

**Summary**  
**A Blueprint for 2010**

*Preparing Minnesota for the*

*Age Wave*

## About the Blueprint

The Blueprint for 2010 summarizes the discussions held with Minnesotans during 2006 about actions Minnesota needs to take to address the permanent shift in the age of its population. Based on the input received, five themes for action were developed as a framework around which to organize the strategies and action steps suggested to respond to the most critical impacts of the age wave. The Blueprint serves as an action plan for how all sectors of Minnesota can prepare for the dramatic demographic changes that are on the horizon.

This Blueprint is not just about what state government needs to do to prepare for the aging of our population. Rather it includes “what needs to be done” by all sectors within the state, including individuals and families, communities, businesses, providers, as well as state and local government.

This is a brief executive summary of the Blueprint. A complete copy of the Blueprint is available online at <http://www.dhs.state.mn.us/2010/> or by writing Transform.2010@state.mn.us to request a copy.

## Background

- In less than four years, in 2011, the large baby boom generation—born between 1946 and 1964—will begin to turn 65 and, for the next 25 years, the aging of the population will dominate the demographic landscape.
- By 2030, the number of Minnesotans over age 65 will double, rising to 1.3 million, and older people will represent over 20 percent of the state’s population. Between 2005 and 2050, the numbers of persons 85+ will more than triple, rising from 95,000 to 324,000.
- This age wave will usher in a permanent shift in the age of our state’s population and, for the first time, we will age not just as individuals but as a society. Such a major shift in the age of our population has never happened before, and policymakers here and around the world are preparing for both the opportunities and the challenges that this dramatic change represents.

## Transform 2010

- In order to prepare Minnesota for this demographic shift, the Department of Human Services in 2006 launched Transform 2010 in partnership with the Minnesota Board on Aging and the Minnesota Department of Health.
- The purpose of Transform 2010 is to identify the impacts of the aging of our state’s population and to transform our policies, infrastructures and services so that Minnesota can survive and even thrive as this permanent shift occurs.
- The year “2010” was chosen as the target for action because it is the year before the large baby boom generation begins to turn age 65.
- In 2006, the Minnesota Board on Aging and the Departments of Human Services and Health co-sponsored a series of meetings across the state to discuss the issues of an aging Minnesota with a broad range of citizens. More than 1,000 individuals participated in these meetings, including representatives from counties, health and long-term care providers, volunteer organizations, older persons, advocates, citizens, local elected officials, businesses and representatives of ethnic, immigrant and tribal communities.

- The participants were asked to discuss issues related to the aging of the state’s population and suggest actions that individuals, communities, providers, businesses and government must take to prepare for 2010 and beyond. More than 60 pages of ideas were generated through this process.
- The Transform 2010 partners also brought together a group of state agency staff in 2006 to discuss the effect of the state’s aging on state agencies and what actions are needed to prepare state government for these demographic changes. The group now includes representatives from 16 different agencies.

### What we heard from Minnesotans

- It is clear from all these discussions that the effects of the aging of our state are already visible, especially in the rural portions of our state, where communities have been dealing with the effects of “2030 demographics” for several years. Throughout the state, there are worries about labor shortages; the future of Social Security, Medicare and private pensions; the capacity of the health and long-term care systems to meet the upcoming challenges; and the ability of families to continue their high levels of eldercare into the future.
- On the more positive side of the ledger, there are exciting new discussions about vital aging and the “third age” of life. Individuals are retiring from career jobs to pursue new businesses, expand their community service or initiate civic engagement projects and are seen as a valuable resource to their communities. There is a committed cadre of providers and leaders in all sectors of the state who understand the urgency of these issues and are reinventing their services with an eye to the coming age wave. In addition, public awareness of the aging of the baby boom generation and its impact on society is growing.
- More than this, however, our Transform 2010 discussions reveal broad consensus among citizens about what needs to be done to prepare for the dramatic changes ahead for an aging Minnesota. They understand that individuals must assume personal responsibility to prepare for their later years but also recognize that significant system transformation is necessary for the state to survive and even thrive during the next 30 years as its age changes dramatically.

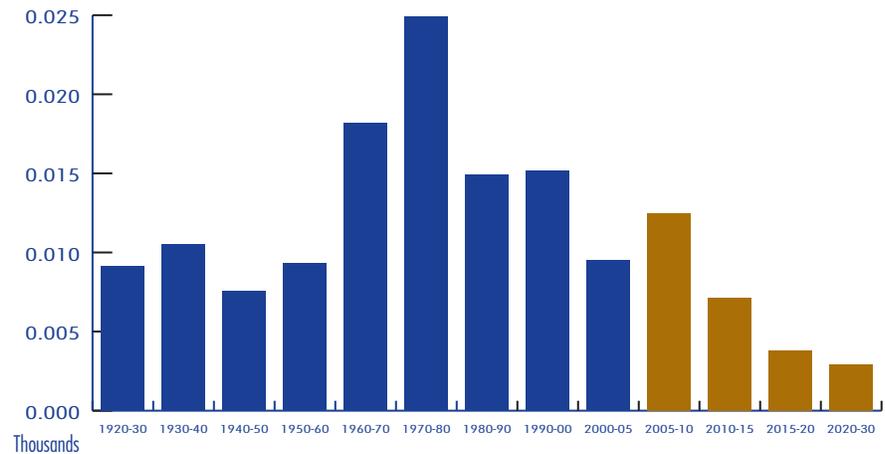
### Demographic Trends and Issues

**In the next 50 years, most of the growth in Minnesota’s population will occur in persons over 50.** In a dramatic reversal of traditional demographic trends, by 2020 Minnesota will have more retirees than school age children.

**Minnesota’s future population will be much more diverse than ever before.** The tremendous growth in the immigrant and ethnic populations in Minnesota during the past 30 years has largely been in the younger ages, and 21 percent of Minnesota’s population under age 15 will be nonwhite by 2030.

**Labor shortages are already visible in parts of Minnesota and will become more acute.** Labor force growth will slow dramatically beginning in 2010 and continue that trend into the foreseeable future. Minnesota’s average annual labor force growth reached 2.5 percent in the 1970s and 80s but the growth rate will be only 0.25 percent between 2020 and 2030.

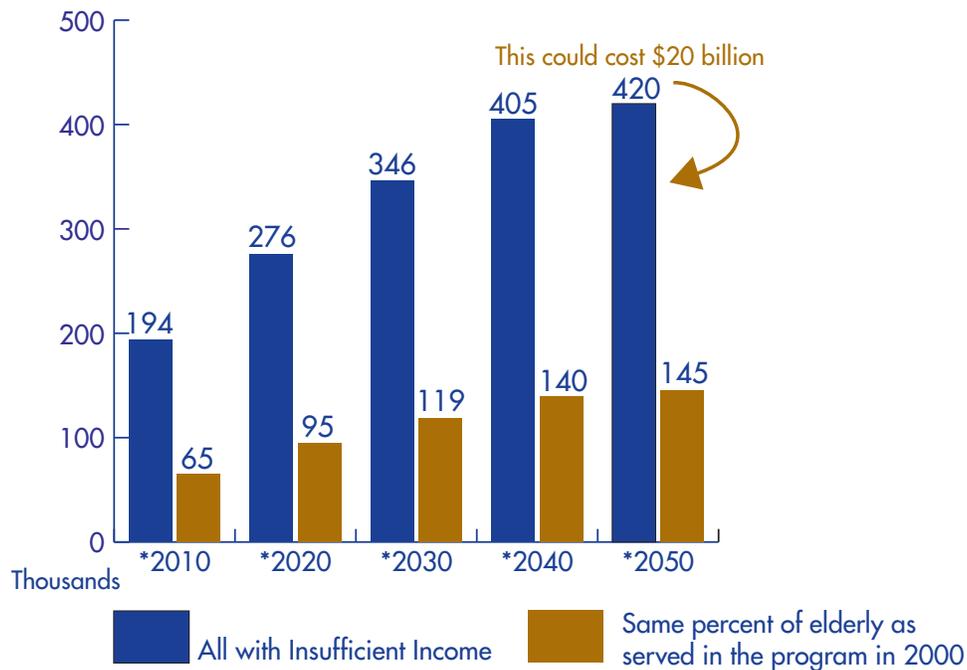
**Minnesota's Average Annual Labor Force Growth Rate: 1920 - 2030**



**Many Minnesotans are having trouble saving for retirement and old age.** About one-half of Minnesota's employees work for an employer that offers a retirement plan. These workers have the highest participation rate in employer-sponsored plans in the country at 67.6 percent for full-time workers. However, the other half of our workers do not have a retirement plan at work and are having trouble saving. It is projected that up to 29 percent of Minnesotans born between 1936 and 1964 are at very high risk of having inadequate retirement income and unable to afford health and long-term care costs. If all those at high risk of inadequate income applied for assistance from the Medical Assistance program (420,000 elderly in 2050), the public costs would soar to unsustainable levels.



**Projected Number of Elderly Served in the Medical Assistance Program In Minnesota: If all at high risk of insufficient income applied for assistance**



**Families are changing in ways that have many implications for an aging society.**

Dramatic changes are underway in families. Families are becoming smaller, with less than two children the norm today compared to three a few decades ago. Growing numbers of individuals do not have children at all. Higher rates of divorce and remarriage are creating many more blended families and challenging traditional patterns of care and affinity.

**Minnesota has one of the lowest disability rates in the nation but this may change.**

Age-adjusted disability rates are declining among the older population. However, because we will have so many more older people, we actually will have an increase in the number of older persons with disabilities in the future. There are also troubling increases in health problems affecting younger age groups, even young children. Thus, there are signs that disability rates and related health problems, such as obesity and diabetes, may be on the rise.

**Preparing for 2010: Themes for Action**

The actions suggested by Minnesotans at the Transform 2010 meetings were organized under five themes, and grouped by broad strategies within each theme.

**1. Redefining Work and Retirement**

**Minnesota should encourage individuals to continue working in both paid and nonpaid roles, and prepare for their retirement and old age.**

**Why is this important?**

The first wave of the baby boom generation will reach early retirement age (62) in 2008. This generation represents a tremendous resource to the state and surveys indicate that boomers want to keep “working” in their “retirement” and stay engaged. By doing so,

they will redefine both work and retirement. Minnesota's employers will need these mature workers to address an expected labor shortage as fewer younger workers come into the labor force. However, many of the policies that govern continued work and retirement are obsolete and do not offer the options that mature workers want. In addition, many boomers are not prepared for "retirement" and their old age because they have not planned financially or otherwise for their later years.

### **What needs to be done?**

1. Transform public and private retirement and employment policies to better reflect demographic realities and support continued work.
2. Transform Minnesota's post-secondary education system and employer-based training to meet the education and training needs of an aging workforce.
3. Increase the number of employers that offer retirement plans.
4. Engage Minnesotans in vital aging opportunities — nonpaid volunteer or civic engagement options — as they age.
5. Expand the options available to individuals to pay for long-term care costs.
6. Strengthen federal income and health programs that provide the foundation for individual retirement security.

### **Examples of suggested action steps**

- Increase availability of flexible work arrangements in the workplace as a way to retain mature workers.
- Encourage employers to automatically enroll all workers in retirement plans ("opt-out" option).
- The state should provide objective, easy-to-understand information on long-term care options for consumers.
- Require financial literacy education in K-12 and post high school to educate students about money, savings and debt.
- Provide supplemental health insurance to older volunteers who need wrap-around coverage for Medicare.

## **2. Supporting Caregivers of All Ages**

**Minnesota needs to slow the decline of family caregiving by offering eldercare in all workplaces and redesigning services to wrap around family care.**

### **Why is this important?**

The vast majority of care (92 percent) needed by older people in Minnesota is provided by family caregivers, especially spouses, daughters and daughters-in law. Because of dramatic changes underway in families, the percent of care provided by families is likely to decline in the future. Such trends as reduced number of children, longer life expectancy and the high labor force participation rates for women in Minnesota, could further reduce the ability of families to provide care. Research shows that for every 1 percent decline in family caregiving in Minnesota, it costs the public sector an additional \$30 million per year. Nearly 60 percent of Minnesota's caregivers are working, and they are seeking eldercare services in order to be productive at work and continue their caregiving.

## What needs to be done?

1. Offer eldercare supports in all Minnesota workplaces.
2. Increase the supply and types of caregiver supports and the public awareness of the services.
3. Activate networks of neighbors and faith communities to support individuals who do not have family or other social support.
4. Ensure that grandparents raising grandchildren have access to existing programs intended to help families with children.

## Examples of suggested action steps

- Develop local one-stop resource centers for caregivers of all ages.
- Broaden the Family Medical Leave Act (FMLA) to include more relatives who can be cared for.
- Publicize Minnesota’s consumer-directed options that pay families, friends or others to provide care and assistance to frail elderly in publicly funded programs, similar to the “Vermont” model.
- Encourage new types of housing, such as co-housing or “Golden Girls” homes, which offer social and peer support for single older adults.
- Examine current public and private programs and remove barriers for grandparents seeking services for their grandchildren.

## 3. Fostering Communities for a Lifetime

**Minnesota’s communities should be good places to grow up and grow old, and offer physical, social and service features for their residents of all ages.**

### Why is this important?

According to national surveys and the most recent Survey of Older Minnesotans, most boomers and current older people want to remain in their own homes and communities as long as possible and age in place there. They are more likely to be able to do so if they live in communities for a lifetime. These communities incorporate elements needed to provide the physical, social and service supports needed by their residents of all ages and abilities. Communities can be an important source of affordable support for persons as they age because of the availability of neighbors, friends and volunteers willing to help with day-to-day activities. There have been many excellent efforts begun over the past 10 years to create communities for a lifetime in various parts of the state. A more coordinated and comprehensive approach is needed to achieve the goal of establishing the key elements of communities for a lifetime in all Minnesota communities.



### What needs to be done?

1. Support assessment and planning efforts within local governments to develop healthy communities for a lifetime.
2. Transform the physical infrastructures of communities to achieve a range of housing and mobility options and accessible community design.
3. Foster social connections that build community among residents and nurture a sense of responsibility across generations.
4. Expand the range of products and services that help community residents stay independent and engaged as they age.

### Examples of suggested action steps

- Promote the principles of “visitability” and core universal design features in new housing construction.
- Set a goal that 50 percent of Minnesota communities will have the key elements of a community for a lifetime by 2010, and 100 percent by 2015.
- Make changes in highway and road systems that help older people drive safely longer, e.g., larger street signs, non-glare paint for roads and signs, assistive devices on cars.
- Expand the number of communities that have Living at Home/Block Nurse programs, parish nurse programs and faith-in-action models that focus community attention and time on older residents who need help to stay in their homes.
- Local businesses should research needs of older households and develop product offerings to meet these needs.
- Design a major public campaign to create “eyes and ears” on the street that help protect vulnerable adults in their neighborhoods and report unusual changes in behavior.

*“Design for the young and you exclude the old; design for the old and you include the young.”*

*Bernard Isaacs,  
founding Director  
of the Birmingham  
Centre for Applied  
Gerontology*

## 4. Improving Health and Long-Term Care

**Minnesota must transform its health care, promote good health for all, improve chronic care and intensify its long-term care reform.**

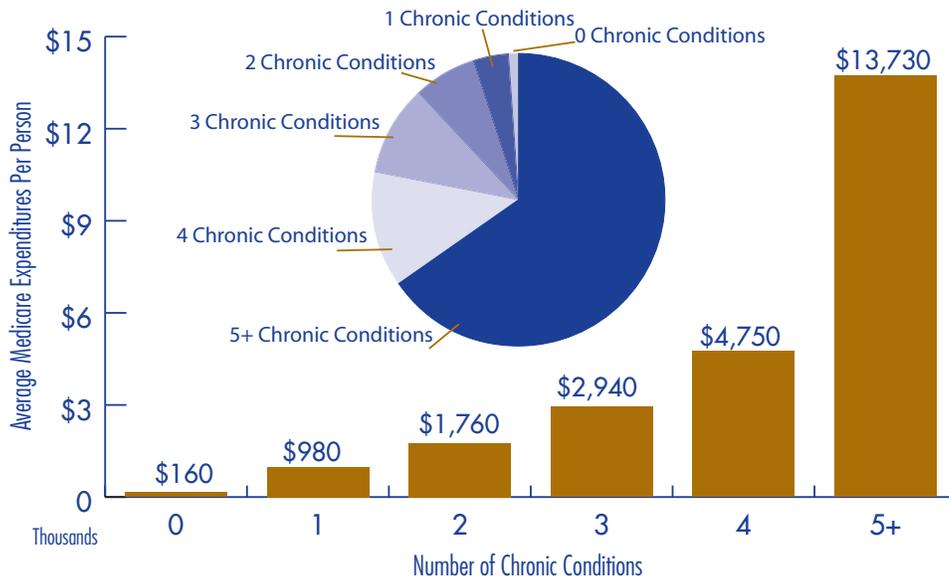
### Why is this important?

One of the greatest challenges of 2010 and beyond will be the increased need for health and long-term care by an aging population. As the prevalence of chronic conditions such as diabetes, arthritis and Alzheimers disease continues to rise, good “chronic care” within a reformed health system will become a necessity. A transformation of long-term care will be needed to serve the dramatic increases in the boomers who begin to turn age 85 beginning in 2030. Although important reforms have begun, such as reducing our reliance on institutional models, our current long-term care system does not provide the degree of control that boomers will demand over where care is provided, who provides the care and how it is provided. In addition, given the projections for growing vacancies in health and long-term care fields, major efforts are required to recruit and retain the workforce needed by 2030.

Promoting good health is growing in importance but there are still many individuals who have not made needed lifestyle changes. Minnesota continues to have troubling health disparities between its ethnic, immigrant and tribal communities and its white

community, which need to be addressed. In addition, experts predict that boomers will demand mental and chemical health services in greater numbers than earlier cohorts, and our service systems will be stretched trying to meet these increased needs.

**Two-thirds of Medicare Spending is for People with 5+ Chronic Conditions**



**What needs to be done?**

1. Transform health care in Minnesota so that it provides access and quality at an affordable cost for all Minnesotans.
2. Ensure that Minnesotans have access to good chronic care management and receive standards of care known to be most effective.
3. Transform long-term care to increase consumer control over the where, who and how of service provision.
4. Provide individuals with the information they need to make good decisions about lifestyle and health habits.
5. Recruit and retain a stable health and long-term care workforce that has geriatric competence to serve older people.
6. Prepare the mental and chemical health systems for increased demand from aging boomers.

**Examples of suggested action steps**

- Change Medicare reimbursement to pay physicians to integrate and coordinate care for their patients with chronic conditions.
- Rethink the role of the nursing facility of the future and develop new design, staffing, distribution and reimbursement features for these facilities.
- Use consumer-directed models of care to tailor long-term care services to meet the special needs of ethnic, immigrant and tribal elders.
- Redesign home care to better package the services so home care can more easily be compared to other “bundled” options, such as assisted living.

- Provide information on healthy living to all ages, especially young children and model the program after the successful no-smoking campaign.
- Make sure local schools have strong math and science programs, and encourage students to pursue these studies and enter health and long-term care fields.

## **5. Maximizing Use of Technology**

**Minnesota should use technology to maximize the benefits and minimize the hazards that accompany its permanent age shift.**

### **Why is this important?**

Given the increases in the older population in the future, there will be a great need for new and innovative ways to meet the pressures and demands for additional products and services. Technology will be the key to addressing these demands. Baby boomers have a fascination with technology. They have lived during a time of huge advances in technology and believe that, eventually, technology will solve most human problems and maladies. While technology can offer treatments to improve quality of life and reduce costs, the existence of these procedures will increase consumer demand, which will also fuel the rising cost of health care.

### **What needs to be done?**

1. Transform health care through use of evidence-based technology, achieving both efficiencies and savings while improving outcomes and quality.
2. Expand the use of technology that helps people help themselves, e.g., home modifications, assistive devices and safety systems.
3. Use telehealth and related technology to address worker shortages and distance issues.
4. Utilize the Internet and related technology to expand access to information about resources for consumers and their families.
5. Redesign management information systems to support performance and results measurement.

### **Examples of suggested action steps**

- Implement interoperable electronic health records in Minnesota to improve continuity and quality of care.
- Expand access to and reimbursement for communication devices and services for the deaf, the hearing impaired and vision impaired and other individuals needing special communication assistance.
- Design web-based tools that help individuals (without the need for professionals) to assess their needs, identify realistic options and choose a course of action, then find the services and resources to support that course of action.
- Create or designate one-stop centers for assistance with housing-related technologies, such as home modifications and similar options so that individuals can more easily make their homes accessible and supportive.

## Conclusion

**The aging of the baby boom generation and the permanent age shift ushered in by this age wave is the most significant demographic trend we will experience over the next 50 to 100 years and is a major achievement of modern society.**

Living longer and healthier lives brings with it tremendous potential and economic and social opportunity for both individuals and society. Many of the European countries have populations older than ours and they appear to be responding to and accommodating these demographic shifts. The key is to ensure the active participation and integration of older people in the ongoing economic and social life of their communities. Seen through this lens, the age wave of baby boomers is not a problem but rather an opportunity to extend economic growth and productivity into more years, and spur us to make needed changes in our retirement and health systems, in the workplace and in our communities.

Of course, this permanent age shift also brings with it significant challenges. Pressures on pension systems, health and long-term care services and family caregivers all require systemic policy responses. Also required is significant individual action to prepare for one's own later years, through continued work, active engagement, "self-investment" and healthy lifestyles.

Transform 2010 has given Minnesotans a chance to look at the demographic realities of Minnesota's age wave and suggest strategies and action steps. Taking the actions outlined in the Blueprint for 2010 will help ensure continued economic vitality and quality of life for all Minnesotans as we age. Minnesotans believe that we can meet both the opportunities and the challenges presented to us by the age wave, but doing so requires that we start now.

## Next Steps

The state agencies involved in Transform 2010 are committed to a leadership role in moving the Blueprint forward by:

- Keeping these issues in the public eye and on the policy agenda.
- Disseminating the Blueprint to all those who participated in the earlier discussions, as well as the change agents who can influence action.
- Rethinking and transforming the programs and services the state administers in order to accommodate and respond to an aging Minnesota.
- Monitoring progress toward meeting the challenges outlined in this Blueprint, using benchmarks to measure our progress.
- Completing additional work on key issues areas that require immediate attention and monitoring emerging trends and issues related to the aging of Minnesota.
- Developing an implementation plan for this Blueprint that establishes goals and timelines, and identifies the change agents that need to be involved in order to accomplish the changes needed by 2010.

*"The art of prophecy is very difficult, especially with respect to the future."*

*--Mark Twain*

For additional information on this report, contact  
Transform.2010@state.mn.us or visit the DHS website at  
<http://www.dhs.state.mn.us/2010>

This information is available in other forms to people with disabilities by calling  
651-431-2590 (voice), toll-free at 1-800-333-2433 or 1-800-627-3529 (TTY service).



Minnesota Department of **Human Services**