



Wider Opportunities for Women

Elder Economic Security Initiative™ Program – October 24, 2008

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Inside this EESI Weekly Update...

On The Hill – Chair of the House Education and Labor Committee says we need to balance Wall Street bailout with investment in jobs.

Resources – The AARP Policy Institute focuses on older homeowners and the mortgage crisis. An updated Working Poor Families Project report shows how working families are unable to meet self-sufficiency. The Brookdale Foundation announces an RFP. The Urban Institute analyzes the effects of elder disabilities and retirement.

In the News – ABCNews.com reports on the increase of intergenerational homes throughout the country and the Associated Press reports on the growing number of adults taking care of elderly parents resulting in a reduced retirement.

ON THE HILL...

Rep. George Miller (D-CA), chair of the House Education and Labor Committee, said Friday we need to balance the Wall Street bailout with an economic recovery bill to address the staggering job losses of recent months, to prevent a deeper recession and help working families with grocery and heat bills. Over 760,000 jobs have been lost this year, and economists are predicting unemployment will rise to over 7 percent. Ron Blackwell, the AFL-CIO's chief economist, told Miller's committee that consumers are "pulling back sharply" and draining assets from their bank accounts.

Miller said we will need increased spending on education and skill development along with an extension of unemployment benefits and a major effort to create jobs in green industries, - building roads, bridges schools, and high-speed broadband technology. Jared Bernstein, senior economist at the Economic Policy Institute, testified that \$50 billion is needed in the form of block grants to states and Medicaid payments in order to stem job loss and service cuts resulting from growing state fiscal deficits.

RESOURCES...

AARP Public Policy Institute: A First Look at Older Americans and the Mortgage Crisis

This AARP research report shows that homeowners age 50 and older have been negatively affected by the mortgage crisis. Some older minority populations had a much higher rate of foreclosure than whites their age, and more than 684,000 homeowners over 50 were delinquent, in foreclosure, or lost their homes in the last 6 months of 2007. View the report [summary](#) and read the full report [here](#).

Working Poor Families Project: Still Working Hard, Still Falling Short: New Findings on the Challenges Confronting America's Working Families

This new report is follow-up analysis of the Working Hard, Falling Short report of 2004. Results of the study show that though families continue to work, they still are unable to meet self-sufficiency standards of states and also provide a state-by-state comparison of working families' conditions. Read the full report [here](#).

Brookdale Foundation: The Brookdale Foundation's Relatives as Parent Program (RAPP) Announces a Request for Proposals (RFP): RAPP is designed to encourage and promote the creation or expansion of services for grandparents and other relatives who have taken on the responsibility of surrogate parenting when the biological parents are unable to do so. Up to thirty local agencies will be chosen from throughout the United States through a RFP process. Each agency will receive a \$10,000 grant over a two-year period. To download the RFP guidelines and application forms, visit the Foundation's website at www.brookdalefoundation.org. The deadline is December 4, 2008.

The Urban Institute: How Do Disabilities Affect Future Retirement Benefits?

Twenty percent of all people age 51 to 55 have a work disability before the age of 62. The Urban Institute report focuses on protections built into social security and how that affects retirement benefits. Read the full report [here](#).

IN THE NEWS...

Census shows more intergenerational homes

ABC NEWS.com (KGO TV), Terry McSweeney, October 15, 2008

SAN FRANCISCO (KGO) -- New numbers from the United States Census Bureau paint a picture of the American family in flux. We are seeing a dramatic increase in the number of households where parents are living with their adult children.

Meet the Yotsuya family, there's Leslie Yotsuya-Montagna, and her mom Mimi, and there's Leslies two children, son Max and daughter Mia.

When Mimi's husband died four years ago, she moved in with her daughter.

"I do not want to go to a retirement home. I want to stay as young as I can, and as healthy as I can, and ornery as I can. I'm sorry I had to put that in," said Mimi Yotsuya.

According to new U.S. Census Bureau information, the number of parents living with their adult children skyrocketed between 2000 and 2007 from about 2.1 million in 2000, to 3.6 million in 2007 - that's a staggering 67 percent increase. Higher housing costs and the struggling economy are believed to be contributing. But perhaps the biggest single factor is, as in the Yotsuya family, intergenerational households are more common among the nation's growing number of immigrants. Leslie sought a caregiver for her 81-year-old mother using the same approach she would to find a caregiver for her children.

"Are they safe? Are they well taken care of? Do they have stimulation? Are you providing them a full life? And as a working parent and working daughter - those challenges were there," said Leslie Yotsuya-Montagna.

Kevin Reneau is owner of Senior Helpers, one of the growing number of companies that can provide such caregivers.

"We do full reference checks, we do full background checks, social security number checks; its required by our insurance companies - so they come into our homes of our senior clients - both insured and bonded," said Reneau.

But not every family integration can go as smoothly as it did for the Yotsuya family. Sometimes physical or mental issues drive the situation, and that can lead to emotional or financial problems; which is where the Family Caregiver Alliance comes in.

"The primary option is somebody living probably in an apartment nearby. Secondary, would be the assisted living type residence," said Leah Eskenaz, Family Caregiver Alliance.

Back at the Yotsuya house, we're told Max and his grandmother have become playmates, and confidants.

"In her room she secretly turns the radio on and then starts dancing to the music," said Max Yotsuya-Montagna.

Hello Mom—Goodbye Retirement

The Associated Press, October 22, 2008

Sue Martin does her best to be a dutiful and loving daughter. So when her 84-year-old mother finally retired from a family electronics business -- at age 82 -- Martin bought the small three-bedroom ranch house next door to her own home in Claymont, Delaware, and moved her mother in.

It hasn't been easy. Martin, who's divorced, had planned to retire next year from her job as a legal assistant at a pharmaceutical company. But while she has a retirement fund of her own, her mother does not.

So now, Martin plans to work, indefinitely, to help cover the portion of the mortgage and living expenses that her mother's Social Security and small allotment of food stamps don't.

"She's still very independent, just broke," says Martin, who's 59.

Indeed, Betty Gresick is spry and healthy. She's an avid piano and bridge player and is able to drive to visit friends in the Delaware town where she and her late husband ran the family business -- one that, unfortunately, had little net worth when she sold it.

"He didn't look past his nose when it came to the future," Gresick says of her husband. "So here I am with nothing to show for those years."

Financing parents' retirement

Even into adulthood, there is this notion that parents will be there to take care of us, emotionally or financially, possibly with a nice inheritance. That's still the case for many families. But increasingly, adult children like Martin are finding themselves cutting into their own savings and retirement funds or even going into debt to support their aging parents.

"The fact of the matter is there's only so many dollars to go around," says Dan White, a financial adviser with Daniel A. White & Associates in Glen Mills, Pennsylvania.

He and others see it all the time: Retirees are facing massive health care costs. They're living longer, so retirement funds are being depleted. And now rising prices, for everything from food to gas and heating oil, are only making matters worse. Recent statistics from the U.S. Census Bureau found that the number of parents who've moved into their adult children's homes increased 67 percent, from about 2.1 million in 2000 to 3.6 million last year.

Other children are supporting parents who live in a separate home and who, in some cases, aren't even of retirement age.

"It's a lot more common than people realize," says Donna Wagner, director of gerontology at Towson University in Maryland. "One of the issues is that people don't talk about this, maybe only to their best friend."

Wagner, who oversaw a caregiver survey last year, found that respondents spent an average of 10 percent of their income to support parents.

She recalls one woman from the survey who was among a small group who kept a diary. She had four siblings, but was the only one willing to have her dad, who was 50, move in with her.

"He just couldn't keep a job. There's all that kind of messy stuff, too. It's not just sickness," Wagner says. "There are a lot of people operating on the margin."

She says she last she heard from the woman about a year ago, shortly before the woman's phone was disconnected.

Social Security cuts

A product of the Depression era, Gresick prides herself on her ability to do without and to help herself when she can.

So to cover her bills, she got a job playing piano during Sunday services at a nearby church. She and her daughter reported the income to the Social Security Administration -- and they, in turn, cut her benefits by the same amount she was making.

"Basically, it's a bummer," Gresick says.

They are appealing. But in the meantime, Martin has had to pick up more of her mother's growing expenses. Besides covering a good chunk of the mortgage, she pays for her mother's water and lawn care and tries to help with the monthly heating oil bill, which has doubled from \$100 to \$200 since last year. She also gives her cash whenever she runs out.

On weekends, they eat dinner together. And Martin cooks "lots of extras" so she can send them home with her mother for leftovers for the week.

"It's tough having an older family member, trying to give them the same quality of life as they always had," says Martin, the only member of her family who's in a position to help her mother right now.

Gresick, meanwhile, watches as her friends take shopping trips and travel, "hither and yon."

"Fortunately, they have not asked me to do anything I can't afford," she says.

She doesn't sound sorry for herself when she says this -- maybe just a little surprised that she's in this position. Her own mother, who lived to 100, didn't travel until she was 80, she says. "I'd love to do that, too," Gresick says. "But I can't."

Where to get help

Some investment firms and employers have begun offering services to address the stress and worry associated with aging, especially as the oldest baby boomers hit retirement age.

Harris Private Bank, for instance, offers a service that helps adult children coordinate their parents' bill paying, tax returns, investment management and even their health care services. Oppenheimer Funds Inc. is among those that educates financial advisers with a growing number of clients in the so-called "sandwich generation," those who are supporting both aging parents and their own children.

Meanwhile, AstraZeneca PLC, the pharmaceutical company where Martin has worked nearly 20 years, is among employers that offer eldercare benefits. They include assessments of an elderly relative's medical, social and functional needs, with recommendations for support and care. There's also an eldercare support group with about 400 employee members, as well as some reimbursement for last-minute in-home care for a parent or child.

If nothing else, Martin says it would be nice to have someone to talk to about her situation. "I do feel kind of alone," she says.

She mentions several times how much she loves having her mother next door.

But beyond delaying retirement, she's also had to cut back. "Oh, let me count the ways," she says, noting how she used to take regular vacations, private ballroom dance lessons and trips to the opera.

She also discovered that her mother canceled her life insurance to save some money, so she'll be responsible for her burial expenses. So when Gresick mentioned that she was going to cancel her insurance for in-home care, Martin quickly stepped in: "Oh no, you're going to keep that one," she said.

The 'upside'

Hugh Delehanty, editor-in-chief of AARP Publications, knows what it's like. He helped take care of his father and now helps support his mother-in-law.

"People sacrifice their own dreams sometimes," says Delehanty, co-author of the book "Caring for Your Parents."

He has little doubt that those sacrifices will only become greater in this economy. "But I think there will be an upside to all of this," he says. "It will bring people together and strengthen connections."

Besides the time she gets to spend with her mother, Martin says she has experienced that connection. She sings in the church choir now and goes to Bible study. She's also gotten to know her neighbors better.

Still, both daughter and mother are worried, wondering if the day will come when they'll have to move in together.

"We love each other. But you can't have two bosses in one house," Gresick says with a slight chuckle.

"I hope it doesn't come to that. But if it does, I would accept that gracefully."

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