



## Boomers Won't "Go Gentle Into That Good Night"

The "Me Generation" will  
redefine aging and long-term care



**AMERICA IS GRAYING.** Even as baby boomers strive to defy the aging process (see sidebar on "Age-Phobic Boomers") it's happening anyway. As the boomers—those born between 1946 and 1964—age, issues of long-term care will become critical. But the boomers will be different from their parents' generation. They are expected to live longer, have lower rates of disability, and better financial circumstances. And true to their roots as the "me generation," they will likely chart their own course about how and where to grow old.

In 2011, the first boomers will turn 65. And according to the American Association of Homes and Services for the Aging (AAHSA), by 2026, the population of Americans age 65 and older will double to 71.5 million. An estimated nine million people age 65 and older needed long-term care in 2006. In 2020, 12 million older Americans will need long-term care.

While much of the news is good for boomers as they approach old age, experts say that declining family sizes, increasing childlessness, and rising divorce rates will limit the number of family caregivers for this demographic group, which will increase the need for paid care. According to a recent report by the Urban Institute, this need will surge when the baby boomers reach their 80s, which will be in 2026.

### COSTS HIGH, BUT BOOMERS WILL BE WEALTHIER

According to a 2005 U.S. Census Bureau study commissioned by the National Institute on Aging, incomes will continue to increase (due to increased levels of education) among people age 65 and older. The boomers will need this increased income to afford the costs of care. Medicare does not pay for long-term care and only the destitute get long-term care coverage from Medicaid. Most aging boomers will have to dig into their own pockets. And the costs can be steep. According to the AAHSA, the average annual cost for a private room in a nursing home is \$74,806 annually. The average cost of living in a not-for-profit continuing-care retirement community is \$32,064 annually, excluding entry fees ranging from \$60,000 to \$120,000.

According to an AARP survey, only three in ten Americans age 45-plus (29 percent) say they have purchased long-term care insurance. Although it's difficult to know how many Americans currently have long-term care insurance policies, AARP reported that about nine percent of adults age 55-plus had private long-term care insurance coverage in 2002.

### GROWTH IN RETIREMENT COMMUNITIES

The number of continuing-care retirement communities is exploding, growing from 274 in the early 1980s to 2,240 today. Most of these communities, which consist

## "Age-Phobic"



*"I consider myself to be a hostage to an age-phobic culture, one that fears the inevitability of aging the way earlier cultures once feared death."*

*Writer Daphne Merkin on turning 50*

## Boomers Drive Growth in Cosmetic Procedures

America is an "age-phobic" society. Many baby boomers especially are trying to out-race the clock, at least in terms of how they look. Consider the growth in cosmetic procedures over the last decade. According to the American Society for Aesthetic Plastic Surgery (ASAPS), nearly 11.5 million cosmetic surgical and non-surgical procedures were performed in the U.S. in 2006. This represents an increase of 446 percent (yes, 446 percent) since the collection of such statistics began in 1997.

Of these procedures, both surgical and non-surgical, 92 percent were performed on women and 8 percent were performed on men. The cost: \$12.2 billion in 2006.

These were the top five surgical cosmetic procedures (with numbers performed) among women and men in 2006:

- 1 Liposuction (403,684)
- 2 Breast augmentation (383,686)
- 3 Eyelid surgery (209,999)
- 4 Abdominoplasty (170,407)
- 5 Female breast reduction (149,314)

These were the top five non-surgical cosmetic procedures (with numbers performed) among women and men in 2006:

- 1 Botox (3,181,592)
- 2 Hyaluronic acid, also known as Restylane (1,593,954)
- 3 Laser hair removal (1,476,204)
- 4 Microdermabrasion (993,041)
- 5 Laser skin resurfacing (656,121)

While people between the ages of 35 and 50 had the majority of cosmetic procedures in the United States, the number of young people opting for these "extreme makeovers" is also on the rise. According to the American Society of Plastic Surgeons, 244,124 procedures were performed on patients ages 13 to 19 in 2006. The most common procedures for those 18 and under were laser hair removal, microdermabrasion, rhinoplasty (nose reshaping), otoplasty (cosmetic ear surgery) and chemical peels (ASAPS figures).

of several buildings offering access to independent living, assisted living and skilled nursing care, are found in suburban or rural settings. But *The New York Times* recently reported that a growing number of continuing-care retirement communities are now coming to urban areas and are geared toward an expanding market of affluent and active retirees, the first wave of retiring boomers.

These metropolitan retirement communities, which are popping up in cities like San Francisco, Philadelphia, New York, and Chicago, resemble upscale condominium projects with hotel-style amenities and services. However, they are regulated as insurance or healthcare products, depending on the state in which they are located, and must comply with licensing rules for skilled nursing and residential care facilities.

### LIKE A FIVE-STAR HOTEL

The Clare, which is a project of the Hyatt Corporation, under their Classic Residence by Hyatt banner, is currently under construction in Chicago on North Michigan Avenue in an upscale neighborhood known as the Gold Coast. This 53-story high rise will contain independent living residences and access to assisted living, skilled nursing and memory-enhancement care (for Alzheimer's patients). Like a five-star hotel, it also will offer restaurants and social lounges, a fitness room, aquatic center, day spa, art gallery, rooftop terrace, landscaped courtyard, and chapel.

According to Jackie Quinn, director of sales at The Clare, entrance fees start at \$500,000 and can go as high as \$1.2 million for apartments with the most square footage—the three-bedroom, two-bathroom models. Monthly fees range from \$2,395 to \$4,595. "We're over 85 percent sold and one year away from occupancy," said Quinn.

### NEIGHBORHOOD GROUPS HELP THOSE AT HOME

Aging boomers who don't want to move into assisted living (or can't afford pricey communities like The Clare) may find themselves part of a new movement designed to help older people stay in their own homes. This trend finds neighbors banding together to procure services so they can stay safe and comfortable in their homes as they age. It includes paying membership dues to a collective that procures transportation, home repair, security, and other necessary services.

According to several surveys, almost nine in ten Americans would prefer to live in their homes as long as possible. One AARP poll conducted in 2003 found that Americans over 45 want to stay in their own homes as they age. If they need help caring for themselves, they would prefer receiving services that allow them to stay in their current homes.

By becoming part of these communities, which are often called "villages," seniors can find rides to the grocery store or get a handyman to climb on a ladder and change light bulbs.

"Providers don't always need to do things for the elderly," said Philip McCallion, director of the Center for Excellence in Aging Services at the State University of New York in Albany in *The New York Times*. "A few neighborhood-based, relatively inexpensive, strategies can have an enormous effect."

According to *The New York Times*, New York is at the forefront of this model, with its program known as NORC (Naturally Occurring Retirement Community). Since 1995, the state has financed social services, including nurses and case managers, in many apartment buildings with a concentration of older residents. It recently added some suburban neighborhoods, too. **FMR**