



Wider Opportunities for Women

## Aging with Dignity: A National Campaign

### Introducing the Elder Economic Security™ Initiative Program

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#### WHAT is the Elder Economic Security Initiative Program?

The Elder Economic Security Initiative (the Initiative) is a multi-year project that offers a conceptual framework and concrete tools to shape public policies and programs to promote the economic well being of older adults, whether or not they have the capacity to be fully self-reliant or are in need of certain public supports to age in place with dignity.

#### WHAT are the Initiative's goals?

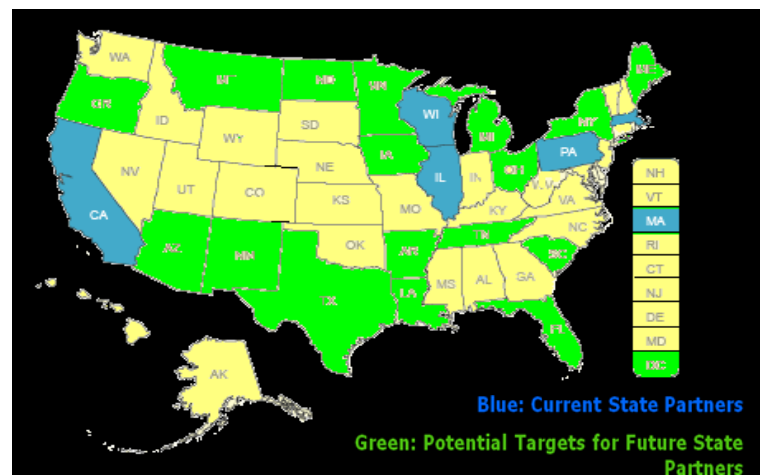
- To provide a framework to guide the decisions of elders, their families, caregivers, boomers and the service providers, agencies and advocates who assist them;
- To change the public dialogue from one of elder poverty to one of income security;
- To influence the development and evaluation of public policies and programs; and
- Ultimately, to ensure economic security for elders and their families so that all may age in place with dignity.

#### HOW will the Initiative meet its goals?

- Coalition building;
- Research;
- Education and outreach;
- Advocacy; and
- A media strategy at the community, state and national levels.

#### WHO are the Initiative's state partners?

- Massachusetts: MA Association of Older Americans, Inc.
- Illinois: Health and Medicine Policy Research Group
- California: Insight Center for Community Economic Development
- Pennsylvania: PathWaysPA
- Wisconsin: Wisconsin Women's Network



## WHAT is the Elder Economic Security Standard Index?

Underpinning the Initiative is the WOW-GI National Elder Economic Security Standard Index (the Index) developed by the Gerontology Institute (GI) at the University of Massachusetts-Boston and Wider Opportunities for Women (WOW). The Index is a new geographically-based measure of the income older adults require to make ends meet. It accounts for housing, healthcare, food and transportation costs and is calibrated to household size, geographic area and life circumstances.

### Elder Economic Security Standard Index for Boston, MA (2006)

Monthly Expenses	Elder Person		Elder Couple	
	Owner w/o Mortgage	Fair Market Rent 1BR	Owner w/o Mortgage	Fair Market Rent 1BR
Housing	\$520	\$1,128	\$520	\$1,128
Food	\$206	\$206	\$378	\$378
Transportation	\$16	\$16	\$32	\$32
Health Care (=Good)	\$292	\$292	\$584	\$584
Miscellaneous @ 20%	\$207	\$328	\$303	\$424
<b>Elder Standard Per Month</b>	<b>\$1,241</b>	<b>\$1,970</b>	<b>\$1,817</b>	<b>\$2,546</b>
<b>Elder Standard Per Year</b>	<b>\$14,890</b>	<b>\$23,645</b>	<b>\$21,802</b>	<b>\$30,557</b>

## WHY the Index?

As the population ages, it will be necessary to re-examine the policies and programs that impact retirement security and the broader well-being of older Americans. This ought to include a hard look at the Federal Poverty Level (FPL), the standard tool for assessing elders' economic well-being:

- The FPL does not account for regional variations in cost;
- The FPL is calculated by tripling the cost of food for one month, thus it does not consider other basic needs such as housing, transportation and healthcare; and
- Molly Orshansky, formerly of the Social Security Administration, who developed the FPL never meant for it to be used as a measure of income adequacy, rather she intended it to be a measure of income *inadequacy*.

*"I see one-third of a nation ill-housed, ill-clad, ill-nourished... The test of our progress is not whether we add more to the abundance of those who have much; it is whether we provide enough for those have too little."*

-Franklin Roosevelt's second inaugural speech, from January 20, 1937