



INDEX SHOWS LOCAL SENIORS OFTEN CAN'T COVER BASIC EXPENSES

BY: Judith Davidoff

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Lincoln and Maxine Marty, now retired and in their late 80s, are barely making ends meet, though both worked hard in their younger years and lived frugally.

Lincoln worked for 20 years at Gisholt Machine Tool Manufacturing Co. in Madison before it closed in the early 1970s. He lost not only his job, but also his pension. He went on to work at a furniture store in Belleville, where he and his wife, Maxine, were raising their family.

Maxine, meanwhile, worked for years as the night house mother in the dorm connected to the former Madison General Hospital's School of Nursing.

Lincoln, who has heart problems and macular degeneration, receives \$800 a month in Social Security benefits and a small pension through the Veterans Benefits Administration. Maxine, who has Alzheimer's, receives a monthly pension of \$60 and \$600 from Social Security.

Their health care is covered largely by governmental programs -- although there are co-pays and prescription costs --and recently they were able to move to an assisted living facility only because Dane County Department of Human Services picks up much of the cost through its Community Options Program, which is designed to help individuals live as independently as possible.

Still, "there is a \$2,500 monthly gap between what they take in versus what they spend," says daughter Linda Marty Schmitz. "If we lose any piece of the puzzle, we'd be in trouble."

As a new report released Tuesday morning reveals, the Martys are not alone in their vulnerable economic predicament. Data from the Wisconsin Women's Network and the Washington, D.C.-based Wider Opportunities for Women show that many older Wisconsin residents, a majority of them women, take in far less money than they need to live.

"The average Social Security payment for a single Wisconsin retiree does not meet expenses in any of the state's counties, regardless of whether the elder is a renter or a

homeowner," according to the report, which was unveiled by local and national aging groups, and lawmakers at a news conference at the state Capitol.

In Dane County, the average Social Security benefit provides single elders with only 67 to 70 percent of what they actually need to cover basic expenses, researchers found.

Moreover, because the federal poverty level relies on an antiquated set of cost measures, it no longer reflects the reality of what it costs to live self-sufficiently, says Betsy Abramson, project director for the Wisconsin Women's Network Elder Economic Security Initiative.

In Wisconsin, "the poverty level is 55 percent of what an older person really needs," she says.

Wisconsin is one of five states that worked with Wider Opportunities for Women and the Gerontology Institute at the University of Massachusetts Boston on the development of what they say is a more accurate measure of what it actually takes for senior citizens to cover their expenses.

"The idea is to use this new economic security index to benchmark income and to inform policymakers, seniors themselves" and their caretakers of what it takes to live self-sufficiently, says Ramsey Alwin of Wider Opportunities for Women, who was in Madison Tuesday for the news conference.

The new tool is necessary, says Alwin, because the outdated federal poverty level is the measure used to determine public assistance benefits: "It drives just about all policymaking."

According to the report, housing, transportation, health care, food and miscellaneous expenses for a 65-year-old senior living alone in Dane County without a mortgage amount to \$19,903 a year. The same individual, if renting a one-bedroom apartment, would need \$20,852.

In comparison, the federal poverty threshold for an elderly individual in 2008 was \$10,400 a year.

In the same vein, researchers found it takes just under \$30,000 to cover expenses for an elderly couple in Dane County without a mortgage and just over \$30,000 for a couple renting a one-bedroom apartment. Yet, the federal poverty threshold for couples fitting this profile was set at \$14,000 in 2008.

This discrepancy makes covering costs particularly hard for people on fixed incomes. And that turned out to be true for all of the states studied, including Illinois, Pennsylvania, Massachusetts and California, says Alwin.

"We find that seniors who rely on Social Security alone come up short," she says. Women and women of color, she adds, are disproportionately hurt.

Alwin says that her group, under the umbrella of the National Elder Economic Security Initiative, also looked at to what extent health, transportation, food and housing support programs close the gap.

The new index, she says, "allows us to evaluate programs and policies to see where we can get the best bang for our buck.

"We found housing assistance closes the gap in the most effective manner," she adds.

In other words, if policymakers are looking for ways to help senior citizens, they should look first to programs that help with rent. Alwin says there are significant waiting lists for seniors in Wisconsin for such assistance, and it's very challenging to get additional funding for them.

But, she adds, "we're hopeful this new tool will help in those advocacy efforts."

Alwin's group is now helping to develop an economic security index in 20 other states.

Abramson says a new way of measuring economic security for seniors is particularly critical at this time, with health care, housing, food and fuel costs on the rise.

And Abramson says the situation will only get worse as baby boomers age.

"We really need to not have people living in abject poverty."