Aging Boomers, Healthy Latinos: Implications for California’s Health Care Infrastructure

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The California population of older adults has been growing rapidly for many decades, and this trend is projected to continue for decades to come (Figure 1). We estimate that by 2040 the population aged 65 and over will constitute about 20% of the population and use almost half of all health care resources.

The rapid rise in the older population will dramatically increase the demand for health care services, yet the health care services area seems to be the weakest link in the state’s overall infrastructure. Health care providers are reaching retirement age and leaving the workforce faster than they can be replaced. Meanwhile, investments in health care infrastructure and education are not keeping up with projected demand for services.

Lost amid the concerns raised by these projections is the fact that the changing demographics of California’s population growth provide opportunities as well as challenges for the health care delivery infrastructure.

Meeting the Health Care Needs of Aging Baby Boomers

Aging baby boomers will require a rapid expansion of health care services. Fortunately, most will have insurance to pay for their needs, primarily through the Medicare and Medicaid programs. However, a shortfall in the supply of personnel and investments in infrastructure could limit overall system capacity while almost any capacity increase could easily be absorbed by the boomers. Furthermore, financing of health care infrastructure relies on taxes from a rising income base of the working population, but this segment of California’s population will be diminishing due to aging.

Any increase in the income base crucially depends on a stable and educated workforce that can generate enough economic activity to support all types of infrastructure expansion, including for health services. Another pre-requisite for health care capacity growth is more targeted education and training.

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Young and Healthy Latinos are California’s Reserve

While overheated rhetoric employed in the immigration reform debate would give the opposite impression, Latino population growth in California is driven primarily by births, not by immigration. Since 1990, births account for over 75% of Latino growth, while immigration has shrunk to a minor growth element. The special benefit of the Latino population to help solve the health care capacity dilemma derives from the fact that the growing Latino population exhibits the unexpected Latino epidemiological paradox. In spite of having lower income, less education, and less access to care than non-Latinos, Latinos have far lower age-adjusted mortality rates, particularly for the top causes of death: heart disease, cancer and stroke, and infant mortality. And, Latinos have lower death rates despite fewer physician visits, fewer hospital admissions, and fewer hospital bed-days. Furthermore, the Latino population is much younger, with more earners and fewer retirees (Figure 1). Thus, the growing Latino population will initially put far less strain on the state’s health infrastructure than the aging Baby Boomers, as suggested by the coronary heart disease (CHD) prevalence projected by our Health Forecasting Model (Figure 2).

Conclusion

Baby boomers will be more likely to enjoy their golden years if the increasingly Latino work force is able to generate enough economic activity to support the Boomers, through increased tax remittances and enhancements in the State’s infrastructure. Right now, investment in the health and education of young Latinos has not been sufficient to maintain California’s competitive edge. Educating Latinos for health care services jobs as well as skilled jobs in other sectors is necessary for continued economic growth. While educational investments need to be made, there will be strong political pressures to invest first in the needs of the Baby Boomers, which would continue under-investment in younger Latinos. This situation could seriously weaken California’s economic competitiveness.

Because the majority of young people in California are Latino, the growing Latino working age population with its epidemiological paradox could help moderate demand for health care services. And, an increased investment in the education and health of California’s largely Latino youth over the next 15-20 years would increase the ability of the state’s economy to provide the Boomers with the support required as they enter their neediest years, from 2025 to 2050. Failure to invest now will increase the challenges of caring for an aging population in the future. These challenges will worsen as the young Latinos age and start demanding more health care services as well.

Health Forecasting

The purpose of the Health Forecasting Project is to improve population health and reduce or eliminate health disparities through the development and communication of sound, credible forecasts of how the future health of populations and sub-populations can be improved by implementation of effective evidence-based public health policies and programmatic interventions. More information about the project and access to Health Forecasting Tools can be obtained at www.health-forecasting.org

Health Forecasting is based at the UCLA School of Public Health, and is a collaborative effort with the California Department of Public Health and the Los Angeles County Department of Public Health.

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