

## California pushes for change of federal guidelines as more elders live in poverty

LOS ANGELES, May 6 (Xinhua) -- As half of older Californians can not make ends meet, California legislators have pushed hard on the U.S. president and the Congress to help ensure economic security for all elders in the country.

A recent study conducted by the University of California, Los Angeles, in collaboration with the Insight Center for Community Economic Development, found that approximately 47 percent (about 1.76 million) of California's elders 65 years of age and older do not have enough income to adequately cover their most basic needs, including food, shelter, medicine and transportation.

The study documents that approximately 40 percent (about 1.46 million) of California's elders "fall through the cracks" because they have incomes above the official Federal Poverty Thresholds but below what they actually need to make ends meet in today's economy.

The gap between those who need help and those who actually can get help is so big that many elder people actually live in poverty but are not listed as poor by federal standard.

Using the antiquated Federal Poverty Threshold, the U.S. Census Bureau reports that, for 2006, only 7.9 percent (about 295,000) of California's elders live below the official poverty level. That contradicts to the study which says 47 percent, or 1.76 million elder people in California live in poverty. This is a significant underestimate of the numbers of Californians 65 years of age and older who do not have enough to adequately cover their most basic needs.

California legislators introduced a joint resolution recently at the State Assembly to urge the White House and the Congress to reform the outdated guidelines to make those need to be helped by state and federal funding. The resolution is expected to pass the California Assembly and Senate with support from both parties.

The U.S. Census Bureau projects that the population of people 65 years of age and older is expected to more than double from the year 2000 to the year 2030, both nationally and in California. People 65 years of age and older comprised 10.6 percent of California's population in 2000 but will be 11.5 percent of the state's population by 2010, and 17.8 percent in 2030.

The U.S. Department of Health and Human Services uses the Federal Poverty Guidelines as a benchmark to determine eligibility for public assistance programs, and the Federal Poverty Guidelines are derived from the U.S. Census Bureau's Federal Poverty Thresholds, which are used to determine poverty rates. In 2008, the Federal Poverty Guidelines were 10,400 U.S. dollars for a one-person household and 14,000 dollars for a two-person

household. In 2007, the official poverty rate for the total population was 12.5 percent, according to the most recent calculation by the U.S. Census Bureau.

According to the resolution, the Federal Poverty Guidelines are an inadequate and antiquated measurement tool that uses a nearly 50-year-old methodology. The method is based solely on one expense: food. It also inaccurately assumes that households today still spend one-third of their income on food when in fact the U.S. Department of Agriculture states the number is actually one-tenth, or 10 percent.

Instead of food, households spend closer to one-third of their budget on housing. The Federal Poverty Thresholds exclude the actual costs of housing, health care, transportation, and other essential services. Although updated annually using the Consumer Price Index, the Federal Poverty Thresholds are calculated in the exact same way today, in 2009, as they were in 1962, the resolution said.

According to a senior fellow at the Brookings Institute, no other economic statistics in use today relies on such antiquated methods. Moreover, this "one-size-fits-all" measurement tool does not take into account factors such as the significant variation in the cost of living across the states, counties and cities, or the ages of household members.

According to the resolution, the Federal Poverty Guidelines continue to be used to determine eligibility for 82 different state and federal programs, and are used by state and federal policymakers as a benchmark to determine funding allocations to local communities, and to justify cuts to public benefits. Without a precise poverty measurement tool, policy and fiscal decisions intended to tackle poverty will continue to be imprecise.

The resolution said many of California's elders often do not receive any public assistance because their incomes are just above the official Federal Poverty Guidelines, and are therefore forced to make untenable choices among basic needs, such as choices between eating three meals a day, foregoing medications, or paying for shelter.

Most of these elders have worked hard all their lives, yet are still struggling to pay their bills and to live with dignity and economic security in their later years. Although often described as "falling through the cracks," this group is neither small nor marginal, as that phrase suggests, but rather, it is a substantial proportion of California's aging community, the resolution said.