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

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 Vermont.

Social Security in Vermont

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

- A total of 96 percent, or 94,295, of older Vermont residents received Social Security in 2012. The average annual benefit was $15,000.
- Social Security accounted for 57 percent of the typical older Vermonter’s family income.
- Low- and middle-income older adults in Vermont are even more reliant on Social Security’s earned benefit, typically receiving 81 percent of their family income from Social Security.

Social Security keeps middle-income older Vermonters from falling into poverty

- Census data show about 9 percent, or 7,289, of older Vermonters living in poverty.
- Without Social Security income, an additional 41 percent of older Vermonters, or 34,307 people, would fall into poverty.

Social Security plays an important role in Vermont’s economy

- Social Security provided $1.8 billion in benefits to all Vermonters and $1.4 billion in benefits to Vermonters aged 65 and older in 2012.

Medicare in Vermont

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

- On average, Vermont’s Medicare beneficiaries spent an estimated $3,912 on out-of-pocket health care costs in 2012.
- In 2012, older Vermont 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 Vermonters

- Nearly 98 percent of older Vermonters were enrolled in Medicare in 2011.

Medicare plays an important role in Vermont’s economy

- The Medicare program spent an estimated $0.8 billion on health care services for 98,005 older Vermonters in 2012.