

WHERE WE STAND

Where We Stand tracks the health of the St. Louis region among the 50 most populous MSAs.¹ These metro areas, known as the peer regions, are our domestic competition and provide a consistent yardstick to gauge “Where We Stand.”

This update documents the rapidly increasing senior population in the St. Louis region and how we compare to our peer metropolitan regions.

7th Edition, Update 2

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Seniors and Aging

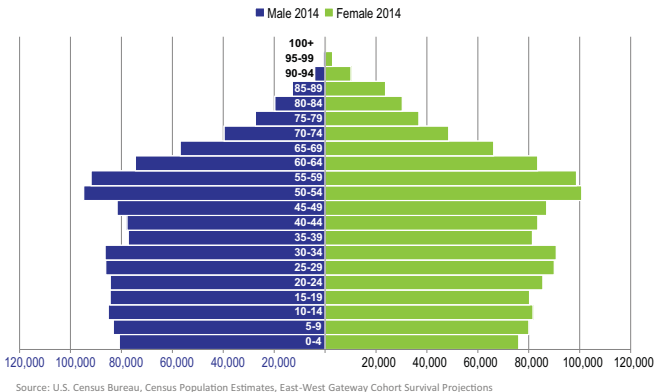
Over the next 30 years, the number of St. Louis residents aged 65 or older is projected to increase by 77 percent, an increase of about 290,000 people. According to East-West Gateway Council of Governments projections, by 2045 one out of every four people in the region will be over the age of 65. The rapid growth of the senior population is a topic that has been discussed frequently, often in reference to the pressure it will put on public programs such as Social Security and Medicare. At the local level, the growth of the senior population has a wide range of implications that should be considered as part of planning and policy. This shift in the age of the population also holds opportunities as the years that people remain active increase.

While the aging of the population is a national trend, St. Louis has a higher percentage of seniors than most peer regions. Among the 50 most populous metropolitan regions, St. Louis ranks 8th on percent of population aged 65 and older.

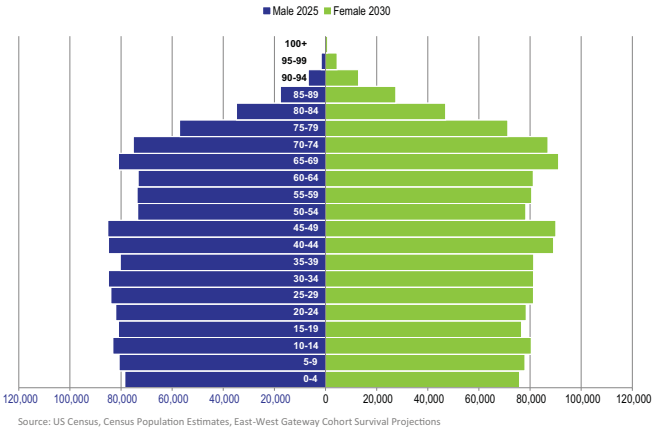
Our ranking among peer metropolitan regions can help us understand the challenges and opportunities we face as a region. This Update analyzes this change in the region’s age distribution and the implications for housing, transportation, healthcare, and the economy.

An important aspect of the aging demographic is that a majority of seniors want to age in place. How communities are designed and what public resources are available to seniors can facilitate more of the population’s ability to fulfill this aspiration. In the St. Louis region there is a need for more affordable housing options, more transportation choices, additional programs that assist seniors to make their homes safe with in-home modifications, and more people trained in geriatrics to provide quality healthcare. Additionally, how the demographic shift will affect local government budgets and the economy of the region should be considered further.

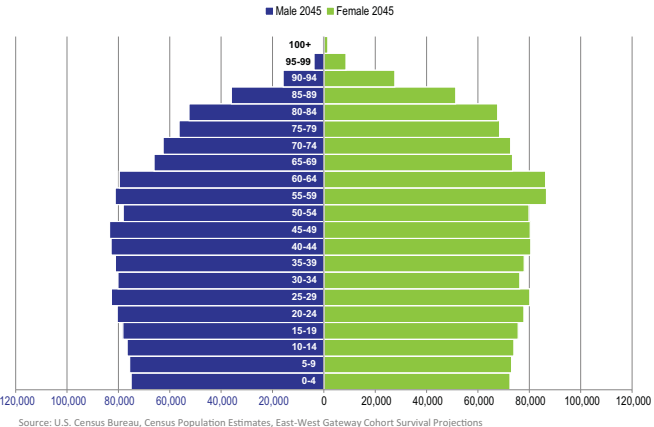
Age Pyramid
St. Louis 8-County Region, 2014



Projected Age Pyramid
St. Louis 8-County Region, 2030



Projected Age Pyramid
St. Louis 8-County Region, 2045



1 MSAs (Metropolitan Statistical Areas) are geographic entities delineated by the Office of Management and Budget (OMB). MSAs are areas with “at least one urbanized area of 50,000 or more population, plus adjacent territory that has a high degree of social and economic integration with the core as measured by commuting ties.”

Shift in Age Demographics

The population aged 65 years and older comprised 14.9 percent of the population in the St. Louis region in 2014. This is the 8th highest proportion among the 50 largest metropolitan regions in the country and about the same as for the United States as a whole (14.5 percent).

The population of the St. Louis region is following a similar trajectory to that of the United States, but at a slower rate. For both, due to lower fertility rates and longer life expectancies, seniors are a growing proportion of the population, while the proportions of children and working age adults are decreasing.

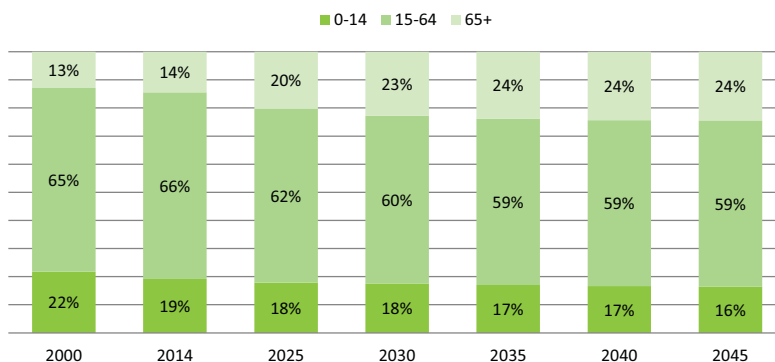
From 2000 to 2014 the population aged 65 and older in the St. Louis MSA increased by nearly 70,000. The number of seniors increased by 20.1 percent, while the population as a whole increased by just 4.9 percent. Over the same time period the senior population of the United States increased by 32.1 percent while the total population increased by 13.3 percent.

The senior population is projected to increase rapidly through 2030, when the youngest of the baby boom generation will turn 65. For the St. Louis eight-county region, the 65-and-older population is projected to increase by approximately 240,000 people by 2030, an average annual increase of about 15,000 people from 2014 to 2030. By comparison, the population aged 65 and older increased by an average of 3,900 people annually from 2000 to 2014. From 2030 to 2045 the 65-and-older population is still expected to increase (7.8 percent) but at a slower rate (3,200 people average annually). The age pyramids for 2014, 2030, and 2045 (see Page 1) show the shifts in the age composition of the population the St. Louis region is projected to see over the next 10, 15, and 30 years.

This shift in the age demographics means there are fewer people of the traditional working age (15 to 64) relative to the number of people of non-working age (persons under age 15 and aged 65 and older, referred to as dependents). This means a smaller proportion of the population is contributing to income taxes, Social Security, and Medicare, while there is an increasing number of recipients of these programs.

Consider the ratio of workers to beneficiaries for Social Security. In 1945 there were 42 workers for every beneficiary. In 1950 there were 16 to 1. In 2030 it is projected that there will be 2 to 1 (Taylor, 2014). Similar ratios are true at the local level. In 2014 in the St. Louis eight-county region there were 50 dependents for every 100 working age people. This number is projected to increase to 62 in 2025 and to 69 by 2035. Chart 1 depicts the proportions of the working age and dependent populations for the St. Louis region for 2000 and 2014 and projected for 2025 to 2045.

Chart 1: Percent of Population by Age Group
St. Louis 8-County Region, 2000 to 2014, 2025 to 2045 (projected)



Source: U.S. Census Bureau, Census Population Estimates, East-West Gateway Cohort Survival Projections

Seniors

Population aged 65 and older as a percent of total population, 2014

1	Tampa	18.7
2	Pittsburgh	18.3
3	Miami	17.0
4	Buffalo	16.7
5	Cleveland	16.5
6	Providence	15.8
7	Hartford	15.7
8	St. Louis	14.9
9	Detroit	14.7
10	Birmingham	14.7
11	Philadelphia	14.5
United States		14.5
12	Louisville	14.4
13	Boston	14.3
14	Jacksonville	14.2
15	Phoenix	14.2
16	New York	14.1
17	Baltimore	14.0
18	San Francisco	14.0
19	Sacramento	13.9
20	Orlando	13.8
21	Milwaukee	13.8
22	New Orleans	13.7
23	Cincinnati	13.7
24	Richmond	13.6
25	Kansas City	13.3
26	Las Vegas	13.3
27	Portland	13.3
28	Virginia Beach	12.9
29	Chicago	12.8
30	San Diego	12.7
31	Oklahoma City	12.7
32	Los Angeles	12.4
33	Charlotte	12.4
34	Indianapolis	12.4
35	Minneapolis	12.3
36	Seattle	12.3
37	Nashville	12.2
38	San Jose	12.2
39	Memphis	12.1
40	San Antonio	12.1
41	Columbus	12.0
42	Riverside	11.8
43	Denver	11.7
44	Washington, D.C.	11.4
45	Atlanta	10.8
46	Raleigh	10.6
47	Dallas	10.2
48	Houston	9.8
49	Salt Lake City	9.6
50	Austin	9.4

Source: U.S. Census Bureau, American Community Survey 1-Year Estimates

Net Migration of Seniors

Percent of adults aged 65 and older
2000 population, 2000-2010

1	Raleigh	15.4
2	Austin	10.8
3	Portland	8.0
4	Atlanta	7.2
5	Charlotte	6.9
6	Dallas	6.1
7	Jacksonville	6.0
8	Sacramento	5.3
9	Nashville	5.0
10	Richmond	4.2
11	Riverside	3.8
12	Houston	3.6
13	Columbus	3.1
14	Minneapolis	2.8
15	Oklahoma City	2.6
16	Denver	2.6
17	San Antonio	2.4
18	Kansas City	2.1
19	Indianapolis	2.1
20	Louisville	1.8
21	Phoenix	1.4
22	Salt Lake City	1.3
23	Cincinnati	1.1
24	Seattle	1.0
25	Orlando	0.9
26	Virginia Beach	0.4
27	Baltimore	0.1
28	St. Louis	0.1
29	Milwaukee	-0.1
30	Birmingham	-0.2
31	Memphis	-0.2
32	Hartford	-0.4
United States		-0.7
33	Philadelphia	-0.9
34	Providence	-0.9
35	Washington, D.C.	-1.7
36	Boston	-1.8
37	Cleveland	-1.8
38	Detroit	-1.8
39	San Diego	-2.5
40	Pittsburgh	-2.6
41	Buffalo	-3.0
42	Los Angeles	-3.8
43	Chicago	-4.0
44	Las Vegas	-5.7
45	Miami	-5.7
46	San Francisco	-5.9
47	San Jose	-6.3
48	Tampa	-6.5
49	New York	-6.7
50	New Orleans	-12.6

Note: Data for Denver is for 2003 to 2010

Source: Centers for Disease Control and Prevention, U.S. Census Bureau

Where Seniors Live

The Net Migration of Seniors table shows the net migration of adults aged 65 and older from 2000 to 2010 as a percent of the senior population in 2000 for the peer regions.¹ St. Louis ranks 28th with a net in-migration of 0.1 percent of the 2000 senior population. Regions with the largest net out-migrations of seniors including San Jose, New York, and San Francisco tend to be those with a relatively high cost of living. Those with the largest net in-migration of seniors tend to be high growth regions such as Raleigh and Austin. New Orleans ranks 50th with the largest out-migration but this time period includes 2005 when Hurricane Katrina occurred, causing populations of all ages to move out of the region.

The growth of the senior population is not consistent across the St. Louis eight-county region. The 65-and-older population is increasing at higher rates in the more suburban and rural parts of the region and decreasing in the urban core. The outlying counties tend to have fewer public transit options and be more car-oriented which may make it challenging to accommodate the needs of the senior population (EWG, 2016).

From 2000 to 2010, the senior population in the eight-county St. Louis region increased by 6.4 percent, compared to 3.6 percent for the total population. Franklin, Jefferson, St. Charles, and St. Louis counties all saw the senior population increase at more than twice the rate of their total populations. The city of St. Louis saw the largest percentage decrease in the senior population, 26.5 percent, three times the population decline of the total population (8.3 percent). See Table 1.

Most of the population change of seniors for the St. Louis eight-county region as well as for each county within the region is due to natural changes with minimal change due to migration. Over 45 percent of the 2010 senior population in each county consists of individuals who aged into the 65-plus cohort between 2000 and 2010. The net migration of seniors is less than 10 percent of the 2000 senior population in most of the counties. St. Charles and Monroe counties and the city of St. Louis are the exceptions. St. Charles and Monroe counties experienced relatively large net in-migrations with 20.4 and 13.9 percent, respectively, of the 2000 senior population moving into the county. The city of St. Louis experienced a relatively large net out-migration with 16.3 percent of the 2000 senior population moving out of the city between 2000 and 2010.

Table 1: Aged 65 and Older Population

St. Louis 8-County Region, 2000 to 2010

County	2000	2010	Percent Change	Net Migration as a Percent of 2000 Population
Madison, IL	36,923	38,428	4.1	0.2
Monroe, IL	3,701	4,658	25.9	13.9
St. Clair, IL	33,709	33,810	0.3	-1.6
Franklin, MO	11,332	14,000	23.5	6.7
Jefferson, MO	18,199	24,394	34.0	7.0
St. Charles, MO	24,852	40,378	62.5	20.4
St. Louis, MO	143,262	149,493	4.3	0.3
City of St. Louis, MO	47,842	35,175	-26.5	-16.3
Total	319,820	340,336	6.4	-0.1

Source: U.S. Census Bureau, Decennial Census 2000 and 2010; Centers for Disease Control and Prevention

¹Data for the Denver MSA is for 2003 to 2010 due to Bloomfield County being incorporated in 2002 and deaths data used for the calculations is not available until 2003.

Aging in Place

A majority of older adults, 88 percent, want to remain living in their own home, often referred to as aging in place. For aging in place to be a viable and safe option for most seniors there is a need for affordable housing, transportation options, in-home remodeling that reduces the risk of falls and allows for mobility with a walker or wheelchair, long-term care options, and access to support services as well as social activities.

Aging in place is often the most cost-effective housing option for individuals (BPC, 2013). A survey of older adults found that about a quarter of older adults cited not being able to afford to move as a reason for remaining in their own home (Keenan, 2010a). For example, the costs to Medicaid are about three times less for long-term in-home care than nursing home care (BPC, 2013).

Most housing in the United States is not well suited for an aging population that is at higher risk of falling or in need of a wheelchair or walker for mobility. Home modifications that can make housing safer can also be expensive. The American Housing Survey found that only about 1 percent of housing in the United States has all five universal design features that make housing safer for older adults. These features are no-step entry, single-floor living, extra-wide doorways and halls, accessible electrical controls and switches, and lever-style door and faucet handles (JCHS, 2014).

The number of seniors living in nursing homes in the United States decreased by about 20 percent from 2000 to 2010 (JCHS, 2014), indicating that a growing number of seniors are able to fulfill their wish to age in place. A study by the Joint Center For Housing attributes this decline in part to the increased availability of supportive housing and assisted living as well as long-term in-home care services (JCHS, 2014).

On the Persons Aged 65 and Older Living Alone table St. Louis ranks 15th with 27.8 percent of seniors living alone. This is slightly higher than the rate of the United States, 26.2 percent, but lower than most of the peer Midwest regions. Regions where a smaller proportion of seniors live alone tend to be regions in the southwest. Seniors live in multigenerational households at higher rates in these regions. In regions such as San Jose, Los Angeles, and Riverside about 15 percent of seniors live in a home headed by their child compared to 4.3 percent in St. Louis.

In St. Louis roughly half of seniors (49.6 percent) live with a spouse. Another third of seniors live alone and about one in 10 is a single senior with a child living at home. Another 4.3 percent have moved into the home their child heads. About the same percentage, 4.0 percent, live in group quarters (see Table 2).

Table 2: Living Arrangements of Adults Aged 65 and Older

St. Louis MSA, 2014

Living Arrangement	Number	Percent of Seniors
Living with Spouse (with or without children at home)	207,214	49.6
Living alone	116,235	27.8
Single senior with a child at home	39,065	9.4
Living with Child(ren)	17,952	4.3
Group quarters	16,755	4.0
Living with non-relatives	12,553	3.0
Living with other relatives (not children)	7,654	1.8
Total population aged 65 and older	417,428	100.0

Source: U.S. Census Bureau, American Community Survey 1-Year Estimates

Persons Aged 65 and Older Living Alone

Percent of persons aged 65 and older, 2014

1	Buffalo	33.3
2	Pittsburgh	31.1
3	Cleveland	30.8
4	Milwaukee	30.8
5	Detroit	29.6
6	Boston	28.8
7	Richmond	28.5
8	Providence	28.5
9	Cincinnati	28.3
10	Kansas City	28.3
11	Minneapolis	28.0
12	Louisville	28.0
13	Philadelphia	27.9
14	Hartford	27.9
15	St. Louis	27.8
16	Columbus	27.7
17	Baltimore	27.2
18	Indianapolis	27.1
19	New York	27.1
20	Chicago	27.1
21	Portland	27.0
22	Tampa	27.0
23	Seattle	27.0
24	Denver	26.6
25	Virginia Beach	26.4
26	Birmingham	26.4
United States		26.2
27	New Orleans	26.1
28	Oklahoma City	25.9
29	Memphis	25.6
30	Jacksonville	25.4
31	Nashville	25.4
32	Charlotte	25.1
33	Miami	25.0
34	San Francisco	24.9
35	Sacramento	24.6
36	Salt Lake City	24.4
37	Washington, D.C.	24.2
38	Raleigh	24.1
39	Phoenix	23.9
40	Dallas	23.8
41	Atlanta	23.7
42	Houston	23.6
43	San Antonio	23.6
44	Austin	23.3
45	San Diego	22.8
46	Las Vegas	22.4
47	Los Angeles	21.8
48	Riverside	20.9
49	Orlando	20.5
50	San Jose	20.5

Source: U.S. Census Bureau, American Community Survey 1-Year Estimates

Poverty and Low-Income Seniors

Percent of adults aged 65 and older with an income below 150 percent of the poverty level, 2014

1	Miami	27.8
2	Los Angeles	23.8
3	New Orleans	22.8
4	Memphis	22.1
5	Orlando	22.0
6	Tampa	22.0
7	Birmingham	21.7
8	New York	21.5
9	Riverside	21.5
10	Providence	20.9
11	San Antonio	20.9
12	Buffalo	20.8
13	Houston	20.7
	United States	19.9
14	Las Vegas	19.3
15	Pittsburgh	19.1
16	Charlotte	18.8
17	Cleveland	18.8
18	San Diego	18.7
19	Detroit	18.6
20	Atlanta	18.5
21	Chicago	18.1
22	Louisville	18.1
23	Philadelphia	17.9
24	Portland	17.9
25	Sacramento	17.9
26	Jacksonville	17.4
27	Nashville	17.4
28	San Francisco	17.4
29	San Jose	17.4
30	Boston	17.1
31	Dallas	17.1
32	Phoenix	17.1
33	Milwaukee	16.8
34	Cincinnati	16.8
35	Raleigh	16.6
36	Columbus	16.3
37	Virginia Beach	16.2
38	Kansas City	16.0
39	St. Louis	15.9
40	Seattle	15.7
41	Baltimore	15.5
42	Indianapolis	14.9
43	Denver	14.6
44	Richmond	14.5
45	Minneapolis	14.4
46	Austin	14.2
47	Salt Lake City	14.1
48	Hartford	14.1
49	Oklahoma City	13.9
50	Washington, D.C.	12.6

Source: U.S. Census Bureau,
American Community Survey
1-Year Estimates

Economic Wellbeing

Although people are remaining in the workforce longer, a majority of seniors do not have income from earnings and only about half have any retirement income. These factors may lead to a reliance on public programs such as Social Security and Medicare (NAS, 2012).

Income from Social Security accounts for 39 percent of income for seniors in the United States (SSA, 2015b). Low-income seniors tend to rely on Social Security as a primary source of income but Social Security replaces only about 40 percent of an individual's preretirement income (SSA, 2015a). For adults aged 65 and older with family incomes below 125 percent of the federal poverty level (FPL) Social Security accounts for 72 percent of income. Social Security comprises a much smaller percentage of income for higher income households - 24 percent for households with income over 400 percent of the FPL (Johnson, 2015).

An increase in Social Security benefits in the 1970s led to a decrease in the poverty rate among seniors nationally at a time when the poverty rate of other age cohorts rose. These benefits still are not enough to cover expenses for many seniors (Johnson, 2015).

To gauge the number of seniors living at or near poverty, the Poverty and Low-Income Seniors table shows the percent of seniors with incomes less than 150 percent of the federal poverty threshold. In 2014 for a single adult 65 years and older living alone this represents an income below \$17,031, and for a household headed by a senior that includes one other person an income below \$21,189 (Census, 2016). St. Louis has a relatively low percentage of seniors that are below these thresholds compared to the peer regions. In St. Louis 7.4 percent of seniors are considered in to be in poverty and another 8.5 percent have an income between 100 and 150 percent of the poverty threshold. This is a total of 74,100 individuals. For the United States, 19.9 percent of seniors are low income. Ranking 1st, nearly 30 percent of seniors in Miami have incomes less than 150 percent of the poverty level.

Minorities and people with fewer years of education tend to earn lower incomes while they are working, resulting in less financial stability when they are older. Nationally, more than a quarter of Hispanic and African American seniors as well as over 25 percent of those who did not have a high school diploma in 2013 had income of less than 125 percent of the poverty level, likely not having enough income to meet their needs. This compares to 12 percent of non-Hispanic whites and 6 percent of seniors with a bachelor's degree (Johnson, 2015).

Expenditures

The share of income spent on major expenditure categories also varies by level of income. Across all income levels, housing is the single largest category of expenditures, although low-income households spend a higher percentage of income on housing. Housing related costs account for 36 percent of income for senior households with income below 125 percent of the federal poverty level (FPL), compared to 26 percent of income for households with income over 400 percent of the FPL (Johnson, 2015).

The differences in shares of income spent on food and health care are not as wide as for housing. However, lower income households spend a larger percentage of their income on these expenditures than their higher income counterparts. An exception to this trend exists for transportation expenditures, where higher income households spend a larger share of their income. See Chart 2.

Homeownership

Older adults who own their homes have 44 times more wealth than renters. Housing equity is a significant part of this wealth disparity but homeowners also tend to have more non-housing wealth such as retirement accounts. These assets can be an important piece to financing day-to-day expenses as well as home health or nursing home care later in life. The average homeowner in the United States has accumulated enough wealth to pay for 57 months of nursing home care costs while the typical renter cannot afford one month (JCHS, 2014).

St. Louis has one of the highest homeownership rates among seniors, ranking 5th with a rate of 81.1 percent. This rate reflects the percent of households headed by an adult 65 and older that reside in an owner-occupied unit. The remaining 18.9 percent rent their homes. The general population has a lower homeownership rate, 68.7 percent in St. Louis and 73.1 percent for the United States.

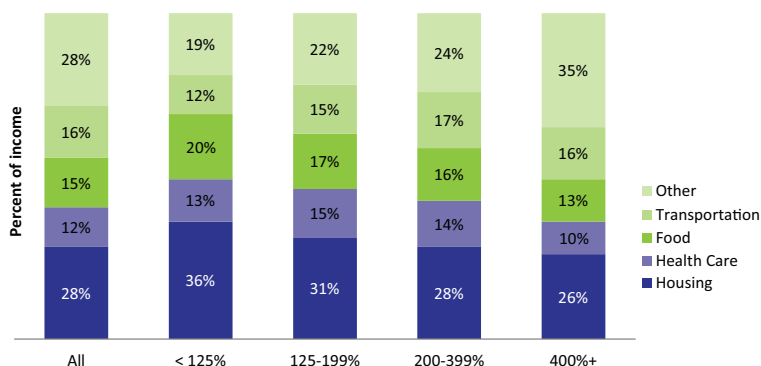
Homeownership - Seniors

Adults aged 65 and older who are the heads of households in owner-occupied units as a percent of households headed by seniors, 2014

1	Birmingham	83.8
2	Oklahoma City	81.6
3	Orlando	81.5
4	Louisville	81.2
5	St. Louis	81.1
6	Tampa	81.0
7	Charlotte	80.9
8	Memphis	80.8
9	Nashville	80.4
10	Austin	80.3
11	Virginia Beach	80.2
12	Salt Lake City	80.2
13	Jacksonville	80.1
14	San Antonio	79.9
15	New Orleans	79.9
16	Phoenix	79.8
17	Atlanta	79.3
18	Indianapolis	78.7
19	Riverside	78.5
20	Cincinnati	78.4
	United States	78.2
21	Richmond	78.2
22	Raleigh	78.2
23	Washington, D.C.	78.0
24	Detroit	78.0
25	Chicago	77.9
26	Denver	77.9
27	Minneapolis	77.7
28	Dallas	77.6
29	Buffalo	77.6
30	Houston	77.5
31	Miami	77.3
32	Kansas City	77.3
33	Pittsburgh	77.0
34	Cleveland	77.0
35	Baltimore	76.6
36	Columbus	76.6
37	Sacramento	76.4
38	Philadelphia	75.9
39	Hartford	75.2
40	Seattle	74.7
41	San Diego	74.1
42	San Jose	73.4
43	Portland	73.1
44	Las Vegas	71.7
45	Boston	71.5
46	Milwaukee	71.2
47	San Francisco	70.3
48	Providence	69.5
49	Los Angeles	68.0
50	New York	62.8

Chart 2: Distribution of Household Spending by Income Relative to the Federal Poverty Level

Households headed by adults 65 and older
United States, 2013



Source: Johnson, Richard W., Housing Costs and Financial Challenges for Low-Income Older Adults, July 2015

Source: U.S. Census Bureau, American Community Survey 1-Year Estimates

Housing-Cost Burdened Owners - Seniors

Owners aged 65 and older paying at least 30% of income on housing as a percent of all senior homeowners, 2014

1	New York	41.5
2	Miami	36.8
3	Hartford	35.9
4	Boston	35.6
5	Los Angeles	34.5
6	Chicago	34.5
7	Riverside	34.3
8	Philadelphia	34.2
9	Providence	33.9
10	San Diego	33.8
11	Sacramento	31.4
12	Milwaukee	31.1
13	San Jose	30.2
14	San Francisco	29.8
15	Portland	29.6
16	Virginia Beach	29.6
17	Seattle	29.3
18	Baltimore	29.1
19	Orlando	28.8
20	Las Vegas	28.6
21	Memphis	28.6
22	Washington, D.C.	28.0
23	Detroit	27.9
24	Minneapolis	27.7
25	Jacksonville	27.7
26	Atlanta	27.3
27	Austin	27.2
28	Cleveland	27.1
United States		27.0
29	Denver	26.9
30	Cincinnati	26.7
31	Tampa	26.6
32	Birmingham	26.2
33	Charlotte	26.1
34	Columbus	26.1
35	Dallas	25.6
36	Buffalo	25.5
37	Phoenix	25.4
38	St. Louis	25.1
39	Kansas City	24.4
40	Houston	24.1
41	Pittsburgh	23.4
42	New Orleans	23.4
43	Louisville	23.3
44	Raleigh	22.9
45	Indianapolis	22.7
46	Nashville	22.7
47	Richmond	22.7
48	Salt Lake City	21.8
49	San Antonio	21.5
50	Oklahoma City	18.8

Source: U.S. Census Bureau, American Community Survey 1-Year Estimates

Housing-Cost Burdened Renters - Seniors

Renters aged 65 and older paying at least 30% of income on housing as a percent of all senior renters, 2014

1	San Jose	68.8
2	Los Angeles	65.5
3	Milwaukee	64.4
4	San Diego	64.2
5	Miami	63.8
6	Portland	63.6
7	Riverside	63.3
8	Virginia Beach	63.2
9	Seattle	63.0
10	Austin	62.7
11	Jacksonville	62.0
12	Tampa	61.9
13	Las Vegas	61.8
14	Minneapolis	61.6
15	San Francisco	60.9
16	Philadelphia	60.3
17	Sacramento	60.3
18	Dallas	60.0
19	Houston	59.6
20	Denver	59.4
21	New York	59.2
22	Chicago	59.2
23	Atlanta	58.8
24	Orlando	58.4
25	Washington, D.C.	58.0
26	Richmond	57.5
27	Detroit	57.1
28	Cleveland	56.8
29	New Orleans	56.6
30	San Antonio	56.0
31	Nashville	55.7
32	Louisville	55.6
33	Boston	55.3
34	Phoenix	55.3
35	Baltimore	55.2
United States		55.1
36	Kansas City	54.8
37	Hartford	54.2
38	Memphis	53.4
39	Columbus	53.1
40	Raleigh	52.8
41	Birmingham	52.2
42	Cincinnati	51.7
43	Buffalo	51.7
44	Indianapolis	51.6
45	Providence	51.6
46	St. Louis	51.2
47	Oklahoma City	50.0
48	Pittsburgh	49.7
49	Charlotte	49.4
50	Salt Lake City	49.3

Source: U.S. Census Bureau, American Community Survey 1-Year Estimates

Housing-Cost Burdened

Residents who pay more than 30 percent of income on housing are considered housing-cost burdened. In St. Louis a quarter of seniors who own their home and more than half of seniors who rent are considered housing-cost burdened. St. Louis has a smaller proportion of seniors with housing costs that stretch their income than most of the peer regions. Yet about 79,600 senior headed households in the region are living in what is considered unaffordable housing.

Residents that are housing-cost burdened are forced to cut back on spending in other areas. Compared to residents that live in housing that is considered affordable, residents that are severely housing-cost burdened spend 43 percent less on food, 59 percent less on health care, and have significantly less savings for retirement (JCHS, 2014).

St. Louis County: Age-Friendly Community Action Plan & Municipal Toolkit

St. Louis County developed an Age-Friendly Community Action Plan and a Municipal Toolkit. In 2015 the County adopted a strategy to identify and address barriers to the wellbeing and quality of life of older adults by focusing on the importance of health and wellbeing, social interaction and civic participation, ease of getting around, and the ability to successfully age in place.

The Age-Friendly Municipal Toolkit was created to assist municipalities in the county to serve their older adult populations. The toolkit provides local leaders with resources on how to assess how friendly their community is to the aging population through a needs assessment and facilities audit, how to build a resource library, and how to build an age-friendly community by creating an older adult commission and by revising municipal codes.

View the plan and municipal toolkit at www.stlouisco.com/agefriendly

Transportation

St. Louis residents have the benefit of a low cost of living and relatively affordable housing but the cost of transportation is high relative to the peer regions (EWG, 2015). Additionally, options for transportation are relatively low. Regions with more extensive transit options tend to have lower transportation costs (EWG, 2015), which account for 12 to 17 percent of the average senior household in the United States (Johnson, 2015). Providing safe, convenient, and affordable transportation options can help seniors continue to live independently, be a part of the community, visit with friends and family, and access medical care. Seniors with a lack of transportation options are more likely to experience isolation which can lead to deteriorating physical and mental health (AARP, 2012).

In the St. Louis region there is an extensive network of transportation providers and human resource agencies that support the transportation system to serve older adults. Yet scarce funding and limitations in fixed-route and demand response services leave gaps in services (EWG, 2016). The substantial increases in the senior populations in the more suburban and rural parts of the region create an even larger demand for additional transportation options. These areas have less transit service than the central part of the region and are designed predominantly for automobile access.

Most adults aged 65 and older continue to use cars as their main mode of transportation. However, one's ability to drive could change, sometimes abruptly, and lead older adults to seek other transportation options. While most seniors report driving as their main means of transportation, 21 percent of adults aged 50 and older reported that they frequently or occasionally missed out on activities they like due to driving limitations (Keenan, 2010b).

About one in eight households (33,078 households) headed by seniors in the St. Louis region do not have access to a vehicle. Ranking 21st, St. Louis is similar to the national average. Regions, such as New York and San Francisco, where larger proportions of senior households do not own a vehicle tend to have more extensive transit systems, likely in-part reflecting the viable choice for seniors to not own a car.

No-Vehicle Senior Households

Percent of households with householder aged 65 and older with no vehicle, 2014

1	New York	33.2
2	San Francisco	18.9
3	Boston	18.4
4	Chicago	17.7
5	Philadelphia	17.4
6	Buffalo	16.9
7	Providence	16.9
8	Milwaukee	16.0
9	Baltimore	15.9
10	Pittsburgh	15.8
11	Los Angeles	15.5
12	Cleveland	15.2
13	Hartford	14.1
14	Miami	13.9
15	Minneapolis	13.8
16	Detroit	13.8
17	New Orleans	13.7
18	Portland	13.6
19	Seattle	13.3
20	Washington, D.C.	13.0
United States		12.8
21	St. Louis	12.5
22	Memphis	12.3
23	Louisville	12.3
24	Las Vegas	12.2
25	Cincinnati	12.0
26	San Jose	12.0
27	Columbus	11.9
28	San Diego	11.8
29	Virginia Beach	11.4
30	Indianapolis	11.3
31	San Antonio	11.3
32	Orlando	11.3
33	Sacramento	11.1
34	Denver	11.0
35	Richmond	10.9
36	Birmingham	10.8
37	Atlanta	10.7
38	Houston	10.6
39	Tampa	10.6
40	Salt Lake City	10.2
41	Nashville	10.1
42	Kansas City	9.9
43	Raleigh	9.9
44	Riverside	9.5
45	Dallas	9.3
46	Jacksonville	9.1
47	Charlotte	9.1
48	Phoenix	8.9
49	Oklahoma City	8.5
50	Austin	7.9

Source: U.S. Census Bureau, American Community Survey 1-Year Estimates

Health

Over one-third of adults aged 65 and older currently have a disability and 70 percent of seniors will need long-term care at some point in life (JCHS, 2014). Health care is not the largest area of spending for seniors, but it is an area of financial risk since the health of seniors may change quickly with a single incident requiring long-term care. It is also an area that consumes a large amount of public resources. Only 9 percent of adults aged 50 or older with a disability live in group quarters (JCHS, 2014), suggesting the need for home modifications and in-home health care services.

Senior Disability Rate

Percent of adults aged 65 and older, 2014

1	San Antonio	41.8
2	Oklahoma City	40.3
3	Birmingham	39.0
4	Louisville	38.5
5	Memphis	38.1
6	Indianapolis	38.0
7	Detroit	37.8
8	Jacksonville	37.3
9	Houston	36.8
10	Riverside	36.8
11	Sacramento	36.7
12	Las Vegas	36.6
13	Providence	36.1
14	New Orleans	36.1
United States		36.0
15	Portland	36.0
16	Nashville	35.7
17	San Diego	35.5
18	Cleveland	35.4
19	Seattle	35.3
20	Charlotte	35.3
21	Kansas City	35.3
22	Dallas	35.2
23	Los Angeles	35.1
24	Atlanta	34.7
25	Chicago	34.6
26	Salt Lake City	34.6
27	Orlando	34.5
28	Cincinnati	34.5
29	Virginia Beach	34.5
30	Pittsburgh	34.3
31	Tampa	34.2
32	Columbus	34.2
33	St. Louis	34.1
34	Buffalo	34.1
35	Raleigh	33.9
36	New York	33.8
37	Philadelphia	33.8
38	Miami	33.8
39	Phoenix	33.7
40	San Jose	33.7
41	Austin	33.6
42	Hartford	33.2
43	Milwaukee	33.1
44	Denver	32.9
45	Baltimore	32.7
46	San Francisco	32.4
47	Boston	32.3
48	Richmond	31.5
49	Minneapolis	31.2
50	Washington, D.C.	30.5

Source: U.S. Census Bureau, American Community Survey 1-Year Estimates

Health Insurance - Medicare Coverage Only

Percent of adults aged 65 and older with Medicare coverage only, 2014

1	Miami	39.5
2	Tampa	37.2
3	Riverside	36.9
4	New Orleans	36.9
5	Orlando	36.3
6	Las Vegas	35.6
7	Los Angeles	33.9
8	Phoenix	33.5
9	Dallas	32.9
10	Houston	32.9
11	Nashville	32.4
12	St. Louis	31.0
13	Atlanta	30.3
14	Jacksonville	29.9
15	Columbus	29.6
16	San Diego	29.5
17	Salt Lake City	29.3
18	Denver	29.3
19	Cincinnati	29.1
20	Chicago	28.2
21	Charlotte	28.0
22	New York	27.8
23	Birmingham	27.4
24	Milwaukee	27.4
25	San Antonio	27.3
United States		26.8
26	Memphis	26.2
27	Cleveland	25.9
28	San Jose	25.5
29	Kansas City	25.3
30	Portland	25.1
31	Seattle	25.1
32	Hartford	24.9
33	Providence	24.9
34	Oklahoma City	24.7
35	Indianapolis	24.0
36	San Francisco	23.8
37	Raleigh	23.6
38	Austin	23.5
39	Philadelphia	23.4
40	Virginia Beach	22.5
41	Boston	22.3
42	Richmond	22.2
43	Buffalo	21.5
44	Baltimore	20.9
45	Sacramento	20.4
46	Louisville	19.9
47	Minneapolis	19.6
48	Pittsburgh	19.2
49	Washington, D.C.	18.1
50	Detroit	16.8

Source: U.S. Census Bureau, American Community Survey 1-Year Estimates

Table 3: Population Aged 65 and Older with Disability by Difficulty

St. Louis MSA, 2014

Difficulty	Percent	Number
Ambulatory difficulty	21.2	85,076
Independent living difficulty	14.3	57,515
Hearing difficulty	13.4	53,631
Cognitive difficulty	8.1	32,595
Self-care difficulty	6.9	27,746
Vision difficulty	6.4	25,826
No disability	65.9	264,147

Note: Some individuals have more than one difficulty.

Source: U.S. Census Bureau, American Community Survey 1-Year Estimates

More than a third of seniors in the St. Louis region have at least one disability, representing 140,000 individuals. The region ranks 33rd with 34.1 percent of the 65-and-older population having a disability. The peer regions have similar rates with the lowest rate of 30.5 percent in Washington, D.C. and the highest in San Antonio (41.8 percent).

Most seniors in the region do not have difficulty with hearing, vision, cognitive, ambulatory, self-care, or independent living. Of those who do, some have difficulty with more than one of these functions. The most common disability among the 65-and-older population is ambulatory difficulty (see Table 3). Almost a quarter of seniors have “serious difficulty walking or climbing stairs.”

Independent living difficulty and self-care difficulty are two activities of daily living (ADL) used by health care providers to determine if long-term care and services are needed. One in seven seniors in the region have difficulty “going outside the home alone to shop or visit a doctor’s office” (independent living difficulty) and one in 14 have difficulty “dressing, bathing, or getting around inside the home” (self-care difficulty). At least 57,500 seniors have one of these disabilities. In addition to having a disability, 14,795 of these seniors live below the poverty level.

Less than 1 percent of seniors do not have health insurance in the St. Louis MSA as well as in the United States as a whole. About three-fourths of the senior populations in St. Louis and the United States have Medicare coverage, and most have another form of coverage as well. In St. Louis about one-third of seniors rely solely on Medicare for health insurance. Among the peer regions, this is the 12th largest proportion of the senior population. Medicare covers much of the care needed by seniors but requires seniors to share the costs of most services and excludes some services, such as long-term care.

Employment

In 2014 an estimated 16.1 percent of adults 65 and older in St. Louis were employed (66,000 individuals). This is about the same as for the United States but lower than many of the peer regions. Washington, D.C. has the largest proportion of seniors employed at 22.8 percent. The rate of employment for seniors in St. Louis has increased 6.0 percentage points since 1990 when 9.8 percent of adults 65 and older were employed. The unemployment rate for seniors has increased as well, from 0.4 percent in 1990 to 0.7 percent in 2014. While the rate remains below 1 percent, 2,700 seniors were in the labor force but looking for work in 2014.

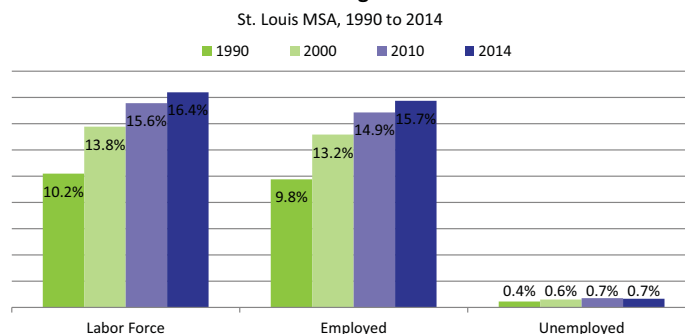
A majority of employed adults aged 65 and older in St. Louis worked part time but about 40 percent worked full-time, year-round in 2014. For those aged 70 and older, 30 percent worked full-time.

The percent of seniors who are in the labor force (both employed and unemployed) in the United States is projected to increase from 18.6 percent in 2014 to 21.7 percent in 2024 (BLS, 2015). The oldest of this cohort, adults 75 and older, is projected to increase from 8.0 to 10.6 percent over the same time period. At the same time, the labor force participation rate among the youngest workers is projected to decline. For adults aged 16 to 24 a decrease from 55.0 percent in 2014 to 49.7 percent in 2024 is expected. The largest percentage point decline of all age groups is projected to be among adults aged 16 to 19, from 34.0 percent to 26.4 percent. This has been a trend since the late 1990s due to more young adults remaining in school longer, particularly high school (Canon, 2015). These shifts will result in adults aged 65 and older comprising 8.2 percent of the workforce in 2024, up from 5.4 percent in 2014 and those aged 16 to 24 comprising 11.3 percent, down from 16.5 percent.

People are choosing to stay in the workforce longer for reasons ranging from financial necessity to continued enjoyment of one's work. A majority of workers aged 62 to 74 have a doctorate or professional degree which tend to have higher incomes and more retirement savings (Miller, 2015), indicating they remain in the workforce by choice.

Others are continuing to work past the traditional retirement age because they do not have adequate savings for retirement or in order to collect more from Social Security income. As life expectancy increases, a person could potentially need to spread retirement income across more years. In 2010, on average, a 65 year old could expect to live for 19 more years compared to 15 more years in 1970 (Arias, 2014). The government provides an incentive for people to work longer by raising the age at which a person can collect full Social Security benefits. The full retirement age for a person born before 1938 is 65. For those born later, retirement age gradually increases. For those born between 1943 and 1954, the age is 66 and increases to 67 for those born in 1960 or later. While everyone can start collecting Social Security at age 62, the monthly payment is about 25 percent lower than if one waits until full retirement age. Those who are financially and physically able to wait until they are 70 years old to start collecting Social Security, receive a higher monthly payment (SSA, 2015).

**Chart 3: Labor Force Participation
Percent of Adults Aged 65 and Older**



Source: Steven Ruggles, Katie Genadek, Ronald Goeken, Josiah Grover, and Matthew Sobek. Integrated Public Use Microdata Series: Version 6.0 [Machine-readable database]. Minneapolis: University of Minnesota, 2015.

Employment

**Percent of 65 and older population
that is employed, 2014**

1	Washington, D.C.	22.8
2	Houston	20.8
3	Boston	20.7
4	Dallas	20.6
5	Richmond	20.5
6	Denver	20.2
7	Baltimore	20.1
8	Austin	20.1
9	Oklahoma City	19.6
10	Salt Lake City	19.6
11	Nashville	19.5
12	Hartford	19.4
13	San Francisco	19.1
14	Philadelphia	18.9
15	New York	18.4
16	New Orleans	18.4
17	Raleigh	18.4
18	Minneapolis	18.3
19	Columbus	18.1
20	Memphis	18.1
21	Seattle	18.0
22	Indianapolis	18.0
23	Cincinnati	17.9
24	Kansas City	17.9
25	Louisville	17.8
26	Los Angeles	17.4
27	Chicago	17.3
28	San Jose	17.3
29	Atlanta	17.2
30	San Antonio	17.2
31	Milwaukee	17.0
32	Virginia Beach	16.8
33	Charlotte	16.6
34	Birmingham	16.5
United States		16.4
35	Miami	16.4
36	Providence	16.4
37	Pittsburgh	16.3
38	St. Louis	16.1
39	Portland	16.1
40	Cleveland	16.0
41	San Diego	15.5
42	Jacksonville	15.3
43	Las Vegas	14.8
44	Phoenix	14.5
45	Buffalo	14.5
46	Orlando	14.2
47	Sacramento	13.6
48	Riverside	13.5
49	Tampa	13.5
50	Detroit	12.9

Source: U.S. Census Bureau,
American Community Survey
1-Year Estimates

The Economy and Government Budgets

The changing age demographics will affect the economy as well as government revenue and spending in several ways, some that are hard to predict. Projections are particularly challenging since the Great Recession continues to affect the economy, making it difficult to determine the root of some trends. The following are some of the projections and potential effects of the changing age demographics.

Governmental Budgets: Government spending at all levels will go up due to the growing costs of social programs that serve the elderly, such as Medicare and Social Security. At the federal level, programs that support seniors are consuming a larger proportion of the federal budget and are expected to soon comprise more than half of the budget, leaving less for education, research, and infrastructure (Taylor, 2014). At the state and local levels the effects are challenging to predict. In addition to the rising costs of social programs, the following are some of the areas that should be considered: in response to the pressure on the Federal government budget, grants to local governments could decline; costs to state funding retiree medical and pension programs may rise; income taxes may decline due to lower labor force participation rates; sales tax revenue may also decline due to the shift in spending to medical services and prescription drugs, which are often exempt; and property taxes may decline as more seniors become eligible for Homestead property tax exemptions (Dye, 2007).

Slow Growth of the Economy: The Bureau of Labor Statistics projects the growth in the labor force participation rate to decrease, which in turn could reduce Gross Domestic Product by as much as 25 percent relative to growth rates over the last 40 years. The labor force participation rate is projected to decline due to the growing senior population as well as slower overall population growth and a continued decline in the labor force participation rate among workers aged 16 to 24 (Woodward, 2013).

Demand for Healthcare and Healthcare Workers: The growth in the senior population will mean an increased demand for healthcare services. The healthcare and social assistance sector is expected to comprise more than one-third of all new jobs between 2014 and 2024.

Over the next 10 years 9.8 million new jobs will be created at an average annual rate of about 6.5 percent. Comparatively, the fastest growing occupations - healthcare practitioners and technical occupations are expected to increase by 16.4 percent and healthcare support occupations by 23.0 percent. On the other end of the spectrum, manufacturing, federal government, and agriculture sectors are projected to shed 1.3 million jobs by 2024 (Richards, 2015).

There is concern that there are not enough healthcare professionals trained in geriatrics to meet the anticipated demand. As of 2012, Missouri Foundation for Health reported there will be a need for 36,000 doctors who specialize in caring for older adults but there will only be 7,750 in the state (Cousins, 2014).

The Longevity Economy: Oxford Economics estimates that the growing older adult population will inject economic activity into the economy, spur innovation, and older adults themselves will create new businesses. They estimate that the economic activity generated by Americans over 50 will increase from \$7.1 trillion in 2012 to \$13.5 trillion in 2032. In 2012 this economic activity supported 100 million jobs and generated over \$4.5 trillion in wages and salaries, including almost \$1 trillion in federal taxes, and over \$750 billion in state and local tax receipts per year. Additionally, Oxford Economics sees the growing senior population as a source of innovation and new businesses. As the market responds to the desire to age in place, new ideas for products such as remote monitoring devices and voice-recognition software could lead to innovations that serve other age group markets as well. Lastly, entrepreneurs aged 55 to 64 created 23 percent of new businesses in the United States in 2011, up from 14 percent in 1996 and almost the same proportion as started by the larger 20 to 34 year old cohort (26 percent of new businesses).

Conclusion

A shift in the age demographic is upon us. The St. Louis region is ahead of many of our peer regions on this trend, with a larger proportion of seniors than many of our peers. This shift has implications for the economy, demands on the workforce, composition of the workforce, and governmental budgets. Additionally, we have a responsibility as well as a self interest to put policies and programs in place that meet the needs and interests of the growing senior population. If we do not respond, the care of seniors will fall on families, which are smaller than previous generations, and on public resources that may not be adequate.

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