

# The Fundamental Facts: Arizona Cannot Escape Aging

Where aging is concerned, numbers tell some interesting stories. The best place to start to understand Arizona's choices about the future is with the fundamental facts.

**Table 1: Generational Players in The Coming of Age**

Generation	Years	Age
Swing Generation	1911–1926	76–85+
Silent Generation	1927–1945	57–75
Baby Boom	1946–1964	38–56
Generation X	1965–1979	23–37
Millennium Generation	1979–2001	1–23




Source: *Young v. Old: Generational Combat in the 21st Century*. Harris Interactive.

## Source of Demand: Arizona's Population Surges

In recent decades, Arizonans have become accustomed to “fastest-growing” labels. Between 1990 and 2000, the state again recorded considerable gains in population. However, notable changes in certain age and ethnic groups also took place. For example, the number of those 85 years old and over expanded more rapidly than any other age group. In 2000, the Hispanic population increased to the point where Hispanics now account for more than 25 percent of Arizona's population.

**Table 2: Between 1990 and 2000, Arizona's Population Expanded by 40 Percent; The Number of 85+ Residents Increased Faster Than Other Groups.**









Arizona Population by Age, 1990 and 2000

Age	Arizona 1990	Arizona 2000	% Change
All Ages	3,665,228	5,130,632	 40%
60+	631,648	871,536	 38%
85+	37,717	68,525	 82%

Source: *Geo-demographics of Aging in Arizona*, 2001. Arizona Department of Economic Security.

**Table 3: All Age Groups Increased Faster in Arizona Than in the Nation.**

Population Ages 18–34, 35–64, and 65+ in Arizona and United States, 1990 and 2000

	Total 1990	Total 2000	% Change
AZ	3,665,228	5,130,632	 40%
U.S.	248,709,873	281,421,906	 13%
<b>18–34 1990</b>			
AZ	1,027,579	1,256,766	 22%
U.S.	69,913,698	67,035,178	 -4%
<b>35–64 1990</b>			
AZ	1,177,756	1,839,080	 56%
U.S.	83,949,912	107,101,163	 28%
<b>65+ 1990</b>			
AZ	478,774	667,839	 40%
U.S.	31,241,831	34,991,753	 12%

Source: *State Data Center Newsletter*, Arizona Department of Economic Security, Summer 2001.

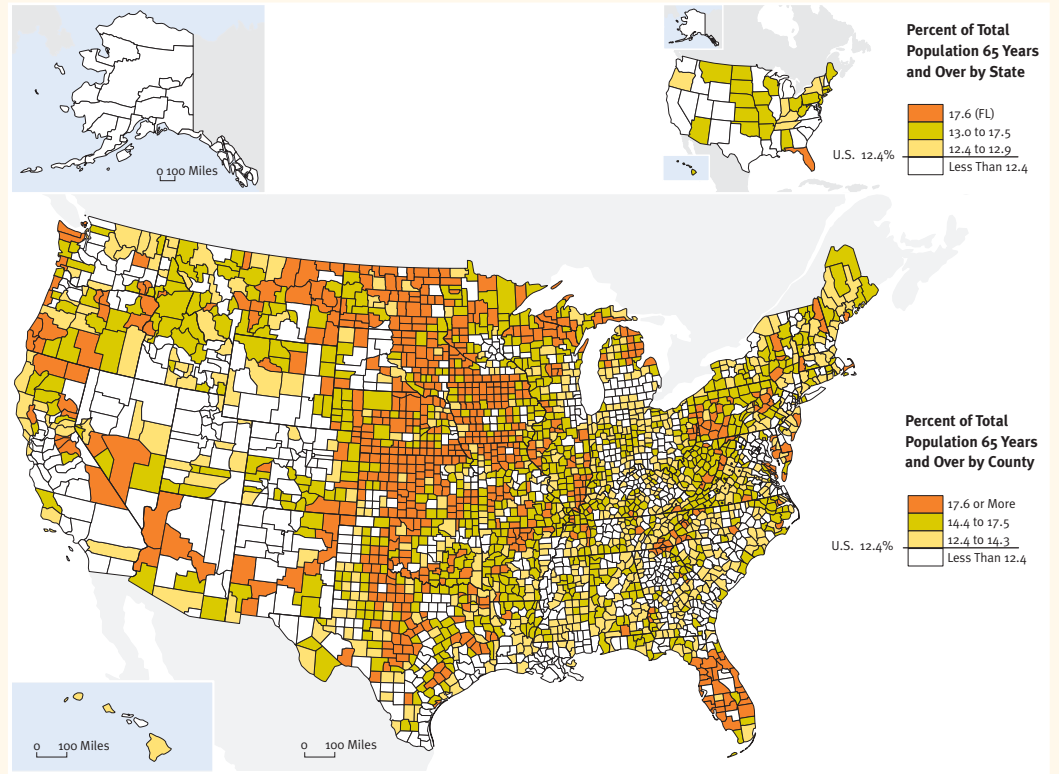
## TALKING POINTS

- Arizona's 60+ population will triple in size from approximately 875,000 today to just under 3 million by 2050.
- In 2000, the over-60 set accounted for 17 percent of the state's population. Look for 24 percent in 2020 and 26 percent in 2050.
- The Arizonans over 65 years of age will be roughly comparable to the number of children under 17 in less than 30 years. Fewer and fewer Arizona workers will pay taxes to support the young and the old.

Despite its population gains, among states in 2000, Arizona, with 13 percent, missed the “top ten” in proportion of elders 65 years old or more. Florida ranks number one in elder population.

**Figure 4: The Coming of Age is Not Unique to Arizona. Many States Are Looking to a Gray Future.**

Percent 65 Years and Older, 2000



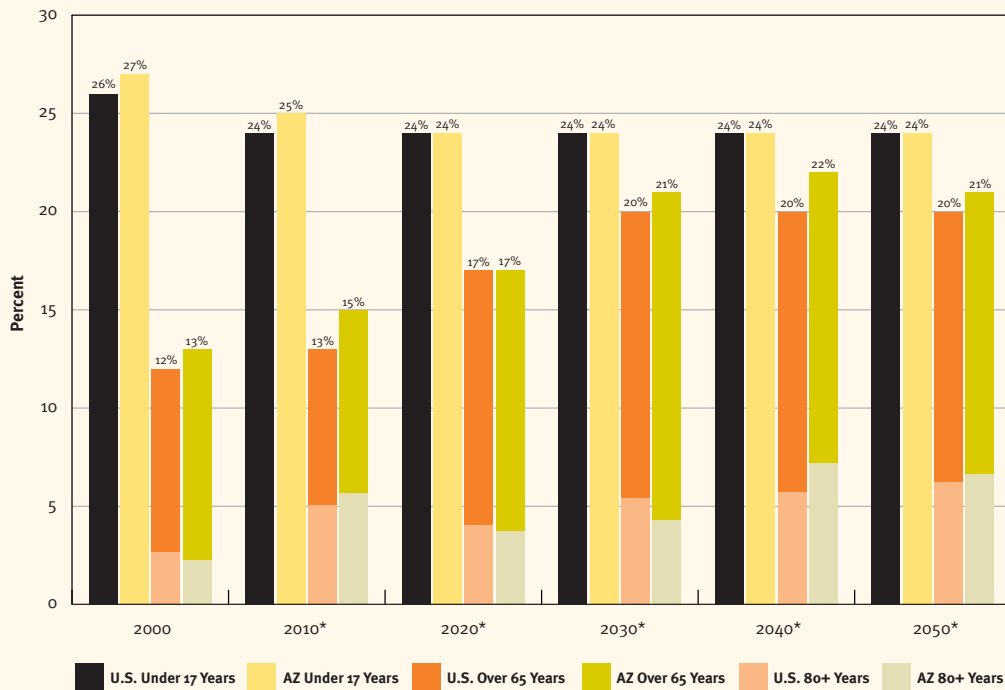
Source: *The 65 Years and Over Population: 2000*, October 2001, U.S. Census Bureau.

## No End in Sight

Births, deaths and migration determine population growth. For years, Arizona has attracted young workers and families from throughout the United States and from Mexico and other countries, as well as older people looking to retire. More in-migration and foreign immigration, high birth rates among some population groups and increasing life expectancies will continue to push Arizona’s population up. As a result, Arizona’s total population may top 6 million by 2010, 7 million by 2020 and 8 million by 2030. Arizona differs from other aging states because it can also look forward to more young residents, as well as elder ones.

**Figure 5: By 2030, the Elder Population Will Be Roughly Comparable to Children Under 17. The Over-80 Portion Will Get Bigger and Bigger.**

Age-Specific Populations Arizona and United States, 2000–2050\*



\* Projected.

Source: U.S. Census Bureau National Population Projections. Arizona Department of Economic Security Population Projections.

## Where Arizonans Live

Arizonans reside primarily in Maricopa and Pima counties, and 80 percent of the growth in the older population between 2000 and 2050 is expected to occur in these urban counties.<sup>10</sup> However, other areas — notably Mohave, Yavapai, LaPaz and Gila counties — today include a greater proportion of elder residents than Maricopa and Pima. Yavapai, Gila and Yuma counties, in particular, have courted retirees as an economic development strategy.

**Table 4: Arizona’s Most Rural Counties Have the Highest Proportion of Residents Over Age 65 Now, Plus Many Residents Under 18.**

Arizona Counties’ Population by Age, 2000

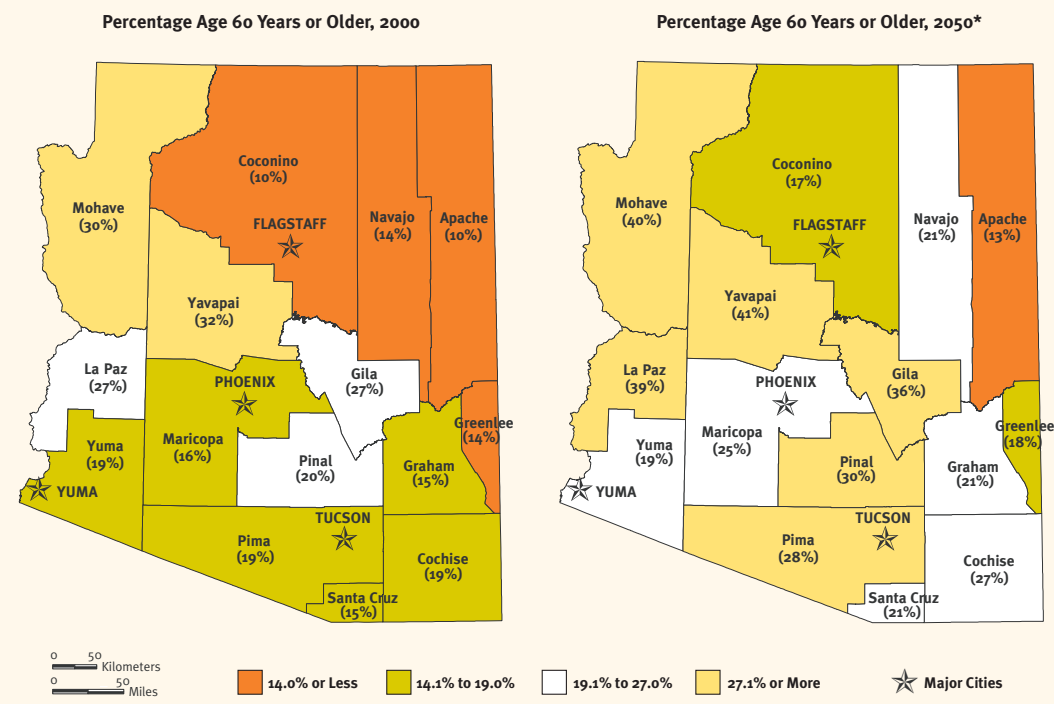
Area	2000 Population	<18%	18–24%	25–34%	35–44%	45–54%	55–64%	65+%
<b>Urban*</b> Maricopa and Pima	3,915,895	26.5	10.3	15.4	15.4	12.2	8.0	12.2
<b>Rural-Urban**</b> Coconino Yuma	276,346	28.8	11.9	13.2	14.0	11.4	8.2	12.5
<b>Rural-Rural***</b> Apache, Cochise, Gila, Graham, Greenlee, La Paz, Mohave, Navajo, Pinal, Santa Cruz, Yavapai	938,391	26.5	8.1	11.1	13.7	12.8	11.2	16.6
<b>Arizona</b>	5,130,632	26.6	10.0	14.5	15.0	12.2	8.6	13.1

\* Counties with a metropolitan population exceeding 500,000. \*\* Counties with large rural areas but containing metropolitan areas with populations of 50,000 or more. \*\*\* Counties with less metropolitan population.

Source: *Assessment of Arizona Health Care Coverage Report*, Southwest Border Rural Health Research Center, University of Arizona, November 2001.

**Figure 6: Urban Counties Will Be Home to Most, but Rural Counties Will Have Their Share of Elder Growth.**

Arizona Elder Population by County, 2000 and 2050\*



\* Projected.

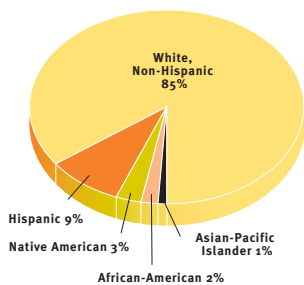
Source: Arizona Department of Economic Security. Maps created by IT Research Support Lab – GIS Services, Arizona State University, Summer 2001.

**Diversity and Age in Arizona and United States**

Tomorrow’s aged Arizonans will exhibit similarities and differences when compared with those of today. For example, women will continue to dominate the ranks of the over-65. Though white residents are today’s aged, tomorrow’s elders will be more diverse in heritage, health needs and outlooks.

Nationally, the number of Hispanic elders grew 67 percent between 1990–2000 compared to 9 percent among the non-Hispanic white elderly. With greater diversity and rapid growth in the United States and Arizona, the aged of the future will include more Hispanics in particular.

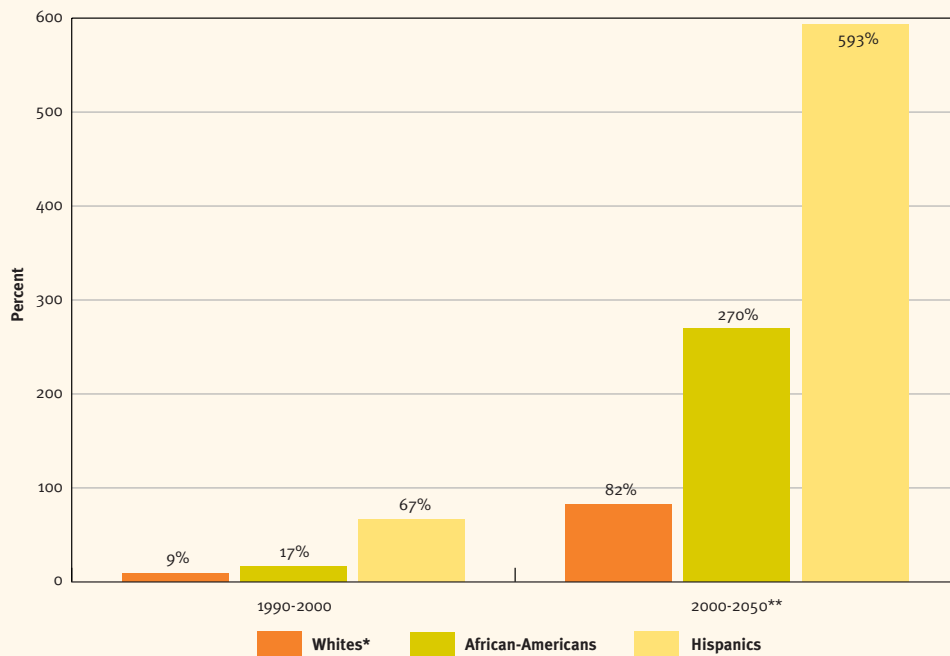
**Figure 7: Whites Dominate Arizona’s 60+ Group Now.**



Source: U.S. Census Bureau Estimates, 1999.

**Figure 8: Growth Among African-American and Hispanic Elders Will Far Outpace Other Groups in the Next 50 Years.**

Elder Growth in United States, 2000–2050\*\*



\* Non-Hispanic. \*\* Projected.

Source: U.S. Census Bureau National Population Projections.

### Age Patterns Differ from Community to Community

Newcomers to Arizona have been a major force behind the state’s growing population, and elders constitute an important component of the mix of in-migrants. But the patterns of in- and out-migration may be surprising. According to Arizona State University geographer Patricia Gober, moving peaks when people are in their 20s and declines until individuals reach retirement age. Then, a “meaningful minority” chooses to go to a new place. In Arizona, estimates show that nearly half of the state’s retirement-age residents “moved here after turning 55 years of age.”<sup>11</sup>

For Arizona, the traditional moving patterns “mean that the vast majority of our new residents are working-age adults with their school-age children. Although these groups are likely to move to the state, they are also prone to move out when economic and personal circumstances dictate. Elderly, on the other hand, comprise a relatively small proportion of all in-migrants, but they tend to stay put once they arrive. It is straightforward to assume, given the extremely low migration rates of middle-aged people, that the vast majority of 50-year-old Arizonans will age in place and constitute the new crop of 60-year-olds in 2010.”<sup>12</sup>

**Table 5: Today, Sun City is the State's Oldest Community; Gilbert is the Youngest.**

Population, Median Age and 60+ Population in Selected Communities, 2000 Ranked by % of 60+

Community	Median Age	Total Population	60+Population	60+%
Sun City West	73.2	26,344	24,318	92
Sun City	75.0	38,309	34,086	89
Green Valley	72.2	17,283	14,486	84
Sun Lakes	69.3	11,936	9,592	80
Youngtown	65.3	3,010	1,746	65
Carefree	55.2	2,927	1,139	39
Payson	48.9	13,620	4,934	36
Wickenburg	48.4	5,082	1,792	35
Surprise	46.1	30,848	10,712	35
Prescott	47.8	33,938	1,344	33
Sedona	50.5	10,192	3,380	33
Tombstone	48.7	1,504	456	30
Oro Valley	45.3	29,700	8,608	29
Litchfield Park	44.7	3,810	1,061	28
Fountain Hills	46.4	20,235	5,329	26
Paradise Valley	46.3	13,664	3,173	23
Kingman	39.6	20,069	4,615	23
Tucson	32.1	486,699	73,884	15
Phoenix	30.7	1,321,045	145,232	11
Glendale	30.8	218,812	22,508	10
Tempe	28.8	158,625	15,730	10
El Mirage	24.6	7,609	699	9
Chandler	31.2	176,581	14,705	8
Flagstaff	26.8	52,894	4,153	8
Avondale	29.0	35,883	2,789	8
Gilbert	30.1	109,697	6,287	6

Source: *Geo-demographics of Aging in Arizona, 2001.***Winter Visitors Still Make a Difference**

Winter tourism contributes millions of dollars to the state's economy and for the winter season approximately 300,000 to its population. According to the Center for Business Research at Arizona State University, the largest concentration of "snowbirds" is in the Phoenix/Apache Junction area. Yuma, Tucson and La Paz, Mohave and Pinal counties also place as popular destinations.<sup>13</sup> Winter visitors tend to be "young-old married couples" in good health. Although winter visitors strain emergency care, "it is unlikely that snowbirds will significantly affect the demand for long-term chronic care because declining health usually brings an end to seasonal migration."<sup>14</sup> Like elder migration, questions abound on whether or not the state's historic winter visitation will continue at the same pace as in the past because of increased negatives such as traffic, overcrowding and air pollution.

**Affluence and Employment Among Arizona's Elders**

In 1999, the annual Social Security retirement benefit averaged approximately \$9,800. In 2000, the national median household income for those below 65 totaled \$48,770. For those over 65, median household income was \$28,147.<sup>15</sup> Because of the high proportion of relatively young, affluent retiree migrants, Arizona's elders traditionally have been relatively well to do. The newcomers on

average, have been “younger, wealthier, more highly educated and most independent of all retirees.”<sup>16</sup> For example, in Arizona 81 percent of householders age 65 and older owned their homes, compared to 77 percent nationally and just 59 percent of Arizona’s younger households.<sup>17</sup> In addition, Current Population Survey data from 1998–2000 showed that nine percent of Arizona residents age 65+ live below the federal poverty level, as compared to ten percent nationally. This situation may change as more Arizonans age in place. Since Arizona has lagged the nation in almost all income measures, Arizona’s future seniors may not be as affluent as those in the past.

**Table 6: Arizona Still Falls Behind the Nation in Per Capita Income, Ranking 38, but Income from Dividends, Interest and Retirement is Slightly Higher.**

Arizona and United States Per Capita Personal Income, 2000

Item	\$ AZ Per capita	Ratio to U.S.
Per capita personal income	24,991	85%
Per capita retirement and other	2,930	88%
Per capita dividends, interest and rent	4,700	87%
Per capita dividends	1,229	91%
Per capita interest	3,081	87%
Per capita rent	390	78%

Source: U.S. Bureau of Economic Analysis.

**Table 7: Few Arizonans Are Eligible for Both Medicare and Medicaid – Another Sign of Relative Affluence.**

United States, Arizona and Top Ranking States for Dual Eligible Residents, 2000

Area	# Dual Eligible Beneficiaries	Rank
<b>U.S.</b>	<b>5,455,631</b>	<b>NA</b>
<b>Arizona</b>	<b>57,696</b>	<b>29</b>
California	821,488	1
New York	387,633	2
Texas	360,810	3
Florida	343,996	4
North Carolina	224,093	5

AHCCCS is Arizona’s Medicaid program.

Source: [www.statehealthfacts.kkf.org](http://www.statehealthfacts.kkf.org).

Employment among elders will be an important topic in the future. Survey after survey shows that today’s middle-aged workers are talking about continuing to work as they reach traditional retirement ages. At this time, Arizona’s total labor force participation (65%) is a bit below the national average (67%), but the percentage of seniors in the labor force matches that for the country (13%).

### Arizona Health — Important Numbers That Shape the Future

Health care is a complex, dynamic business, for which government, individuals, companies and organizations pay. The good news is that, after leading the nation in the number of uninsured, health insurance coverage has expanded in Arizona in recent years. The bad news is that costs and spending are on the rise now after some years of stability. In 1998, Arizona’s expenditures equaled 11 percent of the state’s total economic output, while U.S. medical spending reached 14 percent of the gross domestic product in 2000.

Arizona ranked 35th in the nation in 2001 according to the UnitedHealth Foundation's State Health Ranking. Arizona is in the 10 best states in 3 of 17 measures, low prevalence of smoking, few occupational fatalities and a low incidence of cancer cases. The state placed 38th in 2000.

UnitedHealth Foundation, 2001.

Differences in health appear among Arizona's racial and ethnic groups. In 1999, as in 1997, Arizona's Asian-American residents ranked best among ethnic groups overall in health status, followed by Whites (non-Hispanic), Hispanics, American Indians, and African-Americans.

*Differences in the Health Status Among Ethnic Groups, 1999, Arizona Department of Health Services.*

With approximately 660,000 beneficiaries, Arizona ranks 27th in the nation on the number of Medicare recipients and places about in the middle of states on most Medicare measures. According to the Arizona Department of Insurance, Maricopa, Mohave, Pima, Pinal and Yavapai counties are home to the greatest percentages of the state's Medicare beneficiaries.

**Table 8: Medicare Spending Per Beneficiary in Arizona is Less Than in Much of the Nation.**

United States, Arizona and Top Ranking States on Medicare Spending Per Beneficiary, FY 2000

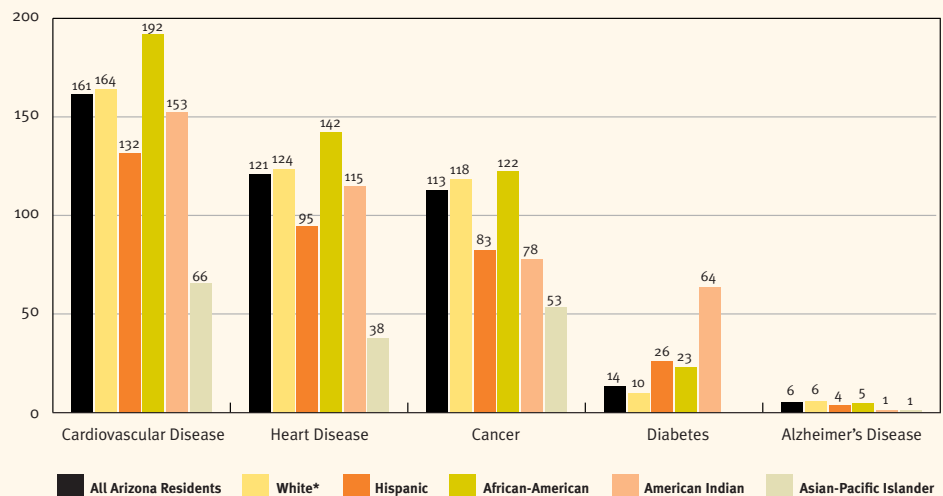
Area	\$ Per Medicare Beneficiary	Rank
U.S.	\$5,490	NA
Arizona	\$4,464	38
District of Columbia	\$10,373	1
Louisiana	\$7,336	2
Florida	\$6,937	3
New York	\$6,924	4
Texas	\$6,539	5

Source: www.statehealthfacts.kff.org. Centers for Medicare and Medicaid Services.

Arizona is by some measures healthier than other states. The overall rate of death per 100,000 in Arizona (461) is less than that for the nation as a whole (471). Fewer people smoke in Arizona than in many other states. On the other hand, although still less than the national average, fully half of Arizona's residents were overweight or obese in 1998. According to the Arizona Department of Health Services, arthritis and high blood pressure affect elders most often. An estimated 10 to 25 percent of older Arizonans suffer from mental health problems, such as depression and anxiety. Unfortunately, minority group members in Arizona, as across the country, generally suffer more health problems than whites. On another important indicator, the Arizona Department of Economic Security's Adult Protective Services unit received more than 14,000 inquiries in fiscal year 2000. Investigation substantiated 5,000 of these. People who are 85 and older are most likely to be neglected or abused, according to state data.

**Figure 9: Diseases Affect Various Groups of Arizonans Differently and Point Toward Different Health Needs Among Elders.**

Deaths per 100,000 in Arizona, 1999



\* Non-Hispanic.

Source: *Differences in the Health Status Among Ethnic Groups, 1999, Arizona Department of Health Services.*



## A Substantial Network: The Supply Side of Health Services in Arizona

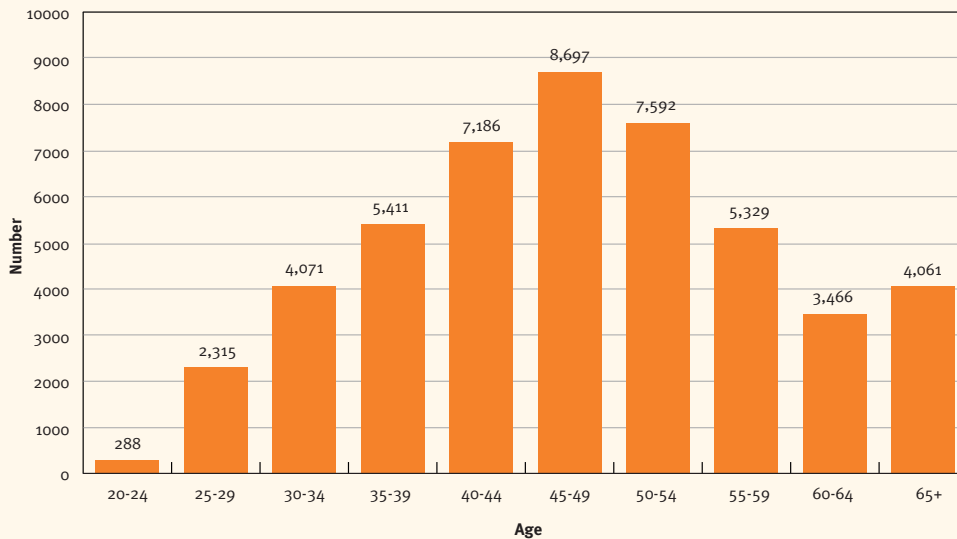
Arizona is home to more than 1,500 hospitals, clinics, nursing homes, and assisted living facilities. The number of facilities, though, does not tell the entire capacity story. For example, facilities tend to be clustered in urban areas. Three quarters of the state’s hospitals are in metro Phoenix and metro Tucson. The Arizona Department of Health Services primary care data show substantial portions of the state’s population live more than half an hour away from hospital services and cope with minimal services in the community.

### Health Care Workers

Health care and community social programs employ nearly 200,000 Arizonans, but the state has fewer doctors and nurses per 100,000 than the rest of the nation. Arizona counts 628 active RN licenses per 100,000 population compared to 782 per 100,000 for the nation. The Arizona Department of Economic Security reports that it also is not a very stable workforce. In 1998, DES economists calculated that more health services workers left than were hired. The average worker’s tenure was 13.5 months and the median was less than a year.<sup>18</sup> In addition, aging is an issue for workers. Soon, many health professionals will “age out” of the workforce.

**Figure 10: Many Nurses Will Soon Reach Retirement Age. The Average Age of Arizona’s Nurses is About 44. Who Will Replace Today’s Middle-Aged Nurse?**

Nursing Professionals by Age, 2000



\*Includes broad range of nursing professionals, so the total may exceed the number of RNs in other figures.

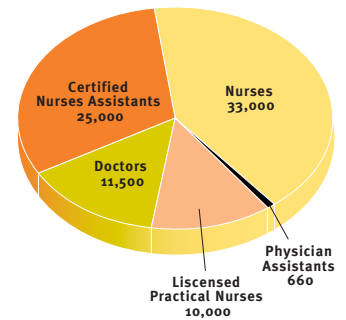
Source: Arizona Nurses Association.

## Arizona Health Care: The Fiscal Side

With more than half of state revenues tagged for the necessities of K–12 education, universities and corrections in addition to spending required by voter-approved initiatives, competition will be stiff for more dollars for aging issues. On the other hand, long-term care obligations for low-income individuals will be hard to ignore. Figure 13, which presents the state’s costs of long-term care, illustrates the coming problem. While these costs are relatively small — compared to a state budget of more than \$7 billion — and rates of increase are stable, both are substantial considering the state’s scarce resources and limited options for discretionary spending.

## Figure 11: Skilled Workers Drive Health Care.

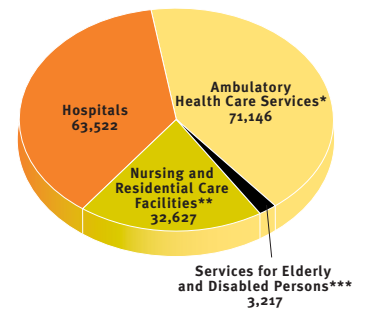
Estimated Number of Workers in Major Health Occupations in Arizona, 2000



Source: Kaiser Family Foundation, Arizona Hospital and Healthcare Association, Arizona Board of Nursing.

## Figure 12: Doctors’ Offices and a Wide Variety of Services Employ the Greatest Number of People.

Arizona Employees in Major Health Sectors, 1999



\* Ambulatory health services include all types of doctors’ offices and out-patient facilities.

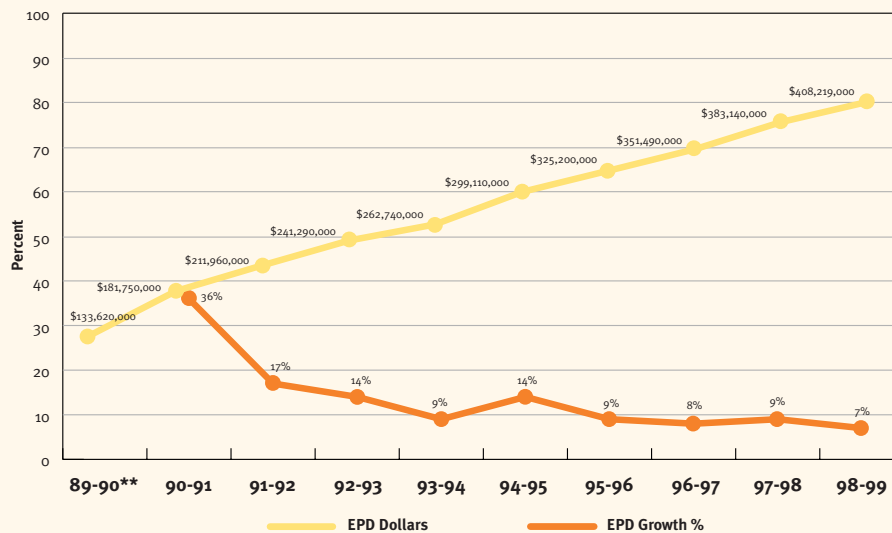
\*\* Nursing and residential care facilities include nursing homes and other residences.

\*\*\* Services for elderly include community transportation, food and housing.

Source: County Business Patterns, 1999.

### Figure 13: Arizona's Long-term Care Costs for Low-Income Elderly and Physically Disabled Beneficiaries Are on a Steep Upward Trend.

State Spending for and Growth of Elderly and Physically Disabled\* (EPD)  
 Long-term Care, Arizona Long-Term Care System, 1989-1999



\* Elder beneficiaries account for roughly 60% and physically disabled 40%. The percentage of EPD growth shows the increase in beneficiaries between 1989 and 1999. The EPD dollars chart the state funds spent on elder and physically disabled beneficiaries between 1989 and 1999. The Arizona Long-Term Care System is part of the Arizona Health Care Cost Containment System.

\*\* Program began 1/1/89.

Figures do not represent Native American program costs.

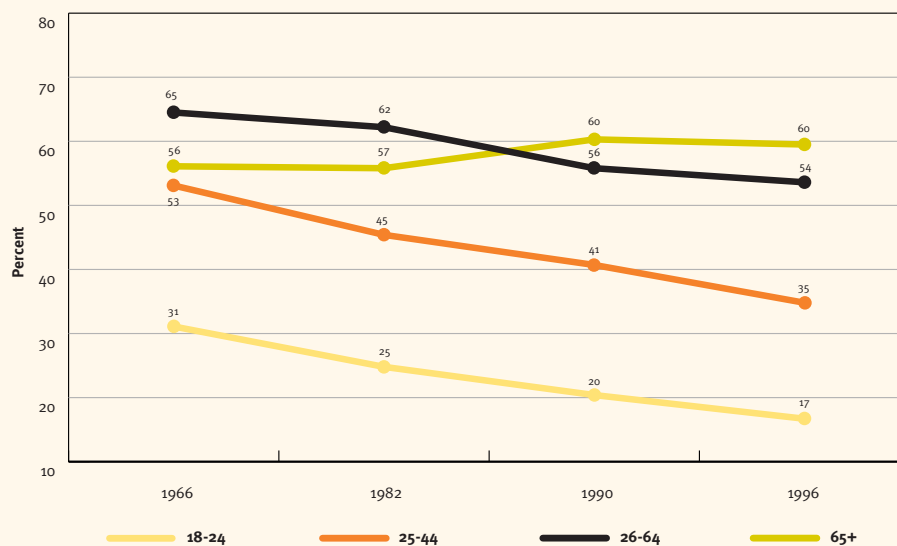
Source: *Community Based Services and Settings Report*, Arizona Health Care Cost Containment System and Arizona Department of Economic Security.

### The Politics – Elders and Their Clout

Seniors traditionally have played a big part in public policy because they consistently vote more often than younger citizens. Considering baby boomers' political history, the next elders may even increase the influence of the over-60 set.

### Figure 14: Elders Have the Voting Habit.

Voting Rates by Age, 1966–1996



Source: Current Population Reports. *Voting and Registration in the Election of November 1998*, August 2000.

The facts and figures presented here represent just the tip of the aging, health and capacity iceberg.

- More growth
- More elders
- More diversity
- More costs

will strain Arizona's capacity to care.