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**EXTENSION**

# **Regional Determinants of Older Adult Migration Flows: Understanding Patterns and Potential Issues**

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**Mississippi State University Extension**

## What We Will Cover

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- Migration patterns of the aging population
- Financial readiness of Baby Boomers
- Actions to improve MS's ability to respond to the aging of the population

## The Maturing of Mississippi

- Median age in Mississippi: 36 in 2010 to 37.1 in 2016
  - 1.6 times faster than the national average (37.2 in 2010 and 37.9 in 2016)
  - 15<sup>th</sup> fastest growing state of the population aged 65 and over

	1990	2000	2010	2016
Total Population	2,573,216	2,844,658	2,967,297	2,988,726
65 and over	321,284	343,523	380,407	450,941
65 and over (% of total)	12.5%	12.1%	12.8%	15.1%
Total Pop growth (%)		10.5%	4.3%	0.7%
The 65+ pop growth (%)		6.9%	10.7%	18.5%

Data Source: Decennial Census for 1990, 2000, and 2010; 2016 Population Estimates

- Growing older adult population in Mississippi because of aging baby boomers (!), increasing life expectancy (!) and inflow of older population from other states (?)

## Components of Senior Population Change in Mississippi

- Knowledge of the size of the aging population is important for a variety of policy discussion, ranging from the use of health care to the political consequences of a changing electorate
- Balancing equation of population growth of senior group:

$$r_{65+} = b_{65+} - d_{65+} + m_{65+}$$

- $r_{65+}$ : growth of the population aged 65 and over
- $b_{65+}$ : new arrivals at age 65,  $d_{65+}$ : death
- $m_{65+}$ : net-migration = in-flow – out-flow

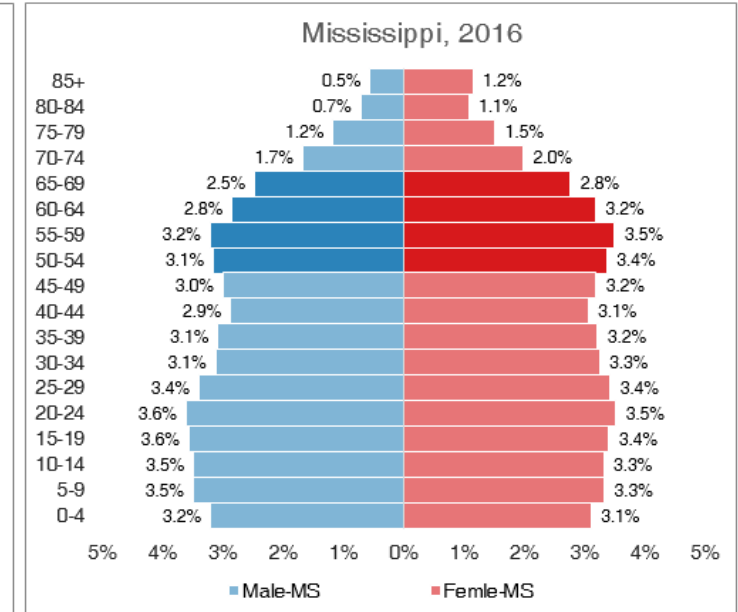
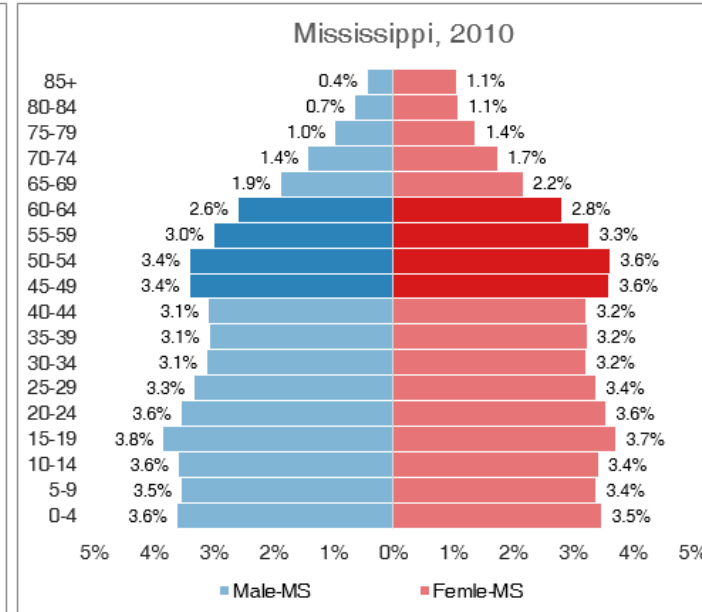
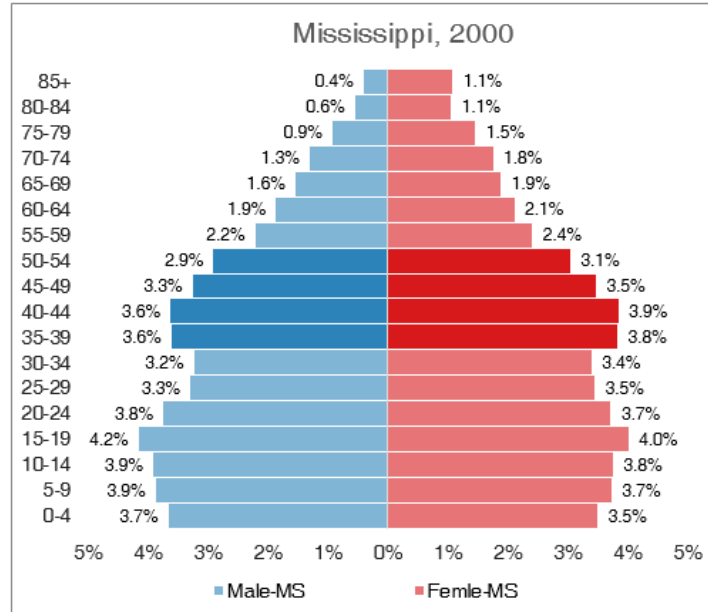
	2000	2010	2016
65 and over	343,523	380,407	450,941
Senior Pop growth (%)	6.9%	10.7%	18.5%
Baby boomers in 65+	0%	0%	34.7%
Life expectancy at age 65	16.9	17.5	?

Note: Life expectancy at age 65 in 1989-91 is 16.5

Data Source: Decennial Census for 2000, and 2010; 2016 Population Estimates; CDC (1999-2001 for 2000; 2007-2009 for 2010)

## Increase in Aging of Baby Boomers

- Baby boomers: people who was born between 1946 to 1964 that described the phenomenon of massive increase in birth following World War II
- The first of baby boomers reach age 65 in 2011
- The aging population can be accelerated by the year of 2030
  - In 2030, one in five Americans will be 65 or older



## Migration of Senior Population in Mississippi

2010	Total	Moved:	Within same county	From diff. county, MS	From diff. state	From abroad
All ages	2,901,139	15.7%	8.8%	3.9%	2.7%	0.3%
55-64	329,960	7.4%	4.2%	1.5%	1.5%	0.2%
65-74	206,020	5.5%	2.9%	1.3%	1.2%	0.1%
75 and over	163,317	6.5%	3.8%	1.6%	1.0%	0.1%
2015	Total	Moved:	Within same county	From diff. county, MS	From diff. state	From abroad
All ages	2,953,205	13.9%	7.5%	3.7%	2.4%	0.3%
55-64	368,460	6.8%	3.6%	1.7%	1.3%	0.2%
65-74	240,051	4.7%	2.5%	1.2%	0.9%	0.1%
75 and over	174,782	5.7%	3.2%	1.5%	0.8%	0.2%

Note: Population 1 year and over

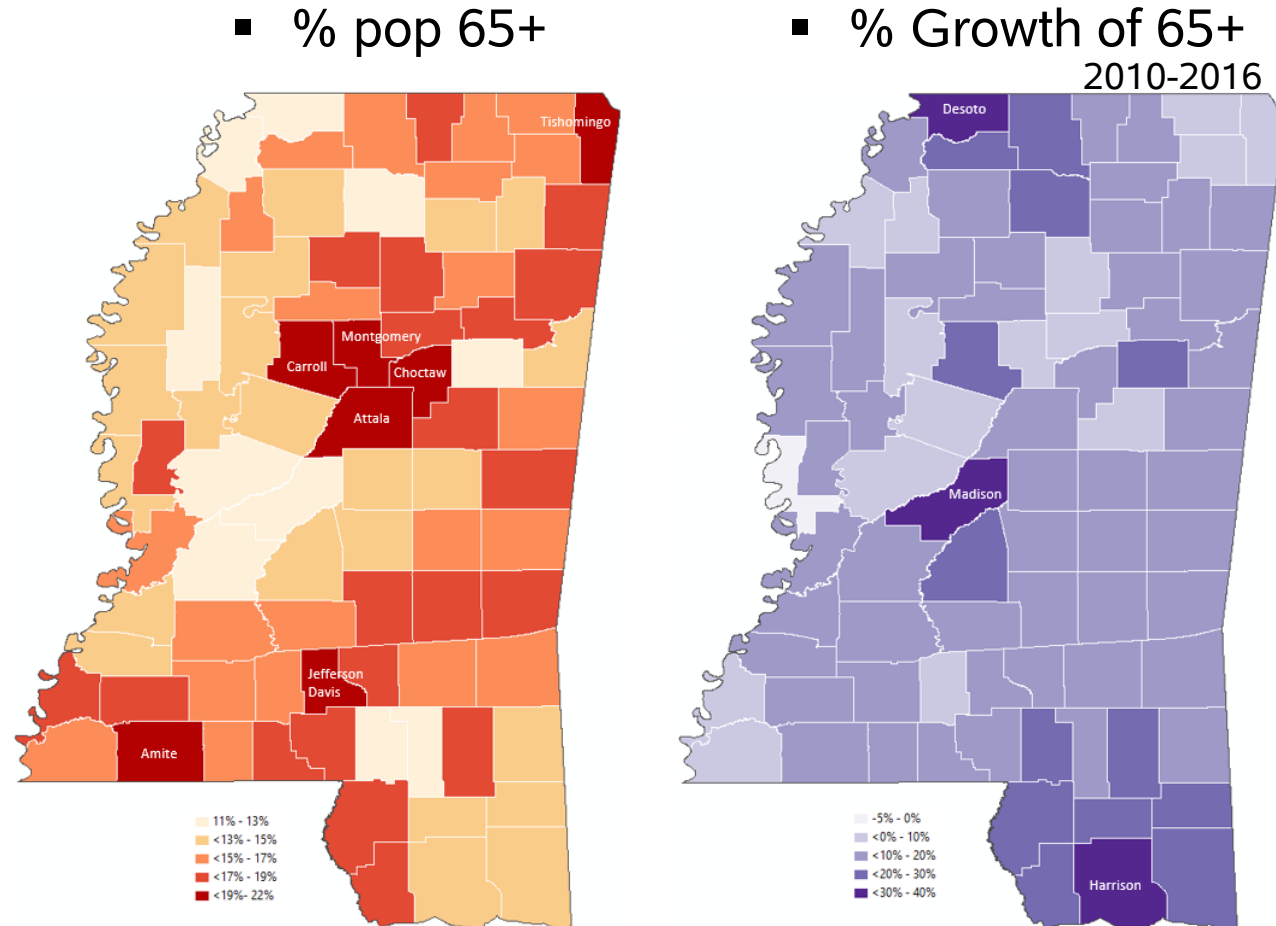
Data Source: 2006-2010/ 2011-2015 ACS 5-Year Estimates

## Impact of Senior Migration

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- The financial loss for sending state/county vs gain for receiving state/county
- Economic benefits for receiving state/county and how to attract retired migrants
- Economic benefits for receiving state/county
  - Mailbox economy: goods and services purchased in the receiving community using externally derived mailbox-economy funds simulate local economies
  - Income from Social Security, private pensions, and certain forms of equity income will follow retirees
  - Migrating retirees do not compete for jobs in the local labor force
- The older migrants drive a need for additional government services or enhance a local government's economy and tax base without imposing heavy demands on local services (Ducombe et al., 2003)

## Population Proportion of 65+ in the County level

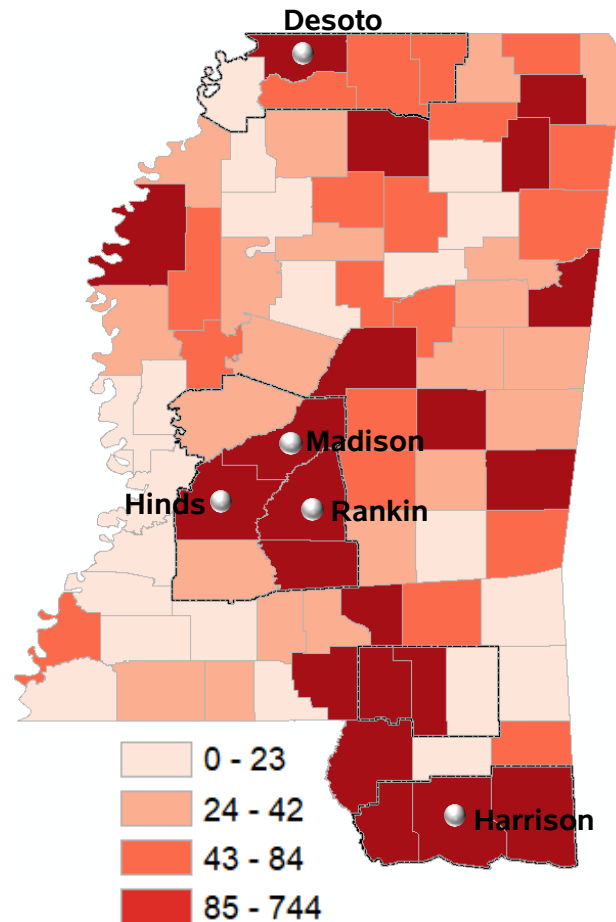


- Growth of senior population in the county level
- Components of changes:
  - Size of new arrivals at age 65
  - Mortality rate
  - (domestic) Net migration = inflow - outflow
  - Domestic inflow (outflow) = migration from (to) different county in Mississippi + migration from (to) different state (not count moving within the same county)

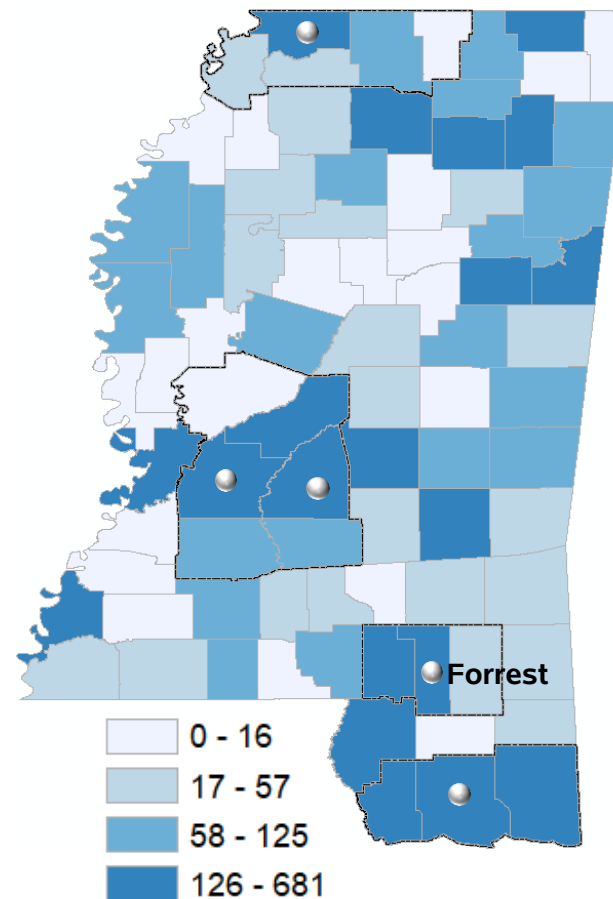


## Domestic Migration of 65+ in County

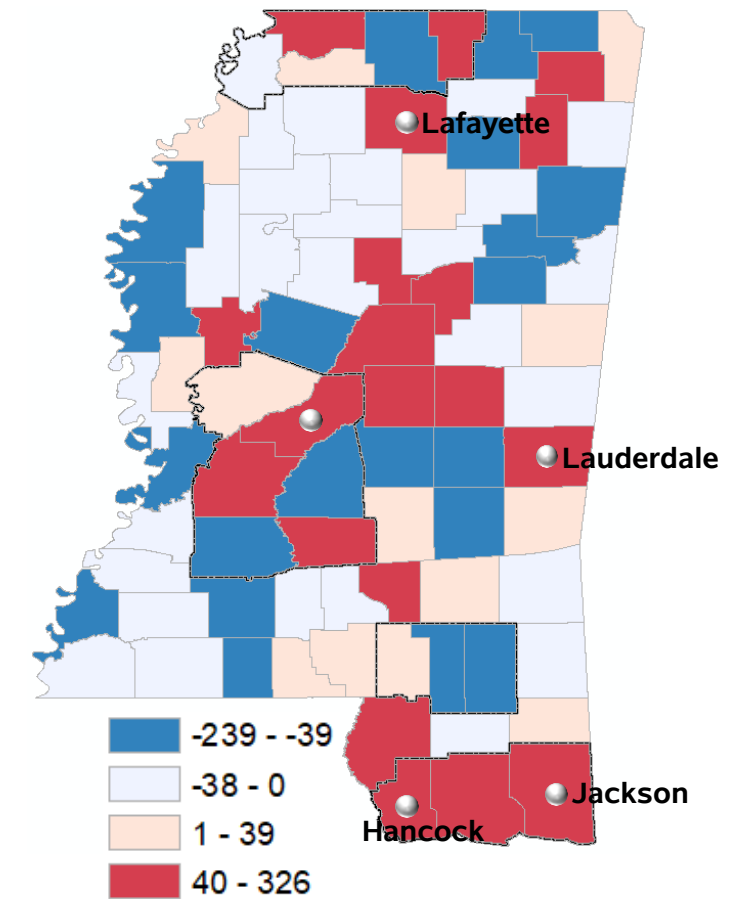
### ■ In-migration



### ■ Out-migration

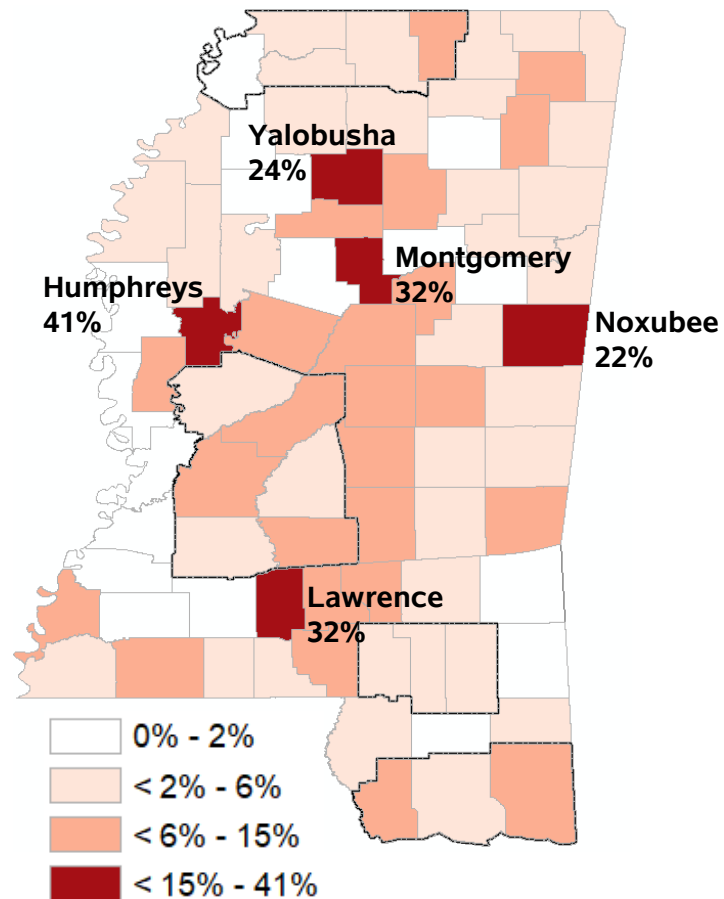


### ■ Net-migration

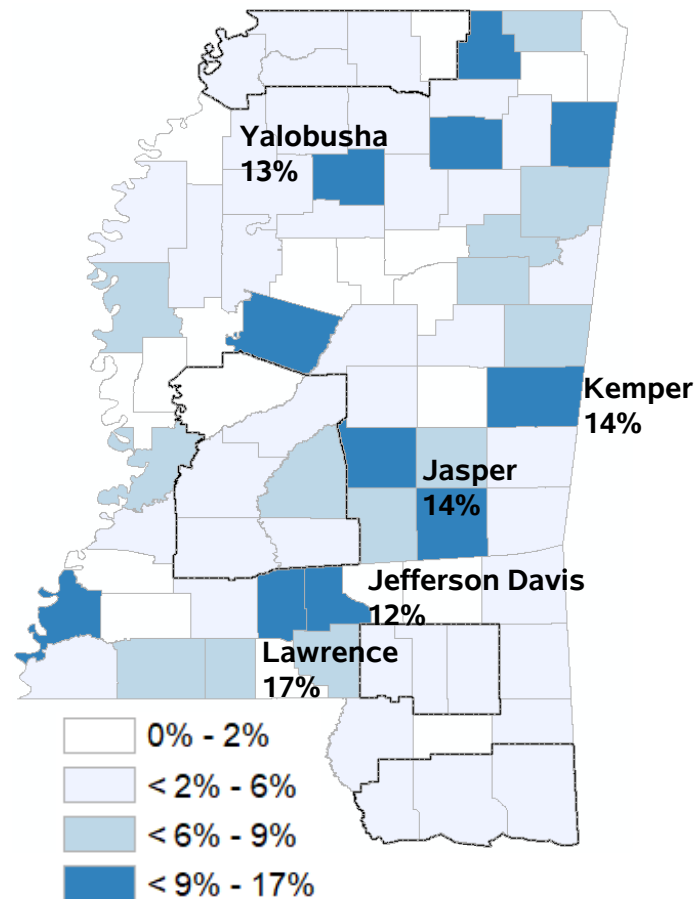


## Domestic Migration of 65+: % of Total Migration in County

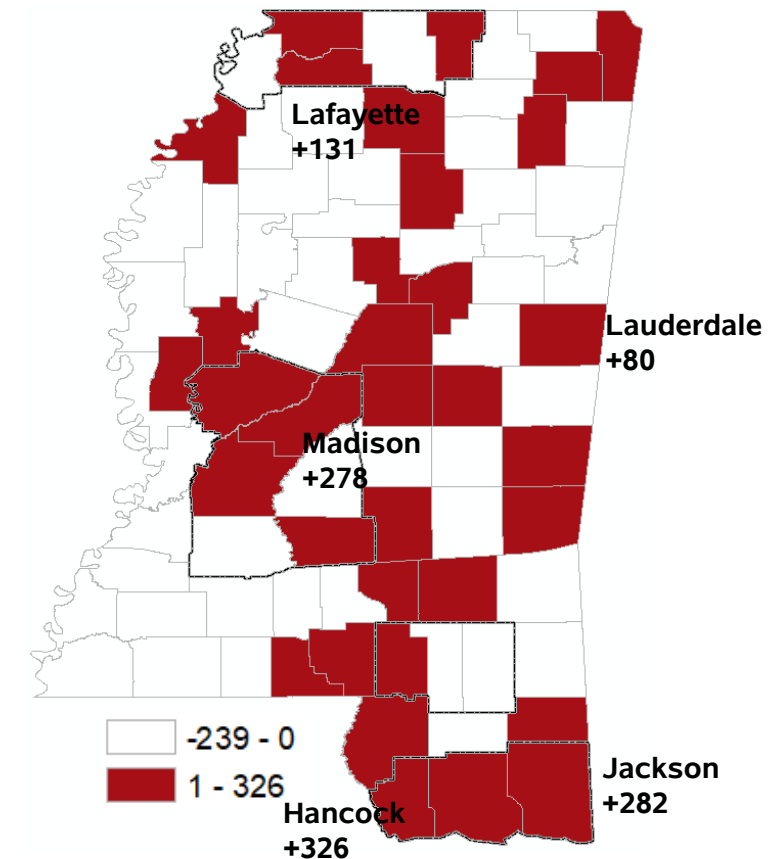
### ■ In-migration



### ■ Out-migration



### ■ Gain Counties



## Regional Factors of Pull- and Push- Migration

	Pull-	Push-	Mixed
Tax burden		Inheritance tax, Income tax and Sales tax	Estate taxes and Property tax
State or local Expenditure	Public safety	Welfare, Recreation and Education	Housing
Climate		Cold days	Clear days and Humidity
Natural Amenity	Rural; Land use diversity and water amenities		
Cost factors		Higher violent crime rate	House value
Population	Population density Urban areas Population in age 65+		Unemployment rate
Health Service	Medical specialist Hospital service Local healthcare access	Nursing home	

\* References available in final slide and upon request.

## Correlation between In-migration of Old Adult and Regional Characteristics

	In-migration	Pr (>  t )
Rurality	-0.68	***
Population	0.68	***
65+ population	0.70	***
Population density	0.67	***
Food Environment Index	0.32	***
Primary care physicians	0.08	
Dentist	0.24	**
Mental health provider	0.17	
Air pollution	0.29	***
Health care service	0.62	***
Community and social care service	0.61	***
Personal care service	0.55	***

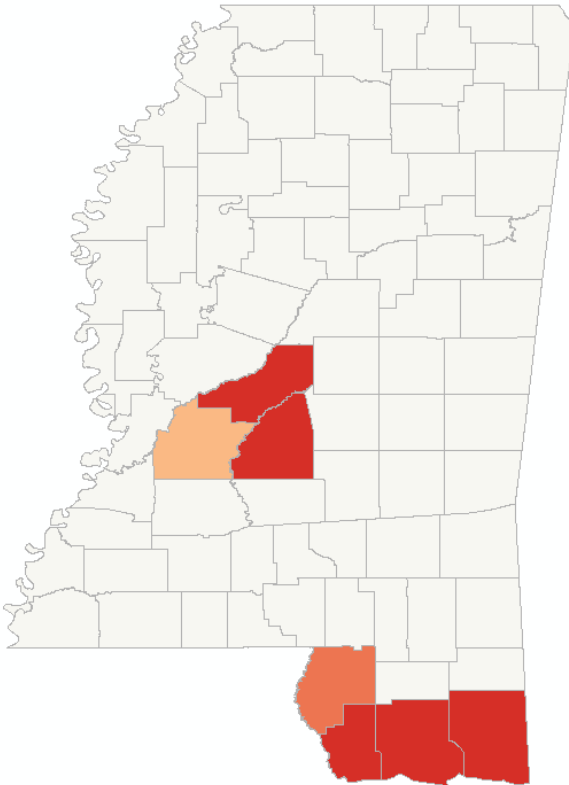
- More urbanized counties with more population and with bigger senior group are strongly related to more inflow of older adult the county
- The places that provide more health care service, community and social care service and personal care service are related to more inflow of older adult to the county

Note: Significance levels of 10 percent, 5 percent, 1 percent are denoted by \*, \*\*, \*\*\*.

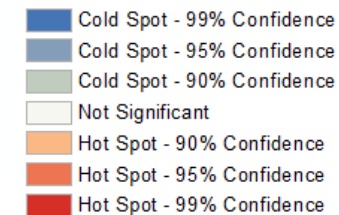
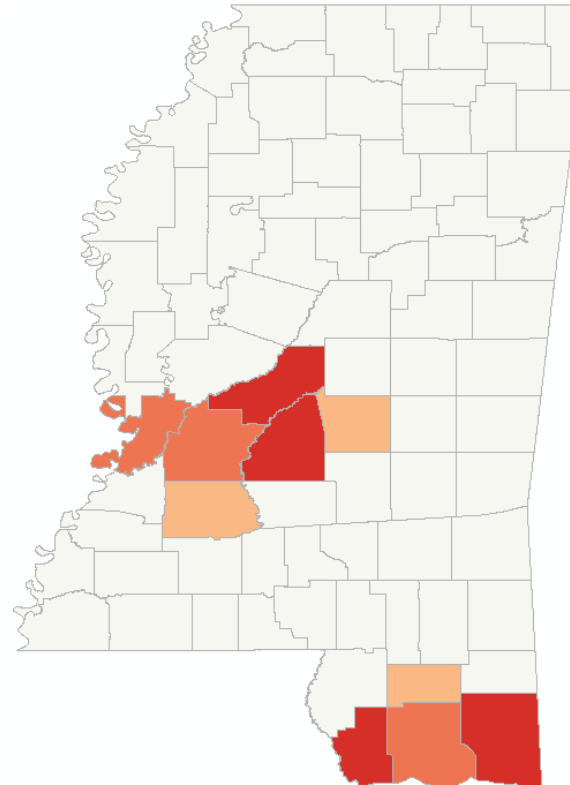
## Questions and Next step

- Spatially clustered? Hot spot-cold spot analysis

- In-migration



- Out-migration



- How to measure natural amenity, quality of life and quality of healthcare service?
- Migration is spatially correlated?
- Individual characteristics of the choice of migration destination?
- Mississippi has different migration patterns from the other states?

# Financial Readiness of the Baby Boom Generation

Baby boomers began reaching age 65 in 2011

- 26 million so far
- another 50 million will turn 65 over the next 10 years
- 10,000 retire each day

## The generation of...

“I hope I die before I get old”

The Who



### Lyrics

People try to put us d-down (talkin' 'bout my generation)  
Just because we get around (talkin' 'bout my generation)  
Things they do look awful c-c-cold (talkin' 'bout my generation)  
I hope I die before I get old (talkin' 'bout my generation)

This is my generation  
This is my generation, baby

Why don't you all f-fade away (talkin' 'bout my generation)  
Don't try to dig what we all s-s-say (talkin' 'bout my generation)  
I'm not trying to 'cause a big s-s-sensation (talkin' 'bout my generation)  
I'm just talkin' 'bout my g-g-g-generation (talkin' 'bout my generation)

My generation  
This is my generation, baby

Why don't you all f-fade away (talkin' 'bout my generation)  
And don't try to d-dig what we all s-s-say (talkin' 'bout my generation)  
I'm not trying to 'cause a b-big s-s-sensation (talkin' 'bout my generation)  
I'm just talkin' 'bout my g-g-generation (talkin' 'bout my generation)

This is my generation  
This is my generation, baby  
My, my, my generation

People try to put us d-down (talkin' 'bout my generation)  
Just because we g-g-get around (talkin' 'bout my generation)  
Things they do look awful c-c-cold (talkin' 'bout my generation)  
Yeah, I hope I die before I get old (talkin' 'bout my generation)

This is my generation  
This is my generation, baby  
My, my, my generation

this is my generation  
(Talkin' 'bout my generation) this is my generation  
(Talkin' 'bout my generation) this is my generation  
(Talkin' 'bout my generation) this is my generation  
(Talkin' 'bout my generation) this is my generation

Songwriters: Peter Townshend

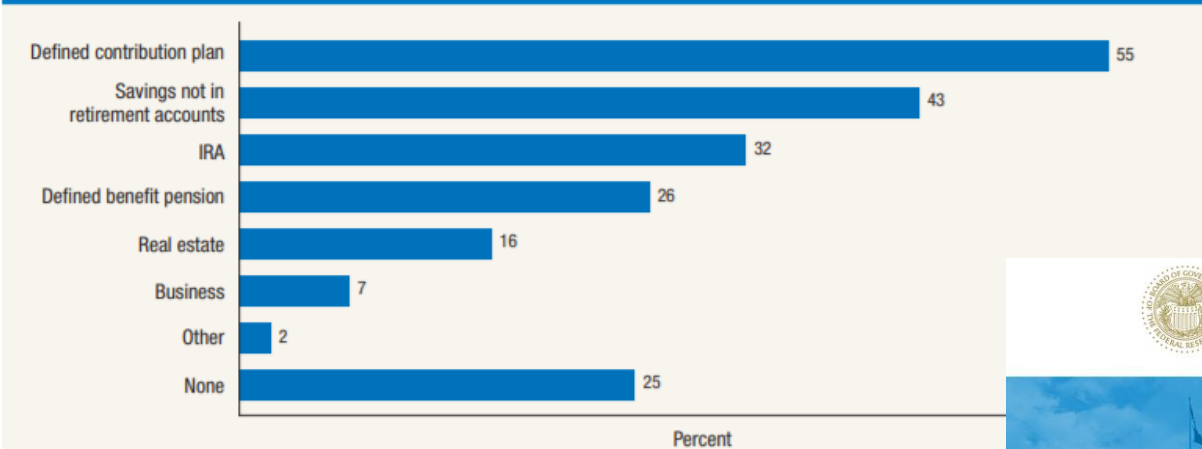
My Generation lyrics © T.R.O. Inc.



## Transition from Defined Benefits to Defined Contributions

- Only 10% of Boomers will retire with a Defined Benefit plan.
  - Two decades ago, more than half of retirees had defined benefit plans.

Figure 34. Forms of retirement savings among non-retirees

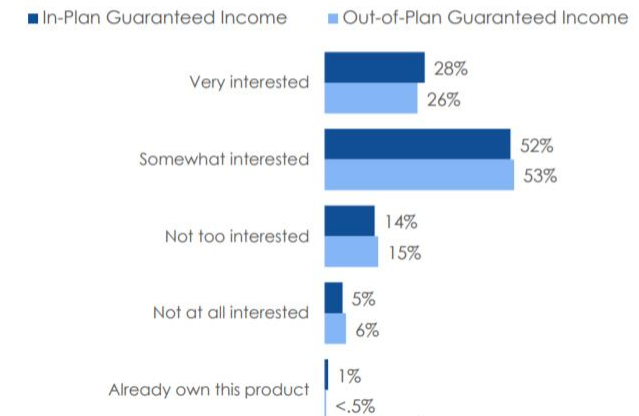


Note: Among non-retirees. Respondents can select multiple answers.

Figure 23

4 in 5 workers express interest in guaranteed lifetime income, regardless of whether the product is an in-plan investment option or a separate product purchased at the time of retirement.

How interested would you be in putting some or all of your workplace retirement plan savings into an investment option within your plan today that would guarantee you monthly income for life when you retire? / When you retire, how interested would you be in rolling some or all of your workplace retirement plan savings out of the plan and into a financial product that would guarantee you monthly income for life?  
Workers participating in DC plan n=502



Report on the Economic Well-Being  
of U.S. Households in 2017

May 2018

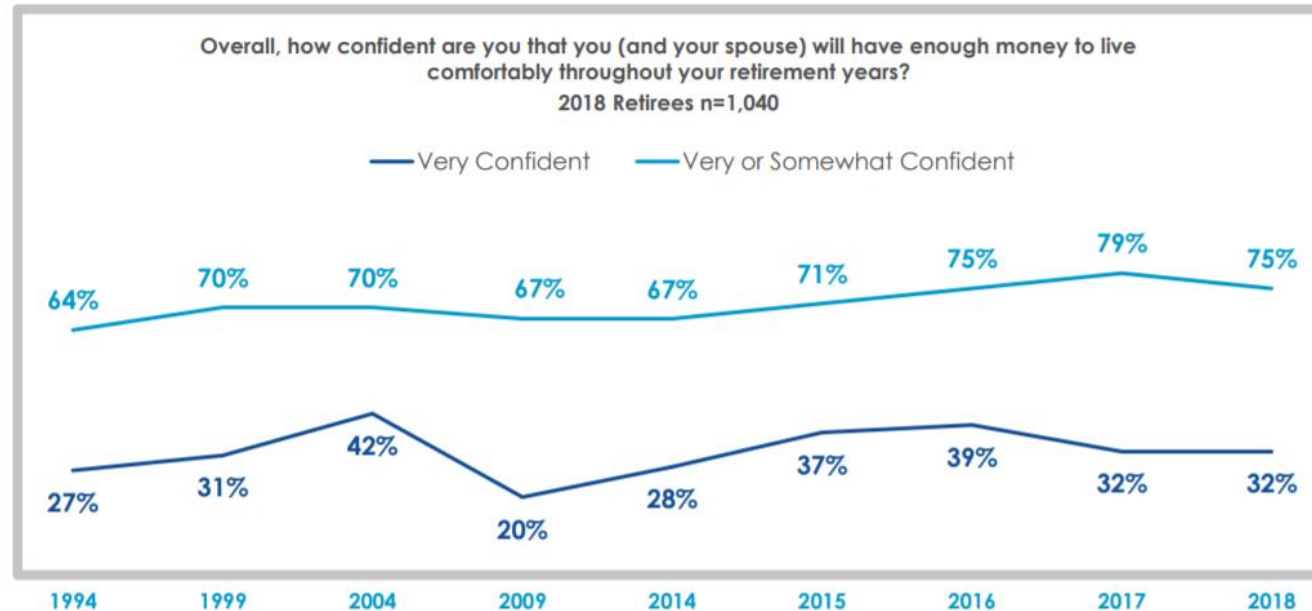


# 2018 Retirement Confidence Survey

April 24, 2018

## Figure 2

1 in 3 retirees are *very confident* they will have enough money for retirement, though there are signs of decline.



More confidence from:

- Being in good health

Less confidence from:

- Higher than expected
  - medical costs
  - long-term care costs

<https://www.ebri.org/surveys/rcs/2018/>

**Figure 5**

A large majority of workers expect working for pay to provide them income in retirement. Just 26% of retirees actually receive income from work.

To what extent (do you expect/is) each of the following (to be) a source of income in retirement?  
2018 Workers who expect to retire n=904, Retirees n=1,040



*"Human beings have a very limited ability to accurately predict or even imagine the needs of their future self. It is especially true when that future contains scary possibilities."*

-- Dr. Bill Thomas

**Figure 14**

Just 36% of workers say Social Security will be a *major* source of income, while 2 in 3 retirees say it is a *major* source of their income in retirement.

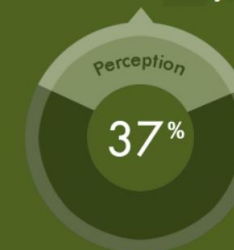
To what extent (do you expect/is) each of the following (to be) a source of income in retirement?  
Workers who plan to retire or have retired n=904, Retirees n=1,040



## AMERICA HAS A MAJOR MISCONCEPTION ON AGING

What Percentage of Americans Will Need Long-Term Care?

A Third *Think* They Will



Source: Long-Term Care Over an Uncertain Future (2006)

Two-Thirds *Actually* Will



Source: National Survey by Age Wave/Harris Interactive (2010)



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# BOOMER EXPECTATIONS FOR RETIREMENT 2018

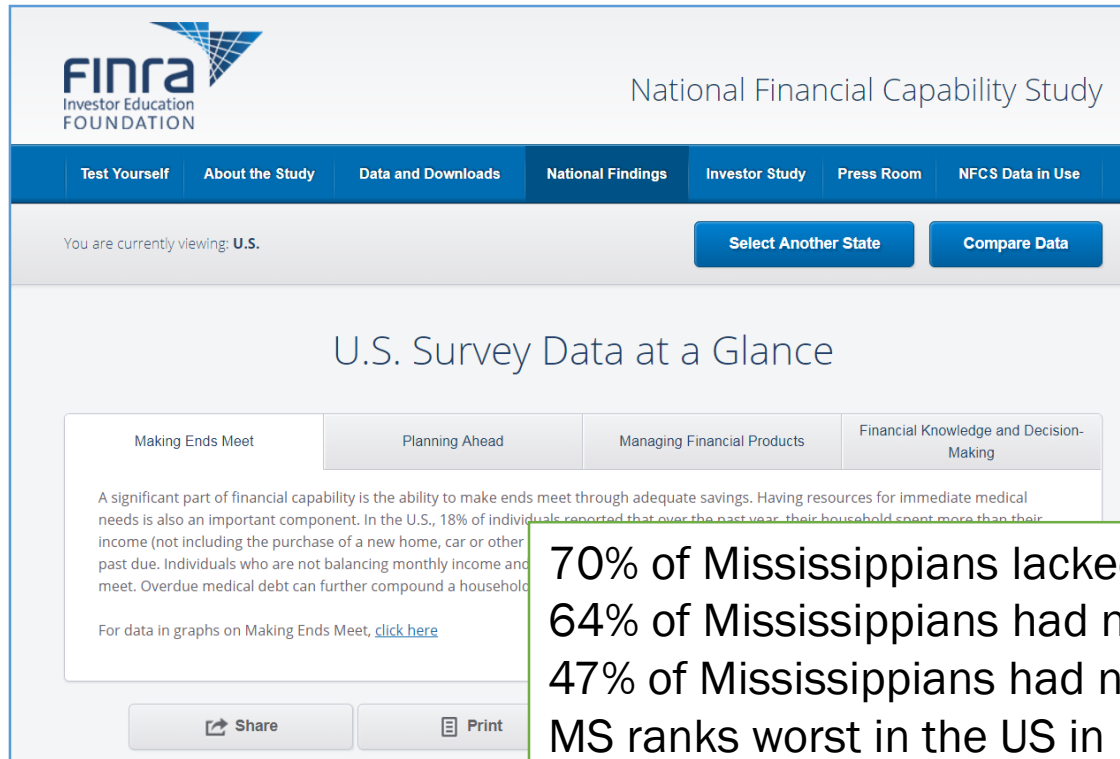
EIGHTH ANNUAL UPDATE ON  
THE RETIREMENT PREPAREDNESS  
OF THE BOOMER GENERATION

- 42% have no retirement savings
- 25% believe they will have enough money for retirement

For those who have retirement savings

- 43% have at least \$250,000
- 19% have between \$100,000-\$250,000

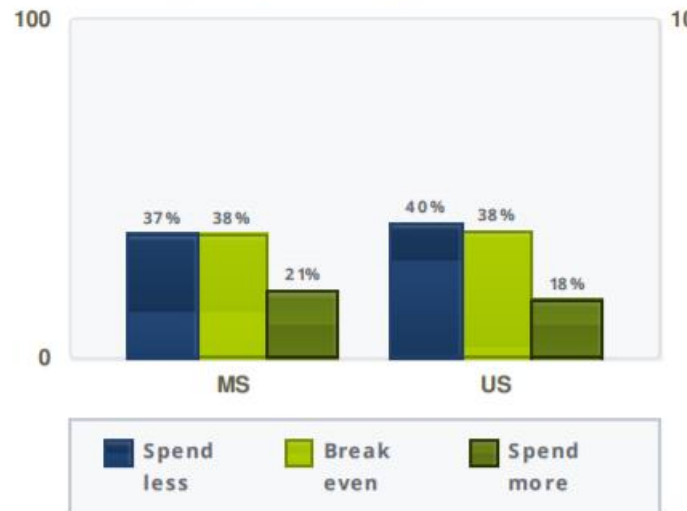
# MS Financial Readiness



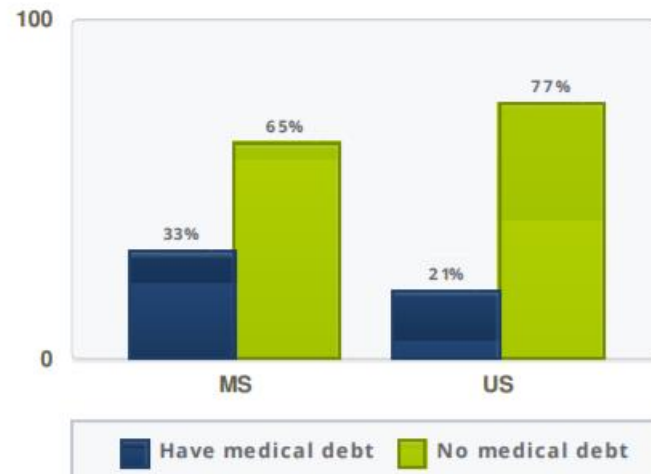
70% of Mississippians lacked a fundamental level of financial knowledge  
64% of Mississippians had no rainy day savings fund  
47% of Mississippians had no traditional bank savings or checking account  
MS ranks worst in the US in

- having unpaid medical bills
- lack of rainy day saving
- facing financial instability

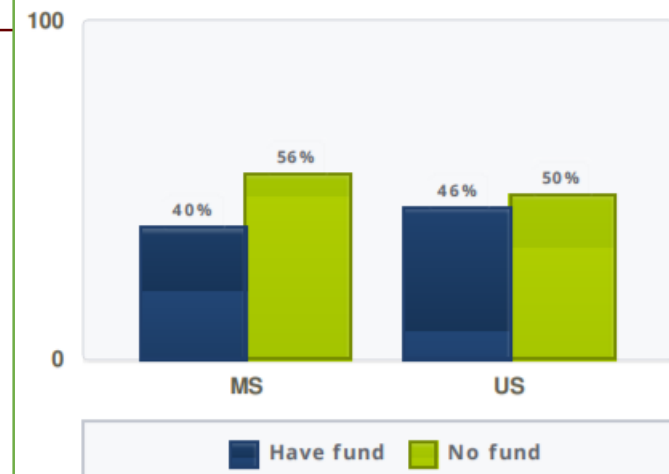
### Mississippi vs. U.S. 2015 Spending vs Saving



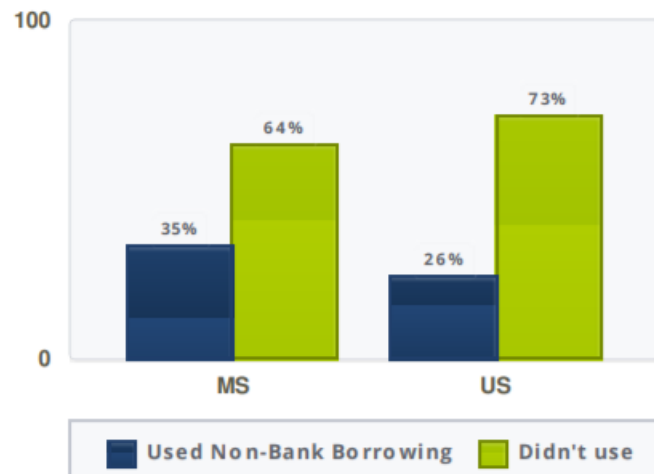
### Mississippi vs. U.S. 2015 Medical Bills Overdue



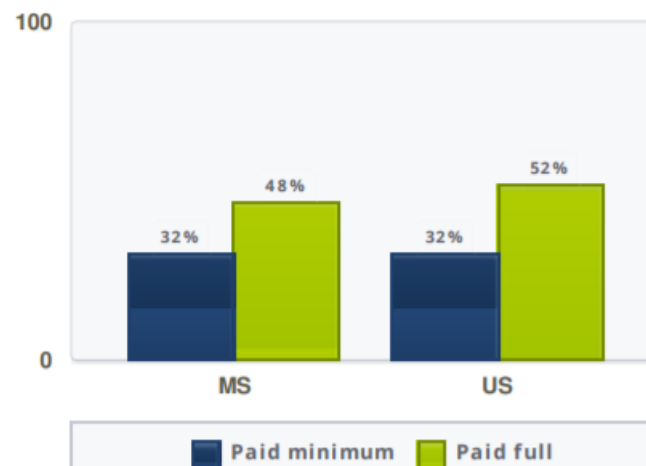
### Mississippi vs. U.S. 2015 Rainy Day Funds



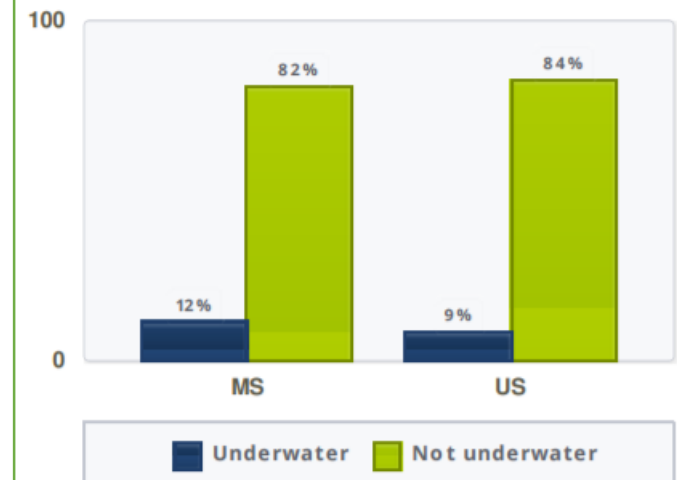
### Mississippi vs. U.S. 2015 Non-Bank Borrowing



### Mississippi vs. U.S. 2015 Paid Minimum on Credit Cards



### Mississippi vs. U.S. 2015 Home Equity



# **Broad Impacts on MS of an Aging Population Not Financially Ready for Aging**

## More Reliance on Government and Non-Profits

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- Health Care Systems
  - Hospitals
  - Outpatient Clinics
  - Ancillary Health Care Providers (Rehabilitation Services, Home Health Agencies, Etc)
- Community Based Services
  - Area Agencies on Aging (in MS, delivered through the Planning and Development Districts)
    - Nutrition Services such as home delivered meals and congregate meals sites
  - Transportation Services
- Community and Civic Engagement Agencies

# Action Steps

“DO THE BEST YOU CAN  
until you know better.  
Then when you know  
better, do better.”

MAYA ANGELOU

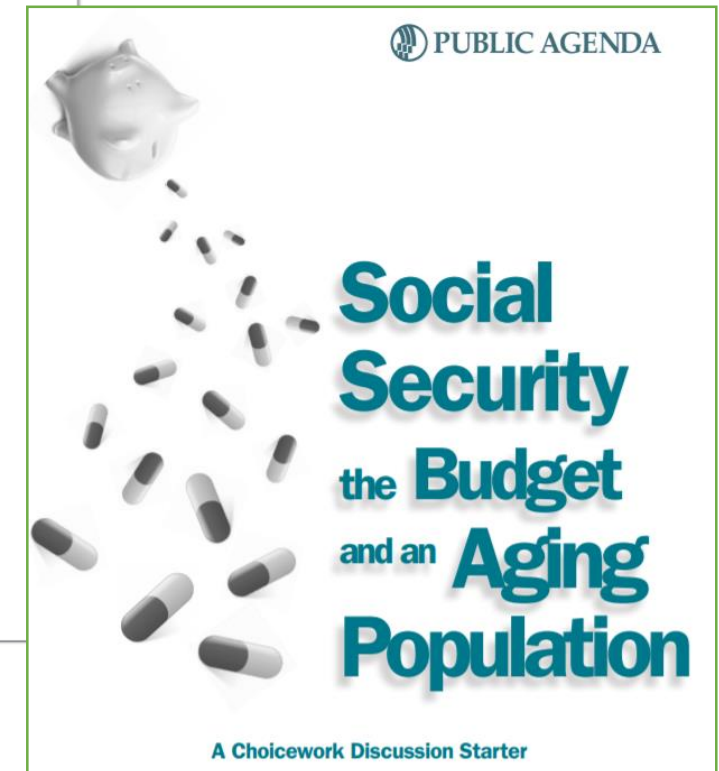
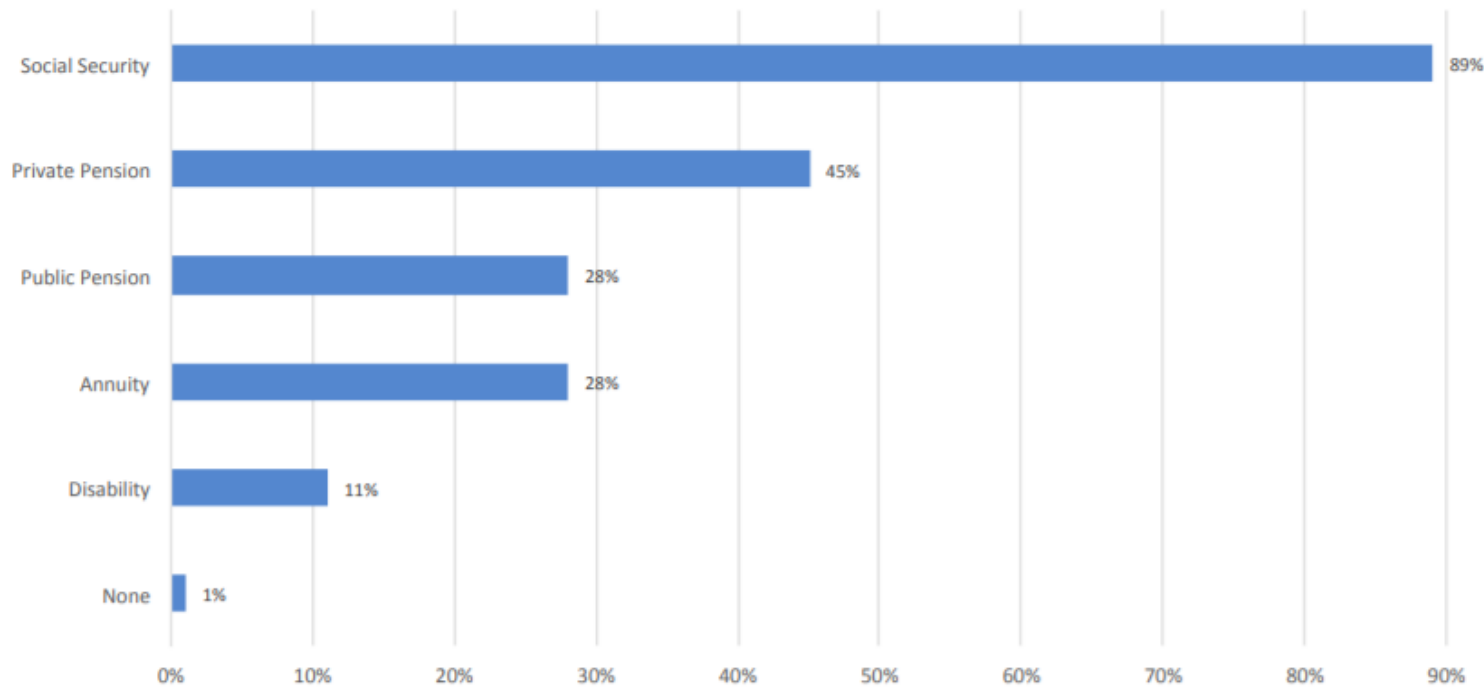


## Action for the Nation



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Figure 20: Expected Sources of Guaranteed Lifetime Income



## Action Steps for Mississippi

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- Establish Collaborations Between Federal, State, and Local Agencies, Non-profits, and For-profits
  - Department of Human Services
  - Medicare and Medicaid
  - Private insurance
  - Area Agencies on Aging
  - Cooperative Extension
  - Faith-based partners (churches, synagogues, etc)
- Educate policy makers about the need for adequate funding for aging-related services
- Work up-stream, to equip people to be prepared before they reach retirement
- Build awareness and sensitivity among the general population about the needs of those already in retirement
  - Develop a volunteer-base of people in communities, churches, and families to serve people as they age

## Next Steps and Opportunities

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- Opportunities for Growth
  - Increased funding for aging services
  - Health care, nutrition, and physical activity/ exercise
  - Transportation and public safety/emergency preparedness
  - Housing
  - Workforce development
  - Community and civic engagement

## Action Steps for Mississippi & Communities to Improve Financial Well-Being

Effective payday lending limits

Ms. Annie  
Ms. Connie



Social service workers trained in financial matters



## Actions for Communities

### Major Challenges:

- financial/funding shortages
- transportation
- housing

### Shows need for dialogue and planning:

- 30% reported having procedures for soliciting input from older people
- 17% have comprehensive assessments and strategic plans ready



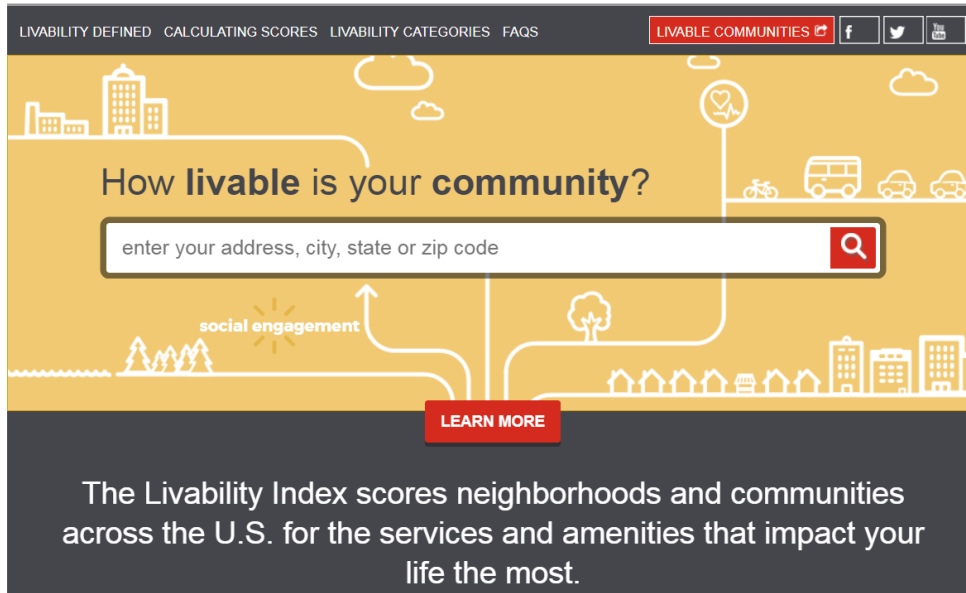
June 2011



# Actions for Communities

Starkville, Oktibbeha County, MS, 39759

## AARP Livability Index | Great Neighborhoods for All Ages



## TOTAL INDEX SCORE



- 59** **HOUSING**  
Affordability and access
- 38** **NEIGHBORHOOD**  
Access to life, work, and play
- 50** **TRANSPORTATION**  
Safe and convenient options
- 35** **ENVIRONMENT**  
Clean air and water
- 43** **HEALTH**  
Prevention, access, and quality
- 46** **ENGAGEMENT**  
Civic and social involvement
- 24** **OPPORTUNITY**  
Inclusion and possibilities



## Action Steps for Employers

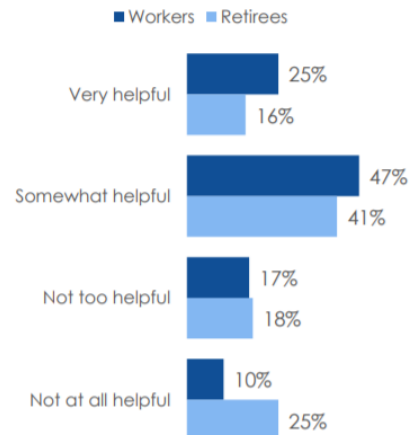
**Figure 13**

More than 7 in 10 workers say it would be helpful if their workplace offered education on planning for health care expenses in retirement.

How helpful, if at all, do you think the following workplace educational or financial well-being programs would be in helping you better prepare or save for retirement?

Workers employed full- or part-time n=763, Retirees employed full- or part-time n=64

### Planning for Health Care Expenses in Retirement



### In Depth

Among workers employed full- or part-time, women (76% vs. 68% of men), those who have saved for retirement (74% vs. 64% who have not) and those who have any type of a retirement savings plan (75% vs. 58%) are more likely to say planning for health care expenses in retirement would be helpful if their workplace offered it.



## Financial wellness at work

A review of promising practices and policies

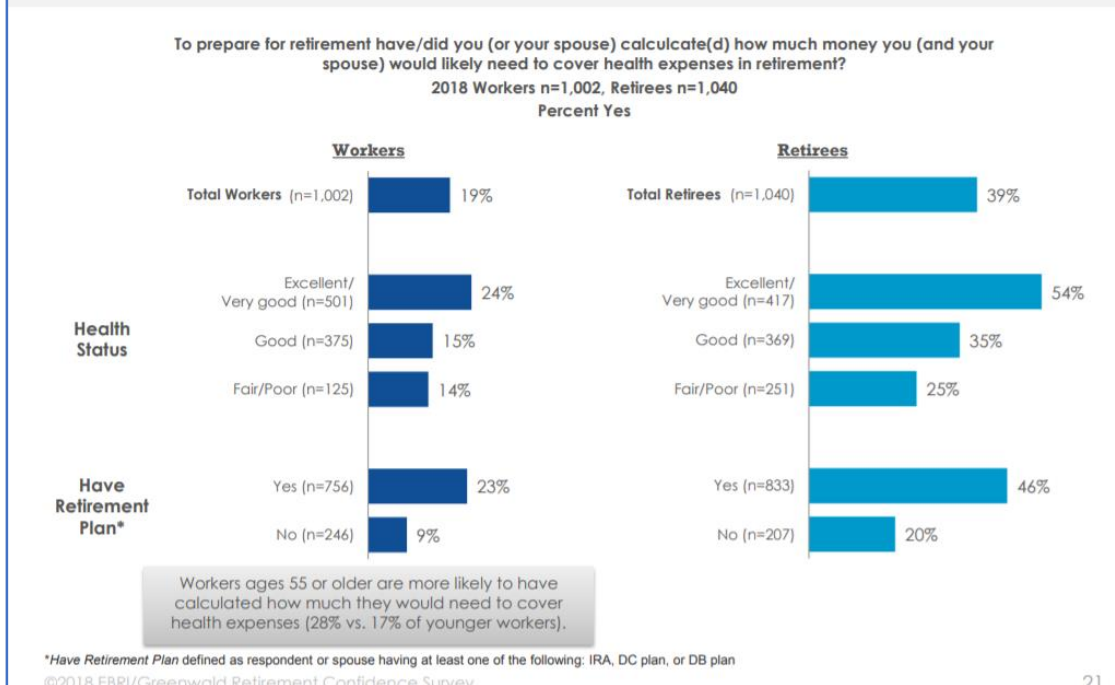


## Action Step for Individuals and Families

### Calculate Expected Living and Health Care Expenses

**Figure 11**

Just 1 in 5 workers and 4 in 10 retirees say they have calculated how much money they will need to cover health expenses in retirement.





## Action Step for Individuals and Families

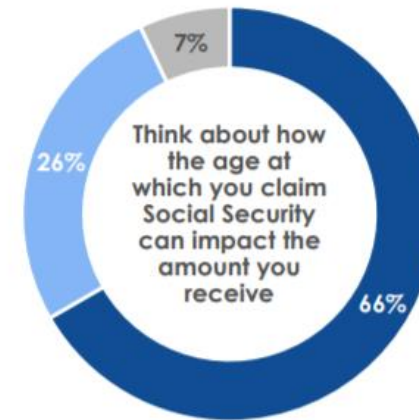
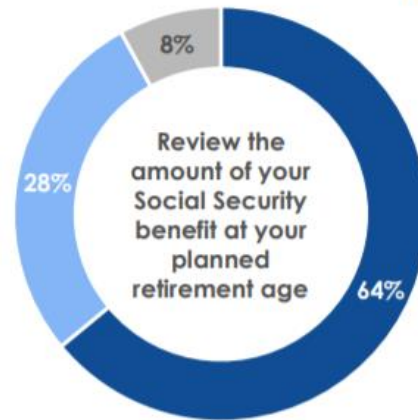
### Delay Claiming SS Benefits

**Figure 15**

2 in 3 retirees say they thought about how the age at which they claim Social Security can impact their benefit amount.

To prepare for retirement, did you (or your spouse)...?  
2018 Retirees n=1,040

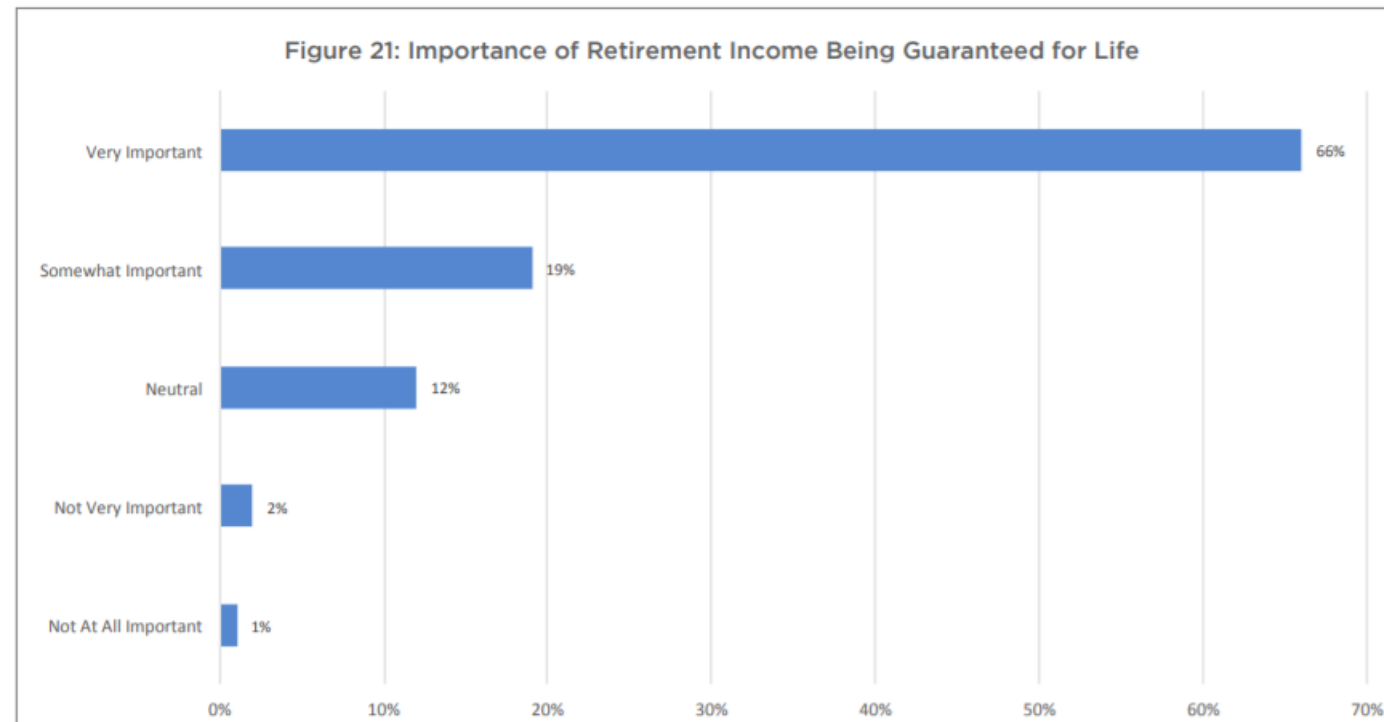
■ Yes ■ No ■ Don't Know



## Action Step for Individuals and Families



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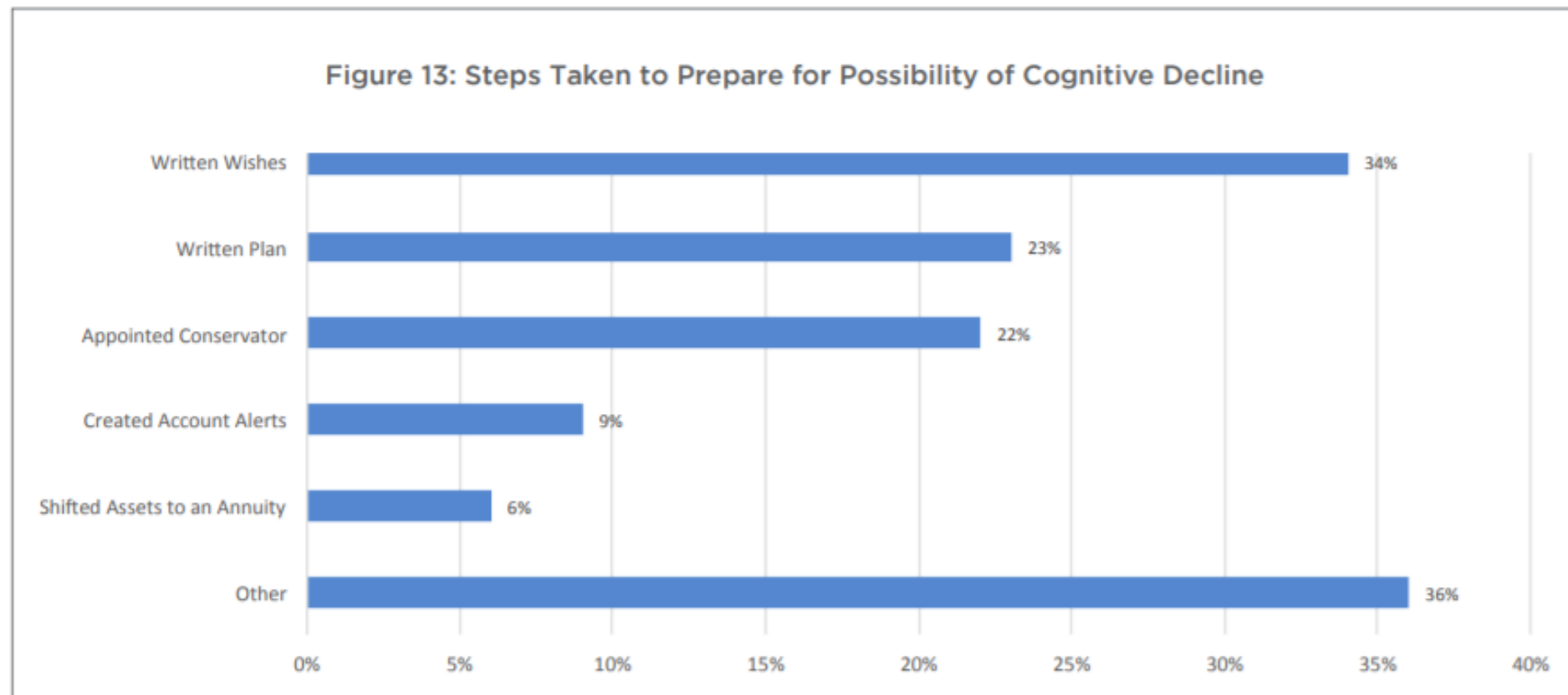




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## Action Step for Individuals and Families

### Prepare for Cognitive Decline



## Action Step for Individuals and Families

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### Family Dialogues

- 80% of Americans say they want to die at home
- Where do we die?
  - 60% die in hospitals
  - 20% die in nursing homes
  - 20% die at home



### Most Haven't Had Family Discussions

Over 75% of people have not discussed care options with their family

<https://www.seniorcare.com/featured/misconception-on-aging/>

## MSU Extension Family Resource Management Programming



- Partnering with Investor Protection Trust
- Financial Coaching Certification
  - Working with social services
- Financial Recovery Curriculum
- Healthy Homes
- Dialogue Facilitation





# Regional Determinants of Older Adult Migration Flows: Understanding Patterns and Potential Issues

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