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The Aging Face of Utah

Public Policy Implications of the Baby Boom Generation

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Over the next 30 years Utah will experience a substantial and momentous age shift in its population. The largest generation in history – the so-called Baby Boomers – will join the elder generation. This group has influenced and affected public policy their entire lives. Because of the sheer number of Baby Boomers, the aging of this largest generation in history, combined with increased longevity, will lead to a significantly older community in the coming years. By 2030, Utah's 65 and older population is projected to increase by 155% compared to the 65 and older population in 2000. By 2015, seven Utah counties are projected to have more than 15% of their population over age 65; 26 of the 29 counties will have more than 10% over age 65.



Why should Utah prepare for this population shift? Many Baby Boomers will retire young, remaining healthy and active. As they age, however, these individuals will experience an increased need for health care and social support, including government programs such as Medicare and Social Security.

How Utah responds to the coming age swell will be affected by other social, political and economic forces. Changes in the family (number of children, household composition), in communities (housing options, transportation), and in the economy (increase in older market, aging workforce) will determine what kinds of needs people have and what kinds of resources will be available.

While many of the trends are unavoidable, others lie within our power to influence. Examples include efforts to reduce future disability rates by practicing prevention today; increase in personal savings and mechanisms to make medical and long term care affordable; and attention to the services and infrastructure in our communities.

The aging of Utah's population will impact practically every state agency and level of government. In some parts of government, the potential impact of the aging population is obvious, and the process of preparing for the future is under way. In other areas, the impact of a rapidly aging citizenry is less direct and is not yet part of the agency agenda. The Utah Aging Initiative is intended to inspire discussions and actions that will help prepare Utah for an uncertain, but rapidly approaching, future in an older world. As with most important endeavors, beginning sooner rather than later is more cost efficient and effective.

The full report is the result of demographic research, a series of focus groups with local communities, and interviews with state agencies completed under the direction of the Utah Aging Initiative. The Utah Aging Initiative is a collaborative project of Utah state agencies led by the Utah Department of Human Services. The purpose of the Initiative is to raise awareness among government agencies regarding the challenges presented by Utah's increasingly older population.

The purpose of this document is to provide a summary of the main findings of the larger report, still in the draft stage, to policy-makers on the various impacts of the aging population. It presents the issue areas identified through research and focus group discussion as well as provides some preliminary policy recommendations to Utah state government. It is important to note that many of the issues identified in the focus groups are not those that state government

has much control over. Issues regarding Medicare and Social Security are the purview of federal agencies while issues involving zoning laws and housing ordinances are solved at the local level. For this reason was this document drafted, to encourage policy-makers at all levels to consider how aging is going to impact everything from revenue collection to delivery of services to issues around their own labor force.

Main Themes for Government Operations

According to our research there are three major government functions that are going to be impacted by the rapid growth in the retirement age population. These impacts are going to be felt at all levels of government-local, state and federal as well as within all agencies, not just those traditionally associated with assisting the aged population. These functions are revenue collection, demand for services and ability of government agencies to meet increase demands, since a large percentage of government's workforce will also be retiring.

As people retire and exit from the workforce, they tend to pay less in taxes than they did as working-aged adults. The impacts are felt mainly in sales and income taxes, although property tax revenues are also impacted. Additionally, the elderly population receives government support in the form of Social Security and Medicare benefits. One way to quantify this change is through dependency ratios.

A dependency ratio is a commonly used measure comparing the number of dependent people in the population (children younger than age 18 and adults over age 65) with the working age population necessary to support them. The dependency ratio is expressed as the number of dependents per 100 workers. High ratios mean a large proportion of people are too young or too old to work and must be financially supported by the working population. In the year 2000, the youth dependency ratio in Utah was 54.27 per 100 workers and the elderly dependency ratio was 14.36 per 100 workers (a total dependency ratio of 68.63/100). Utah will consistently experience increased dependency ratios for its senior population through the year 2030 while the dependency ratio for Utah's youth will remain level. The decline in the number of workers as a percentage of the entire population may result in either reductions in public services to seniors and children or significant increases in taxes for the working population. The *elderly dependency ratio* will steadily increase through 2030. This includes a 29% increase in the decade 2010-2020, followed by a 26% increase in the decade 2020-2030. This represents an overall increase of **61% from 2000 to 2030**. In numeric terms this means a shift from 14 retired people to 23 retired people per every 100 workers.

As the number of seniors and school age children increases, so will the demand for many state supported services. Direct services such as meals on wheels programs, as well as indirect services such as highways and parks will be impacted. At the same time, tax revenue is expected to decrease, with fewer people in the workforce to support seniors and children. State agencies will need to redesign their services to accommodate Utah's changing population and plan for an increase in services with limited funding.

Additionally, as the population ages, state agencies will need to consider changes in the nature and/or methods of delivery of the services they provide to make them more accessible. State agencies should start thinking creatively about reaching the aging population in innovative and reachable ways. For example, many agencies are providing their services online; this may need to be expanded. Other agencies have developed outreach programs and are providing more services to rural communities and in urban neighborhoods. Forms and instructions are being redesigned to be more customer friendly, and road, highway and pedestrian construction engineers are considering the needs of the elderly in their designs.

Unfortunately, Utah's state and local government offices will have to meet these increased demands with fewer and less experienced employees. Many agencies anticipate between 50 and

75 percent of their management teams will retire over the next decade – causing a “brain drain” or loss of expertise that will be difficult to replace. Recruiting younger workers to replace retiring employees is increasingly difficult as wages lag the private sector. State agencies will need to develop succession plans to replace retiring managers and utilize the experience and expertise of older workers. To read more about succession planning in Utah state government offices, [click here](#).

Public Policy Issues for Utah’s Senior Population

While many issues related to aging have taken the forefront in public policy debates nationally such as Social Security and Medicare benefits, imports of inexpensive prescription drugs from Canada, the Utah Aging Initiative set up focus group discussions with Utah’s aging population to determine how these issues and others impact participants’ daily lives and what they thought government should do about them.

The focus groups were designed to elicit participation from all attendees. Participants were provided with the briefing book followed by a short presentation on the purpose and issues of the Utah Aging Initiative. This introduction material assisted in generating dialogue that identified the critical issues each focus group felt the aging population is facing. Next, break out groups developed action statements addressing some of the critical issues previously identified. The action statements were written to fit the following statement: *“The state should...”*

The concerns expressed by the focus groups reflect similar issues identified by national research and research conducted in other states (Ohio, Texas, New York, Minnesota). As Utah residents discussed the critical issues and talked about what these demographic changes meant, several common topics began to emerge. The focus group participants offered many suggestions, recommendations, warnings and advice about how to move ahead and create momentum in these areas. The state may or may not have the ability to respond to the concerns listed. It is important, however, to include the thoughts and suggestions of the participants in order to provide a complete representation of their perspectives.

The following themes emerged as focus groups were asked to develop action statements for what Utah government should do:

1. Medical Care
2. Education and Information including technology
3. Housing
4. Transportation
5. Financial

The final report of the Utah Aging Initiative will detail further specific areas under these broad headings that were identified by focus group participants as challenges to the quality of life of the senior population, present and future. Additionally, the final report will highlight general policy directions and recommendations to policymakers at all levels on these issues.

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