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Not quite poor, but struggling: Do seniors need their own poverty index?

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Contra Costa Times

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OAKLAND -- The proportion of America's seniors living in poverty dropped last year to just under 9 percent, a hopeful statistic in an otherwise dismal report on poverty released Thursday by the U.S. Census Bureau.

Local senior advocates, however, say the numbers mask some of the financial struggles older residents face living in the Bay Area, where the cost of living is high.

"The seniors have it tougher than the regular people," said Richmond senior advocate and retired United Parcel Service worker Fred Jackson, 73. "I always thought that seniors were cheaper, but as you get older, you become more dependent on the services provided."

Some advocates are pushing for a new way of measuring who has the resources needed to make ends meet. The federal poverty line, which the government uses to determine poverty, is the same for everyone in the contiguous 48 states, no matter the local cost of living.

The poverty line is determined by income and family size -- for a single person, being poor means making about \$11,000 or less a year. But that amount of money buys more in some states than it does in California, especially in the pricey Bay Area.

An "Elder Index" created by the UCLA Center for Health Policy Research finds that East Bay residents over age 65 would need more than \$24,000 annually to make ends meet if they are a single renter, and more than that if they are paying a mortgage on their home. Even a single homeowner with

the mortgage paid off would need almost \$18,000 -- well over the poverty line -- to cover basic necessities while living in the region. And these figures all assume that a senior is in good health.

The problem with the federal poverty threshold is that it is rooted in the cost of food, and ignores the stark geographical and demographic differences in the costs of housing, medical care and transportation, argue researchers with the Oakland-based Insight Center for Community Economic Development, which is pushing for state officials to take the "Elder Index" into account.

"They're dependent on everything to get around," Jackson said of many people his age. "Young people can walk to the bus stop, walk to where they need to get food. A senior needs to have transportation."

Jackson said he used to think of himself as the "Incredible Hulk," secure after careful financial planning decisions and a long life of hard work, but changed his thinking after a stroke a decade ago and after almost losing his house in 2006.

Census officials have acknowledged that the official poverty threshold, while regularly updated for inflation, lacks some of the nuances needed to fully



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understand economic conditions.

Next year, the Obama administration plans to launch a supplemental measure that looks beyond cash income to measure poverty, although the traditional poverty measure will still be used to determine who is eligible for social services.



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