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Ideas + Action for a Better City

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The Longevity Economy

Changing the Discussion About Aging

Fred Buzo

AARP California, Associate State Director

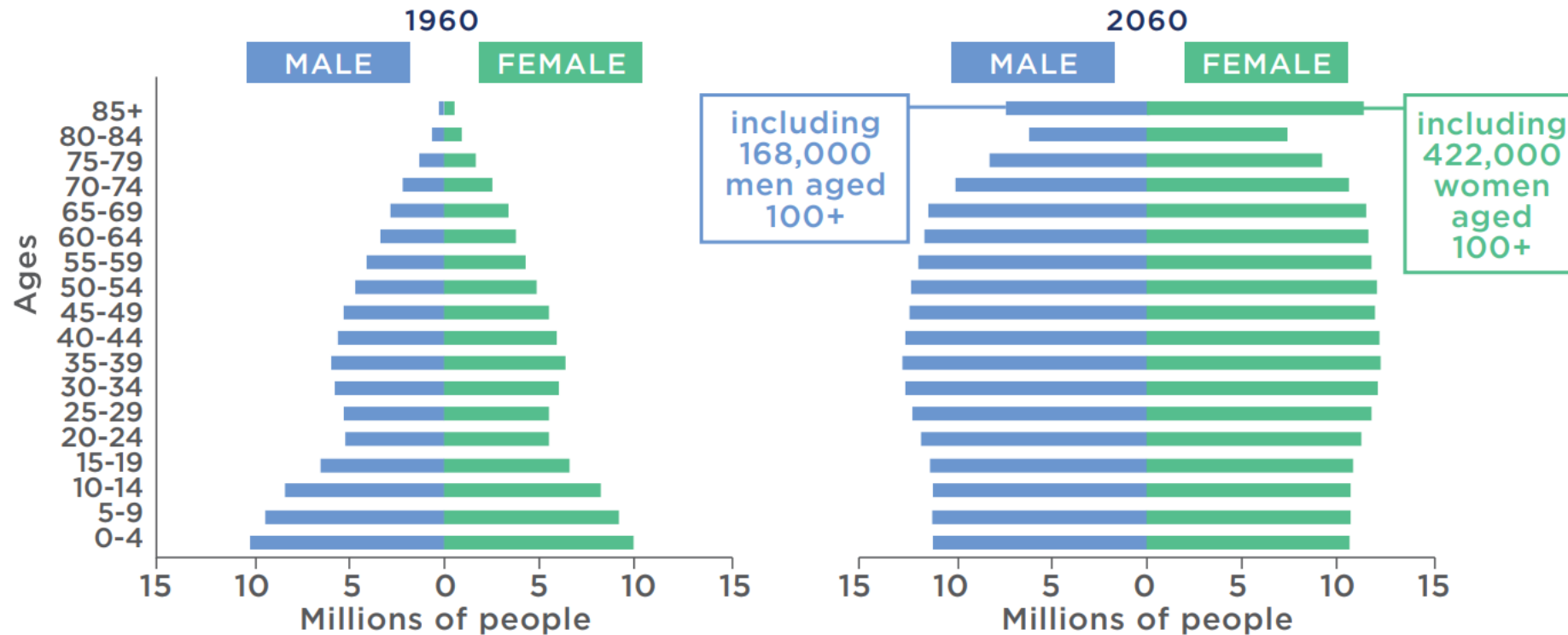
What exactly is the longevity economy?

IT'S NOT THIS!



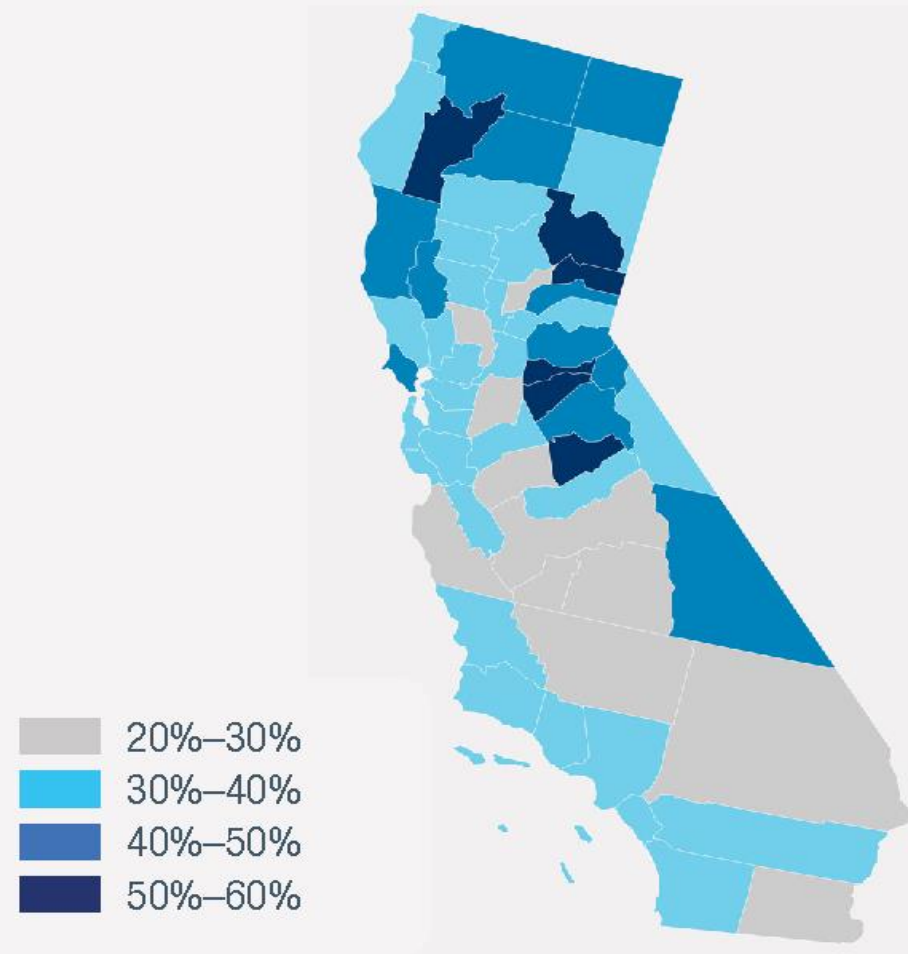
By the numbers:

Figure 6. From Pyramid to Pillar: A Century of Change in the Population of the United States



Source: U.S. Census Bureau (2018b); Vespa, Armstrong, & Medina (2018).

% of population over 50



Silicon Valley's population is aging. The number of residents over age 65 has grown by 35% over the past decade, while the overall population has only grown by 10%.

Population Change, by Age Category

Santa Clara & San Mateo Counties

	2007-2017	2016-2017
under 18	+2.2%	-1.1%
18-24	+0.7%	-0.7%
25-44	+10.4%	+1.8%
45-64	+9.9%	+0.2%
65 and older	+35.2%	+4.8%
Total	+10.3%	+0.9%

Silicon Valley's population under age 18 has grown more slowly than other age groups since 2007, and actually declined by 6,700 children between 2016 and 2017.

IT'S NO DIFFERENT IN SAN JOSE - WE ARE AGING, AND WE ARE AGING RAPIDLY!

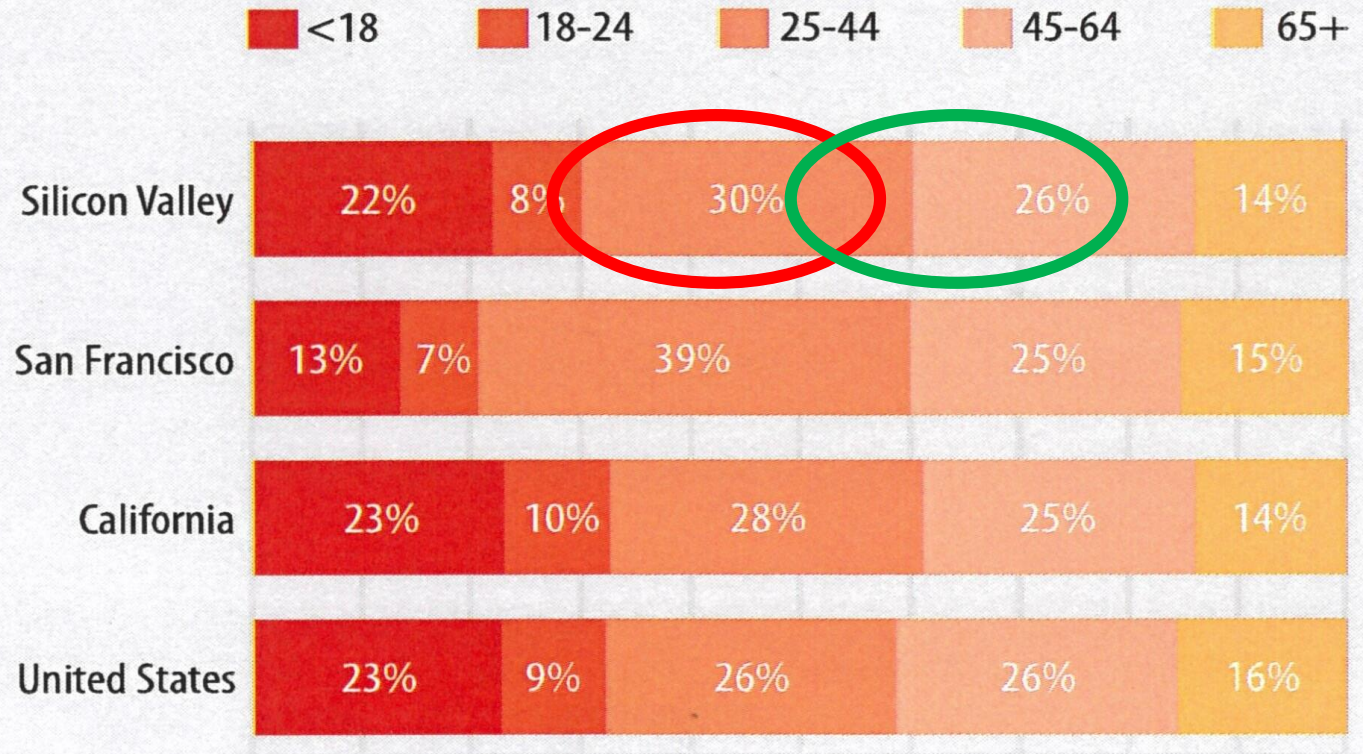
In San Jose, there were nearly 89,000 residents over the age of 65 in 2010. By 2017, that number had risen to over 134,000 – a 51% increase! During that same time, the general population in San Jose increased by only 12%.

What does California's & Silicon Valley's future look like?

IT DEPENDS ON
OUR FOCUS

POPULATION BY AGE
Age Distribution

Santa Clara and San Mateo Counties, San Francisco, California, and the United States | 2017



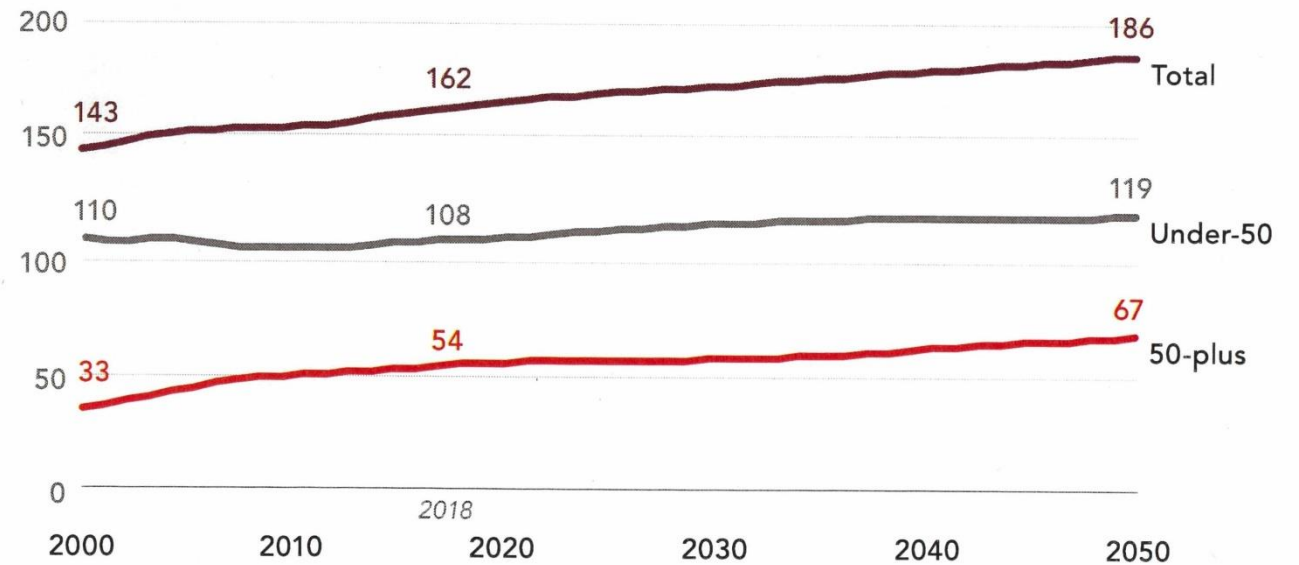
Challenge **outdated beliefs** and
spark a **new outlook** on how we all
age.

The Workforce

Nationally, between 2001 and 2018 the labor force participation rates of men in the 50-plus cohort rose from 51.7% to 52.8%. Among women the rate rose even more steeply, from 36.7% to 41.1%. Indeed, labor force participation growth among those aged 65 leapt by 8.0% over the same period.

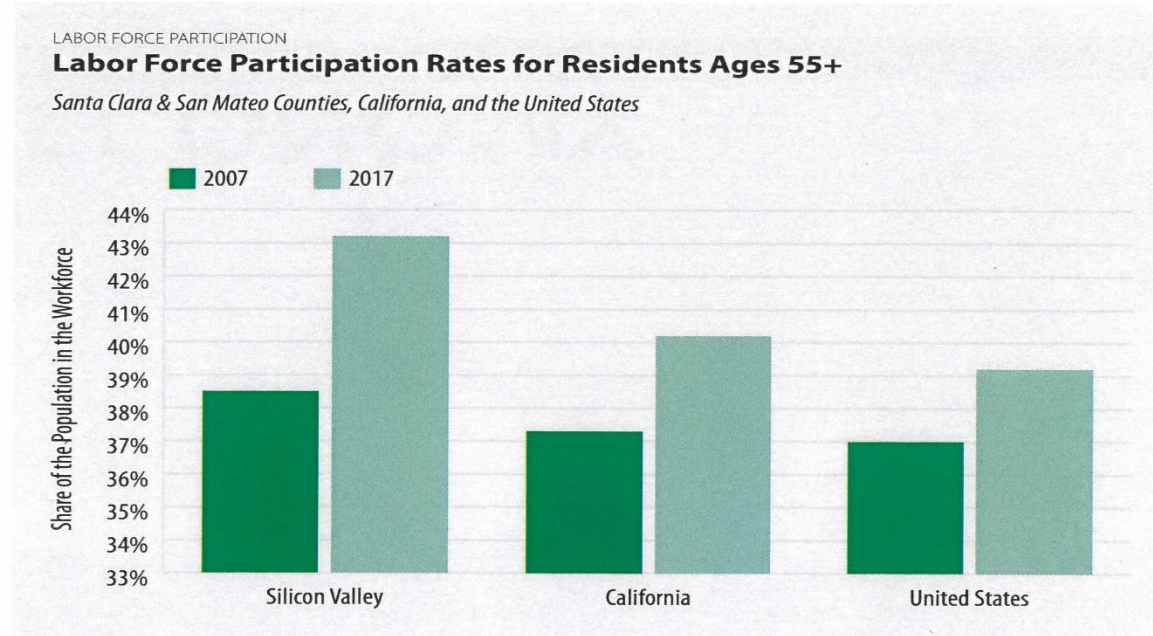
Labor force participation among the 50-plus population is rising rapidly

Labor force participation by age, 2000-2050 (million)



Source: The Economist Intelligence Unit, Bureau of Labor Statistics, REMI.

Labor force participation rates for workers ages 55+ have increased over the past decade, with older workers remaining in the workforce longer.



Data Source: United States Census Bureau, American Community Survey
Analysis: Center for Continuing Study of the California Economy; Silicon Valley Institute for Regional Studies

Labor Force Participation Rates, by Age Group Santa Clara & San Mateo Counties		
	2007	2017
16-24	56.9%	56.5%
25-54	83.0%	86.5%
55+	38.5%	43.2%
Total	66.9%	69.1%

Silicon Valley labor force participation rates increased by 2.2 percentage points overall since 2007, with increases in the 25-54 and 55+ age groups only; the labor force participation rate for workers ages 16-24 remained relatively steady over the past decade.

In 2007, 38.5% of Silicon Valley residents ages 55+ and older were in the workforce; by 2017, the share had risen to 43.2%.

The 50-plus population fuels the economy



People 50-plus spent \$7.6 trillion (or **56 cents of every dollar**) on goods and services in 2018. By 2050, this will grow to \$27.5 trillion (or **61 cents of every dollar**).

56 cents in 2018

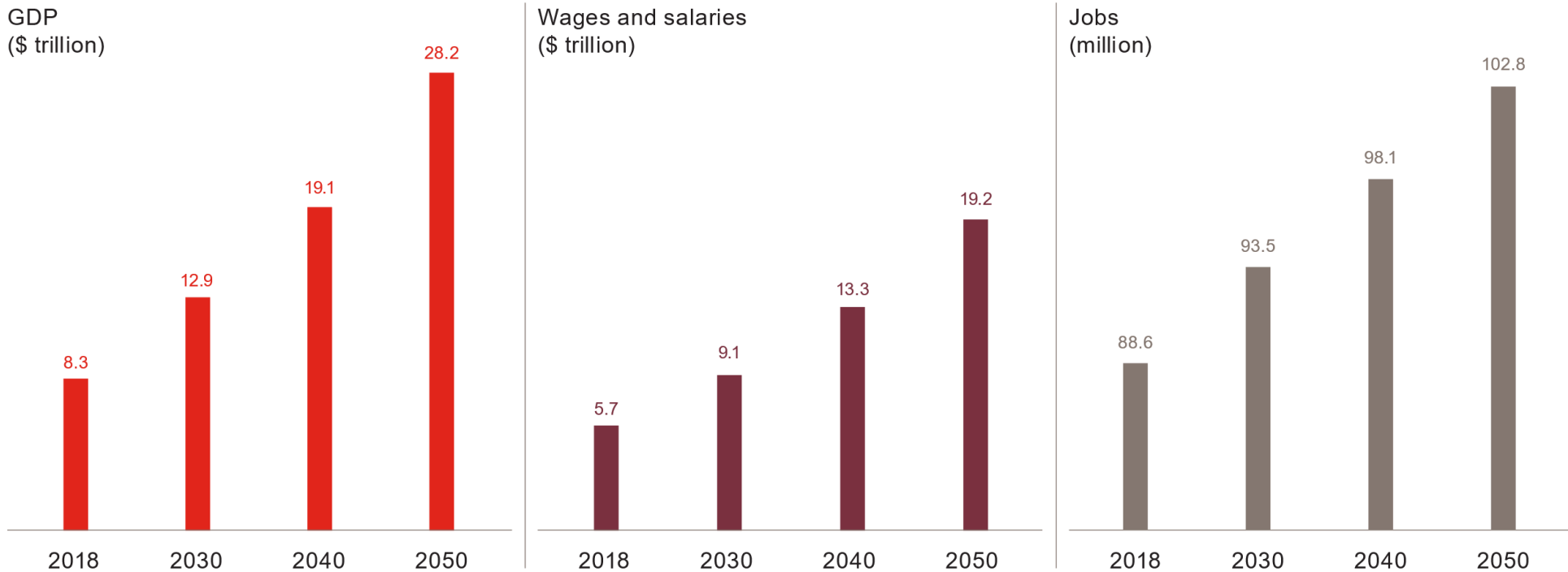


61 cents in 2050



The contributions of people 50-plus benefit society now and in the future!

Direct spending and the ripple effect create demand across industries and throughout the economy



Source: The Economist Intelligence Unit, Bureau of Labor Statistics, Bureau of Economic Analysis, REMI.

Note: Y axis in jobs chart commences at 80 million.

**So, why do we continue with a
“business as usual” attitude?**

We Don't Think of Ourselves as Old

- “Old” almost always means “older than me.” It is easy to feel that the conversation about age is actually about other people.
- A 2009 Pew Research Center Survey found that the older people get, the younger they feel, relatively speaking.

Old age is the most unexpected of all the things that happen to a man...

Leon Trotsky, Diary in Exile

Note: This only includes cash contributions to charities and other organizations, religious organizations, educational institutions, and political organizations.

We Believe Getting Old Is A Choice

- To a surprising extent, aging is seen as a choice, and individuals have a responsibility to “stay young.”
- There is tremendous emotional motivation to keep believing it is within our power to slow, or prevent, our own aging.

These days, if you slow down with age it's your own fault. It means you're not eating right, working out, taking the right supplements, thinking positive enough.

*Erica Manfred
“I’m Getting Old Goddammit,” seniorplanet.org*

Note: This only includes cash contributions to charities and other organizations, religious organizations, educational institutions, and political organizations.

We Believe the Employer Rules

- The notion that older workers are relatively costly to employ, or are not as tech-savvy as younger workers, is widespread in the private & public sectors.
- Which in turn makes it hard to see preferring younger workers over older workers as discrimination, instead it is easily seen as simply “doing what’s best for the business.”

It can be difficult, just based on raw numbers, to discern whether an employee is being targeted because of their age or whether it's just because they're paid a lot.

*Lawyer at Buchanan Angeli Altschul & Sullivan,
Commenting on 2016 Intel Layoffs*

Note: This only includes cash contributions to charities and other organizations, religious organizations, educational institutions, and political organizations.

MYTH

Older workers are **slow** and **can't keep up** with their younger counterparts.

FACT

Productivity actually **increases with age**, even in an environment requiring **substantial physical activity**.

Source: *Productivity and Age: Evidence from Work Teams at the Assembly Line*. Max Planck Institute, 2016

MYTH

Older workers are **coasting toward retirement** and are not interested in **learning new skills**.

FACT

More than 8 in 10 workers ages 45 to 64 say that the opportunity to learn something new is **an essential element** of their ideal job.

Source: *Staying Ahead of the Curve 2013: The AARP Work and Career Study*

MYTH

Older workers are **keeping younger workers from advancing** and **taking jobs from younger workers.**

FACT

Dozens of studies consistently show that **both employment and wages go up** for younger workers the longer older workers are employed.

Source: Tom Walker, *Why Economists Dislike a Lump of Labor*, 2007

Call to Action

- **Recognize the contributions of people 50+ and how they benefit society and people of all ages.;**
- **Create a sense of opportunity and change the conversation on aging;**
- **Work with the private and public sectors to account for the diverse needs and preferences of the 50+ population.**

Learn more at longevityeconomy.aarp.org.

Housing & The Silver Tsunami

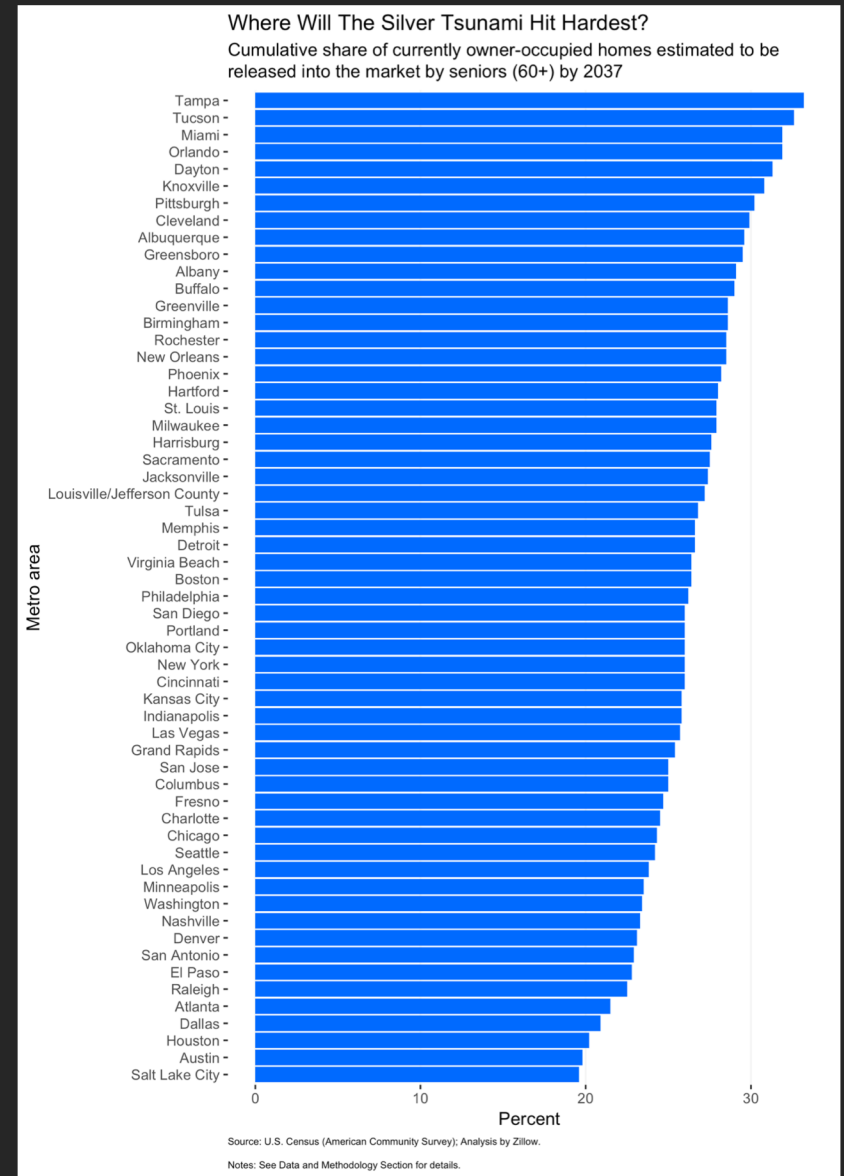
Issi Romem, Ph.D.

SPUR San Jose
Preparing For An Aging Silicon Valley
February 6, 2020

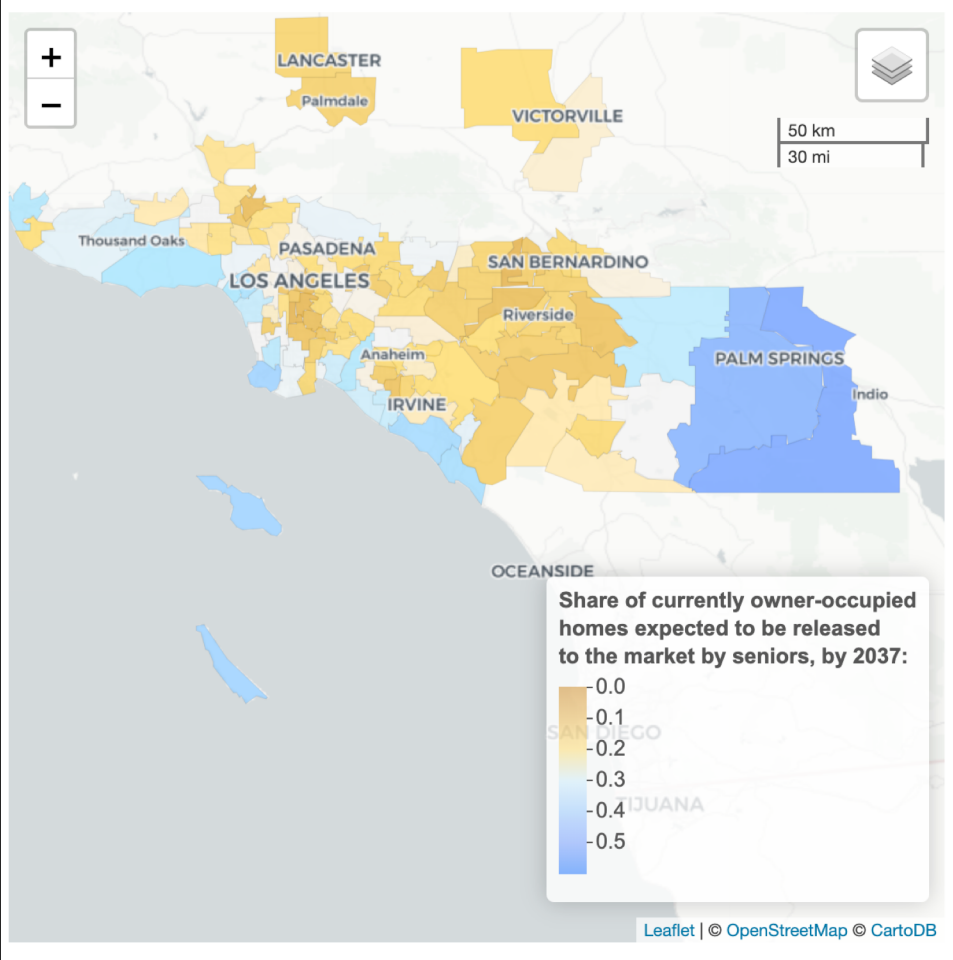
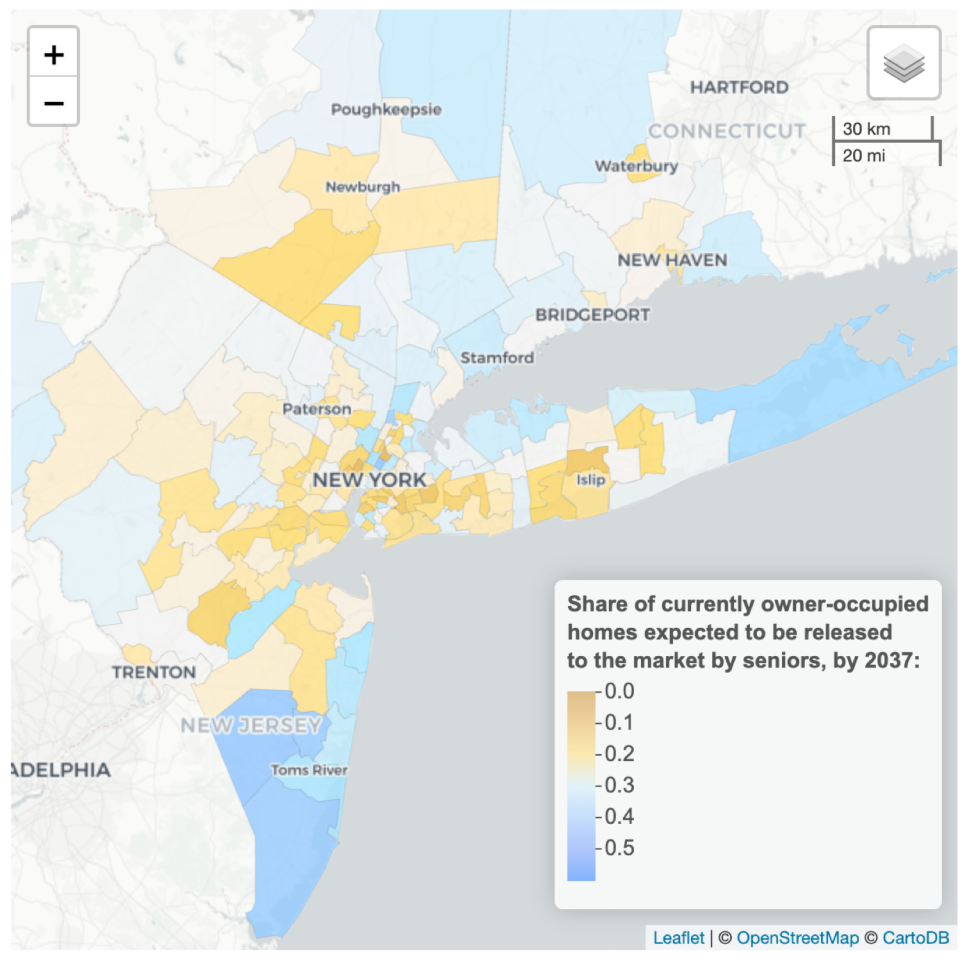
Over the next 20 years, more than a quarter (27.4%) of the nation's currently owner-occupied homes are likely to hit the market as their current owners pass away or otherwise vacate their homes.

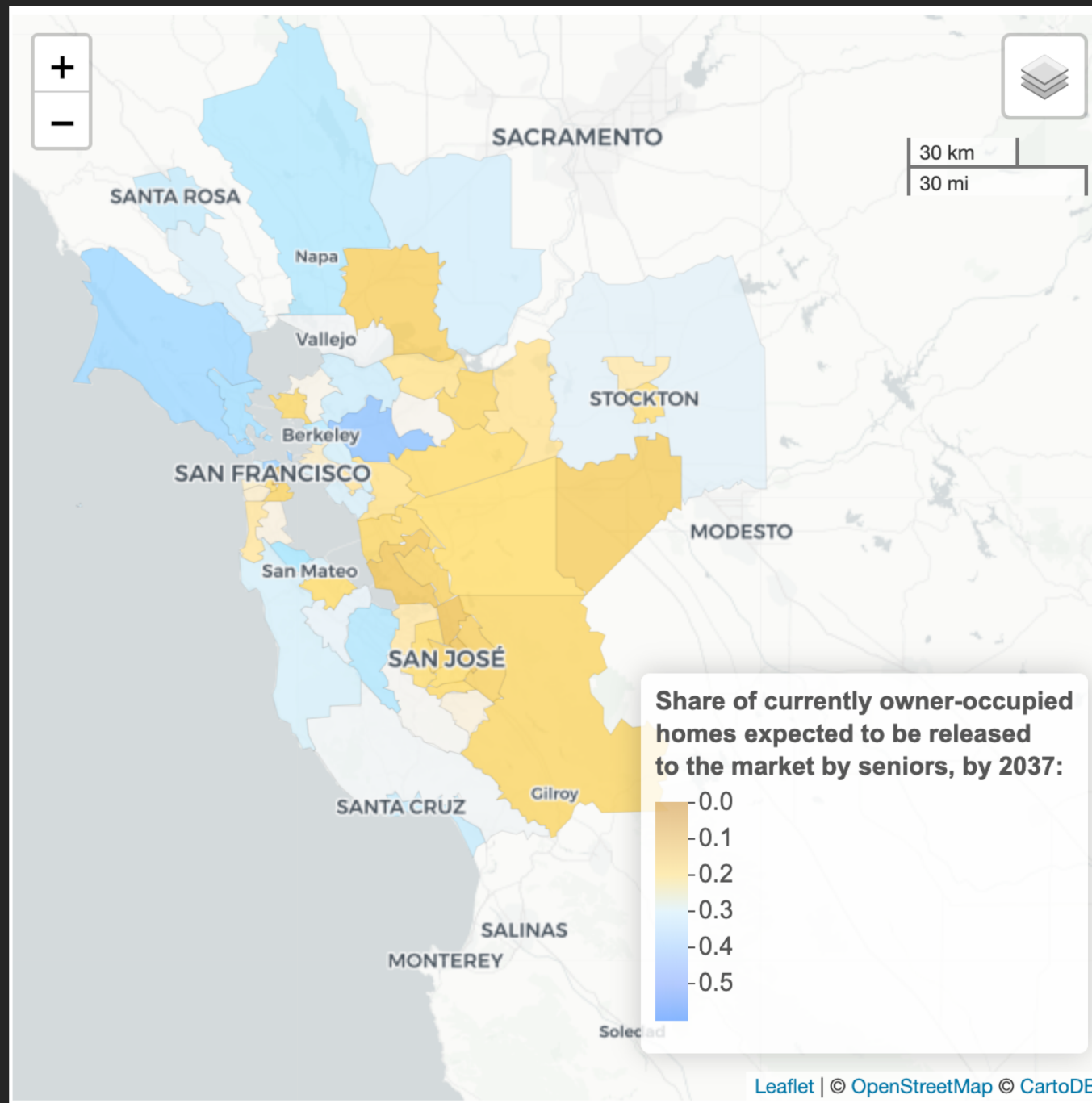
Places likely to be most impacted by this upcoming Silver Tsunami include both retirement hubs (Miami, Orlando, Tampa and Tucson) and regions where young residents have left (Cleveland, Dayton, Knoxville and Pittsburgh).

The places likely to be least impacted include those with vibrant economies featuring fast growth and affordable housing that act as magnets for younger residents (Atlanta, Austin, Dallas and Houston).



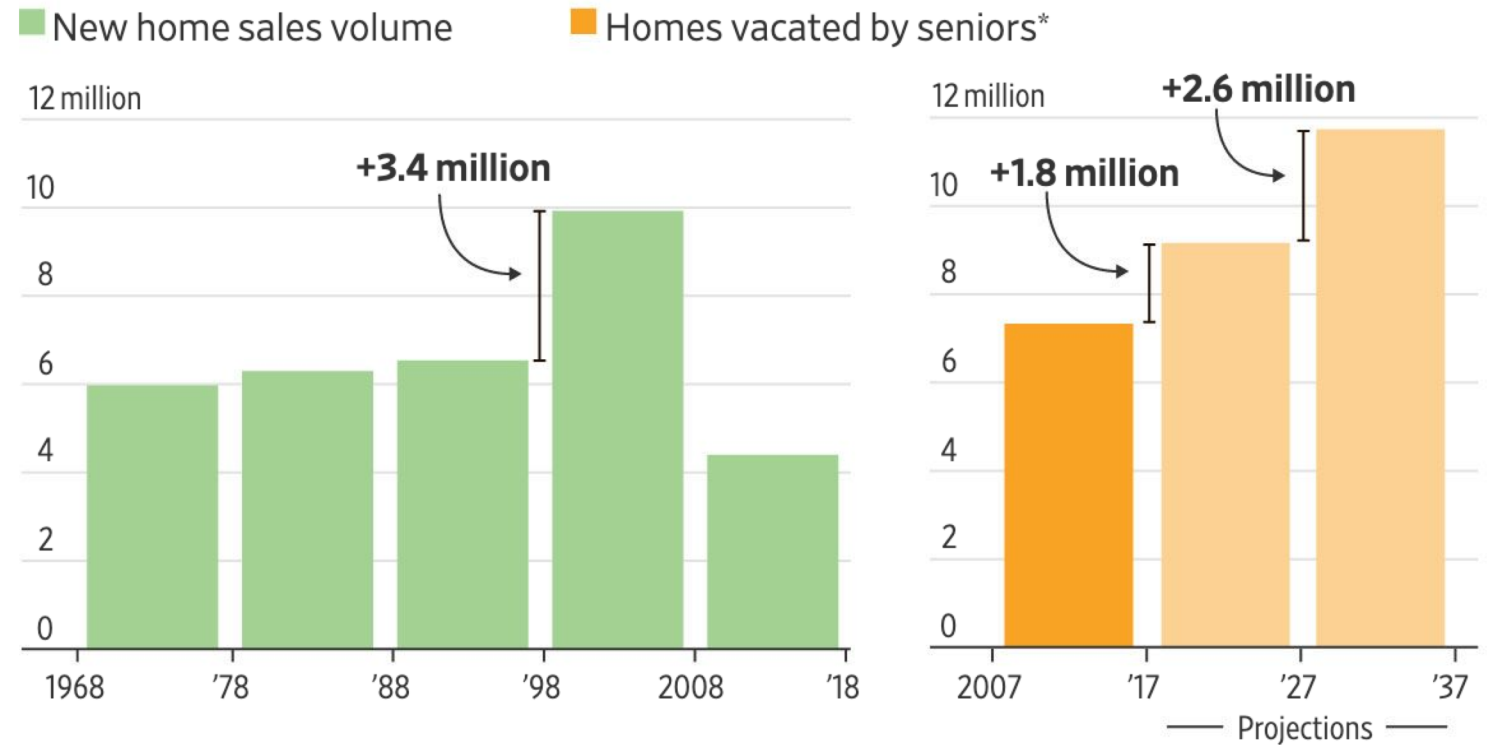
The impact of the Silver Tsunami is also likely to vary greatly across different areas within metros.





Housing released by the Silver Tsunami will provide a substantial and sustained boost to housing supply, comparable in magnitude to the fluctuations that new home construction experienced in the 2000s boom-bust cycle.

U.S. homes, by decade



*Estimate. Seniors are those aged 60 or more. Owner's age is the age of the household's youngest member over 25. Projections use retention-based approach, which reflects households which have moved into or out of homeownership (or the region) for any reason, including passing away as well as moving in with family or into senior care.

Source: Issi Romem/Zillow

In the coming two decades, the construction industry will need to place a greater focus on updating existing properties, in addition to simply building new homes.

New home construction activity skews towards the metropolitan periphery.

But much of the existing housing set to be released by seniors in coming decades is better-located to meet growing demand for living closer to the center.

*** * ***

The Silver Tsunami will drive turnover and change in neighborhoods.

With land-use policy that allows for more density – the Silver Tsunami could be a catalyst for faster densification in the more-affected areas.

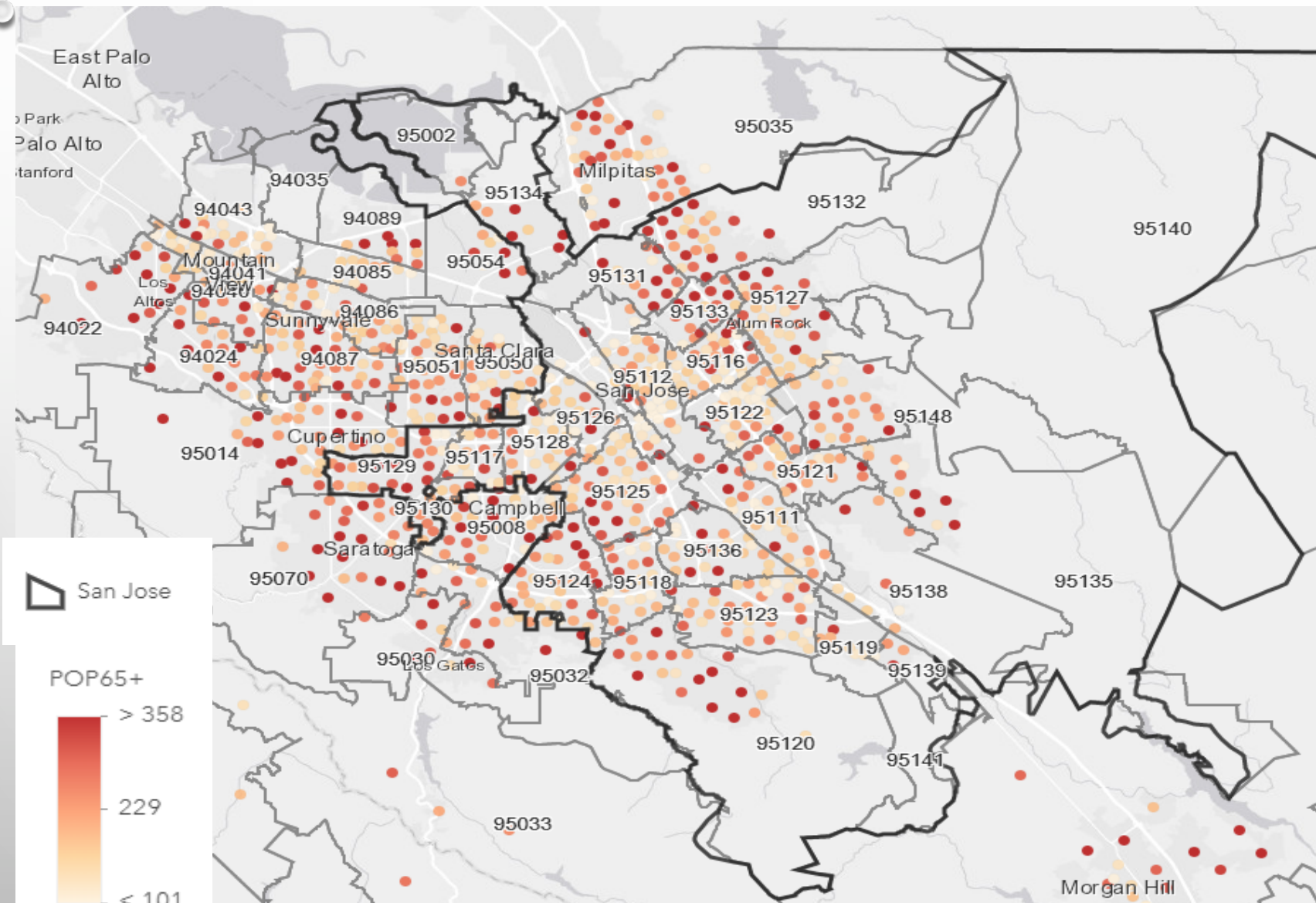
The background of the slide is a light gray gradient. It is decorated with numerous realistic water droplets of various sizes. Some droplets are at the top left, some are scattered in the middle, and a larger cluster of droplets is on the right side. The droplets have highlights and shadows, giving them a three-dimensional appearance.

SILVER WAVE IMPACT TO HEALTHCARE

IRENE CHAVEZ

FEBRUARY 2020

Geographic Distribution, 65+ Population



Source: GEMS, KP Maps

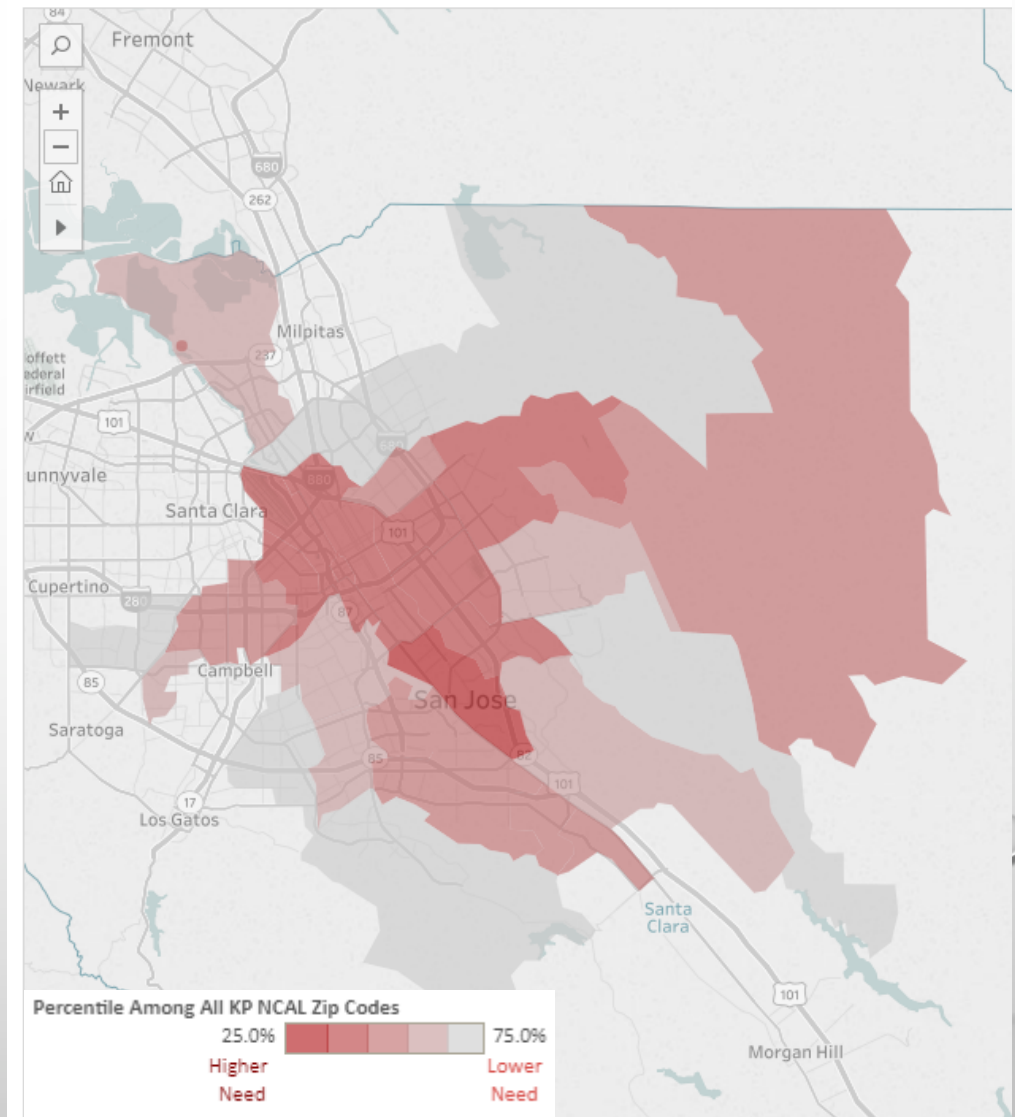
**City of San Jose
Population**
Males, 65+ ~ 58,500
Females, 65+ ~ 73,500
Total, 65+ ~ 132,000

Population Healthcare Needs (All Ages)

Zipcode	Neighborhood	Medical Center Area	Facility Area	% Living in Medically Underserved Area (Population)	% Uninsured (Population)	% with MediCal/ Means-Tested Coverage (Population)	Life Expectancy - Years (Population)
Grand Total				19.2%	7.4%	17.8%	83.1
95002	Alviso	Santa Clara	Santa Clara		5.7%	21.7%	83.8
95110	San Jose	Santa Clara	Santa Clara		10.6%	27.7%	82.5
95111	San Jose	San Jose	San Jose		12.0%	33.9%	82.7
95112	San Jose	Santa Clara	Santa Clara		10.6%	24.0%	82.5
95113	San Jose	Santa Clara	Santa Clara		4.3%	15.9%	
95116	San Jose	Santa Clara	San Jose		11.6%	36.3%	83.7
95117	San Jose	Santa Clara	Santa Clara		8.6%	20.6%	84.3
95118	San Jose	San Jose	San Jose		4.3%	10.0%	82.1
95119	San Jose	San Jose	San Jose		3.9%	9.8%	81.9
95120	San Jose	San Jose	San Jose		1.5%	4.3%	84.3
95121	San Jose	San Jose	San Jose		9.3%	20.7%	82.4
95122	San Jose	Santa Clara	San Jose		12.1%	34.0%	83.1
95123	San Jose	San Jose	San Jose		5.7%	11.5%	83.3
95124	San Jose	Santa Clara	Campbell		4.1%	6.5%	82.4
95125	San Jose	Santa Clara	Campbell		4.8%	8.7%	81.6
95126	San Jose	Santa Clara	Campbell		8.6%	16.0%	81.6
95127	San Jose	Santa Clara	Milpitas		11.3%	21.5%	82.8
95128	San Jose	Santa Clara	Campbell		9.6%	15.0%	81.6
95129	San Jose	Santa Clara	Santa Clara		4.3%	6.5%	85.9
95130	San Jose	Santa Clara	Campbell		5.5%	11.3%	82.2
95131	San Jose	Santa Clara	Milpitas	26.6%	4.8%	12.9%	85.0
95132	San Jose	Santa Clara	Milpitas	13.6%	4.9%	14.7%	84.0
95133	San Jose	Santa Clara	Milpitas		7.1%	29.1%	84.4
95134	San Jose	Santa Clara	Santa Clara		3.8%	8.0%	80.8
95135	San Jose	San Jose	San Jose		3.1%	6.1%	84.8
95136	San Jose	San Jose	San Jose		5.9%	15.9%	83.4
95138	San Jose	San Jose	San Jose		3.5%	9.3%	82.9
95139	San Jose	San Jose	San Jose		6.4%	7.4%	81.7
95140	Mount Hamilton	Santa Clara	Milpitas		28.6%	0.0%	
95148	San Jose	San Jose	San Jose		6.1%	15.1%	84.3

Category: **Population Healthcare Needs (Metric: All)**

Showing Zip Codes From **Higher Need** to **Lower Need**

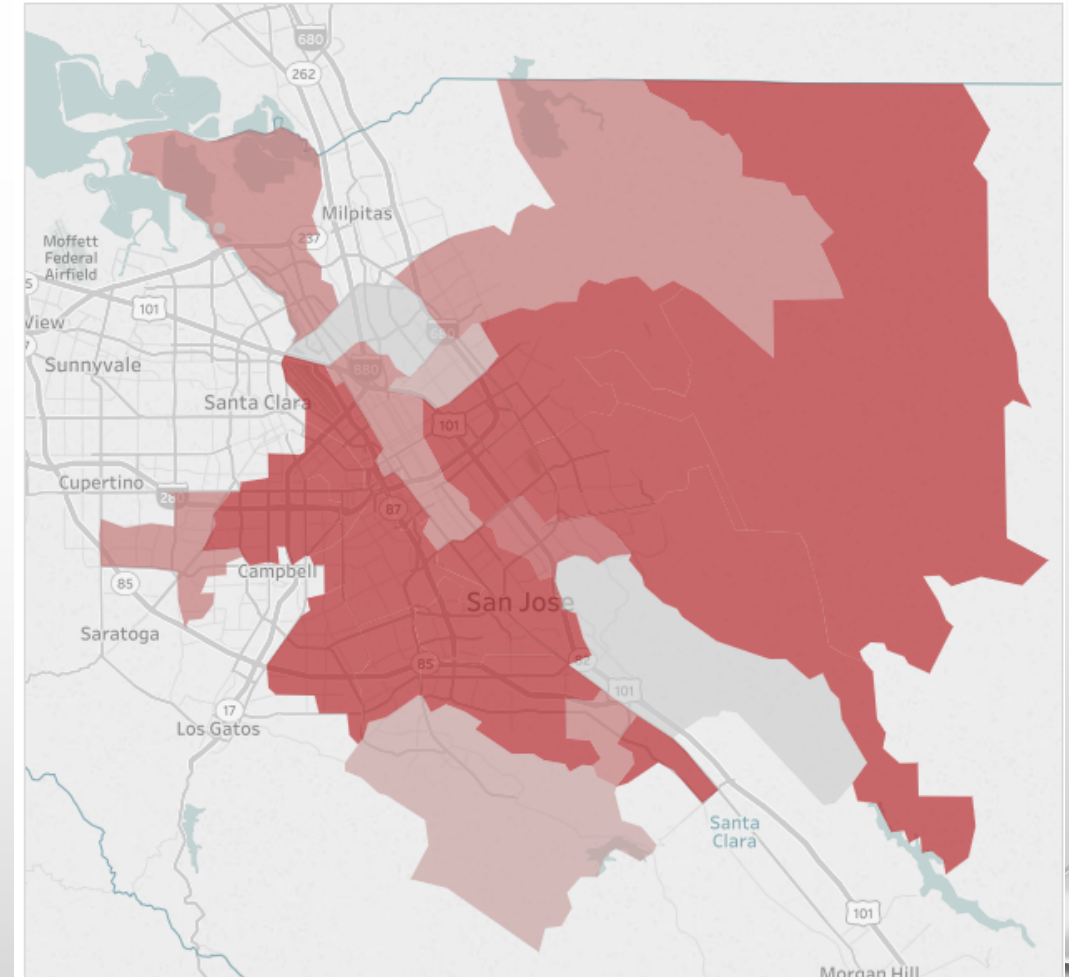


KP Member Disease Burden (All Ages)

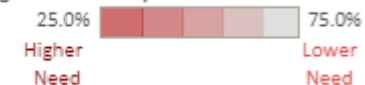
		KP Member Disease Burden					
Zipco..	Neighborhood	% Members with Asthma - Age 5-85	% Members with Diabetes - Age 18-75	% Members with Hypertension - Age 18-85	Breast Cancer Screening Rate (Members)	Colorectal Cancer Screening Rate (Members)	Prospective Risk Score Age 65+ (Members) - Avg DxCG Risk of Futu..
Grand Total		0.8%	9.1%	8.8%	87.8%	81.0%	4.83
95002	Alviso	0.4%	11.3%	11.9%	88.9%	77.9%	4.16
95110	San Jose	1.0%	7.9%	6.7%	86.7%	76.7%	5.08
95111	San Jose	0.8%	10.4%	8.2%	86.7%	77.5%	4.86
95112	San Jose	0.8%	8.3%	7.2%	84.7%	77.1%	4.58
95113	San Jose	0.7%	2.6%	5.6%	88.2%	78.1%	4.54
95116	San Jose	0.6%	11.2%	8.4%	88.9%	75.7%	4.94
95117	San Jose	0.8%	7.6%	8.0%	86.1%	79.4%	5.11
95118	San Jose	0.9%	8.1%	9.3%	88.4%	81.7%	5.24
95119	San Jose	1.1%	9.7%	9.1%	88.2%	84.7%	4.65
95120	San Jose	0.7%	7.3%	9.5%	91.1%	87.1%	4.53
95121	San Jose	0.8%	11.0%	9.4%	87.9%	82.3%	4.79
95122	San Jose	0.6%	11.2%	8.0%	87.9%	74.6%	5.17
95123	San Jose	1.1%	8.7%	8.5%	87.5%	82.0%	4.98
95124	San Jose	0.8%	7.4%	9.2%	90.0%	83.2%	4.91
95125	San Jose	0.8%	7.7%	9.2%	88.2%	82.1%	4.97
95126	San Jose	0.9%	6.5%	7.2%	85.1%	82.0%	4.95
95127	San Jose	0.7%	10.8%	9.5%	88.4%	78.6%	4.89
95128	San Jose	0.8%	8.6%	9.3%	85.6%	80.0%	5.02
95129	San Jose	0.4%	6.9%	9.0%	86.8%	85.1%	4.70
95130	San Jose	0.6%	7.0%	10.4%	87.4%	82.3%	4.56
95131	San Jose	0.7%	9.8%	6.7%	88.8%	82.2%	3.99
95132	San Jose	0.7%	10.5%	10.8%	89.3%	84.1%	4.57
95133	San Jose	0.7%	10.9%	9.7%	87.2%	81.4%	4.47
95134	San Jose	0.5%	4.9%	4.0%	84.6%	79.8%	4.65
95135	San Jose	0.6%	9.6%	12.2%	90.7%	87.1%	5.05
95136	San Jose	0.7%	8.9%	8.8%	88.9%	81.9%	4.86
95138	San Jose	1.0%	7.8%	7.2%	87.8%	82.5%	4.28
95139	San Jose	1.1%	8.4%	9.2%	88.0%	82.8%	5.02
95140	Mount Hamilton	0.0%	14.7%	7.6%	96.6%	83.3%	5.16
95148	San Jose	0.7%	11.2%	10.1%	89.5%	82.8%	4.93

Category: KP Member Disease Burden (Metric: Prospective Risk Score Age 65+ (Members) - Avg DxCG Risk of Future Spending)

Showing Zip Codes From **Higher Need** to **Lower Need**

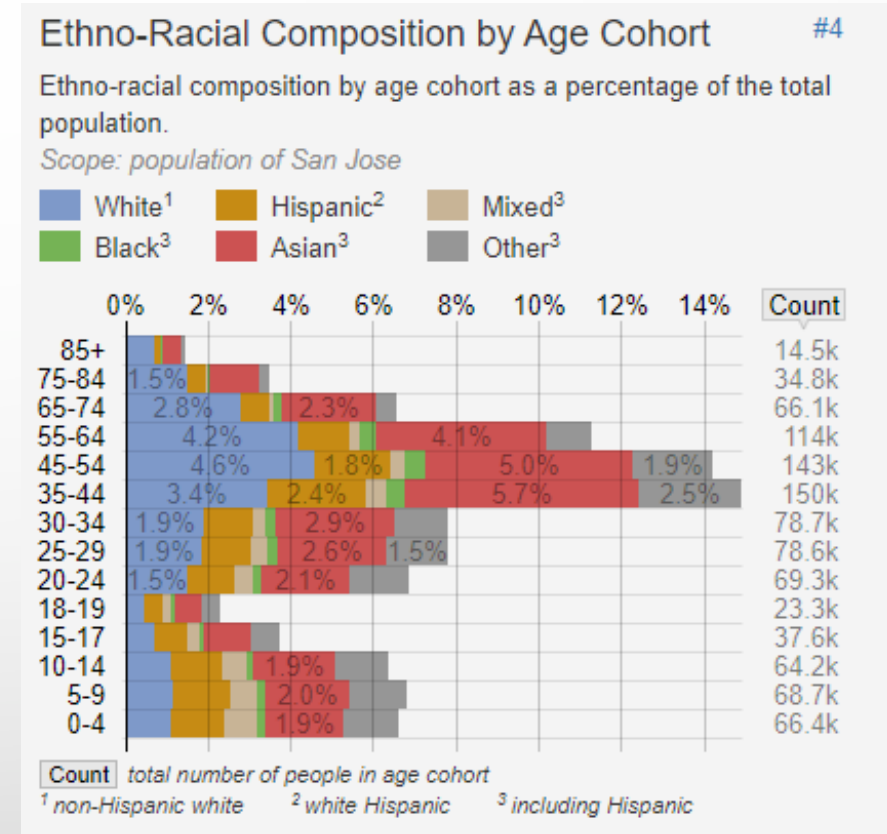
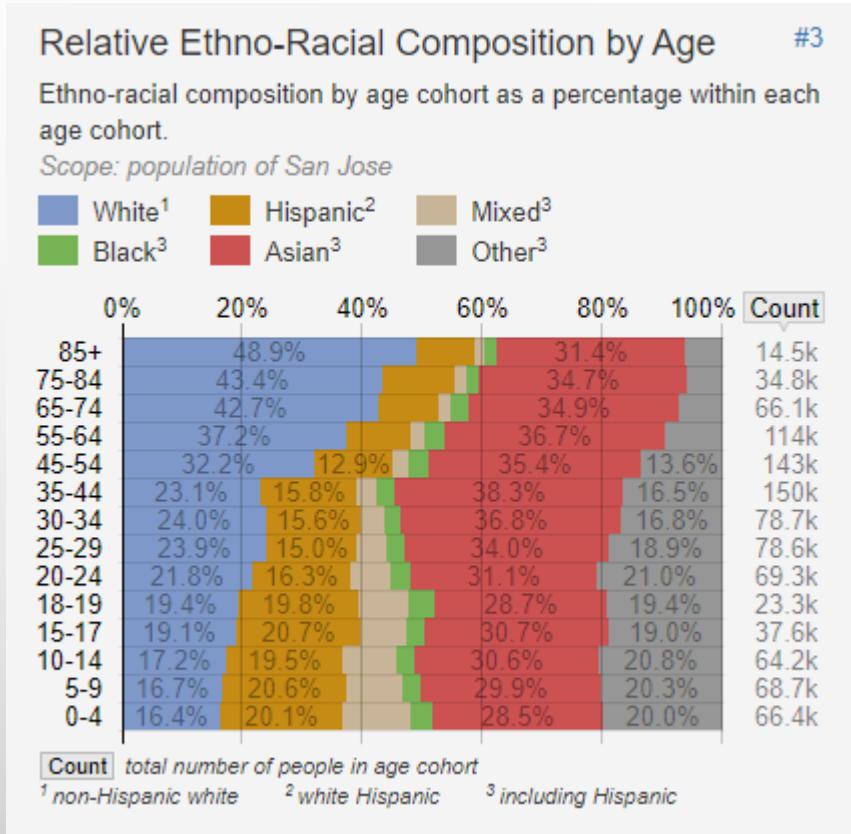


Percentile Among All KP NCAL Zip Codes



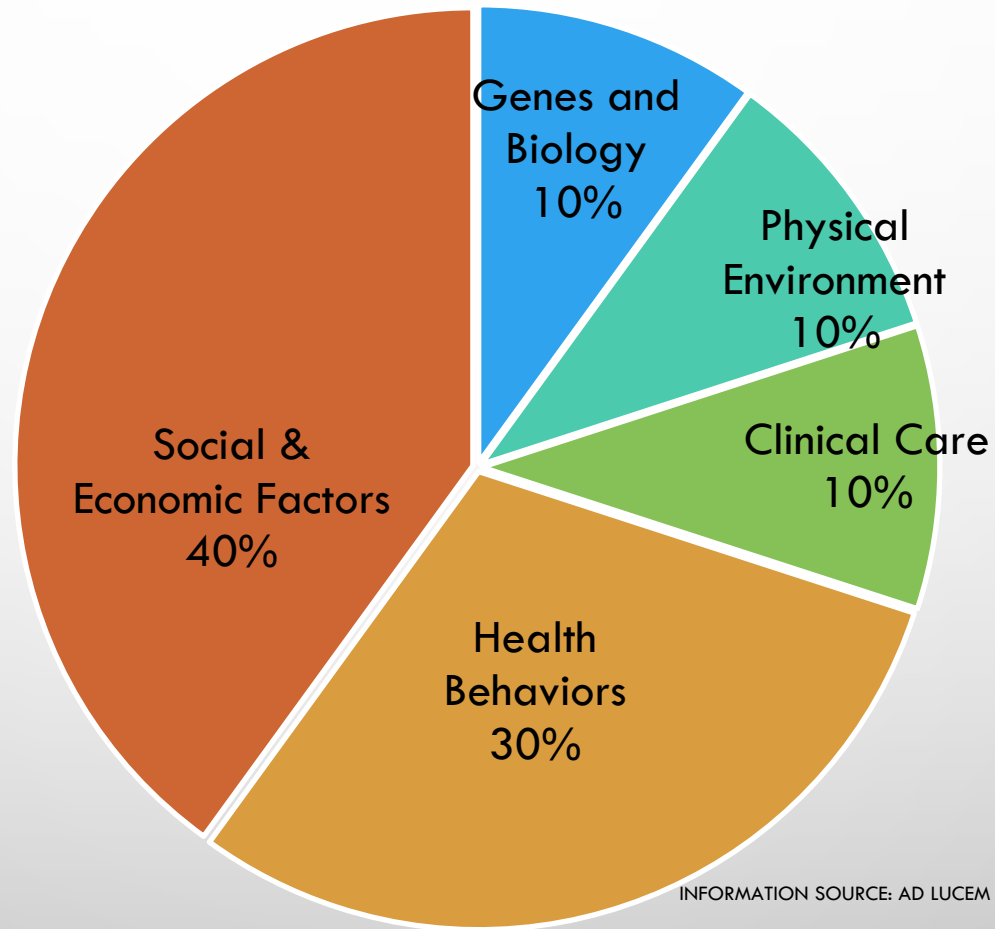
Source: CHAT, Claritas

Ethno-racial Composition by Age Cohort (City of San Jose)



<https://statisticalatlas.com/place/California/San-Jose/Race-and-Ethnicity#figure/relative-ethno-racial-composition-by-age>

DEMONSTRATION PROJECT | ROOT CAUSES OF HEALTH CONCERNS(80/20)





Social Determinants of Health

Home Insecurity
Food Insecurity
Mobility Challenges
Loneliness
Targets of deceptive
practices/people

Continuum of Care

Interventions

Wellness check up
Family/caregiver
Head to toe assessment(baseline)
Lab review
Medication reconciliation (de-
prescribe and prescribe)
Mobility assessment
Nutrition/hydration
Infection Prevention
Life Care Plan Goals
Mental Health assessment
What matters to YOU

Outpatient Preventative Care
ED
Inpatient
Chronic Case Management
Skilled Nursing Facility
Board and Care
Home Health
Hospice
Physical Rehabilitation
Behavioral Health



INNOVATION WILL BE REQUIRED TO CREATE THE
SYSTEMS: AFFORDABLE, ACCESSIBLE, EFFECTIVE,
EFFICACIOUS, CARING AND WELCOMING

CARE - WITHOUT DELAY

CARE - IN THE HOME

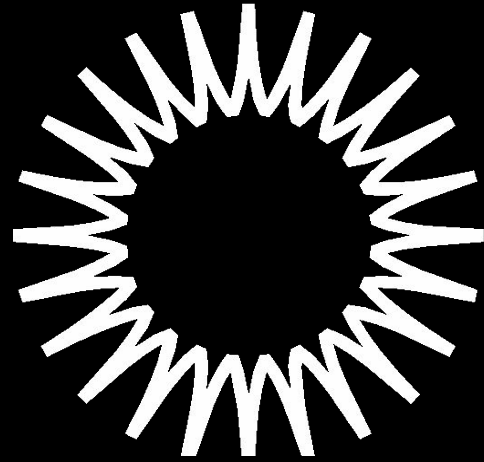
CARE - AT YOUR FINGER TIPS

CARE - AWAY LONELINESS

CARE - SMART MEDS

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