



Report Shows Federal Poverty Guidelines Leave State's Seniors Destitute

Californians lead national trend to reassess seniors' economic needs; new data to be released today at state Capitol

Data and research on what it really takes for seniors to make ends meet in each of California's 58 counties will be released today at the state Capitol in Sacramento.

The release is the latest update of the Elder Economic Security Standard Index (Elder Index), a tool that measures the actual costs of basic necessities for older adults. The Elder Index is quickly replacing federal poverty level (FPL) guidelines as a new standard for evaluating and meeting the needs of seniors across California.

"This year, the federal government officially acknowledged it's time to improve the outdated federal poverty guidelines by announcing that it will release a 'supplemental poverty measure' in the fall of 2011 — a baby step in the right direction," said state Assemblyman Jim Beall Jr. (D—San Jose). "California has the largest senior population in the country, so we simply can't afford to take baby steps. That's why we are embracing the Elder Index, from City Hall to the state Capitol."

Calculated by the UCLA Center for Health Policy Research on behalf of the Insight Center for Community Economic Development, the new Elder Index data show that the cost of living for California seniors far outpaces the FPL guidelines in every county in California. Even in Kern County, the county with the lowest Elder Index ranking, real costs add up to \$6,447 more than the FPL's nationwide, one-size-fits-all amount of \$10,830 per year.

"One size does not fit all," said Steven P. Wallace, Ph.D., associate director of the UCLA Center for Health Policy Research and the lead author of "Older Adults Need Twice the Federal Poverty Level to Make Ends Meet in California," the policy brief containing the new data. "California's high costs make a single national income standard like the FPL totally inadequate for seniors."

The inadequacy of the FPL is important to California's older adults since it is used to determine income eligibility for many public programs and allocate funding for other programs. It is also used as an evaluation measure when determining program effectiveness. Yet unlike the Elder Index, the FPL is the same dollar amount across the country, and it is based on the cost of food alone.

Assemblyman Beall and Assemblywoman Mariko Yamada (D—Davis), chair of the Assembly's Committee on Aging and Long-Term Care, will present the new Elder Index data at a legislative and press briefing today at the state Capitol from 11:30 a.m. to 1 p.m., in Hearing Room 112. Interview opportunities will immediately follow the briefing.

As the FPL's inadequacies have become evident, California leaders across the state are increasingly using the Elder Index to ensure that older Californians have the resources to live with dignity and economic well-being:

- * Sixty percent of the public Area Agencies on Aging in California now use the Elder Index in their strategic plans to help older adults in their efforts to age at home independently.

- * Senior service organizations such as the Senior Community Centers in San Diego, St. Barnabas Senior Center in Los Angeles and the National Council on Aging are using the Elder Index to determine membership costs for home-care programs, track older adults' progress toward economic stability and quantify the impact of their services.

- * State legislators, such as Assembly members Beall and Yamada, are using the Elder Index to more accurately evaluate the effectiveness of existing programs and plan for future solutions.

- * A national demonstration project launching this month in Los Angeles uses the Elder Index to assess the full array of economic challenges seniors face. This 'ElderConnect' program, a partnership between the Insight Center, the city and county of Los Angeles, and the National Council on Aging, then matches

500 seniors with programs and services that can help them and follows up to ensure that these older adults actually receive seamless services over time.

"We are thrilled to see the enthusiasm with which Californians have embraced the Elder Index," said Susan E. Smith, director of the California Elder Economic Security Initiative at the Insight Center. "Once again, California is helping to lead the nation in what is fundamentally an issue of justice — our parents and grandparents deserve to be treated with the respect they have earned. It is our responsibility to help make their golden years as secure and stable as possible."

Introduced just two years ago, the Elder Index is far more accurate than the FPL because it is a county-specific benchmark that shows how much it costs retired older adults to cover all of their most basic needs — food, housing, health care, and transportation — while living independently.

The data being released today was calculated using the most up-to-date publicly available data from several different federal agencies.

Read the policy brief, "Older Adults Need Twice the Federal Poverty Level to Make Ends Meet in California."

See the latest (2009) county-specific Elder Index data, and compare with 2007 data.

See how the Elder Index is being used by organizations across California.

Learn more about the Elder Index.

The Insight Center for Community Economic Development is a 40-year-old national research, legal and consulting organization dedicated to building economic health in vulnerable communities.

The UCLA Center for Health Policy Research is one of the nation's leading health policy research centers and the premier source of health-related information on Californians.

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