Why Social Security and Medicare Are Vital to Older Americans in Alaska

Social Security and Medicare provide income and health security to older Americans aged 65 and older. Growing debt burdens, dwindling pensions, and increasing health care costs make these programs more important than ever. Here’s what they do for Alaska.

Social Security in Alaska

Older Alaskans count on Social Security benefits earned through a lifetime of work

- A total of 89 percent, or 55,585, of older Alaska residents received Social Security in 2012. The average annual benefit was $14,300.
- Social Security accounted for 33 percent of the typical older Alaskan’s family income.
- Low- and middle-income older adults in Alaska are even more reliant on Social Security’s earned benefit, typically receiving 65 percent of their family income from Social Security.

Social Security keeps middle-income older Alaskans from falling into poverty

- Census data show about 10 percent, or 6,026, of older Alaskans living in poverty.
- Without Social Security income, an additional 26 percent of older Alaskans, or 15,344 people, would fall into poverty.

Social Security plays an important role in Alaska’s economy

- Social Security provided $1.1 billion in benefits to all Alaskans and $0.8 billion in benefits to Alaskans aged 65 and older in 2012.

Medicare in Alaska

Medicare provides guaranteed health coverage, but out-of-pocket costs are high

- On average, Alaska’s Medicare beneficiaries spent an estimated $3,877 on out-of-pocket health care costs in 2012.
- In 2012, older Alaska adults enrolled in Medicare spent, on average, an estimated 10 percent of their income on out-of-pocket health care costs.

Medicare provides peace of mind for older Alaskans

- Nearly 95 percent of older Alaskans were enrolled in Medicare in 2011.

Medicare plays an important role in Alaska’s economy

- The Medicare program spent an estimated $0.5 billion on health care services for 60,232 older Alaskans in 2012.