Why Social Security and Medicare Are Vital to Older Americans in New Jersey

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 New Jersey.

Social Security in New Jersey

Older New Jerseyans count on Social Security benefits earned through a lifetime of work
- A total of 91 percent, or 1,132,456, of older New Jersey residents received Social Security in 2012. The average annual benefit was $16,500.
- Social Security accounted for 41 percent of the typical older New Jerseyan’s family income.
- Low- and middle-income older adults in New Jersey are even more reliant on Social Security’s earned benefit, typically receiving 71 percent of their family income from Social Security.

Social Security keeps middle-income older New Jerseyans from falling into poverty
- Census data show about 8 percent, or 87,060, of older New Jerseyans living in poverty.
- Without Social Security income, an additional 32 percent of older New Jerseyans, or 357,474 people, would fall into poverty.

Social Security plays an important role in New Jersey’s economy
- Social Security provided $23.3 billion in benefits to all New Jerseyans and $18.4 billion in benefits to New Jerseyans aged 65 and older in 2012.

Medicare in New Jersey

Medicare provides guaranteed health coverage, but out-of-pocket costs are high
- On average, New Jersey’s Medicare beneficiaries spent an estimated $5,213 on out-of-pocket health care costs in 2012.
- In 2012, older New Jersey adults enrolled in Medicare spent, on average, an estimated 12 percent of their income on out-of-pocket health care costs.

Medicare provides peace of mind for older New Jerseyans
- Nearly 95 percent of older New Jerseyans were enrolled in Medicare in 2011.

Medicare plays an important role in New Jersey’s economy
- The Medicare program spent an estimated $13 billion on health care services for 1,205,704 older New Jerseyans in 2012.