

TESTIMONY OF

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REGARDING

IMPACT OF AGING BABY BOOMERS

**BEFORE THE
AGING AND OLDER ADULTS SERVICES
COMMITTEE
PENNSYLVANIA HOUSE OF REPRESENTATIVES**

HARRISBURG, PENNSYLVANIA

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Chairwoman Mundy, Rep Hennessey and members of the Committee - Thank you for the opportunity to present testimony to the House Aging and Adult Services Committee today. My name is Desiree Hung, and I am the Associate State Director for Advocacy for AARP Pennsylvania.

AARP is pleased the Committee is discussing the issue of how demographic changes will impact Pennsylvania in the future. It is no secret that the average age of our population is increasing, and this fact will change the future of not only our Commonwealth, but the nation. AARP, however, likes to look at this change as opening up a range of opportunities for individuals and for society as a whole.

We don't want to sugarcoat the impact an older population will have on our health care or financial systems. But it would be wrong to imagine that this new generation of older Pennsylvanians will behave the same way that previous generations have when it comes to growing older – and our society had better be ready for a new reality about what it means to be 65, 80, or even 95. Our approaches to health and long-term care will need to change significantly to better reflect what consumers

want and need. In addition, the attitude toward work and retirement will shift, and we're starting to see those changes already.

Over the past few years AARP has released a number of studies about the attitudes of the 45+ generation toward work and retirement. In 2004, a report entitled "Baby Boomers Envision Their Retirement" revealed that 79% of those surveyed said they plan to work in some capacity during their retirement years. Another study of the older self-employed population found that nearly one-third of older individuals identifying themselves as self-employed moved into this category at or after the age of 50. We have also found that many of those in the Baby Boom population are interested in phased retirement, which would enable them to remain in the workforce beyond the time they might originally feel they planned to work. Although our survey revealed that less than 1 in 5 workers were familiar with the idea of phased retirement, it noted that 38% were interested in participating in this kind of program once it had been explained to them.

But AARP is not only about studies when it comes to trying to understand our changing demographics. We've begun a national program that recognizes employers who are particularly innovative in addressing the challenges and opportunities of a changing workforce. For the past seven years AARP's Best Employers for Workers Over 50 program has rewarded employers for their approach to hiring and retaining older workers. Four Pennsylvania companies were recognized in 2007 – St. Vincent Health System in Erie, Pinnacle Health System in Harrisburg, Vanguard in Valley Forge, and Frankford Candy & Chocolate Company in Philadelphia. AARP is now beginning the process of taking applications for the 2008 award winners.

We're also helping employees navigate the changing workplace. The Senior Community Service Employee Program helps lower-income older workers get the training and assistance they need to re-enter the job market. AARP is one of 10 national sponsors of the SCSEP

program and operates four sites in Pennsylvania - in Bethlehem, Reading, Harrisburg, and Pittsburgh.

We think that employment is going to be a larger part of older Pennsylvanians lives in the coming years, but we all know that many people are anxiously awaiting the chance to actually retire. Our studies are showing, however, that the coming generation won't see retirement as all travel and relaxation. There is also a sense that older Pennsylvanians want to give back to their communities, and AARP is in a good position to help facilitate that. Our tax aide program features hundreds of sites in Pennsylvania where individuals can get free tax assistance from trained volunteers. AARP's Driver's Safety program has 9,000 volunteer instructors across the country helping older drivers refresh their skills. AARP volunteers in Pennsylvania lobby their legislators, staff AARP tables at senior fairs, and present workshops on topics ranging from long-term care to fraud fighting at locations across the Commonwealth. These volunteers provide an importance service to their communities and we find that more and more of our younger

members are interested in these type of activities as they ease away from the traditional 9 to 5 workday.

Americans have been fretting about generational shifts for many years. I suspect that if one were to dig up the archives of the Roman Empire there would be worries and complaints about the older and younger generations and what might happen to Roman society as a result of the aging process. In our times, there is no doubt that Baby Boomers are a large and significant demographic. But we at AARP see much to be gained in our society as this generation marches into its 60s and beyond. We can't ignore the health and financial challenges that will occur as a result – but we can anticipate that the energy and intelligence of this generation, as well as older and younger generations, will produce solutions that can benefit all of us.

Thank you again for the opportunity to be here today, and I'd be glad to attempt to answer any questions you may have.