

# The Dual Challenge: Nevada County

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Senior Population

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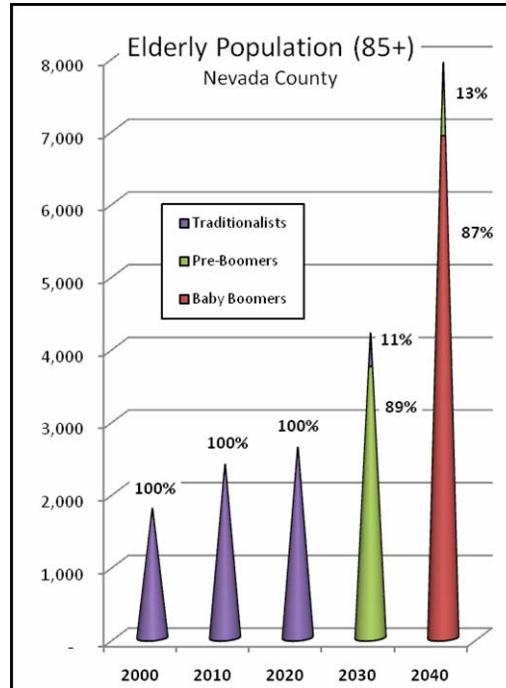
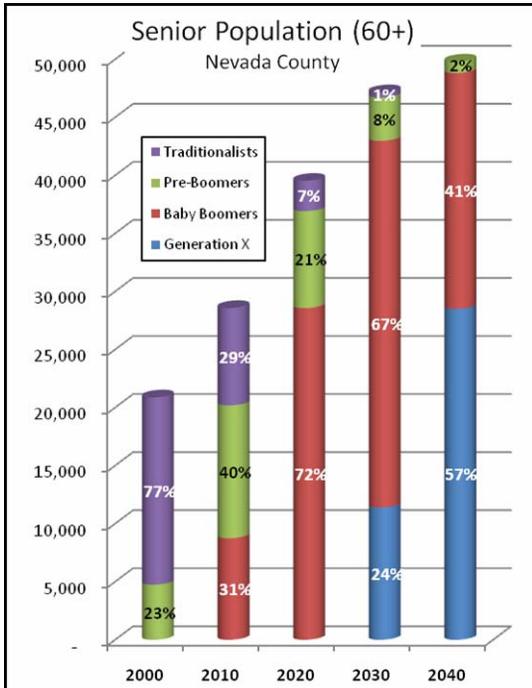
Aging Network  
Aging Network

## Senior Population

We are witnessing a dramatic and unprecedented increase in senior population, and it is driven largely by the aging of the Baby Boomers (shown in red on the charts below).

By 2040, just under 50,000 people age 60 and older are projected to be living in Nevada County. That figure is almost 2.5 times the number of seniors there were in 2000; it represents a substantial growth rate of 139% for the forty year period. In comparison, California's expected senior growth rate over those four decades is 170%.

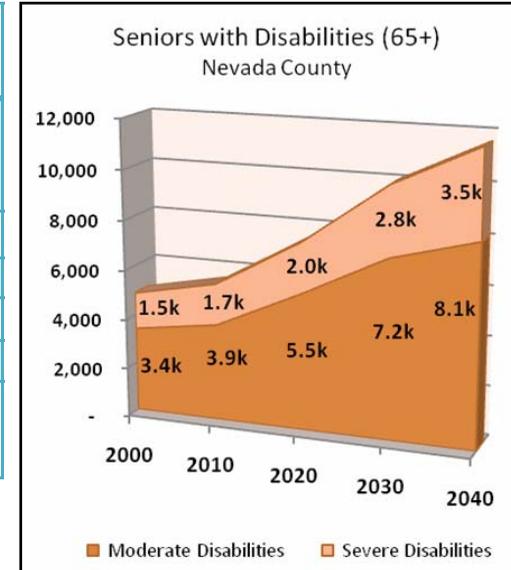
The 85 and older population is of particular concern, for they represent the most frail and vulnerable age group, and they utilize a sizeable share of all elder care services. Here, the situation is even more alarming. The number of elderly people in the county is projected to grow exponentially, resulting in a 4.5-fold increase in frail persons (from about 1,800 to 7,900) by 2040.



Traditionalists (born 1900-1935); Pre-Boomers (born 1936-1945); Baby Boomers (born 1946-1964); Generation X (born 1965-1980)

| Types of Disabilities Among Persons 65+ (2000 Census)                      | Nevada County | PSA 4 | CA    |
|--|---------------|-------|-------|
| Any Disability (Persons with 1 or more types of disabilities listed below) | 33.6%         | 41.7% | 42.2% |
| Sensory Disability   | 13.5%         | 14.8% | 14.5% |
| Physical Disability  | 22.4%         | 28.5% | 28.4% |
| Mental Disability  | 7.9%          | 11.7% | 12.2% |
| Self-Care Disability   | 5.4%          | 9.2%  | 9.9%  |
| Difficulty Going Outside the Home Disability                               | 12.8%         | 19.3% | 20.8% |

Moderate Disabilities = 1 or 2 Activities of Daily Living (ADLs) or Instrumental ADLs (IADLs)  
Severe Disabilities = 3 or more ADLs or IADLs



## Health Status

Disability rates in Nevada County are significantly lower than those in PSA 4 and in California as a whole. Coincidentally, the blue table is exclusive to Traditionalists, and the county total was roughly 15,700. Thus in 2000, almost 5,300 people 65 and older (33.6%) had some type of disability. By definition, older people with a "Self-Care" disability are reliant on others for meeting one or more of their personal needs; this describes almost 850 seniors in Nevada County. The "Difficulty Going Outside the Home" category is used to estimate the number of homebound seniors; 12.8% equates to just over 2,000 older people in the area who must rely on others for transportation.

Experts predict the overall disability rate for older people will decline until 2020, then begin to rise as the Baby Boomers approach their 80<sup>th</sup> birthdays. The net effect in Nevada County (shown in the orange chart) will be an increase in the number of older people with physical limitations that accelerates over time. The 2.5-fold increase in the local senior population from 2000 to 2040 will translate into a near 2.5-fold gain in the number of older persons with functional limitations over that period.

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## Financial Standing

The federal poverty rate for older adults has fallen fairly steadily since 1959. Many experts have been critical of the official federal measure which is based on the consumer price index and does not account at all for the costs of transportation, housing or health care. Researchers at the Urban Institute have devised an alternate variable, called the Relative Poverty Level, which is indexed to wages. Applying their model, less than 950 Nevada County seniors age 62 and older will officially be in poverty in 2020, but by then almost 2,200 seniors will “feel” as though they are living in poverty.

In February 2008, the Insight Center for Community and Economic Development released findings from their California Elder Economic Security Initiative which used a new method to determine how much income older people need to meet their basic living costs. A condensed table for the county is shown below.

Insight utilizes the Elder Standard figures to demonstrate, in actual dollars, that older adults fall well short of the average costs of living when their only source of income is either SSI or standard Social Security benefits. In Nevada County in 2007, the average elder person received an annual Social Security payment of \$12,669; the average elder couple received \$21,284. Even with this modest budget, seniors must have additional sources of retirement income in order to make ends meet.

### Nevada County, Elder Economic Security Standard™ Index, 2007

| Monthly Expenses              | Elder Person        |                   | Elder Couple       |                     |
|-------------------------------|---------------------|-------------------|--------------------|---------------------|
|                               | Owner with Mortgage | Renter, 1 Bedroom | Owner, No Mortgage | Owner with Mortgage |
| Housing                       | \$1,495             | \$680             | \$417              | \$1,495             |
| Food                          | 231                 | 231               | 427                | 427                 |
| Transportation                | 202                 | 202               | 323                | 323                 |
| Health Care (Good Health)     | 378                 | 378               | 756                | 756                 |
| Miscellaneous @ 20%           | 246                 | 246               | 385                | 385                 |
| <b>Monthly Elder Standard</b> | <b>\$2,552</b>      | <b>\$1,737</b>    | <b>\$2,307</b>     | <b>\$3,385</b>      |
| <b>Annual Elder Standard</b>  | <b>\$30,623</b>     | <b>\$20,842</b>   | <b>\$27,688</b>    | <b>\$40,623</b>     |

(Adapted from the California Elder Economic Security Initiative, Insight, 2007)

## Estimated Number of Seniors by Chances of Being Dependent, 2006

Non-institutionalized population 65+ (N = 17,214 persons)

Source: Author's Calculations of American Community Survey data

Low Ability = “self-care disability”  
Middle Ability = “physical disability”  
High Ability = no disabilities

Assets based on household income:  
Low Assets = Less than \$20,000/yr  
Middle Assets = \$20,000 – \$45,000/yr  
High Assets = \$45,000 or more/yr

|                  |        | FINANCIAL ASSETS                         |  |  |
|------------------|--------|--|--|--|
|                  |        | LOW                                      | MIDDLE                                   | HIGH                                   |
| PHYSICAL ABILITY | LOW    | Highest Risk<br><b>379</b><br>(2.2%)     | High Risk<br><b>424</b><br>(2.5%)        | Moderate Risk<br><b>488</b><br>(2.8%)  |
|                  | MIDDLE | High Risk<br><b>1,124</b><br>(6.5%)      | Uncertain Risk<br><b>1,262</b><br>(7.3%) | Low Risk<br><b>1,453</b><br>(8.4%)     |
|                  | HIGH   | Moderate Risk<br><b>2,227</b><br>(12.9%) | Low Risk<br><b>3,972</b><br>(23.1%)      | Lowest Risk<br><b>5,885</b><br>(34.2%) |

## Service Demand

At the most basic level, individuals who seek home and/or community-based care services generally have a physical limitation, an economic limitation, or both. To illustrate the subtle complexity of this concept, we have developed the Assets-Ability Matrix (see red chart above). Over time, people tend to move toward the highest risk category.

Using a combination of interrelated data sets from the Census Bureau’s American Community Survey, we have computed estimated numbers of persons 65 and older in Nevada County in each of the nine Matrix categories. As shown in the chart, 379 local citizens are in the highest risk group (darkest red). More than 1,500 additional seniors are in the high risk categories (red). Another 2,700 are classified as moderate risk (pink corner squares). Over 1,250 individuals have uncertain risk (center). Just under 35% of all people age 65 and older in the county are in the lowest risk box (white), therefore, about 65% of seniors had some risk of dependency in 2006.

## Aging Network

How do we revamp programs and services for tomorrow’s elders without compromising vital services for those with the greatest needs today? That is the dual challenge.

Want to help improve services for current and future generations of seniors? Contact the Nevada County Adult and Family Services Commission at: (530) 265-1410