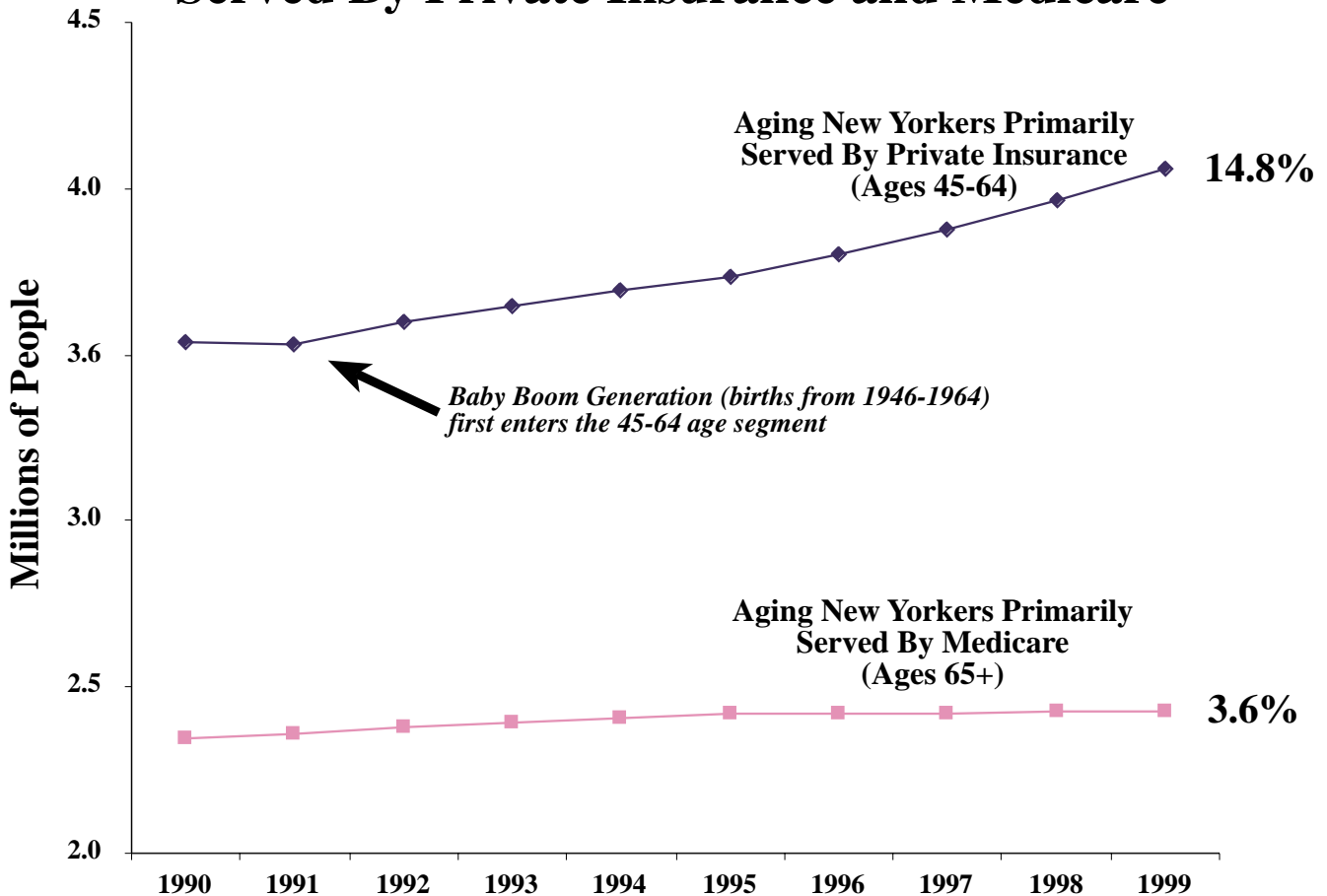


# The Facts About... The Aging Population in New York State

## Growth in New York's Aging Population Served By Private Insurance and Medicare



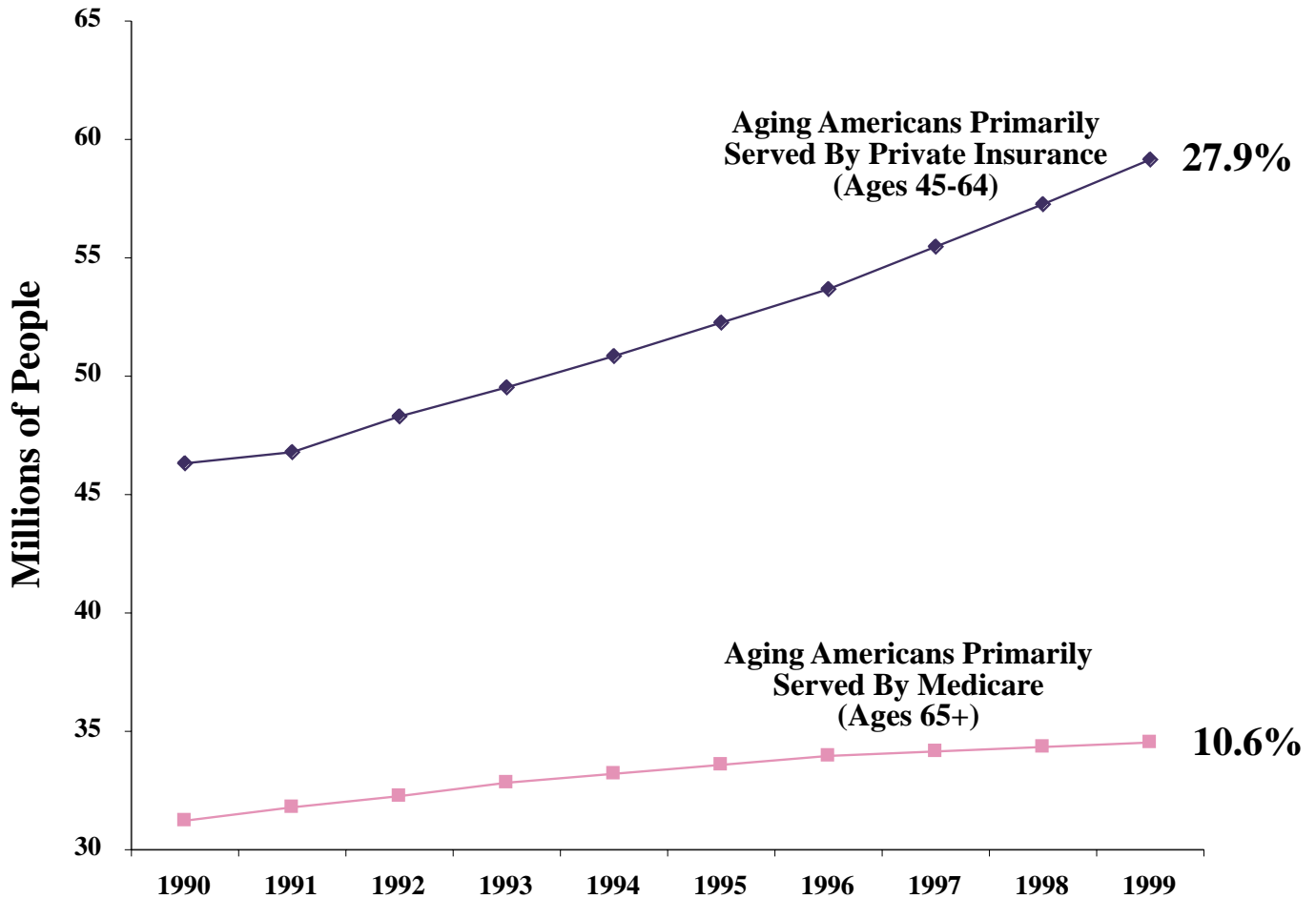
Source: U.S. Census Bureau, Population Estimates, 1990-1999

The segment of New York's population that typically incurs higher-than-average private health-care costs rose 14.8% in the past decade, while New Yorkers primarily served by the government-run Medicare program rose 3.6%. It's well established that older Americans have greater health-care needs, and the media has focused on the impact that changing demographics will have on future Medicare financing. Less understood is the impact the change is beginning to have on private health-care coverage with the growth in the 45-64 age segment.

The Baby Boom generation, those persons born from 1946 to 1964, first entered the 45-64 age segment in 1991 and will continue to join this group for several years. In 1999, there were 523,745 more New Yorkers in the 45-64 age group than there were in 1990. New York's overall population grew by an estimated 1.1% in the 1990s. All figures are based on estimates and projections released by the U.S. Census Bureau.

# The Facts About... The Aging Population in New York State

## Growth in the U.S. Aging Population Served By Private Insurance and Medicare



Source: U.S. Census Bureau, Population Estimates, 1990-1999

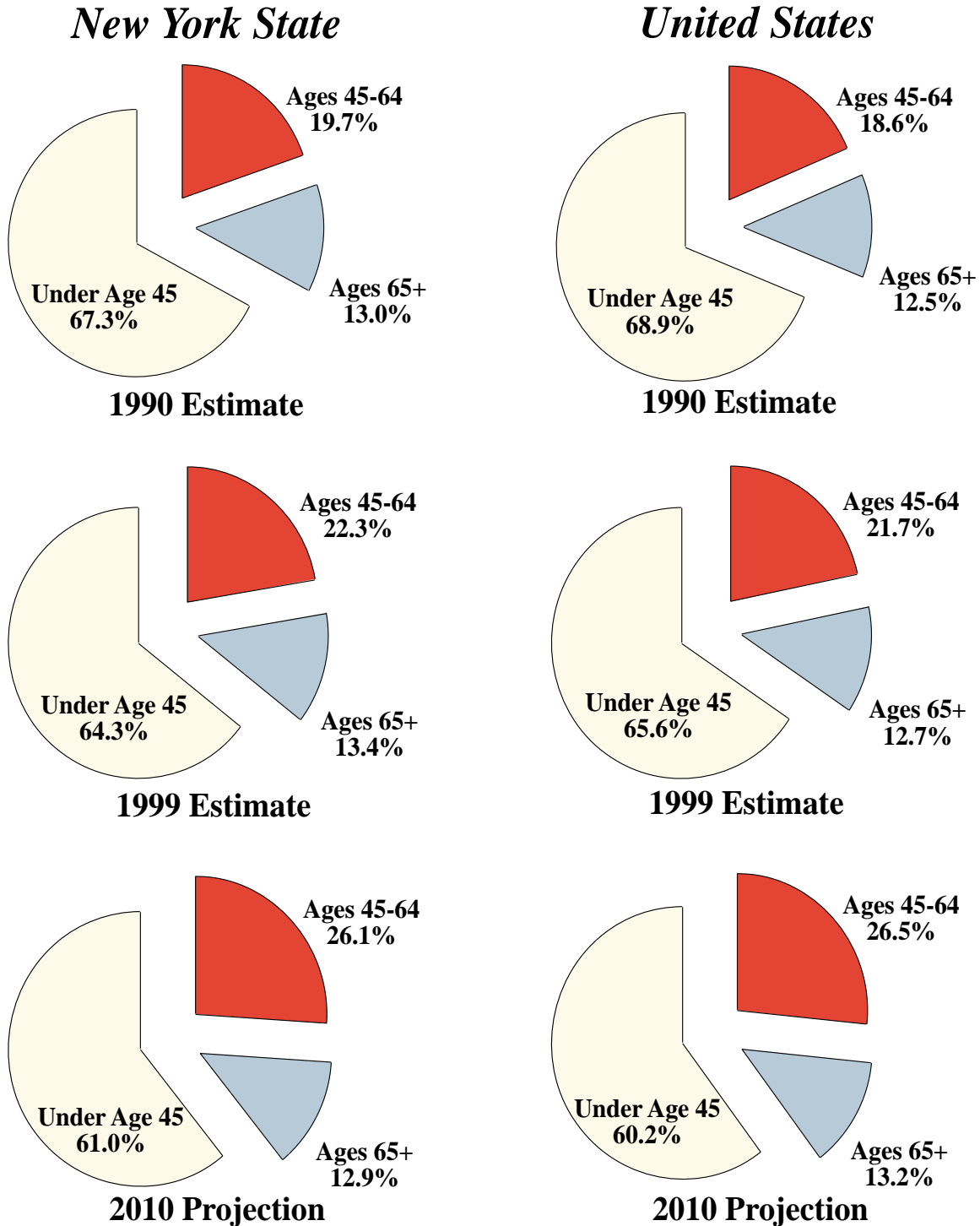
The number of Americans aged 45-64 grew by a rate of 27.9% in the 1990s, while the number of those Americans aged 65 and older rose 10.6%. The overall U.S. population grew by an estimated 9.3%.

The next page shows the shares of the population each age group represented in 1990 and 1999, and it illustrates the 2010 Census projections as the Baby Boom generation ages up. According to the Census Bureau, the 45-64 age segment represented 19.7% of New York's population in 1990 and occupied a 22.3% share by the end of the decade. By 2010, it is projected to be 26.1% of state's overall population. The same age segment represented an 18.6% share of the U.S. population in 1990, growing to a 21.7% share at the end of the decade. By 2010, about 26.5% of all Americans are projected to be in the 45-64 age group.

In subsequent pages, growths and declines in different age segments are more closely examined, along with a general presentation about the facts related to age associated health-care costs.

The Facts About...  
**The Aging Population in New York State**

**Growth in the Shares of Aging Populations Served by Private Insurance and Medicare**

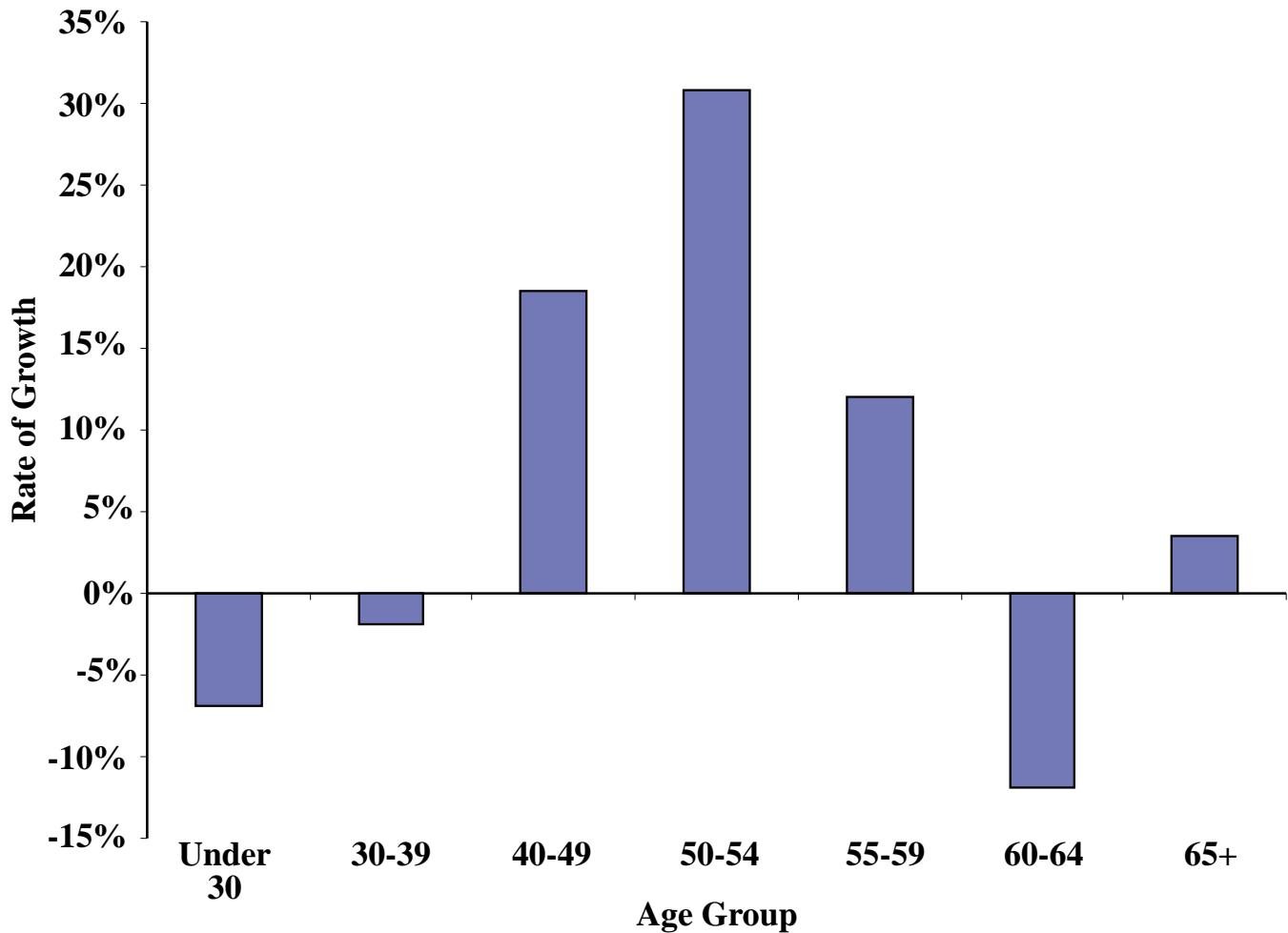


Source: U.S. Census Bureau, Population Estimates, 1999; and Projections to 2010

The Facts About...

# The Aging Population in New York State

## Growth in Segments of New York's Population 1990-1999



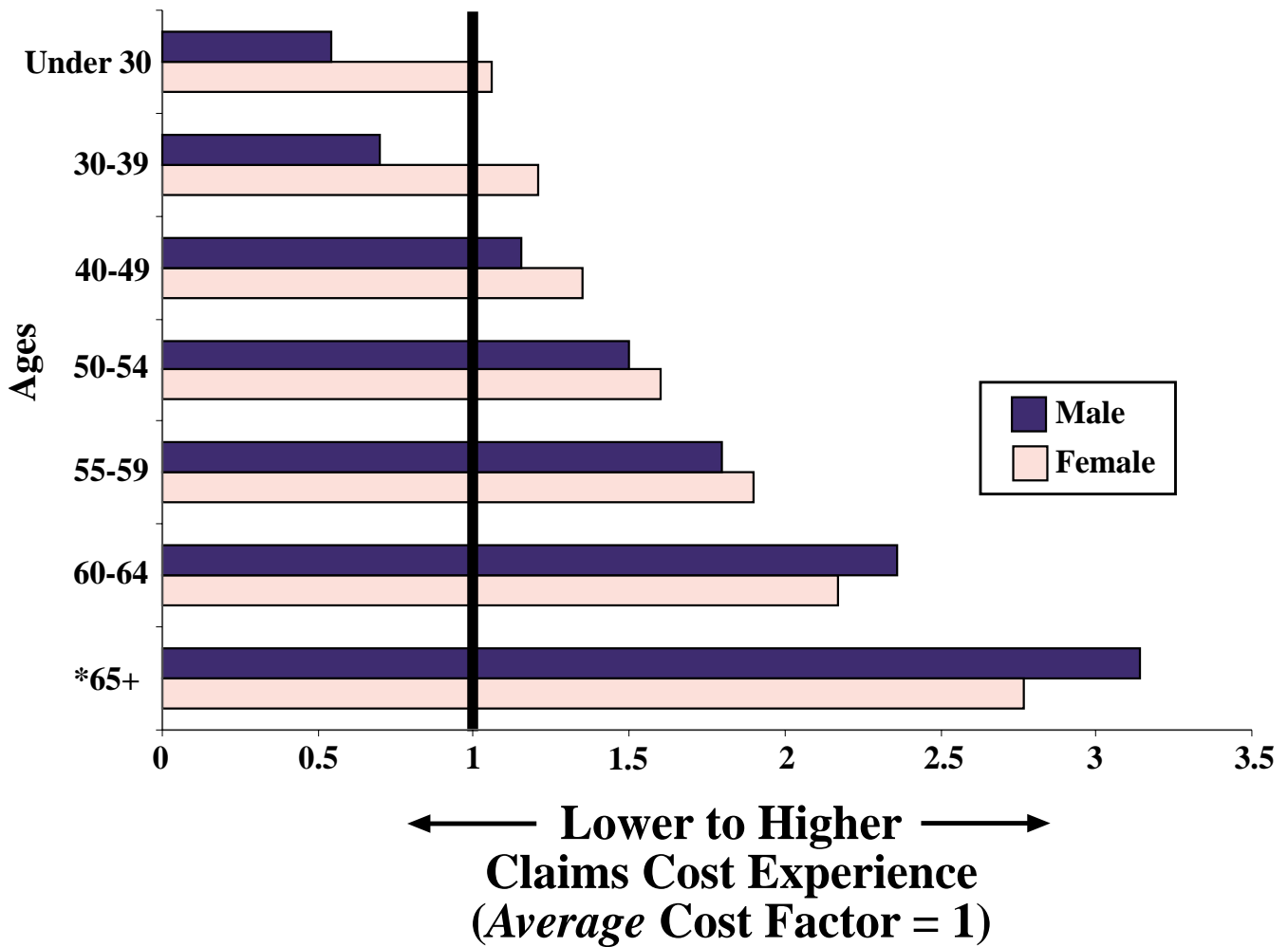
Age Group	Population		Growth Rate 1990-1999	Age Group Size (% of Total Pop.)	
	1990	1999		1990	1999
Under 30	7,810,625	7,277,215	-6.83%	43.39%	39.99%
30-39	3,004,966	2,949,578	-1.84%	16.69%	16.21%
40-49	2,340,342	2,772,846	18.48%	13.00%	15.24%
50-54	868,043	1,135,947	30.86%	4.82%	6.24%
55-59	808,358	905,154	11.97%	4.49%	4.97%
60-64	824,379	726,229	-11.91%	4.58%	3.99%
65+	2,346,142	2,429,632	3.56%	13.03%	13.35%

Source: U.S. Census Bureau, Population Estimates, 1990-1999.

The Facts About...  
**The Aging Population in New York State**

# The Costs of Getting Older

## Health-Care Claims Cost Experience Comparison With The “Average” Privately Insured New York Adult



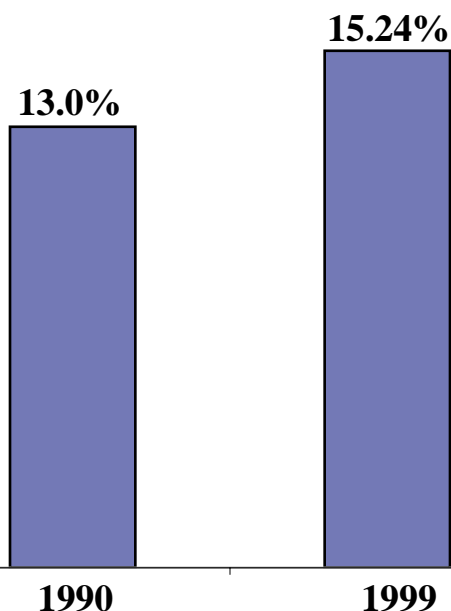
Source: Based on New York State Department of Insurance “Table of Age/Sex Factors for Other Than Medicare Supplement Insurance,” used prior to Jan 1, 2000, for risk adjustments to individual and small group health coverage policies. The above figures are from a table that represents the coverage of single adults in managed care and indemnity products combined. \*The oldest category provided in the DOI table are those 65 and older, and the factors used refer to those with coverage in which Medicare is not primary.

# The Facts About... The Aging Population in New York State

## Age Group, 40-49

### The Numbers...

Age Group  
As a Percentage of Total Population  
In New York State



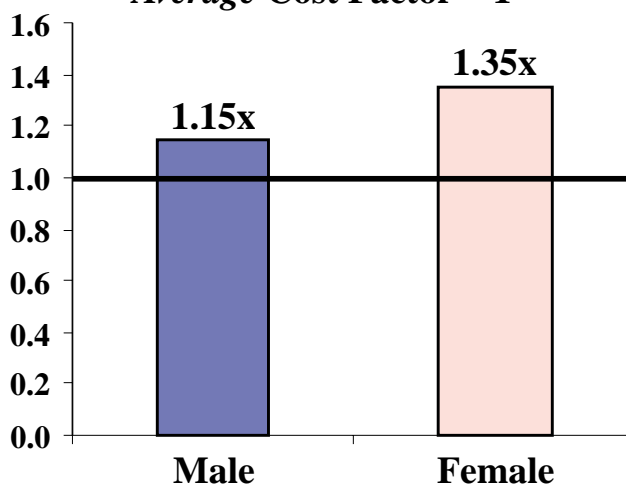
Age Group/Population Totals  
In New York State, 1990 & 1999

	Age 40-49	All Ages
1990	2,340,342	18,002,855
1999	2,772,846	18,196,601
Gain (Loss)	432,504	193,746

### The Costs...

Privately Insured  
Claims Cost Experience

Average Cost Factor = 1



*Privately insured New Yorkers in this age group incur health-care claims costs that exceed the average insured adult by an estimated 15-35%.*

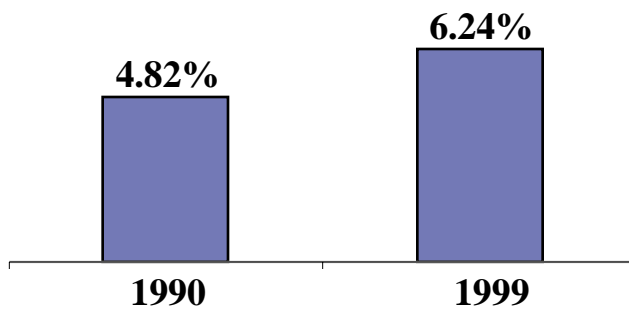
Sources: Population data from the *U.S. Census Bureau*. Claims cost data based upon the New York State Insurance Department's "Table of Age/Sex Factors for Other Medicare Supplemental Insurance," used prior to Jan. 1, 2000, for risk adjustments to individual and small group health coverage policies.

# The Facts About... The Aging Population in New York State

## Age Group, 50-54

### The Numbers...

Age Group  
As a Percentage of Total Population  
In New York State



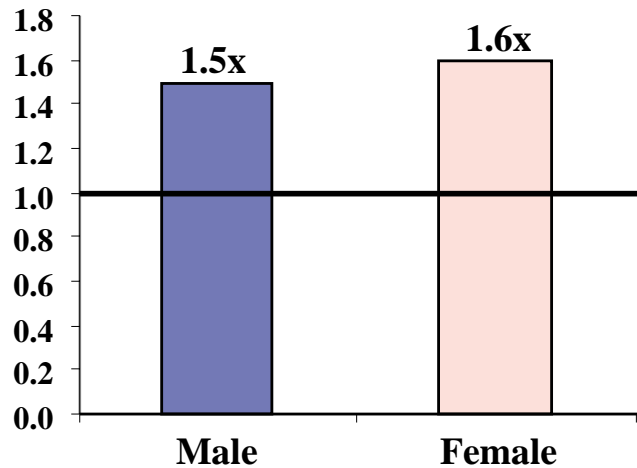
Age Group/Population Totals  
In New York State, 1990 & 1999

	Age 50-54	All Ages
1990	868,043	18,002,855
1999	1,135,947	18,196,601
Gain (Loss)	267,904	193,746

### The Costs...

Privately Insured  
Claims Cost Experience

Average Cost Factor = 1



*Privately insured New Yorkers in this age group incur health-care claims costs that exceed the average insured adult by an estimated 50-60%.*

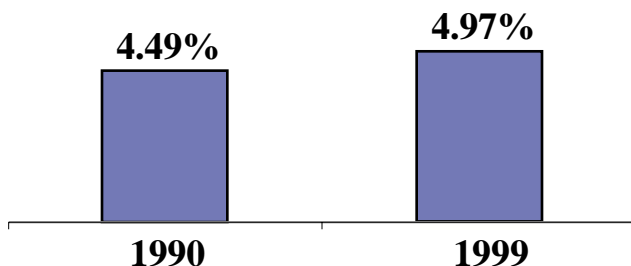
Sources: Population data from the *U.S. Census Bureau*. Claims cost data based upon the New York State Insurance Department's "Table of Age/Sex Factors for Other Medicare Supplemental Insurance," used prior to Jan. 1, 2000, for risk adjustments to individual and small group health coverage policies.

# The Facts About... The Aging Population in New York State

## Age Group, 55-59

### The Numbers...

Age Group  
As a Percentage of Total Population  
In New York State



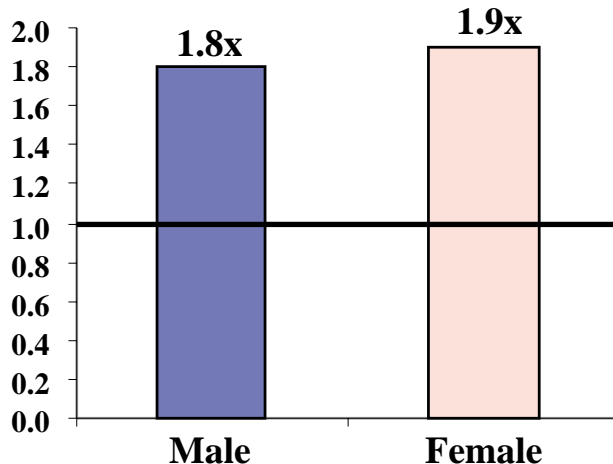
Age Group/Population Totals  
In New York State, 1990 & 1999

	Age 55-59	All Ages
1990	808,358	18,002,855
1999	905,154	18,196,601
<b>Gain (Loss)</b>	<b>96,796</b>	<b>193,746</b>

### The Costs...

Privately Insured  
Claims Cost Experience

Average Cost Factor = 1



*Privately insured New Yorkers in this age group incur health-care claims costs that exceed the average insured adult by an estimated 80-90%.*

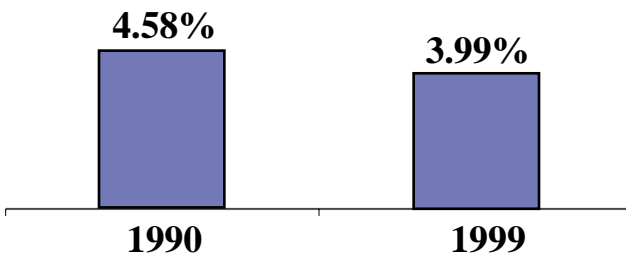
Sources: Population data from the *U.S. Census Bureau*. Claims cost data based upon the New York State Insurance Department's "Table of Age/Sex Factors for Other Medicare Supplemental Insurance," used prior to Jan. 1, 2000, for risk adjustments to individual and small group health coverage policies.

The Facts About...  
**The Aging Population in New York State**

# Age Group, 60-64

## The Numbers...

**Age Group  
 As a Percentage of Total Population  
 In New York State**



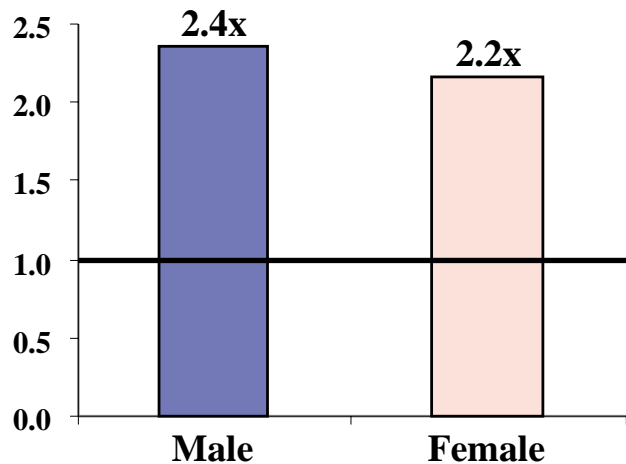
**Age Group/Population Totals  
 In New York State, 1990 & 1999**

	Age 60-64	All Ages
1990	824,379	18,002,855
1999	726,229	18,196,601
Gain (Loss)	(98,150)	193,746

## The Costs...

**Privately Insured  
 Claims Cost Experience**

Average Cost Factor = 1



*Privately insured New Yorkers in this age group incur health-care claims costs that exceed the average insured adult by an estimated 120-140%.*

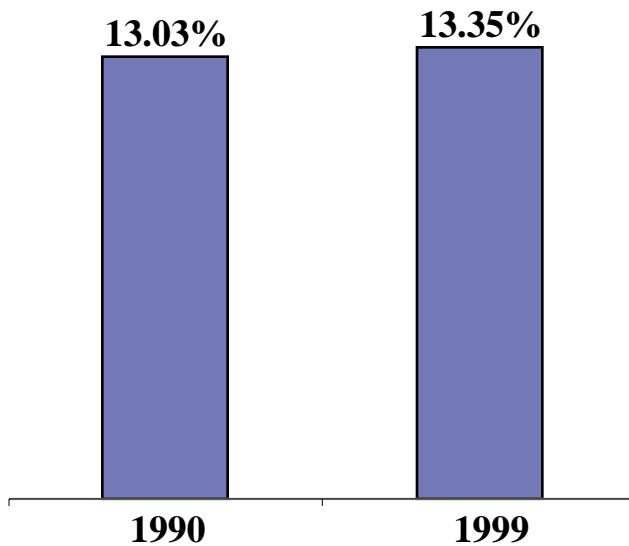
Sources: Population data from the *U.S. Census Bureau*. Claims cost data based upon the New York State Insurance Department's "Table of Age/Sex Factors for Other Medicare Supplemental Insurance," used prior to Jan. 1, 2000, for risk adjustments to individual and small group health coverage policies.

The Facts About...  
**The Aging Population in New York State**

# Age Group, 65+

## The Numbers...

**Age Group  
 As a Percentage of Total Population  
 In New York State**



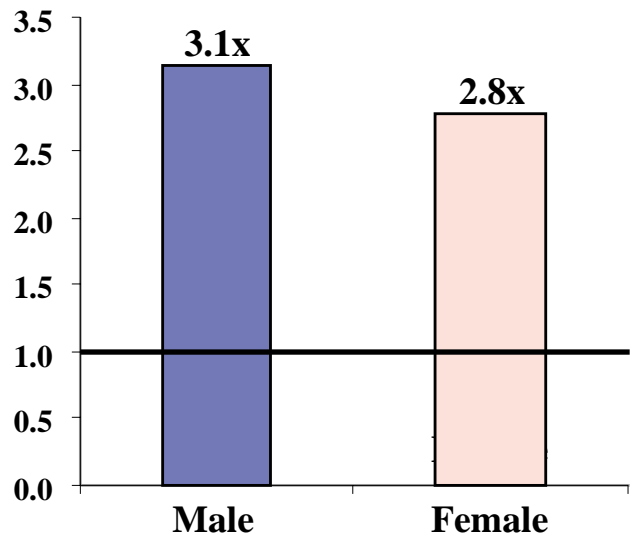
**Age Group/Population Totals  
 In New York State, 1990 & 1999**

	Age 65+	All Ages
1990	2,346,142	18,002,855
1999	2,429,632	18,196,601
<b>Gain (Loss)</b>	<b>83,490</b>	<b>193,746</b>

## The Costs...

**Privately Insured  
 Claims Cost Experience**

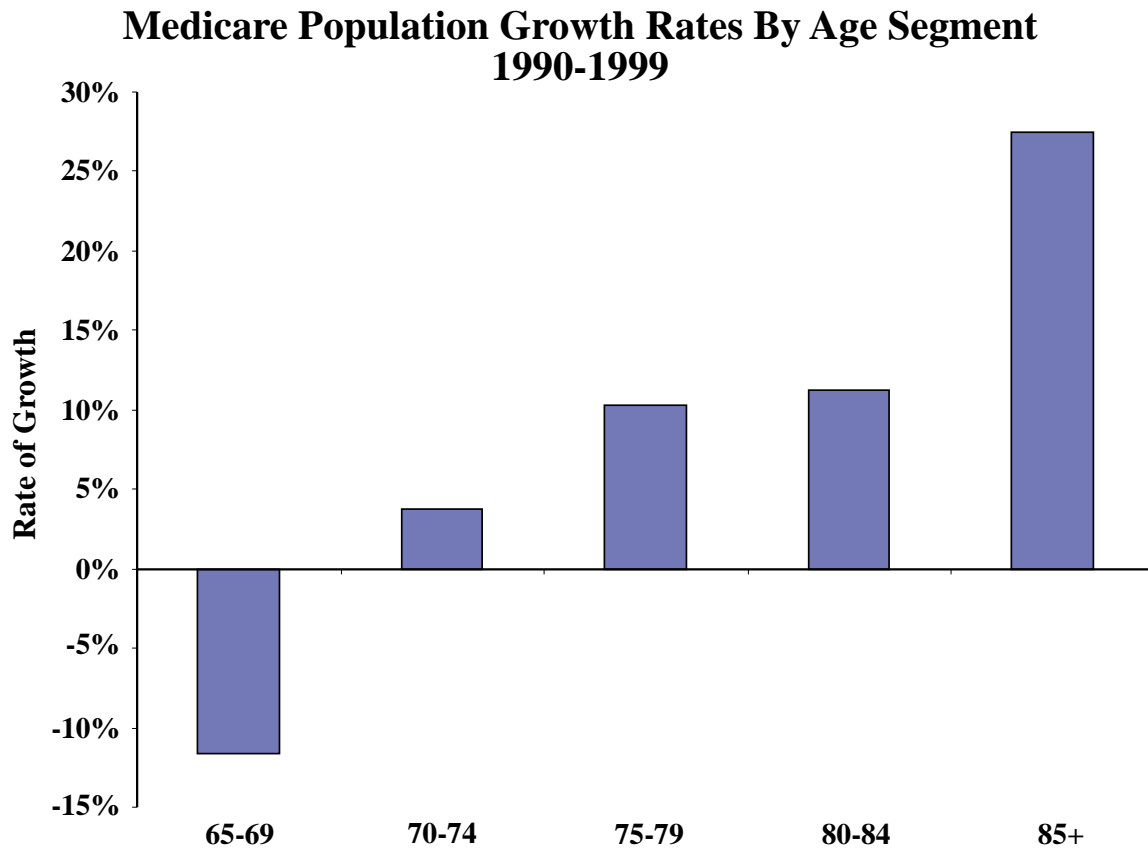
*Average Cost Factor = 1*



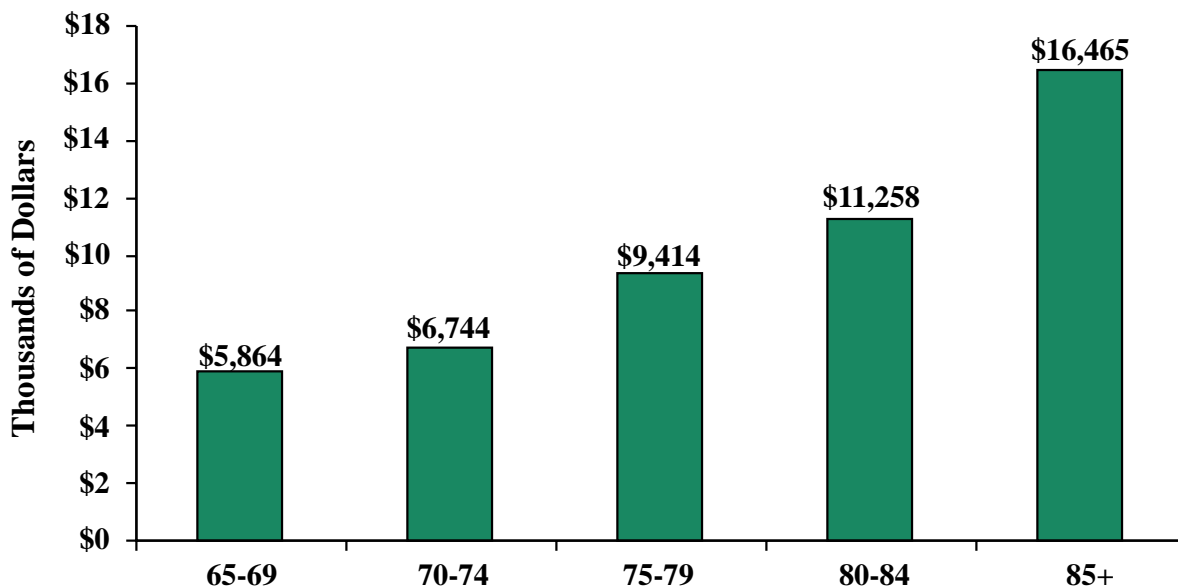
*Privately insured New Yorkers in this age group incur health-care claims costs that exceed the average insured adult by an estimated 180-210%.*

*Sources: Population data from the U.S. Census Bureau. Claims cost data based upon the New York State Insurance Department's "Table of Age/Sex Factors for Other Medicare Supplemental Insurance," used prior to Jan. 1, 2000, for risk adjustments to individual and small group health coverage policies.*

# The Facts About... The Aging Population in New York State



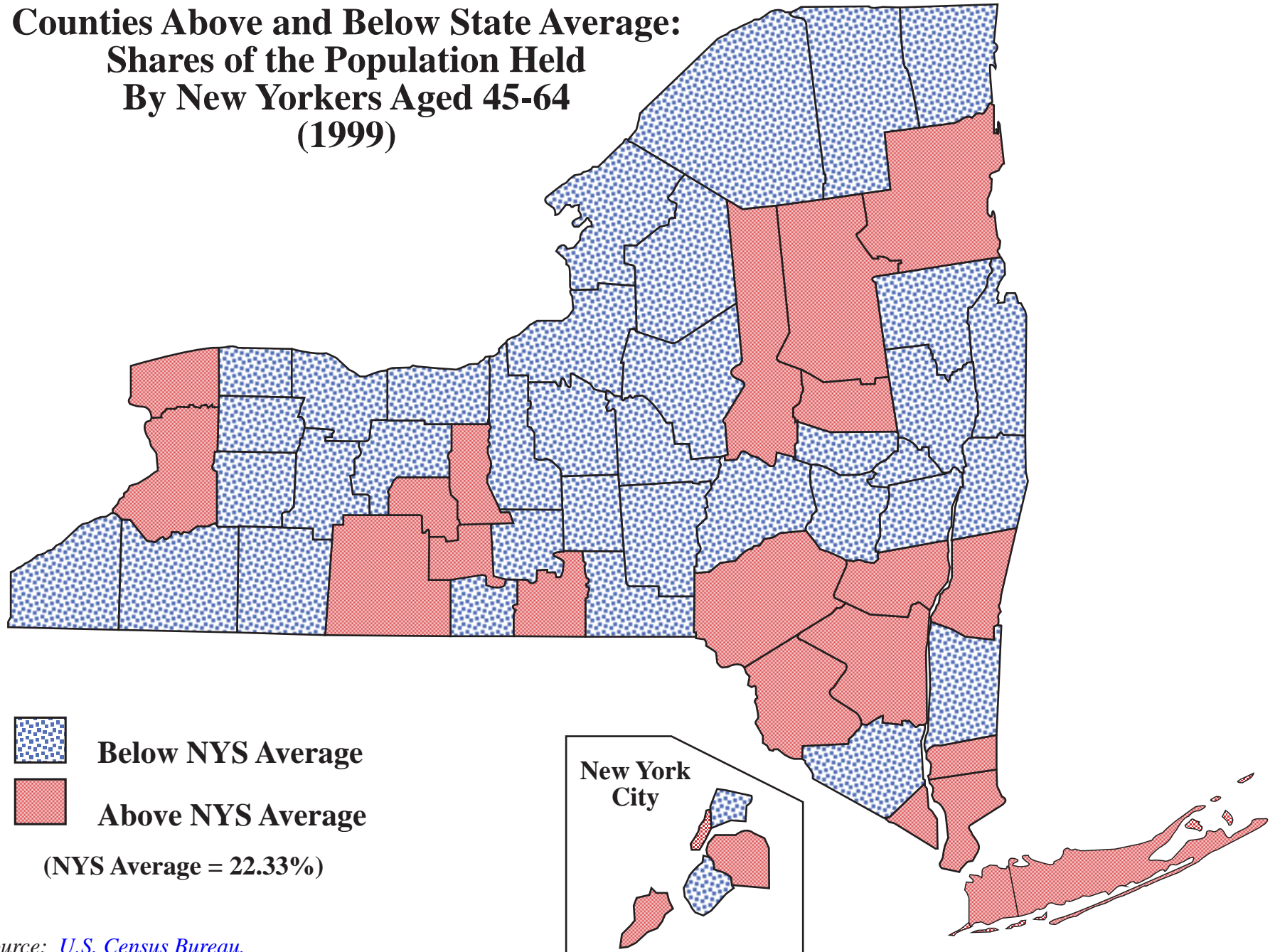
## Average Health-Care Expenditures Among Medicare Beneficiaries (1996 Dollars)



Sources: *Population data from the U.S. Census Bureau, Population Estimates, 1990-1999.*  
*Expenditure data from the Health Care Financing Administration, Medicare Current Beneficiary Survey.*

# The Facts About... The Aging Population in New York State

**Counties Above and Below State Average:  
Shares of the Population Held  
By New Yorkers Aged 45-64  
(1999)**



Source: U.S. Census Bureau.

# The Facts About... The Aging Population in New York State

## New York State Population Aged 45-64 Years, By County Age Group Size As a Percentage of Total Population 1990-1999

County Name	1990	1999	County Name	1990	1999
Hamilton	26.12%	28.00%	Chemung	19.28%	21.97%
Rockland	22.85%	25.43%	Saratoga	18.96%	21.97%
Nassau	22.86%	25.37%	Wayne	18.99%	21.92%
Westchester	21.92%	24.54%	Washington	18.96%	21.90%
New York	20.66%	23.89%	Broome	19.45%	21.89%
Suffolk	20.90%	23.80%	Chautauqua	19.34%	21.78%
Putnam	20.39%	23.72%	Cattaraugus	18.99%	21.74%
Columbia	20.47%	23.44%	Otsego	18.62%	21.58%
Tioga	20.42%	23.32%	Montgomery	18.94%	21.29%
Steuben	20.15%	23.05%	Oneida	18.73%	21.15%
Queens	20.44%	22.98%	Monroe	18.46%	21.14%
Greene	20.11%	22.83%	Allegany	18.39%	21.11%
Essex	20.12%	22.79%	Madison	18.05%	21.09%
Delaware	20.59%	22.70%	Albany	18.27%	21.06%
Schuyler	20.00%	22.68%	Rensselaer	18.26%	21.04%
Erie	19.99%	22.57%	Onondaga	18.40%	20.98%
Richmond	19.73%	22.52%	Franklin	18.42%	20.93%
Seneca	19.68%	22.52%	Lewis	18.40%	20.87%
Sullivan	19.61%	22.46%	Orleans	18.12%	20.70%
Niagara	19.78%	22.45%	Livingston	17.82%	20.61%
Yates	19.71%	22.45%	Cayuga	17.88%	20.59%
Herkimer	19.43%	22.41%	St. Lawrence	18.10%	20.57%
Ulster	19.67%	22.35%	Orange	17.68%	20.49%
Fulton	19.32%	22.35%	Wyoming	17.65%	20.48%
<b>NYS OVERALL</b>	<b>19.66%</b>	<b>22.33%</b>	Kings	18.09%	20.43%
Chenango	19.45%	22.32%	Oswego	17.23%	20.32%
Dutchess	19.49%	22.31%	Cortland	17.05%	19.92%
Warren	19.38%	22.28%	Bronx	17.57%	19.77%
Schoharie	19.21%	22.19%	Clinton	16.71%	19.50%
Schenectady	19.47%	22.10%	Jefferson	15.32%	17.48%
Genesee	19.12%	22.09%	Tompkins	14.17%	16.52%
Ontario	19.12%	22.02%			

Source: U.S. Census Bureau.



# The Facts About... The Aging Population in New York State

## New York State Population Aged 65+ Years, By County Age Group Size As a Percentage of Total Population 1990-1999

County Name	1990	1999	County Name	1990	1999
Hamilton	17.12%	20.71%	Washington	13.12%	13.85%
Montgomery	19.38%	19.11%	Sullivan	14.54%	13.85%
Delaware	16.37%	18.30%	Ulster	12.91%	13.76%
Schenectady	16.54%	16.97%	Rensselaer	13.18%	13.72%
Broome	15.02%	16.47%	<b>NYS OVERALL</b>	<b>13.03%</b>	<b>13.35%</b>
Herkimer	16.80%	16.45%	Lewis	11.96%	13.32%
Oneida	15.41%	16.37%	Ontario	13.17%	13.26%
Columbia	16.28%	16.14%	Monroe	12.47%	13.10%
Erie	15.16%	16.00%	Cortland	12.11%	12.62%
Chautauqua	15.67%	15.94%	New York	13.03%	12.60%
Niagara	15.11%	15.87%	St. Lawrence	12.07%	12.55%
Essex	14.68%	15.73%	Tioga	10.93%	12.48%
Chemung	15.02%	15.23%	Kings	12.17%	12.44%
Otsego	15.07%	15.17%	Wyoming	12.07%	12.13%
Fulton	16.51%	15.14%	Dutchess	11.38%	12.10%
Schuyler	14.22%	15.13%	Orleans	12.57%	12.08%
Yates	15.24%	15.08%	Madison	11.42%	12.05%
Nassau	14.19%	15.07%	Rockland	10.10%	11.95%
Seneca	14.78%	15.02%	Franklin	12.82%	11.93%
Greene	15.79%	14.95%	Wayne	11.53%	11.88%
Steuben	14.56%	14.89%	Richmond	11.09%	11.85%
Albany	14.60%	14.79%	Suffolk	10.68%	11.80%
Warren	14.39%	14.62%	Clinton	9.68%	11.70%
Chenango	13.91%	14.48%	Livingston	11.14%	11.63%
Westchester	14.31%	14.47%	Saratoga	10.33%	11.44%
Schoharie	14.12%	14.42%	Oswego	10.73%	10.92%
Queens	14.58%	14.37%	Bronx	11.44%	10.87%
Cattaraugus	13.99%	14.02%	Jefferson	10.94%	10.86%
Genesee	13.70%	14.02%	Orange	10.35%	10.22%
Cayuga	14.05%	13.98%	Putnam	8.93%	9.80%
Onondaga	12.94%	13.96%	Tompkins	8.98%	9.50%
Allegany	13.39%	13.95%			

Source: U.S. Census Bureau.