

California Elder Economic Security Initiative & Elder Economic Security Standard Index

Frequently Asked Questions

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

A: *Cal-EESI* is a statewide, research-driven initiative at the forefront of a national effort to raise awareness and shape policy to ensure that older Californians can live with dignity and economic well-being in their own homes. 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. The Insight Center was founded in 1969 as the National Economic Development and Law Center (NEDLC).

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, going without needed medical attention, and finding themselves unable to eat enough food to remain healthy. Elders have already paid their debt to society. They have worked hard – paid their taxes – and they deserve to retire with dignity and economic well-being

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. The California Coalition includes: policymakers, advocates, researchers, direct service providers, public agencies, seniors, non-profits, grant-makers, and senior membership organizations. *Cal-EESI* is part of a national movement, led by Wider Opportunities for Women (WOW) in Washington D.C (www.wowonline.org).

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

A: The *Elder Standard Index* is a new tool that quantifies the actual costs of meeting the basic needs of older adults. 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: What does the *Elder Standard Index* measure?

A: The *Elder Standard Index* measures how much income is needed for a senior with a given life situation and geographic location to adequately meet his or her basic needs – without public or private assistance. The *Elder Standard Index* essentially quantifies basic living expenses for elders 65 and older in the community – not in institutions.

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

A: The *Elder Standard Index* is based on the costs individuals face on a daily basis – housing, food, health care, transportation, miscellaneous costs – and provides a complete picture of what it takes for seniors to make ends meet. The *Elder Standard Index* shows that many older Americans who are not poor, as defined by the Federal Poverty Line (FPL), still do not have enough income to meet their basic needs.

In contrast, the FPL, is an outdated measure based on data from the 1950's that is based solely on the cost of the basic food budget needed to meet minimum nutritional requirements. At \$10,210 for a single adult, the FPL fails to take into account housing and transportation costs, it does not vary by geography, and, most importantly, medical costs, which can be particularly debilitating for the elderly.

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

A: The *Elder Standard 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 items such as housing, health care, transportation and long-term care.

Q: How do elders survive living on incomes below the *Elder Standard 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 home-owners, borrowing against the equity in their homes.

Q: How many elders fall below the new *Elder Standard Index*?

A: The next phase of research using the *Elder Standard Index* will analyze the number of older adults whose incomes are below the *Elder Standard Index* – by race, ethnicity, gender and geographic region. This data will be released in the second half of 2008.

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

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

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

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

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

A: Advocates can more effectively make the case for and bring about policy change, using the reliable, realistic *Elder Standard Index* to communicate with decision makers.

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

A: Policymakers can more accurately evaluate policy decisions on elder issues using the *Elder Standard Index* – ultimately improving the efficiency of existing services by measuring which programs and policies are most effective in helping elders reach economic security, and directing limited funds to the appropriate programs.

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

A: Equipped with reliable data on the income needed to make ends meet in retirement, adults of any age can make informed decisions about *when* and *where* they retire, how much they need to save now, and whether they will need to continue working even after they formally “retire.”

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

A: To view the *Elder Standard Index* for your county, go to <http://www.insightcced.org/index.php?page=elder-standard-county>.

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

A: For more information, contact Susie Smith at ssmith@insightcced.org. To join our listserv, go to <http://www.insightcced.org/index.php?page=ca-eesi-listserv>. To sign our petition in support of the *California Elder Standard Index*, go to <http://www.insightcced.org/index.php?page=Elder-Standard-Petition>.



Wider Opportunities for Women

www.wowonline.org



www.healthpolicy.ucla.edu