

County's seniors struggle to pay bills

Anna Erickson Park Rapids Enterprise Published Saturday, February 14, 2009

Many Hubbard County elderly don't receive enough Social Security to maintain living independently, according to a report released Tuesday.

The "**Elder Economic Security Standard Index**," a study released by the **Minnesota Women's Consortium**, addresses income adequacy for Minnesota's older adults.

The results show that for single elders in good health, the statewide **Minnesota Elder Index** (living expense cost) is \$16,767 for homeowners without a mortgage or \$19,090 for renters.

For elder couples in good health, the **Elder Index in Minnesota** is \$26,486 for homeowners without a mortgage or \$28,809 for renters.

The totals represent housing, health care, transportation, food and miscellaneous for elders age 65 and older in Minnesota.

Compared to other benchmarks, the index is high.

According to the study, the federal poverty guideline for one-person elder households is \$10,400 and the average Social Security Benefit for a retired worker in Minnesota is \$13,059.

These are much lower than the Elder Index results of \$16,767 for a senior homeowner without a mortgage or \$19,090 for a renter.

In Hubbard County, the Elder Index was listed as \$15,660 for a single homeowner without a mortgage, which is lower than the statewide index but still more than the Social Security payment. Single elders with a mortgage in Hubbard County have an Elder Index of \$22,594 and single renters have an index of \$17,274.

For Hubbard County couples in good health, the Elder Index is \$25,499 for homeowners without a mortgage, \$43,544 for homeowners with a mortgage and \$27,113 for renters. This is also lower than the statewide index but higher than the average Social Security payment of \$19,514.

"The Minnesota Women's Consortium recognizes that many Minnesota elders age 65 and over struggle to make ends meet," states the report. "Living costs are high, especially for housing and health care. In the face of rising expenses, many elders receive only a modest cost of living adjustment each year; thus, they are spending down retirement savings, and/or face growing debt. At the same time, older people strain to be prepared for the present, but face a challenging future if their life circumstances change due to illness, loss of a spouse or partner, and/or growing needs for help with daily tasks."

The report showed that low-income elders in Minnesota with income at the federal poverty level or with only an average or lower Social Security benefit but no additional resources, cannot meet their basic living expenses.

“The need for home- and community-based long-term care can double or even triple an elder’s expenses,” states the report. “Adding a low level of care for one person adds \$7,300 per year to living costs. Requiring a medium level of care adds \$19,500 and needing a high level of care adds \$35,000–\$44,000.

“The need for home- and community-based long-term care can vary considerably over time,” it said. “Because this need is not universally incurred, it is included as a separate, potentially catastrophic cost for elders.

“Elders prefer home- and community-based long-term care to skilled nursing home care, which is almost always much more expensive. National market surveys report an average annual rate \$44,000 to \$53,000 for skilled nursing facility care in Minnesota,” it said.

The figures show that elders are in a precarious situation, where a change can greatly affect their costs of living in their home, the report notes.

“Even some elders who are currently making ends meet face an uncertain future if their life circumstances change, such as loss of a spouse/partner or a decline in health status,” the report said.

Bemidji Pioneer reporter Brad Swenson contributed to this report.