

Demographic and Economic Outlook for Maine

MaineHealth Public Health Grand Rounds

November 18, 2025

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Population change and migration

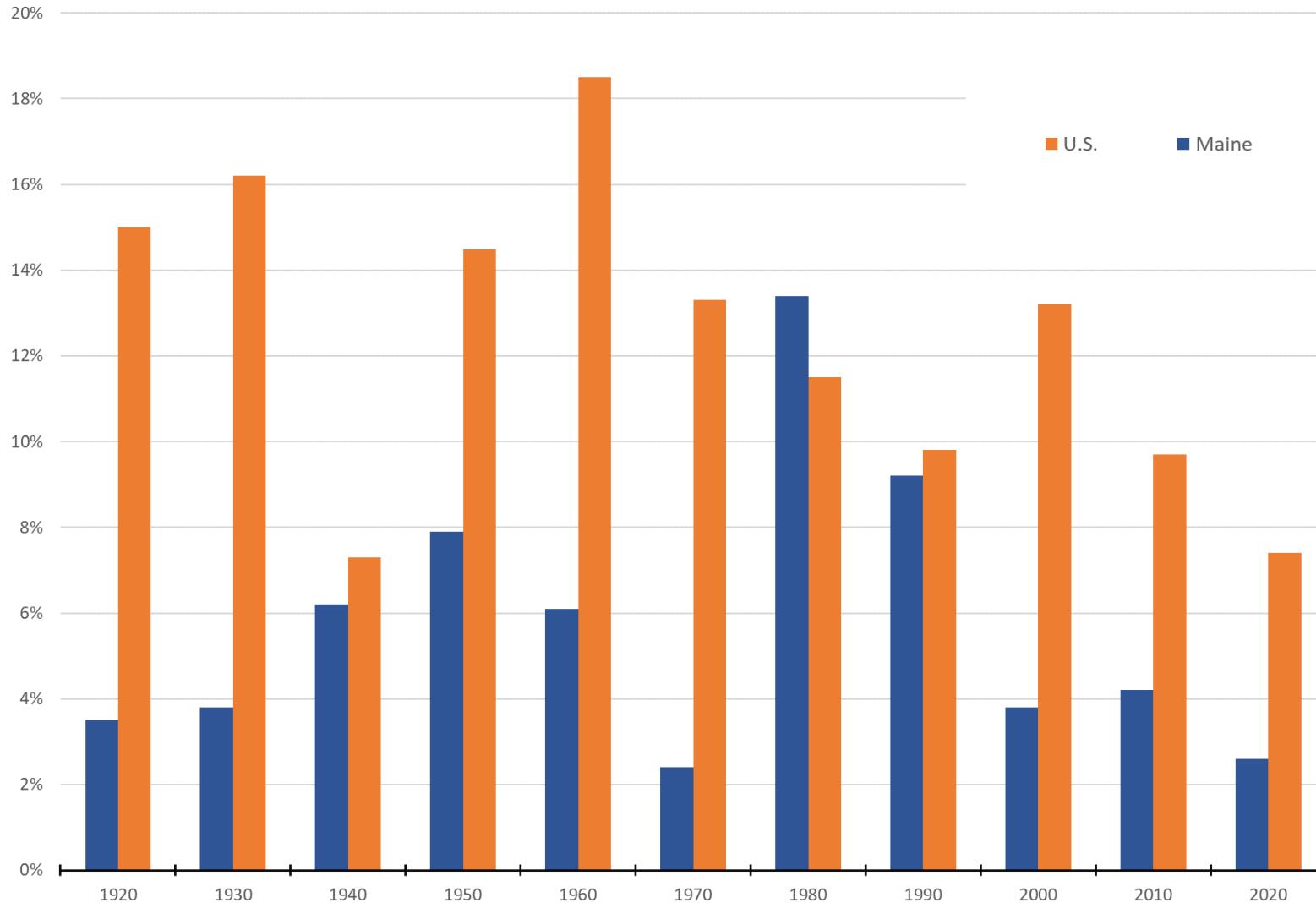
Housing

Demographic change and implications

Macroeconomic conditions and economic forecast

Population change and migration

Population Growth from Previous Decade



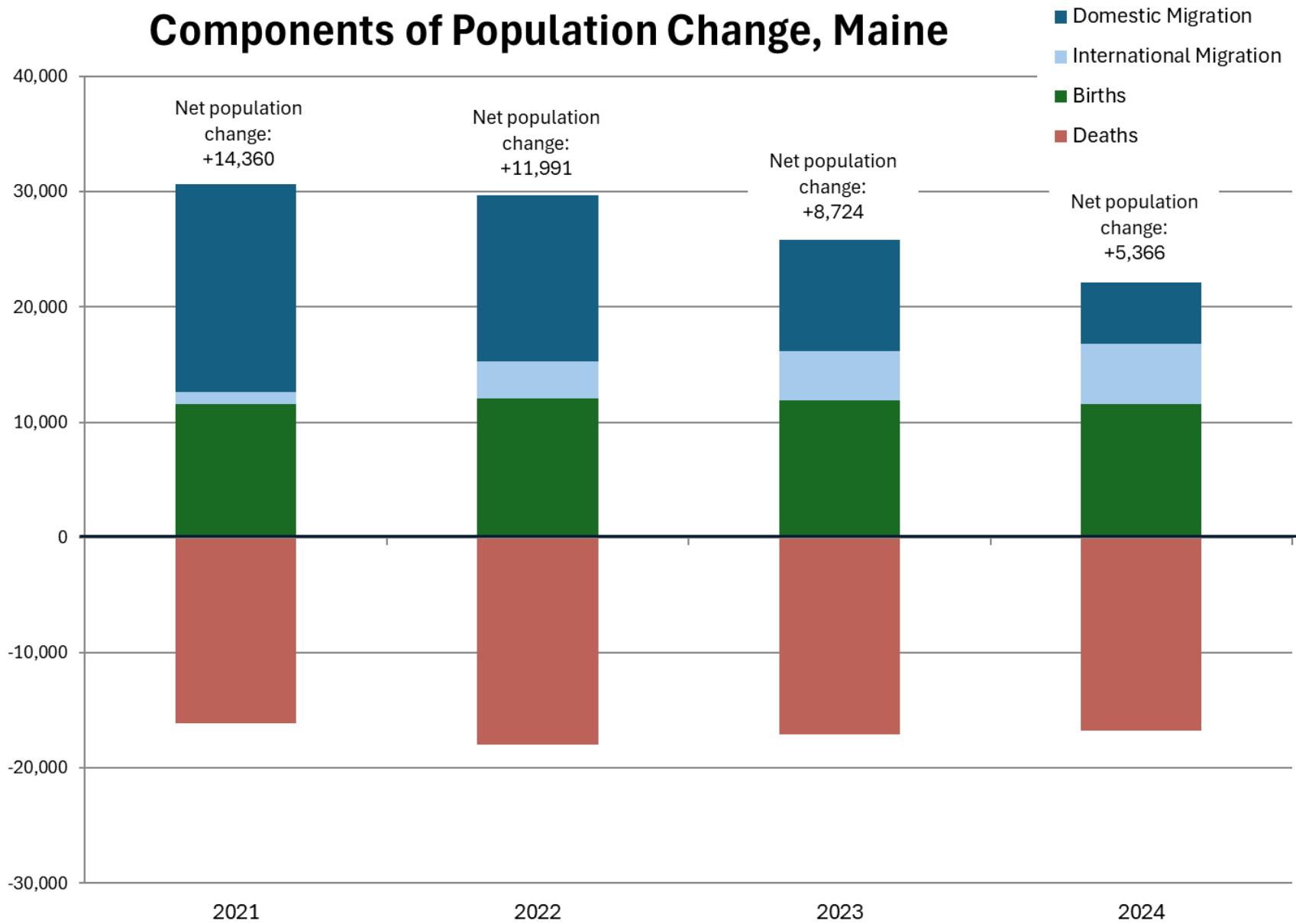
U.S. population growth has generally been faster than Maine, apart from 1980, but the growth in 2020 was the slowest since 1940.

Population increase of 2.6% from 2010-2020 (42nd in U.S.)

Population increase of 3.1% from 2020-2024 (17th in U.S.)

11th for net domestic migration and 41st for net international migration in 2024

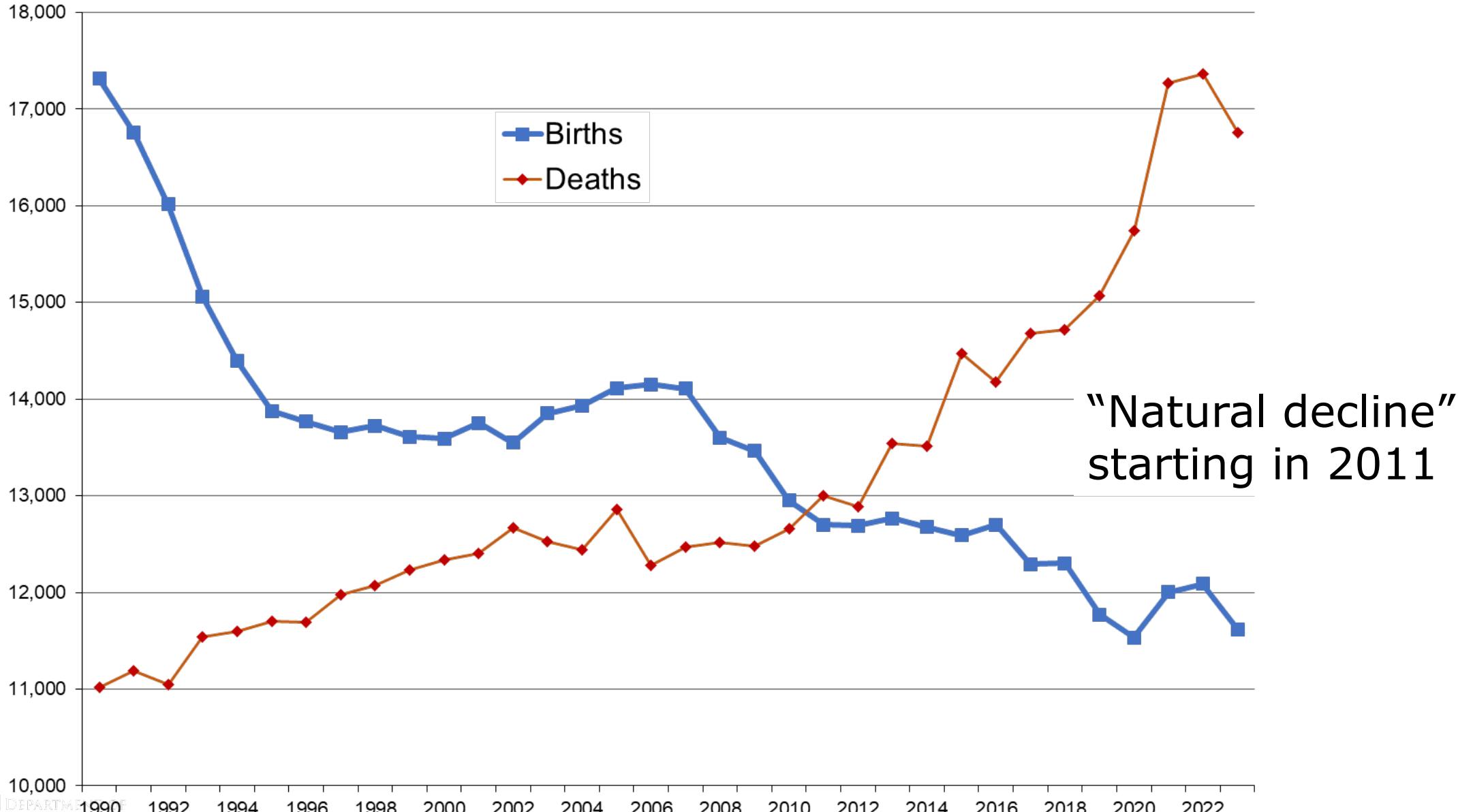
Components of Population Change, Maine



Net international
migration accounted for
84% of U.S. population
growth from 2023-2024

U.S. Census Bureau made significant methodological
changes in 2024 to better account for humanitarian
migrants, resulting in large upward revisions to 2023

Births and Deaths per year in Maine



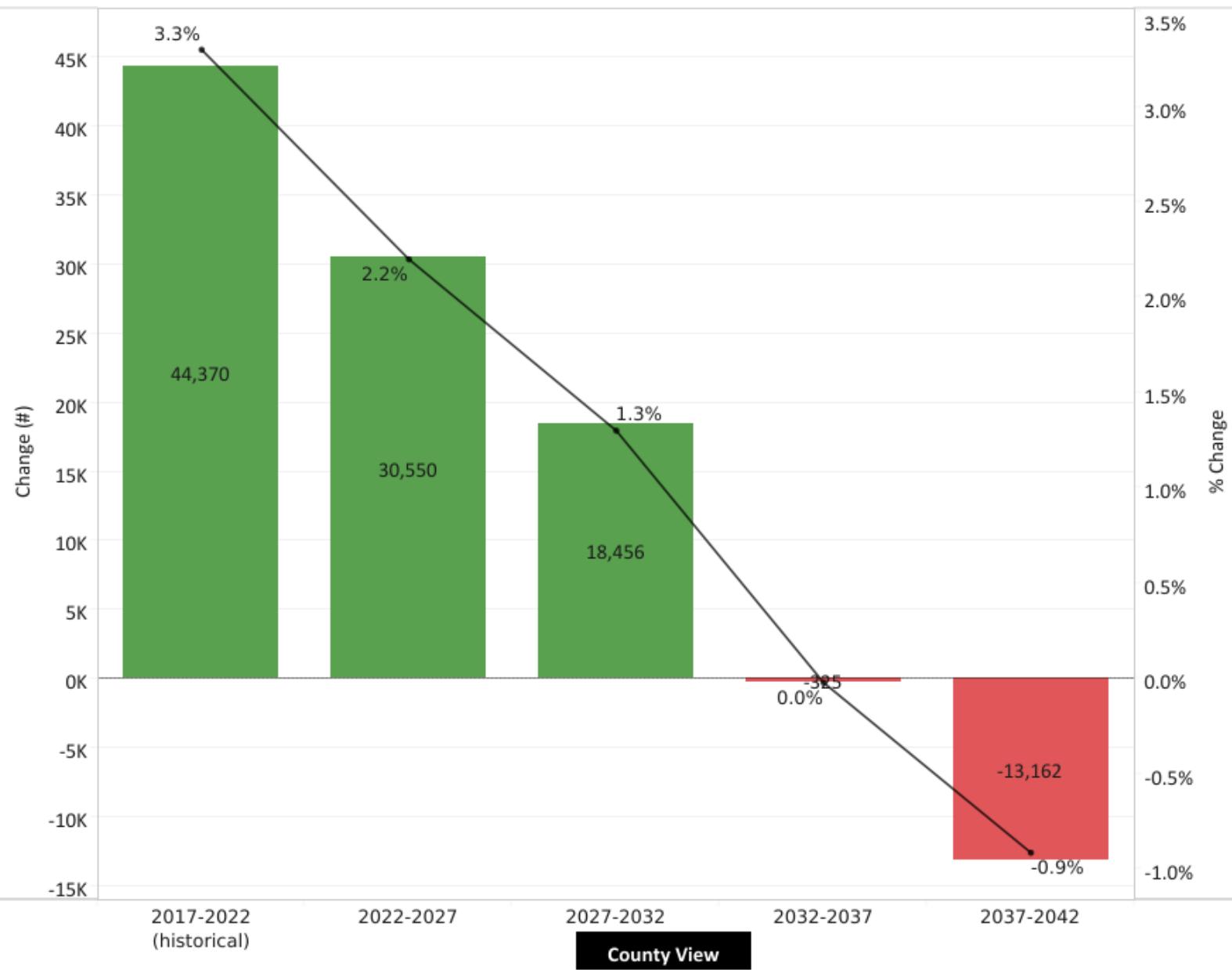
Maine is not the only state seeing natural population declines

- In 2024, 17 states had natural decline, with WV having the highest rate of decline, followed by ME, VT, and NH
- Three states had population declines as a result (WV, VT, and MS) – positive net migration wasn't enough to offset natural declines

And this trend isn't confined to the U.S.

- According to Eurostat, the European Union has seen natural population decrease almost every year since 2012, with the decline accelerating over time

Statewide Population Change



Source: The Office of the State Economist, Maine State and County Population Projections, 2042. April 2025 release.

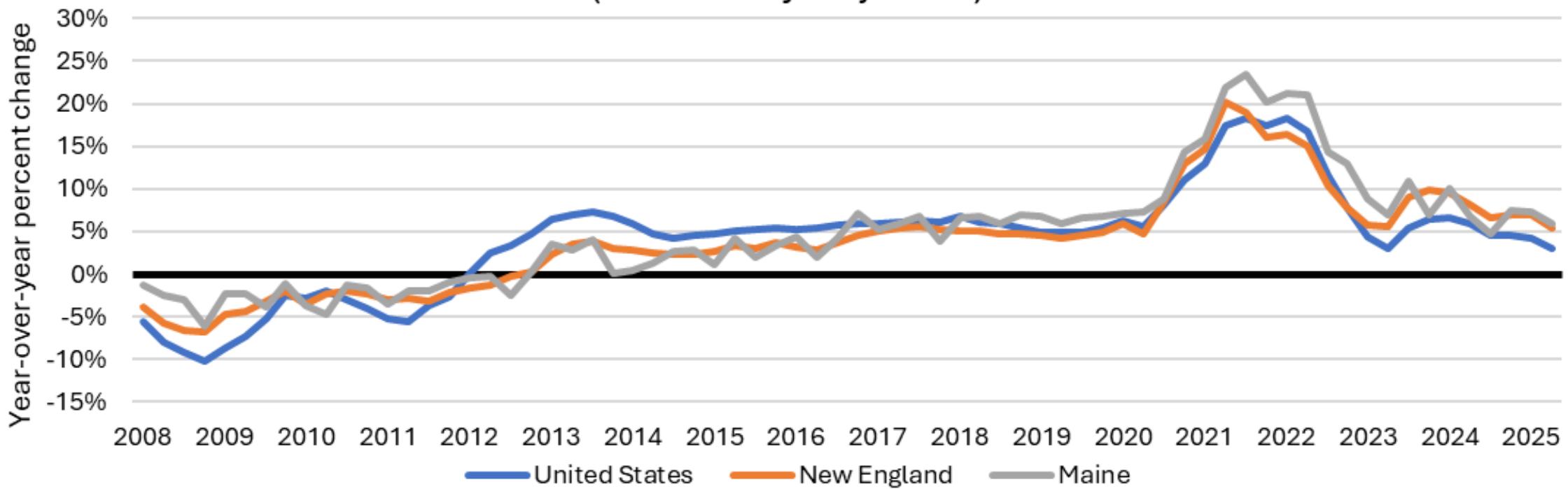
Housing



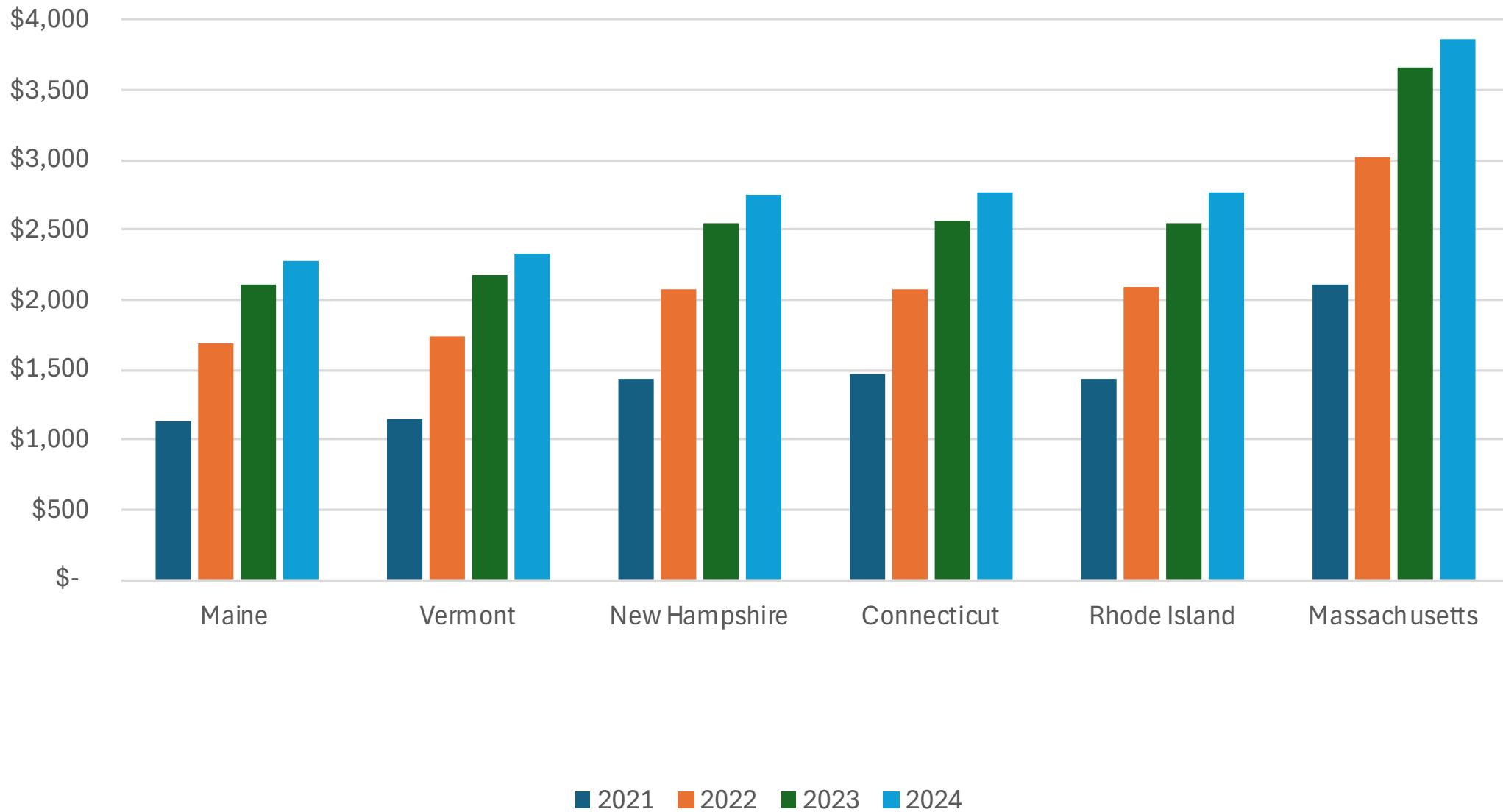
Migration into the state drove up demand for housing and further reduced the available supply while high mortgage rates locked people into existing homes, but there's been some improvement:

Oct. 2025 about 12% higher than Oct. 2024

Percent Changes, Year-over-year in FHFA House Price Index (Seasonally Adjusted)



Monthly Mortgage Payment at the Median Sales Price 2021-2024



Sources: Moody's Analytics (median sale prices), FRED 30-year fixed rate mortgage rates, weekly (average of all weeks in the year). Assumes 30-year fixed rate mortgage and 10% down payment on a home at the median sales price.

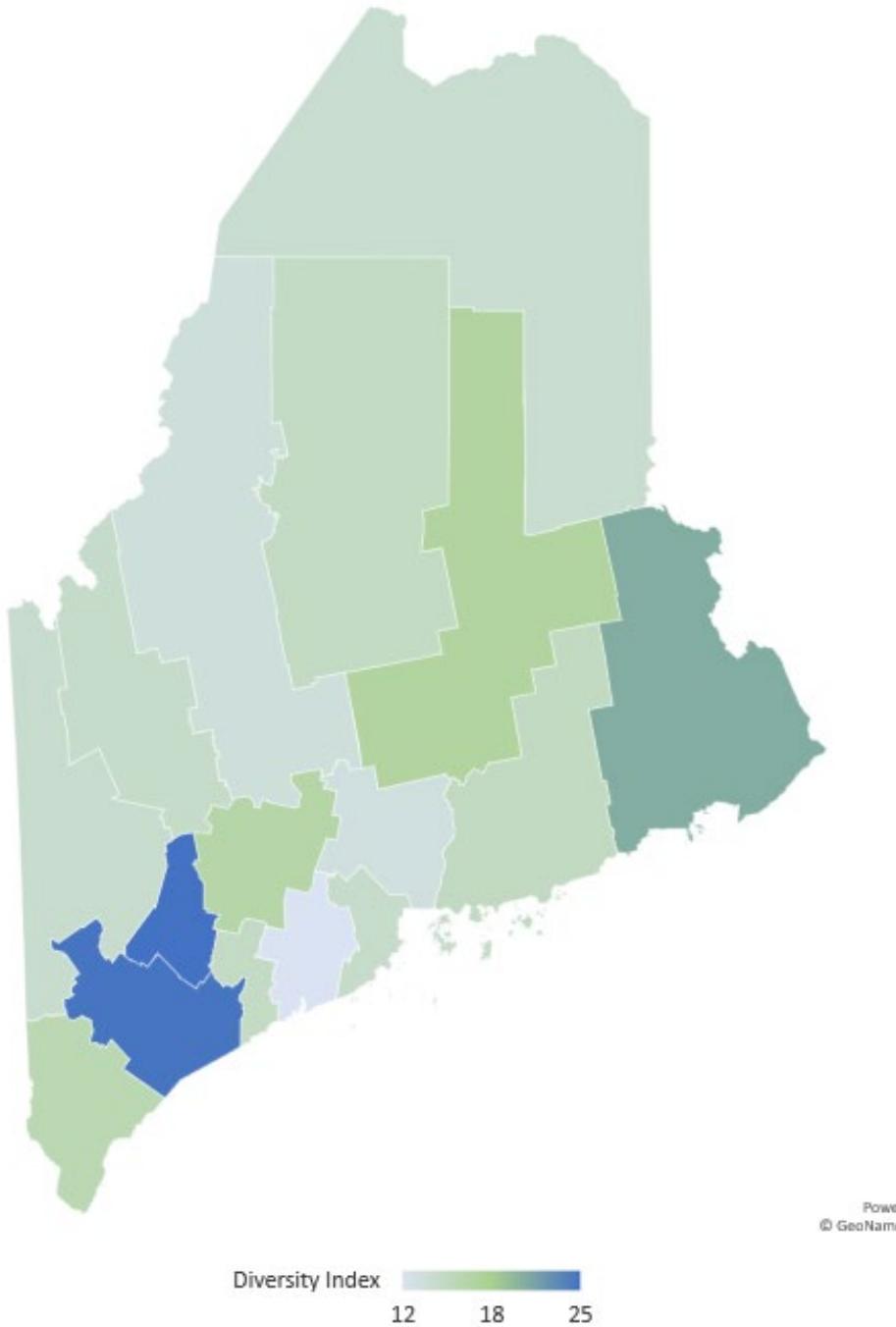
Demographic change and implications

Share of Total Population by Population Group | Maine

Data source: 2000, 2010, and 2020 U.S. Decennial Census



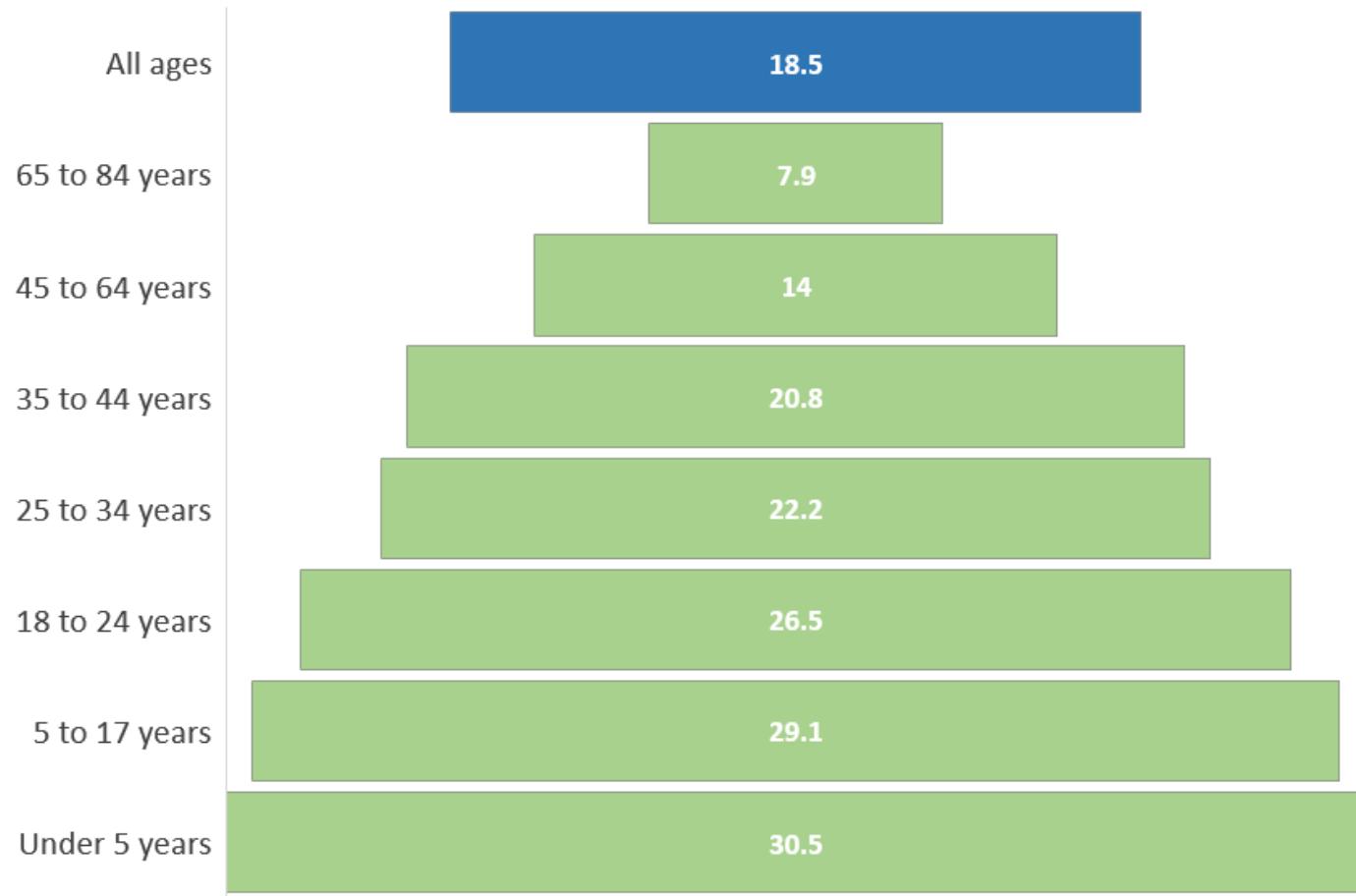
Note: Bars with less than 0.10% are not labeled for clarity and the White population is excluded from this figure because it comprises over 90% of the population.



The diversity index tells us the chance that two people selected at random will be from different race or ethnicity groups

- In 2020, Maine ranked as the least diverse state in the U.S.
 - ME index = 18.5
 - U.S. index = 61.1
- But there is regional variation: Cumberland, Androscoggin, and Washington counties are more diverse

Diversity Index in Maine, 2020: Selected Age Groups

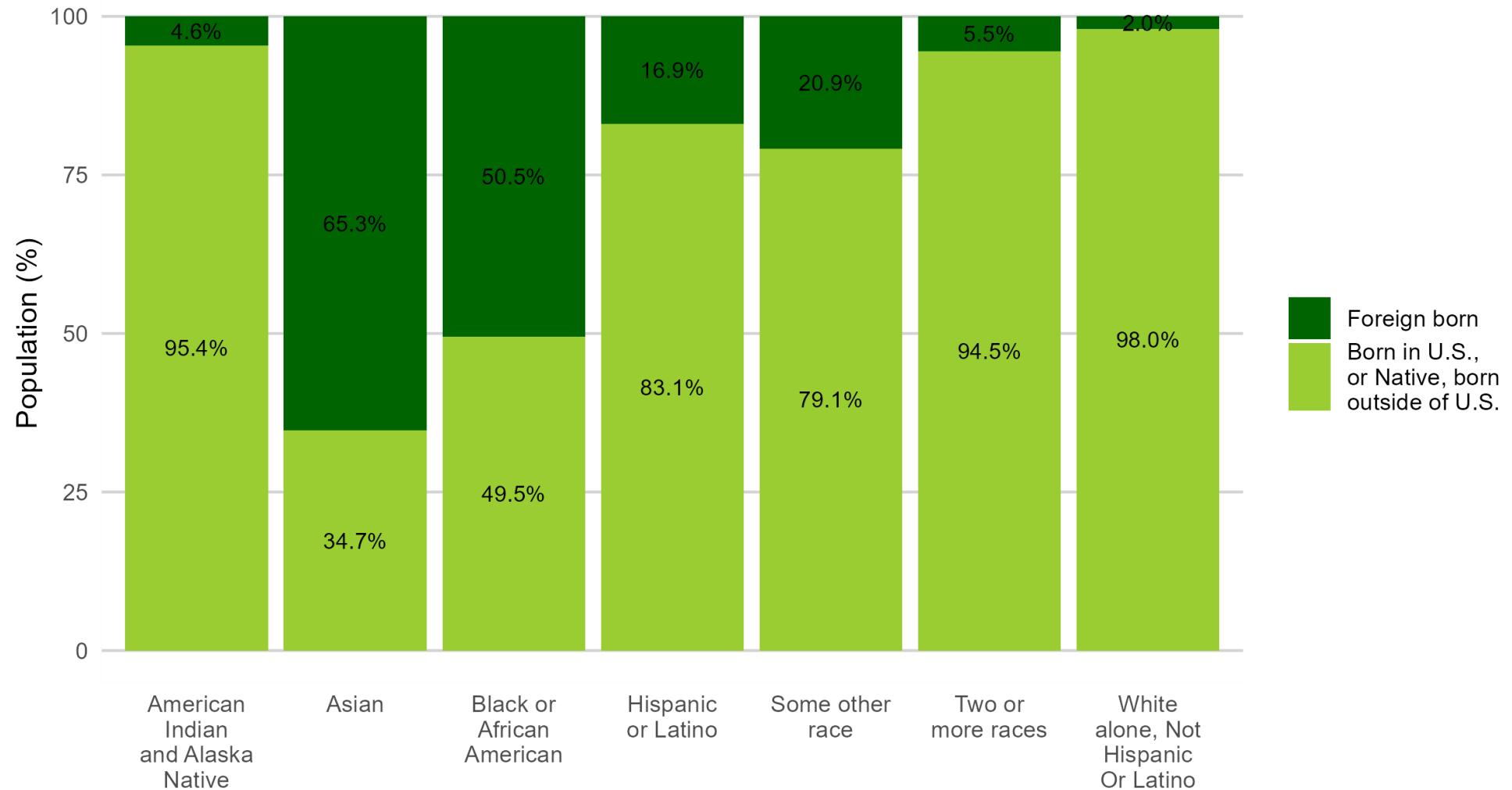


Younger generations in Maine are more diverse than older generations

Race and/or ethnicity is not the same as place of birth

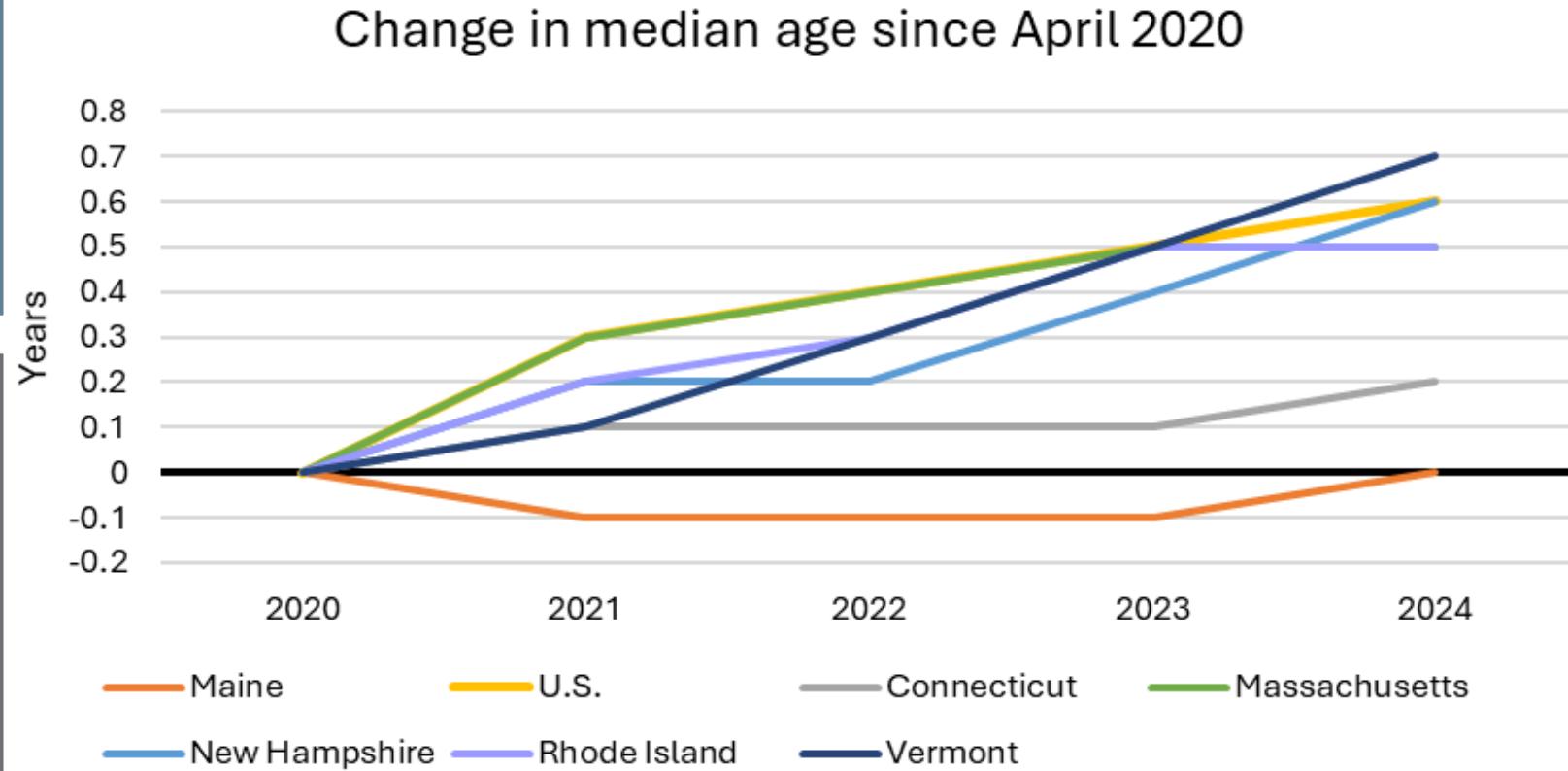
Share of Maine Population by Region of Birth by Race/Ethnicity, 2023

Foreign born statewide, 3.8%

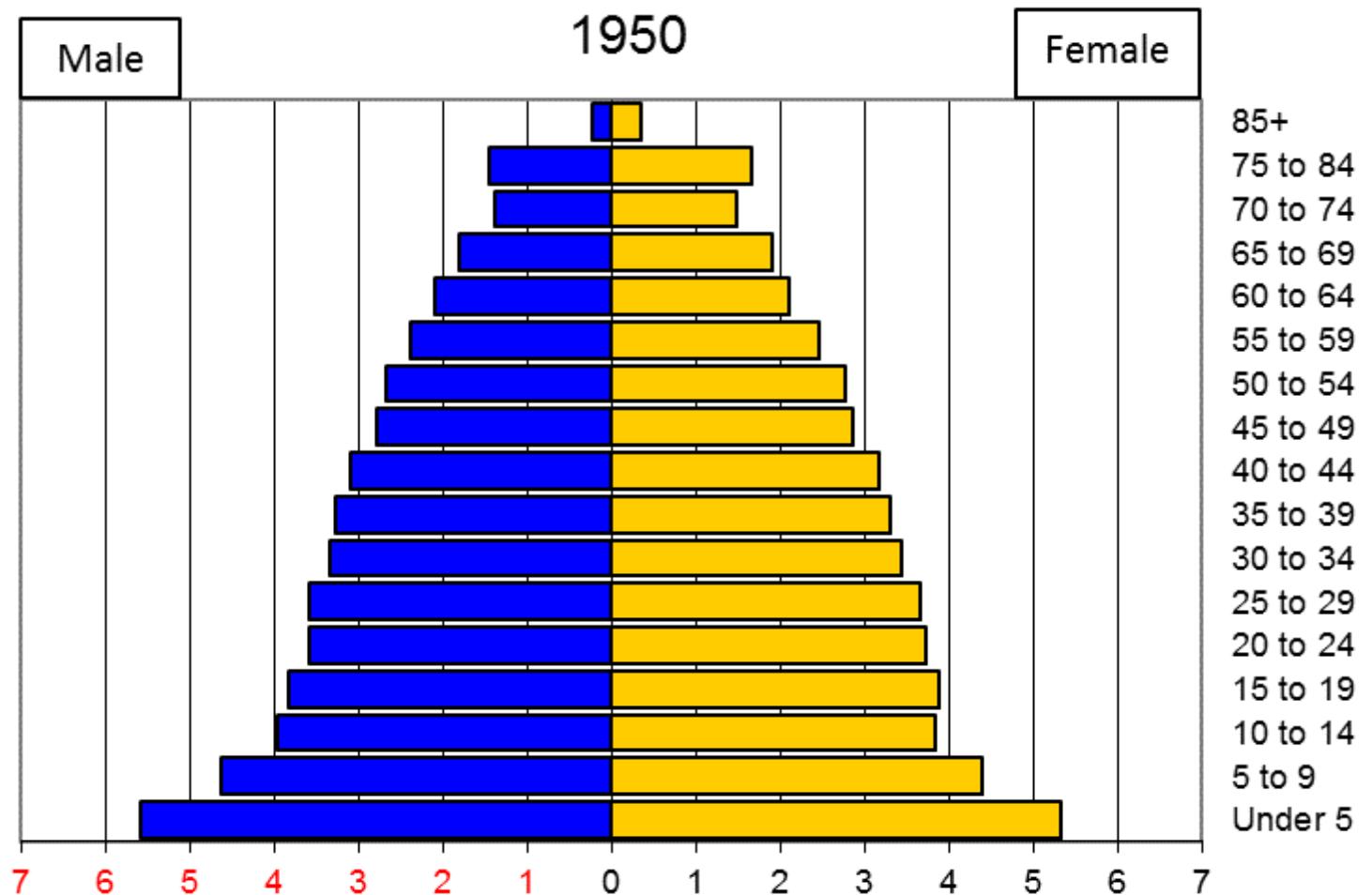


Maine's median age in 2024 is unchanged from 2020, while the U.S. median age has increased 0.6 years

Maine still has the highest median age in the nation at 44.8 years; Vermont and New Hampshire are tied for second at 43.6 years

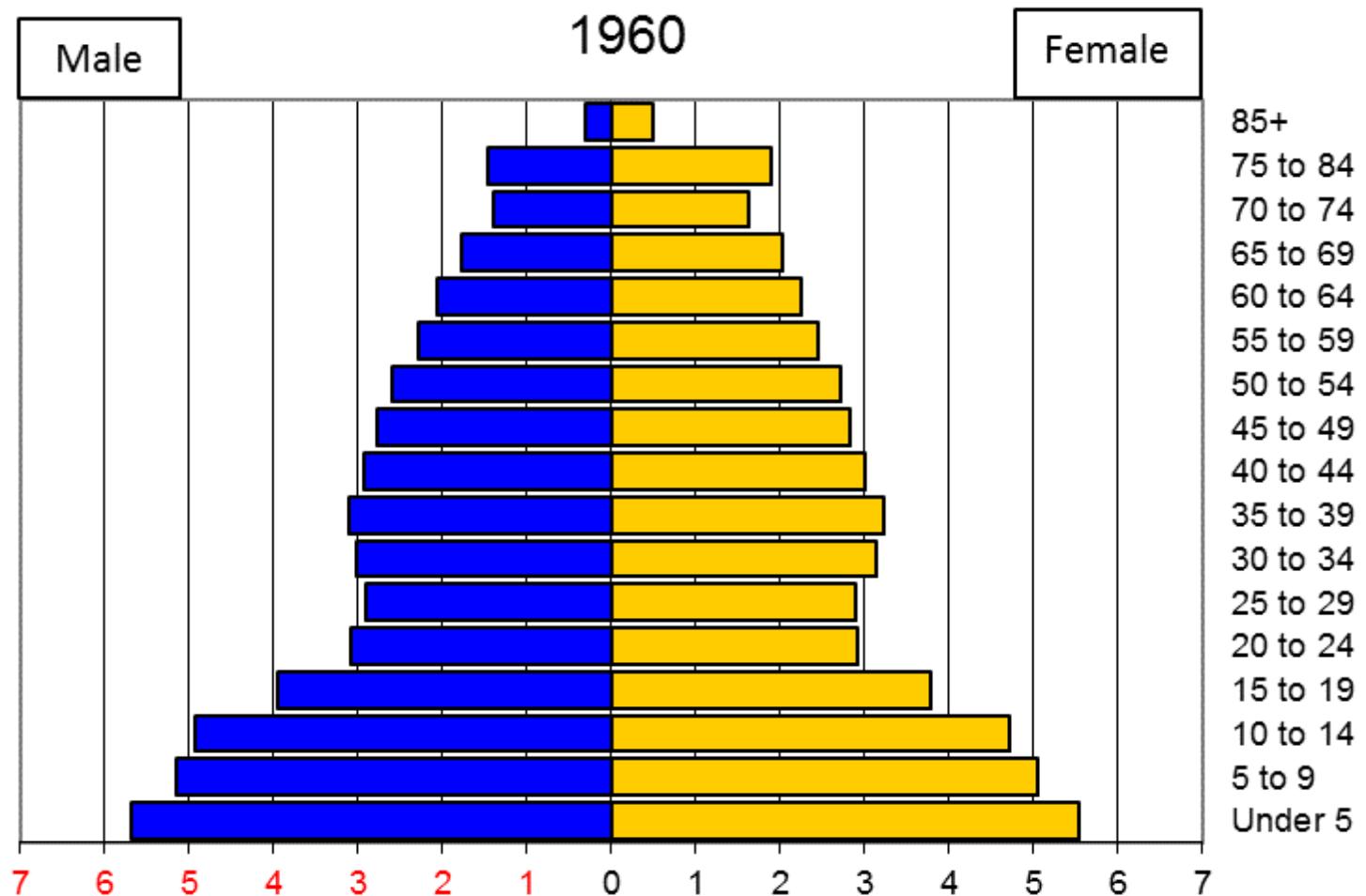


The Baby Boom: 1946-1964



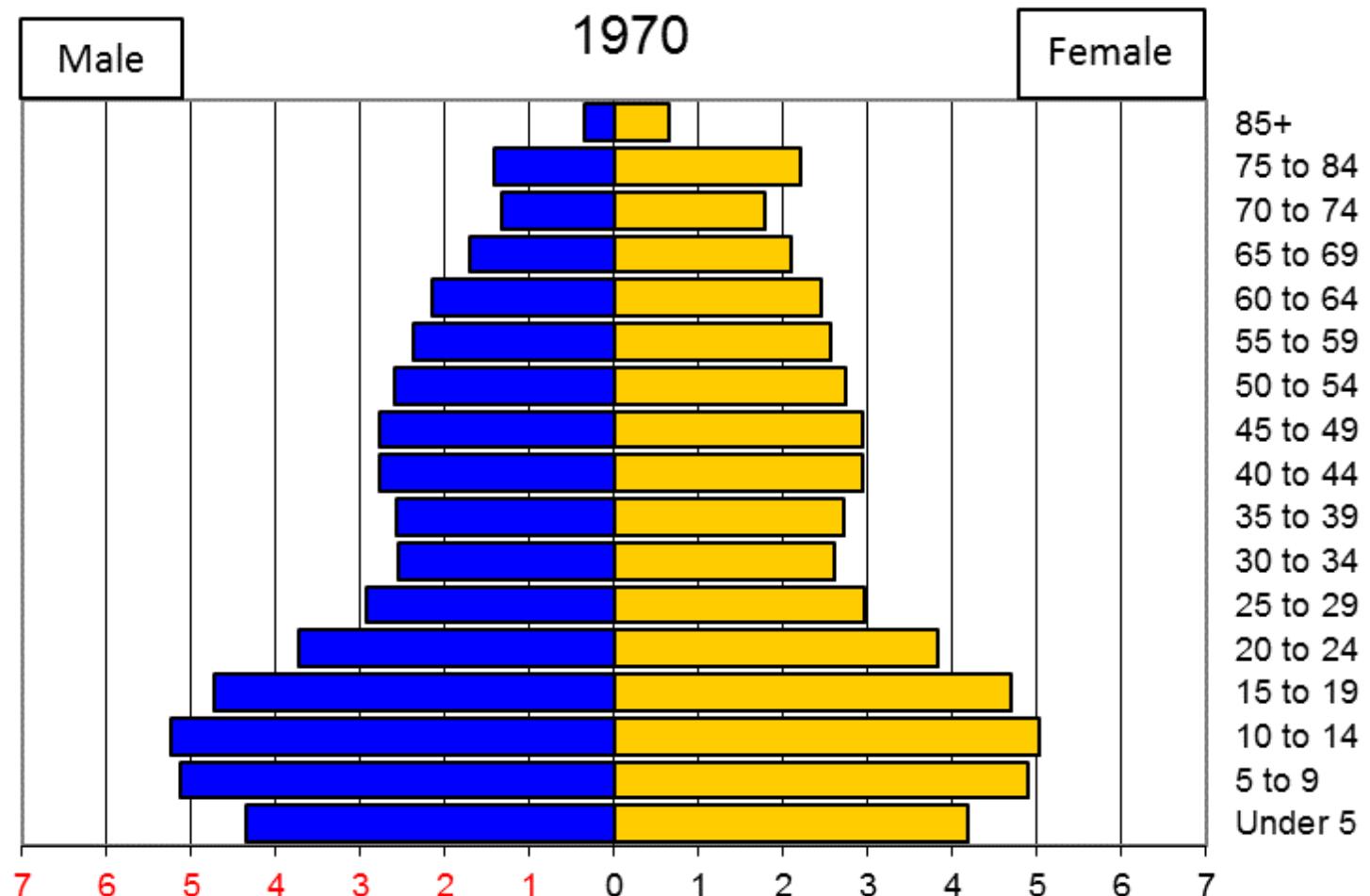
Source: U.S. Census Bureau, Decennial Censuses and State Economist population projections

The Baby Boom: 1946-1964



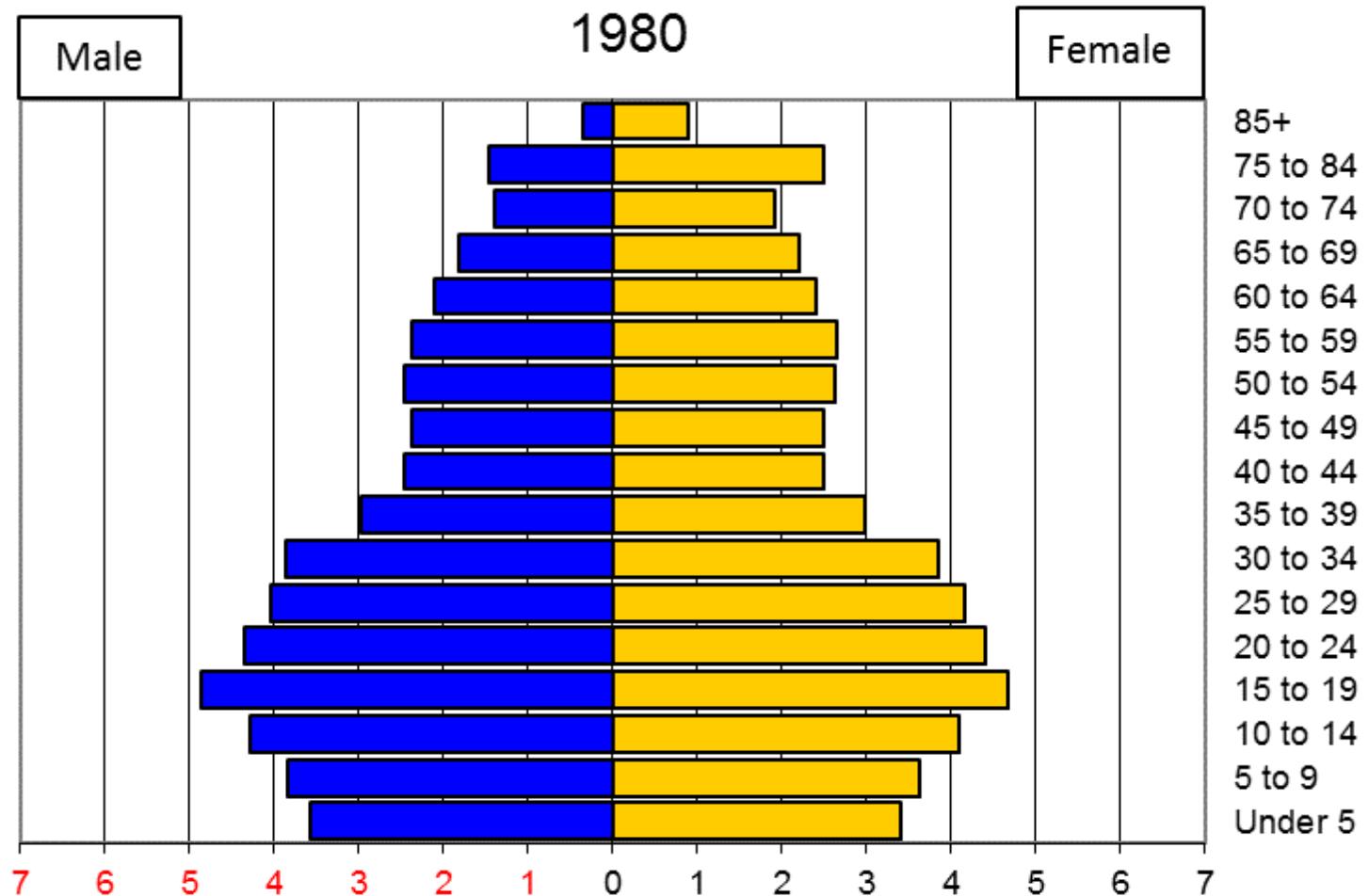
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The Baby Boom: 1946-1964



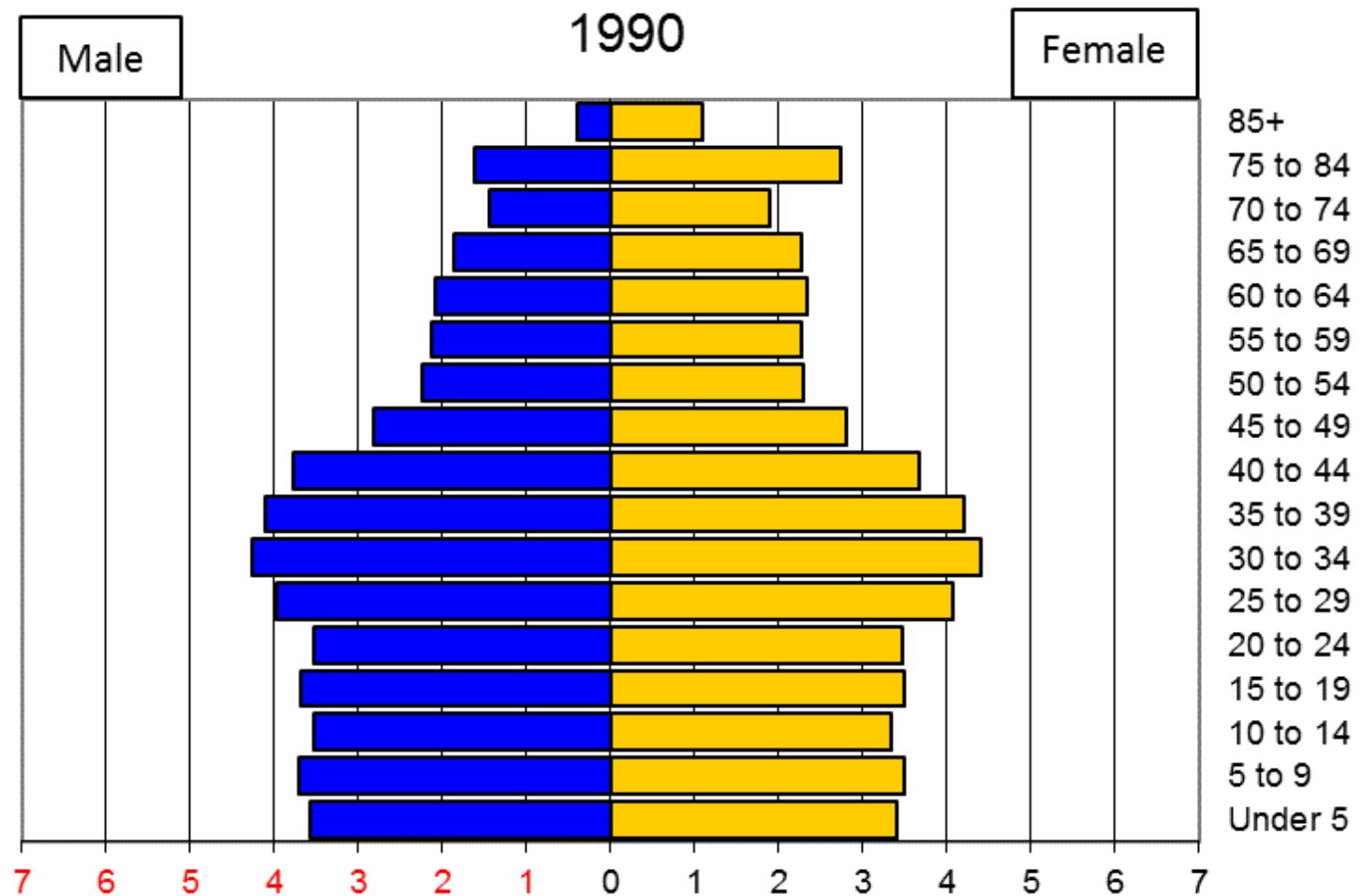
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The Baby Boom: 1946-1964



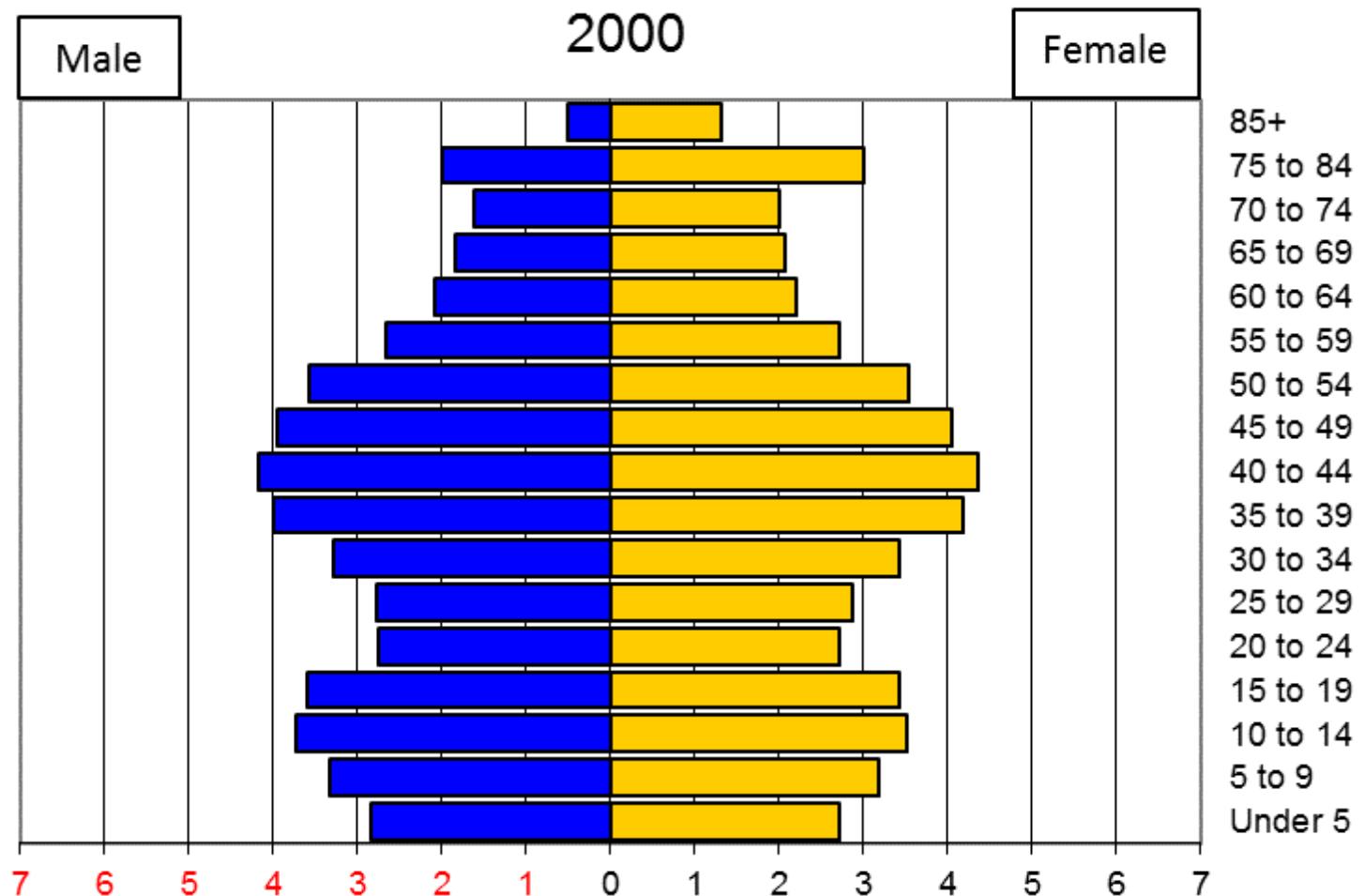
Source: U.S. Census Bureau, Decennial Censuses and State Economist population projections

The Baby Boom: 1946-1964



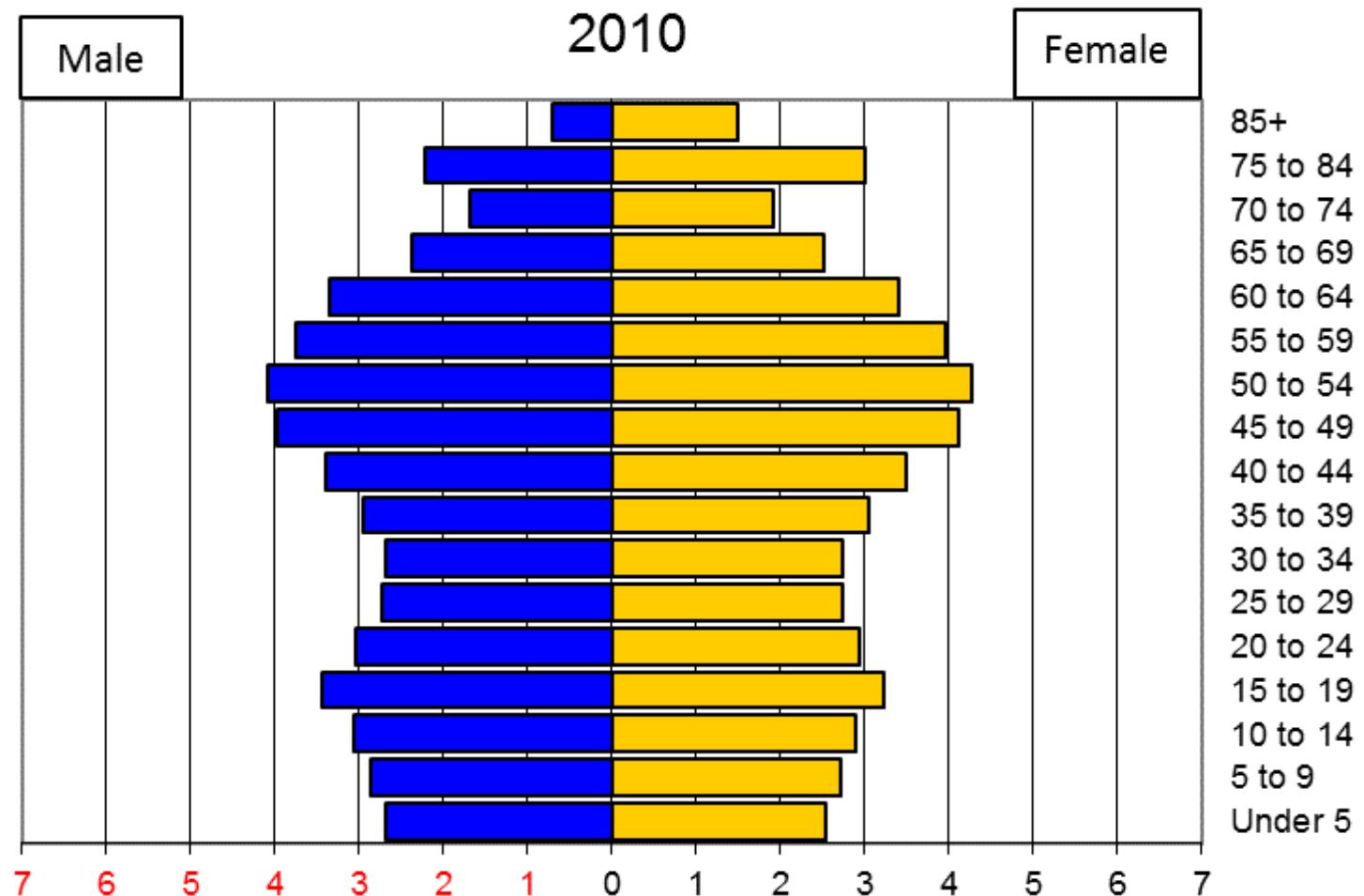
Source: U.S. Census Bureau, Decennial Censuses and State Economist population projections

The Baby Boom: 1946-1964



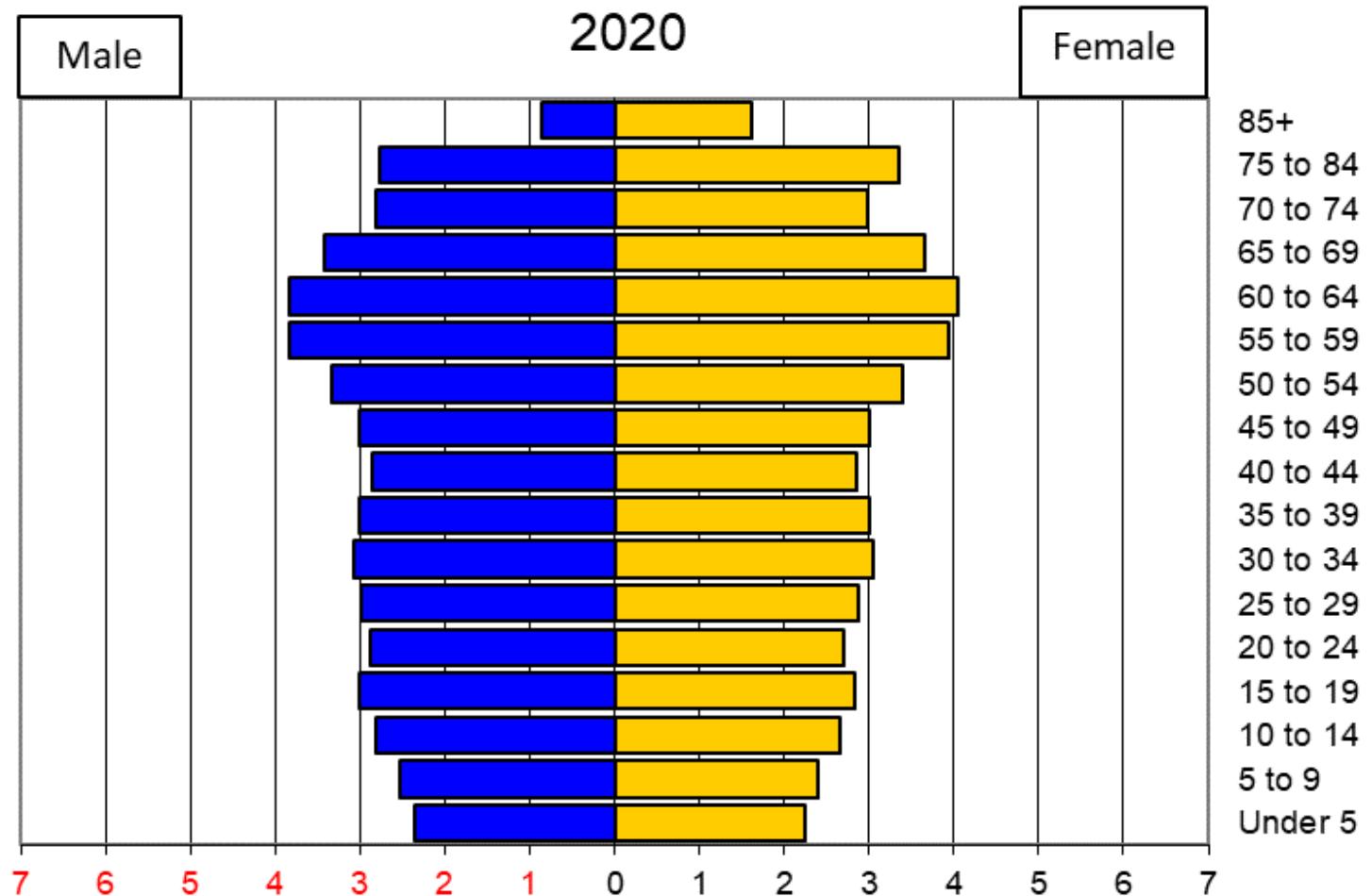
Source: U.S. Census Bureau, Decennial Censuses and State Economist population projections

The Baby Boom: 1946-1964



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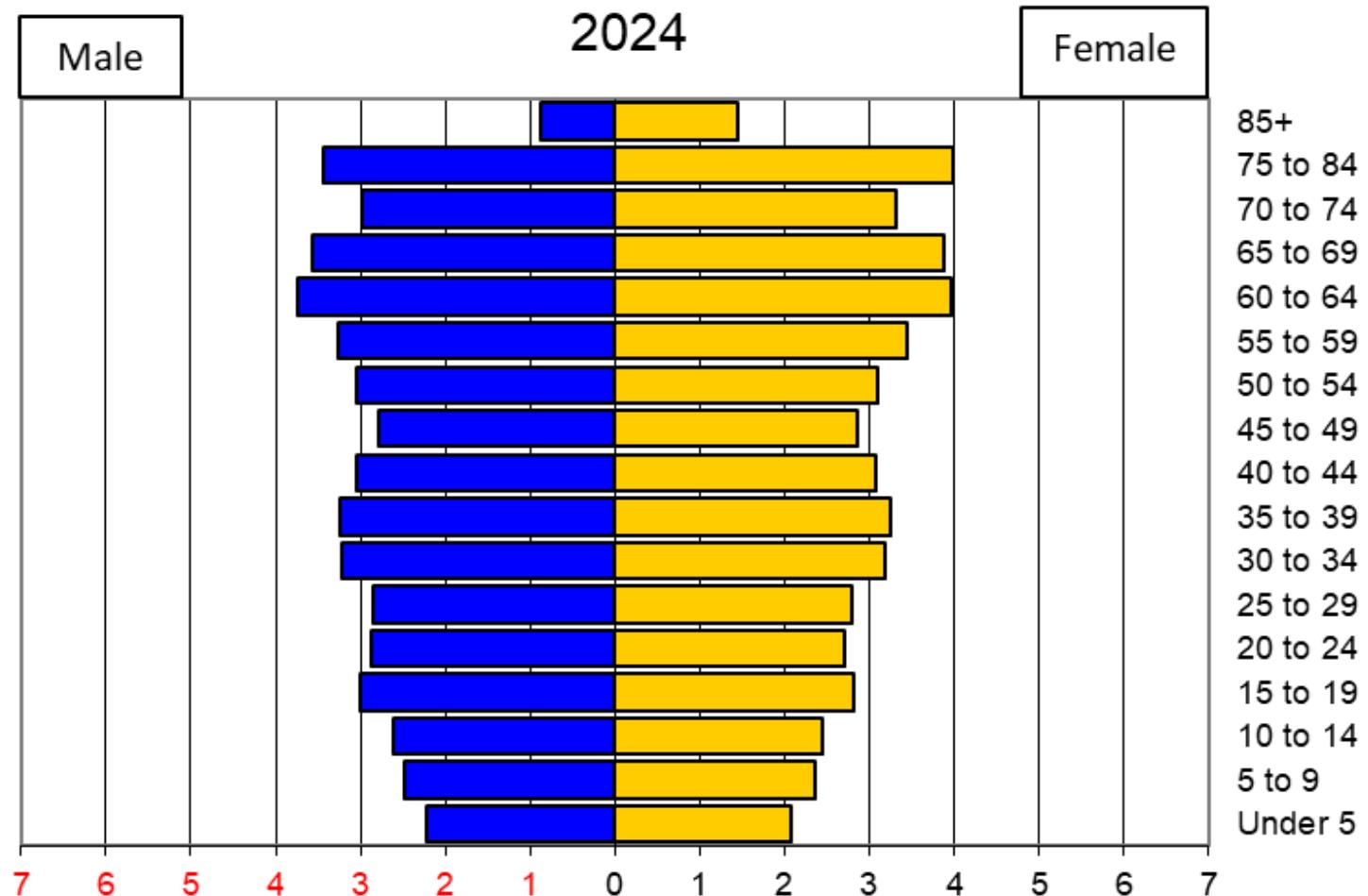
The Baby Boom: 1946-1964



Source: U.S. Census Bureau, Decennial Censuses and State Economist population projections

The Baby Boom: 1946-1964

Baby Boom
generation in
2024: age 60-78

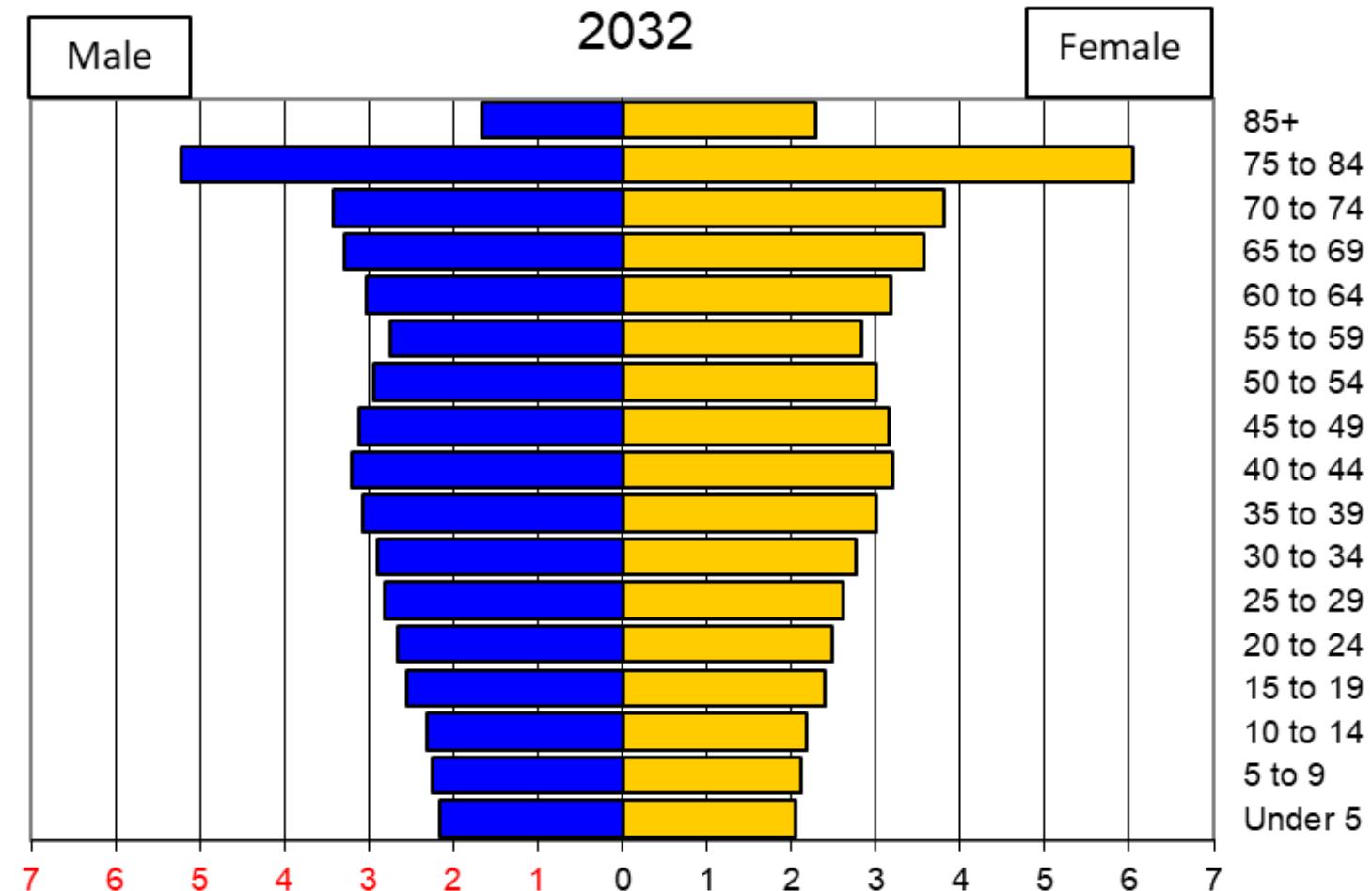


Source: U.S. Census Bureau, Population Estimates Program

The Baby Boom: 1946-1964

Baby Boom generation in 2032: age 68-86

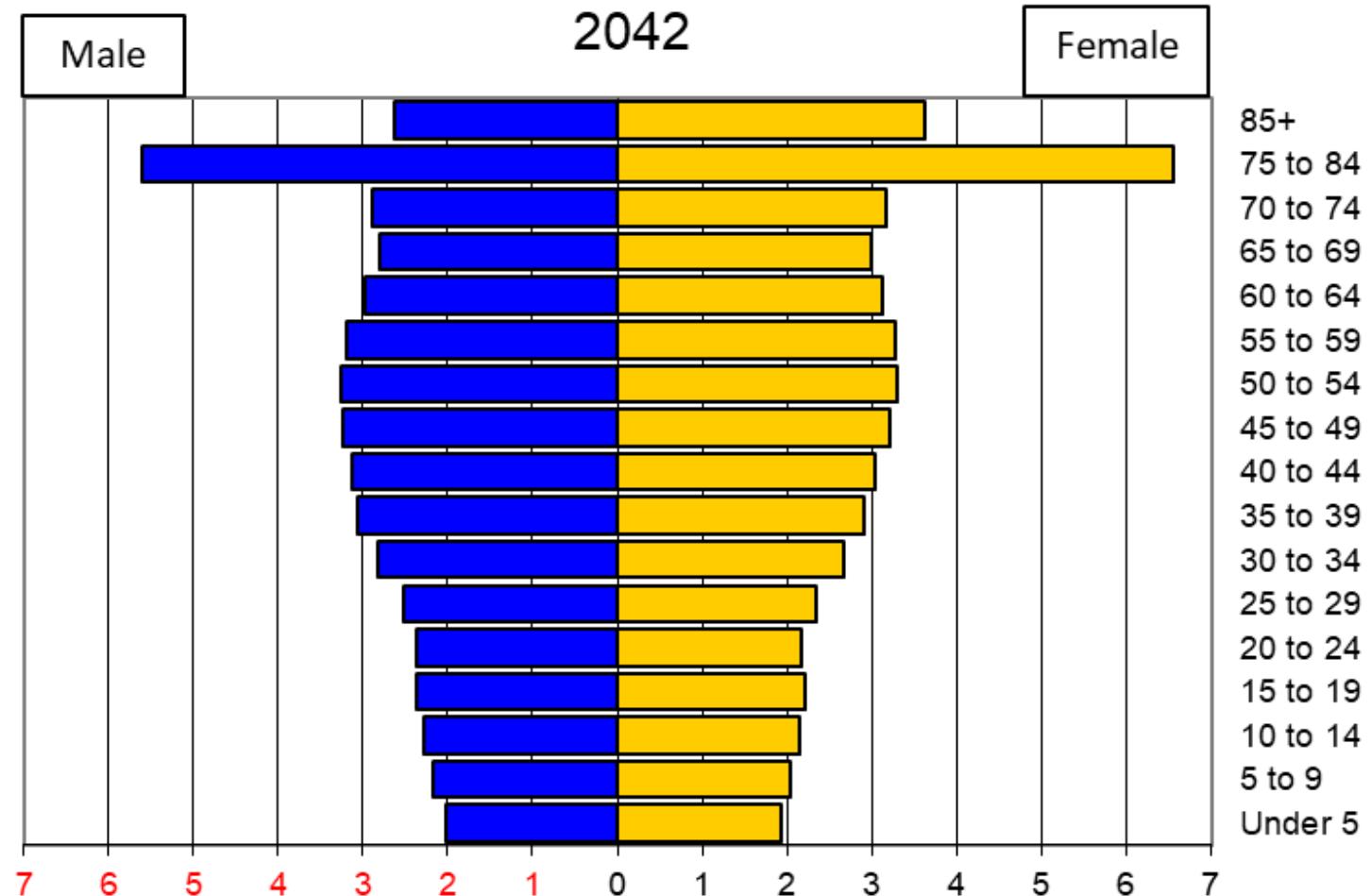
Prime working-age population (20-64 years) projected to decrease by 4.6% from 2022-2032



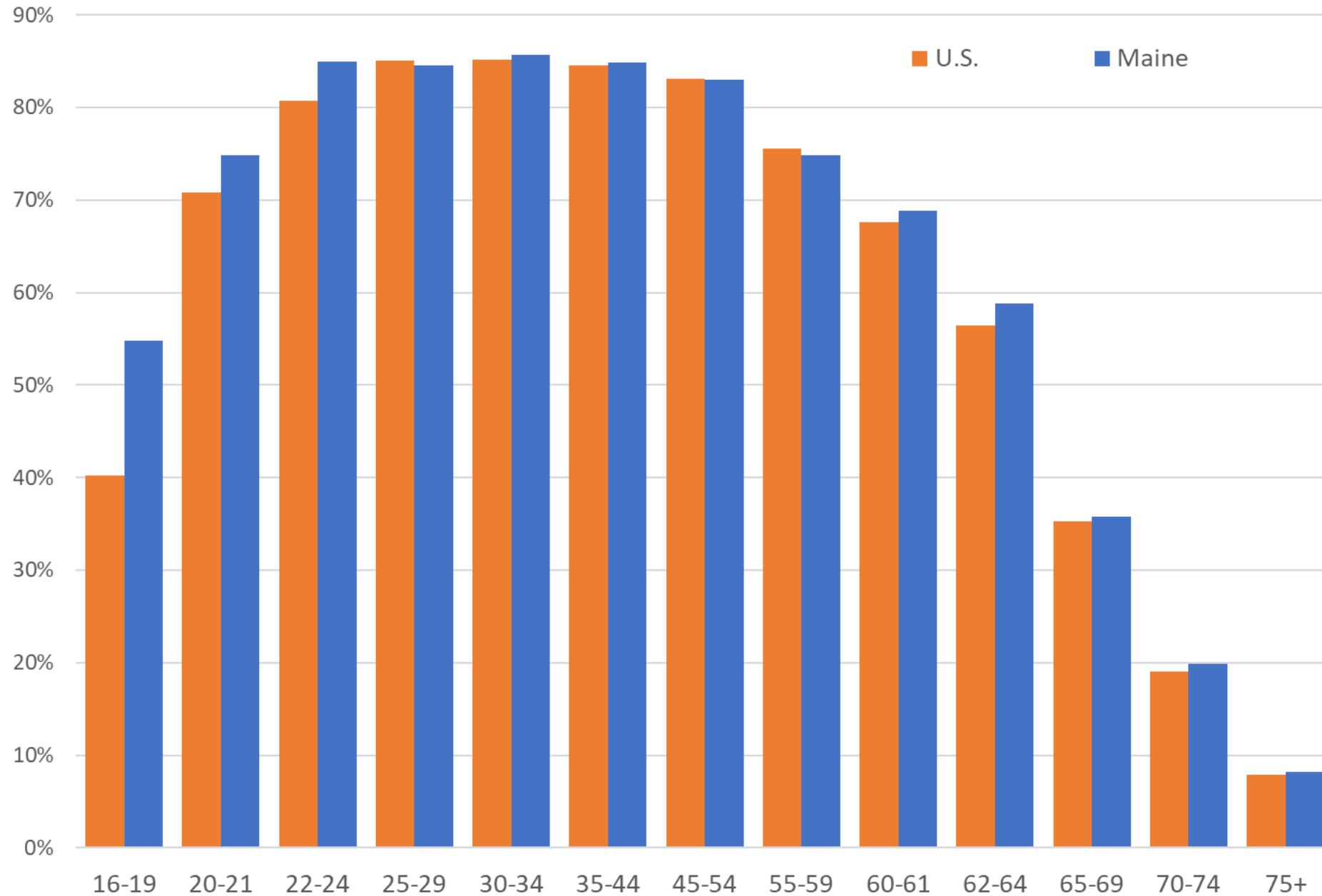
The Baby Boom: 1946-1964

Baby Boom generation in 2042: age 78-96

Prime working-age population (20-64 years) projected to decrease by -1.1% from 2032-2042

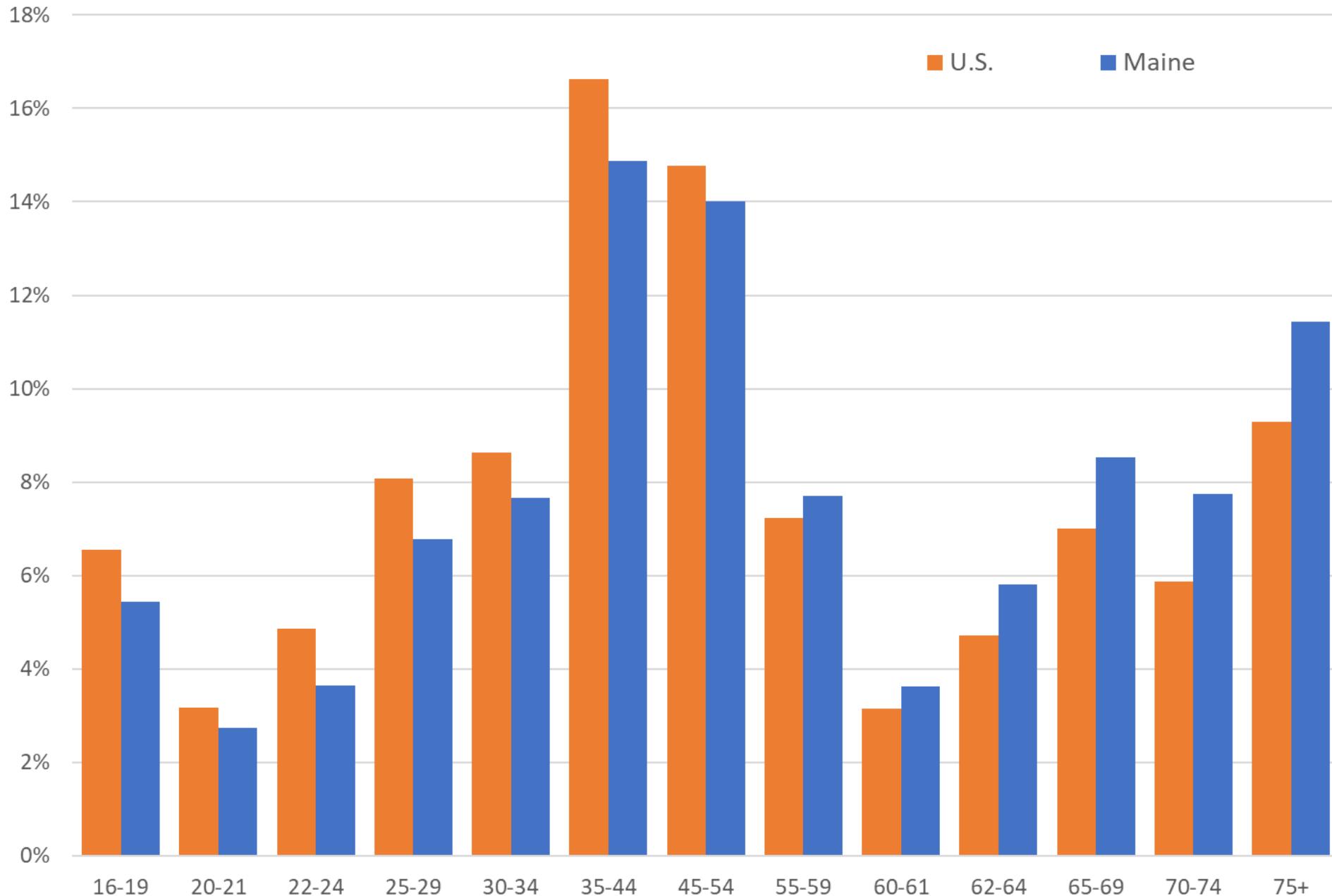


2024 Labor Force Participation Rate



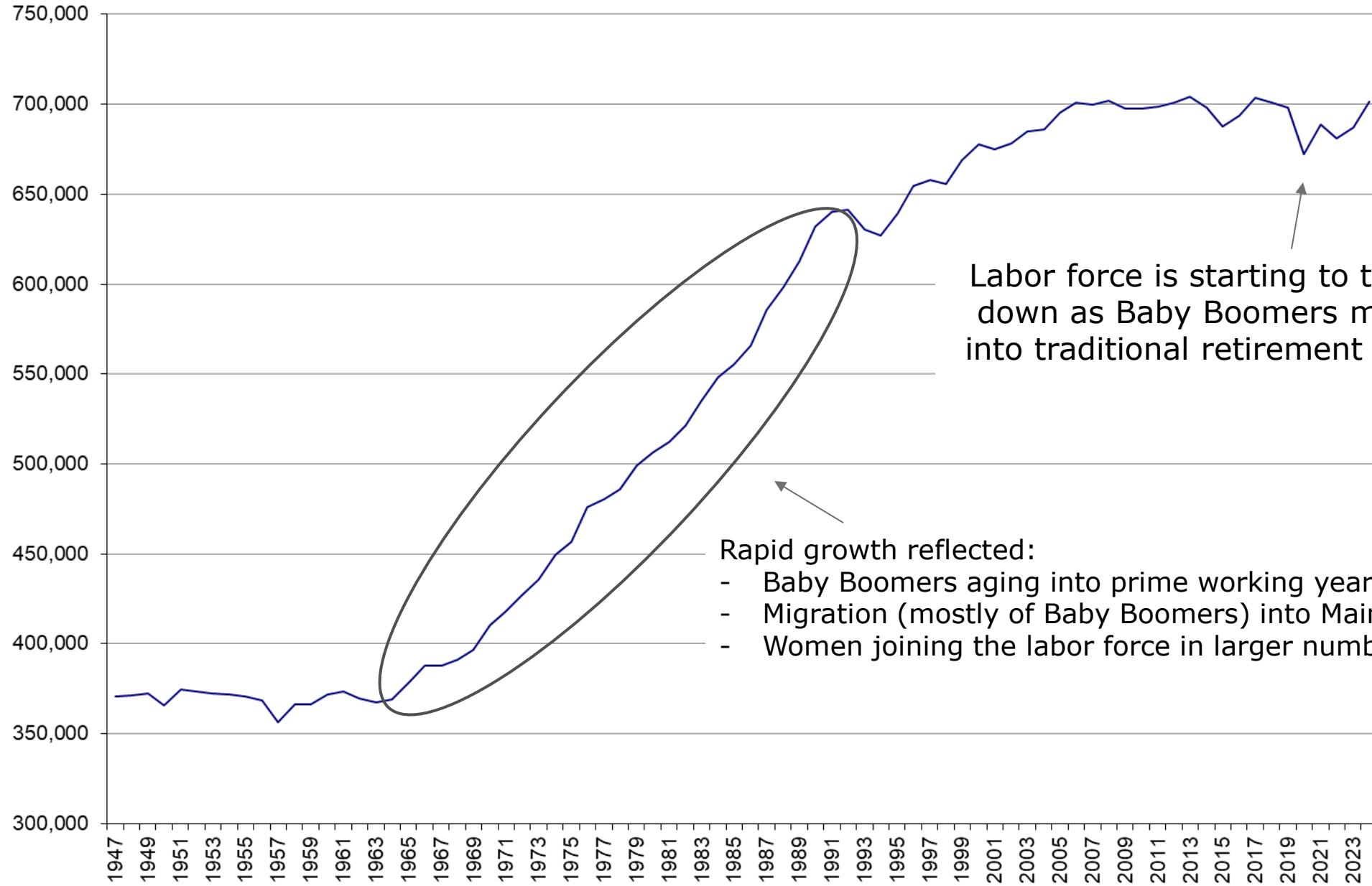
Source: U.S. Census Bureau 2024 American Community Survey 1-year estimates

Share of 16+ Population by Age, 2024



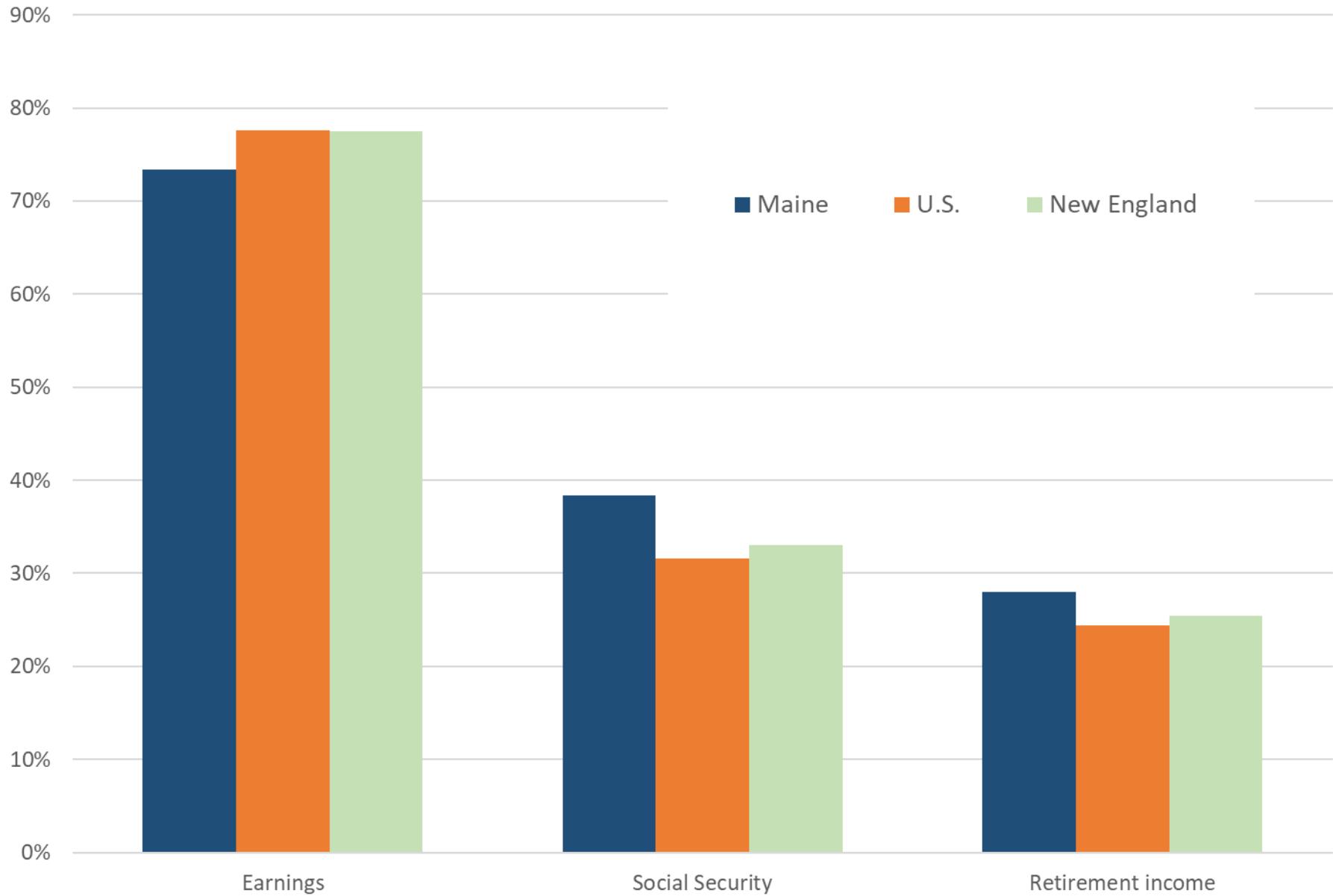
Source: U.S. Census Bureau 2024 American Community Survey 1-year estimates

Maine Civilian Labor Force



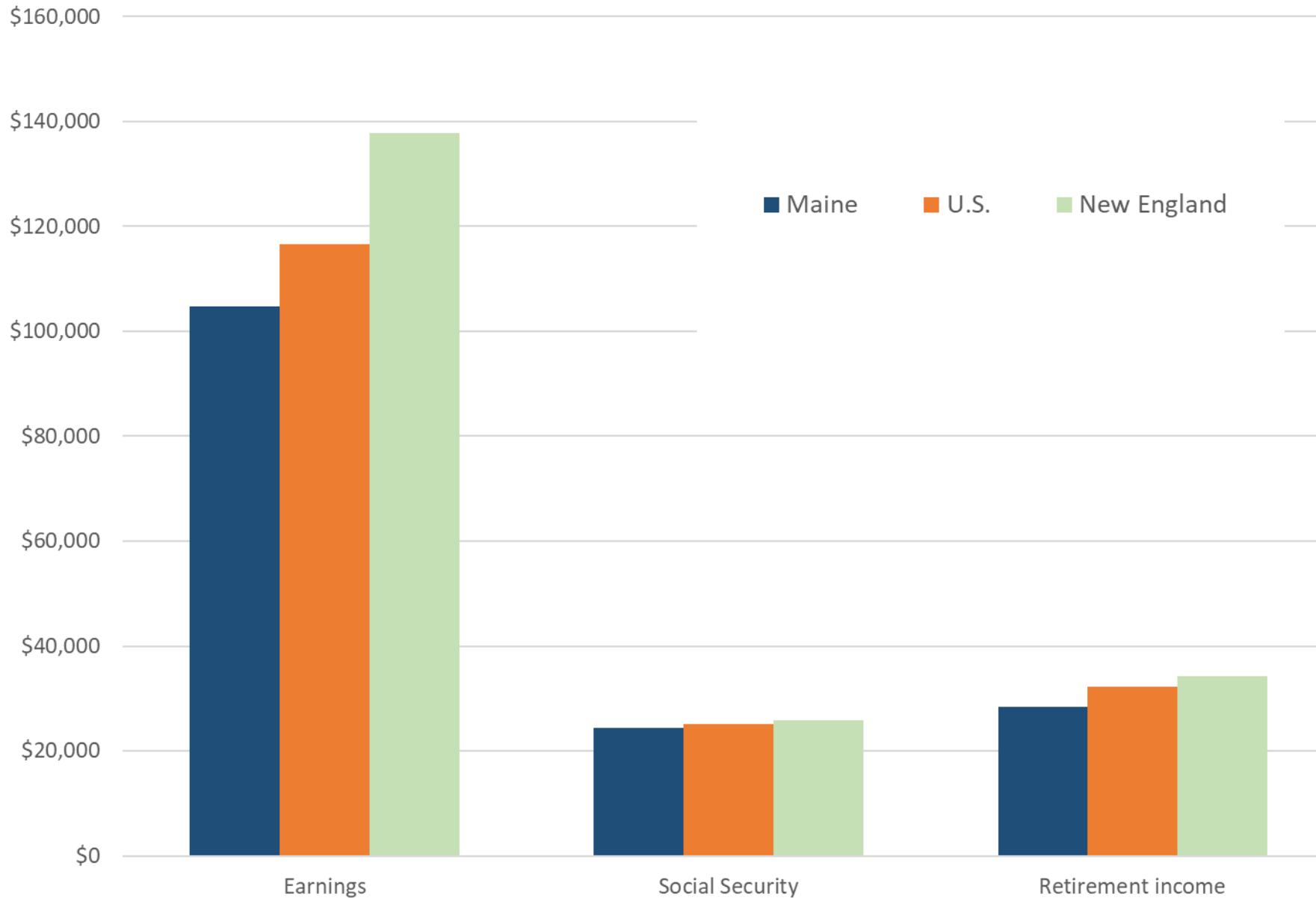
Percent of households with...

Maine has a higher share of households with Social Security and retirement income and a lower share of households with earnings

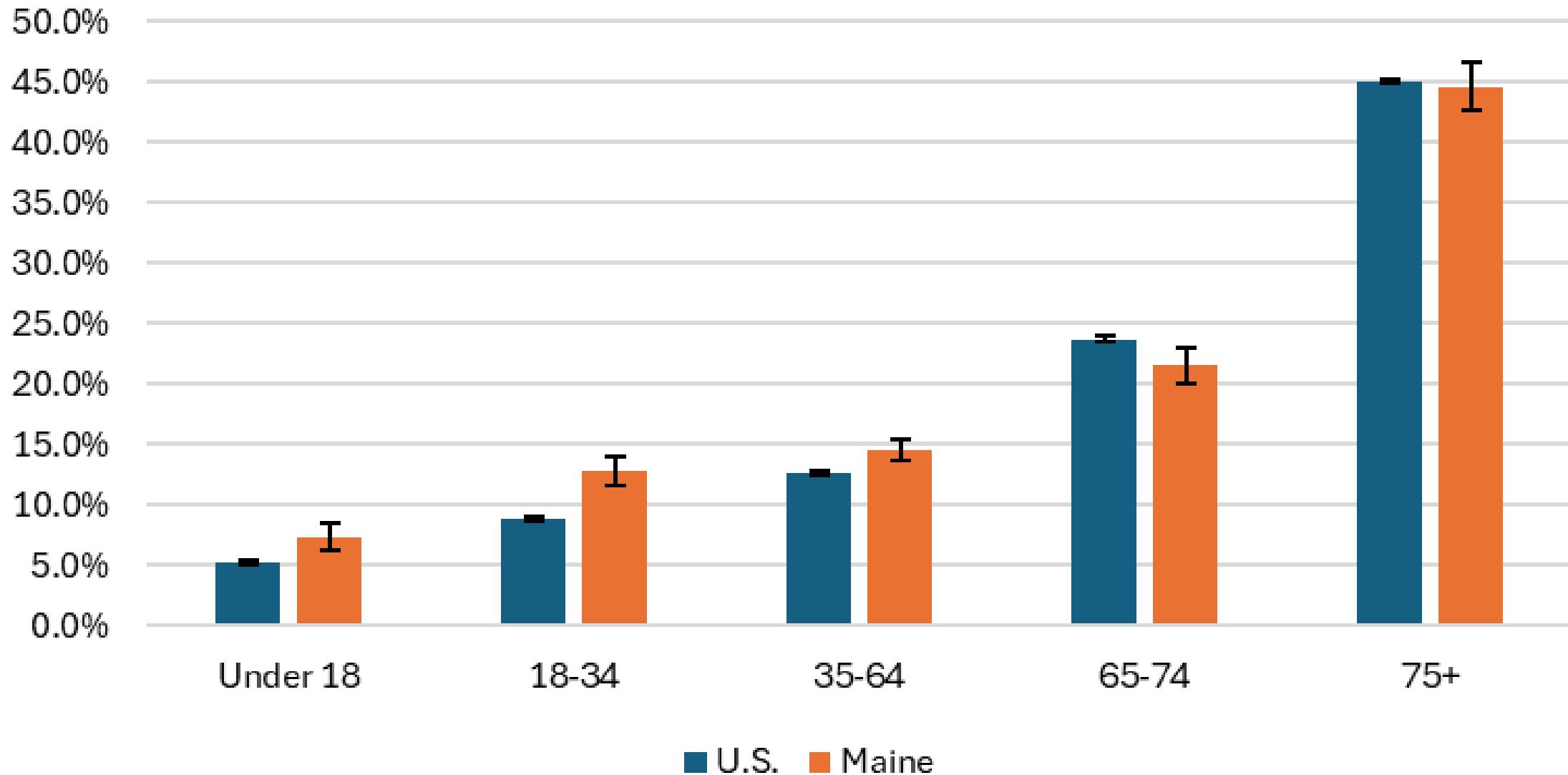


Mean amount for households with...

The amount of income from earnings is much higher than Social Security or retirement



Disability Rate by Age Group, 2024



Source: U.S. Census Bureau, 2024 American Community Survey 1-year estimates

Display
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Education Requirement:

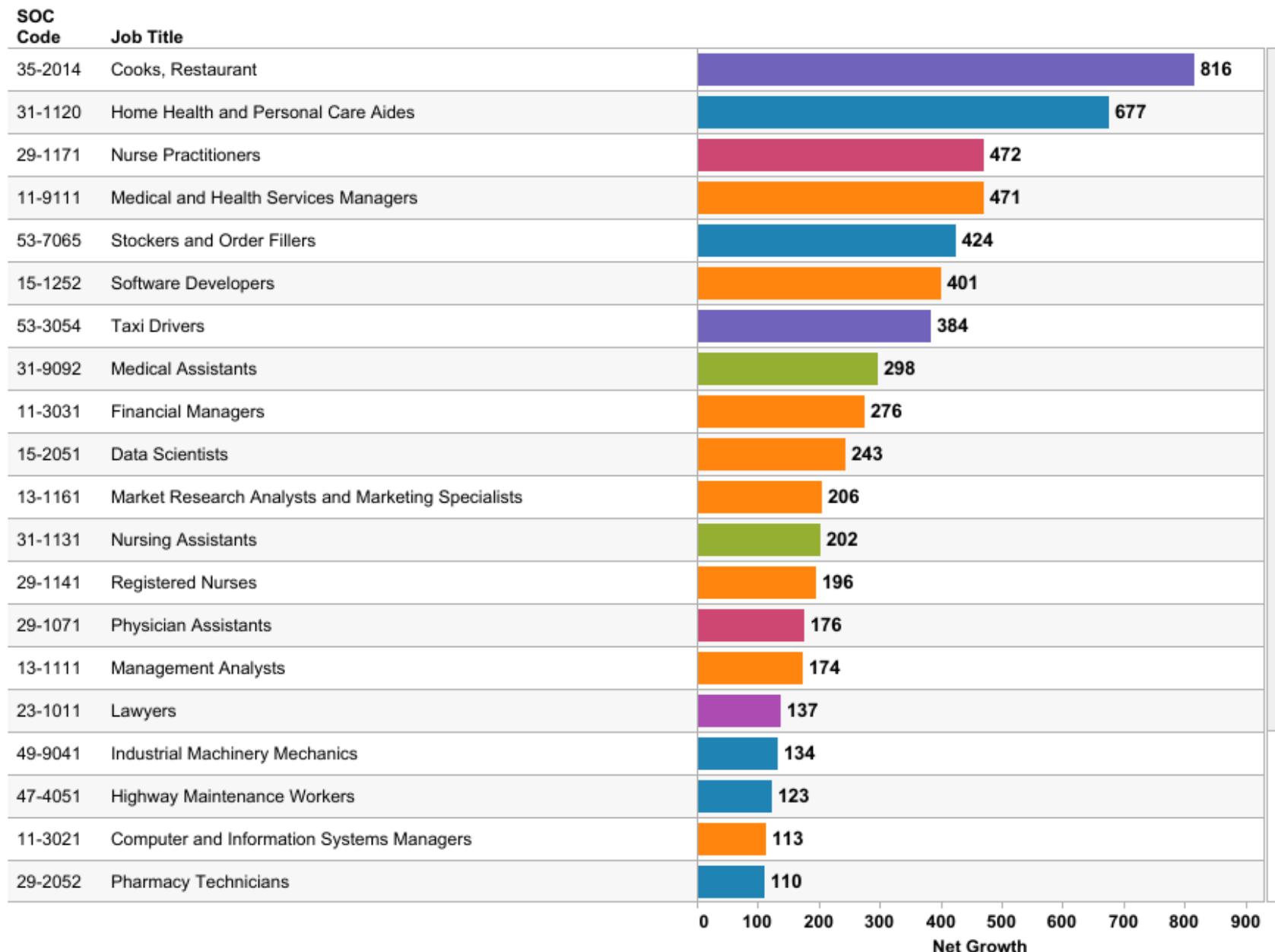
- All
- High School Diploma or Less
- Some College or Associate's Degree
- Bachelor's Degree or Higher

Select Topic:

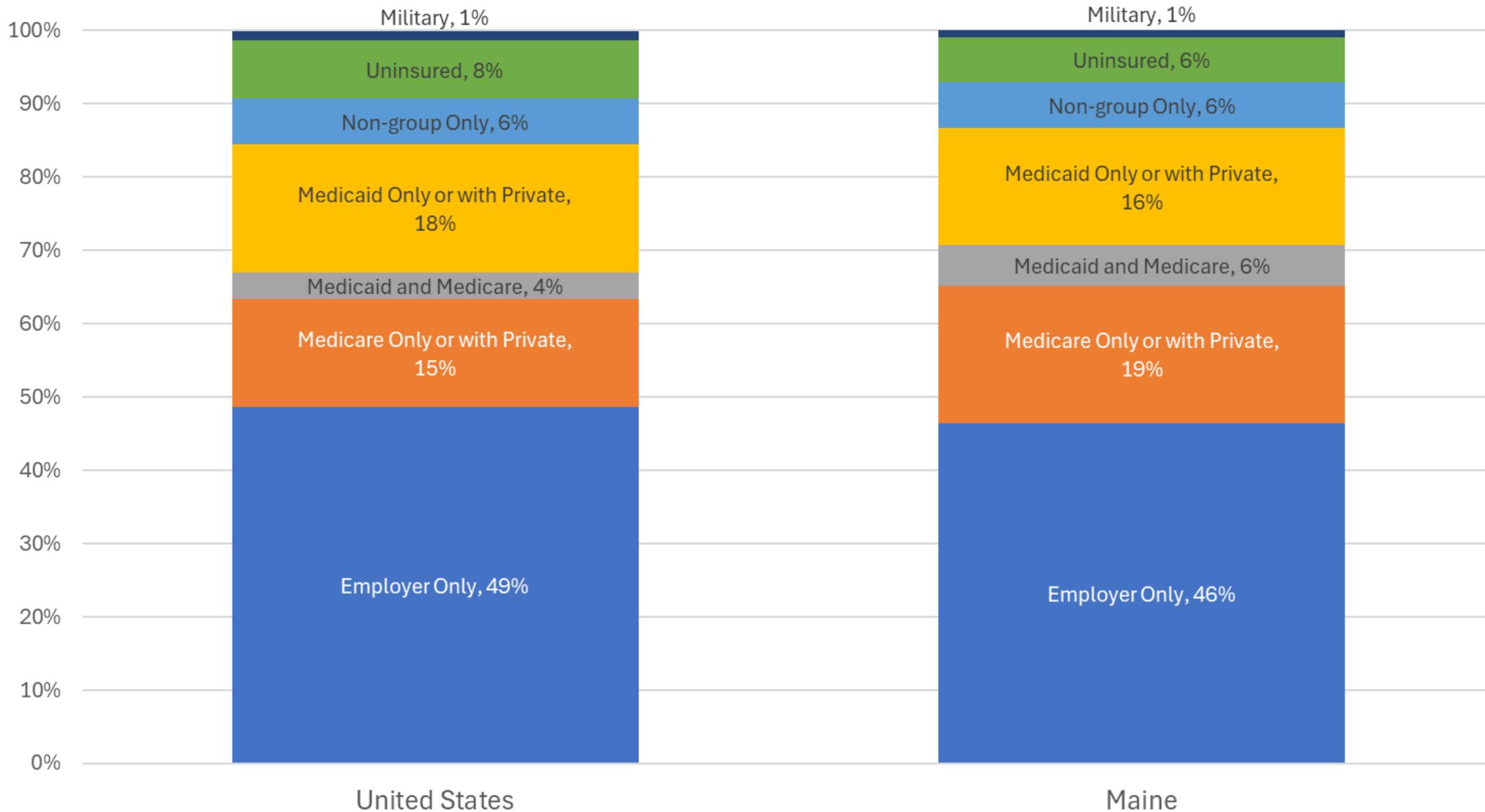
- Largest Annual Openings
- Largest Net Job Growth
- Fastest Rate of Job Growth
- Largest Net Job Loss
- Fastest Rate of Job Loss

- Associate's degree
- Bachelor's degree
- Doctoral or professional degree
- High school diploma or equivalent
- Master's degree
- No formal educational credential
- Postsecondary non-degree award

25 Occupations with the Largest Projected Net Job Growth in Maine



Health Insurance Coverage of the Population, 2023



Macroeconomic conditions and economic forecast

Select key assumptions in Nov. 2025 Consensus Economic Forecasting Commission report

- Maine is navigating a period of significant uncertainty around economic policy, government spending, geopolitical tensions, and consumer sentiment. The economy may be experiencing K-shaped dynamics, with spending by wealthier households helping to keep the economy growing in the face of tariffs and uncertainty around other federal policies.
- Health care employment has rebounded slightly above pre-pandemic levels, but staffing shortages persist in critical areas and financial challenges in the health care sector are increasing.
- The federal government is in a period of fiscal austerity, (...). Maine's economy will be impacted by any reduction of federal funds and the multiplier effects of those reductions (...). For example, cuts to federal Medicaid (MaineCare) and the loss of ACA subsidies would raise premiums, jeopardize healthcare coverage, and strain rural hospitals.
- Consumer sentiment has declined as expectations about future personal financial wellbeing have deteriorated and short-term inflation expectations have increased.

Percentage Point Contribution to Year-Over-Year Percent Change in CPI

Percent

8

6

4

2

2019

2020

2021

2022

2023

2024



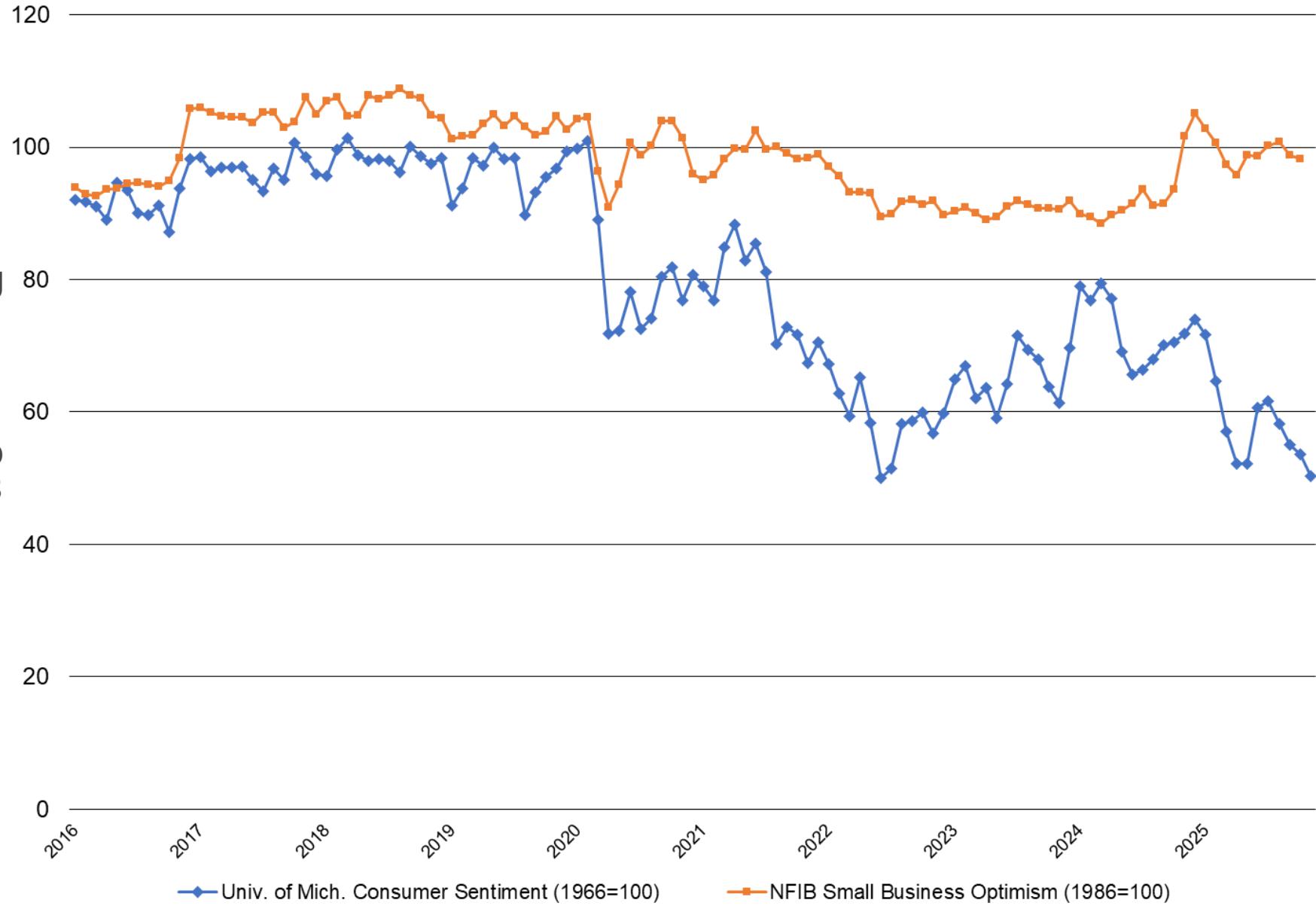
Source: US Bureau of Labor Statistics & Calculations by OSE Staff

Source: U.S. Bureau of Labor Statistics (CPI-U, 1982-84=100, not seasonally adjusted)

Consumer Sentiment and Small Business Optimism Indexes

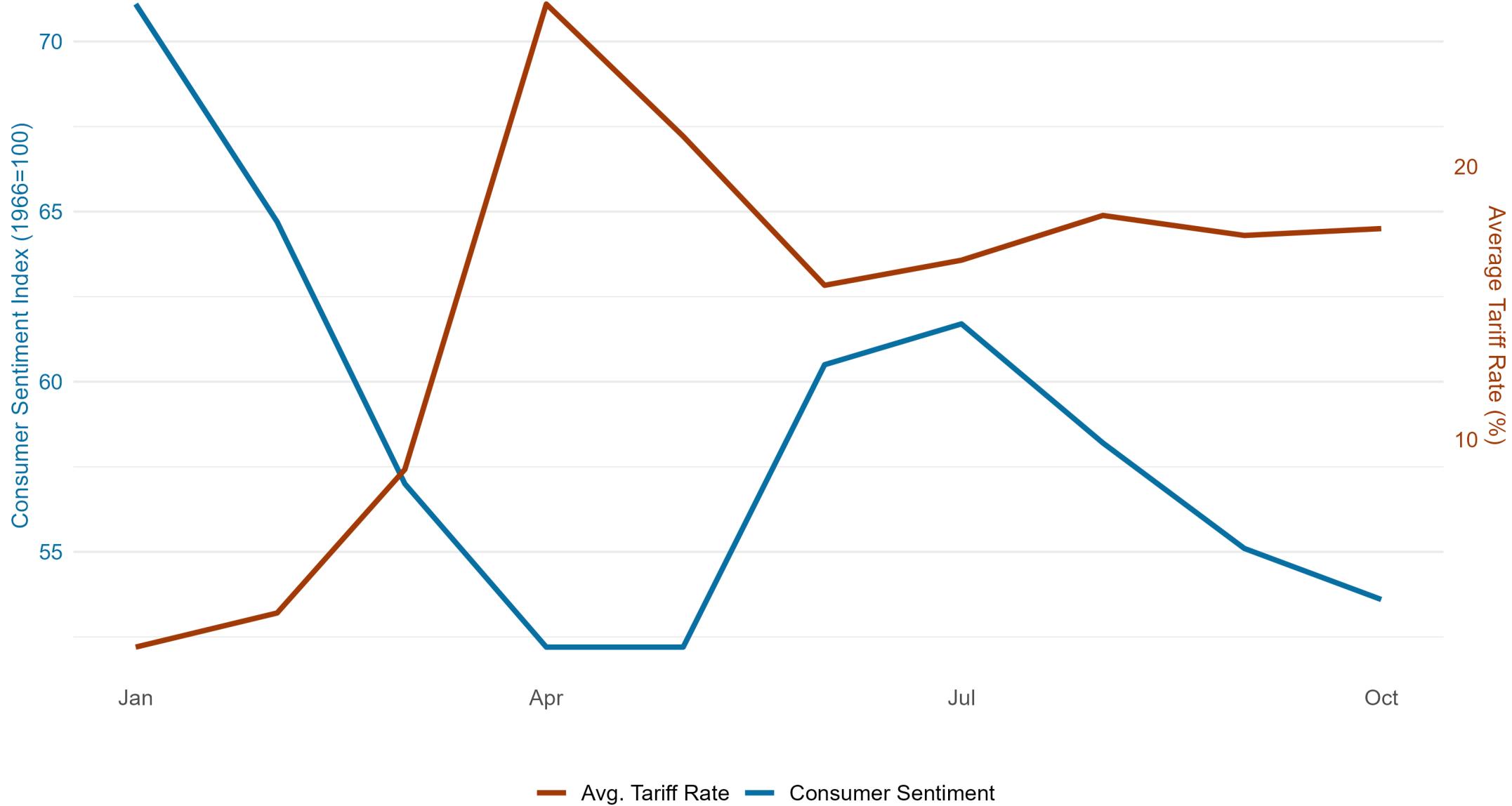
Small business optimism was just above the 52-year average of 98 in October. 60% reported that supply chain disruptions were affecting their business.

Consumer sentiment has been highly responsive to inflation expectations this year; November saw a decline across all groups except consumers with larger stock holdings



Sources: University of Michigan Survey of Consumers and NFIB Small Business Optimism Index

Consumer Sentiment and Average Tariff Rate in 2025



Sources: University of Michigan Survey of Consumers and The Budget Lab at Yale

Federal funding has become more uncertain and unstable since the start of the new administration

OBBBA adds \$9.1 trillion to federal deficit over 10 years (\$8.4 trillion to tax cuts); offsets \$5.6 trillion through changes to tax policies, Medicaid, SNAP, student loans

FY 2026 budget proposal keeps overall discretionary base spending level with 2025, but changes how some of that money is allocated

- Shifts \$119.3B from non-defense programs to defense programs

Department	Proposed Decrease (Billions)
Commerce	-\$1.7
Treasury	-\$2.7
Justice	-\$2.7
Labor	-\$4.6
Energy	-\$4.7
Agriculture	-\$5.0
Interior	-\$5.1
Education	-\$12.0
Health and Human Services	-\$33.3
Housing and Urban Development	-\$33.6
State and International Programs	-\$49.1

Federal Medicaid (MaineCare) Key Changes:

Change	Date	Anticipated Impact
One-year prohibition on federal payments for certain family planning agencies	7/4/2025	<ul style="list-style-type: none">Impact coverage for around 5,900 MaineCare members receiving services from these agencies
Moratorium on new or increased provider taxes (with some exceptions)	7/4/2025	<ul style="list-style-type: none">Limit revenue used to fund state portion of MaineCare (Provider taxes currently make up 12% of state funding)Reduction in federal match fundsEstimated combined impact of \$3 Billion over a 10-year period
Coverage changes for certain legally-present immigrant groups	10/1/2026	<ul style="list-style-type: none">Elimination of coverage for 3,000 adult members
New work requirements for around 90,000 adult enrollees in the Medicaid Expansion population and other eligibility changes	1/1/2027	<ul style="list-style-type: none">31,000 disenrollments in the first yearReduced revenue for healthcare providers (current spending on this population is \$329M to hospitals, \$70M to physicians and FQHCs, \$50M to behavioral health, \$218M pharmacy)Increased state administrative costs (~\$8M in 2027)

Source: Maine Department of Health and Human Services, "Summary of Federal Changes and the Impact on Maine," July 11, 2025

Key Changes (continued):

Change	Date	Anticipated Impact
Other eligibility changes (increased frequency of eligibility checks, limits to retroactive coverage)	1/1/2027	<ul style="list-style-type: none">Increased churn/disenrollmentsGreater uncompensated care costs for health providers
Payment error rate penalties for states that exceed a 3% threshold (national error rate is currently 5-6%)	10/1/2029	<ul style="list-style-type: none">Maine's current error rate would not result in penalties, but if it were to perform at national average, it could face penalties of nearly \$64 million/year

Supplemental Food Assistance Program (SNAP):

- **Enrollment:** As of February 2025, approximately 177,000 Maine people received SNAP benefits (about 13% of Mainers)
- **Current Funding:**
 - \$356 million of benefits to participants (100% federal)
 - \$27 million in administrative costs (split 50/50 between state and federal funds)
- **Economic Impact:** According to the USDA, each \$1.00 in SNAP spending generates \$1.54 in local economic activity, or about \$548 million annually for Maine

Changes to SNAP will not only increase food insecurity and raise the burden on local food pantries and nonprofit partners, but also reduce revenue for retailers who accept EBT cards and ripple through the rest of the economy

Elimination of ACA Enhanced Premium Tax Credits

Premium Tax Credit (PTC)

- Federal tax credit that lowers monthly premiums for marketplace health insurance
- Can be taken in advance of filing federal income taxes (called APTC)
- 85% of the 61K CoverME.gov consumers receive APTC

Enhanced premium tax credits (EPTC)

- Authorized in American Rescue Plan Act of 2021 (ARPA); extended in Inflation Reduction Act (IRA)
- Temporarily increased amount of premium tax credits and expanded eligibility
- Eliminated premium 'cliff' for thousands of Mainers
- EPTC expires 12/31/25 **unless** Congress takes action to extend
- If EPTC expires, premiums will increase for all who receive APTC with **greatest impacts for older, rural adults, households with children**

If EPTC expires, average premium increase for CoverME.gov households will be 77% in 2026

Town	Family Size/Age	Annual Income	Annual Premium for Silver plan (w/EPTC)	Annual Premium for Silver Plan (w/o EPTC)	Increase in Premium
Lisbon	5/ ages 50, 50, 20, 15, 12	\$120,000	\$7,760	\$11,950	+54%
Calais	3/ ages 63, 60, 25	\$107,000	\$9,177	\$47,300	+415%
Kittery	4/ ages 40, 38, 8, 5	\$100,000	\$6,280	\$9,960	+59%
Fort Kent	2/ both age 60	\$85,000	\$7,200	\$38,490	+435%
Fairfield	3/ ages 30, 27, 1	\$82,000	\$4,920	7,550	+53%
Bangor	2/ both age 63	\$50,000	\$1,730	\$3,370	+95%

Things to keep in mind:

- Maine saw several decades of slow population growth and has a population that is older and less diverse than the rest of the nation
 - projections show growth slowing further and then eventually shifting to a decline
- Migration picked up during the pandemic, but has been challenged by housing availability/affordability
- Demographic trends impact all aspects of the state's economy, including income distributions, health insurance coverage, labor force participation, and employment growth
- Federal policy changes have been widespread and have resulted in much higher economic uncertainty and increased downside risks

Contact Information

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