



Wider Opportunities for Women



University of  
Massachusetts  
Boston®

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**New Jersey Foundation for Aging and Wider Opportunities for Women  
Defines Pathway to Economic Security for State's Elders**  
New Jersey Elder Economic Security Standard Index Released

**TRENTON** – Depending on housing and health circumstances, single elders living in New Jersey need between \$23,452 and \$33,570 to cover basic living costs. The average annual Social Security payment for a single woman in New Jersey in 2008 was just \$12,741 and \$16,581 for a single man – providing only 38% to 70% of what an elder needs to be economically secure.

This concerning news was released today by the New Jersey Foundation for Aging (NJFA) in partnership with Wider Opportunities for Women (WOW) and the Gerontology Institute at the University of Massachusetts Boston at the official launch of the New Jersey Elder Economic Security Initiative (Initiative).

The Initiative's launch is marked by the release of two groundbreaking reports, the *New Jersey Elder Economic Security Standard™ Index* and *Elders Living on the Edge: When Meeting Basic Needs Exceeds Income in New Jersey*. Experts came together to demonstrate how the Elder Economic Security Standard™ Index (Elder Index) can be used to promote the economic well-being of New Jersey's seniors. More than 60 service providers and advocates from across the state participated in the project.

This important Initiative comes at a time when many seniors, particularly those living on fixed incomes, are finding it increasingly difficult to age in their community with dignity. The current economic downturn only reinforces the need to reexamine public policies and programs to ensure all elders achieve basic income security upon their inability to continue to work. The Elder Index released today provides policymakers, employers, workers, caregivers and seniors the tool they need to best design solutions and intervention strategies.

Among the findings:

- The gap between income and the costs of basic needs (such as housing, food and medicine) can be as high as \$20,800 annually for those who rely on Social Security alone;
- Social Security is the only source of income for one out of four of New Jersey's elders; and
- Social Security payments are often higher than the federal poverty level--though not enough to make ends meet--disqualifying many older people from taking advantage of income support programs that might help them to bridge the income gap.

Grace Egan, Executive Director of the NJFA, reminded the audience that, "Social Security was never intended to be the sole source of retirement income. Rather, it was meant to be one leg of a three-legged stool, the other two being pensions and savings. However, with the decline of employer-sponsored retirement plans and many low wage workers living paycheck to paycheck very few options are left for today's older Americans."

For elders, housing and health care have the greatest impact on economic security. According to Alison Gottlieb of the Gerontology Institute at the University of Massachusetts Boston, "housing costs put a heavy burden on many of New Jersey's elders, representing as much as half of their total expenses, followed by health care expenses." A decline in health or a catastrophic event can be detrimental to a senior's economic security. Gottlieb continues, "If an elder requires home and community-based long term care services to remain at home, an elder's increased costs can range from \$7,500 to \$43,600 per year."

Rosemarie Doremus, President of the NJFA said, “The Elder Economic Security Initiative provides policymakers with an important tool to help improve the financial security of older Americans and their families. We need to build on the foundations of Social Security, Medicare, and Medicaid to ensure that no senior citizen is ever forced to choose among basic necessities like food, housing and health care.”

Grace Egan added, “We must recognize that aging issues are truly intergenerational. Today’s economic issues facing working families and individuals will impact their economic security in later life. State policies and programs must include the long-term goal of promoting economic security across the generations. For instance, for this reason, it is necessary to safeguard Tenant Rebates for elders and reinstate prior levels for low income families. While defending the benefit for the senior population is a priority, we recognize that there are some intergenerational households, as well as those that are at risk of aging into poverty, that may be affected by further cuts.”

For years advocates and policy makers have discussed needed policy reform. The Elder Index is a new tool that will guide and assess the outcomes of public policies aimed at ensuring the economic security of elders.

Eileen Doremus, Executive Director of Mercer County Office on Aging noted, “As service providers to older people, we can use this Elder Index as an assessment, care planning and evaluation tool for accessing services. The Elder Index will help us assess the economic vulnerability of our clients and help them move toward economic security through care management, securing public and private supports and offering needed services.”

Data from all 21 counties in the state reveal a persistent pattern of seniors living "on the edge" never quite making enough to cover what they need with the income they have. For most people, this situation is through no fault of their own.

“Although the findings are stark, this is a good day for elders in New Jersey,” remarked Ramsey Alwin, Director of Economic Security Programs at WOW. “We have known the struggles anecdotally, but didn't have very good tools for assessing policy alternatives. The Elder Economic Security Initiative offers those tools. New Jersey is now the eighth state to launch as a part of the national Initiative. Moving forward, New Jersey elders and their supporters have the opportunity to shape realistic and groundbreaking policy that will not only benefit New Jersey seniors but can lead the way to critical national policy and programs, whether they be related to retirement income, health or work,” said Alwin.

In the years ahead, the Elder Economic Security Initiative will provide important information to policy makers, service providers and advocates in New Jersey and across the U.S. as they develop programs and policies to ensure the economic independence of our aging population.

For more information about New Jersey’s Elder Economic Security Initiative or to schedule an interview, contact: Joan Grangenois-Thomas at 212-627-2404 or [joan@makewavesnotnoise.com](mailto:joan@makewavesnotnoise.com). The full reports are available online at <http://www.njfoundationforaging.org/issues.html> or, <http://www.wowonline.org/ourprograms/eesi/state/resources/newjersey.asp>.

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*The New Jersey Foundation for Aging is a statewide nonprofit that works to support innovative approaches in the delivery of services that enable older adults to live in the community with independence and dignity. This mission is advanced through grantmaking to address unmet needs and through increasing society’s awareness to influence public policy to create a better understanding of the issues that confront today’s seniors and the seniors of tomorrow.*

*Wider Opportunities for Women (WOW) leads two national networks promoting economic security within the United States: the Family Economic Self-Sufficiency Project (FESS) focusing on the needs of low-income working families and the Elder Economic Security Initiative, addressing what income seniors require to age in place. WOW works in 35 states, the District of Columbia, and at the federal level to promote programs and policies that accurately measure the income and assistance needs of families and the elderly. For more information, please visit [www.wowonline.org](http://www.wowonline.org)*

*The Gerontology Institute at the University of Massachusetts Boston addresses social and economic issues associated with population aging. The Institute conducts applied research, analyzes policy issues, and engages in public education. It also encourages the participation of older people in aging services and policy development. In its work with local, state, national, and international organizations, the Institute has five priorities: 1) productive aging, that is, opportunities for older people to play useful social roles; 2) health care for the elderly; 3) long-term care for the elderly; 4) economic security for older adults; and 5) social and demographic research on aging. For more information about The Gerontology Institute visit the website: [www.geront.umb.edu](http://www.geront.umb.edu).*