Since the early 1980s the Canadian public has been warned about the impending rise in health care costs due to the rapid growth of the elderly population. It has been said that, on average, the elderly population uses more health care than the rest of the population; however, the media and government do not provide us with any clear evidence that identifies how large the impending effect of the aging baby boomer generation will be.

Research that analyzes the utilization of health care by the elderly population in Canada sheds light on the following:

- One-half of the elderly population makes minimal demands on the system, while 45% incur large expenditures and 5% very large expenditures.
- Expenditures in the year of death are three to eight times those of expenditures in other years. Levels of expenditures in the year of death, however, parallel levels in other years; on average, individuals with low expenditures have relatively inexpensive deaths and vice-versa (Roos, Shapiro, & Tate, 1989).

U.S. economic analyses have shown that aging and population growth between 1975 and 1990 accounted for roughly 29% of the rise in costs of acute care and 35% rise in costs in the long term health sector. Experts warn that if there is no change in the relative levels of spending by age group, there will be an acceleration in the rise of costs due to aging between 2010 and 2030 (Mendelson & Schwartz, 1993). Many experts also state that the relative intensity of service to the elderly, which is increasing dramatically, is cause for concern and needs to be addressed (Barer, Evans, Hertzman, & Lomas, 1987).

Suggestions for policy changes to reduce the impact of high users in the system have been made (Roos, Shapiro, & Tate, 1989).

- use of home care surveillance - this is the use of home care staff to perform regular visits on patients with a high risk of re-admission in order to mitigate any use of high cost hospital emergency staff;
- increased geriatric assessment of high users in the hospital - Geriatric Assessment Units identify high-risk patients and target them for preventive interventions.
  - Self-reported health surveys and administrative data are two methods used in geriatric assessment to identify members at high risk for adverse health outcomes and functional decline who may benefit from geriatric case management (Fillit, Hill, Picariello, & Warburton, 1998)

As the above economic analyses illustrate, a significant percentage of elderly does age without placing a burden on the health care system – a term which experts identify as “successful aging.” For example, a study of the elderly population in Manitoba
illustrated that successful aging can be a factor in the use of health care services in the elderly population.

- Individuals at particular risk of not aging successfully include those:
  - with poor self rated health, whose spouse has died or is institutionalised;
  - whose mental status is somewhat compromised,
  - who develop cancer,
  - and those who are forced to retire or decide to retire because of bad health (Roos & Havens, 1991).

- The influence of self-rated health is further substantiated by other studies: when services are completely insured, almost all of the elderly who perceive their health as poor are in contact with the medical system (Roos & Shapiro, 1981).

- Preventive and healthy lifestyle habits have a strong association with lower medical costs among retired populations, illustrating that bad health habits are expensive and attempts to change them, even in later years, offers potential for improving health of elderly population and lowering health costs (Leigh & Fries, 1992).
References-Aging Fact Sheet


