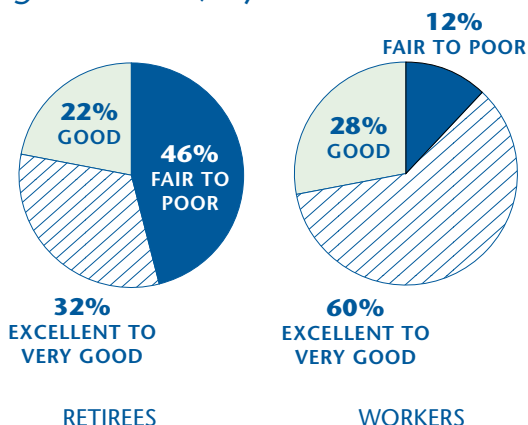




# How Healthy Are Young Retirees and Older Workers?

FIGURE 1

*Physical Health Status of People Age 51 to 59, by Work Status*

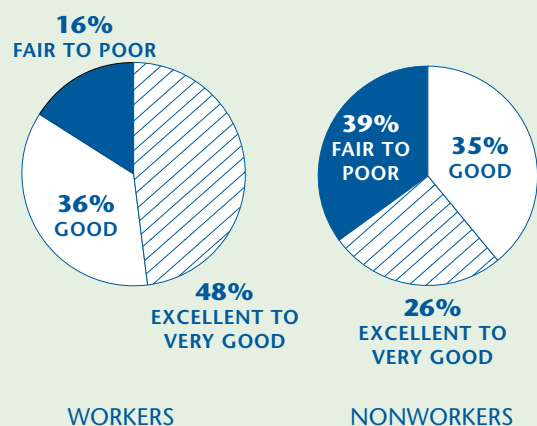


**SOURCE:** National Academy on an Aging Society analysis of data from the 1992 *Health and Retirement Study*.

Health often affects work-related decisions, such as retiring early or remaining in the work force later in life. Finances may also play a role in such decisions. In general, healthy young retirees—people age 51 to 59 who are no longer working—are better-off financially and are more satisfied with life than young retirees who are not as healthy. And workers, age 60 and older, who are healthy are more optimistic about the future than older workers who are less healthy.

FIGURE 2

*Physical Health Status of People Age 60 and Older, by Work Status*



**SOURCE:** National Academy on an Aging Society analysis of data from the 1993 panel of the *Survey of Income and Program Participation*.

**P**hysical health status appears to be highly associated with work status, regardless of age.

In general, young retirees are much less healthy than young workers.

- Slightly less than one-third of young retirees are in excellent to very good health, compared to 60 percent of workers the same age.

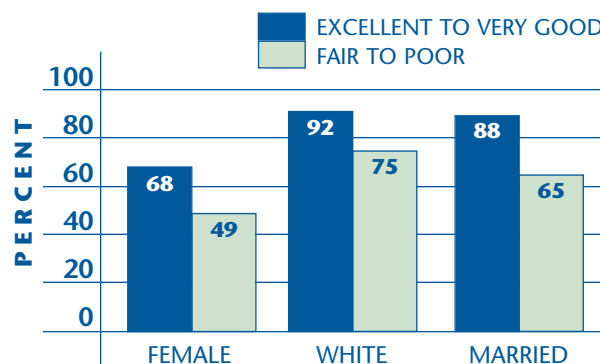
Older workers are generally in better health than older nonworkers.

- Almost half of older workers, compared to about one-quarter of older nonworkers, are in excellent to very good health.

## Healthy retirees are primarily female, white, and married

Young retirees, age 51 to 59, in excellent to very good health differ from those in fair to poor health with respect to gender, race, and marital status. Women account for about two-thirds—68 percent—of young retirees in better health, but slightly less than half—49 percent—of those in poorer health. Whites account for a larger proportion—92 percent—of healthy young retirees, compared to those who are less healthy—75 percent. And, a larger proportion of young retirees in excellent to very good health are married, compared to those in fair to poor health (see Figure 3). Almost one-quarter—22 percent—of young retirees in fair to poor health are divorced, compared to only 7 percent of those in better health.

**FIGURE 3**  
*Characteristics of Retirees Age 51 to 59, by Health Status*



**SOURCE:** National Academy on an Aging Society analysis of data from the 1992 *Health and Retirement Study*.

# OLDER WORKERS

## Healthy workers are mostly male, white, and married

Among workers age 60 and older, men account for a larger proportion of both the populations in excellent to very good health and in fair to poor health—58 and 62 percent, respectively. The majority of older workers, both healthy and unhealthy, are white. However, the proportion of black workers who are less healthy is more than twice as large as the proportion of those in better health. Finally, almost three-quarters—73 percent—of healthy older workers are married, compared to 60 percent of those who are less healthy (see Figure 4).

**FIGURE 4**  
*Characteristics of Workers Age 60 and Older, by Health Status*

	EXCELLENT TO VERY GOOD (%)	FAIR TO POOR (%)
<b>GENDER</b>		
Male	58	62
Female	42	38
<b>RACE</b>		
White	92	85
Black	5	13
<b>MARITAL STATUS</b>		
Married	73	60
Divorced	10	14
Widowed	12	23
Never Married	5	3

**SOURCE:** National Academy on an Aging Society analysis of data from the 1993 panel of the *Survey of Income and Program Participation*.

## HOW IS HEALTH STATUS MEASURED?

Health status is self-reported on a scale of one to five, where 1 = excellent, 2 = very good, 3 = good, 4 = fair, and 5 = poor. People who rate their physical health as one or two (excellent or very good) are considered “healthy,” whereas people who rate their health as four or five (fair or poor) are considered “less healthy.” This *Profile* examines young retirees and older workers in better health compared to those who are less healthy.

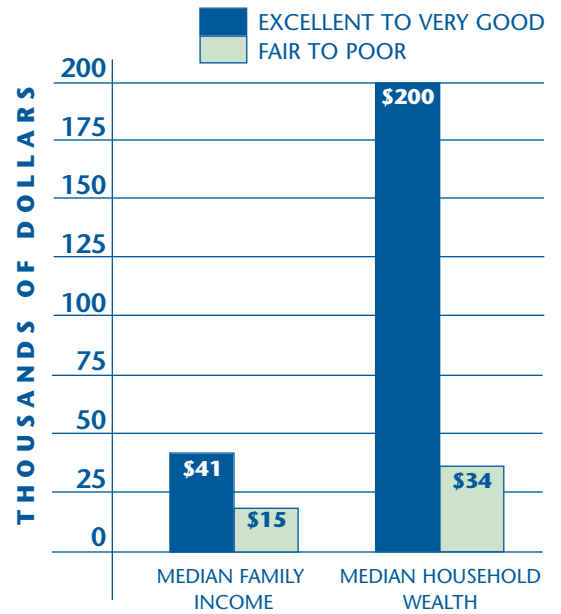


**Healthy retirees are much better-off financially**

Young retirees in excellent to very good health are much better-off financially than young retirees in fair to poor health. The median family income of those in better health is more than twice as high as that of those in worse health. And while slightly less than one-quarter—23 percent—of those who are healthy have a family income under \$20,000, over half—57 percent—of those who are not as healthy have a family income under \$20,000.

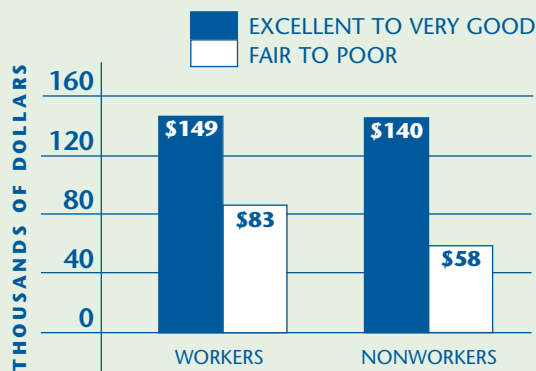
Differences in household wealth are even greater between the two groups. The median household wealth of healthy young retirees is almost 6 times higher than that of those who are less healthy (see Figure 5). Stocks, mutual funds, and IRAs account for the majority of household wealth of those in better health. Much of the household wealth of those in worse health is from home equity.

**FIGURE 5**  
*Financial Status of Retirees Age 51 to 59, by Health Status*



**SOURCE:** National Academy on an Aging Society analysis of data from the 1992 Health and Retirement Study.

**FIGURE 6**  
*Median Household Wealth of Workers and Nonworkers Age 60 and Older, by Health Status*



**SOURCE:** National Academy on an Aging Society analysis of data from the 1993 panel of the Survey of Income and Program Participation.

**Healthy workers are better-off financially**

Almost half—44 percent—of older workers in excellent to very good health have an income of \$50,000 or more, compared to less than one-quarter—24 percent—of older workers in fair to poor health. And the median family income of those in better health—\$44,000—is somewhat higher than that of those who are less healthy—\$32,000. The median household wealth of healthier older workers is also higher than that of those who are less healthy.

The median household wealth of older workers and nonworkers in excellent to very good health is similar, and considerably higher than that of their counterparts in fair to poor health (see Figure 6).

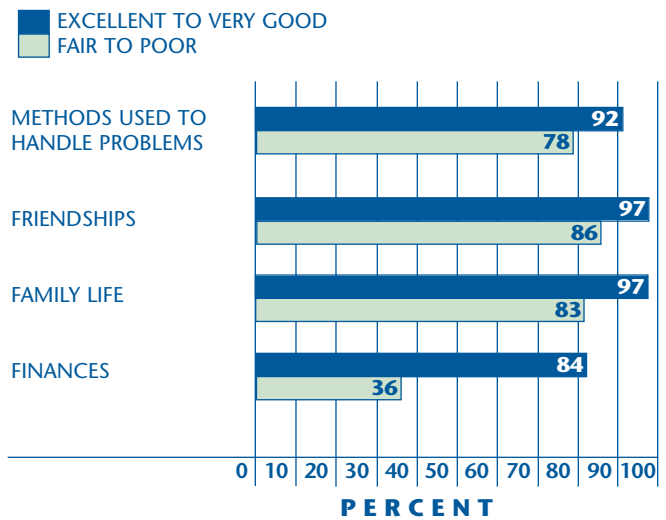
### Healthy retirees are active in their communities

Over one-quarter of healthy young retirees—26 percent—volunteer 100 or more hours per year in their communities, compared to just 9 percent of those who are not as healthy. And a slightly larger proportion of retirees in better health—40 percent—attends a religious service at least once a week, compared to those in fair to poor health—35 percent.

### Healthy retirees are more satisfied with life

Among young retirees, a very large proportion—96 percent—of those in excellent to very good health are satisfied with their life as a whole, compared to those in fair to poor health—69 percent. Health and finances appear to have a large impact on satisfaction with life as a whole (see Figure 7).

**FIGURE 7**  
*Satisfaction of Retirees Age 51 to 59, by Health Status*



**NOTE:** Percentages represent the proportion of people who report being somewhat to very satisfied.

**SOURCE:** National Academy on an Aging Society analysis of data from the 1992 *Health and Retirement Study*.

### Healthy workers are more optimistic about the future

Among workers age 70 and older, those in excellent to very good health are more optimistic about their future financial situation, compared to those in fair to poor health. For example, some 45 percent of those in better health, but only 38 percent of those who are less healthy, are absolutely certain that they will leave an inheritance. And those in fair to poor health are more likely to think that they will need financial assistance from family and friends (see Figure 8).

Expectations about living arrangements also vary substantially with respect to health status among older workers. For example, some 64 percent of healthy workers, compared to 45 percent of less healthy workers, are absolutely certain that they will not move to a nursing home in the next five years. And a smaller proportion of those in better health expects to move in with or closer to an adult child, compared to those who are not as healthy.

**FIGURE 8**  
*Financial Expectations of Workers Age 70 and Older, by Health Status*

	EXCELLENT TO VERY GOOD (%)	FAIR TO POOR (%)
Will leave an inheritance	45	38
Personal income will keep up with inflation over the next 5 years	11	6
Will receive major financial help from family members during the next 10 years	2	5
Medical expenses will use up all savings in next 10 years	2	10

**NOTE:** Percentages represent the proportion absolutely certain that the “event” will occur.

**SOURCE:** National Academy on an Aging Society analysis of data from the 1993 study of *Assets and Health Dynamics Among the Oldest Old*.

## YOUNG RETIREES

### Health conditions limit young retirees

Health conditions often play a role in early retirement. A much larger proportion of young retirees in fair to poor health—91 percent—report that a health condition limits the type or amount of work they can do, compared to young retirees in excellent to very good health—13 percent.

Young workers are also affected by health conditions. For example, over one-third—35 percent—of workers in fair to poor health report that a health condition limits the type or amount of work they can do (see Figure 9).

Back, neck, and spine problems are the leading causes of work limitations among both young retirees and workers.

**FIGURE 9**  
*Proportion of Retirees and Workers Age 51 to 59 with Work Limitations, by Health Status*



**SOURCE:** National Academy on an Aging Society analysis of data from the 1992 *Health and Retirement Study*.

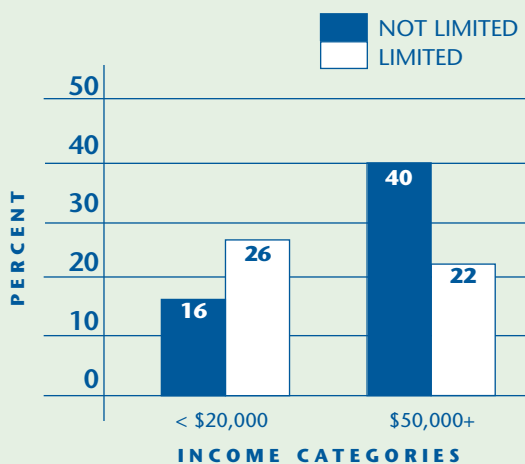
## OLDER WORKERS

### Some healthy workers are limited in their work

A small proportion—5 percent—of healthy older workers, age 60 to 69, have a physical, mental, or other health condition that limits the type or amount of work they can do. In comparison, over one-third—38 percent—of older workers who are not as healthy are limited in their work.

Work limitations do appear to have a negative impact on the annual income of older workers. For example, less than one-quarter—22 percent—of those who are limited in their work have an annual income of \$50,000 or more, compared to 40 percent of those who are not limited (see Figure 10).

**FIGURE 10**  
*Distribution of Income Among Workers Age 60 to 69, by Work Limitations*



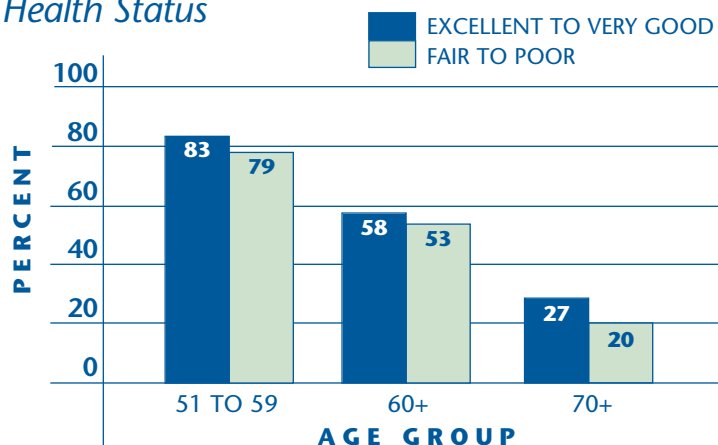
**SOURCE:** National Academy on an Aging Society analysis of data from the 1993 panel of the *Survey of Income and Program Participation*.

## Health is not as strongly associated with hours of work as is age

The majority of workers age 51 to 59 work full time—35 hours or more per week—

FIGURE 11

### Proportion of Full-Time Workers, by Age and Health Status



**SOURCE:** National Academy on an Aging Society analysis of data from the 1992 Health and Retirement Study, the 1993 panel of the Survey of Income and Program Participation, and the 1993 study of Assets and Health Dynamics Among the Oldest Old.

regardless of health status. For example, some 83 percent of those in excellent to very good health and 79 percent of those in fair to poor health work full time.

Compared to younger workers, smaller proportions of healthy and less healthy workers age 60 and older work full time. However, the disparity between the two groups remains small. For example, some 58 percent of healthy older workers, compared to 53 percent of those who are less healthy, work full time. After age 70, health appears to influence work hours to a greater extent. Over one-quarter—27 percent—of healthier workers age 70 and older work full time, compared to 20 percent of those who are not as healthy (see Figure 11).

## ABOUT THE PROFILES

This series, *Data Profiles: Young Retirees and Older Workers*, is supported by a grant from the AARP Andrus Foundation. It is based on a similar series, *Challenges for the 21st Century: Chronic and Disabling Conditions*, prepared by the Academy for the Robert Wood Johnson Foundation. This *Profile* was written by Lee Shirey with assistance from Laura Summer. It is the third in the series. Previous *Profiles* include:

1. Who Are Young Retirees and Older Workers?
2. How Financially Secure Are Young Retirees and Older Workers?

The National Academy on an Aging Society is a Washington-based nonpartisan policy institute of The Gerontological Society of America. The Academy studies the impact of demographic changes on public and private institutions and on the economic and health security of families and people of all ages.

## ABOUT THE DATA

Unless otherwise noted, the data presented in this *Profile* are from three national surveys of the community-dwelling population living within the United States. The 1993 panel of the Survey of Income and Program Participation (SIPP) was conducted by the U.S. Census Bureau, and provides data for the population age 18 to 84. Wave 1 of the Health and Retirement Study (HRS) provides information for a population age 51 to 61 in 1992. Wave 1 of the study of Assets and Health Dynamics Among the Oldest Old (AHEAD) provides information about respondents age 70 and older in 1993 and 1994. Both the HRS and the AHEAD data sets were sponsored by the National Institute on Aging and the Institute for Social Research at the University of Michigan.



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