

What is a Senior Citizen?

One problem encountered in analyzing the available data was the lack of consistent definitions as to what is a senior citizen. The advocacy group AARP (originally the American Association of Retired Persons) whose stated mission is "enhancing [the] quality of life for all as we age" is open to people aged 50 and above. The Census Bureau makes a distinction between the "Older Population," aged 55 and above and the "Elderly Population," aged 65 and above. Social Security has a moving "full retirement age" that varies from age 65 (for those born in 1937 or earlier) to age 67 (for those born in 1960 or later) - depending upon one's birthdate. Medicare becomes available at age 65. The Age Discrimination in Employment Act (ADEA) [Ch. 14, 29 U.S.C.] applies to individuals over 40.

Executive Summary

Housing Washington's Seniors—A Profile

The goal of this report was to prepare a profile of current housing occupied by older persons, and to assess future demand for senior housing in Washington State. Seniors typically possess two unique characteristics that affect their demand and need for housing. First, most seniors are retired and hence are living on fixed incomes, which means that seniors face concerns about issues of affordable housing and increases in property ownership costs such as taxes and insurance. Second, an unfortunate side-effect of aging is the physical deterioration of the body, which can lead to increased health problems including physical and mental disabilities. Many elderly persons will eventually find they require some type of assisted living arrangement. In light of these issues, information about the senior population will be crucial in making policy decisions regarding the elderly population.

To further this goal, this report examines profiles of the older residents of the state, including data on:

- Demographic changes
- Household structure
- Physical and mental disabilities
- Income
- Current Housing arrangements

HIGHLIGHTS

- The senior population is expected to increase as baby boomers age.
- In 2000, 94.8% of seniors resided in households, and 67.1 percent of those were part of family households. Most (91.2%) of the seniors living in "nonfamily" households were actually living alone.
- Of those not living in households, over 96% were either living in institutional care facilities or in some type of adult group home.
 - ◆ Housing options for seniors in Washington state provide many and growing choices consistent with the growth in the senior population. A total of 145,212 housing units (or beds) are identified in facilities catering to Washington's older population.
 - ◆ Approximately 38 percent of the identified units are set aside for seniors with low to moderate incomes and limited assets.
- Small, rural counties tend to have high proportions of seniors as their young people migrate to jobs in more urban areas while the parents and grandparents age in place.
 - ◆ As these trends continue, the small number of local residents are being asked to shoulder a tremendous burden of caring for their aging neighbors.
- By the time current seniors reached the age of 85, nearly seven in ten reported some type of disability, with nearly half experiencing physical limitations and only slightly fewer have a great deal of difficulty leaving their residence.

DATA SOURCES

Primarily data from the US Census Bureau, in the form of two reports the official decennial Census and the American Community Survey (ACS). The decennial census is conducted every 10 years, e.g., in 1990, in 2000, in 2010, and represents a survey of almost 100% of the households in the US.

The ACS is an annual nationwide survey that collects information such as age, race, income, commute time to work, home value, veteran status, and other important data from three million U.S. households, from across every county in the nation. The ACS began in 1996 and has expanded its coverage each subsequent year. Data from the 2005 ACS are available for geographic areas with a population of 65,000 or more, including 761 counties, 602 metropolitan and micropolitan statistical areas, all 50 states, and the District of Columbia.

One caveat: ACS data are limited to the household population and excludes the population living in institutions, college dormitories, and other group quarters.

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- Linguistic isolation may be a problem. There is a need for caregivers that speak another language besides English – based on 2000 Census data over 18,000 seniors indicated they had limited English abilities.
- It is very apparent that older Washingtonians are attempting to cover increasing housing and medical expenses from incomes which have lagged behind.
 - ◆ While there may be fewer persons in a typical household of older seniors, it is likely that the medical costs will be higher as additional supportive services and prescription medications are needed to sustain life itself.
- An emerging issue is provision of health and social services in the home:
 - ◆ programs to allow seniors to maintain structure (repair and maintenance).
 - ◆ structurally retrofit homes when necessary to correct accessibility issues.
- There is shifting from home ownership to rental status as people age.
 - ◆ Many seniors who rent are forced to spend a disproportionate share of their income for housing-related services (on top of considerable medical expenses).
 - ◆ Among seniors who rent their housing in facilities which do not provide any meals, the average proportion of income devoted to rent is above 30 percent in each geographic area studied and for the state as a whole.
- The largest group of nursing home residents stay less than a month. Between 18 and 24 percent of the stays (depending on age and gender) were for 1-3 months.
 - ◆ This means that approximately 60 percent of the beds in a skilled nursing facility could serve at least four individuals per year, and most of those could serve as many as 12 individuals.
- Frequently, the move to a specialized facility is delayed to the point where physical limitations, especially eyesight and hearing, make the socialization benefits of a senior-focused independent living or assisted living facility difficult to achieve.
- In the next 20 years a new wave of construction of nursing homes will be necessary.
 - ◆ An increase in the number of “frail elderly” is expected due to the combination of an aging baby boom and increasing longevity due to improved medical technology.
 - ◆ Many existing skilled nursing facilities are becoming obsolete.
 - ◆ Public financing, through bonds and tax credits will again need to play a significant role in ensuring adequate facilities are available and affordable when they are needed.

Table 1
US Life Expectancy based upon Year of Birth

Year of Birth	Both	Male	Female	Age in 2005
2003	77.5	74.5	80.1	2
2000	77.0	74.3	79.7	5
1995	75.8	72.5	78.9	10
1990	75.4	71.8	78.8	15
1985	74.7	71.1	78.2	20
1980	73.7	70.0	77.4	25
1975	72.6	68.8	76.6	30
1970	70.8	67.1	74.7	35
1965	70.2	66.8	73.8	40
1960	69.7	66.6	73.1	45
1955	69.6	66.7	72.8	50
1950	68.2	65.6	71.1	55
1945	65.9	63.6	67.9	60
1940	62.9	60.8	65.2	65
1935	61.7	59.9	63.9	70
1930	59.7	58.1	61.6	75
1925	59.0	57.6	60.6	80
1920	54.1	53.6	54.6	85
1915	54.5	52.5	56.8	90
1910	50.0	48.4	51.8	95
1905	48.7	47.3	50.2	100

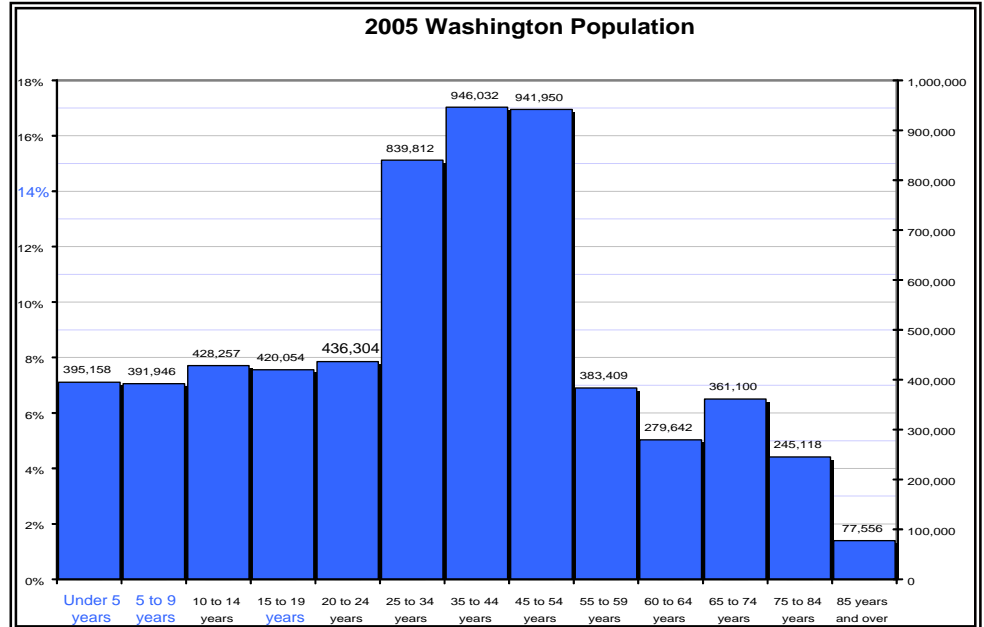
Source: US Center for Disease Control,
National Center for Health Statistics, 2003

Demographic Changes

The age distribution of our population is changing: the elderly segment of the population is increasing¹. This is due to two factors: increasing longevity and the aging of a large population cohort (e.g., the baby boom and baby boom echo). A person born in 1905 had a life expectancy at birth of 48.7 years (47.3 for men and 50.2 for women) – See Table 1. A person who was aged 70 in 2005 would have already outlived the average at birth life expectancy of 61.7 years (59.9 men and 63.9 for women); and a person born in 2000 has a life expectancy of 77.0 years (74.3 for men and 79.7 for women).

¹ The younger segment of the population is decreasing as well. Since the 1950s US birthrates have been generally declining.

Not only are people living longer, but for certain age groups, there are actually more of them. In the post World War II period (1946-1954) the US experienced a large increase in the birthrate, known as the “Baby Boom.” This group is now aged 50-60 and will be entering retirement soon. There was a drop-off in birth rates after 1954, but a large number of babies were still born in the 1955-1964 period, these individuals now aged 42-51 represent the



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trailing edge of the baby-boom². When the baby-boomers began to have children, this created another spike in birthrates beginning in the 1980's known as the baby-boom echo.

This effect can be seen in Table 2 below, when comparing population numbers between 1990 and 2000.

The result of these age demographics is that the estimated median age in Washington state is 36.7 years (±0.2 Years) compared with the United States estimate of 36.4 years (±0.2). The number residents of Washington State over 65 is growing rapidly. U.S. Census figures indicate a 15.1 percent increase between 1990 and 2000 compared with 12.0 percent nationwide. The Western region of the country generally saw the most rapid growth in the senior population. The state of Washington had the 20th most rapid percentage growth during the 1990s, but only 12 states actually added more seniors during the decade.

² The numbers: In 1945, there were 2.8 million births in the US; this number increased by almost 24% to 3.47 million births in 1946. The birthrate continued to grow throughout the 1940s and 1950s, peaking in the late 1950s with 4.3 million births in 1957 and 1961. (There was a dip to 4.2 million births in 1958). After 1961, the birth rate began to decline. In 1964 (the final year of the Baby Boom), 4 million babies were born in the U.S. and in 1965, there was a significant drop to 3.76 million births. Source: <http://geography.about.com/od/populationgeography/a/babyboom.htm>

Table 2
Population by Age Group

Age Group	1990 US	1995 US	2005 US	1990 WA	1995 WA	2005 WA
Under 5 years	18,351,443	19,175,798	20,267,176	366,780	394,306	395,158
5-9 years	18,099,179	20,549,505	19,512,288	371,093	425,909	391,946
10-14 years	17,114,249	20,528,072	20,800,182	377,662	434,836	428,257
15-19 years	17,754,015	20,219,890	19,544,895	322,711	427,968	420,054
20-24 years	19,020,312	18,964,001	9,302,837	351,680	390,185	436,604
25-34 years	43,175,932	39,891,724	38,785,474	855,188	841,130	839,812
35-44 years	37,578,903	45,148,527	43,237,594	803,763	975,087	946,032
45-54 years	25,223,086	37,677,952	42,045,357	501,543	845,972	941,950
55-64 years	21,147,923	24,274,684	30,121,807	380,984	496,580	663,051
55-59 years	10,531,756	13,469,237	17,122,367	191,602	285,505	383,409
60-64 years	10,616,167	10,805,447	12,999,440	189,382	211,075	279,642
65 and Older	31,241,831	34,991,753	34,760,527	575,288	662,148	683,774
65-74 years	18,106,558	18,390,986	18,359,809	336,034	337,166	361,100
75-84 years	10,055,108	12,361,180	12,589,992	182,953	240,897	245,118
85 years and over	30,890,165	4,239,587	3,810,726	56,301	84,085	77,556

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Even more striking is the increase in the segment of the senior population with individuals aged 85 and over. During the decade of the 1990s, this segment showed a 49.3 percent increase, compared with a 37.6 percent increase nationally. Only eleven states had more rapid percentage increases in the very old population.

Projections of the senior population by the Joint Center for Housing at Harvard University indicate a 53 percent increase in the number of senior households by 2020 compared to 2000. If that projection is applied to Washington State, the result would be 708,400 households with at least one older (65+) person by 2020 – 245,400 more than in 2000.

Household Structure

According to the 2000 Census, 94.8 percent of seniors resided in households, and most of those, 67.1 percent were part of family households—meaning the senior was related to other residents in the household by marriage, blood (children, grandchildren, etc.) or adoption (adopted child). Most (91.2 percent) of the seniors living in “nonfamily” households were actually living alone. The others had formed households with a nonrelative, i.e., living together to share expenses, the senior equivalent of roommates. Some of these seniors probably have formed a household with an unrelated care giver. Census data indicate there were almost 600,000 households that included seniors aged 60 or above; almost 37% of these lived alone. For seniors aged 75 or above, there were almost 240,000 households with 46.8% of these being live-alone households. It is expected that a senior will be more likely to be in a single-person household as they age due to increasing likelihood of the death of a spouse.

The other distinction made by the Census was seniors living in Group Quarters both institutional (nursing homes) and non-institutional (adult group homes) – these two housing arrangements accounted for almost 96 percent of seniors. The remaining four percent included prison and “other” in the institutional category; the non-institutional category also included one individual in a college dorm.

An additional consideration for policy makers is factors such as the presence of grandchildren when the senior acts as a caregiver; or the location of family members for those moving to an assisted care facility. This impacts the housing needs of seniors in relation to space and services. Clearly, a household which includes both children and the elderly will require more space than a household comprised exclusively of seniors. In addition, the presence of children may prevent the seniors from choosing living environments which are best suited to their needs. For example, access to a tot lot may outweigh a facility which offers access to health and social services geared to the needs of older residents.

Nationally 3.9 percent of households include both grandparents and grandchildren. In Washington state, the incidence is somewhat lower, with 2.6 percent of households including both groups. Often these are youthful grandparents, but a significant share of these care givers are at least 60 years of age. The 2000 Census indicates that 29.1 percent of grandparents who routinely care for their grandchildren are at least 60. In this regard Washington is very similar to the nation, with 28.3 percent of the grandparents reporting to be at least 60 years of age. Among grandparents residing with grandchildren where the grandparent is in their 60s, 36.9 percent have care giving responsibilities. If the grandparent is in her/his 70s, the responsibilities declines to 23.5 percent, and among grandparents age 80 or older, only 12.1 percent have responsibility to care for grandchildren.

Also in some cases seniors are moving to live near, or with, their families. Recent studies conducted by researchers at Cornell University and Ithaca College indicate that while aging in place is preferred, a significant proportion of the senior population is actively considering a move to a retirement community or to a smaller home closer to family. Significantly, only 10 percent of the seniors participating in the study considered moving in with family as a viable option.

Physical and Mental Disabilities

In general, discussions about housing for older households focuses on the physical limitations which accompany aging and the challenges of health and nutrition as individuals age. A sad reality of aging is the deterioration of the body. Policymakers will need to anticipate these effects as the population ages. Data from Census 2000 had slightly over one-third of seniors reporting some type of disability, with many reporting multiple problems. While not surprising, this data also shows how disabilities of all type increase with age. By the time current seniors reached the age of 85, nearly seven in ten reported some type of disability, with nearly half experiencing physical limitations and only slightly fewer have a great deal of difficulty leaving their residence.

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**Disabilities Increase with Age
% of Persons 65+**

Disability	65-74	75-84	85+
Any	32.1%	46.9%	69.8%
Physical	21.5%	31.7%	49.8%
Work	13.0%	18.3%	35.6%
Go out	11.2%	19.8%	42.5%
Sensory	10.7%	19.0%	35.3%
Mental	6.6%	12.2%	25.4%
Self care	5.2%	9.2%	21.6%

Another factor to consider is the desire of most seniors to remain in their own residences. Aging-in-place is often cited as a laudable goal, where the thought of moving from the family home is almost as serious an emotional milestone along the senior's path to decline, as losing the right to drive a car.

Unfortunately, seniors living alone frequently experience health deterioration, often tied to reduced socialization in their increasingly isolated environments. The socialization which may accompany a move to an age-restricted community must be balanced against the desire to remain in familiar surroundings. Frequently, the move to a specialized facility is delayed to the point where physical limitations, especially eyesight and hearing, make the socialization benefits of a senior-focused independent living or assisted living facility difficult to achieve. Moreover, the question of location near friends or near family who may have moved far away from the family home add another layer of complexity to the difficult decision to move an aging parent to a specialized facility.

Income

The income plight of seniors is well documented, but it is still valuable to review the nature of income among different age groups. Typically incomes of older retirees are lower than those of younger seniors for a couple of reasons. First, as the population ages there is greater likelihood that the senior will be in a single-person household, receiving a single check from Social Security. Second, the lifetime earnings on which Social Security and pensions are typically based were lower, meaning the payouts were by definition less generous. Cost of living adjustments have helped, but it is very apparent that older Washingtonians are attempting to cover increasing housing and medical expenses from incomes which have lagged behind.

Income Distribution of Older Households in Washington, 1999

	Under \$20,000	\$20,000-29,999	\$30,000-39,999	\$40,000-49,999	\$50,000-74,999	\$75,000-99,999	\$100,000 or more	Median Income
Age 55-64	16.1%	10.0%	11.1%	10.5%	22.0%	13.3%	17.0%	\$51,896
Age 65-74	25.9%	16.6%	14.9%	11.6%	12.2%	7.0%	7.6%	\$34,849
Age 75+	38.4%	19.1%	13.2%	8.8%	10.8%	4.5%	5.3%	\$25,659

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Seniors in Poverty, 2004
(Percentage of Persons)

County	Median Household Income (65+)	Poverty Rate
Clark	\$31,309	7.6%
King	\$35,484	7.7%
Pierce	\$31,931	9.6%
Snohomish	\$36,497	5.2%
Spokane	\$28,142	5.5%
Yakima	\$23,261	13.0%
STATEWIDE	\$31,439	8.1%

Source: American Community Survey, 2004

The American Community Survey (2004) indicates the statewide poverty rate for seniors is 8.1 percent. Since trends in poverty are closely related to the demands for senior housing financed using public funds, it is helpful to review changes in poverty rates between 1990 and 2000. During the decade of the 1990s the well being of much of the senior population of the state improved, with most counties recording lower poverty rates for persons in both age groups, 65-74 and 75+. Even though the population of the target populations increased significantly during the decade, the absolute number of seniors living in poverty declined slightly. Based on Census 2000 figures there were 47,967 seniors living in poverty, representing 7.5 percent of the senior population. This is 1,542 fewer seniors below the poverty level than were counted in 1990, when the poverty rate in the senior population was 9.1 percent.

Housing

Structural Nature of Housing -- Single-family detached housing provides the residence for most households with at least one senior, followed by mobile homes and larger apartment buildings (50+ units).

While approximately 65 percent of households which include seniors reside in single-family detached homes, about 71 percent of all seniors reside in those units. By contrast, while 7.1 percent of senior-included households live in structures with at least 50 units, only 4.6 percent of the total older population of Washington resides in those units.

For the West in 2004 nearly 80 percent of all senior households owned their own home. This is an almost identical ownership rate compared to the immediate pre-retirement cohort (age 55-64). While the changes are modest, homeownership rates actually peaked for householders in their late 60s and early 70s compared to folks in their late 50s and early 60s. As expected, a somewhat smaller proportion of households older than 75 retained homeownership, but the proportion remained quite high.

For the cohort of seniors between the ages of 65 and 74 who owned their homes, but had a mortgage, the average monthly owner costs ranged from 30.6 percent in income in Whatcom County to 88.2 percent in rural areas. For the next older age group, the lowest owner cost for mortgagees was 27.9 percent of income in Benton and Franklin counties, while the highest relative costs was 46.3 percent in income in Whatcom County. By the time

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the analysis moves to the oldest cohort, there are virtually no mortgages remaining, so the statistics become less meaningful.

For those seniors aging-in-place, they face other challenges as the owners experience increased disabilities and frail health. They may find their homes require modifications to remove physical barriers and increase safety. While many of these households may be sufficiently affluent to afford those modifications, many others find themselves “house-poor,” without the resources to finance the needed modifications. If these changes result from a sudden change in health status, the elderly homeowner is faced with the daunting task of retrofitting and remodeling the home, or being forced to move to an apartment or group quarters, causing resentment and further deterioration of physical condition.

Home ownership status tends to shift as people age. The result is some of the higher income seniors, who were homeowners while they were in lowest age cohort are renters by the time they reach their mid-80s.

As expected the more affluent seniors remain home owners, and the statistics about senior renters become increasingly important – and distressing. For seniors between the ages of 65 and 74 who rent their homes, an average 36.3 percent of income is spent on rent, meaning that the HUD-standard 30 percent of income target is very often exceeded. By community the average ranged from 31.4 percent of income in Spokane County to 37.9 percent in King and Snohomish counties.

For seniors between the ages of 75 and 84, an average of roughly 40 percent of income was spent on housing in the rural areas, and nearly 47 percent in Pierce County. Finally for the oldest seniors the local averages ranged from a low of 47 percent in Thurston County to a high of 59 percent of income in Whatcom County.

While in some cases these rents include meals, it is still apparent that these seniors, who are likely to also have significant medical expenses are forced to spend a disproportionate share of their income for housing-related services. Because of the very significant proportion of income allocated to rent by seniors, and because many senior housing options (including both independent and assisted living) provide one or more meals per day, this facet is examined next. Roughly 20 percent of Washington seniors in households (excluding those seniors in group quarters, e.g. nursing homes) live in a facility which includes at least some meals. Furthermore, the data makes it clear that when meals are not included that many senior households are not overly rent burdened, but that a significant proportion of seniors still spend more than 30 percent of their income on housing, exclusive of meals. Among seniors who rent their housing in facilities which do not provide any meals, the average proportion of income devoted to rent is above 30 percent in each geographic area studied, and for the state as a whole, including those seniors living outside the identified metropolitan areas.

Nursing Homes

The largest group of nursing home residents stay less than a month. For both men and women approximately 40 percent of these stays are very brief. Between 18 and 24 percent of the stays (depending on age and gender) were for 1-3 months. This means that approximately 60 percent of the beds in a skilled nursing facility could serve at least four individuals per year, and most of those could serve as many as 12 individuals.

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households by 2020 compared to 2000. If that projection is applied to Washington State, the result would be 708,400 households with at least one older (65+) person by 2020 – 245,400 more than in 2000. Based on the Joint Center projections, supplemented by a review of the National Long-Term Care Survey, the Lewin Group anticipates a 52 percent increase in demand for nursing facilities, a 87 percent increase in “alternative residential care”, which was ill-defined, a 28 percent increase in demand for skilled home care (which seems low given the desire to age in place), and a 31 percent increase in “personal care”, which again was not clearly defined.