



# Jan Hively, Advocate for Productive Aging

Civic Caucus, 8301 Creekside Circle #920, Bloomington, MN 55437

*January 22, 2010*

**Present :** Verne Johnson (Chair); David Broden, Janice Clay (phone), Marianne Curry (phone), Paul Gilje, Jim Hetland (phone), Dan Loritz, Tim McDonald, Jim Olson (phone), Wayne Popham (phone), Bob White

**A. Context of the meeting** - Continuing the focus of the Caucus on redesigning public services, Jan Hively will visit today on the concept of 'productive aging,' or, moving beyond seeing aging only in terms of cost.

Societies ebb and flow in the age-distribution of their populace, and Minnesota is and will be trending older for some time. Combined with budget problems and health care costs that are persisting independent of demographic shifts, this presents a significant challenge. Health and human services alone account for about 41 percent of the budget (<http://www.mmb.state.mn.us/doc/budget/report-pie/all-nov09.pdf>), and as John James shared last week health care costs continue to present the strongest pressure on state finances.

Hively's message then is an important one, for the health of our people and our public services. In preparation for today's visit Hively put together a helpful four-page document, to be found here:

 <http://pages.google.com/edit/thewrittenleague/ProductiveAgingHively.pdf> .

**B. Welcome and introductions** - Jan Hively is a living testament to her personal credo of maximizing productivity and assuring "meaningful work, paid or unpaid, through the last breath." Hively received her PhD in Education for Work and Community from the University of Minnesota in spring 2001 at age 69. Since then she has helped found three organizations dedicated to empowering older adults: the Vital Aging Network, the Minnesota Creative Arts and Aging Network, and "SHiFT," a community network empowering midlife transitions in life and work.

Hively's work on aging arose from her past professional positions in community outreach, planning, and administration for public and nonprofit organizations. Her professional life has included serving as president and executive director of the Golden Apple Foundation for Excellence in Teaching, founder and executive director of the Minneapolis YOUTH TRUST, deputy mayor of the City of Minneapolis, and director of outreach and a faculty member of the University of Minnesota's College of Education and Human Development.

**C. Comments and discussion** -During Hively's visit with the Civic Caucus, the following points were made:

**1. Aging is an opportunity, not simply a liability** — "So often when we talk about aging," Hively began her remarks, "we talk about it as being a cost. We have health care and social services for the frail elderly. Old people represent needs."

We need to capitalize on boomers. "We've added 20 years to life in the past half-century...but we've added them to the middle years, not the end years. The rate of chronic disability has actually gone down 15 percent because of modern medical technologies.

"Brain research shows that brain cells continue to multiply throughout life, and that there is a creative spurt between the ages of 55 and 75."

**2. Avoiding higher public expenses?** — A member asked, "So you're saying we can keep costs from increasing?"

Hively reframed it: "This is a matter of productivity-paid or unpaid work that provides value. Many people who are aging *are* providing a meaningful contribution to society, and to their families. People who are active are healthier and live longer. Productive aging is essential to health."

A member asked, why is it that this message of the aging continuing to contribute is not what we hear every day?" It is easier to think in terms of aging being a cost," Hively replied. Especially now. "You have falling stock prices that affect retirees most directly, so we hear about that.

"And retirees pay less in taxes. About half they'd be paying if they were employed." So that fits the narrative, as well.

**3. Pension funds are not a viable model for retirement savings** — Hively gives workshops, and is active on this topic, internationally. "I see private and public pension funds failing, yet shortages of skilled labor. You can address one with the other. Find ways for people to work past retirement, yet in lessened and different capacities. They can continue earning incomes while providing experience at a lower cost.

Hively mentioned a program that New York City runs, where employers paid \$10/hr to retirees with great expertise. That was enough to make a difference, she said.

Pension funds don't work anymore. The World War II generation saved, and had employer pensions that boomers didn't, and don't. "70 percent of Americans approaching retirement have too much debt and not enough savings." For many people, retirement is out. "Those hardest hit are middle-aged, working men." Blue collar and white collar.

**4. Ageism is alive and well-and bad for business** — "Employers are less apt to hire older workers, or keep them on. But hire a 55 year old and they will stay longer than a 25 year old."

So, a member asked, are employers just being stupid?

"It is ageism-bias," Hively replied. "See it the same as racism. Does it make logical sense? No, but people do it."

But business is good at maximizing labor, the member countered, so this doesn't make sense, that they would not identify the value of paying more, for someone with more experience?

"I think it has to do with short-term thinking...stock price...the United States' negative social attitude toward old people."

"They're actually being very rational," another member suggested, "by responding to those factors that they are judged upon."

"You have got to get industry to buy in to keeping people on," Hively said. "Need to create the incentives."

**5. No incentives for older workers in the governmental sector?** — "In the areas where the Civic Caucus is looking for redesign," a member observed, "almost all workers are unionized. And they have public pensions. They are retiring at a rate of pay where they are seeing no significant disruption in pay, and so are not compelled into additional work, for money."

"We need to have flexibility," Hively answered, "which includes the ability to go down in pay, too, if a person willingly gives up responsibilities." A public employee may wish to retire from a top-tier position, for example, but assume a position with less responsibilities in return for a lower salary. That is difficult to do now.

"The greatest cost to the state," the same member said, "is not K-12, are not health services, but premiums for health care for state employees. It might be helpful to divide this conversation into public /private," because the two sides seem to be dealing with very different problems: Private industry is not recognizing the value of older workers, and public employment does not have enough flexibility to make best use of senior staff and recent retirees. Hively agreed.

**6. Growing health care costs are a function of the system, not a population getting older —**

"Health care is the problem," Hively asserted, "not aging." The majority of costs come on two fronts-through preventable disease, which has more to do with wellness than age, and in the very final days, weeks, and months of life. Otherwise, "You are more likely now than ever to fall asleep and wake up dead."

The key is to see people as being willing and able to contribute in needed and legitimate ways, right up to the end of life. This process of remaining physically and mentally alert will itself cut down on how much health care is consumed.

#### **D. Closing**

"The bottom line is that we need to reverse public expectations that aging is something that will drain our coffers, and that we have no hope. Purposeful lives result in the public good for everyone."