

California Elder Economic Security Initiative & Elder Economic Security Standard Index

Frequently Asked Questions

Q: What is the *Elder Economic Security Standard™ Index (Elder Index)*?

A: The *Elder Index* is a tool that accurately quantifies how much it takes for seniors to make ends meet. It is the *only* elder-specific financial measure of its kind. The methodology was developed by WOW and the Gerontology Institute at the University of Massachusetts-Boston, and applied by the UCLA Center for Health Policy Research in California (www.healthpolicy.ucla.edu).

Q: Why should I care about the economic security of older Americans?

A: Far too often, older adults in our communities struggle to make ends meet – losing the roof over their heads, delaying needed medical attention, or skipping a meal. Elders have already paid their debt to society. They have worked hard, raised their families, and paid their taxes. They deserve to retire with dignity and economic well-being.

Q: What does the *Elder Index* measure?

A: The *Elder Index* is a county-specific measure of the minimum income necessary to cover *all* of a senior's basic expenses—housing, food, medical care, and transportation.

Q: How is the *Elder Index* different from the Federal Poverty Guidelines?

A: The *Elder Index* is based on *all* of the costs older adults face and it is specific to an individual's housing situation, age, health status, and county of residence. The *Elder Index* shows that hundreds of thousands of older adults who are not 'poor', as defined by the Federal Poverty Guidelines (FPL), still do not have enough income to meet their most basic needs.

The FPL, which is often used to determine eligibility for public programs and state and local funding levels, is a 1963-4 measure that is the same dollar amount across the country: \$10,830 in 2009 for a one-person household. The FPL is so low because it is based *only* on the cost of a bare-bones diet—failing to account for local housing, transportation and, most importantly, medical costs, which can be particularly debilitating for the elderly.

Q: Where does the data featured in the *Elder Index* come from?

A: 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 for housing, food, health care, and transportation.

Q: How do elders survive living on incomes below the *Elder Index*?

A: They struggle to meet their daily expenses, doing things like choosing between food and medicine, borrowing money from friends and family, maxing out their credit cards—or, if they are homeowners, borrowing against the equity in their homes.

Q: How many elders have incomes below the *Elder Index*?

A: In 2007, 1.76 million (47%) seniors in California survived on incomes below the *Elder Index*. Yet, the official poverty measure identified only 8% of those seniors in need. The other 39% (1.46 million) were not considered 'poor' and were therefore unable to access many critical supports. These numbers, produced by UCLA Center for Health Policy Research, will be updated again in 2011-2012.

Q: What is the *California Elder Economic Security Initiative (Cal-EESI)*?

A: *Cal-EESI* is a statewide, research-driven initiative at the forefront of a national movement to ensure that older Californians have the resources needed to live with dignity and economic well-being. Our goal is to transform the way we measure and address the economic needs of older adults. It 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.

Q: Who makes up *Cal-EESI*?

A: *Cal-EESI* is a broad-based coalition of organizations dedicated to ensuring the well-being of elders and their families in California. *Cal-EESI* includes: policymakers, advocates, public agencies, researchers, service providers, foundations, seniors, and senior membership organizations. We are part of a national movement, in partnership with [Wider Opportunities for Women](#) (WOW) in Washington D.C.

Q: What can we do about the economic problems elders face in our communities?

A: Urge policymakers, advocates, foundations, public agencies, and direct service providers to adopt the *Elder Index* to measure and address the economic needs of older adults, so that *all* older Californians can live with dignity and economic well-being.

Q: How does the *Elder Index* assist direct service providers?

A: The *Elder Index* provides a much-needed tool for service providers to accurately evaluate their needs and seek additional private funding to increase their capacity.

Q: How does the *Elder Index* assist advocates?

A: Advocates are better able to make the case for policy change to improve the lives of seniors by using the data-driven *Elder Index* to communicate needs.

Q: How does the *Elder Index* assist policymakers?

A: Policymakers use the *Elder Index* to craft more effective state and local programs for older adults. Leaders are able to more accurately evaluate policy decisions by using the *Elder Index* – ultimately improving the efficiency of existing services by measuring the economic impact of programs and directing limited funds to the most effective programs.

Q: How does the *Elder Index* assist individuals?

A: Adults of any age use the *Elder Index* to make informed decisions about when and where to retire, how much to save, and whether they need to continue working even after they formally “retire.”

Q: How do I get more information about the *Elder Index* for my county?

A: To view the *Elder Index* for your county, go to <http://www.insightccd.org/elder-index.html>.

Q: How can my organization become involved in the *Cal-EESI* coalition?

A: For more information, contact Susie Smith at ssmith@insightccd.org. To join our listserv, go to: <http://www.insightccd.org/take-action.html>. For information on how leaders across the state are using the *Elder Index*, go to: <http://www.insightccd.org/elder-index-uses.html>



Wider Opportunities for Women

www.wowonline.org



www.healthpolicy.ucla.edu