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

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What We Will Cover

- 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)
  - 15th fastest growing state of the population aged 65 and over

<table>
<thead>
<tr>
<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td>Total Population</td>
<td>2,573,216</td>
<td>2,844,658</td>
<td>2,967,297</td>
<td>2,988,726</td>
</tr>
<tr>
<td>65 and over</td>
<td>321,284</td>
<td>343,523</td>
<td>380,407</td>
<td>450,941</td>
</tr>
<tr>
<td>65 and over (% of total)</td>
<td>12.5%</td>
<td>12.1%</td>
<td>12.8%</td>
<td>15.1%</td>
</tr>
<tr>
<td>Total Pop growth (%)</td>
<td>10.5%</td>
<td>4.3%</td>
<td>0.7%</td>
<td></td>
</tr>
<tr>
<td>The 65+ pop growth (%)</td>
<td>6.9%</td>
<td>10.7%</td>
<td>18.5%</td>
<td></td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th></th>
<th>2000</th>
<th>2010</th>
<th>2016</th>
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<tbody>
<tr>
<td>65 and over</td>
<td>343,523</td>
<td>380,407</td>
<td>450,941</td>
</tr>
<tr>
<td>Senior Pop growth (%)</td>
<td>6.9%</td>
<td>10.7%</td>
<td>18.5%</td>
</tr>
<tr>
<td>Baby boomers in 65+</td>
<td>0%</td>
<td>0%</td>
<td>34.7%</td>
</tr>
<tr>
<td>Life expectancy at age 65</td>
<td>16.9</td>
<td>17.5</td>
<td>?</td>
</tr>
</tbody>
</table>

Note: Life expectancy at age 65 in 1989-91 is 16.5
Increase in Aging of Baby Boomers

- Baby boomers: people who were 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

<table>
<thead>
<tr>
<th>Age Group</th>
<th>Total</th>
<th>Moved:</th>
<th>Within same county</th>
<th>From diff. county, MS</th>
<th>From diff. state</th>
<th>From abroad</th>
</tr>
</thead>
<tbody>
<tr>
<td>All ages</td>
<td>2,901,139</td>
<td>15.7%</td>
<td>8.8%</td>
<td>3.9%</td>
<td>2.7%</td>
<td>0.3%</td>
</tr>
<tr>
<td>55-64</td>
<td>329,960</td>
<td>7.4%</td>
<td>4.2%</td>
<td>1.5%</td>
<td>1.5%</td>
<td>0.2%</td>
</tr>
<tr>
<td>65-74</td>
<td>206,020</td>
<td>5.5%</td>
<td>2.9%</td>
<td>1.3%</td>
<td>1.2%</td>
<td>0.1%</td>
</tr>
<tr>
<td>75 and over</td>
<td>163,317</td>
<td>6.5%</td>
<td>3.8%</td>
<td>1.6%</td>
<td>1.0%</td>
<td>0.1%</td>
</tr>
</tbody>
</table>

## 2015

<table>
<thead>
<tr>
<th>Age Group</th>
<th>Total</th>
<th>Moved:</th>
<th>Within same county</th>
<th>From diff. county, MS</th>
<th>From diff. state</th>
<th>From abroad</th>
</tr>
</thead>
<tbody>
<tr>
<td>All ages</td>
<td>2,953,205</td>
<td>13.9%</td>
<td>7.5%</td>
<td>3.7%</td>
<td>2.4%</td>
<td>0.3%</td>
</tr>
<tr>
<td>55-64</td>
<td>368,460</td>
<td>6.8%</td>
<td>3.6%</td>
<td>1.7%</td>
<td>1.3%</td>
<td>0.2%</td>
</tr>
<tr>
<td>65-74</td>
<td>240,051</td>
<td>4.7%</td>
<td>2.5%</td>
<td>1.2%</td>
<td>0.9%</td>
<td>0.1%</td>
</tr>
<tr>
<td>75 and over</td>
<td>174,782</td>
<td>5.7%</td>
<td>3.2%</td>
<td>1.5%</td>
<td>0.8%</td>
<td>0.2%</td>
</tr>
</tbody>
</table>

Note: Population 1 year and over
Impact of Senior Migration

- 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

- % pop 65+
- % Growth of 65+ 2010-2016
- 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**
- Humphreys: 41%
- Montgomery: 32%
- Noxubee: 22%
- Lawrence: 32%

**Out-migration**
- Yalobusha: 13%
- Jasper: 14%
- Jefferson Davis: 12%
- Lawrence: 17%

**Gain Counties**
- Yalobusha: +22%
- Montgomery: +32%
- Humphreys: +41%
- Lawrence: +32%
- Jackson: +282
- Madison: +278
- Lafayette: +131
- Lauderdale: +80
- Hancock: +326
- Kemper: +14%
- Noxubee: +14%
- Lawrence: +17%
## Regional Factors of Pull- and Push- Migration

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

* 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
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 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.

![Figure 5](image)

**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.

![Figure 14](image)

"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

**AMERICA HAS A MAJOR MISCONCEPTION ON AGING**

**What Percentage of Americans Will Need Long-Term Care?**

A Third *Think* They Will

Two-Thirds *Actually* Will

![America has a major misconception on aging](image)
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
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
Broad Impacts on MS of an Aging Population Not Financially Ready for Aging
More Reliance on Government and Non-Profits

- 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

Figure 20: Expected Sources of Guaranteed Lifetime Income

- Social Security: 89%
- Private Pension: 45%
- Public Pension: 33%
- Annuity: 29%
- Disability: 11%
- None: 1%
Action Steps for Mississippi

- 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

- 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
Aging Population

Migration

Retirement

Action Steps

More

**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
Actions for Communities

Aging Population
Migration
Retirement
Action Steps
More

AARP Livability Index | Great Neighborhoods for All Ages

How livable is your community?

enter your address, city, state or zip code

The Livability Index scores neighborhoods and communities across the U.S. for the services and amenities that impact your life the most.

TOTAL INDEX SCORE

42

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

Starkville, Oktibbeha County, MS, 39759

Advancing Mississippi 2018 | Kim, Smith and Buys | June 7 2018
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.

![Graph showing planning for health care expenses in retirement](image)

**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.
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.

To prepare for retirement have/did you (or your spouse) calculate how much money you (and your spouse) would likely need to cover health expenses in retirement?
2018 Workers n=1,002, Retirees n=1,040
Percent Yes

<table>
<thead>
<tr>
<th>Health Status</th>
<th>Workers</th>
<th>Retirees</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Workers (n=1,002)</td>
<td>19%</td>
<td>39%</td>
</tr>
<tr>
<td>Excellent/ Very good (n=501)</td>
<td>24%</td>
<td>54%</td>
</tr>
<tr>
<td>Good (n=371)</td>
<td>15%</td>
<td>35%</td>
</tr>
<tr>
<td>Fair/Poor (n=121)</td>
<td>14%</td>
<td>25%</td>
</tr>
</tbody>
</table>

Have Retirement Plan* |

Workers (n=756): Yes 23%, No 9%
Retirees (n=858): Yes 46%, No 20%

Workers ages 55 or older are more likely to have calculated how much they would need to cover health expenses (28% vs. 17% of younger workers).

*Have Retirement Plan defined as respondent or spouse having at least one of the following: IRA, DC plan, or DB plan
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

- Review the amount of your Social Security benefit at your planned retirement age (64%)
- Think about how the age at which you claim Social Security can impact the amount you receive (66%)
- Yes (28%), No (8%), Don’t Know (7%)
Action Step for Individuals and Families

Figure 21: Importance of Retirement Income Being Guaranteed for Life

- Very Important: 66%
- Somewhat Important: 34%
- Neutral: 12%
- Not Very Important: 2%
- Not At All Important: 1%
Action Step for Individuals and Families

Prepare for Cognitive Decline

Figure 13: Steps Taken to Prepare for Possibility of Cognitive Decline

- Written Wishes: 34%
- Written Plan: 23%
- Appointed Conservator: 22%
- Created Account Alerts: 9%
- Shifted Assets to an Annuity: 6%
- Other: 36%
Action Step for Individuals and Families

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

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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References

- And more