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

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 Tennessee.

Social Security in Tennessee

Older Tennesseans count on Social Security benefits earned through a lifetime of work
- A total of 94 percent, or 859,269, of older Tennessee residents received Social Security in 2012. The average annual benefit was $14,800.
- Social Security accounted for 67 percent of the typical older Tennessean’s family income.
- Low- and middle-income older adults in Tennessee are even more reliant on Social Security’s earned benefit, typically receiving 92 percent of their family income from Social Security.

Social Security keeps middle-income older Tennesseans from falling into poverty
- Census data show about 11 percent, or 95,931, of older Tennesseans living in poverty.
- Without Social Security income, an additional 43 percent of older Tennesseans, or 361,285 people, would fall into poverty.

Social Security plays an important role in Tennessee’s economy
- Social Security provided $17.6 billion in benefits to all Tennesseans and $12.5 billion in benefits to Tennesseans aged 65 and older in 2012.

Medicare in Tennessee

Medicare provides guaranteed health coverage, but out-of-pocket costs are high
- On average, Tennessee’s Medicare beneficiaries spent an estimated $4,425 on out-of-pocket health care costs in 2012.
- In 2012, older Tennessee adults enrolled in Medicare spent, on average, an estimated 15 percent of their income on out-of-pocket health care costs.

Medicare provides peace of mind for older Tennesseans
- Nearly 98 percent of older Tennesseans were enrolled in Medicare in 2011.

Medicare plays an important role in Tennessee’s economy
- The Medicare program spent an estimated $8.1 billion on health care services for 890,611 older Tennesseans in 2012.