

Divided We Fail Key Findings in Maryland

Health care costs are skyrocketing and retirement savings are inadequate. The American people have said that these issues are top domestic priorities, and they want answers and action from our elected officials now.¹

AMERICANS NEED AFFORDABLE, QUALITY HEALTH CARE

Too many people in Maryland are uninsured.

- In 2005, 14 percent of people in Maryland did not have health insurance.
 - 18 percent of people 19 to 64 years of age were uninsured.
 - 9 percent of children (under 19 years) were uninsured.
 - 42 percent of Hispanics and 18 percent of Blacks were uninsured.²

Health care costs too much.

- Between 1991 and 2004, personal health care expenditures in Maryland grew an average of 6.6 percent per year.³
- The average total single premium rose from \$2,634 in 1998 to \$3,427 in 2003 for employees enrolled at private firms in Maryland that offered health coverage. This was an increase of 30 percent in inflation-adjusted dollars.⁴
- The average employee contribution for health insurance in Maryland rose from \$437 per year in 1998 to \$792 per year in 2003.⁵
- Over the last seven years, the average national manufacturers' price of 153 common drugs increased almost 54 percent, more than 2½ times the rate of inflation.⁶

People in Maryland are concerned about health care costs.

- In 2005, 31 percent of registered voters in Maryland who regularly vote said that health care costs and access was the most important issue facing state government.⁷
- In 2005, 63 percent of AARP members in Maryland said that expanding health insurance coverage for the uninsured should be a top priority or high priority for AARP.⁸
- In 2006, 72 percent of self-identified registered voters 50+ in Maryland said that they would be more likely to vote for a candidate for state office who supported a plan to make health care affordable and accessible to all Maryland residents.⁹

Americans overall are concerned about health care costs.

- In 2006, 80 percent of adults were dissatisfied with the total cost of health care in this country, including 58 percent who were very dissatisfied.¹⁰
- In 2005, 39 percent of adults consider health care costs the most important health problem for the government to address.¹¹
- In 2006, 68 percent of adults believed that providing health care for all Americans was more important than holding down taxes.¹²

AMERICANS NEED LIFETIME FINANCIAL SECURITY

Social Security is vital to the well-being of people in Maryland.

- In 2003, one in seven Maryland residents (14%) received Social Security.
 - Two in three (66%) beneficiaries were retirees.
 - One in three (34%) beneficiaries were widows or widowers, workers with disabilities, wives or husbands of workers, or children.¹³
- In 2000, Social Security constituted at least 50% of the total income of more than two in five Maryland residents age 65+ (44%) and was the only source of income for one in five (20%) Maryland residents age 65+.¹⁴
- On average, two in five (40%) Maryland residents age 65+ would have lived below the poverty line in 2000, 2001, and 2002 if they had not received Social Security.¹⁵

AARP members in Maryland are concerned about having a secure retirement.

- In 2003, 80 percent of AARP members in Maryland said they were extremely concerned about the safety of pension benefits and retirement savings.¹⁶
- In 2005, 86 percent of AARP members in Maryland said that protecting access to promised pensions and retiree health benefits was a top or high legislative priority for AARP.¹⁷

Americans overall are concerned about having a secure retirement.

- In 2007, 68 percent of American workers say they are not too or not at all confident that Social Security will continue to provide benefits of at least equal value to the benefits retirees receive today.¹⁸
- In 2007, 48 percent of Americans say they are not too or not at all confident that they will have enough money to live comfortably throughout their retirement years.¹⁹
- In 2007, 78 percent of Americans say they strongly or somewhat favor automatic enrollment in 401(k)s and having employers set up employee contributions through payroll deduction unless the employee chooses not to participate.²⁰
- In 2007, 79 percent of Americans agree that employers who do not offer some type of retirement plan should be required to offer workers the option to regularly save a part of their paycheck in a personal individual retirement account or IRA, even if the employer does not contribute to that account.²¹

Americans have not saved enough to retire.

- In 2006, only 25 percent of American workers are very confident of achieving a comfortable lifestyle in retirement.²²
- In 2006, only one in four (25%) baby boomers say they are very prepared for retirement.²³
- In 2007, just 43 percent of American workers have actually tried to figure out how much money they will need to save in order to live comfortably in retirement.²⁴

- ¹ AP/AOL Poll (2007, January 19). Retrieved February 7, 2008, from <http://surveys.ap.org/data/Ipsos/national/2007-01-19%20AP-AOL%20State%20of%20the%20Union%20topline.pdf>.
- ² *Maryland: Health Insurance Coverage, States (2005-2006)*. (2007). Retrieved February 7, 2008 from <http://www.statehealthfacts.org/profilecat.jsp?rgn=22&cat=3>.
- ³ U.S. Department of Health and Human Services Centers for Medicare & Medicaid Services (2007) *Health Expenditures by State of Residence: Summary Tables, 1991-2004*. Retrieved January 15, 2008 from <http://www.cms.hhs.gov/NationalHealthExpendData/downloads/res-us.pdf>.
- ⁴ *Shifting Ground: Changes in Employer-Sponsored Health Insurance*. (May 2006). Retrieved February 7, 2008 from <http://covertheuninsured.org/media/research/ShiftingGround0506.pdf>.
- ⁵ Ibid.
- ⁶ Gross, D. J., Gross Purvis, L., and Schondelmeyer, S.W. (2007). *Trends In Manufacturer Prices Of Brand-Name Prescription Drugs Used By Older Americans—2006: Year-End Update March 2007*. Retrieved February 7, 2008 from http://assets.aarp.org/rgcenter/health/dd154_drugprices.pdf.
- ⁷ Gonzales Research & Marketing Strategies (2005). *Maryland Media Survey, Maryland Poll – Part 1*. Retrieved February 7, 2008 from http://www.garesearch.com/Surveys/Maryland_Media_Poll_January_2005_Part%201.htm.
- ⁸ Burton, C. (2006). *2005 AARP Maryland Legislative Issues Survey: Member Priorities Newsletter*. Retrieved February 7, 2008 from http://assets.aarp.org/rgcenter/general/md_leg_annot.pdf.
- ⁹ Dinger, E. (2006). *Legislative Issues in Maryland: A Survey of Self-identified Registered Voters Age 50-Plus*. Retrieved February 7, 2008 from http://assets.aarp.org/rgcenter/general/md_leg_2006.pdf.
- ¹⁰ ABC News/Kaiser Family Foundation/USA Today (2006). *Health Care in America 2006 Survey*. Retrieved February 7, 2008 from <http://www.kff.org/kaiserpolls/upload/7572.pdf>.
- ¹¹ The Henry J. Kaiser Family Foundation (2005). *Kaiser Public Opinion Spotlight*. Retrieved February 7, 2008 from http://www.kff.org/spotlight/healthcosts/upload/Spotlight_Dec05_healthcosts.pdf.
- ¹² ABC News/Kaiser Family Foundation/USA Today (2006). *Health Care in America 2006 Survey*. Retrieved February 7, 2008 from <http://www.kff.org/kaiserpolls/upload/7572.pdf>.
- ¹³ AARP (2005). *Social Security: Maryland Quick Facts*. Retrieved February 7, 2008 from http://www.aarp.org/research/socialsecurity/general/ss_facts_05.html.
- ¹⁴ Ibid.
- ¹⁵ Ibid.
- ¹⁶ Dinger, E. (2003). *AARP Maryland Member Opinion Survey*. Retrieved February 7, 2008 from http://assets.aarp.org/rgcenter/general/md_mos.pdf.
- ¹⁷ Burton, C. (2006). *2005 AARP Maryland Legislative Issues Survey: Member Priorities Newsletter*. Retrieved February 7, 2008 from http://assets.aarp.org/rgcenter/general/md_leg_annot.pdf.
- ¹⁸ Helman, R., VanDerhei, J., and Copeland, C. (2007). 2007 Retirement Confidence Survey. *EBRI Employee Benefit Research Institute Issue Brief*, No. 304, April 2007. Retrieved February 7, 2008 from http://www.ebri.org/pdf/briefspdf/EBRI_IB_04a-20079.pdf.
- ¹⁹ Wright, W. and Davies, C. (2007). *Retirement Security Survey*. Retrieved February 7, 2008 from http://assets.aarp.org/rgcenter/econ/retirement_security.pdf.
- ²⁰ Ibid.
- ²¹ Ibid.
- ²² Transamerica Retirement Services (2007). *8th Annual Transamerica Retirement Survey*. Retrieved February 7, 2008 from <http://www.transamericacenter.org/resources/8th%20Annual%20Transamerica%20Retirement%20Survey%202007%20.pdf>
- ²³ Allstate (2006). *Sixth Annual Allstate "Retirement Reality Check" Mini Executive Summary (Financial Independence)*. Retrieved February 7, 2008 from <http://media.allstate.com/documents/18;download?src=L2NhdGVnb3JpZXMvNi9yZWxlYXNlcy8zOTMy%0A>
- ²⁴ Helman, R., VanDerhei, J., and Copeland, C. (2007). 2007 Retirement Confidence Survey. *EBRI Employee Benefit Research Institute Issue Brief*, No. 304, April 2007. Retrieved February 7, 2008 from http://www.ebri.org/pdf/briefspdf/EBRI_IB_04a-20079.pdf

*It's time we ensure health and long-term financial security for all. That's why AARP is leading *Divided We Fail*, an initiative to give voice to millions of Americans who are tired of letting Washington gridlock stand in the way of affordable, quality health care and long-term financial security. Go to www.dividedwefail.org to learn more.*

AARP is a nonprofit, nonpartisan membership organization that helps people 50+ have independence, choice and control in ways that are beneficial and affordable to them and society as a whole. We produce AARP The Magazine, published bimonthly; AARP Bulletin, our monthly newspaper; AARP Segunda Juventud, our bimonthly magazine in Spanish and English; NRTA Live & Learn, our quarterly newsletter for 50+ educators; and our website, www.aarp.org. AARP Foundation is an affiliated charity that provides security, protection, and empowerment to older persons in need with support from thousands of volunteers, donors, and sponsors. We have staffed offices in all 50 states, the District of Columbia, Puerto Rico, and the U.S. Virgin Islands.

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