



Wider Opportunities for Women



1. What is the Wisconsin Elder Economic Security Initiative?

The National Elder Economic Security Initiative™ Program (the Initiative) offers a conceptual framework and concrete tools to shape public policies and programs to promote the economic well being of older adults. The Initiative combines coalition building, research, education, advocacy and a media strategy at the community, state and national level. Underpinning the Initiative is the National Elder Economic Security Standard™ Index (the Index), a new tool for use by policy makers, older adults, program providers, leaders in the aging advocacy community and the public at large. The Wisconsin Index is being developed in conjunction with our national partner, Wider Opportunities for Women and the project's national research partner, the Gerontology Institute at the University of Massachusetts Boston.

2. What is the Wisconsin Elder Economic Security Standard Index (the Index)?

The Wisconsin Index is a measure of the **living expenses** for older adults in the community for housing, health care, food, transportation and minor miscellaneous costs. It is calibrated to address the specific costs of an older person's real life circumstances, rather than the antiquated "federal poverty level," which is based solely on an average older adult's food costs. The Wisconsin Index offers precise and geographically-specific information on an older adult's costs based on her particular household size, housing tenure and health.

The federal poverty level in 2008 is \$10,400 for an individual and \$14,000 for a couple. However, the Wisconsin Index's preliminary data shows that depending on their housing, health and other circumstances, elders living alone in Wisconsin need approximately \$17,000-\$23,000 and couples need approximately \$27,000-\$33,000 to cover basic living costs. Yet Social Security is the *only* source of income for one out of five seniors in Wisconsin, and the average Social Security payment for a retired elder in Wisconsin in 2008 is barely \$13,000. This is less than 75% of what the average elder in Wisconsin needs to cover basic expenses.

3. How will the Wisconsin Elder Economic Security Standard Index be used?

The information developed through the Wisconsin Index helps explain why so many older adults who are "not poor," as defined by the federal poverty level, still do not have enough income to meet their basic needs. The Wisconsin Index will answer the following questions:

- How much income – or combination of personal income and public programs – is needed by older adults living on fixed incomes to cover today's rising living expenses?
- What is the impact of public programs, such as Medicare, Medicaid, FoodShare, SeniorCare or housing assistance on an elder's evolving income and health needs?

Economic security for older adults is central to the most pressing public policy issues that face our country today. While policy makers and the public want to ensure that elder needs are met, there is an increasing concern about the economic effects of the growing cost of Social Security and Medicare – as well as for subsidized housing, increased

welfare, and other programs that are necessary to help many seniors remain independent. The need for a reliable and realistic base-measure of a minimum economic security for seniors will be increasingly necessary as these debates intensify and resources become scarcer over the next few years. The Wisconsin Index will help policy makers and administrators make informed choices on how to spend limited funds for social programs, how to benchmark the effectiveness of these funds and set a concrete goal or framework in which to develop policies as well as fund programs. The Wisconsin Index's information will also provide a tool for seniors to plan for their needs and to fulfil their own personal goals as they age.

Wisconsin Elder Economic Security Index Uses and Users

| Informs | Caregivers, Baby Boomers, and the Aging Community | Direct Service Providers | Policy Makers | Advocates |
|--|--|---|---|--|
| <i>Evidence-based policy, policy and personal decision-making</i> | Defines variety of living/caregiver circumstances and associated costs | Provides care management guide for assessing, planning for and evaluating income adequacy | Offers benchmarking tool for program and policy evaluation | Quantifies anecdotal experience of the gap between needs and resources for older Wisconsinites |
| <i>Appropriate use of public support</i> | Raises awareness of and encourages enrollment in income support programs | Increases understanding of and legitimizes use of economic support programs | Suggests guidelines for evaluating and reforming income and asset levels for public assistance. | Increases understanding of and legitimizes use of economic support programs |
| <i>Education for financial and health planning, empowerment, and proactive change</i> | Provides framework for assessing current and/or future financial self-sufficiency in retirement and encourages advocacy action | Establishes framework to educate and empower retirement and financial planning for elders, caregivers, and families | Suggests guidelines for budget appropriations and other planning processes | Supports advocacy efforts underway |

Join Wisconsin's elders, advocates, service providers and policy makers.

For your organization to be listed as an endorser of the Elder Economic Security Standard Index by supporting the following statement **send an e-mail to Betsy Abramson at abramson@mailbag.com or 608-332-7867:**

THE ELDER ECONOMIC SECURITY STANDARD™ INDEX IS A PROMISING NEW TOOL TO MEASURE THE ECONOMIC NEEDS OF OLDER ADULTS IN WISCONSIN. WE SUPPORT POLICIES THAT ENSURE ALL ELDERS AND THEIR FAMILIES CAN LIVE WITH DIGNITY AND ECONOMIC WELL-BEING.