



Minnesota State Demographic Center

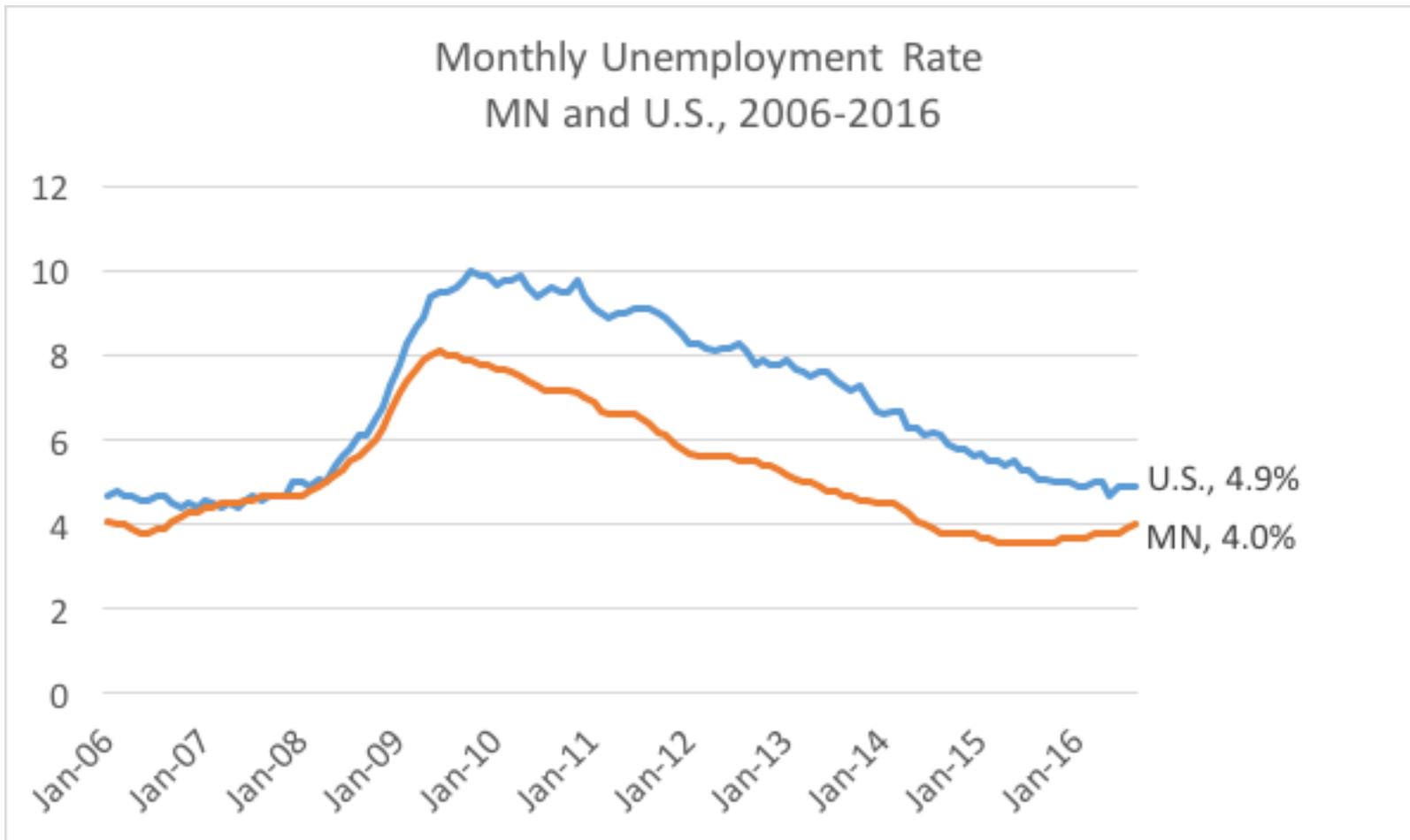


UCare

Susan Brower, Minnesota

September 2016

Minnesota has recovered from the recession faster than the nation

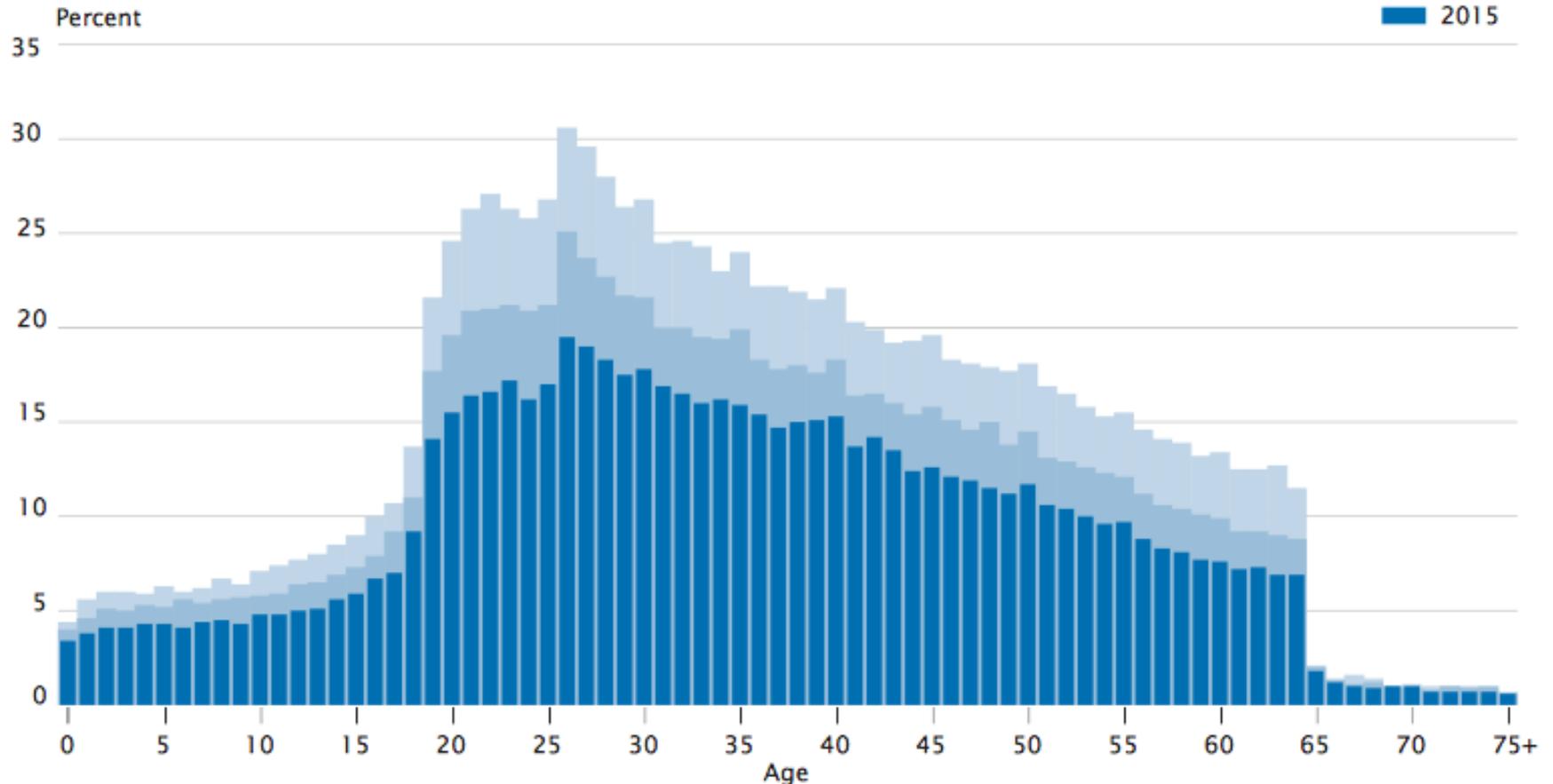


Source: Local Area Unemployment Statistics (LAUS) data Note: Rates are seasonally adjusted.

Figure 4.

Uninsured Rate by Single Year of Age: 2013 to 2015

(Civilian noninstitutionalized population)

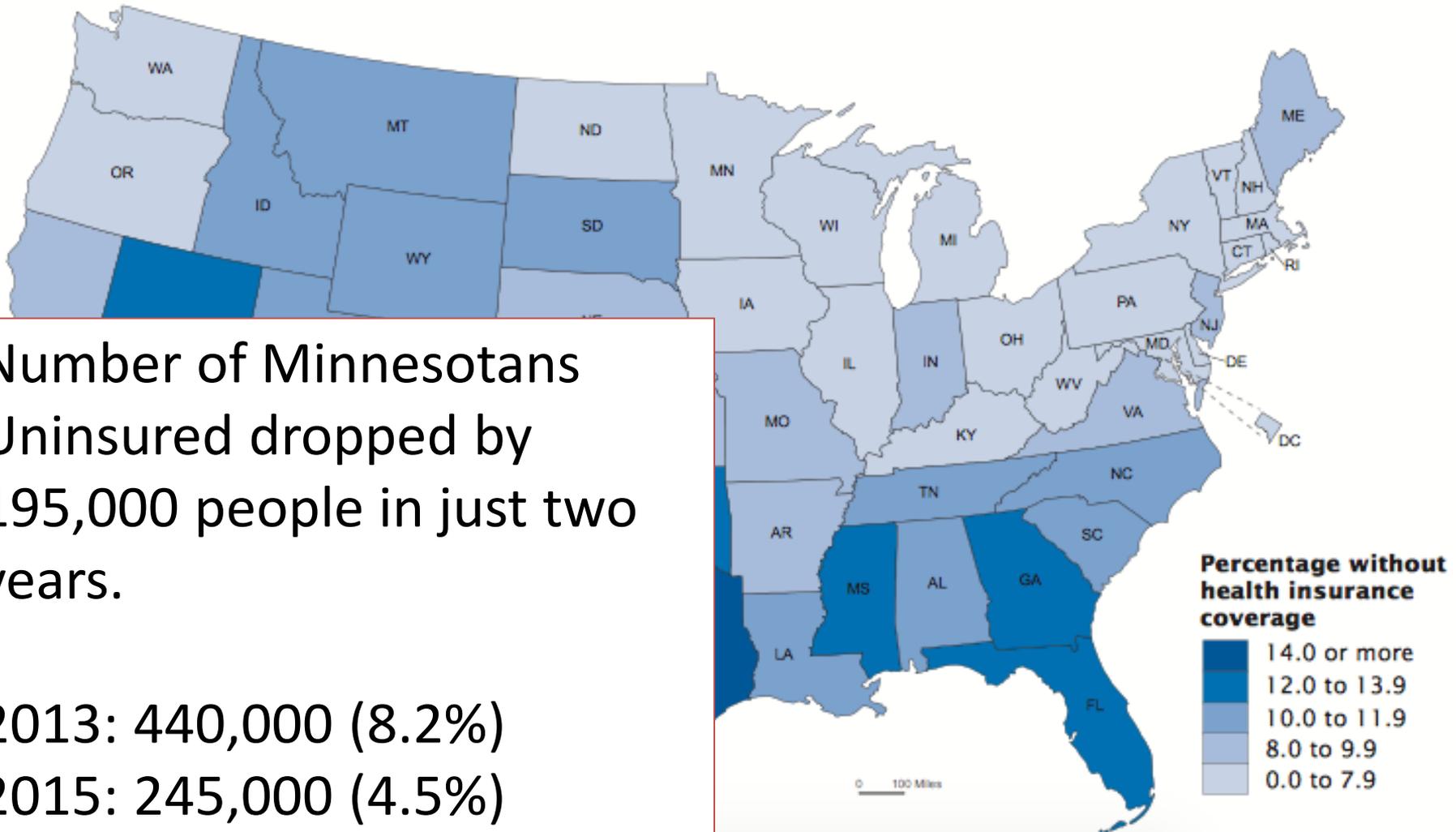


For information on confidentiality protection, sampling error, nonsampling error, and definitions in the American Community Survey, see <www2.census.gov/programs-surveys/acs/tech_docs/accuracy/ACS_Accuracy_of_Data_2015.pdf>.

Source: U.S. Census Bureau, 2013, 2014, and 2015 1-Year American Community Surveys.



Figure 7.
Uninsured Rate by State: 2015
(Civilian noninstitutionalized population)



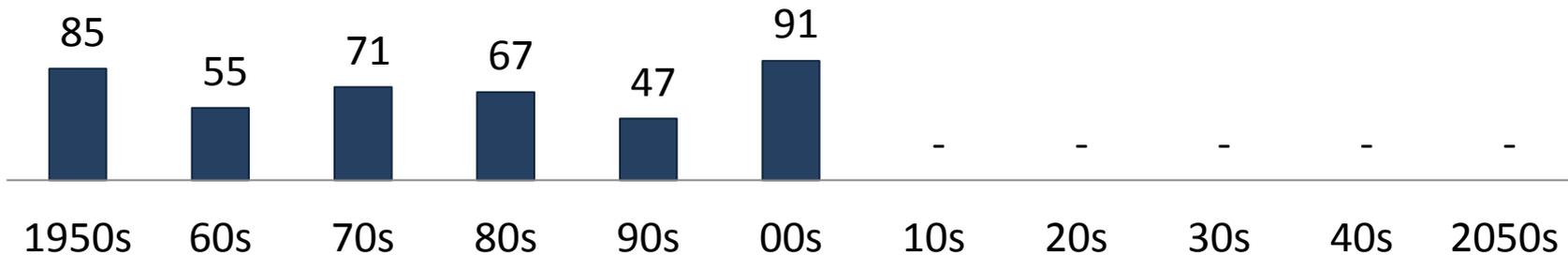
Number of Minnesotans
Uninsured dropped by
195,000 people in just two
years.

2013: 440,000 (8.2%)

2015: 245,000 (4.5%)

How many additional “older adults” will Minnesota gain during this decade?

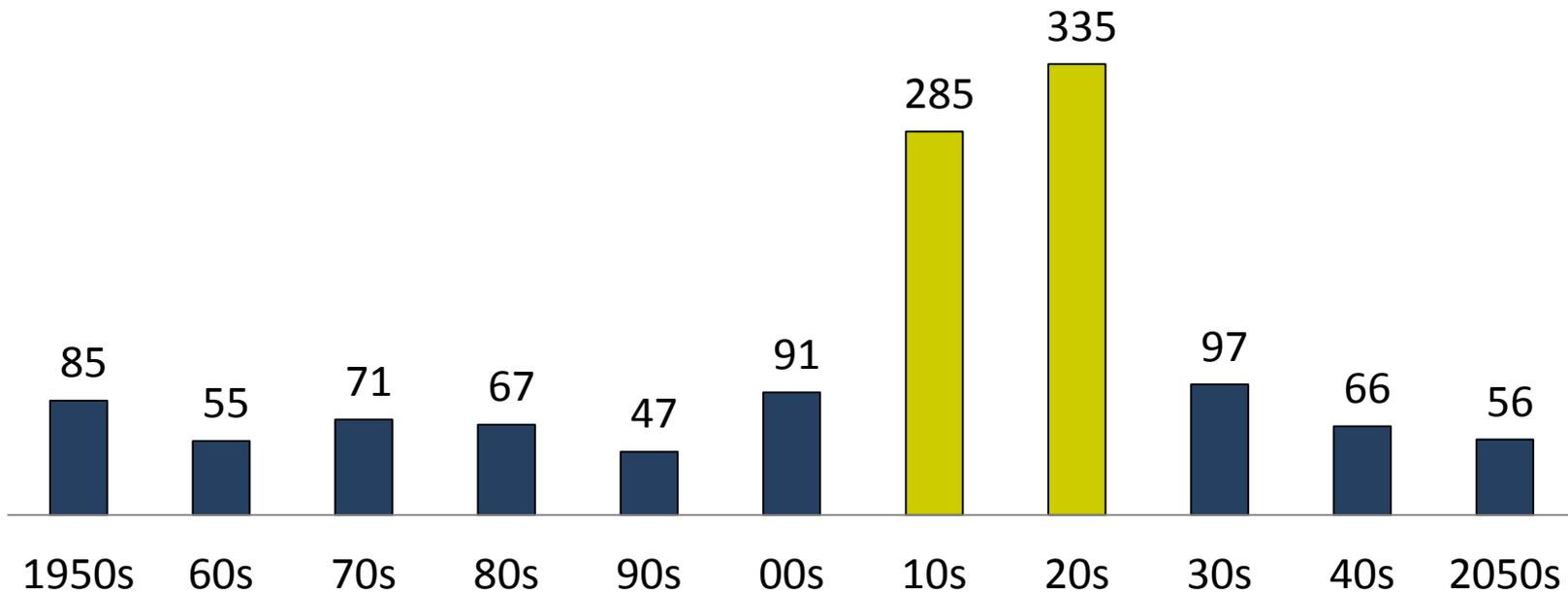
Change in older adults, age 65+ (in thousands)



Sources: U.S. Census Bureau

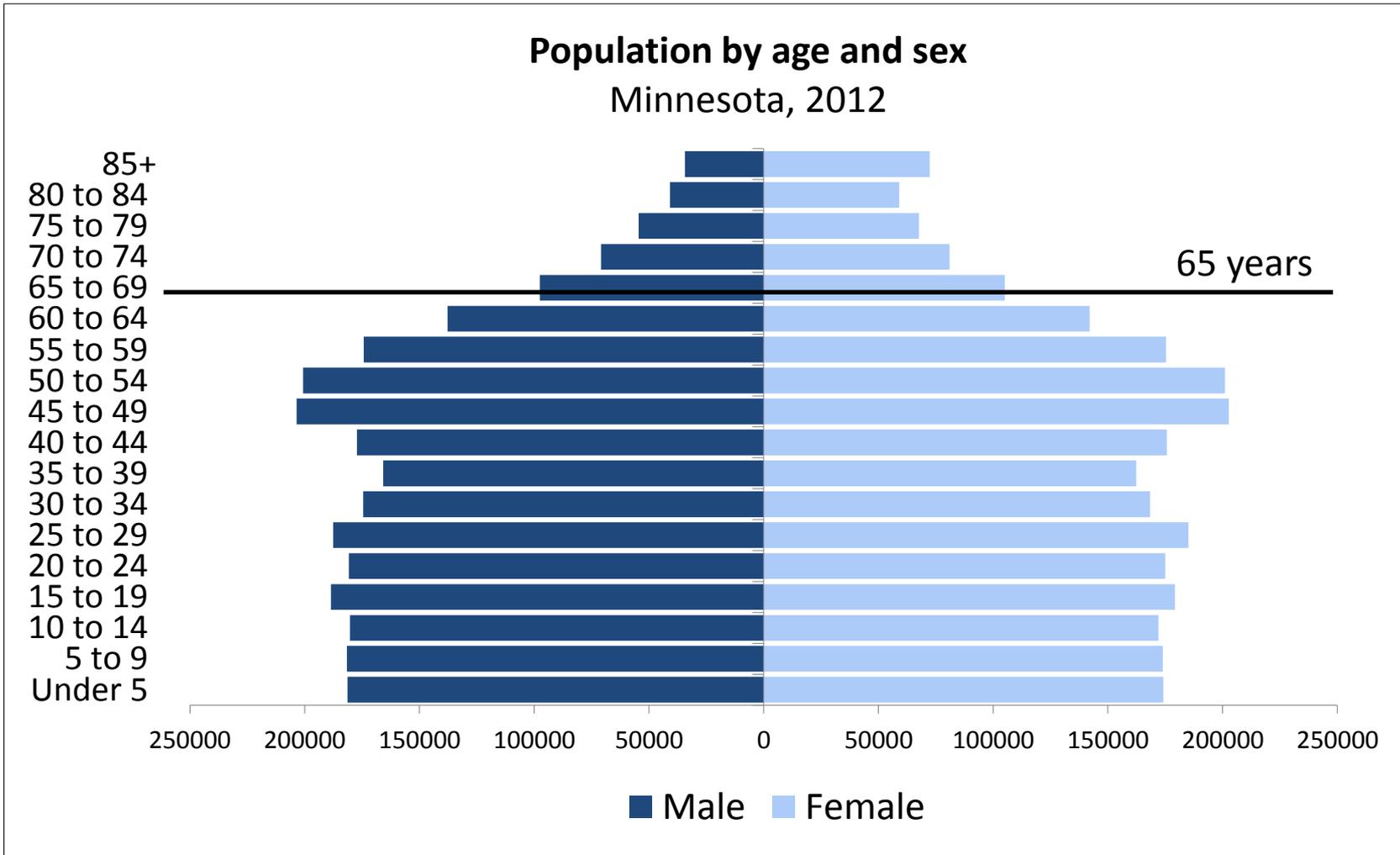
Unprecedented increases in MN's “older adult” population

Change in older adults, age 65+ (in thousands)



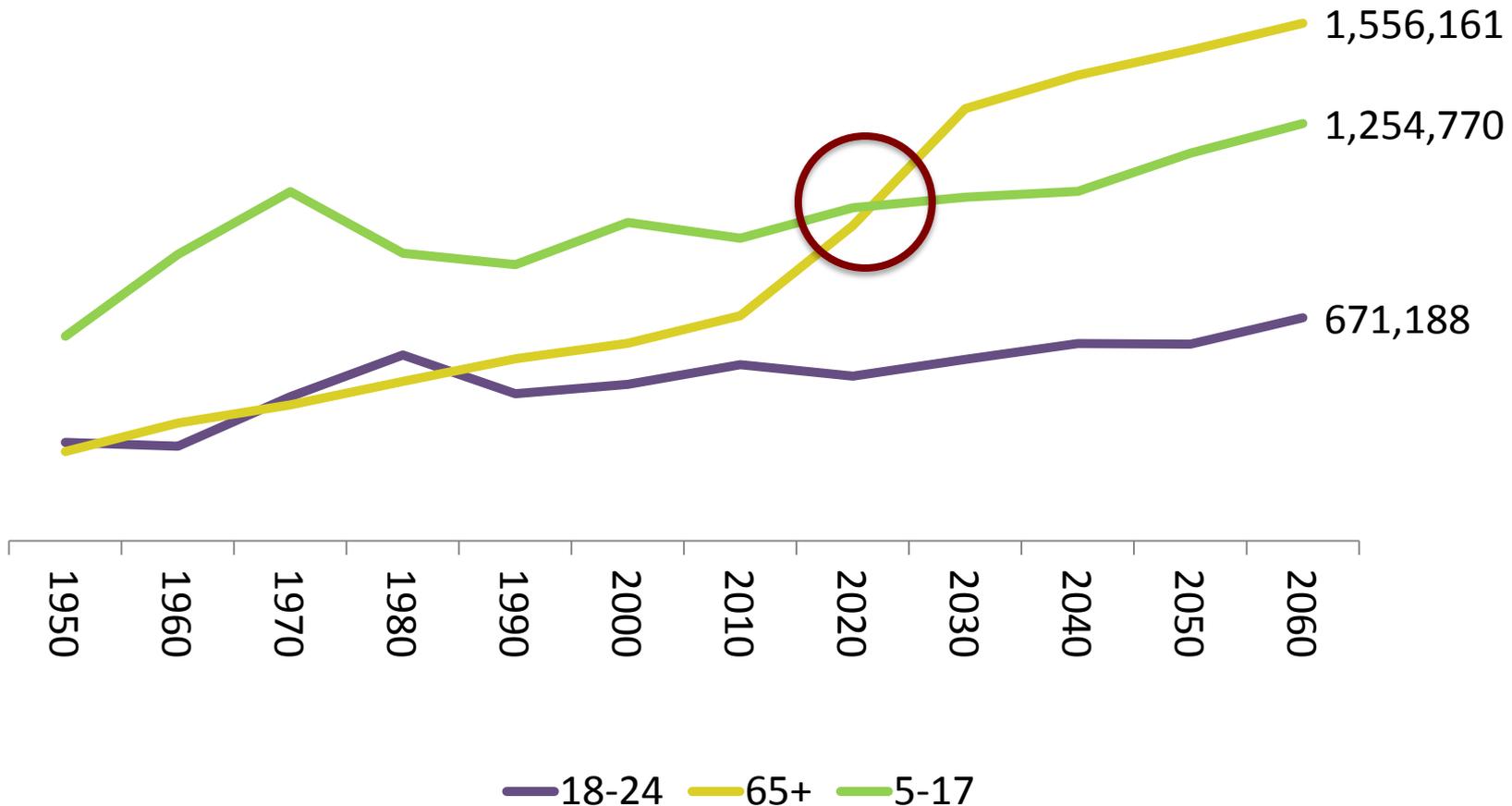
Sources: U.S. Census Bureau, MN State Demographic Center

Why are these changes so marked now?



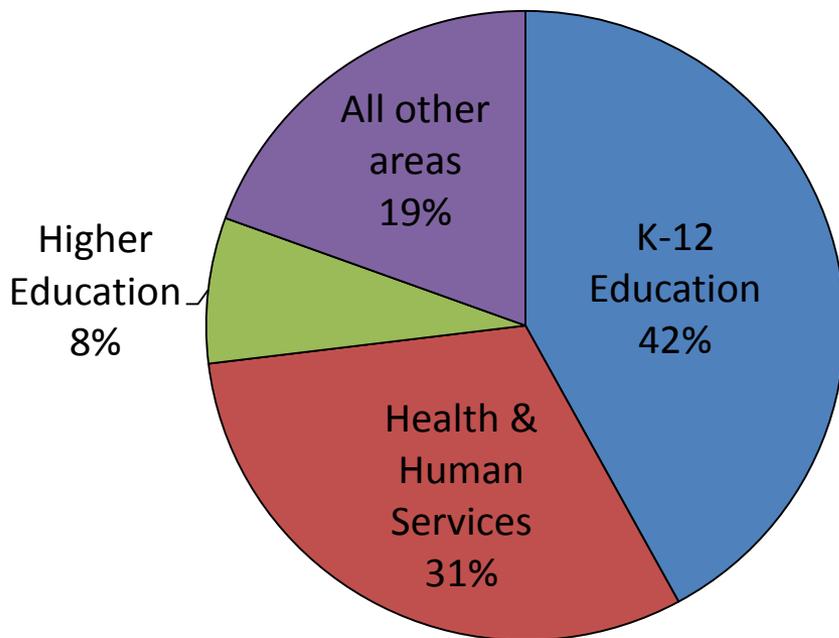
Source: U.S. Census Bureau

Baby boomers age out of working ages between now and 2030



Changing demand for public services

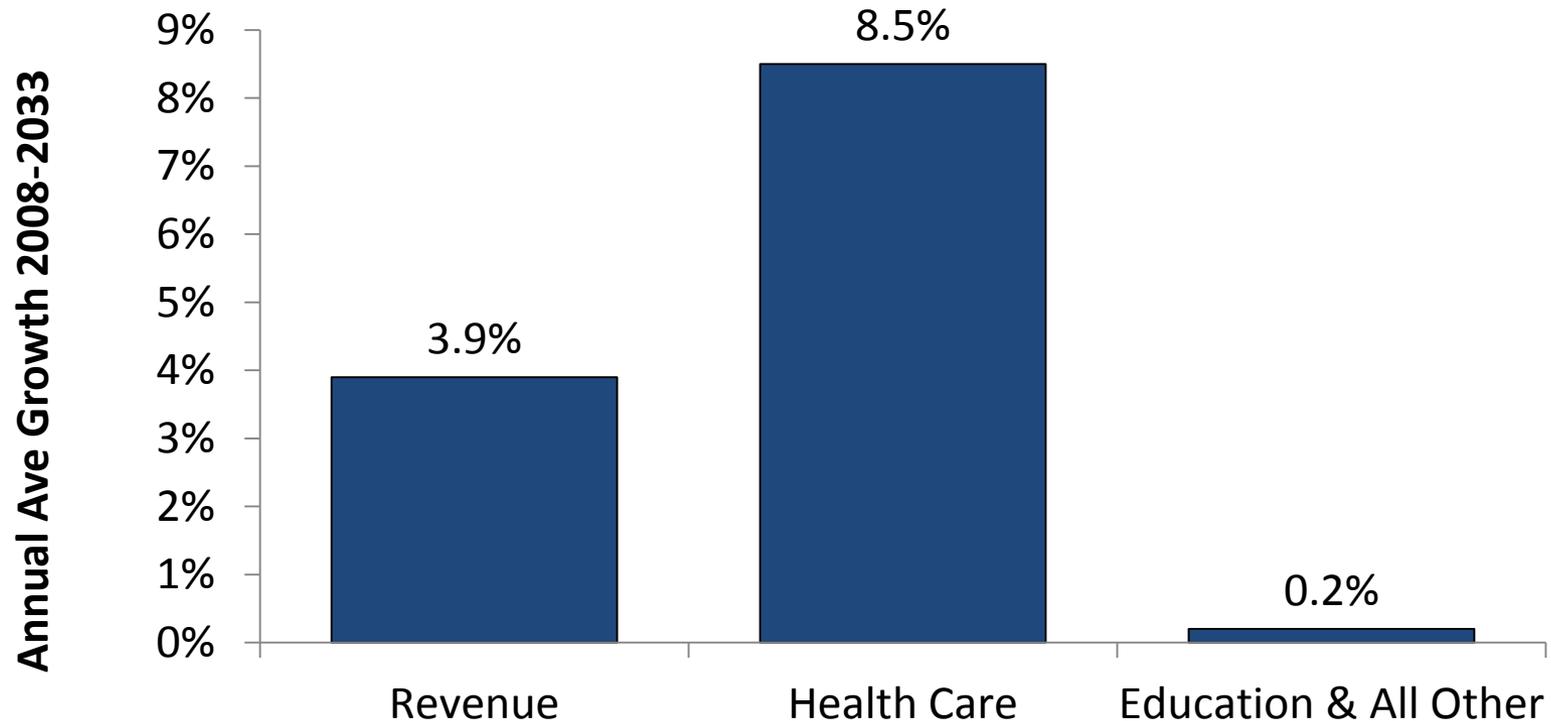
General Fund Expenditures



Within Health & Human Services

- Medical Assistance Expenditures: 25% of GF spending (8.5 billion)
- Medical Assistance Expenditures for the Elderly and Disabled: 16% of GF spending (5.5 billion)
- MA expenditures include basic care, long-term care waivers and long-term institutional care

If state health care costs continue unabated, other services crowded out (projected through 2033)



Source: General Fund Spending Outlook, presentation to the Budget Trends Commission, August 2008, Dybdal, Reitan and Broat.

Projected increase in PUBLIC LTC costs

MA long-term care services for enrollees age 65+ in MN totaled **\$1.1** billion in FY2015*

Assume 85% increase in enrollment due to population aging

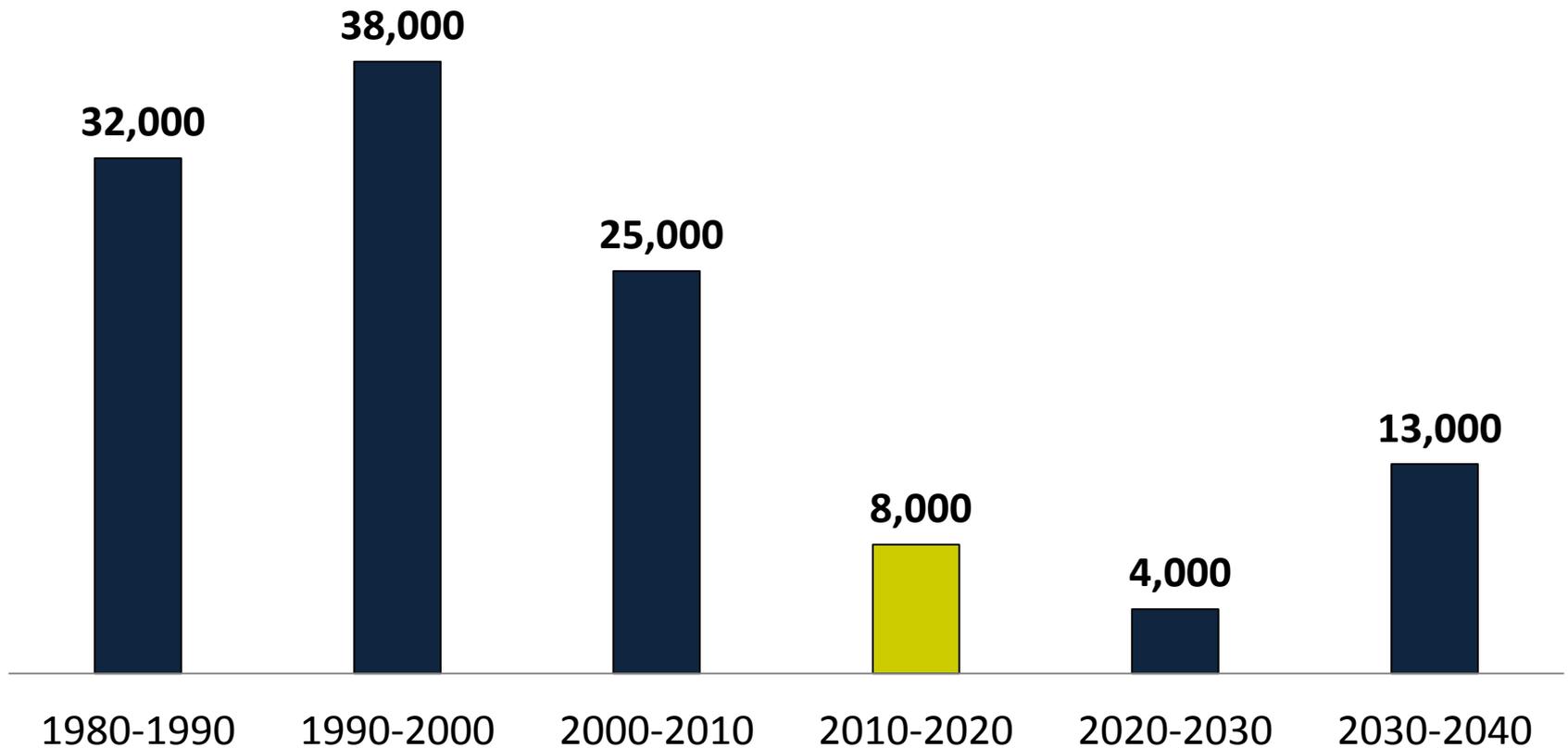
Assume average annual rate of inflation of 2.5% between 2015 and 2040

=**\$3.8** billion annually for long-term care costs under the Medical Assistance program by 2040

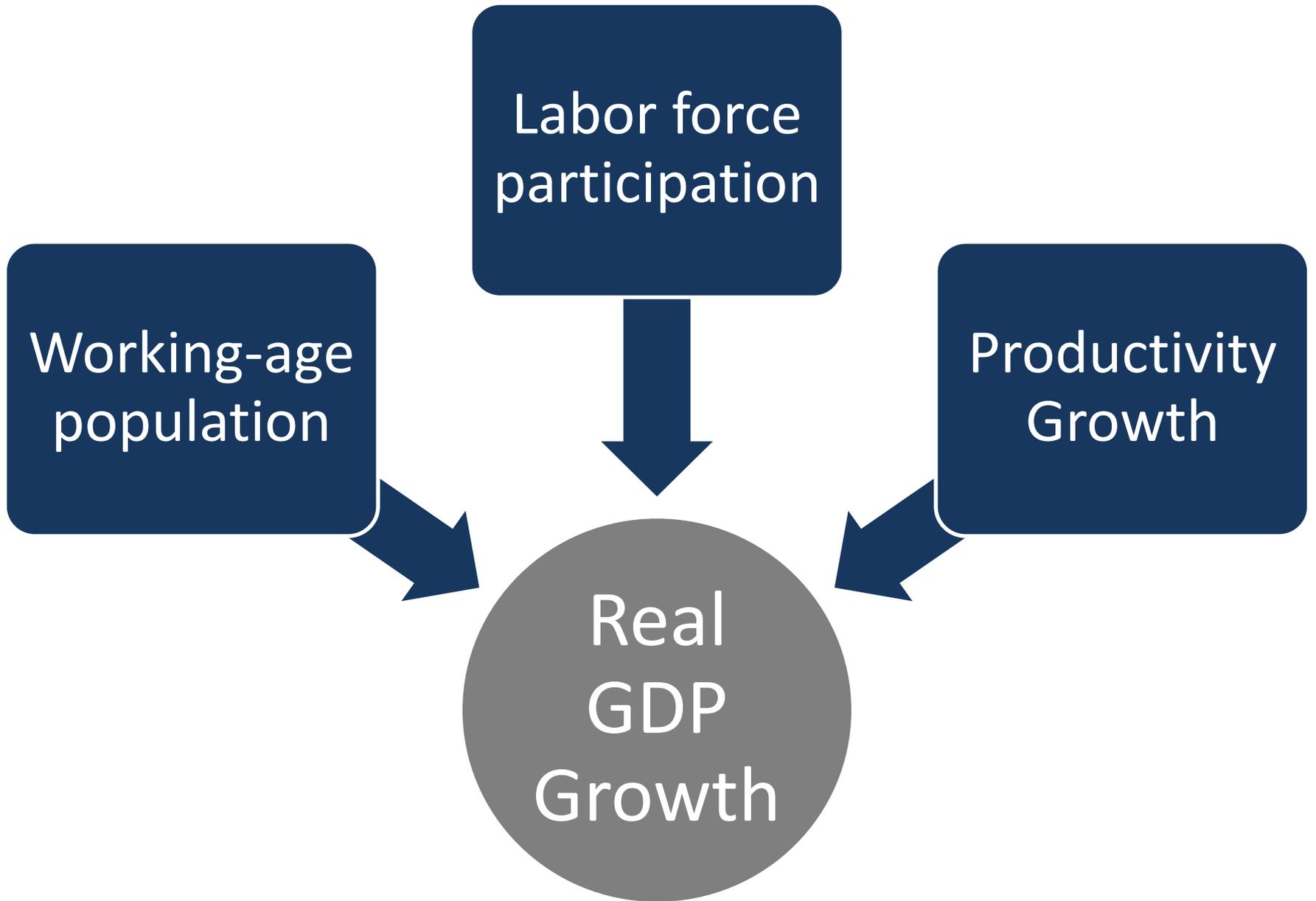
* Includes federal and state spending.

Projected Growth in Labor Force

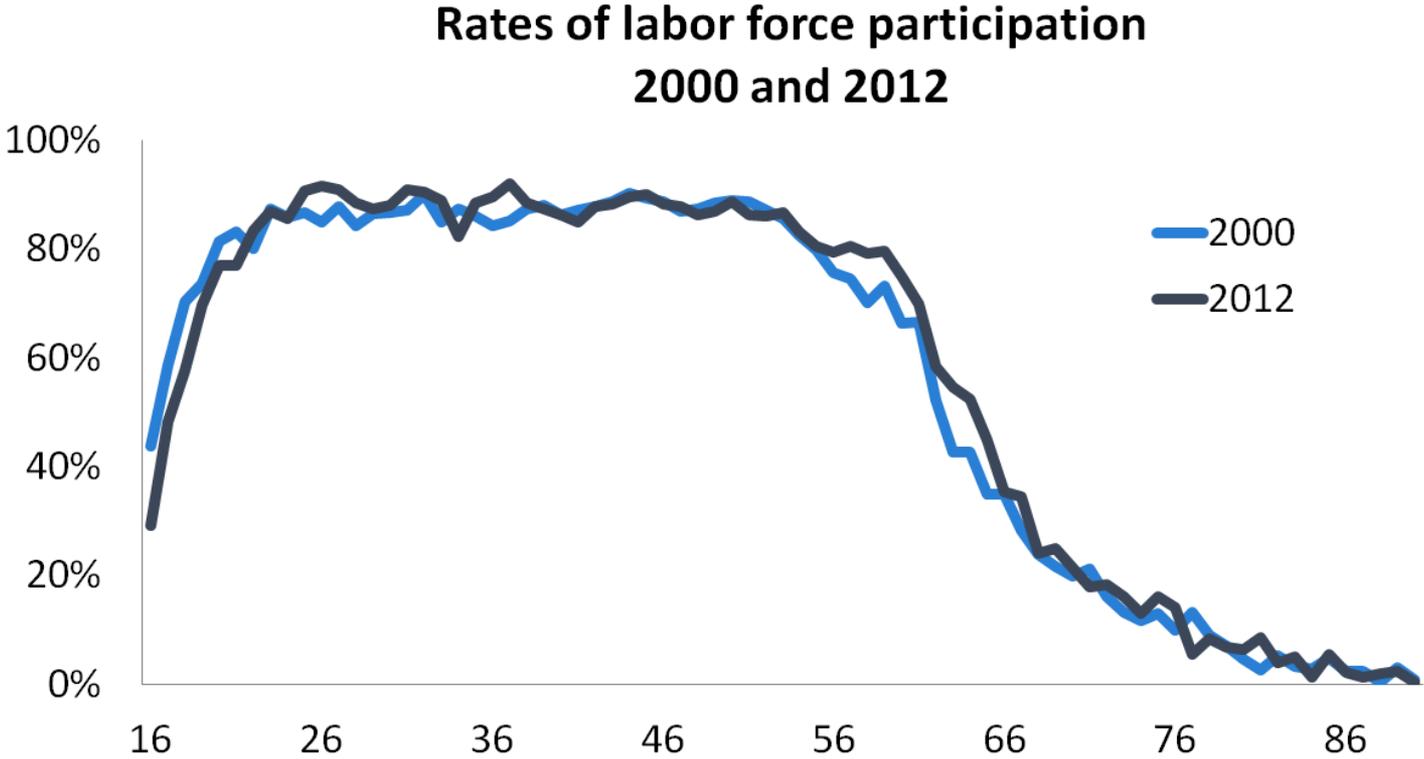
Annual Average, Ages 16+



Source: U.S. Census Bureau, Minnesota State Demographic Center Projections

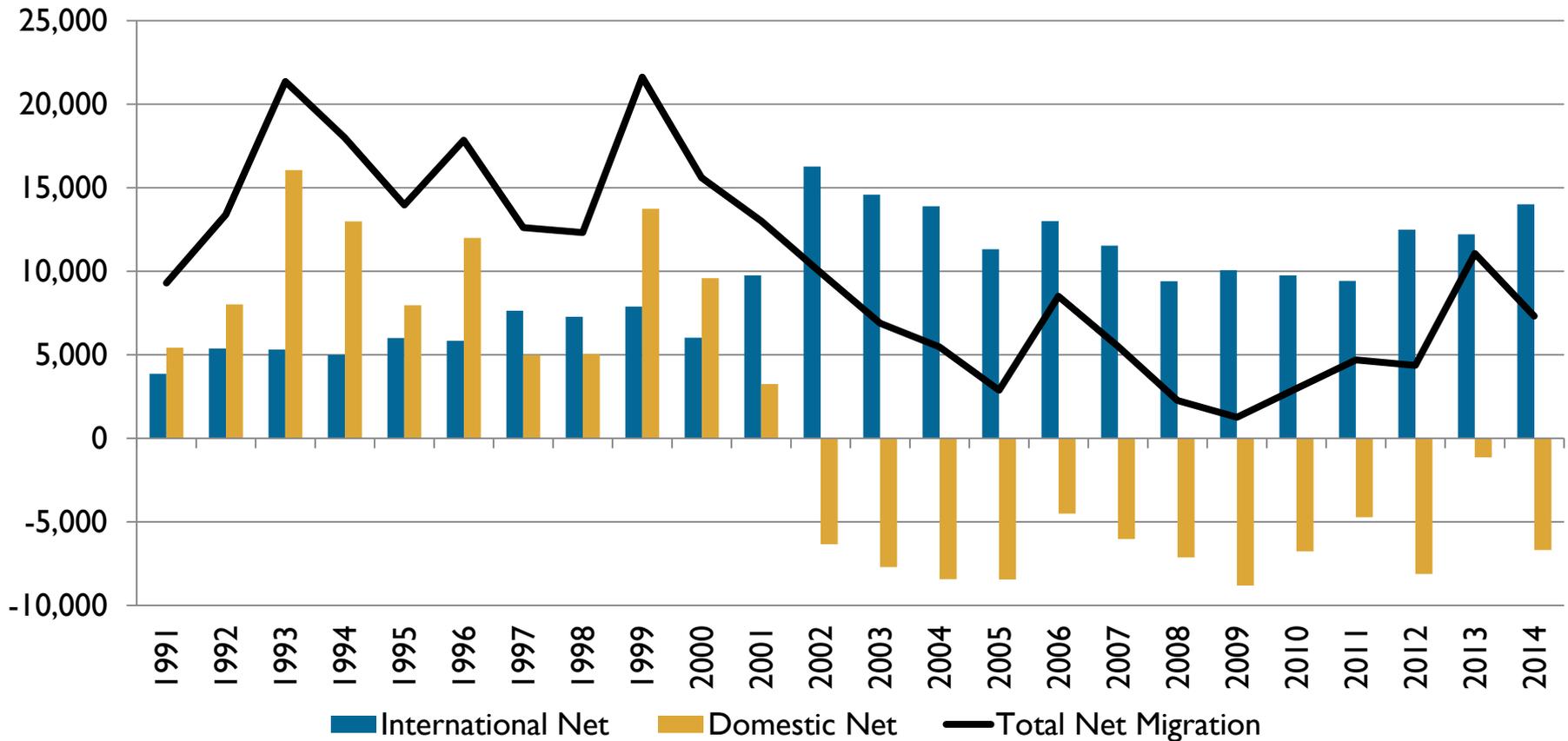


Labor force participation of older adults has increased only slightly



Source: Minnesota State Demographic Center from the Integrated Public Use Microdata Series

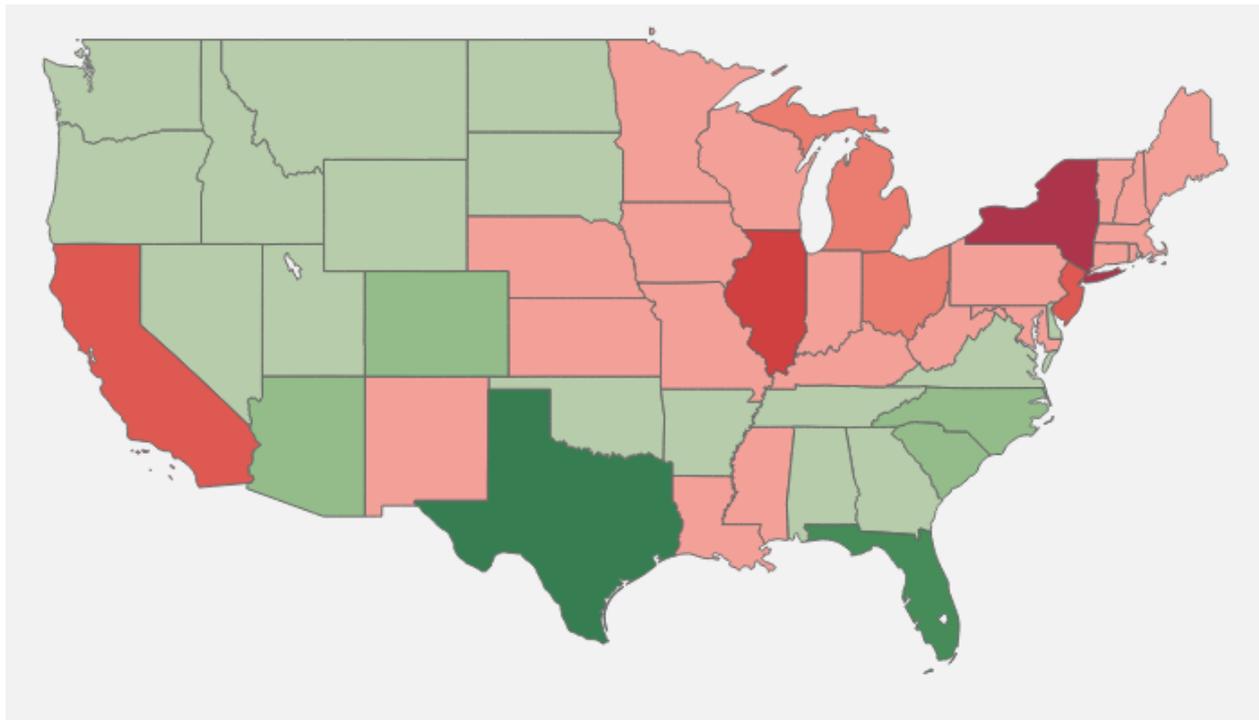
Minnesota's net migration, by international and domestic components



Source: U.S. Census Bureau, Population Estimates Program. Note: Data for 2009-2010 was unavailable and so interpolated.

Midwestern states tend to lose more residents to other states than it gains from other states

Domestic Net Migration, By State, April 1, 2010 – July 1, 2014



Source: U.S. Census Bureau Population Estimates Program



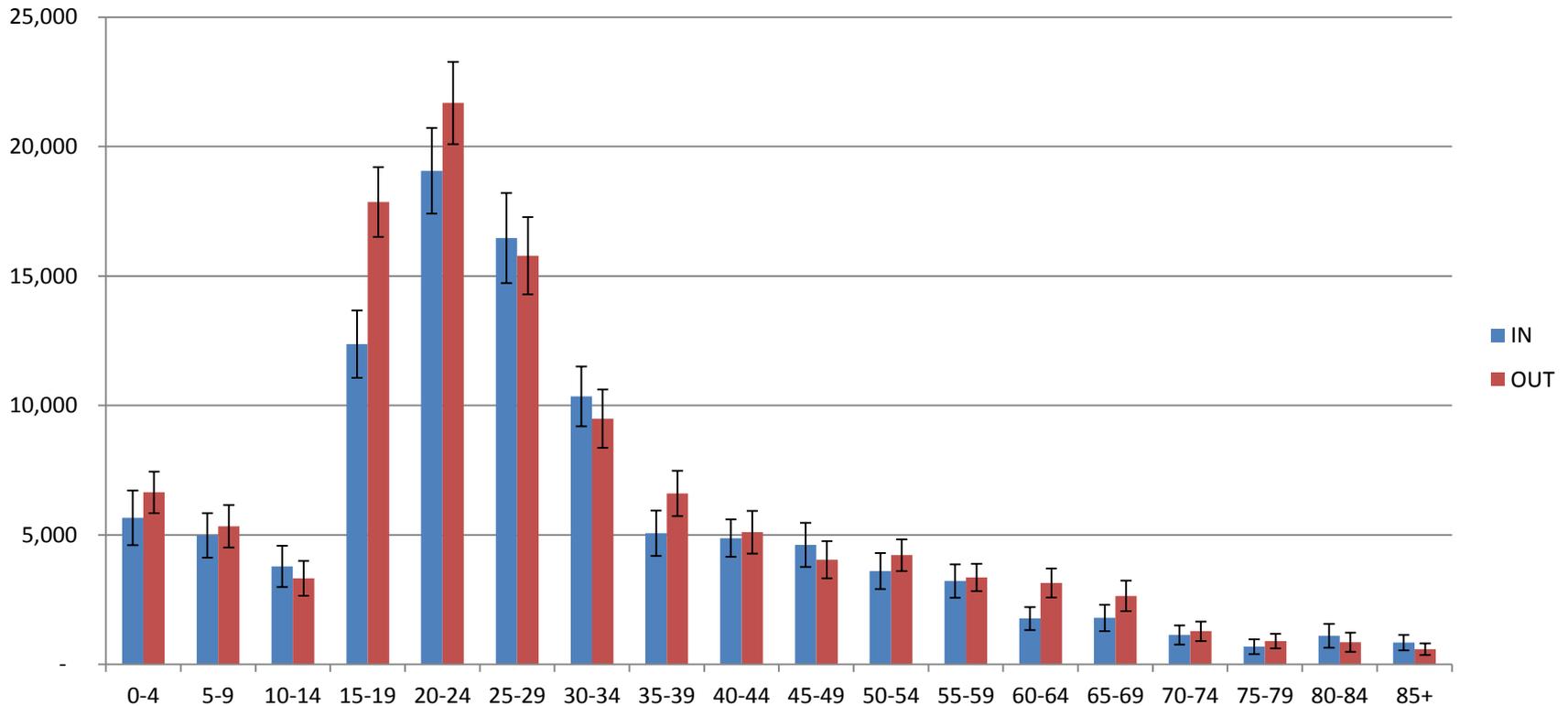
Spencer Platt, Getty Images, 2014

**Hans
Mattson
on
Minnesota's
Climate
1872**



Largest net losses occurring ~ age 20, less counter flow (return) after college years

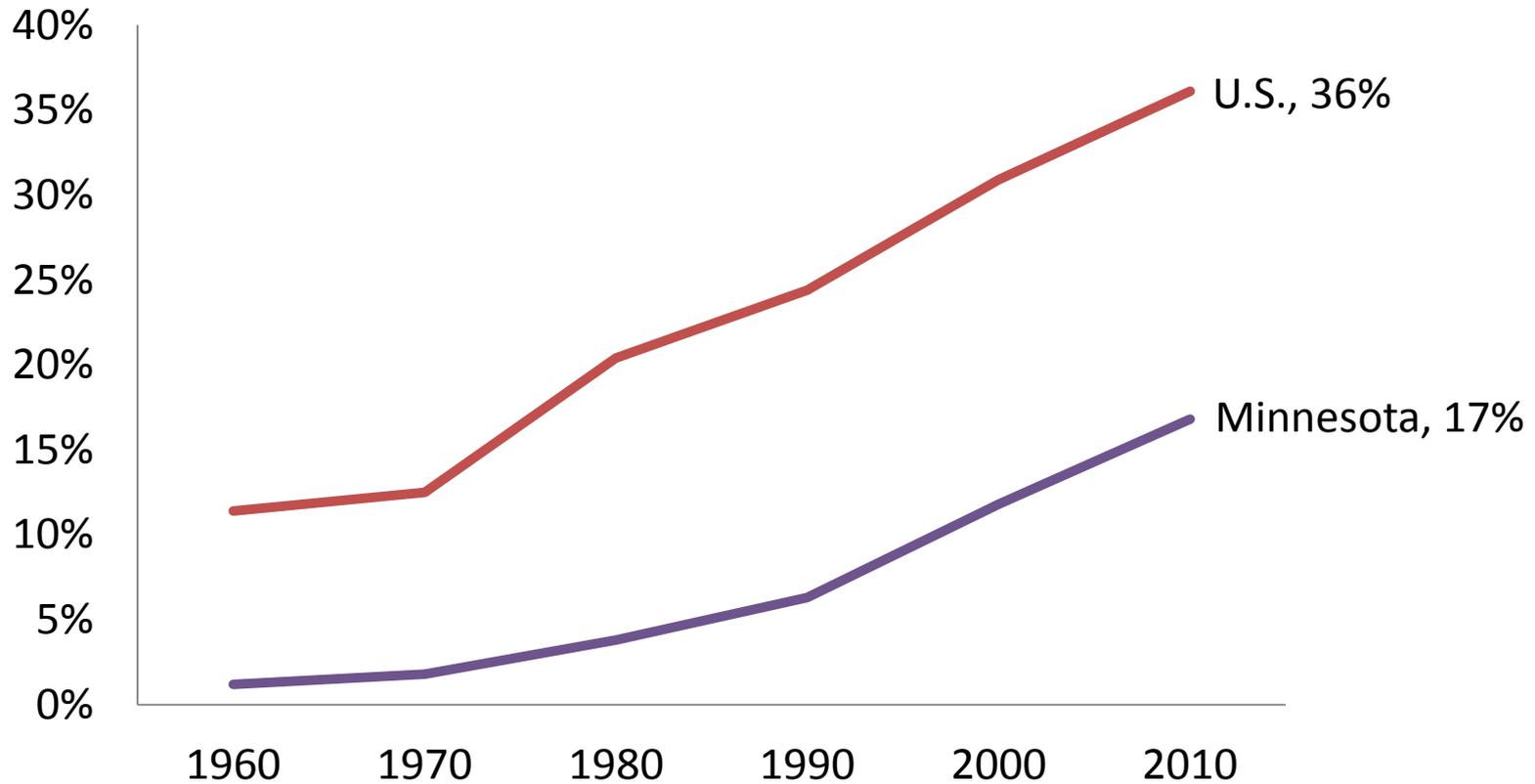
State-to-state migration by age
Minnesota, 2008-2012



Source: IPUMS version of U.S. Census Bureau's 2008-2012 American Community Survey. Tabulations by MN State Demographic Center.

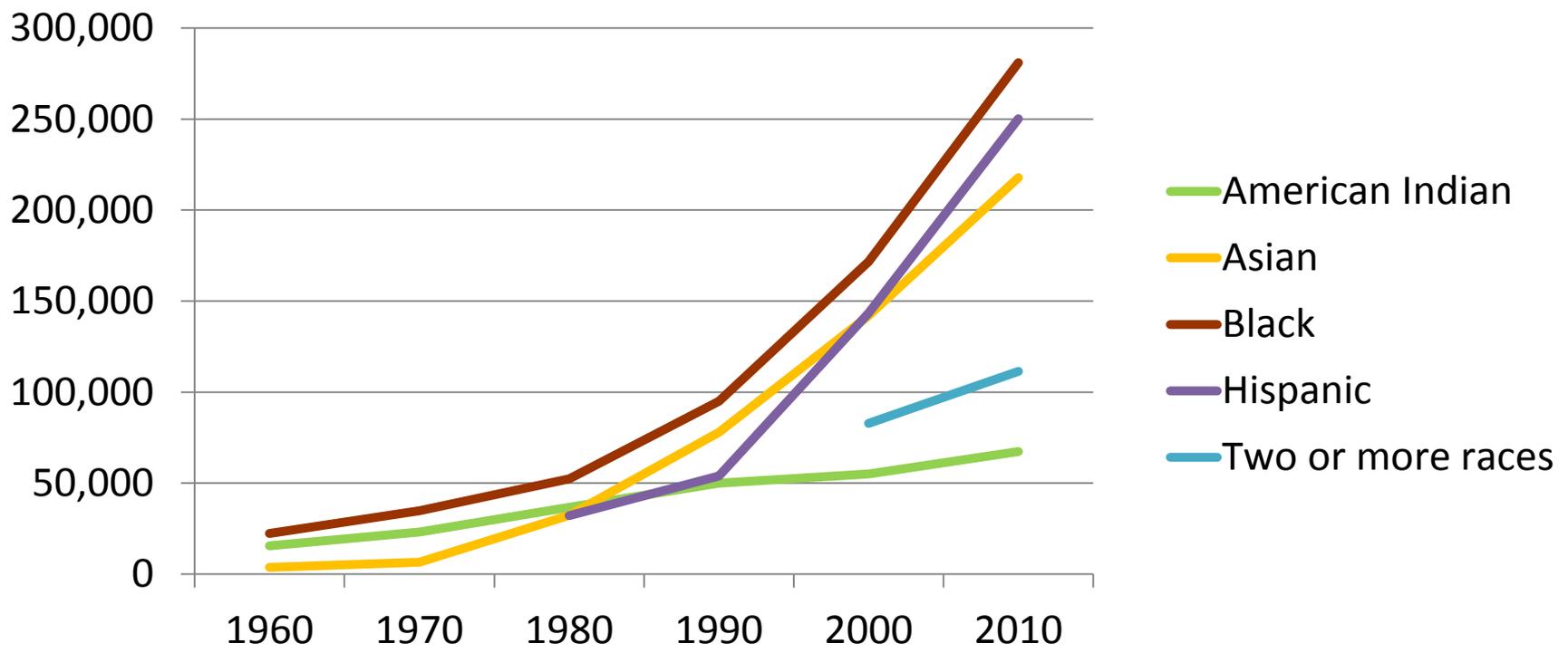
50 years of growing diversity

Proportion of Color



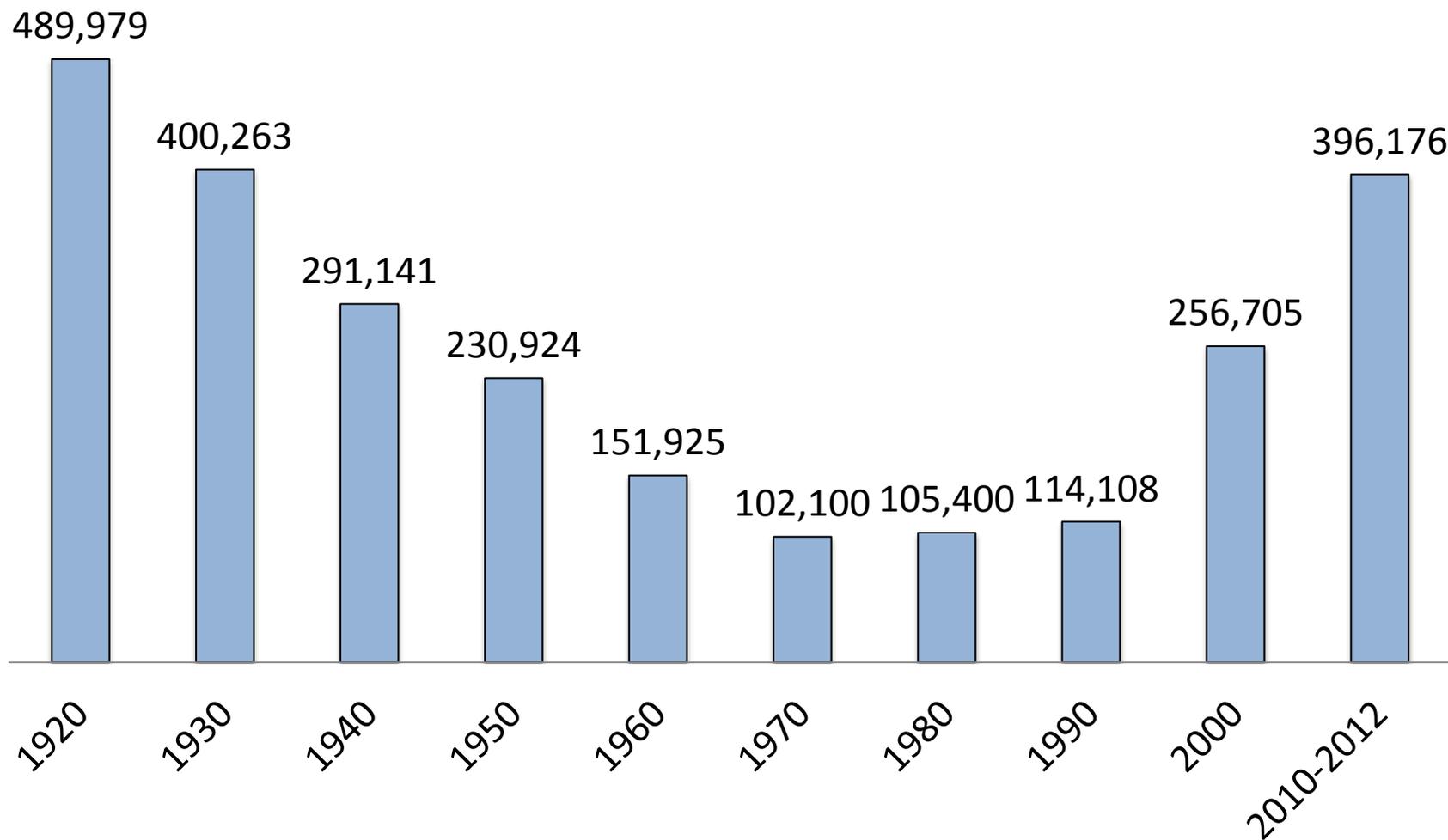
Black, Latino and Asian populations growing rapidly

Populations of color, MN



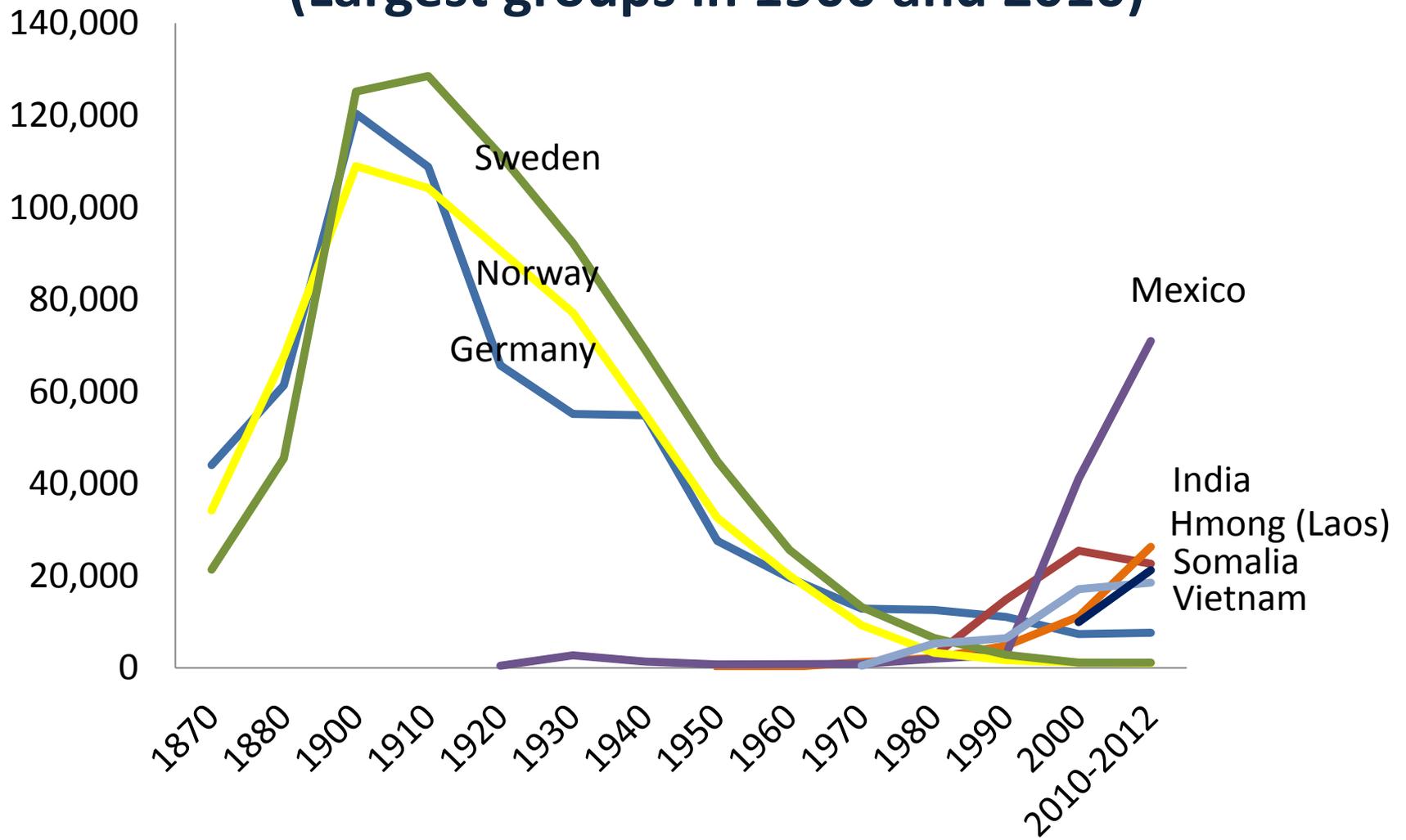
Source: Tabulated by the Minnesota State Demographic Center from the Integrated Public Use Microdata Series

Number of foreign born in Minnesota 1920-2012



Source: Tabulated from the Integrated Public Use Microdata Series

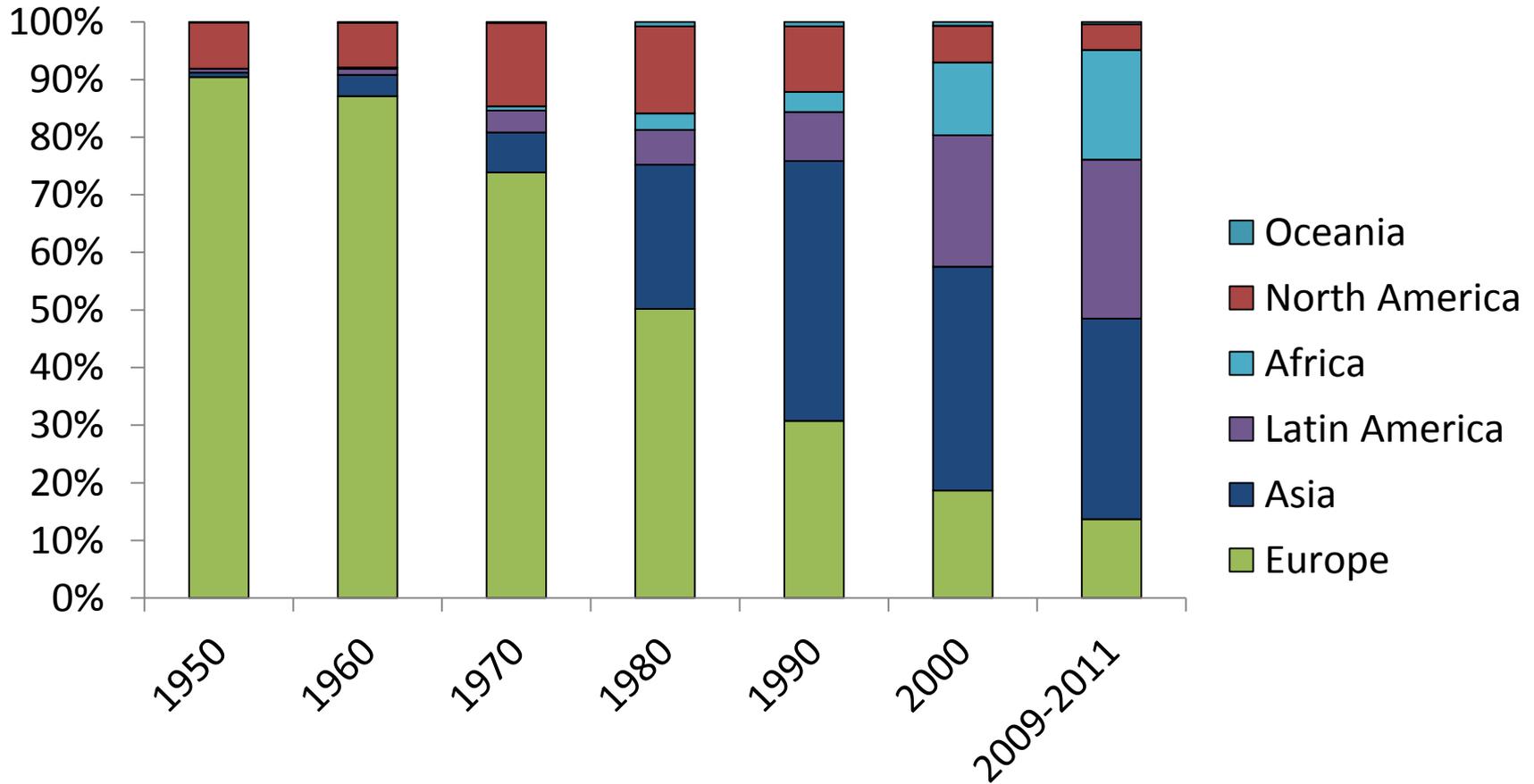
Foreign born in Minnesota (Largest groups in 1900 and 2010)



Source: Tabulated from the Integrated Public Use Microdata Series

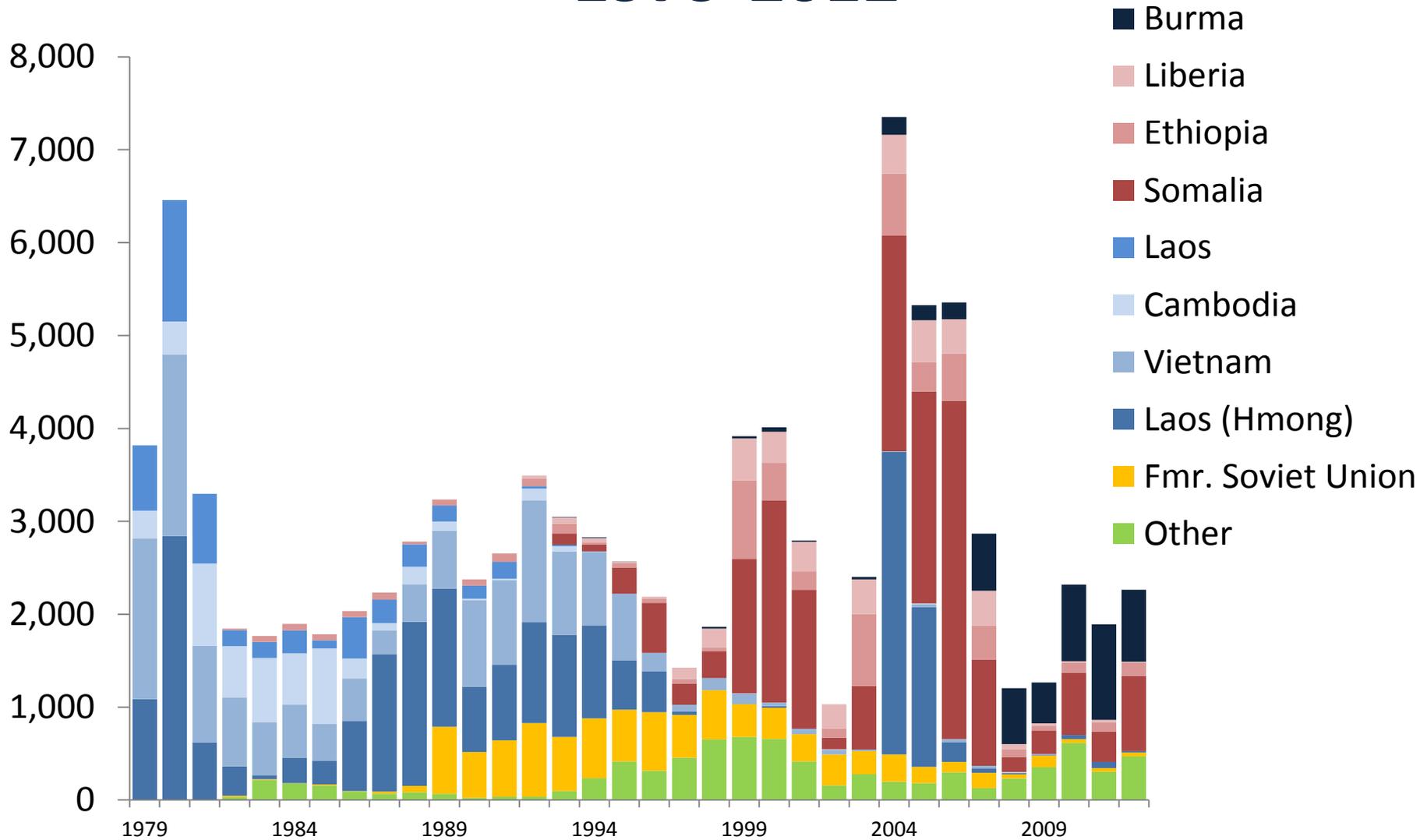


Minnesota's foreign-born population now comes from across the globe



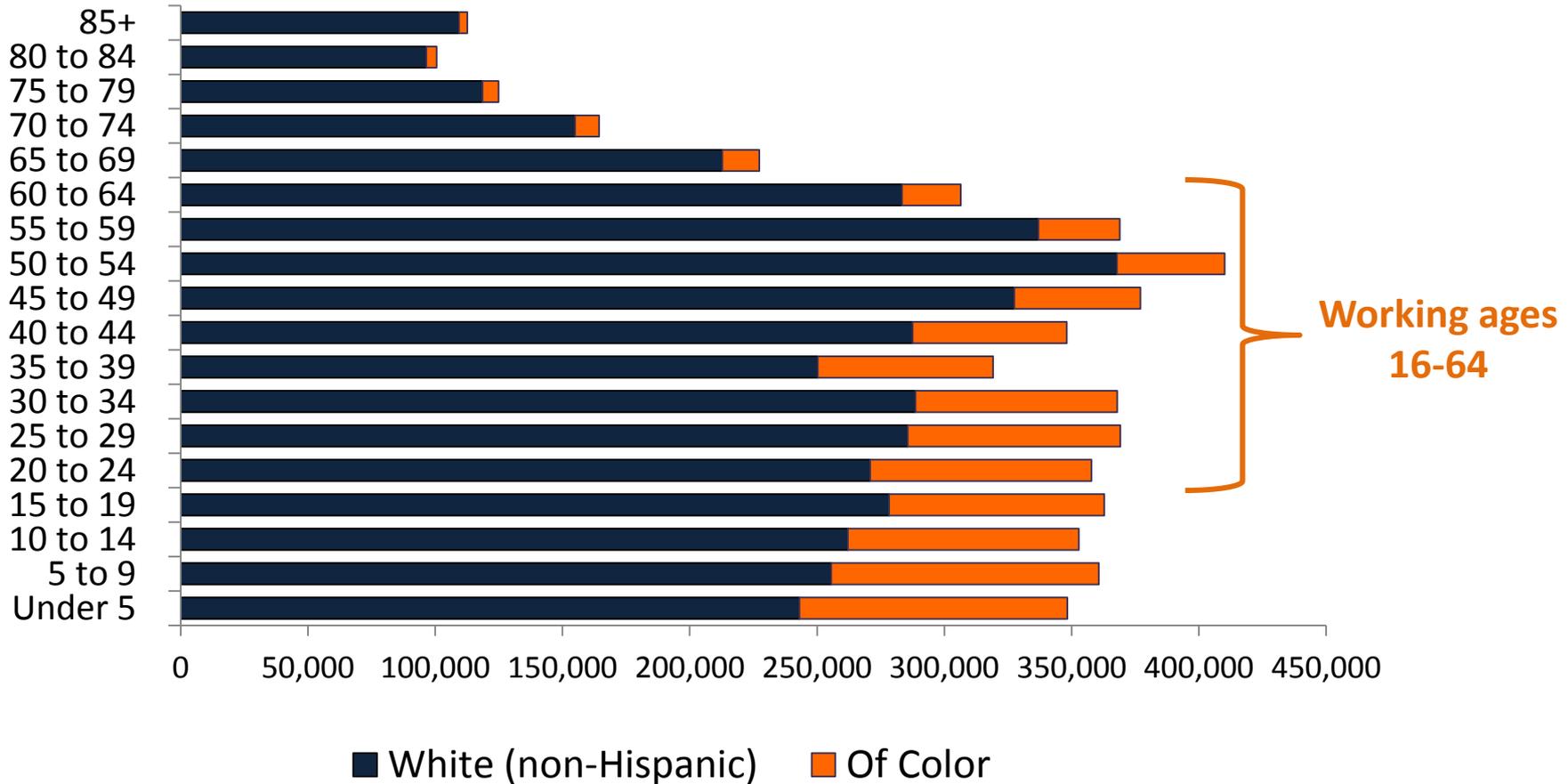
Source: Tabulated by the Minnesota State Demographic Center from the Integrated Public Use Microdata Series, U.S. Census Bureau data

Primary refugee arrivals to MN 1979-2012



Minnesota by race, 2012

White (non-Hispanic) and Of Color Population
Minnesota, 2012

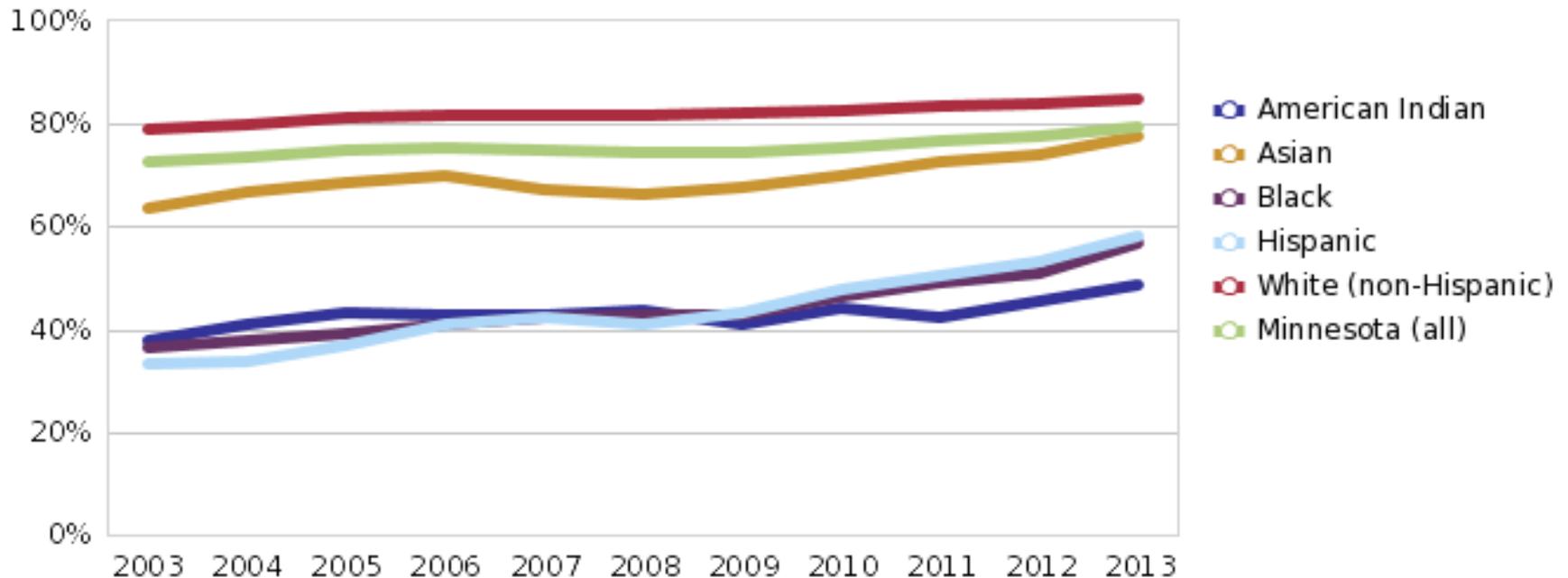


Source: 2012 Population Estimates, U.S. Census Bureau.

Large gaps in educational achievement and attainment exist across racial groups

High school students graduating on time by racial and ethnic group

Minnesota, 2003-2013



Source: Tabulated by MN Compass from Minnesota Department of Education data

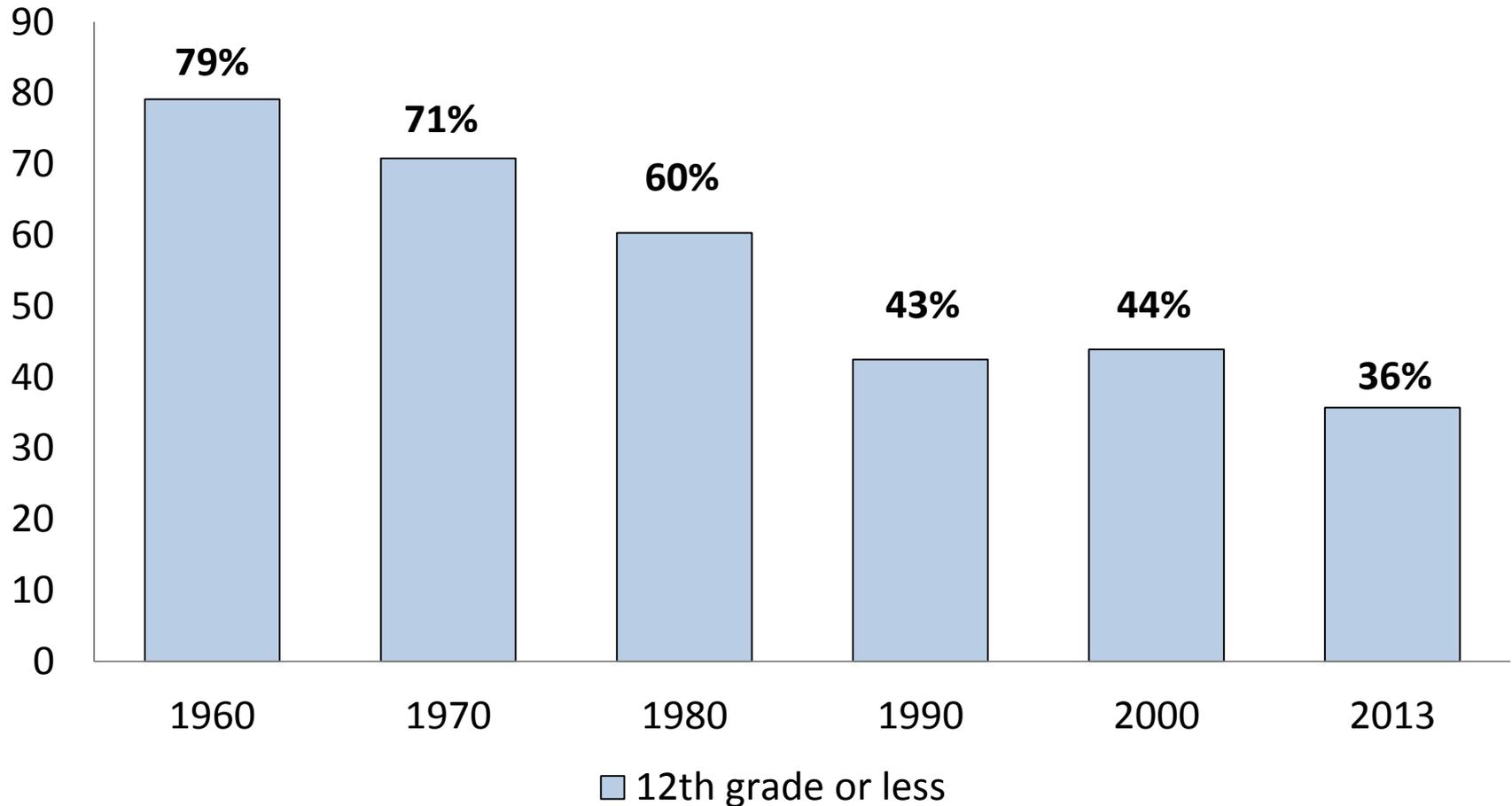
Poverty in Minnesota for those under age 18

- 4 in 10 Black children,
- 4 in 10 American Indian children
- 3 in 10 Hispanic children
- 2 in 10 Asian children, and
- 1 in 10 White children

LIVED IN POVERTY IN 2013



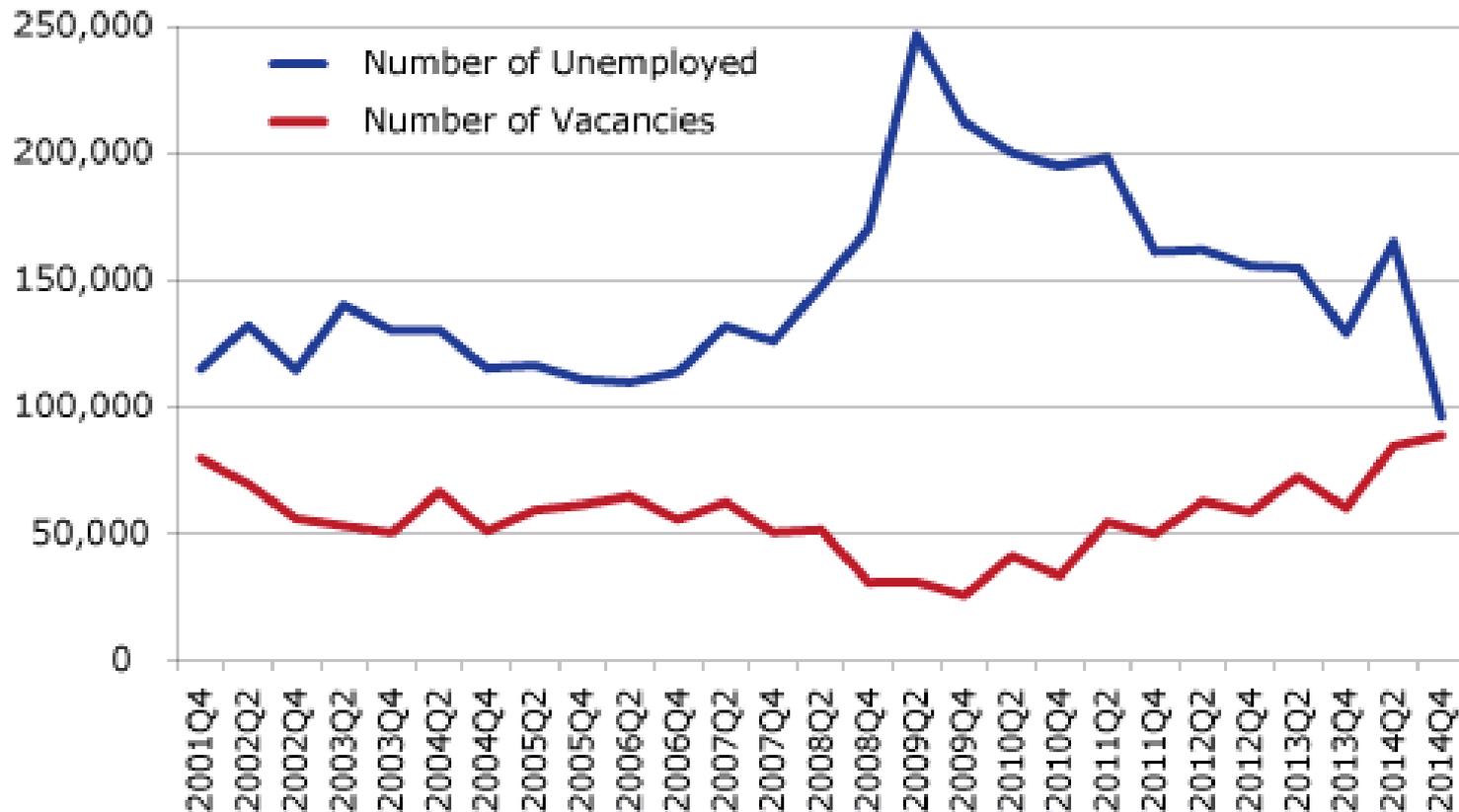
Share of Employed Minnesotans with H.S. Education or Less



Source: Tabulated by the State Demographic Center from the Integrated Public Use Microdata Series

Ratio of jobs to job seekers is now 1:1

Minnesota Job Vacancies and Unemployed Workers by Quarter



Source: Job Vacancy Survey, MN Department of Employment and Economic Development

What does a slower growing labor force mean to MN?

- Dampened economic growth?
- No room to leave any potential worker behind (e.g. People of color, older workers, parents, people with disabilities)
- Premium put on educated, highly-skilled talent
- Employers who find and retain workers in new and creative ways win

Closing thoughts: Demographic change will shape the future...but not completely determine it

- These data are sobering **IF** we continue to adhere to the policies and institutional arrangements that we have built for our demographic past.
- Aging trend will bring new **opportunities**; and a new **license to redesign, innovate**



Minnesota State Demographic Center



mn.gov/demography

Twitter: @MN_StateData

Hans Mattson, 1872

Of the climate he wrote:

Without treading upon the truth too closely, one can say that the climate in Minnesota is one of the healthiest in the world. ... [We] breathe in constantly a dry, fresh air, inasmuch as hazy weather is as good as unknown. Thousands of weak and suffering people arrive yearly in Minnesota to win back their health, and many leave the state as new and healthy people, during this time a number become so taken in by our naturally beautiful and healthy state that they settle themselves in peace here during the rest of their lives...There is certainly good and fruitful soil in other states [as well], but what does this help, if one cannot stand the climate and is always sick, as the case has often been with many countrymen, who have settled down in the unhealthy tracts in the South.

Of the people he wrote:

The population in this state consists primarily of native born Americans, grown up on their farms in the old states, in the factories and the schools and of the hardened Scandinavians and Germans from the old countries rural villages, [who] from the home [are] used to hard work and good habits, and herein lies the key to the character of the population, which laid the foundation to [Minnesota]. **Law abiding, love for order and decorum, security for life and property, social equality, hard working and sober and a deep religiousness, united with the greatest tolerance and respect for others' views, make up the fundamental of the population's character.**