arkansas | 376,387 | 13.9\% | 5.6\% | 15.2 |
| California | 3,716,836 | 10.6\% | 13.8\% | 8.4 |
| Colorado | 434,472 | 9.6\% | 24.3\% | 8.2 |
| Connecticut | 472,314 | 13.6\% | 3.7\% | 6.5 |
| Delaware | 105,488 | 13.1\% | 24.0\% | 6.5 |
| District of Columbia | 68,534 | 12.0\% | -11.1\% | 18.8 |
| Florida | 2,854,838 | 17.1\% | 15.2\% | 10.0 |
| Georgia | 813,652 | 9.5\% | 19.3\% | 12.6 |
| Hawaii | 166,910 | 13.4\% | 24.0\% | 8.1 |
| Idaho | 151,141 | 11.3\% | 19.3\% | 6.6 |
| Illinois | 1,499,249 | 11.9\% | 2.2\% | 8.6 |
| Indiana | 757,451 | 12.3\% | 5.8\% | 8.9 |
| Iowa | 432,785 | 14.7\% | 0.4\% | 8.4 |
| Kansas | 355,094 | 13.1\% | 1.7\% | 7.9 |
| Kentucky | 509,476 | 12.4\% | 7.0\% | 12.4 |
| Louisiana | 520,446 | 11.6\% | 8.4\% | 13.2 |
| Maine | 186,383 | 14.4\% | 10.8\% | 11.2 |
| Maryland | 616,699 | 11.3\% | 14.1\% | 11.1 |
| Massachusetts | 863,695 | 13.4\% | 2.9\% | 10.6 |
| Michigan | 1,231,920 | 12.3\% | 6.8\% | 9.3 |
| Minnesota | 601,741 | 12.0\% | 7.4\% | 9.0 |
| Mississippi | 346,251 | 12.1\% | 6.1\% | 17.9 |
| Missouri | 757,197 | 13.3\% | 3.5\% | 6.8 |
| Montana | 122,806 | 13.5\% | 11.8\% | 9.6 |
| Nebraska | 232,134 | 13.4\% | 2.8\% | 9.2 |
| Nevada | 240,255 | 11.1\% | 63.8\% | 8.0 |
| New Hampshire | 152,577 | 12.0\% | 16.9\% | 6.8 |
| New Jersey | 1,121,197 | 13.1\% | 5.9\% | 8.4 |
| New Mexico | 221,454 | 11.9\% | 28.4\% | 13.8 |
| New York | 2,473,510 | 12.9\% | 4.0\% | 11.8 |
| North Carolina | 998,391 | 12.0\% | 17.9\% | 14.0 |
| North Dakota | 94,076 | 14.8\% | 1.6\% | 11.5 |
| Ohio | 1,513,372 | 13.3\% | 4.2\% | 7.5 |
| Oklahoma | 460,459 | 13.2\% | 6.1\% | 11.6 |
| Oregon | 443,968 | 12.6\% | 8.5\% | 6.0 |
| Pennsylvania | 1,908,962 | 15.5\% | 1.8\% | 8.4 |
| Rhode Island | 152,286 | 14.2\% | -0.6\% | 11.4 |
| South Carolina | 503,256 | 12.3\% | 20.7\% | 14.2 |
| South Dakota | 108,322 | 14.2\% | 4.4\% | 10.3 |
| Tennessee | 719,177 | 12.4\% | 12.7\% | 14.6 |
| Texas | 2,152,896 | 9.9\% | 19.3\% | 13.7 |
| Utah | 199,041 | 8.6\% | 23.7\% | 10.1 |
| Vermont | 79,241 | 12.9\% | 16.6\% | 10.5 |
| Virginia | 817,441 | 11.2\% | 17.4\% | 9.8 |
| Washington | 677,532 | 11.2\% | 13.0\% | 7.9 |
| West Virginia | 275,974 | 15.3\% | 1.0\% | 10.6 |
| Wisconsin | 706,418 | 13.0\% | 5.9\% | 8.0 |
| Wyoming | 59,222 | 11.9\% | 19.4\% | 7.9 |
| Puerto Rico | 449,176 | 11.6\% |  |  |

Population data is from the Census Bureau Population Estimates and poverty data is from the Current Population Survey, 2001, 2002, and 2003 Annual Social and Economic Supplements.

## Income

The median income of older persons in 2002 was $\$ 19,436$ for males and $\$ 11,406$ for females. Median money income of all households headed by older people fell by $-1.4 \%$ from 2001 to 2002; however, this difference was not statistically significant.

Households containing families headed by persons 65+ reported a median income in 2002 of \$33,802 ( $\$ 35,219$ for non-Hispanic Whites, $\$ 26,174$ for African-Americans, $\$ 38,533$ for Asians, and $\$ 25,123$ for Hispanics). About one of every nine (11.6\%) family households with an elderly householder had incomes less than $\$ 15,000$ and $48.0 \%$ had incomes of $\$ 35,000$ or more (Figure 7).

Figure 7: Percent Distribution by Income: 2002*

\$33,802 median for 11.7 million family households 65+

$\$ 14,251$ median for 33.3 million persons $65+$ reporting income

For all older persons reporting income in 2002 ( 33.3 million), $31.5 \%$ reported less than $\$ 10,000$. Only $24.7 \%$ reported $\$ 25,000$ or more. The median income reported was $\$ 14,251$.

The major sources of income as reported by the Social Security Administration for older persons in 2001 were Social Security (reported by $91 \%$ of older persons), income from assets (reported by $58 \%$ ), public and private pensions (reported by 40\%), earnings (reported by 22\%), public assistance (reported by 5\%) and veterans' benefits (reported by 4\%). In 2000, Social Security benefits accounted for $38 \%$ of the aggregate income of the older population. The bulk of the remainder consisted of earnings (23\%), assets (18\%), and pensions (17\%).
(Based on data from Current Population Reports, "Money Income in the United States: 2002," P60-221, issued September, 2002, by the U.S. Bureau of the Census, related Census detailed tables on the Census web site, and from Income of the Aged Chartbook, 2001 and Fast Facts and Figures About Social Security, 2002, Social Security Administration)

## Poverty

About 3.6 million elderly persons (10.4\%) were below the poverty level in 2002. This poverty rate was not statistically different from the poverty rate in 2001. The historic lowest level of $9.7 \%$ reached in 1999. Another 2.2 million or $6.4 \%$ of the elderly were classified as "near-poor" (income between the poverty level and $125 \%$ of this level).

One of every twelve (8.3\%) elderly Whites was poor in 2002, compared to $23.8 \%$ of elderly AfricanAmericans and $21.4 \%$ of elderly Hispanics. Higher than average poverty rates for older persons were found among those who lived in central cities (12.2\%), outside metropolitan areas (i.e. rural areas) (11.9\%), and in the South (12.7\%).

Older women had a higher poverty rate (12.4\%) than older men (7.7\%) in 2002. Older persons living alone were much more likely to be poor (19.2\%) than were older persons living with families (6.0\%). The highest poverty rates (47.1\%) were experienced by older Hispanic women who lived alone.
(Based on data from Current Population Reports, "Poverty in the United States: 2002," P60-229, Issued September, 2003 and related Internet releases of the U.S. Bureau of the Census).

## Housing

Of the 21.8 million households headed by older persons in 2001, $80 \%$ were owners and $20 \%$ were renters. The median family income of older homeowners was $\$ 23,409$. The median family income of older renters was $\$ 12,233$. In 2001, $41 \%$ of older householders spent more than one-fourth of their income on housing costs, compared to $39 \%$ of for householders of all ages.

For homes occupied by older householders in 2001, the median year of construction was 1963 (it was 1970 for all householders) and $5.4 \%$ had physical problems.

In 2001, the median value of homes owned by older persons was $\$ 107,398$, compared to a median home value of $\$ 123,887$ for all homeowners. About $73 \%$ of older homeowners in 2001 owned their homes free and clear.
(Source: "American Housing Survey for the United States in 2001, Current Housing Reports" H150/01.)

## Employment

In 2002, 4.5 million ( 13.2 \%) Americans age 65 and over were in the labor force (working or actively seeking work), including 2.5 million men (17.9\%) and 1.9 million women ( $9.8 \%$ ). They constituted $3.1 \%$ 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: 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 2002, the percentage who had completed high school rose from $28 \%$ to $70 \%$ Almost $17 \%$ in 2002 had a bachelor's degree or more. The percentage who had completed high school varied considerably by race and ethnic origin in 2002: $74 \%$ of Whites**, $68 \%$ of Asians and Pacific Islanders**, $51 \%$ of African-Americans**, and $35 \%$ 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 (formerly the Annual Demographic Survey), 2002 and related tables on the Census Bureau web site)

## Health and Health Care

In 2003, $38.6 \%$ of noninstitutionalized older persons assessed their heath as excellent or very good (compared to $66.6 \%$ for persons aged 18-64). There was little difference between the sexes on this measure, but older African-Americans (57.7\%) and older Hispanics (60.5\%) were less likely to rate their health as excellent or good than were older Whites (75.4\%)..**** Most older persons have at least one chronic condition and many have multiple conditions. Among the most frequently occurring conditions of elderly in 2000-2001 were: hypertension (49.2\%), arthritic symptoms (36.1\%), all types of heart disease (31.1\%), any cancer (20.0), sinusitis (15.1\%), and diabetes (15.0).

Almost $67 \%$ reported that they received an influenza vaccination during the past 12 months and $55 \%$ reported that they had ever received a pneumococcal vaccination. About $22 \%$ (of persons 60+) report height/weight combinations that place them among the obese. Over $27 \%$ of persons aged 65-74 and 17\% 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 $2.5 \%$ reported that they had experienced psychological distress during the past 30 days.

In 2002, over 12.5 million persons aged 65 and older were discharged from hospitals. This is a rate of 3,549 for every 10,000 persons aged $65+$ which is more than three times the comparable rate for persons aged 45-64 (which was 1,121 per 10,000 ). The average length of stay for persons aged $65+$ was 5.8 days; the comparable rate for persons aged $45-64$ was 5.0 days. The average length of stay for older people has decreased almost 5 days since 1980. Older persons averaged more office visits with doctors in 2001 - 6.2 for those aged 65-74 and 7.4 for persons over 75 while persons aged 45-65 averaged only 3.8 office visits during that year. Almost $97 \%$ of older persons reported that they did have a usual place to go for medical
care and only $2.5 \%$ said that they failed to obtain needed medical care during the previous 12 months due to financial barriers.

In 2002, older consumers averaged $\$ 3,586$ in out-of-pocket health care expenditures, an increase of $45 \%$ since 1992. In contrast, the total population spent considerably less, averaging $\$ 2,350$ in out-of-pocket costs. Older Americans spent $12.8 \%$ of their total expenditures on health, more than twice the proportion spent by all consumers ( $5.8 \%$ ). Health costs incurred on average by older consumers in 2001 consisted of $\$ 1,886$ (53\%) for insurance, $\$ 955(27 \%)$ for drugs, $\$ 582(16 \%)$ for medical services, and $\$ 163$ (5\%) for medical supplies.
(Sources: Health United States: 2003; Advanced Data From Vital and Health Statistics and other data releases from the National Center for Health Statistics web site; and the Bureau of Labor Statistics web site)

## 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.

Figure 8: Percent With Disabilities, By Age: 1997
Figure 8: Percent with Disabilities, by Age


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. Among those 65-74 years old, 19.9 percent had difficulties with ADLs. In contrast, over half (52.5\%) of these 85 years and older had difficulties with ADLs.

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 postacute 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: Current Population Reports, "Americans with Disabilities, 1997" P70-73, February 2001 and related Internet data; Internet releases of the Census Bureau and the National Center on Health Statistics)

## Special Topic: Net Worth of Older Households

The net worth (assets minus liabilities) of households increases with age until age 74 and declines somewhat from age 75. The median net worth of the elderly households (with a householder aged 65+) in 2000 was $\$ 108,885$ as compared to $\$ 55,000$ for the total population. The largest asset type is home ownership which accounts for $\$ 85,516$ or $78.5 \%$ of this net worth. Over $78 \%$ of elderly households own their own home. Other major asset types owned by the elderly include: stock and mutual funds (29\%), regular checking accounts (31\%), interest-earning accounts at financial institutions (71\%), IRA and Keogh accounts (25\%), and motor vehicles (78\%).

There are major differences in the median net worth of different household types. Elderly married couple households have a median net worth of $\$ 173,950$ ( $\$ 57,586$ when home equity is excluded). Male households have a median net worth of $\$ 84,000(\$ 15,375)$ when home equity is excluded). Female households have a median net worth of $\$ 76,000$ ( $\$ 10,475$ when home equity is excluded).

This household net worth is not found in all segments of the elderly population. $70 \%$ of elderly households have a net worth of at least $\$ 50,000$ and another $8.4 \%$ have a net worth of $\$ 25,000$ to $\$ 49,999$. On the other hand, about $21.5 \%$ of elderly households have a net worth of less than $\$ 25,000$ $-6.7 \%$ have a zero or negative net worth and another $6.6 \%$ have a net worth of $\$ 1-4,999$.

Figure 9: Median Net Worth of Households with Householder 65+: 2000

(Source: Current Population Reports: Net Worth and Asset Ownership of Households: 1998 and 2000, P70--88, May 2003 and related tables
(http://www.census.gov/hhes/www/wealth/1998_2000/wealth98_00.html) )

## 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 2000-2002
**** Census 2000 figure
***** 2000 figure
A Profile of Older Americans: 2003 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 2003 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.

