

ILC Policy Report

Longevity News and Trends in the U.S. and abroad

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ILC Policy Report prepared by
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ILC Launches Coalition Focused on Sleep and Healthy Aging

The ILC has announced the creation of a *National Coalition for Sleep Disorders in Older People (S-DOP)*, whose mission is to formulate, endorse and disseminate clinical practice guidelines for the prevention, diagnosis and treatment of sleep disorders in older people. The prevalence of sleep-related problems increases with age, and such problems can have a significant effect on the health and well-being of an older person. While significant progress has been made in understanding conditions such as insomnia, sleep apnea, and restless leg syndrome, they remain under-diagnosed and under-treated in older adults. The S-DOP coalition will help address this issue by closing the gap between research and clinical practice

to better treat sleep-related problems in the older population.

The ILC's S-DOP initiative has convened thirteen leading aging, geriatric and sleep organizations representing thousands of physicians, long-term care experts, aging and sleep experts, scientists, medical students and millions of patients. The coalition aims to complete the development of the sleep guidelines by early 2008, which will then be disseminated to the medical and public health community. The creation of this coalition is a key development in the ILC's ongoing Sleep, Healthy Aging, and the Older Adult project. More information about the ILC's efforts in this area are at www.ilcusa.org/prj/sleep.htm.

News from the U.S. Government

Congressional Budget Office (CBO): The CBO has issued a paper, "The Impact of Medicare's Payment Rates on the Volume of Services Provided by Skilled Nursing Facilities," which examines changes in the volume of services provided by skilled nursing facilities (SNFs) in response to changes in Medicare's payment

rates over the last 10 years. The paper's analyses find that overall, when Medicare payment rates increase, SNFs increase the volume of services they provide. In addition, there is some evidence that decreases in payments lead to a lower volume of services. It notes that Medicare spent \$19.5 billion on SNF care in 2006, which is about 6.6

News from the U.S. Government (cont'd)

percent of total Medicare spending in the fee-for-service sector, so changes in SNF payments have an important impact on Medicare's financial status. The paper is at www.cbo.gov/ftpdocs/83xx/doc8314/07-18-SNF.pdf.

Government Accountability Office (GAO): The GAO has issued the following reports and testimonies: "Retirement Decisions: Federal Policies Offer Mixed Signals about When to Retire"; "Medicare Advantage: Required Audits of Limited Value"; and "Long-Term Fiscal Challenge: Additional Transparency and Controls Are Needed." These are at www.gao.gov.

Hearings: The Senate Special Committee on Aging held a hearing "Abuse of Our Elders: How We Can Stop It" on July 18th. Hearing information is at <http://aging.senate.gov/hearings.cfm>. The Senate Health, Education, Labor, and Pensions Committee Subcommittee on Retirement and Aging held a hearing on "The Federal Response to the Alzheimer's Epidemic" on July 17th. Hearing information is at <http://help.senate.gov/>

Hearings/2007_07_17/2007_07_17.html.

National Institute on Aging (NIA): The NIA has published its "2005-2006 Progress Report on Alzheimer's Disease: Journey to Discovery," which summarizes recent research on Alzheimer's Disease conducted by the NIA and other components of the National Institutes on Health. This report reviews what is known about the causes of AD and how it progresses, and discusses the wide range of research projects underway, from test tube and animal studies to epidemiological studies and clinical trials in humans. It concludes by acknowledging that despite the increased understanding of AD, there is also an increased sense of urgency as the population ages. The report then discusses the NIA's continuing plans to search for causes, conduct 'a vigorous assault on the effects of the disease', and intensify efforts to find ways to interrupt progression or delay onset. The report is at www.nia.nih.gov/Alzheimers/Publications/ADProgress2005_2006/.

International News

European Union: Eurostat, the EU's statistical office, has issued a brief "The transition of women and men from work to retirement," which finds that the age at which women and men actually withdraw from the labor market into retirement varies markedly across Europe and in most cases is well below the official age. It notes that the official age of retirement in nearly all countries is between age 60 and 65 for women and 62 and 65 for men. However, Eurostat data indicates that half of men retire before they reach age 61, and half of women retire before age 60. It also finds that relatively few women and men reduce their hours of work as they approach retirement. More data and the brief can be found at http://epp.eurostat.ec.europa.eu/cache/ITY_OFFPUB/KS-SF-07-097/EN/KS-SF-07-097-EN.PDF.

International Longevity Center – UK: The ILC-UK has issued a new publication, "Unlocking the Community" which describes the interest among older people to create self-organizing groups in the community that promote active ageing and social participation. Despite this interest, many communities are unable to launch such efforts, resulting in older people continuing to experience loneliness, boredom, and isolation. The report then discusses two successful approaches to organize activities and groups at the local level, and how these models have been integrated with the work of local primary care trusts and health professionals. It concludes with recommendations for individuals, local authorities, the federal government, the voluntary (not-for-profit) sector, and health and social care professionals to advance the creation of effective, sustainable

International News (cont'd)

community groups to promote the well-being of older people. Another brief, “Older People’s Housing and Under-Occupancy,” discusses how overcrowding and homelessness are prevalent among many families, while another 46% of the population live in under-occupied homes. It notes, however, that the idea that under-occupied households are due solely to older people is ‘ageist.’ Rather, wealth, not age, is the key factor in whether or not one chooses to occupy more housing space than is essential. The brief does note that a more efficient use of housing stock would bring many advantages, and recommends efforts to build more larger properties to address the housing issue while also encouraging those older individuals who wish to ‘downsize,’ thereby releasing some larger homes. These reports are at www.ilcuk.org.uk/.

Ireland: The Central Statistics Office has published a report “Ageing in Ireland,” which (as one might assume from the title) examines the lives of people aged 65 and over in Ireland. It finds that about 11.0% of the population (467,900 persons) were aged 65 and over in 2006, which means that Ireland has the lowest proportion of its population aged 65 and over among EU countries and is well below the EU average of nearly 17%. Ireland also has a much higher rate of employment of

older workers than the EU average, 14% compared to 7%. Older women also had a higher rate, although a smaller gap (4% compared to an EU rate of 3%). Of the older male workers, 49% were engaged in the agriculture, forestry, and fishing sectors. More information is at www.cso.ie/newsevents/pr_ageinginireland2007.htm.

Japan: The Care Work Foundation (Kaigo Rodo Antei Center) in Japan recently announced the results of a nationwide survey of formal caregivers and their employers conducted in the fall of 2006. The survey reported that while about 55% of caregivers “find satisfaction in the contents of their work,” as many as 40% feel that “the wage is too low for the nature of work they perform.” The turnover rate of caregivers is high at about 20% per year. Additional challenges experienced by the employers include not being able to pay an adequate wage given the current reimbursement levels, (46% of the respondents), time-consuming and complicated paperwork (44%), and difficulty providing caregivers with adequate working conditions and benefits due to their tight financial condition (34%). For details, see www.kaigo-center.or.jp/oshirase/18tyousa-index.html. (in Japanese). (This piece provided by Dr. Masako Osako)

Special Interest to the ILC

CORPORATE NEWS

Mitsui Sumitomo Bank, the third largest bank in Japan, has announced a unique new policy to encourage its employees to be certified as “service care attendants,” i.e. those who understand the physical limitations of the elderly and disabled and are trained to provide them with minor assistance in daily activity. The bank plans to have about 1,100 employees at its 400 branches around Japan to be certified by a NPO, the Association for Management and Leadership (Kokai Keiei Shido

Kyokai), by the end of 2007. The certification requires months of correspondence work on the topics of aging and disability, two days of on-site practice (including the use of a wheel chair and simulation of limited vision) and successful completion of a written test. The Mitsui Sumitomo Bank’s initiative is shared by other major banks in Japan who increasingly view older clients as promising customers for investment and trust business. For details see the bank’s (Japanese) website, www.smbc.co.jp/aboutus/csr/pdf/csr_08.pdf. (This piece provided by Dr. Masako Osako)

Special Interest to the ILC (cont'd)

GERIATRICS NEWS

The Association of Directors of Geriatric Academic Programs (ADGAP) has issued its latest “Training and Practice Update,” focused on geriatrics in psychiatry residency programs. The report notes that the demand for psychiatric services by the growing older population will increase, but that there is a wide range in education and training in geriatrics in psychiatry residency programs. The average number of geriatrics curriculum half-days was 59 during the 4 year training program,

although these ranged from 0 to 400 half-days. Most of these training experiences were in inpatient geriatric psychiatry acute care, with very little in nursing homes, assisted living, or in home care. In addition, the average number of available, trained faculty was small and varied widely among programs. The results indicate a lack of training in geriatrics among the psychiatric profession, and that many psychiatrists who will be caring for older patients in the future may not be well-prepared to do so. The report is at www.americangeriatrics.org/adgap/tp_update.pdf.

News from the Not-for-Profit Sector and Beyond

Brookings Institution: The Brookings Institution’s Hamilton Project has published a brief “Achieving Universal Coverage Through Medicare Part E(veryone),” which discusses their proposal to give all Americans access to affordable healthcare coverage while minimizing disruptions and costs. The proposal does not call for a fundamental new way of operating, rather it involves maintaining current employer-sponsored coverage while offering an affordable insurance option to those without insurance under Medicare. More information is at www.brookings.edu/views/papers/200707anderson_waters.htm.

Center for Retirement Research at Boston College: The Center has issued a brief entitled “An Annuity That People Might Actually Buy,” which discusses some reasons that older people are reluctant to purchase annuities, including actuarial unfairness that may lower the income that is paid, as well as a reluctance to part with life savings to purchase an annuity. It then reviews a new annuity product, an Advanced Life Deferred Annuity, which can be purchased at retirement but would not begin paying benefits until a later age (i.e. 75 or 80), which makes it an inexpensive product. This would help preserve

savings upon retirement while providing ‘longevity insurance.’ The brief is at http://crr.bc.edu/images/stories/Briefs/ib_7-10.pdf. Another brief “Is There Really a Retirement Savings Crisis? An NRRI Analysis” notes that recent reports have challenged the notion that people are saving too little. In response, the Center has released this analysis of its National Retirement Risk Index, which concludes that it depends on the population group being studied, with older workers in 1992 (most of whom are at or approaching retirement) considered to be relatively well prepared, while today’s older workers are considerably more at risk. The reasons for the increase in risk include the rise in the Social Security retirement age, the decline in interest rates, and the continued shift from defined benefit pensions to 401(k) plans. The brief, which ultimately asserts that there is a retirement savings crisis, is at http://crr.bc.edu/images/stories/Briefs/ib_7-11.pdf.

Commonwealth Fund: The Commonwealth Fund, in collaboration with the Center for Studying Health System Change, has issued a chartbook that presents the state of retiree health coverage in the U.S. It finds that the percent of firms offering retiree health benefits has remained constant between 2000 and 2006, although large firms (200+ workers) at 35 percent are much

News from the Not-for-Profit Sector and Beyond (cont'd)

more likely to offer such benefits than smaller firms (3-199 workers), at nine percent. The chartbook also indicates that monthly premiums for Medicare-age retirees averaged about \$318 for many employers. More information and the chartbook can be found at www.commonwealthfund.org/publications/publications_show.htm?doc_id=510598.

Employee Benefits Research Institute (EBRI): EBRI, in collaboration with Mercer Human Resource Consulting, has published a brief “Retirement Income Adequacy After PPA and FAS 158: Part One – Plan Sponsors’ Reactions,” which finds that about two-thirds of traditional (defined benefit) pension sponsors have either changed the plan in the last two years or intend to do so in the next two years. The main changes are to either close the defined benefit plan to new hires or to freeze the plan for all workers. However, the EBRI brief also notes that most of those employers who close their pension plans have increased contributions to workers’ defined contribution (401(k)-type) plans. These findings are significant, according to EBRI, because they indicate that reductions to workers’ “traditional” pensions are being at least partially offset by added benefits on the 401(k) side. Another EBRI brief, done in conjunction with the Investment Company Institute, is entitled “401(k) Plan Asset Allocation, Account Balances, and Loan Activity in 2006,” which presents data based on an EBRI/ICI database of 401(k) plan accounts. It finds that the average account balance among American workers who consistently held 401(k) accounts from 1999 through 2006 increased at an annual rate of 8.7 percent. The average account balances rose to \$121,202 at year-end 2006 from \$67,760 at year-end 1999 among participants who maintained accounts for the entire period. Among the same group, the median account balance increased to \$66,650 at year-end

2006 from \$24,898 at year-end 1999. The main reason for the significant increase is the rise in the stock market, in which about two-thirds of 401(k) funds are invested. These briefs can be found at www.ebri.org/.

National Center on Senior Transportation

(NCST): The NCST has launched a new website to promote the development of transportation options for older adults who wish to live more independently in the community. The website includes announcements, facts and tips, publications, special events, opportunities, and technical assistance for the aging and human service community, transit providers, and older adults and their caregivers. The website is www.seniortransportation.net.

RAND: The RAND Corporation has released a Research Brief “What Risks do Older Drivers Pose to Traffic Safety?” which evaluates the risk of older drivers based on data from the Fatal Accident Reporting System. It finds that older drivers (age 65 and over) are 16 percent more likely than adult drivers (age 25-64) to cause an accident, which is lower than the risk posed by younger drivers (those under age 25), who are 188 percent more likely than adult drivers to cause an accident. In addition, older drivers are much more vulnerable to a fatal injury during a crash. The brief also notes that one of the main reasons older drivers are not significantly riskier drivers is that many of them change their driving habits to compensate for diminishing driving skills with age. The brief concludes by noting that there is little evidence for stricter state policies to limit licenses, but that efforts to improve the safety of automobile travel for older drivers might save more lives. The brief is at www.rand.org/news/press/2007/07/18/index.html.

Learn More About the ILC's International Partnerships!

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