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

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 Colorado.

Social Security in Colorado

Older Coloradans count on Social Security benefits earned through a lifetime of work
- A total of 88 percent, or 540,025, of older Colorado residents received Social Security in 2012. The average annual benefit was $14,800.
- Social Security accounted for 40 percent of the typical older Coloradan’s family income.
- Low- and middle-income older adults in Colorado are even more reliant on Social Security’s earned benefit, typically receiving 69 percent of their family income from Social Security.

Social Security keeps middle-income older Coloradans from falling into poverty
- Census data show about 7 percent, or 40,500, of older Coloradans living in poverty.
- Without Social Security income, an additional 30 percent of older Coloradans, or 167,621 people, would fall into poverty.

Social Security plays an important role in Colorado’s economy
- Social Security provided $10.3 billion in benefits to all Coloradans and $7.9 billion in benefits to Coloradans aged 65 and older in 2012.

Medicare in Colorado

Medicare provides guaranteed health coverage, but out-of-pocket costs are high
- On average, Colorado’s Medicare beneficiaries spent an estimated $3,926 on out-of-pocket health care costs in 2012.
- In 2012, older Colorado 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 Coloradans
- Nearly 96 percent of older Coloradans were enrolled in Medicare in 2011.

Medicare plays an important role in Colorado’s economy
- The Medicare program spent an estimated $4.8 billion on health care services for 589,315 older Coloradans in 2012.