

Income security among older adults in Massachusetts: The 2016 Elder Index

Massachusetts Association of Councils on Aging
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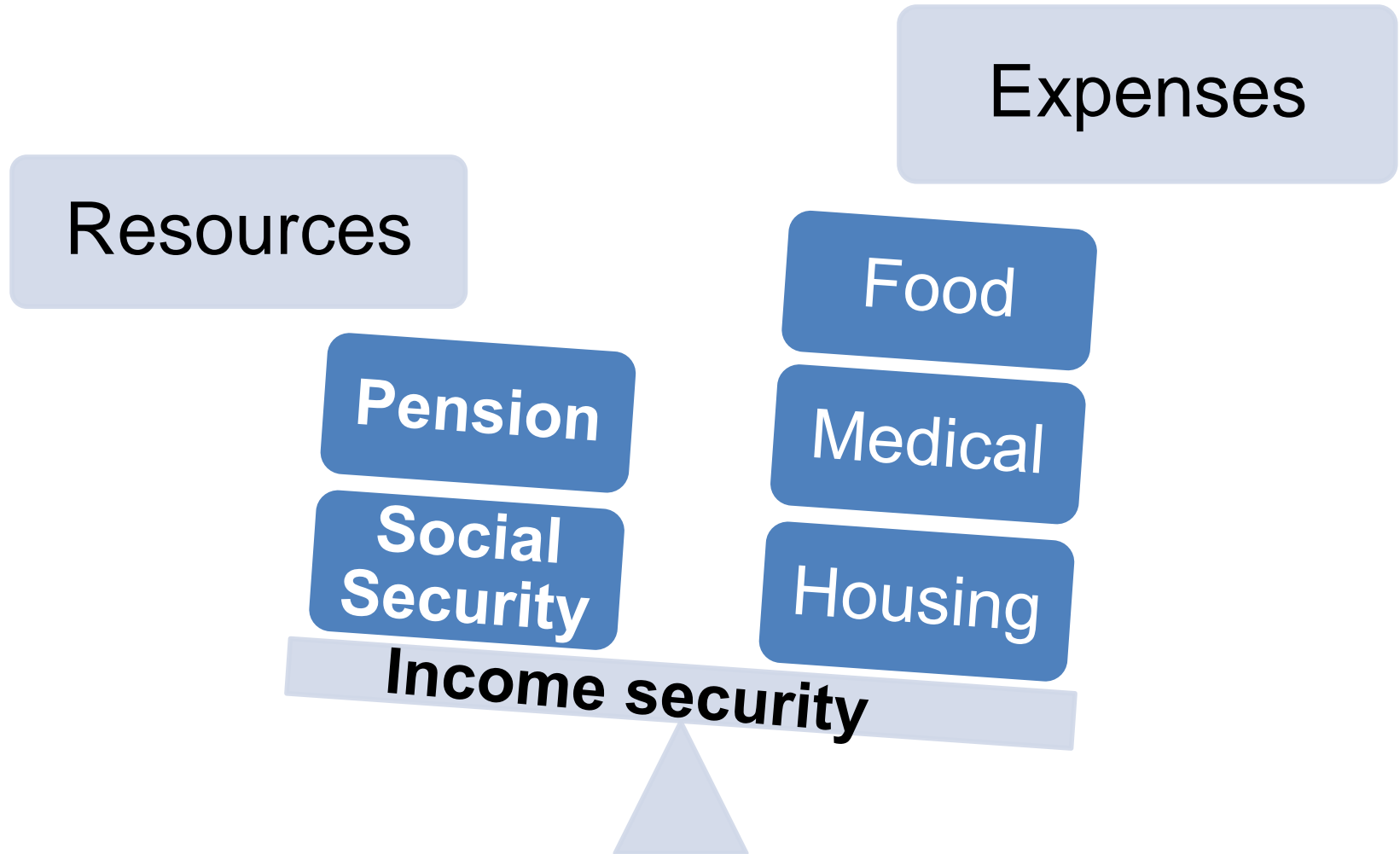
Mary Kay Browne

MCOA

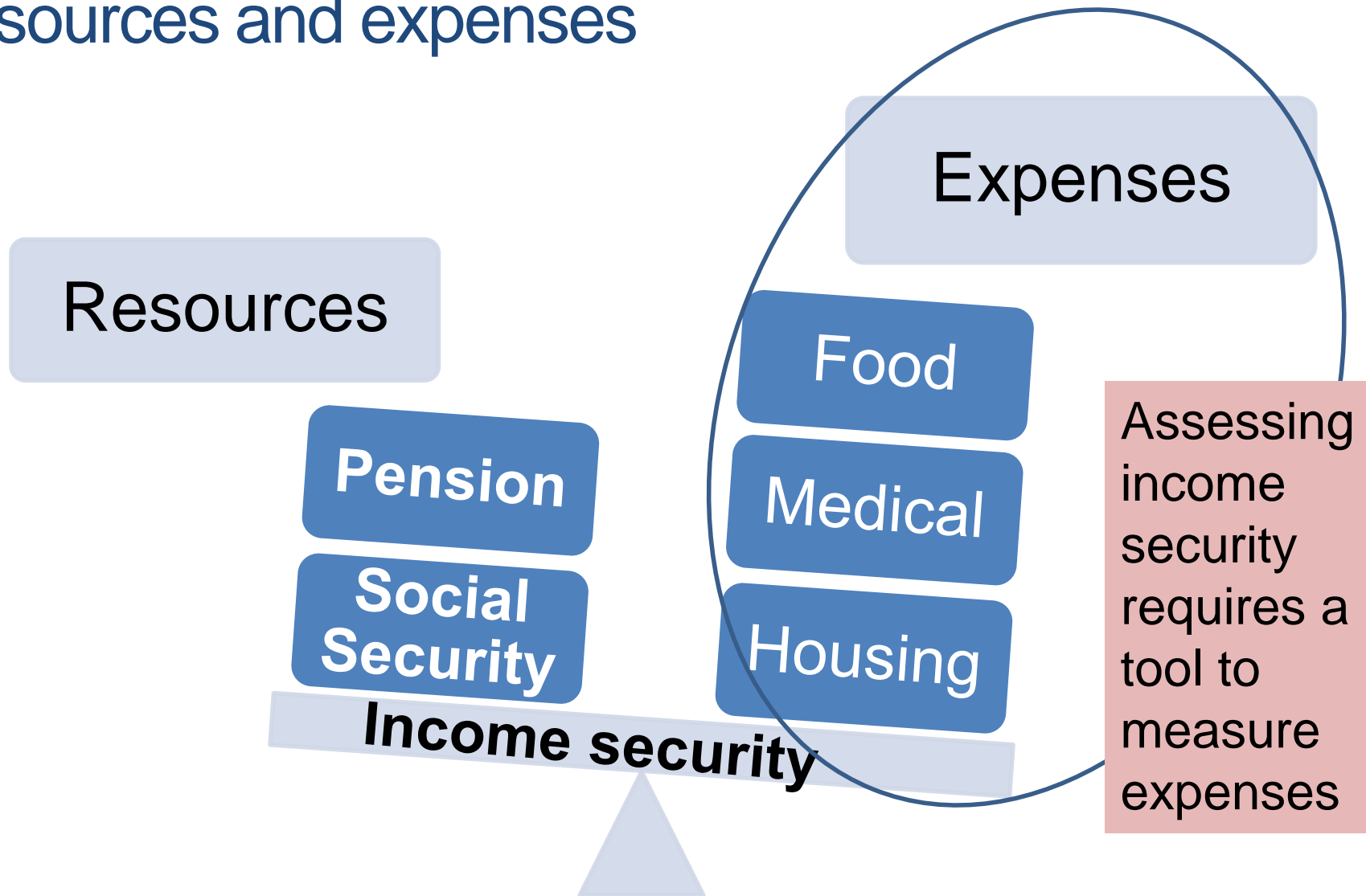


At the Center of it All

Income security reflects a ***balance*** between resources and expenses



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The Elder Economic Security Standard Index (Elder Index)

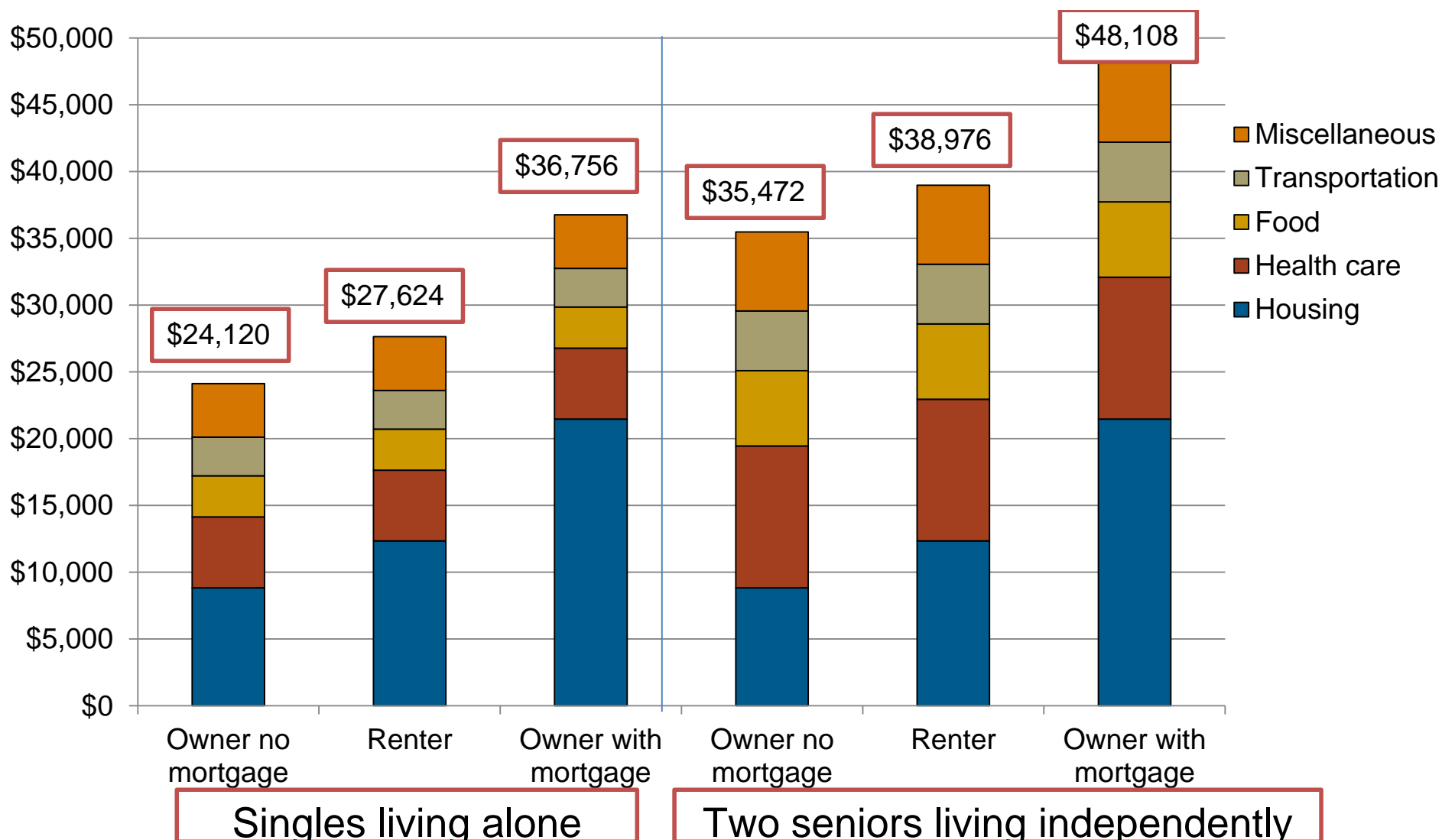
- A measure of the cost of living independently in the community for older adults age 65+
- Originally developed at UMass Boston; expanded nationwide in partnership with WOW
- First nationwide calculation and distribution: 2011
 - Annual updates using the Consumer Price Index
- 2016 Elder Index has just been released! In collaboration with NCOA, our national partner

The Elder Index is different from the poverty line

- The Elder Index assesses the cost of living independently in the community without relying on public supports, transfers, financial assistance from family members, and the like
- The Elder Index includes geographic adjustments based on cost of housing, health care, and transportation, at the county level
- Each component of the Elder Index reflects costs experienced by seniors, rather than costs experienced by residents of all ages

The 2016 Massachusetts Elder Index

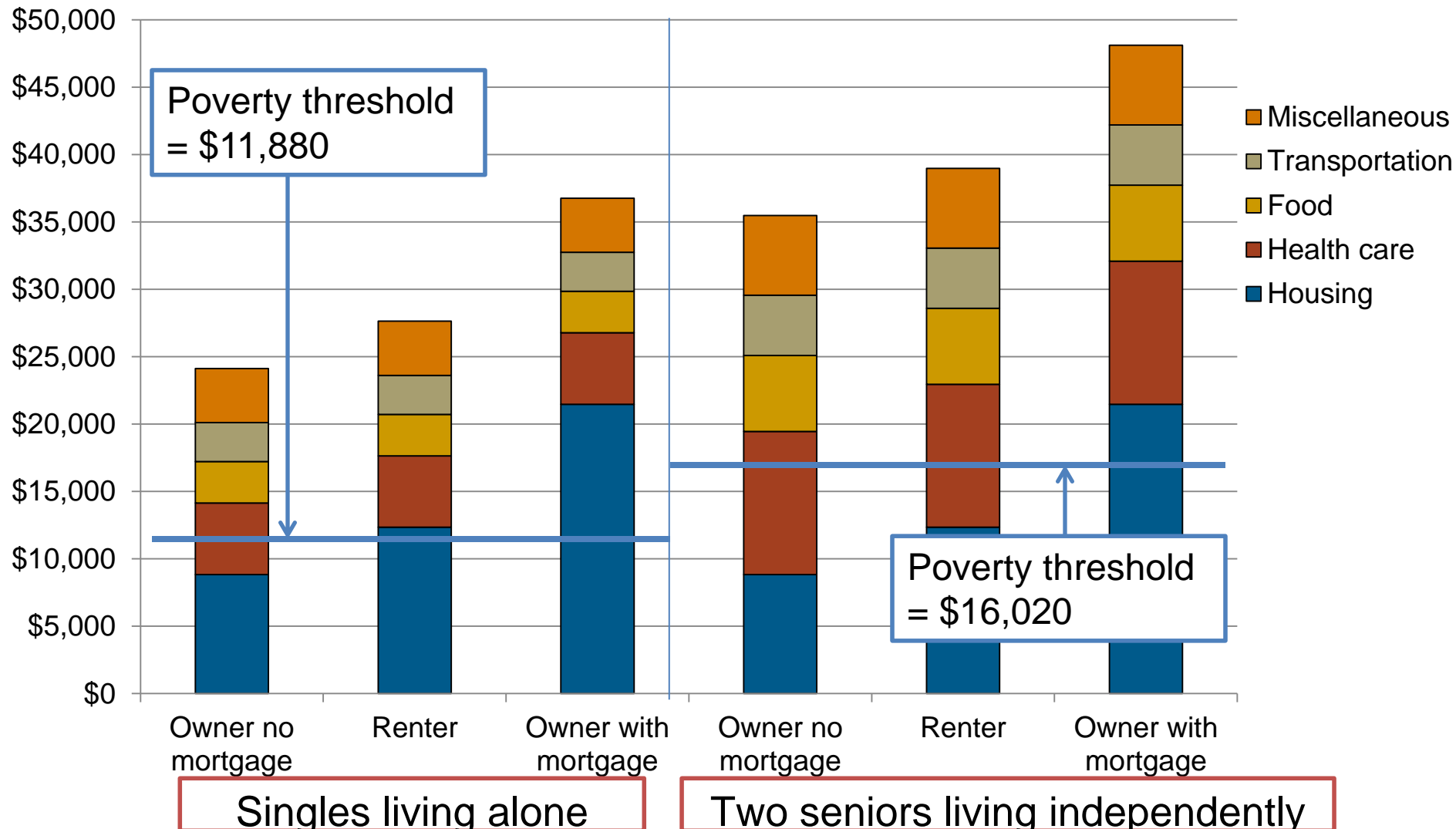
Elder Economic Security Standard Index, Massachusetts average, 2016 (annual \$)



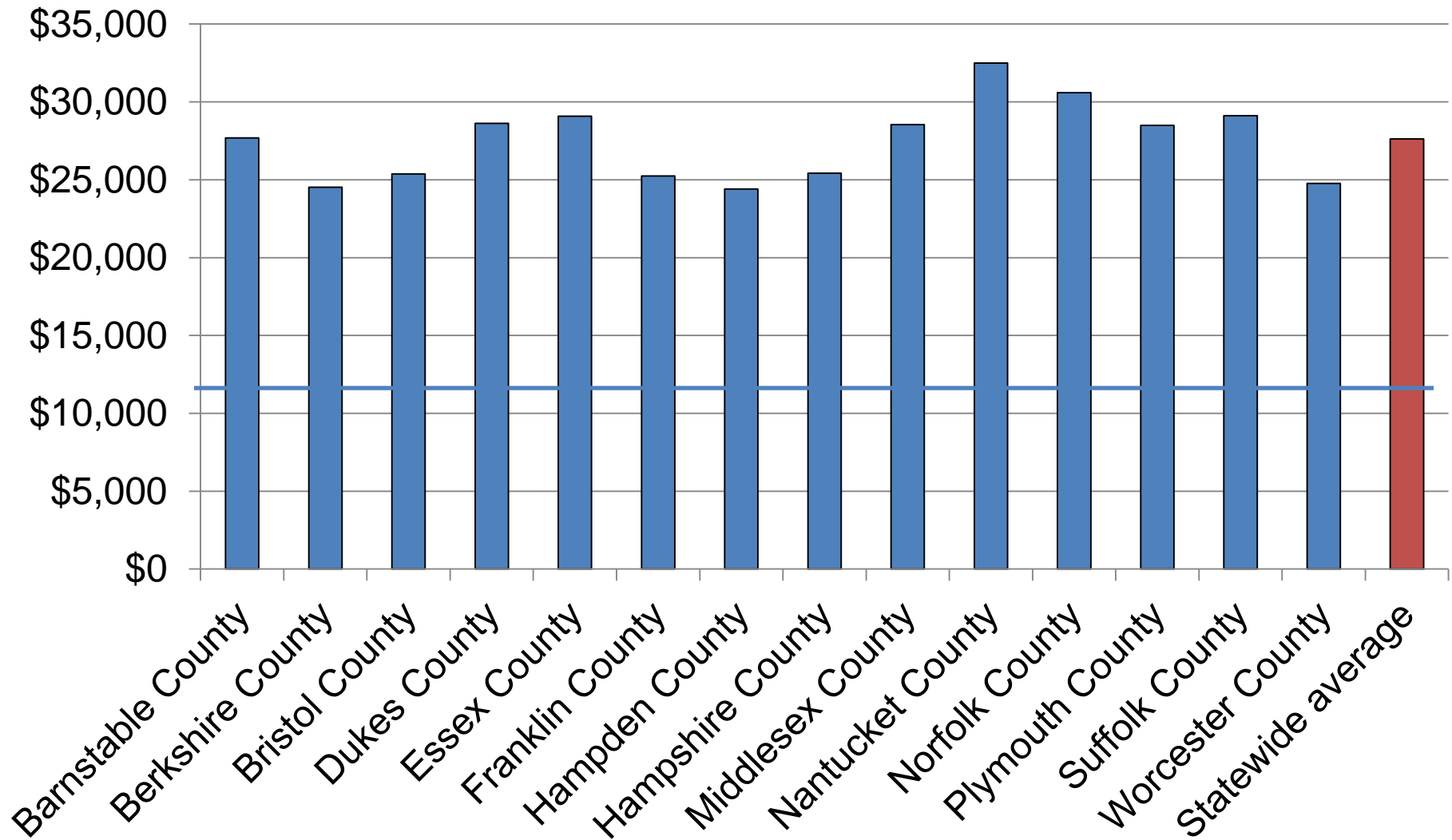
Elder Index for Massachusetts 2016

| | Elder Person | | | Elder Couple | | |
|-----------------------|--------------------|----------|-------------------|--------------------|----------|-------------------|
| | Owner w/o Mortgage | Renter | Owner w/ Mortgage | Owner w/o Mortgage | Renter | Owner w/ Mortgage |
| Housing | \$736 | \$1,028 | \$1,789 | \$736 | \$1,028 | \$1,789 |
| Food | \$256 | \$256 | \$256 | \$470 | \$470 | \$470 |
| Transportation | \$241 | \$241 | \$241 | \$373 | \$373 | \$373 |
| Health Care | \$442 | \$442 | \$442 | \$884 | \$884 | \$884 |
| Miscellaneous | \$335 | \$335 | \$335 | \$493 | \$493 | \$493 |
| Elder Index Per Month | \$2,010 | \$2,302 | \$3,063 | \$2,956 | \$3,248 | \$4,009 |
| Elder Index Per Year | \$24,120 | \$27,624 | \$36,756 | \$35,472 | \$38,976 | \$48,108 |

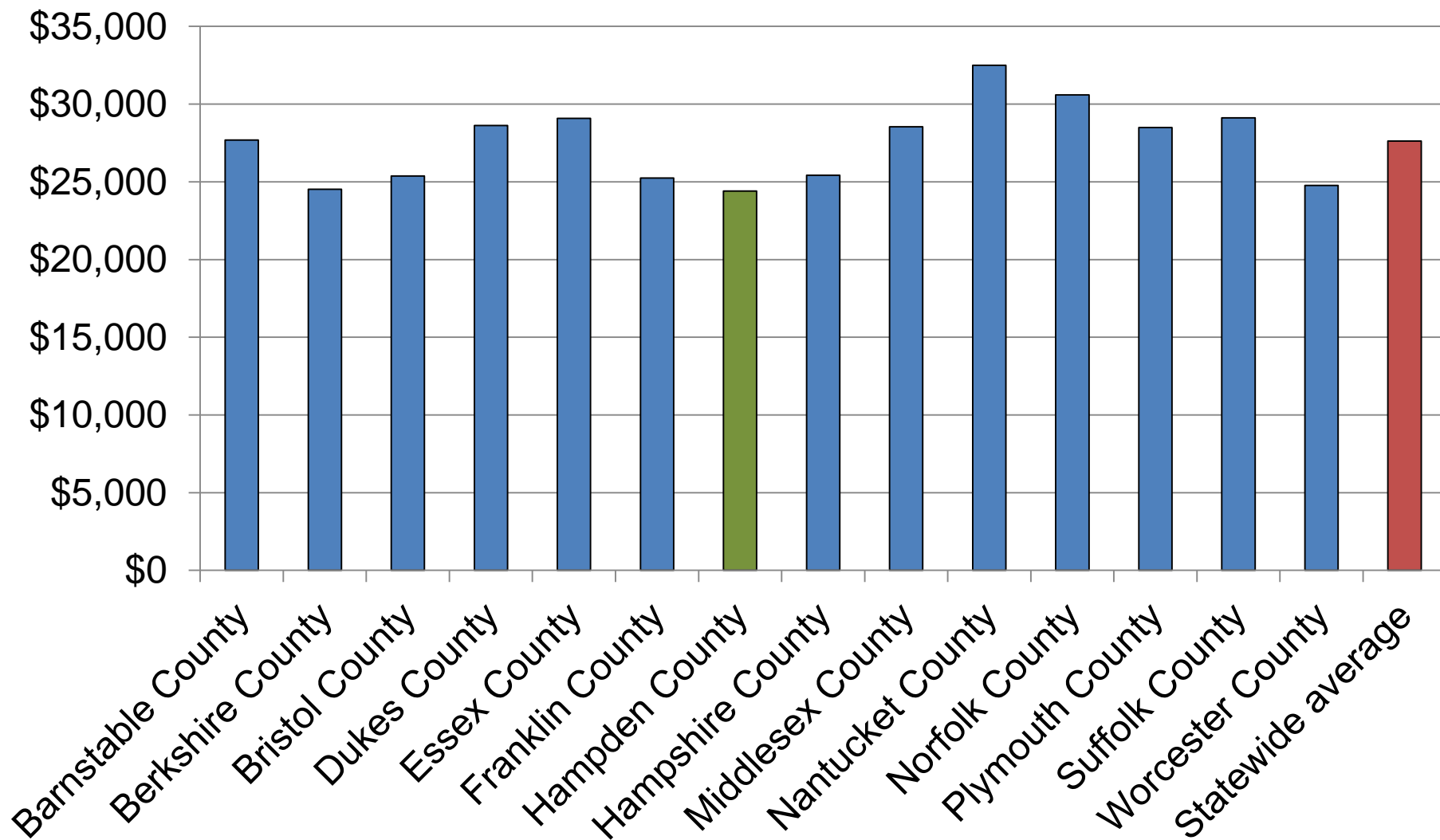
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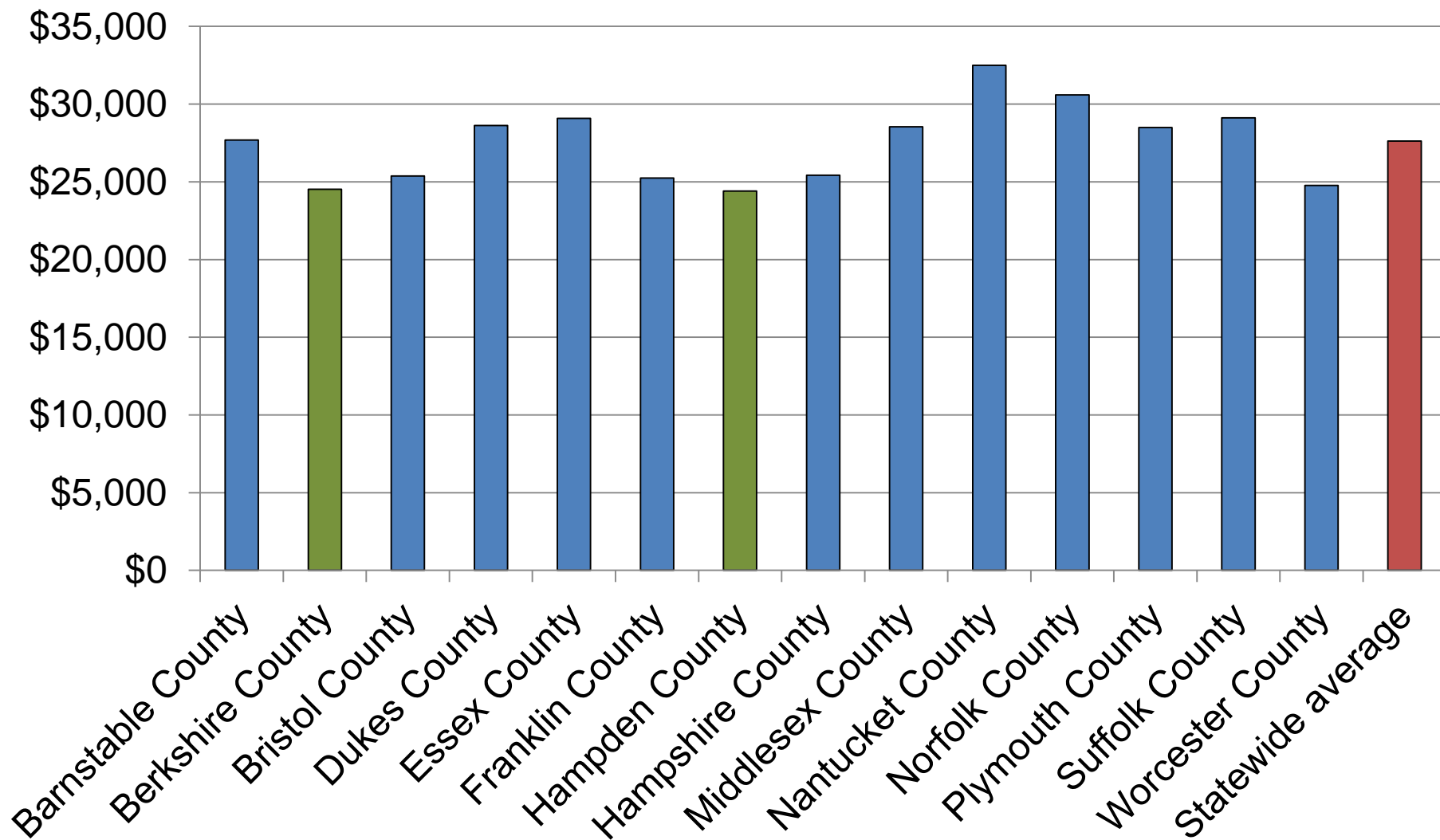
Elder Index for Massachusetts singles: renters, 2016



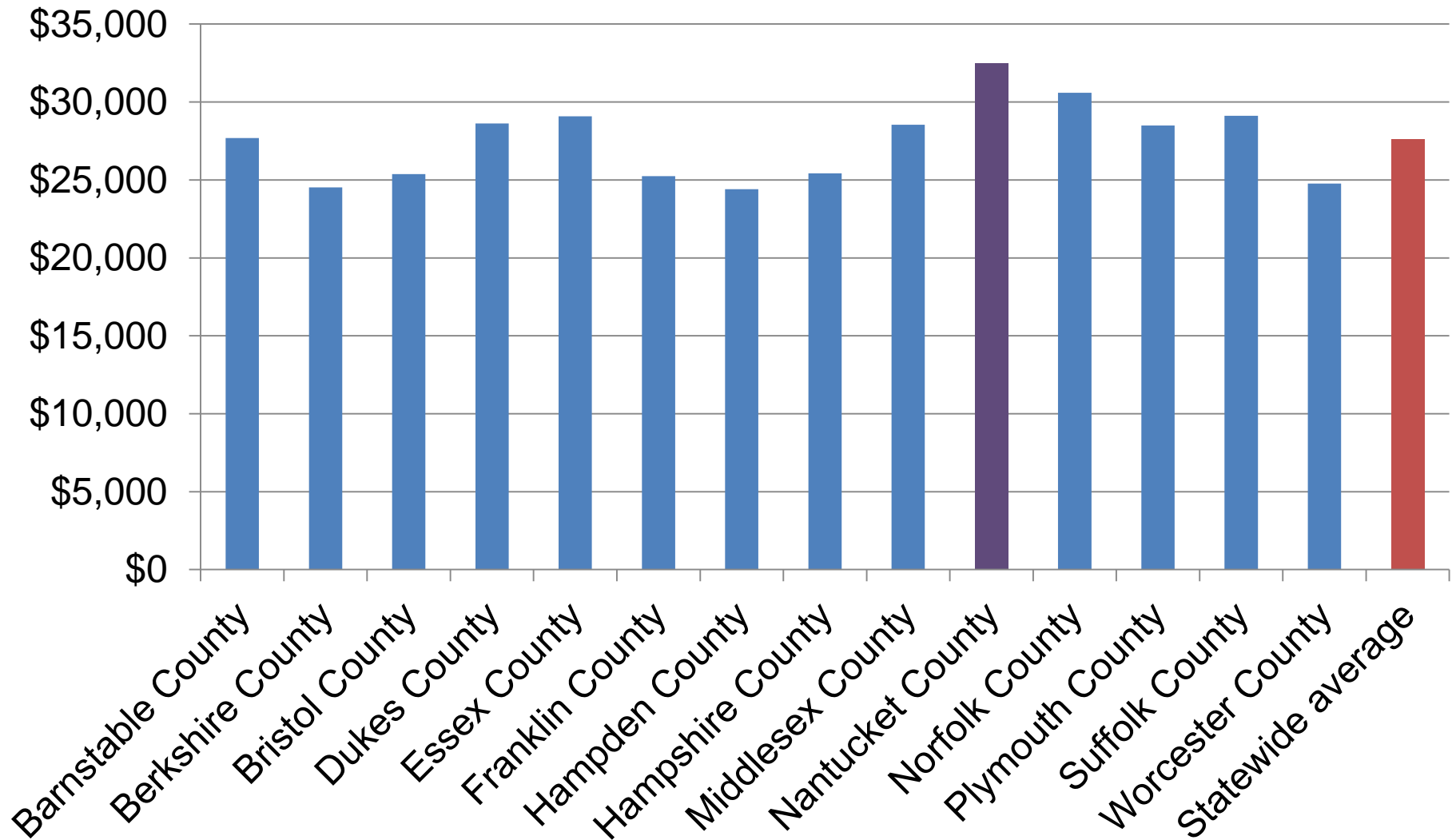
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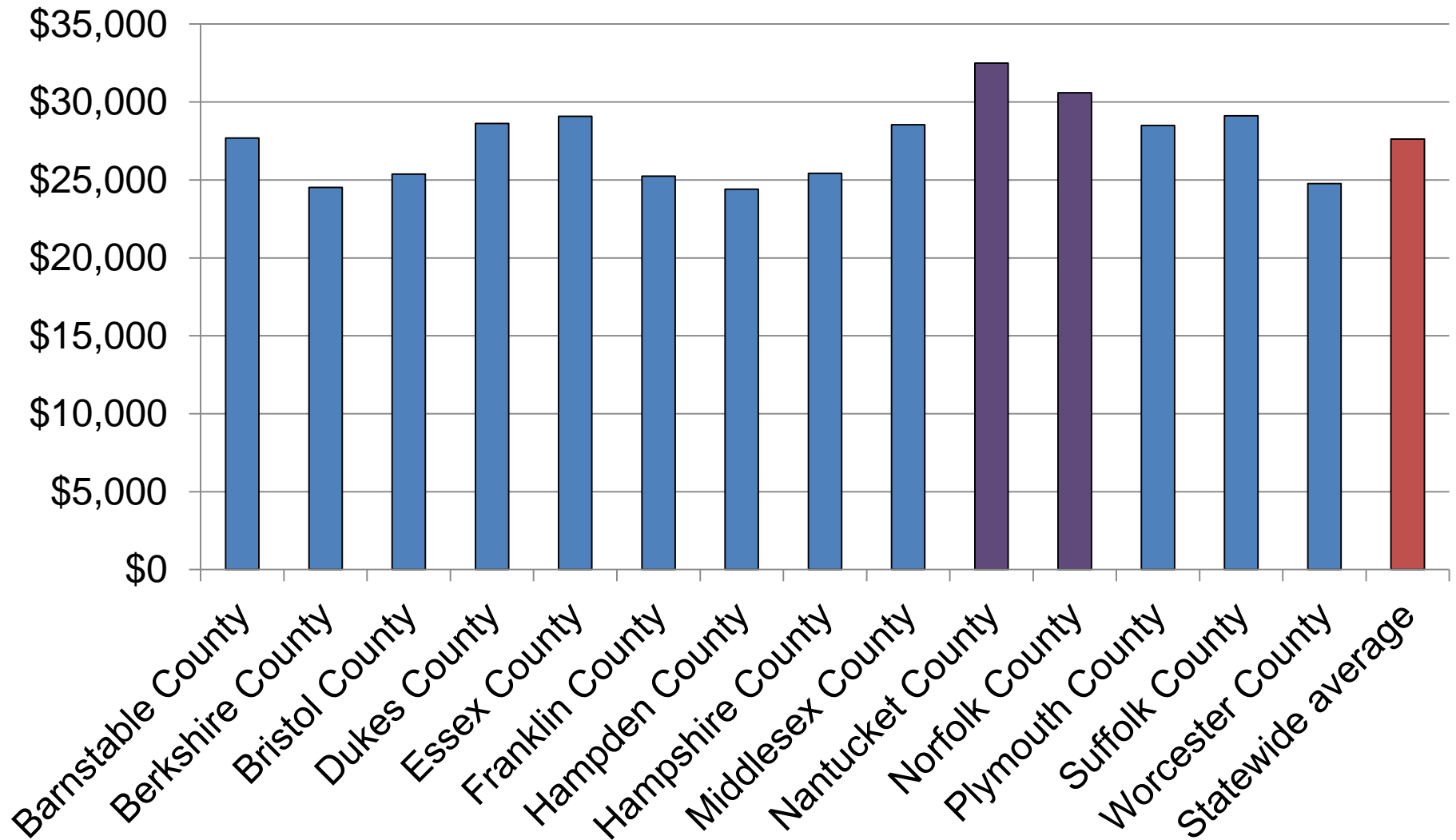
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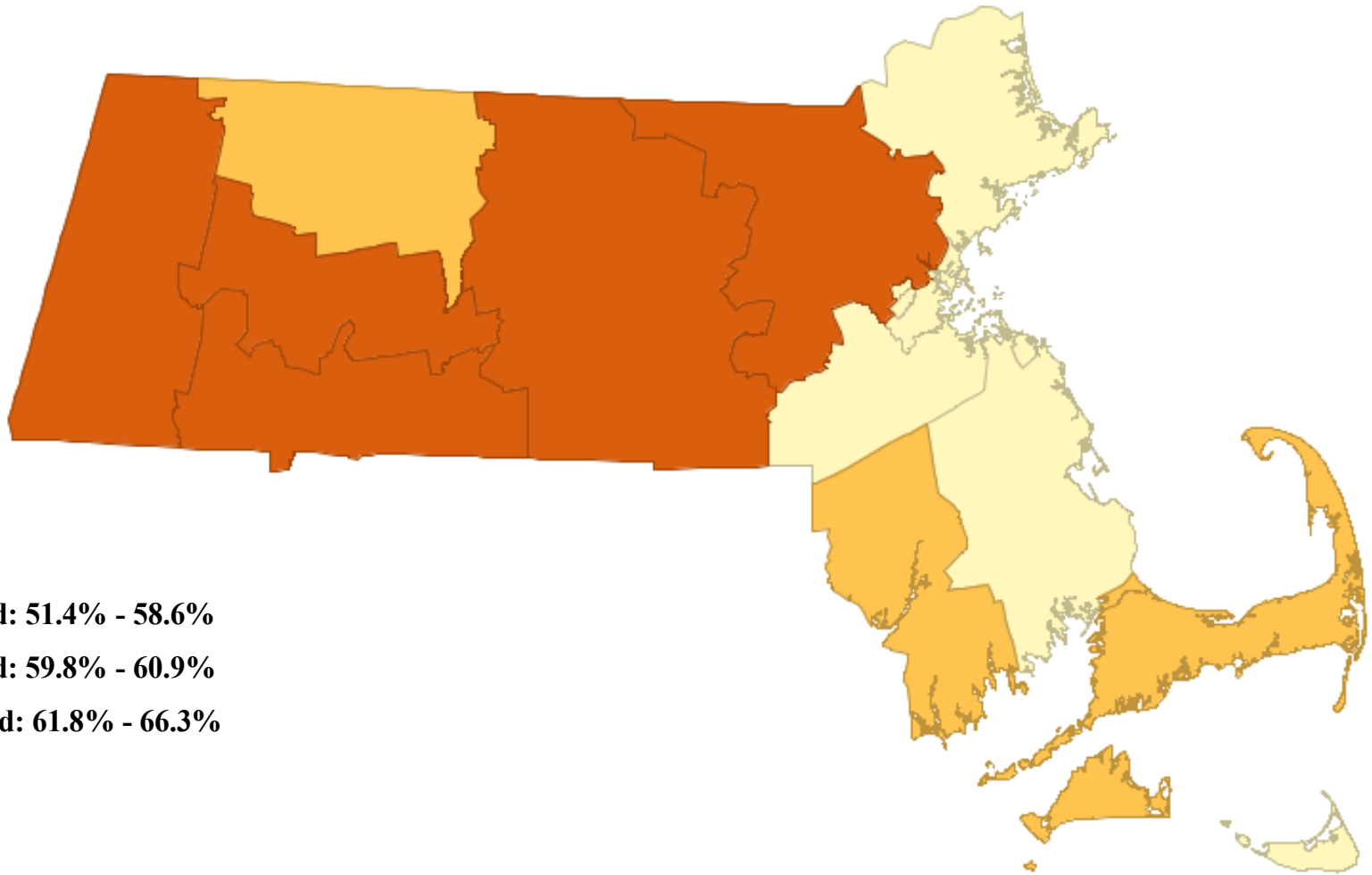





Elder Index for Massachusetts singles: renters, 2016



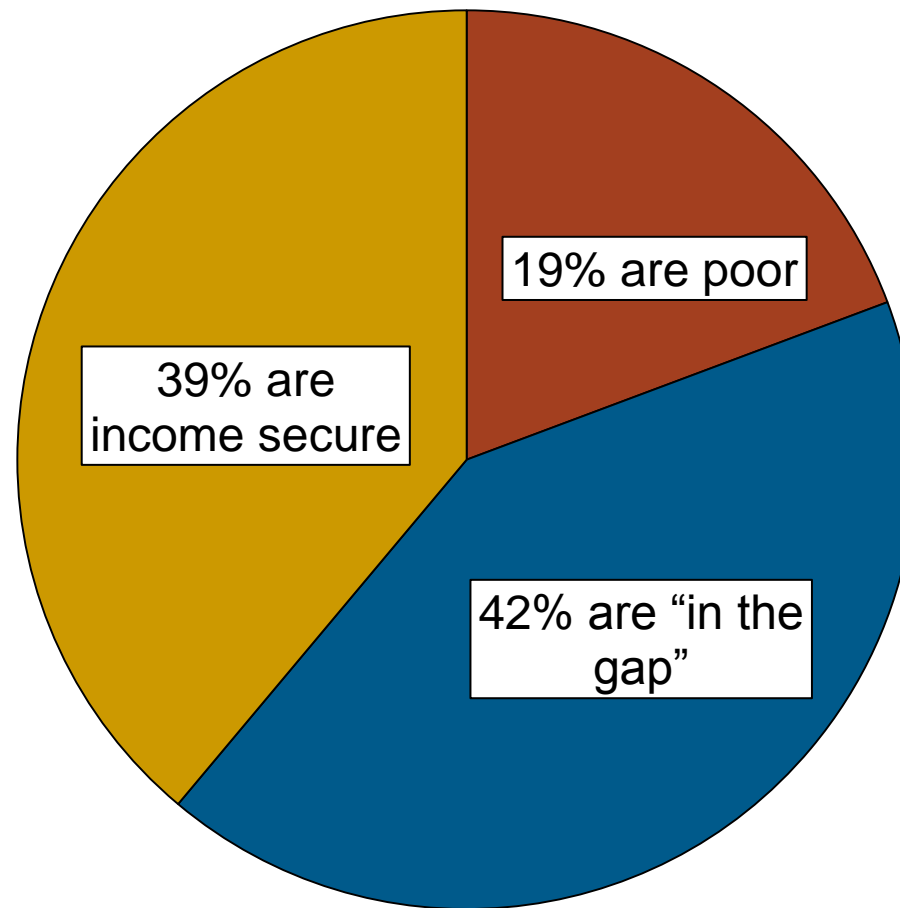
Income security is out of reach for many Massachusetts seniors

Massachusetts: Percent of Elder Index for Single Renters in Good Health Covered by Average Social Security Benefit in 2016 by County



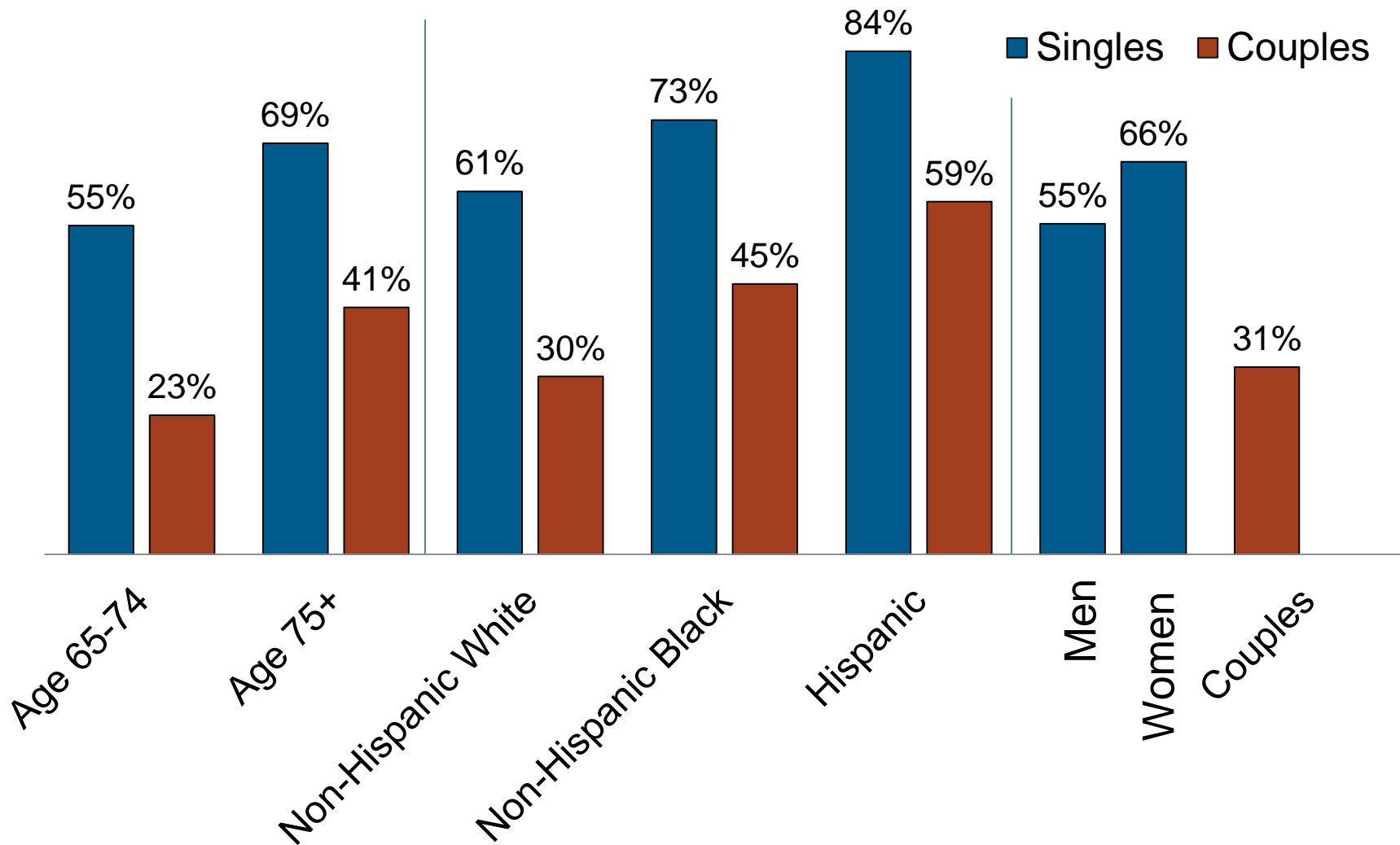
-  **Lowest Third: 51.4% - 58.6%**
-  **Middle Third: 59.8% - 60.9%**
-  **Highest Third: 61.8% - 66.3%**

Income security status of Massachusetts singles living alone, age 65+ (2016)

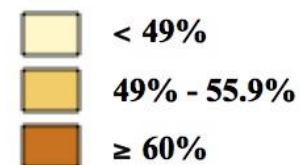
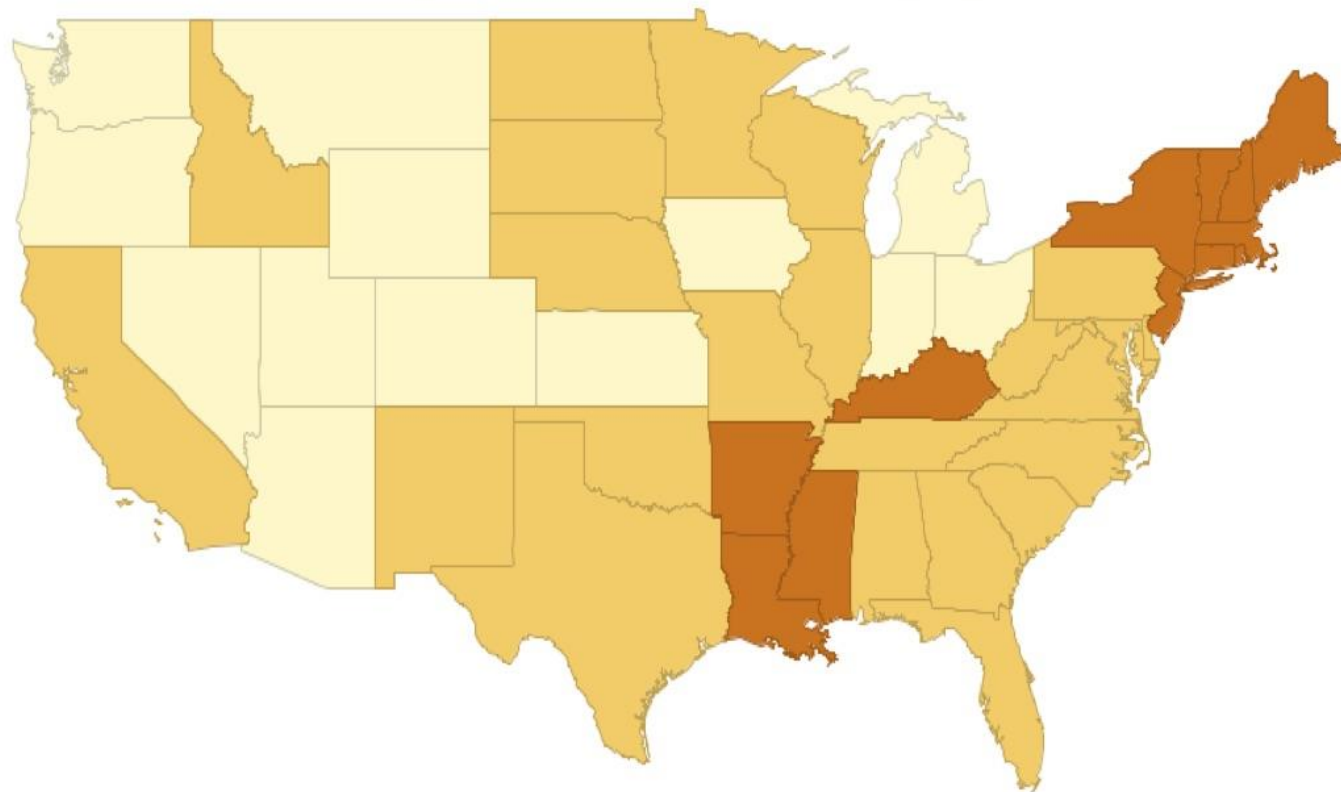


Source: calculated from
the 2010-2014
American Community
Survey microdata,
IPUMS.

Income insecurity in Massachusetts by race, ethnicity, gender and age group (2015)



2016 United States Elder Economic Security Standard Index: Singles Below Elder Index (%)



Summary of findings for Massachusetts

- Measuring income security, and evaluating the success of programs in ameliorating insecurity, requires a comprehensive measure of necessary expenses
- The poverty threshold is far too low to serve this purpose, and fails to take into consideration geographic variability in cost of living
- Risk of income insecurity is unevenly distributed across communities and demographic groups

How can you use the Elder Index in your work?

- Educate seniors in your community about what it takes to “get by”
- Educate your community about the benefit of outreach services through the COA
 - Assisting seniors with applying for programs they are already eligible for [e.g. SNAP, fuel assistance]

How can you use the Elder Index in your work? [cont.]

- Reflect on ways your community can promote economic security for senior residents
 - Promote all property tax relief options
 - Offer low- or no-cost transportation options
 - Advocate for sufficient availability of affordable housing
 - Educate seniors about programs and supports that can reduce their healthcare expenses
- Identify partners in your community who can be helpful: Veterans agent; nonprofits; developers

How can you use the Elder Index in your work? [cont.]

- Advocate for the interests of lower-income residents wishing to stay in their homes
 - Advocate for state-level policy change that could benefit seniors in your community
- How will you use the Elder Index to promote economic security in your community?

Thank you!

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Find Elder Index reports online:

https://www.umb.edu/demographyofaging/elder_economic_security

View the national database through our partner organization NCOA:

<http://www.basiceconomicsecurity.org/EI/>

Download MA Property Tax Relief and SNAP fact sheets and other consumer education tools from MCOA: www.mcoaonline.com