



**Wider
Opportunities
for Women**

FOR IMMEDIATE RELEASE: July 8, 2011

CONTACT: Emily Wilson: 202.464.1596 ewilson@wowonline.org

The Economic Security of Seniors Will be Threatened by Medicare and Social Security Cuts

Research on economic security shows many older Americans are already unable to cover basic expenses, including high health care costs

WASHINGTON, DC – Citing data from the Elder Economic Security Standard™ Index (Elder Index), a report that shows what it costs older Americans to make ends meet, elder advocates are warning the Obama administration and members of Congress there will be severe consequences for seniors if Social Security and Medicare are cut. The Elder Index, developed by the Gerontology Institute at the University of Massachusetts Boston and Wider Opportunities for Women, shows that single elder renters on average need \$20,326 a year to cover their basic expenses—significantly more than the average Social Security payment of \$12,924 a year. With the disappearance of employer-sponsored pensions and the hit personal retirement plans took in the Great Recession, elders increasingly depend on Social Security benefits.

Additionally, the data shows increasing the cost of health care for seniors, already their largest expense after housing even with Medicare assistance, could force many older Americans into costly public assisted living environments, such as nursing homes.

“Social Security is already a very modest benefit that leaves many older Americans hard-pressed to cover their basic expenses,” said Joan Kuriansky, Executive Director of Wider Opportunities for Women. **“Older Americans have been hit by the decline in employer-based pensions and losses in personal retirement plans due to the recession. Another cut to their incomes will threaten the ability of seniors to support themselves independently. With health care costs being a major part of older Americans’ monthly budgets, cuts to Medicare could break the bank for many seniors.”**

“Seniors who worked hard for years to build our country and who can least afford to absorb additional expenses should not bear the weight of budget cuts. Cutting Social Security and Medicare is a deeply misguided move that would not only threaten the security of millions of seniors, but also the future of all hard-working Americans. In efforts to raise the debt ceiling, Americans’ top priorities—good jobs, quality education, access to affordable health care and the ability to save for retirement should not be held hostage. This artificial crisis to push a regressive public agenda will, in the process, destroy America’s standing around the globe.”

Medicare falls short of covering many basic health care expenses for seniors. The Elder Index shows that out-of-pocket medical costs are usually the second largest cost for seniors after housing, amounting to

\$254 a month. For older people who live on small fixed incomes, Medicaid helps fill the gap with premiums and deductibles, and many states are already curtailing services and cutting seniors from Medicaid eligibility.

Social Security provides more than 90% of income for 3 in 10 older Americans. And one in three of the 8 million individuals receiving Social Security are non-elderly survivors or disabled persons.

State-specific Elder Indexes, which determine local costs of living for seniors by county, are available in 14 states. For more information on the Elder Index, visit:

<http://www.wowonline.org/ourprograms/eesi/index.asp>

###