Disrupting Disparities – An Action Agenda

NCSL State and Local Tax Task Force Meeting
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Disrupt Aging to Disrupt Disparities

Through AARP’s societal movement to Disrupt Aging, we are challenging outdated beliefs and sparking new solutions so we can all choose how we live as we age.

Yet, disparities in health, wealth, and communities have create inequalities that can limit or even impede individual choices and opportunities for healthy aging, successful employment and the ability to make meaningful societal contributions.

AARP’s Disrupt Disparities efforts are changing this trajectory.

Disrupt Disparities is the Action Agenda to address barriers that limit people because of ageism and the compounding effects of racism.

• Disrupt disparities projects in New York and Michigan
• The following states are beginning new efforts in 2020: Arkansas, DC, Illinois, Kansas, and Pennsylvania
New York Project Summary

Multi-year effort to identify disparities that exist among ethnic 50 and older communities and fight for solutions to disrupt these disparities.

The project included a series of policy briefs examining and highlighting disparities in the areas of:

- Health
- Economic Security
- Livable Communities

The project also included a set of policy recommendations to address disparities.
Economic Security: Key Findings

- A greater proportion of employees of color working in New York are in jobs that do not provide a retirement savings plan option.
- Deed theft scams, in which fraudsters steal people’s homes out from under them, are on an alarming rise. One stakeholder referred to deed theft as the most harmful type of scam perpetrated against older New Yorkers of color.
- New Yorkers of color of all ages face significant disparities in student loan debt, compared to white New Yorkers.
- Approximately 3 million caregivers provide more than 2.4 billion hours of care to loved ones each year. The total estimated economic value of this uncompensated care is 31 billion dollars. The average caregiver’s out of pocket costs for caregiving averages 20% of income. For Hispanic caregivers, the percentage rises to 44% of income.
Economic Security: Policy Changes/Recommendations

- **Enacted** the NYS Secure Choice program, which allows private sector employers to offer their employees the chance to open individual retirement accounts with low-cost options through payroll deduction.

- **Enacted** legislation to shield homeowners from predatory deed theft schemes and exploitation by fraudulent distressed mortgage consultants.

- **Passed** a new law to license, regulate and provide oversight of student loan providers.

- Enact a family caregiver state tax credit to support family caregivers and to recognize their significant financial contributions that reduce the demand for state-funded services.
Michigan Project Summary

Michigan’s disrupt disparities project was a nine-month, in-depth study of health care in the state culminating in a report by AARP Michigan entitled: “Disrupting Disparities: A Continuum of Care for Michiganders 50 and Older.”

The report examines disparities across several domains:

• In the prevalence of chronic disease among older adults in Michigan.
• In the availability of home and community-based long-term services and supports including family caregiver support.
• In access to broadband and telehealth.
• Across age, race, and geography.
Key Findings

• Two-thirds of Michigan seniors said in an 2018 AARP survey that they suffer from one or more health conditions. Most common among them was high blood pressure (45 percent), diabetes (22 percent), heart disease (14 percent) and depression or other mental health issues (14 percent). 12 percent reported having gone without needed care because of cost, lack of transportation, or no available timely appointments.

• Black senior Michiganders have poorer health status than their white counterparts. They have greater rates of diabetes and high blood pressure, and an increased likelihood to skip follow-up care. A decrease in the prevalence of diabetes among the senior population (65+) by one percent could decrease treatment costs by over $32.5 million.

• Family members are the primary caregivers for seniors. Michigan has 1.28 million family caregivers who provide 1.2 billion hours of care to loved ones each year. The total estimated economic value of this uncompensated care is $14.5 billion a year. (state by state data on family caregivers)

• Michigan fails to provide sufficient home and community-based options for seniors and persons with physical disabilities. Michigan ranks 40th among states in the percentage of Medicaid and state long-term services and supports funding going to home and community-based services for seniors and other adults with physical disabilities.
Policy Recommendations

• Michigan should enact a Family Caregiver Tax Credit to help offset the financial costs associated with providing care for a loved one.

• Michigan should spend more of its Medicaid long-term supports and services funding on home and community-based services. The majority of older adults living in the state prefer to receive care in their homes and communities and, on average, three Michiganders can be served in their own homes for every one person served in a nursing home. If Michigan can delay entrance for 1 percent of the 38,801 Medicaid recipients currently in certified nursing care for one year, the state could save $3.15 million in general fund Medicaid expenditures.

• The state should expand access to broadband high-speed Internet in underserved and/or remote, rural communities, as well as consider a telehealth pilot program to assess whether it is effective in helping to improve access to quality health care. An estimated 368,000 rural Michigan households do not have access to broadband internet. Just over $2.5 billion in potential economic benefit is left unrealized among disconnected households.
AARP’s Longevity Economy Report

- AARP commissioned Oxford Economics to produce state level economic contribution analysis of the Longevity Economy in the U.S.

- The Longevity Economy is the sum of all economic activity driven by the needs of Americans aged 50 and older including purchased products, services, taxes, and labor force participation.

- This data disrupts the misconception that the 50 and older population is an economic burden and a lackluster-consumer group. Consider:
  
  - RI: 37% of the population; 48% total economic contribution equaling $27.8 billion
  - LA: 34% of the population; 38% total economic contribution equaling $93.3 billion

- Report will be updated in 2020 using 2018 data

Rhode Island

The longevity economy is the sum of all economic activity in Rhode Island that is generated by the consumer spending of individuals aged 50 or older, both in Rhode Island and elsewhere. It is dependent on spending by seniors, either in-state or out-of-state. This includes spending on housing, groceries, healthcare, and travel, among other things. The elderly population contributes significantly to the state's economy, with 12% of the state's workforce being aged 50 or older. This percentage is expected to increase in the coming years.

Economic Impact of the Longevity Economy

- **State GDP**: $27.9 billion (46%)
- **Employment**: 343,000 (56%)
- **Labor Income**: $18.9 billion (50%)
- **State & local tax**: $2.8 billion (45%)

Jobs Impact by Sector

- Education & Health Services
- Trade, Transportation & Utilities
- Leisure & Hospitality
- Professional & Business Services
- Financial Activities
- Other Services
- Manufacturing
- Other

Consumer Spending

- **Spending over $50**: 68%
- **Spending under $50**: 32%

Labor Force Status by Age

- Not in the labor force
- Unemployed
- Employed, government
- Employed, not for profit
- Employed, private sector
- Unincorporated

Occupation by Age

- Production, transportation
- Construction, agriculture
- Administrative support
telecommunication
- Real estate, insurance, financial services
- Health
- Professional, artists
- Legal, protective, military
- Science, engineering
- Management, business

Real Possibilities by AARP
Louisiana

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