
In one lifetime, median U.S. age will jump from 28 years to 42

By Editorial Staff *Thu, Jan 22, 2015*

The American Academy of Actuaries cited that prediction in its appeal to the president and the Congress to focus on solutions to problems related to the greying of the U.S. population in the years ahead.

The president and the 114th Congress should focus in the next two years on addressing the needs of an America whose average age continues to rise, according to a call-to-action from the 18,000-member American Academy of Actuaries.

“A concerted national strategy on policies to support systems such as retirement security and lifetime income, health care and long-term care for the elderly, and public programs such as Social Security and Medicare, is long overdue,” the organization said in a recent release.

“The demographic transition of proportionately greater numbers of Americans entering retirement, coupled with increased longevity, or life expectancies... will compound the fiscal challenges to both private systems and public programs in the years to come,” the release said.

The U.S. median age in 2015 will be 37.8, up from 28.1 in 1970, and will rise to 42 in 2045, the actuarial organization said, citing U.S. Census Bureau estimates.

To address the needs created by an aging population, the administration and Congress should:

- Address solvency concerns of key public programs like Social Security and Medicare to ensure that they are sustainable in light of changing demographics. The Academy also urges action to allow the disability trust fund to continue to pay full scheduled disability benefits during and beyond 2016.
- Evaluate and address the risk of retirement-income systems not providing expected income into old age, especially in light of increasing longevity. The Academy’s Retirement for the AGES initiative provides a framework for evaluating both private and public retirement systems, as well as public policy proposals.
- Encourage the use of lifetime-income solutions for people living longer in retirement. The Academy’s Lifetime Income initiative supports more widespread use of lifetime-income options.
- Improve the governance and disclosures regarding the measurements of the value of public-sector (state/municipal) employee pension plans. The Academy’s Public Pension Plans Actuarial E-Guide provides information on the nature of the risks and the

complex issues surrounding these plans.

- Evaluate the relative health level of older Americans and those with disabilities, and assess the ability of Medicare and other public and private programs to meet those needs. The Academy is conducting an examination of the drivers of health care costs; Medicare, Medicaid, and private-sector payment and delivery system reform; quality of care metrics; and other issues through its Health Care Cost/Quality of Care initiative.
- Explore solutions to provide for affordable long-term care financing, and address caregiver needs and concerns through public and/or private programs.
- Address the impact of delayed retirement, either voluntary or through future retirement age changes, on benefit programs, as well as the needs it may create with increased demand for early retirement hardship considerations and disability income programs.

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