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

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 Texas.

Social Security in Texas

Older Texans count on Social Security benefits earned through a lifetime of work
- A total of 88 percent, or 2,505,687, of older Texas residents received Social Security in 2012. The average annual benefit was $14,400.
- Social Security accounted for 42 percent of the typical older Texan’s family income.
- Low- and middle-income older adults in Texas are even more reliant on Social Security’s earned benefit, typically receiving 72 percent of their family income from Social Security.

Social Security keeps middle-income older Texans from falling into poverty
- Census data show about 11 percent, or 273,626, of older Texans living in poverty.
- Without Social Security income, an additional 31 percent of older Texans, or 788,945 people, would fall into poverty.

Social Security plays an important role in Texas’s economy
- Social Security provided $47.9 billion in benefits to all Texans and $35.5 billion in benefits to Texans aged 65 and older in 2012.

Medicare in Texas

Medicare provides guaranteed health coverage, but out-of-pocket costs are high
- On average, Texas’s Medicare beneficiaries spent an estimated $5,280 on out-of-pocket health care costs in 2012.
- In 2012, older Texas adults enrolled in Medicare spent, on average, an estimated 16 percent of their income on out-of-pocket health care costs.

Medicare provides peace of mind for older Texans
- Nearly 96 percent of older Texans were enrolled in Medicare in 2011.

Medicare plays an important role in Texas’s economy
- The Medicare program spent an estimated $29.4 billion on health care services for 2,701,939 older Texans in 2012.