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

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 Massachusetts.

Social Security in Massachusetts

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

- A total of 88 percent, or 841,846, of older Massachusetts residents received Social Security in 2012. The average annual benefit was $15,200.
- Social Security accounted for 44 percent of the typical older Massachusetts resident’s family income.
- Low- and middle-income older adults in Massachusetts are even more reliant on Social Security’s earned benefit, typically receiving 75 percent of their family income from Social Security.

Social Security keeps middle-income older Massachusetts residents from falling into poverty

- Census data show about 7 percent, or 70,837, of older Massachusetts residents living in poverty.
- Without Social Security income, an additional 33 percent of older Massachusetts residents, or 321,822 people, would fall into poverty.

Social Security plays an important role in Massachusetts’s economy

- Social Security provided $16.4 billion in benefits to all Massachusetts residents and $12.6 billion in benefits to Massachusetts residents aged 65 and older in 2012.

Medicare in Massachusetts

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

- On average, Massachusetts’s Medicare beneficiaries spent an estimated $5,180 on out-of-pocket health care costs in 2012.
- In 2012, older Massachusetts adults enrolled in Medicare spent, on average, an estimated 13 percent of their income on out-of-pocket health care costs.

Medicare provides peace of mind for older Massachusetts residents

- Nearly 96 percent of older Massachusetts residents were enrolled in Medicare in 2011.

Medicare plays an important role in Massachusetts’s economy

- The Medicare program spent an estimated $9.9 billion on health care services for 926,451 older Massachusetts residents in 2012.