

NJ Elder Economic Security Index 2012 Update

NJ Foundation for Aging

Grace Egan, Executive Director

gegan@njfoundationforaging.org

Melissa Chalker, Program Manager

mchalker@njfoundationforaging.org

609-421-0206

What Does the NJ Elder Index Do?

- Provides important new information to illustrate the basic costs NJ seniors face and how their financial security is affected when their life circumstances change.
- Offers County specific educational tools for elders, family caregivers, baby boomers and younger workers to help them prepare fiscally for retirement.
- Provides a framework for analyzing the impact of local, state, and federal public policies and policy proposals in such areas as housing, retirement security, health, long-term care, and taxes.
- Offers a counseling tool for those working with elders in need of income supports and/or additional skill sets.
- Serves as a foundation for developing a State policy agenda and a platform for engaging in statewide advocacy.

Goals of the Elder Index

- To shift the dialogue from deprivation and poverty to economic security;
- To determine how well public policies can help seniors fill income gaps;
- To evaluate the ability of income support programs to move individuals towards economic security.

The Elder Index was developed by Wider Opportunities for Women, a national organization. To learn about their work go to

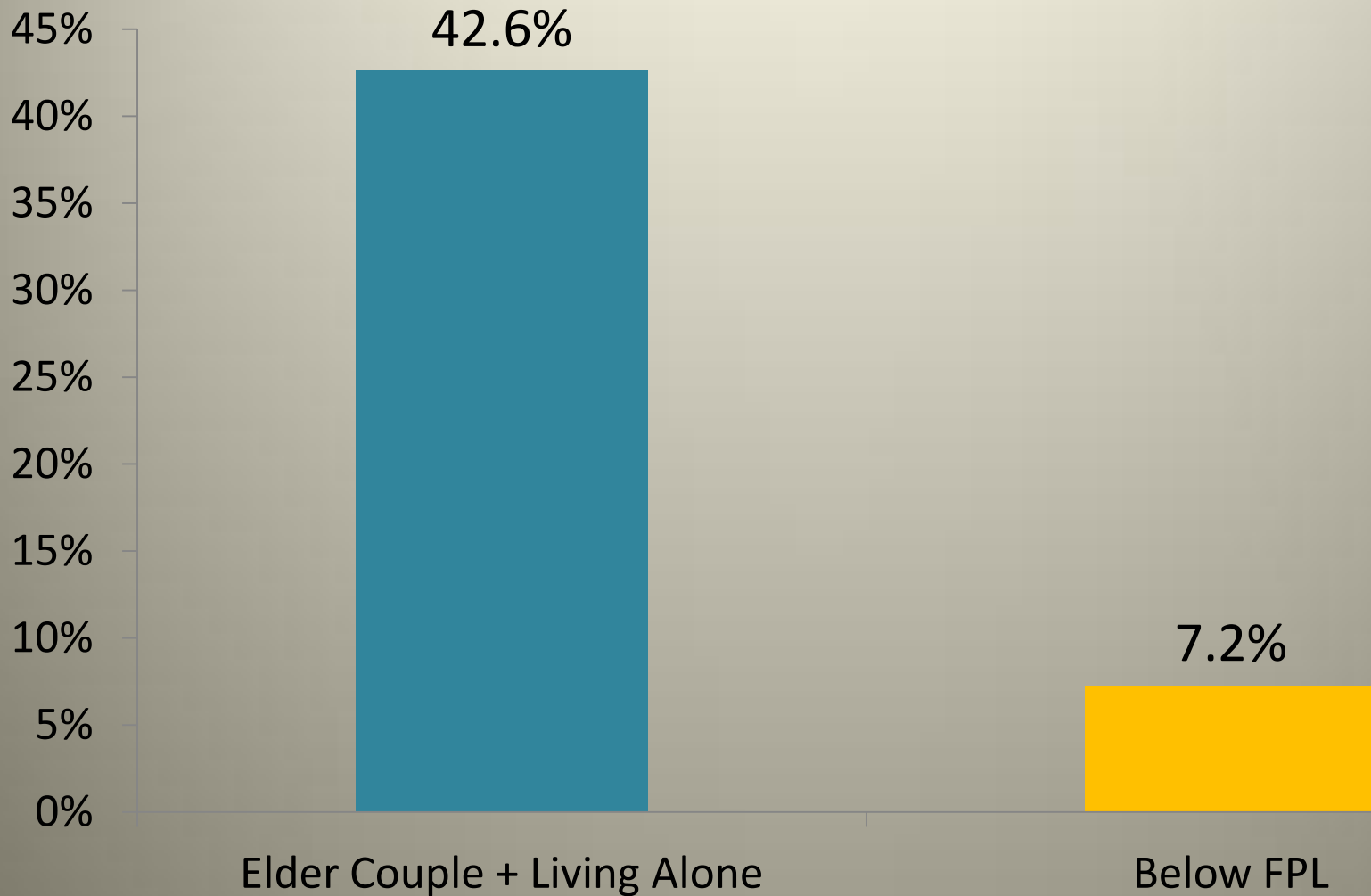
www.wowonline.org

The NJ Foundation for Aging partnered with WOW in 2008 to bring this work to NJ.

Findings of the EI Research

- ◎ **Social Security is the sole income for
25 % of NJ Elders.**
- ◎ **The Average Social Security in NJ benefit is
\$14,848 for a woman;
\$19,122 for a man.**
- ◎ **Average expenses for an elder renter
=\$27,960.**
- ◎ **Average expenses for a renter couple
=\$38,208.**
- ❖ **Single Renters more likely to be below
the Index**

FPL fails to capture all elderly folks grappling with inadequate incomes



Components of the index

- ◎ **Housing=rent or mortgage, property taxes, utilities, etc.**
- ◎ **Food= basic meal plan**
- ◎ **Transportation= using a private car**
- ◎ **Healthcare= assumes good health, Medicare premium, Medi-gap policy and out of pocket costs**
- ◎ **Miscellaneous= other costs**

NEW JERSEY STATEWIDE ELDER ECONOMIC SECURITY STANDARD INDEX, 2012 Report

	Elder Person (age 65+)			Elder Couple (one age 65+)		
Monthly and Yearly Expenses	Owner w/o Mortgage	Renter, one bedroom	Owner w/ mortgage	Owner w/o Mortgage	Renter, one bedroom	Owner w/ mortgage
Housing	\$871	\$1,091	\$1,871	\$871	\$1,091	\$1,871
Food	\$243	\$243	\$243	\$446	\$446	\$446
Transportation	\$202	\$202	\$202	\$313	\$313	\$313
Health Care (Good Health)	\$442	\$442	\$442	\$884	\$884	\$884
Miscellaneous @ 20%	\$352	\$352	\$352	\$503	\$503	\$503
Index Per Month	\$2,110	\$2,330	\$3,110	\$3,017	\$3,237	\$4,017
Index Per Year	\$25,320	\$27,960	\$37,320	\$36,204	\$38,844	\$48,204

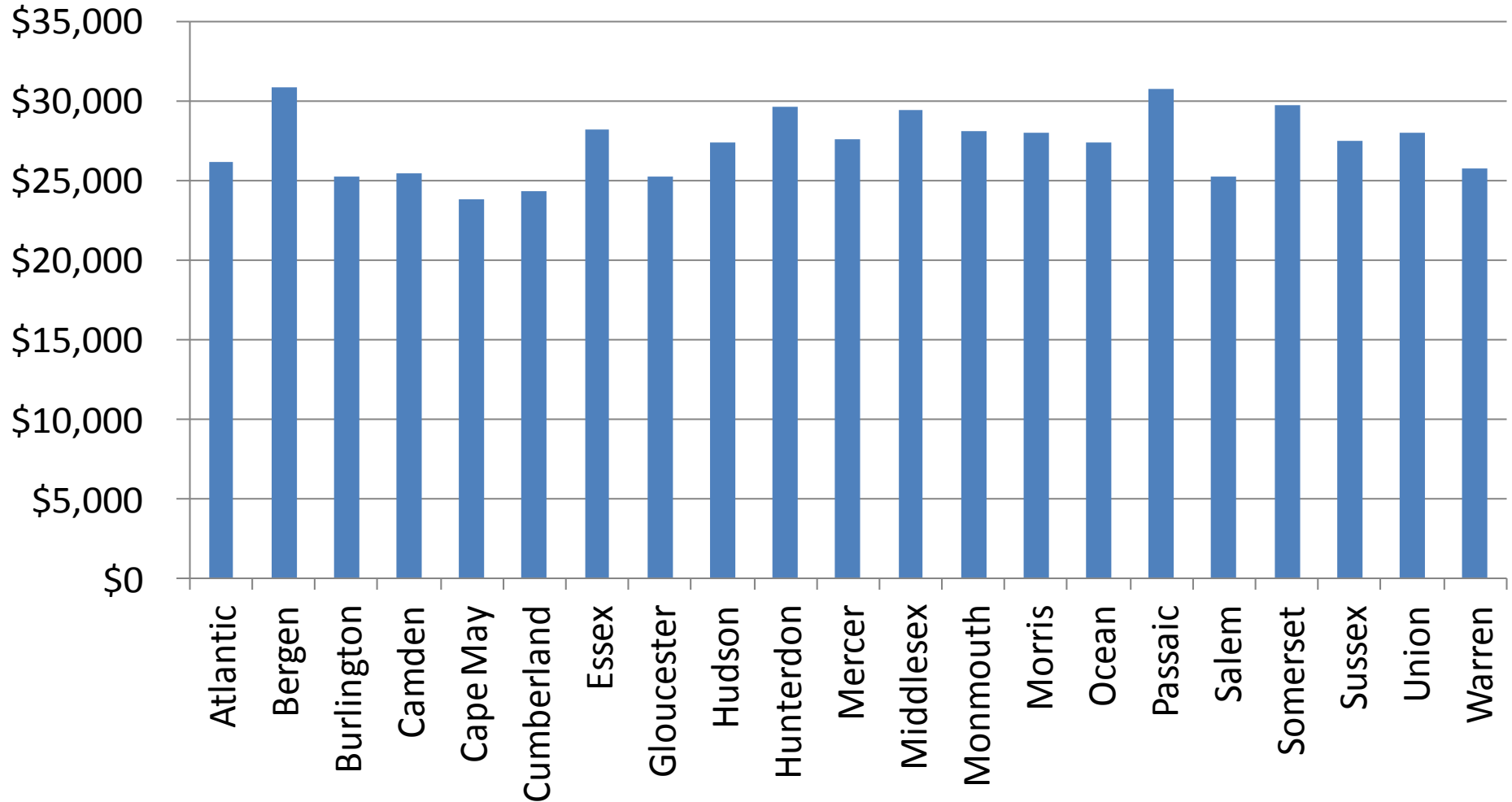
Rise in Statewide 2012 costs compared to 2009

2009 New Jersey Elder Economic Security Standard™ Index Per Year					
Elder Person			Elder Couple		
Owner w/o Mortgage	Renter, one bedroom	Owner w/ mortgage	Owner w/o Mortgage	Renter, one bedroom	Owner w/ mortgage
\$23,452	\$25,941	\$33,570	\$34,324	\$36,813	\$44,442

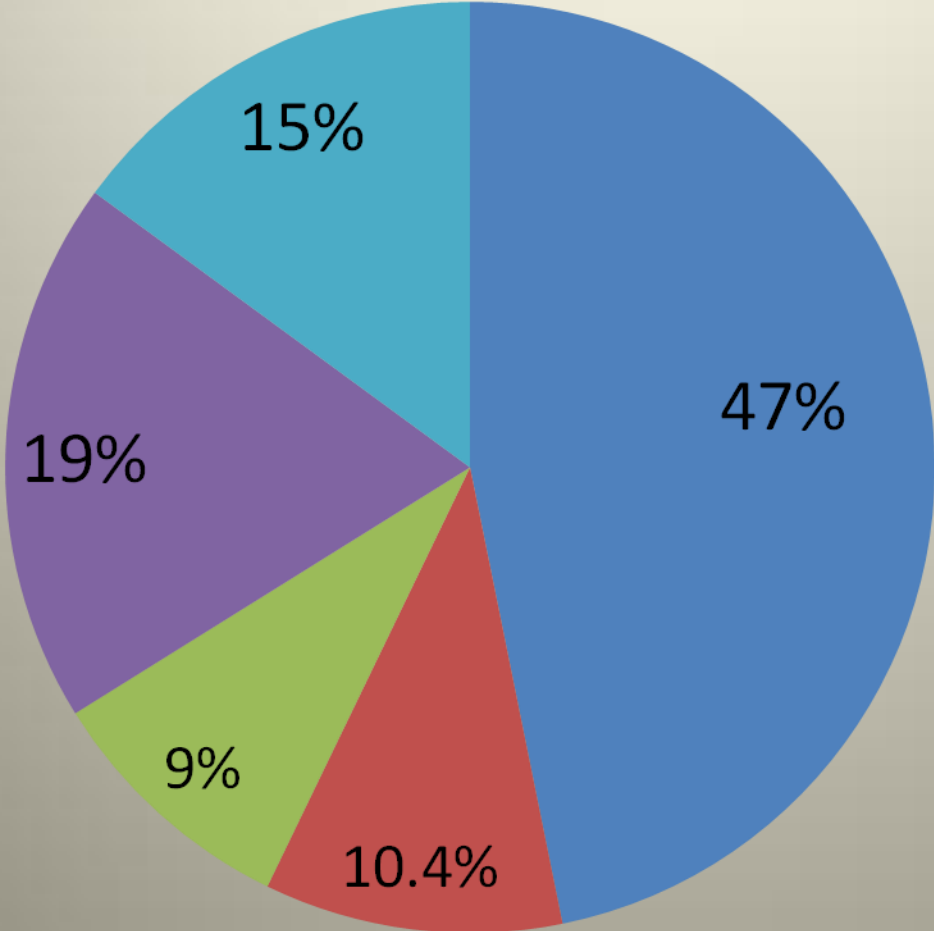
2012 New Jersey Elder Economic Security Standard™ Index Per Year					
Elder Person			Elder Couple		
Owner w/o Mortgage	Renter, one bedroom	Owner w/ mortgage	Owner w/o Mortgage	Renter, one bedroom	Owner w/ mortgage
\$25,320	\$27,960	\$37,320	\$36,204	\$38,844	\$48,204

Percentage of Increase from 2009 to 2012					
8%	8%	11%	5%	6%	8%

Cost Comparison of Index Per Year for a Single Elder Renter in the Counties



Proportion of expenses



- Housing
- Food
- Transportation
- Healthcare
- Misc.

New data in the 2012 Report

Demographics formulated by Legal Services of NJ
Poverty Research Institute

Who and Where?

- Age
- Ethnicity
- Gender
- Housing status: Renter, Homeowner

- County specific data

How many Seniors are on the edge of poverty in NJ?

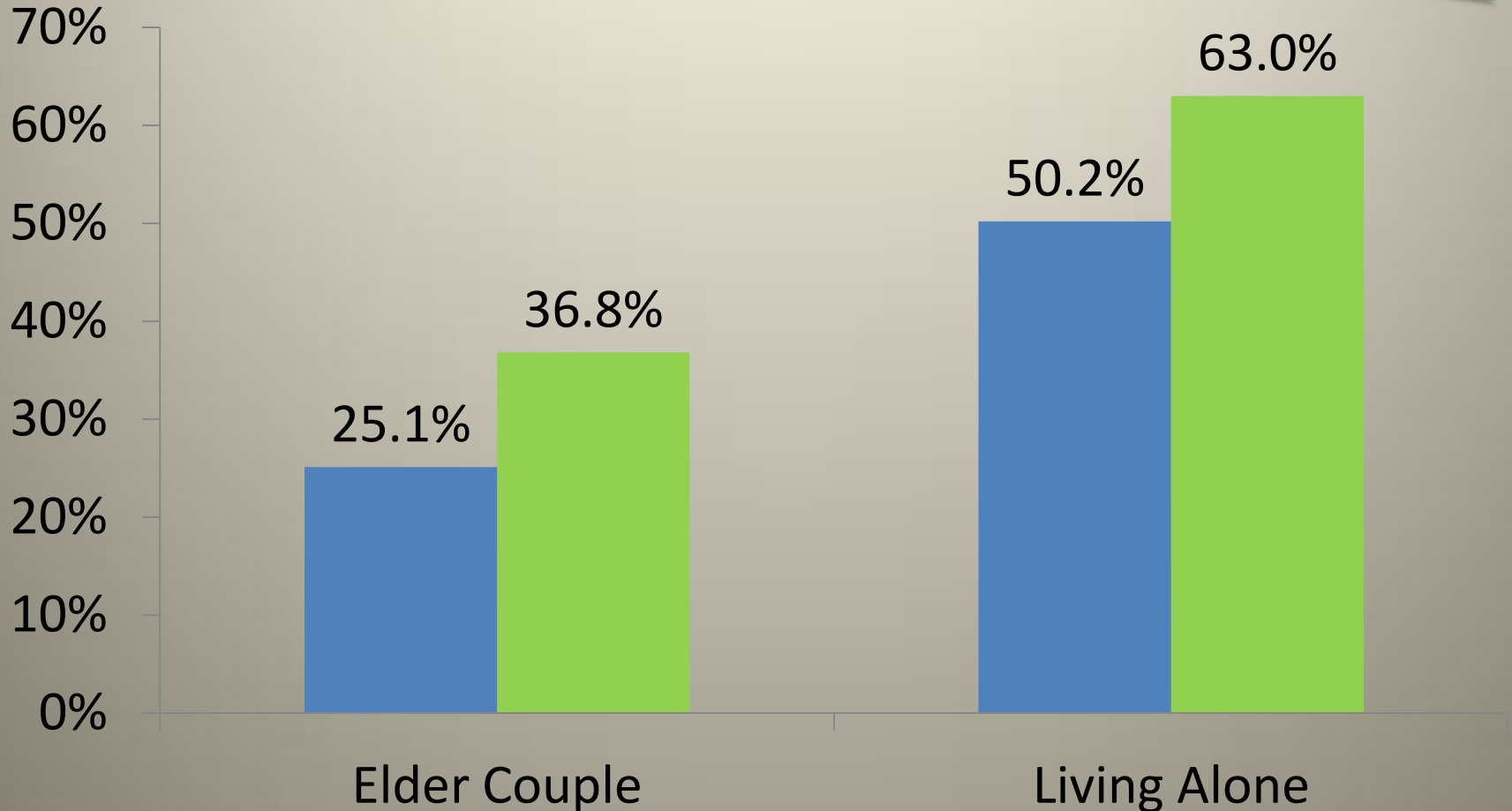
NEW JERSEY | ADULTS 65 YEARS & OVER LIVING BELOW ELDER INDEX

Total Number of people over 65 in NJ:	Single & 2-Person Elder Households	Total (Above & Below Elder Index)	Below Federal Poverty Level (FPL)	Above FPL and Below Elder Index	Total Below Elder Index
	1,208,498	Number	592,729	42,594	209,876
	Percent	100%	7.2%	35.4%	42.6%

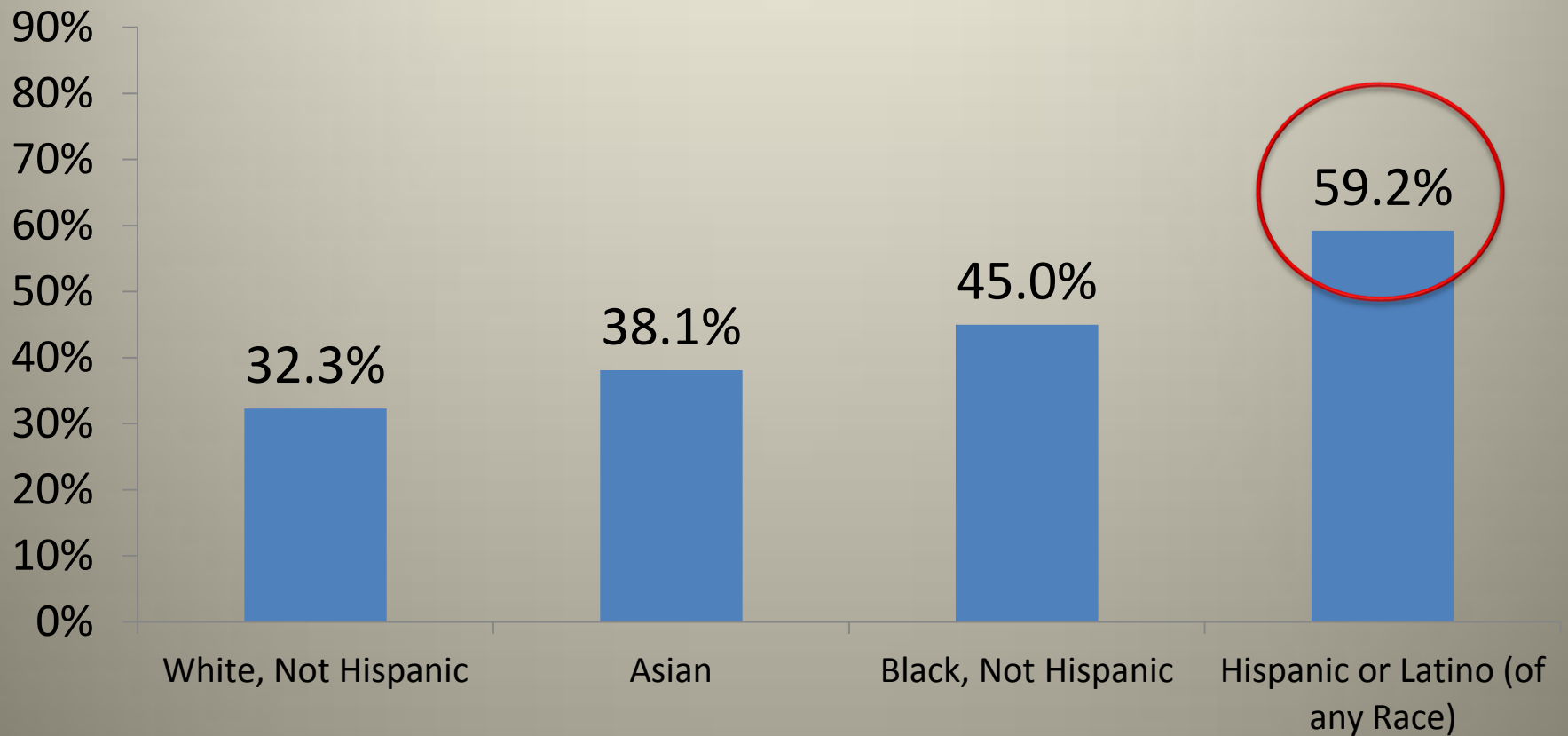
Oldest among the elderly are more economically vulnerable



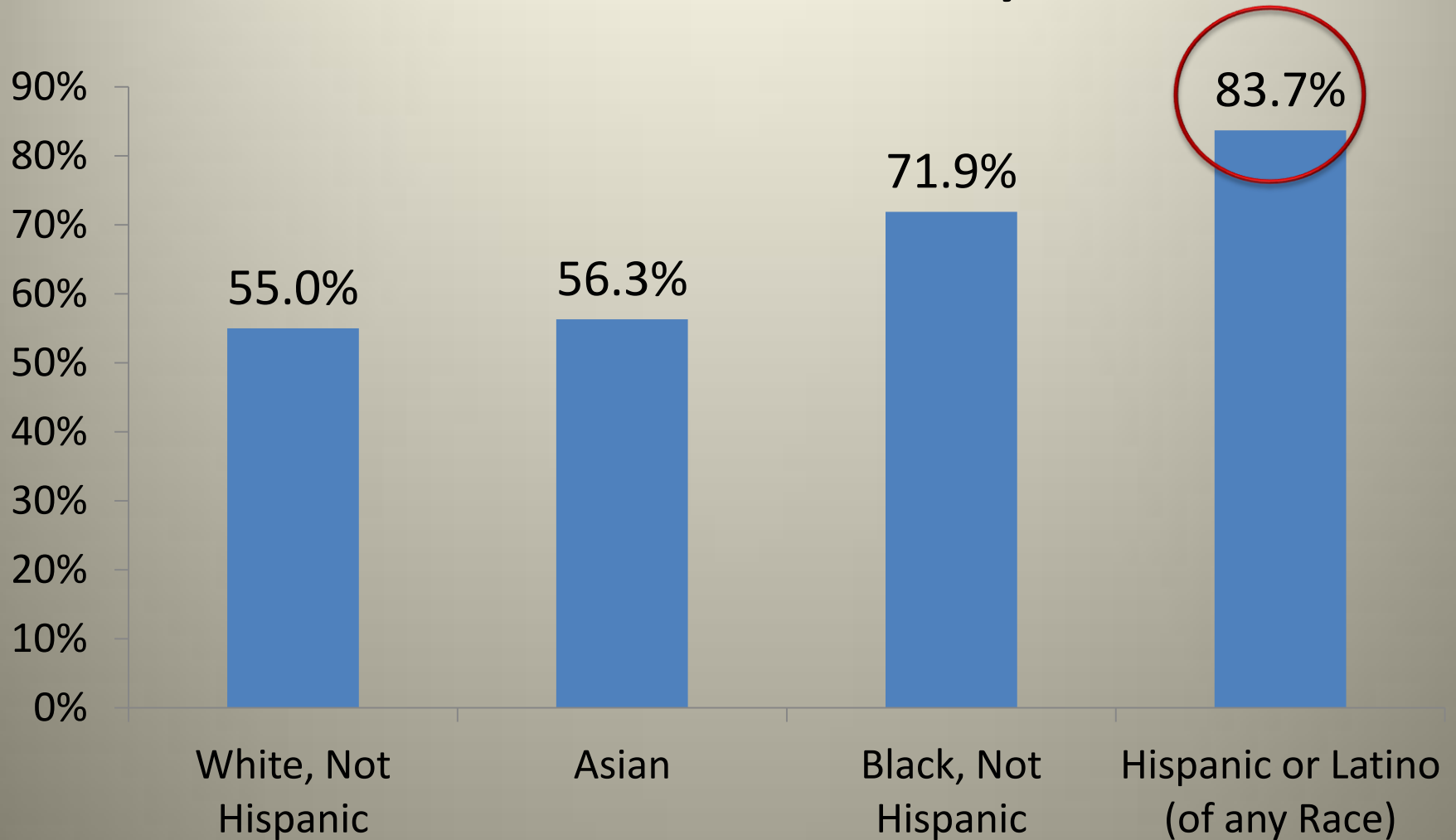
■ 65-74 Years ■ 75+



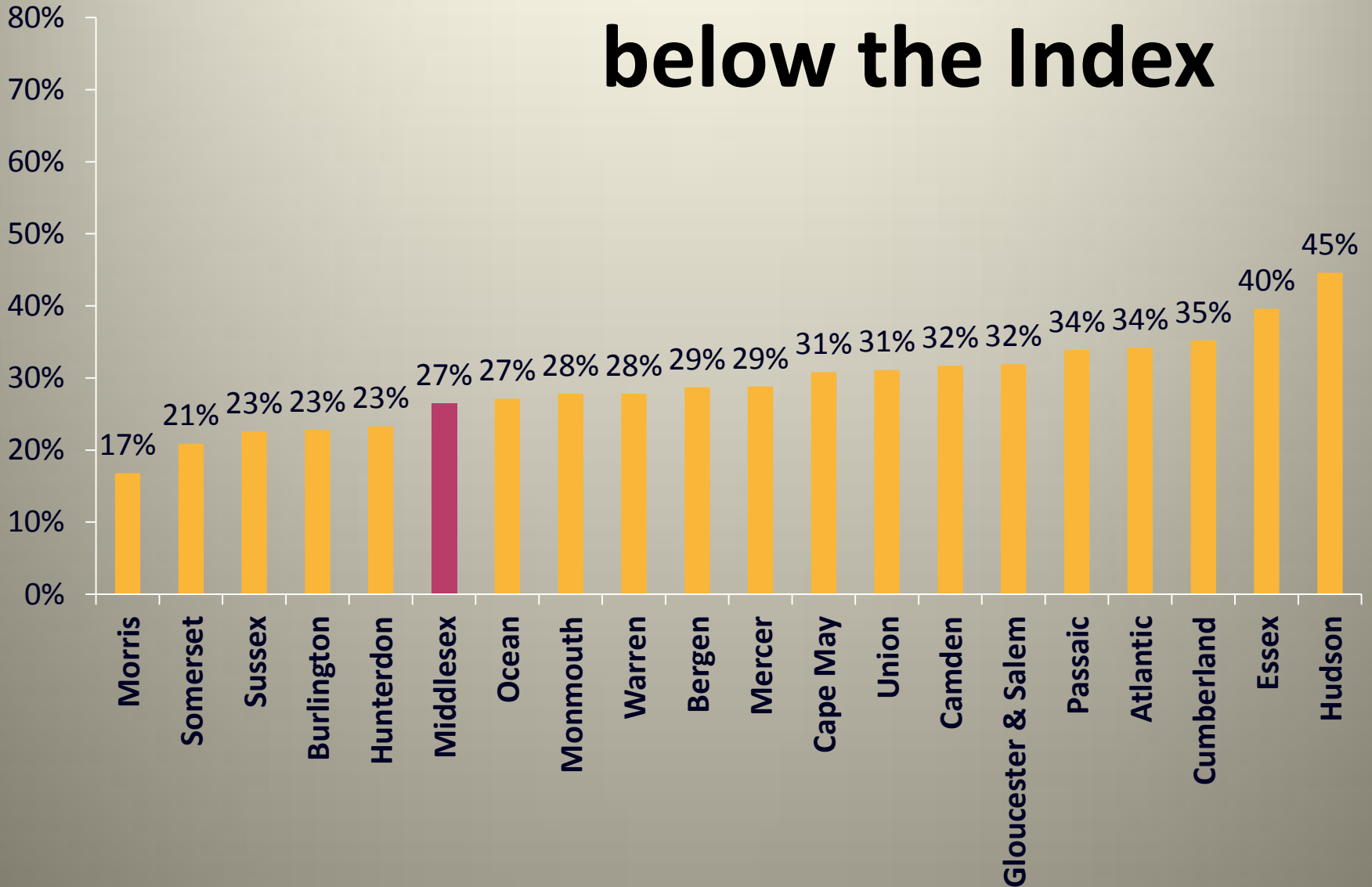
Elder Couple Households Below Index: By Race & Ethnicity



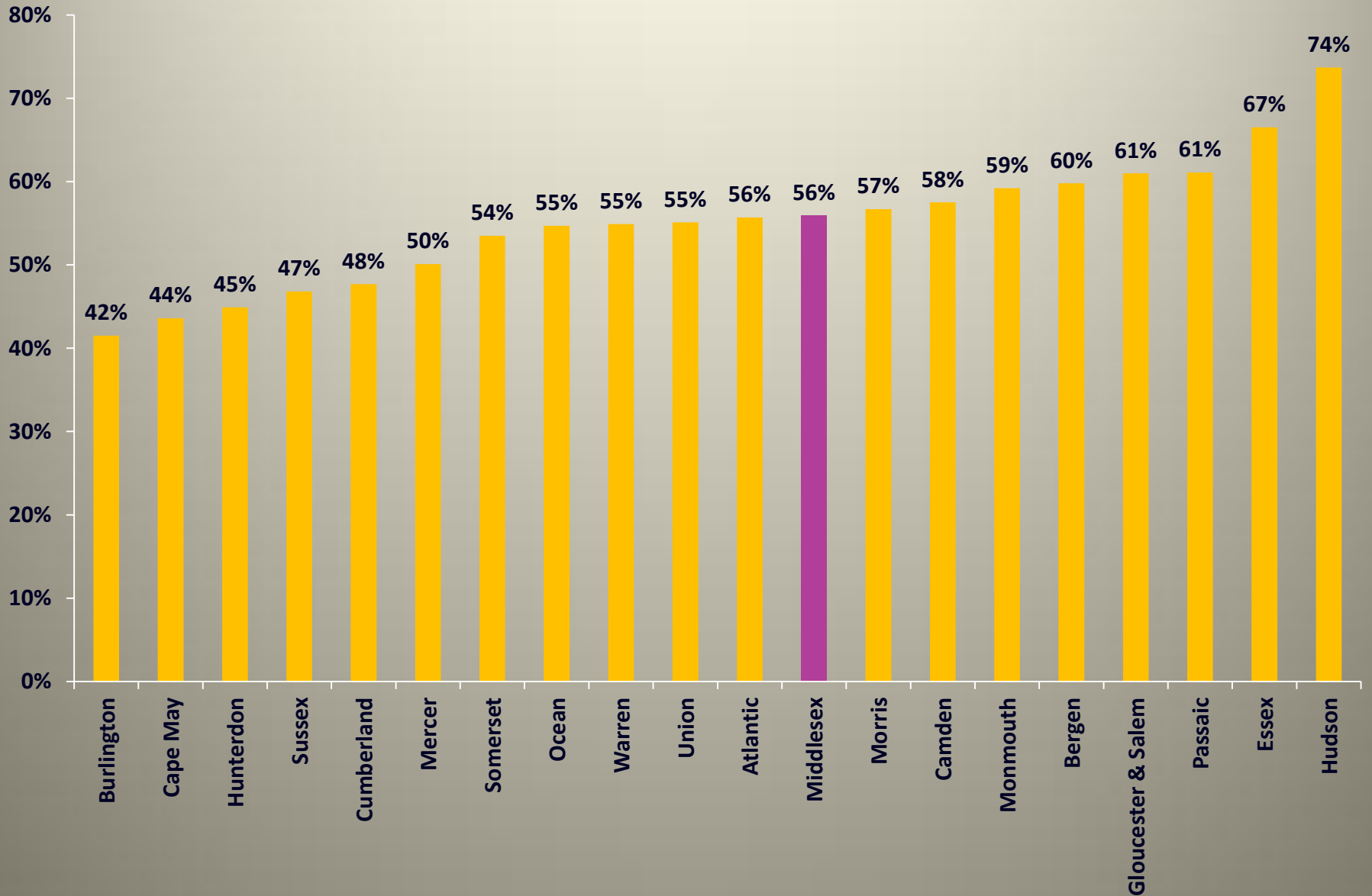
Elders Living Alone Below Index: By Race & Ethnicity



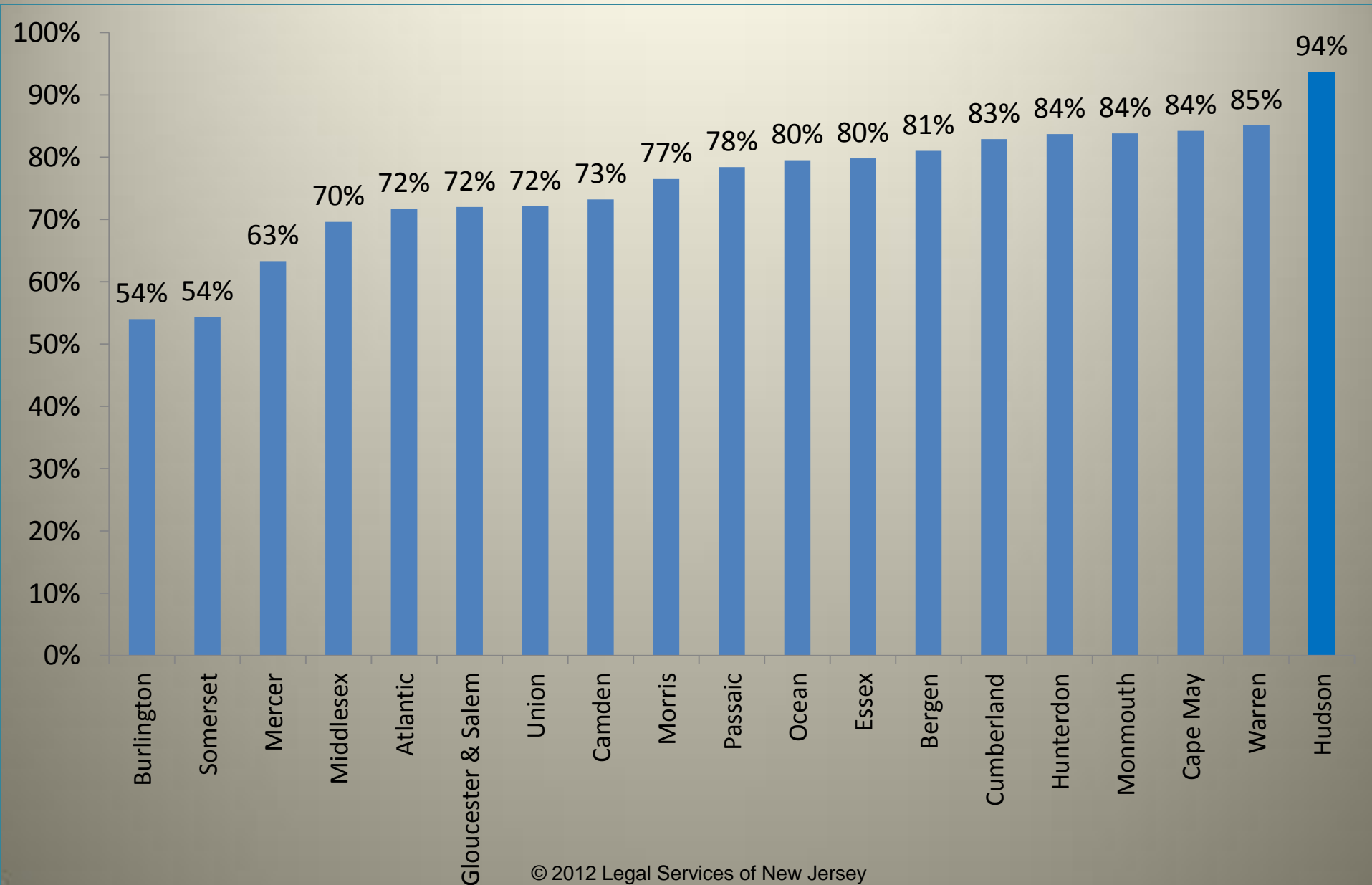
County data-couples below the Index



County data- single elders



Renters Living Alone Below Index



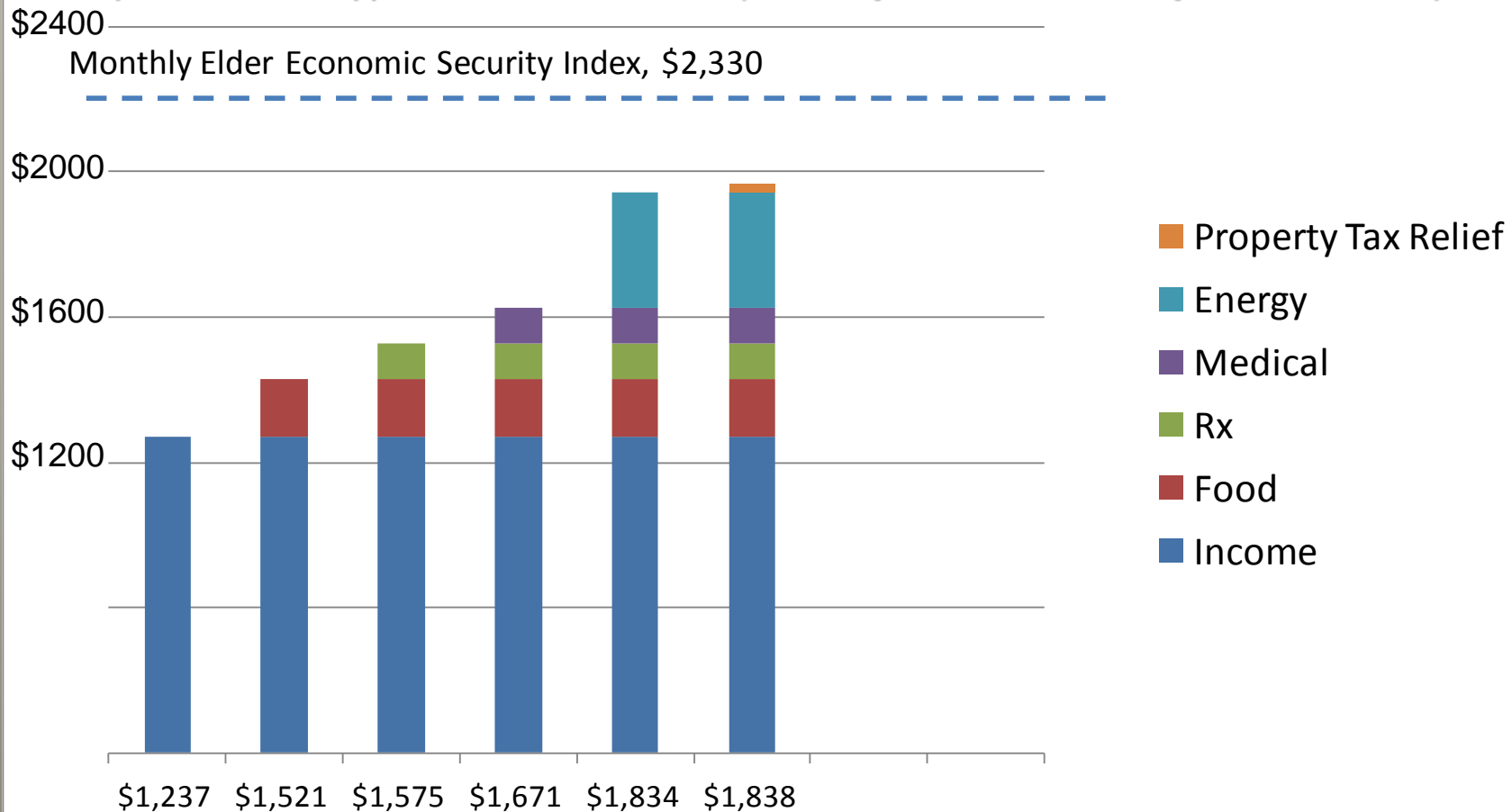
Looking at the needs of Single Elder Woman Renter living on average annual Social Security of \$14,848

Elder woman receives the state average SS of \$1237/mo and would be at 53% economic security. If she applies & receives the following it would bring her closer to 79% economic security. The only item that further closes the gap is affordable housing. * \$14,848 is the average benefit, many elders receive less.

- *Food Assistance: SNAP/MoW/Nutri.sites/Farmer Mrt. Coupon*
- *Rx Assistance: PAAD*
- *Medical Assistance: Medicare Savings Prog. (SLMB/QMB)*
- *Energy Assistance: HEA, Universal Service Fund, Lifeline*
- *Property Tax Assistance: Property Tax Credit*

Economic Security

The Impact of Public Supports on Economic Security of a Single Elder Renter Living on Social Security, 2012



The full NJ 2012 Report is available online with State
and County specific data

www.njfoundationforaging.org/issues.html



176 West State St, Trenton, NJ 08608

609-421-0206

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For reports on all the states go to www.wowonline.org