“ESCAPE FROM ELDERLY ISLAND”

How Businesses, Boomers, and Millennials Can Capture Opportunities of an Aging Society

NC TOMORROW - 2016 Summit
Raleigh, NC
April 19, 2016
Part I: “Global Aging”
Part II: Workforce Development
Part III: “Nana” Technology™
Part IV: “Next Generation” Senior Housing
Part V: Opportunities for North Carolina
Part I: “Global Aging”

Every 8 Seconds a U.S. Baby Boomer Turns 65*

78 million born between 1946-1964

* U. S. Census Bureau
The Aging of the Boomers

- **Pop. age 85+** (“Oldest Old”) expected to more than triple from 6 million (2015) to 19 million (2050)*
- **Age 100+:**
  - 1900 U.S. Census: 3,536 people age 100+
  - 2050 U.S. Census (Est.): **834,000 age 100+**
- **NOT** an American phenomenon:
  - U.S. only **43rd** of 224 countries in % of pop. 60+ (U.N. 2007)
  - World Population (HSBC 2004):
    - World Pop. 1900 = 1.65 Billion
    - World Pop. 60+ 2050 = 2 Billion
- “**Global Aging**” will effect us long before “**Global Warming**”

**North Carolina (2030):**
- Increase 65+ Pop:
  - US = 53%
  - NC = 59%
- Increase 85+ Pop:
  - US = 41%
  - NC = 51%

**Brookings Institution** (2011)
- Raleigh-Cary #1 fastest growing 65+ pop in nation 2000-2010
- Charlotte #10
- Only NC and TX with multiple cities in Top 10

**“Best Boomer Towns”** (2015)
- Pinehurst, Chapel Hill, Asheville in “Top 21”
- Only NC and CA with 3 cities in “Top 21”

* U.S. Census Bureau
Outcome:

Individuals who in **1968** thought they would change the world, by **2028**

Actually will:

- Travel
- Entertainment
- Retail
- Food
- WORKFORCE
- TECHNOLOGY
- HOUSING
Largest Strategic Questions:

1. How will we care for them?
2. Where will they live?
Issue #1:
Collapse of “Three Legged Stool of Caregiving”

Approx. 80% of current senior care is provided by 43.5 million unpaid “Caregivers” (family or friends):

**Time (already collapsed):** Dual-working spouses means 44% of caregivers are now men*, but combined time available to dedicate to task may be LESS (*National Family Caregiver Association)

**Proximity (collapsing):** Nearly one-fifth of family caregivers live more than an hour away*, with percent expected to increase each year (Family Caregiver Alliance)

**Energy (preparing to collapse):** If your Mom is 100...how old are YOU?
- 30+% of family caregivers are over the age of 65 today. (U.S. Dept. Of Health and Human Services)
Issue #2: Professional Caregiver Labor Shortage

Retirement of “Boomers” will create critical gap in labor pool:

- **35 million** more jobs of **any kind** than people to fill them by 2030 (GAO)

- **2 million** LTC nurses and nurses aides today, **6 million** needed by 2050 (U.S. DHHS/DOL)
The Answer: “The Golden Triangle”

Workforce Development:
• Promote, create, and/or find the labor resources necessary to meet the challenge

“Nana” Technology™:
• Utilize technologies that allow older adults to remain independent longer and/or make available labor more productive

Congregate (Senior) Housing:
• Group BOTH older adults and available workers in senior housing environments vs. delivering care to individual homes:
  • Home-based care is the most inefficient distribution of scarce labor resources (“windshield time”)
• Need to move past the “AARP Myth”
• Create housing models where seniors WANT TO LIVE
Part II: Workforce Development

More than half (13) of “25 Fastest Growing Occupations” by 2025 are “Aging Services” related: (BoLS – 2014)

- Physical and Occupational Therapists, Assistants, and Aides
- Home Health and Personal Care Aides
- Physician Assistants and Nurse Practitioners
- Audiologists/Optometrists

Projected Growth from 25-40%+

Not just “Clinical Careers”…

More than 100 “Aging Services Professions”:

- Geriatric Case Management
- Elder Law and Financial Management
- Elder Real Estate Specialists
- Senior Move/Downsizing Manager
- Elder Shopping/Cooking/Driving
- Wellness/Fitness/Nutrition Counseling
- Alternative/Holistic Medicine
- Senior Housing
  - Executives
  - Architects
  - Builders
- “Nana” Technology™
  - IT & Communication
  - Assistive Technologies/Robotics
Workforce Sources…

1. Maximize recruitment of new and/or available workers to Aging Services Careers:
   - Universities & Colleges
   - “Can’t outsource our seniors!”

2. Look to older adults to keep working:
   - Individuals 65+ will be one-fifth of U.S. pop. by 2030 (U.S. Census Bureau)
   - 70% of current workers 50-70 plan to working during retirement (AARP)

3. Open borders to legal immigration for high priority (LTC) jobs:
   - AHCA lobbying “special” visa for 400K LTC workers/yr. (Wall Street Journal)
Part III: “Nana” Technology™

“Nana technology” tools help seniors be independent

“Microchip-based technology designed, intended, or that can otherwise be used to improve quality of life for older adults”

Projected Growth:
$2B to $30B+ by 2025

http://en.wikipedia.org/wiki/Nana_technology
Technologies for An Aging World:

Medications Management:
- #1 cause of hospitalizations for those 65+ (CDC)
- 75+ average 7-12 medications
- Est. 125,000 Deaths/Year (FDA)

TODAY:

TOMMOROW:

“DIGITAL PILLS” (Proteus Digital Health)
- FDA approved (2014)
- Vitals: heart rate, activity, etc.
Technologies for An Aging World:

**Falls:**
- #1 cause death due to injury in 75+
- One of every two 80+ (NIA)
- $34B, 2.5M ER visits, 700K hospitalizations (CDC)

**TODAY:**

**Carnegie-Mellon:**
- “Voice Controlled” Walker
- “GPS Learning” and obstacle avoidance

**TOMORROW:**

**Boston College:**
- “Smart Shoes”
- 1/3 of falls related to vestibular balance disorders in elderly
- **Pilot Study:** 73-year olds had same balance as 23-year olds
Technologies For An Aging World:

Alz/Dementia Wandering:

- 5M today, 20M by 2050
- 60% of afflicted will become lost ("critical wandering incident") (Alz. Assoc.)
- Up to half (47%) may die if not found within 24 hours
- Remove “visible” items placed up on them:
  - Early Stages – Dignity
  - Later Stages - Confusion/Paranoia

TODAY:

“GPS SMARTSOLE

TOMORROW: CURE
Technologies For TOMORROW…

Health & Wellness Monitoring: “iTextiles”
- Heart Rate, Respiration, Activity/Calories, Muscle Utilization/Efficiency

In Development:
- Body Temp, Blood Pressure, Blood Sugar
- Falls/Injury Detection (unconscious/bleeding)
- Safety Alerts/Emergency Response
- M.I.T.: Administers “CPR”
Technologies For TOMORROW…ROBOTICS:

“Robear”

“AR”

“Luna”
Part IV: The Next Generation of Senior Housing

“Senior Housing” today offers more choices than ever…

- **Independent Living** (approx. 7,500 communities)
- **Assisted Living** (approx. 40,000 communities)
- **Continuing Care Retirement Communities** (approx. 2,500 communities)
- **T = 50,000 communities**

Projected to **double** to 100,000+ communities by 2030

Fastest Growing Real Estate Property Type:

- $23.4B in investment 2015  (National Investment Center)
- **10-Year Annualized Returns 14.2%**  (NCREIF)
- Highest of any real estate property type: Ave = 8.2%  (NCREIF)

Have come a long way since “Nursing Home” as only option…

Photo: Meridian Senior Living – Mitchell House
Spruce Pine, NC
Boomers will demand even **MORE** choices in senior housing

And they have **CRITICAL MASS** and **PURCHASING POWER** to get it:

- Control more than 70% of wealth in U.S. (Federal Reserve Board)

Need a “**Portfolio of Products**” to meet their needs:

- Nursing Homes = “Coke”
- Assisted Living = “Diet Coke”
- CCRC’s = “Cherry Coke”

*So What’s The Problem?*

“When Boomers were growing up there were three flavors of ice cream; now there are a **thousand**”

- Drew Leder, Prof. – Loyola College
“Boomer” Facts to Know:

1. Today’s retiree’s want to remain active and intellectually stimulated:
   - U.S. cited as having invented concept of the “Golden Years”. Lasted only ONE generation. ([HSCB/Harris Interactive: “The Future of Retirement” worldwide surveys])
   - More golf courses closed than opened in the U.S. in 2005, for the first time in more than 50 years.

2. NOT tied to their Family Home:
   - **Dell Webb Survey**: 59% of current U.S. 40-49 year olds (Middle Boomers) plan to move when they retire
   - **Senior Advantage Real Estate Council Survey**: Only 16% of current retirees want to move to an age restricted community
     - Want “Intergenerational”

“Escape from Elderly Island”
The New “Flavors” of Senior Housing…
Housing for “Alums”…

“UBRC’s” - University Based Retirement Communities©

- U.S. Boomers are the most college educated demographic in history:
  - 89% H.S. grad, 29% Bachelor’s or higher (Mature Market Inst.)

- More than 70 communities open or in development
  - Notre Dame, Stanford, Duke, Penn State, among others

- “Perfect Storm”:
  - ACTIVE
  - INTELLECTUALLY STIMULATING
  - INTERGENERATIONAL

“College Campus”

Photo Courtesy of The Village at Penn State
Housing for different “Cultures”…

Asian-Americans:

“Aegis Gardens” (Fremont, CA)

- 54 Resident Assisted Living
- All staff speak Mandarin, Cantonese, or Japanese
- Feng Shui consultants involved in architecture:
  - Street and room #’s changed to avoid the number “4”
  - Aegis Corporate uniforms were changed from blue to maroon
- Asian cuisine, Wok cooking and Sushi
- Activities include Calligraphy, Tai Chi, Chinese Opera
Housing for different “Orientations”…

“Rainbow Vision” (Santa Fe, NM)
- 60 Condo, 60 IL, 26 AL
- Dedicated to LGBT individuals
- Billie Jean King Fitness Center & Spa
- Truman Capote Dining Room
- “Drag Queen BINGO”
- At least a dozen similar communities open or in development since 2005

“You Are Finally Home”
www.rainbowvisionprop.com

Photo Courtesy of Rainbow Vision
Related “Niches”:
My favorite “Niche” community…

“Nudists consider creating assisted living facility”

Pasco County, FL:
- “Nudist Mecca of North America”

American Association for Nude Recreation:
- Est. 50,000 nudists in U.S.
- Median Age as high as 55
Part V: Opportunities in “Aging” for NC

Older Adults Living in NC:

- Creating/expanding curricula and opportunities for “next generation” careers
- Becoming an incubator and hub for “next generation” (Nana) technologies
- Building unique, “next generation” retirement communities

Older Adults Living... EVERYWHERE
The Grand Opportunity:

In the next two decades individuals age 65 and older will come to represent 1 out of every 5 U.S. citizens. They will be ready to embrace new types of retirement, new technologies, and new forms of senior housing…

Who will seize the opportunity to become the destination of choice for BOTH aging populations AND the businesses that serve them?
Who Will Save The World From “Global Aging”?
Thank You!

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