
Frequently Asked Questions

1. What is the *California Elder Economic Security Initiative*™ program (*Cal-EESI*)?

Cal-EESI is a statewide, research-driven initiative at the forefront of a national effort to ensure that older Californians live with dignity and economic well-being in their own homes. *Cal-EESI* is led by the *Insight Center for Community Economic Development*, a national research, consulting, and legal organization dedicated to building economic health and opportunity in vulnerable communities. The Insight Center was founded in 1969 as the National Economic Development and Law Center (NEDLC).

2. Why should I care about the economic security of older Americans?

Far too often, older adults in our communities struggle to make ends meet – losing the roof over their heads, going without needed medical attention, and unable to eat enough food to remain healthy. Elders have paid their debt to society. They deserve to retire with dignity and economic well-being.

3. What is the *Elder Economic Security Standard*™ Index (*Elder Index*)?

The *Elder Index* is a new tool that quantifies the actual costs of meeting the basic needs of older adults in the community. It measures how much income is needed for a senior with a given living arrangement and geographic location to adequately meet his or her basic needs. It is the *only* elder-specific financial measure of its kind. The methodology was developed by Wider Opportunities for Women and the Gerontology Institute at the University of Massachusetts-Boston, and applied by the UCLA Center for Health Policy Research in California.

4. How many and which elders fall below the *Elder Index*?

According to a recent UCLA Center for Health Policy Research and Insight Center report, *nearly one million* (864,000) older adults across California do not have enough income to cover their most basic expenses, as measured by the *Elder Index*. The *Elder Index* shows that it is not just “poor” elders who are struggling to make ends meet. Forty-four percent (44%) of all elderly non-Latino Whites living alone have incomes that are below the *Elder Index*. Women, elders of color, renters, and elders over 75 are even more economically vulnerable.

5. How is the *Elder Index* different from the Federal Poverty Line (FPL)?

The *Elder Index* is based on *all of* the costs individuals face on a daily basis – housing, food, health care, transportation, miscellaneous costs. The *Elder Index* shows that nearly 700,000 (or 28%) of older Californians are not defined as poor by the Federal Poverty Line (FPL), but still do not have enough income to meet their basic needs. They fall into an “eligibility gap,” with too much income to qualify for many public support but not enough to make ends meet.

The FPL is a 45 year-old measure based solely on the cost of a bare-bones food diet. At \$10,400 for a single adult in 2008, the FPL fails to adequately account for standard housing, health care, and transportation costs. And, it is the same dollar amount whether one lives in a high cost market like urban Los Angeles or a low-cost market like rural Arkansas.

6. Where does the data featured in the *Elder Index* come from?

The *Elder Index* methodology uses widely accepted and credible national and state data sources such as the U.S. Census Bureau and the U.S. Department of Housing and Urban Development. Geographically relevant data is used for each county in California, reflecting local market rates.

7. How do elders survive living on incomes below the *Elder Index*?

They struggle to meet their daily expenses, doing things like cutting their pills in half, skimping on food, borrowing money from friends and family, or maxing out their credit cards. Renters end up doubling-up with others, while homeowners borrow against the equity in their homes.

8. Given California's challenging fiscal environment, where would the money come from to provide support to so many more elders?

The Elder Index helps policymakers evaluate the effectiveness of programs for the elderly. In times of fiscal constraint, the Elder Index enables legislators to make smarter public investments of limited resources. And, with the 65 and over population expected to double in the next 30 years, policymakers can use the Elder Index to begin planning for the long-term needs of tomorrow's elderly. As more and more Californians use the Elder Index for their own financial planning, it is also less likely that they will need government supports as they age.

9. What can we do about the economic problems elders face in California?

Urge policymakers, advocates, foundations, public agencies, and direct service providers to use the *Elder Index* to measure the true economic needs of older adults and ensure, in the long-run, *all* older Californians can live with dignity and economic well-being.

10. Are lawmakers actually *using* the Elder Index in policies affecting the elderly?

California legislators used the Elder Index to analyze the Supplemental Security Income program (SSI) in 2008. The Elder Index was also part of an affordable housing bill in 2008, AB 2521. This legislative season, the Elder Index is spotlighted in the *Elder Economic Dignity Act of 2009*, which would require state and local agency agencies to use the Elder Index to plan programs and prioritize limited resources more effectively, using the more accurate, efficient, and consistent Elder Index. Go to <http://www.insightccd.org/communities/epolicy.html> to learn more.

11. How does the *Elder Index* assist direct service providers?

The *Elder Index* provides a much-needed tool for service providers to accurately evaluate the impact of their programs, and to seek additional foundation/public funding.

12. How does the *Elder Index* assist advocates?

Using the reliable, realistic *Elder Index* to communicate with decision makers advocates can more effectively make the case for and bring about policy change.

13. How does the *Elder Index* assist individuals?

Equipped with reliable data on the income needed to make ends meet in retirement, adults of any age can make informed decisions about *when* and *where* they retire, how much they need to save now, and whether they will need to continue working even after they formally "retire."

14. How do I get more information about the *Elder Index* for my county?

To view the *Elder Index*—and the number of elders struggling to get by on incomes below the Elder Index live in your county—go to <http://www.insightccd.org/communities/ecounty.html>

15. How can my organization become involved in the *Cal-EESI* coalition?

For more information, contact Susie Smith at ssmith@insightccd.org. To join our listserv, go to <http://www.insightccd.org/communities/elistserv.html>. To sign our petition in support of the *California Elder Index*, go to <http://www.insightccd.org/communities/epetition.html>.



Wider Opportunities for Women

www.wowonline.org



www.insightccd.org



www.healthpolicy.ucla.edu