

# **2014 Profile Data to Update NJ Elder Economic Security Index**

**NJ Foundation for Aging  
January 22, 2015**



# **New Jersey Foundation for Aging (NJFA)**

**Established in 1998 with the statewide mission to support and promote innovative programs and public policy that enable older adults to live in the community with independence and dignity.**

## ***Four Areas of Mission Related Work***

### **Policy Research**

**[improve and expand...influence public policy]**

### **Public Awareness: Aging Insights TV Program, Renaissance Magazine**

**[enable older adults by connecting them to services, etc...influence public policy]**

### **Professional Development: Annual Conference and Forums**

**[improve...innovate service delivery & influence public policy]**

### **Philanthropic Support**

**[improve & expand services that enable older adults to live in the community]**

# **NJFA Policy Projects**

Policy research and social action producing  
9 in depth research and policy reports/forums

**Mature Workers Forum**

**Caregiver Supports**

**Medical Transportation**

**Community Para-Transit**

**and Alternative Transportation**

**Safe Mobility at any Age and Older Drivers**

**Elder Index Reports, 2009, 2012, 2014**

# What Does the Elder Index Do?

- **Provides new information to illustrate the basic costs seniors face and how their financial security is affected when their life circumstances change.**
- **Offers 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.**

## Components of the Elder 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

## Findings of the EI Research

- ❑ **Social Security is the sole income for  
30% of NJ Elders.**
- ❑ **The Average Social Security in NJ is  
\$15,191 for a woman;  
\$19,393 for a man.**
- ❑ **Average expenses for an single elder renter  
=\$29,436.**
- ❑ **Average expenses for a elder renter couple  
=\$40,956**
- ❑ **Forty-three percent of all single elders and  
elder couples in NJ cannot cover their basic  
expenses.**

## Who is on the edge of poverty in NJ ?

# Persons in single and elder couple households: 586,975

# Persons with incomes below the Elder Index: 255,476

Of those with incomes below EI:

- 25% still have a Mortgage
- 48% are owners Without a Mortgage
- 27% are Renters=> 68,978 persons
- 63% are Women
- 37% are Men
- 22 % are Minority Elders
- 40% are between Ages 65 and 74
- 60% are over Age 75
- 23% are over Age 85

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

Number of all persons over age 65 in NJ	Includes Single & 2-Person Elder Households	Above & Below Elder Index	Below Federal Poverty Level (FPL)	Above FPL and Below Elder Index	Total Below Elder Index
		<b>1.3 Million</b>	<b>Number</b>	586,975	55,135
	<b>Percent</b>	100%	9.4%	34.1%	43.5%



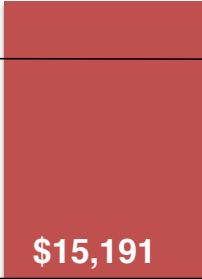
# Single Elders in NJ 2014

\$39,300, Index for Homeowner with a Mortgage

\$29,436, Index for Renters

\$26,652, Index for Homeowner without a Mortgage

\$11,670  
Federal  
Poverty  
Level



Average Social  
Security, Women

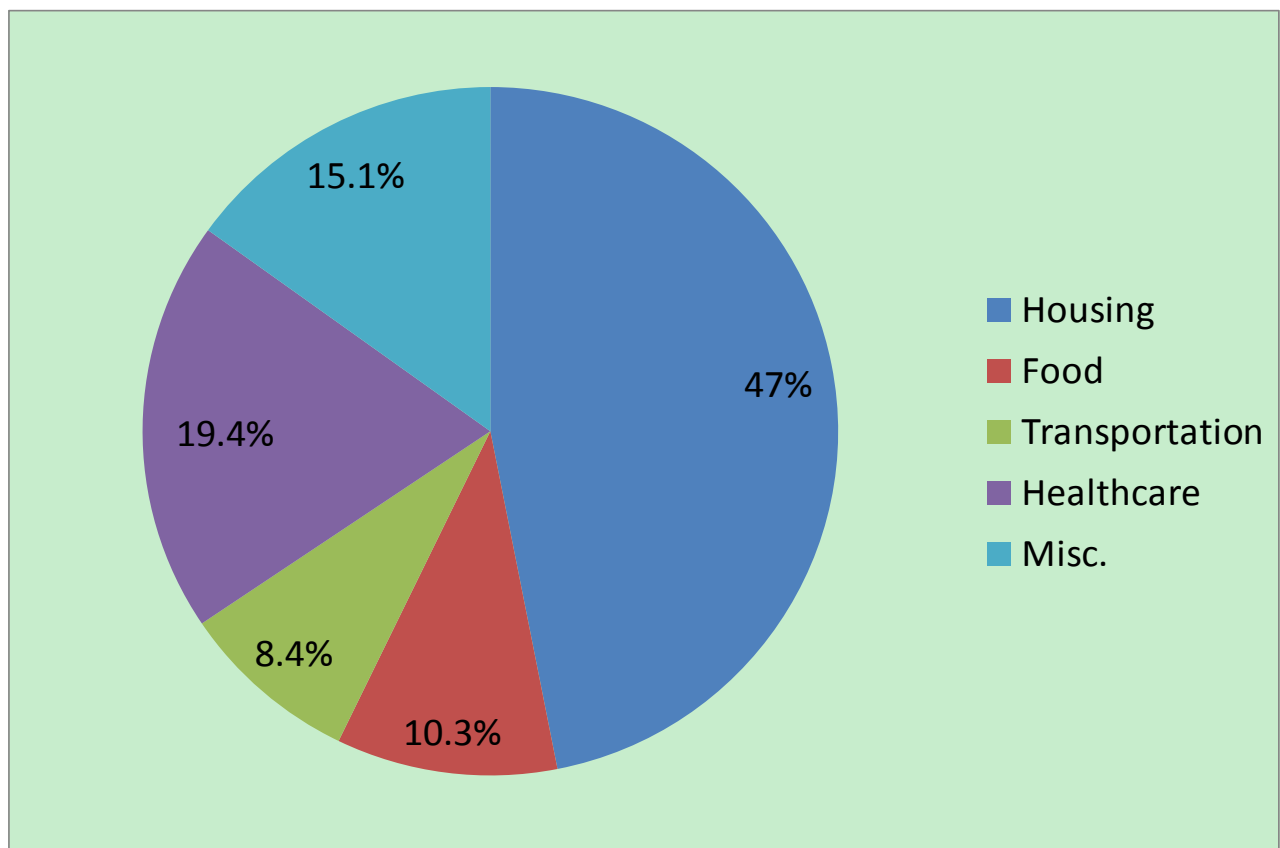


Average Social  
Security, Men

**NJ STATEWIDE ELDER ECONOMIC SECURITY STANDARD INDEX,  
2014 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	\$918	\$1,150	\$1,972	\$918	\$1,150	\$1,972
Food	\$252	\$252	\$252	\$463	\$463	\$463
Transportation	\$205	\$205	\$205	\$318	\$318	\$318
Health Care (Good Health)	\$476	\$476	\$476	\$952	\$952	\$952
Miscellaneous @ 20%	\$370	\$370	\$370	\$530	\$530	\$530
Index Per Month	\$2,221	\$2,453	\$3,275	\$3,181	\$3,413	\$4,235
Index Per Year	\$26,652	\$29,436	\$39,300	\$38,172	\$40,956	\$50,820

## Proportion of Monthly Expenses For a Single Elder Renter



## Statewide 2014 costs compared to 2009

2009 NJ 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

2014 NJ 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
\$26,652	\$29,436	\$39,300	\$38,172	\$40,956	\$50,820

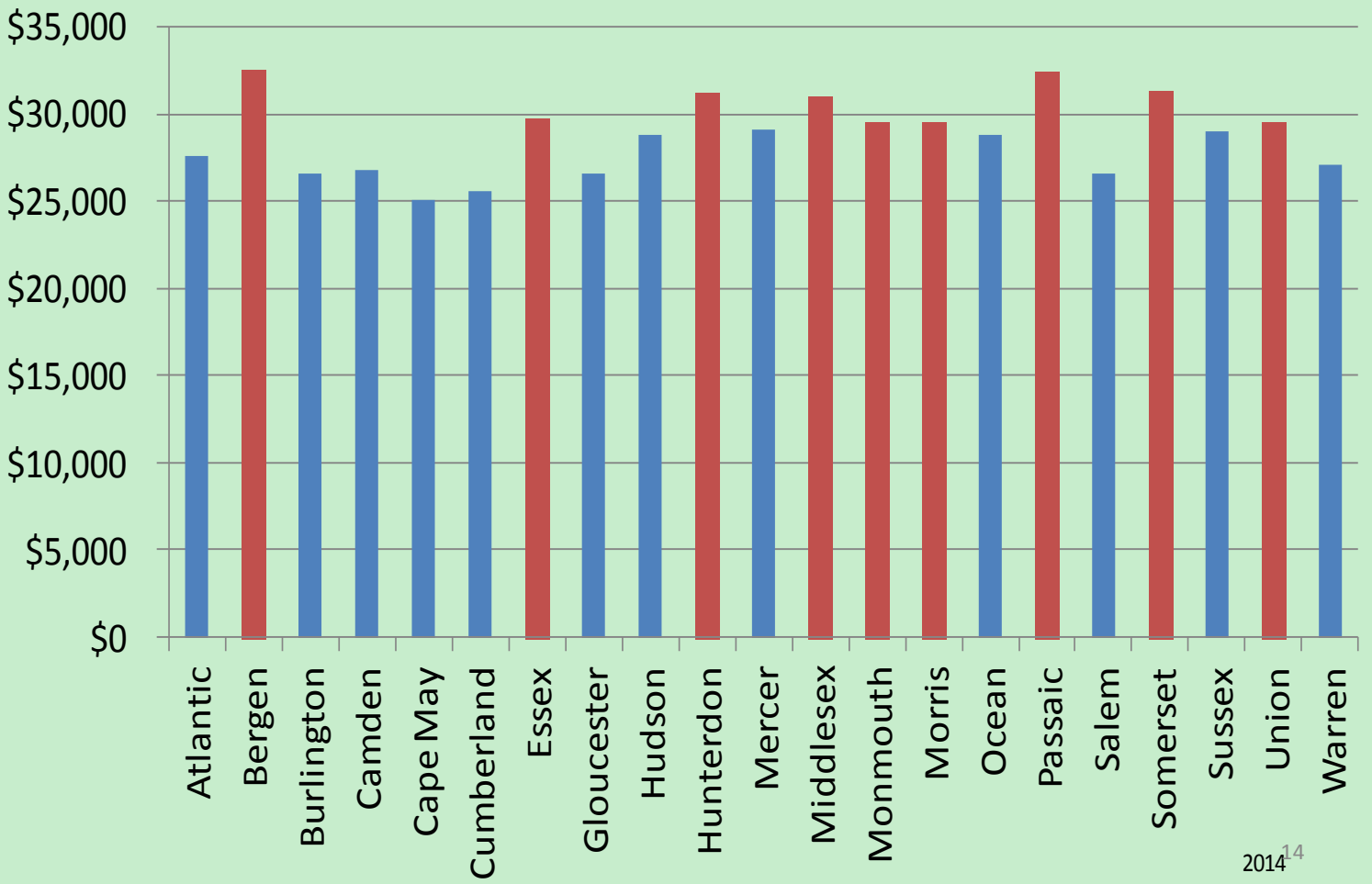
Percentage of Increase from 2009 to 2014					
13.6%	13.5%	17.1%	11.2%	11.3%	14.35%

## Basics Costs plus Long Term Care Costs/person

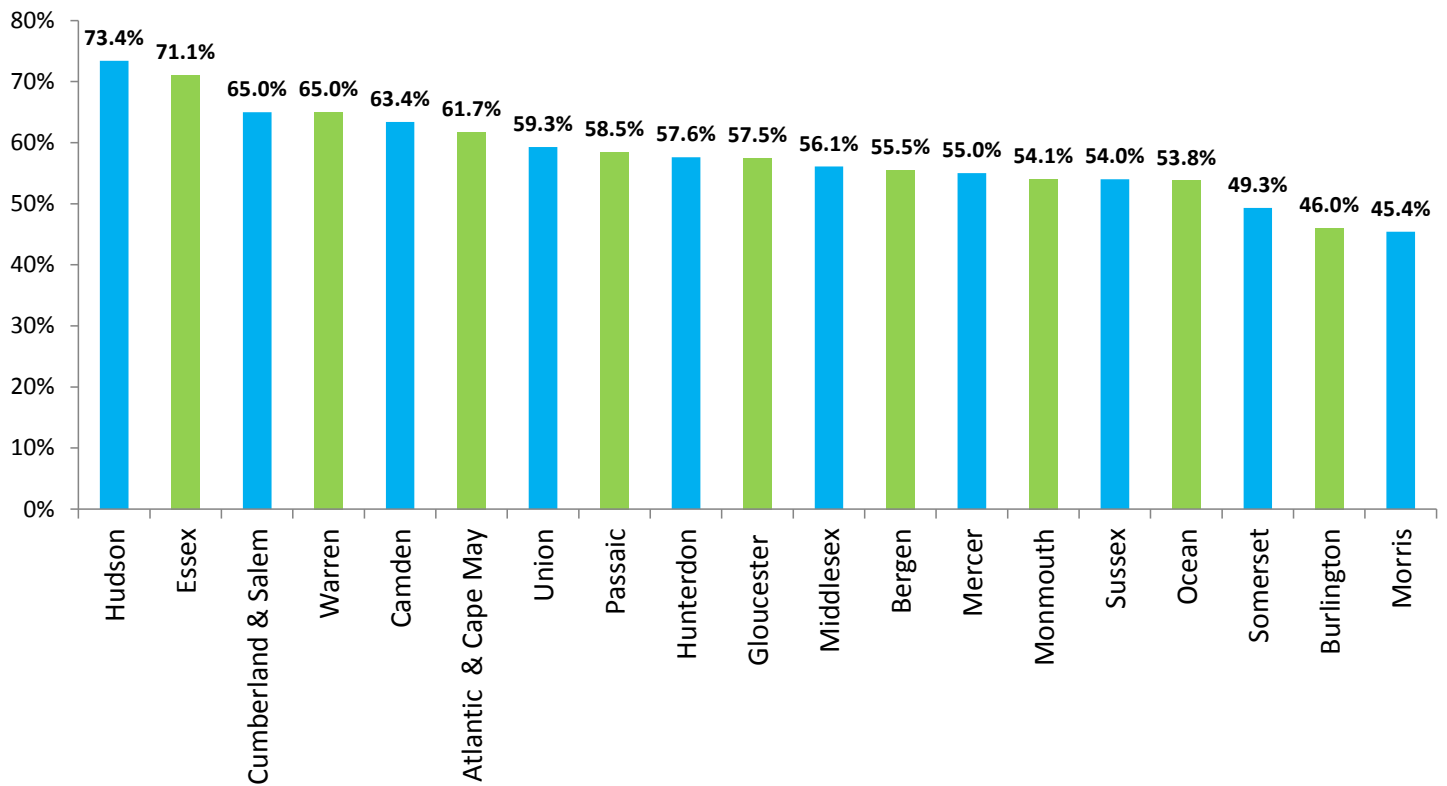
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Cost of Long Term Care (Annual)		
6 Hours/week	16 Hours/wk	36 Hours/wk
\$8700/yr	\$23,000/yr	\$52,000/yr

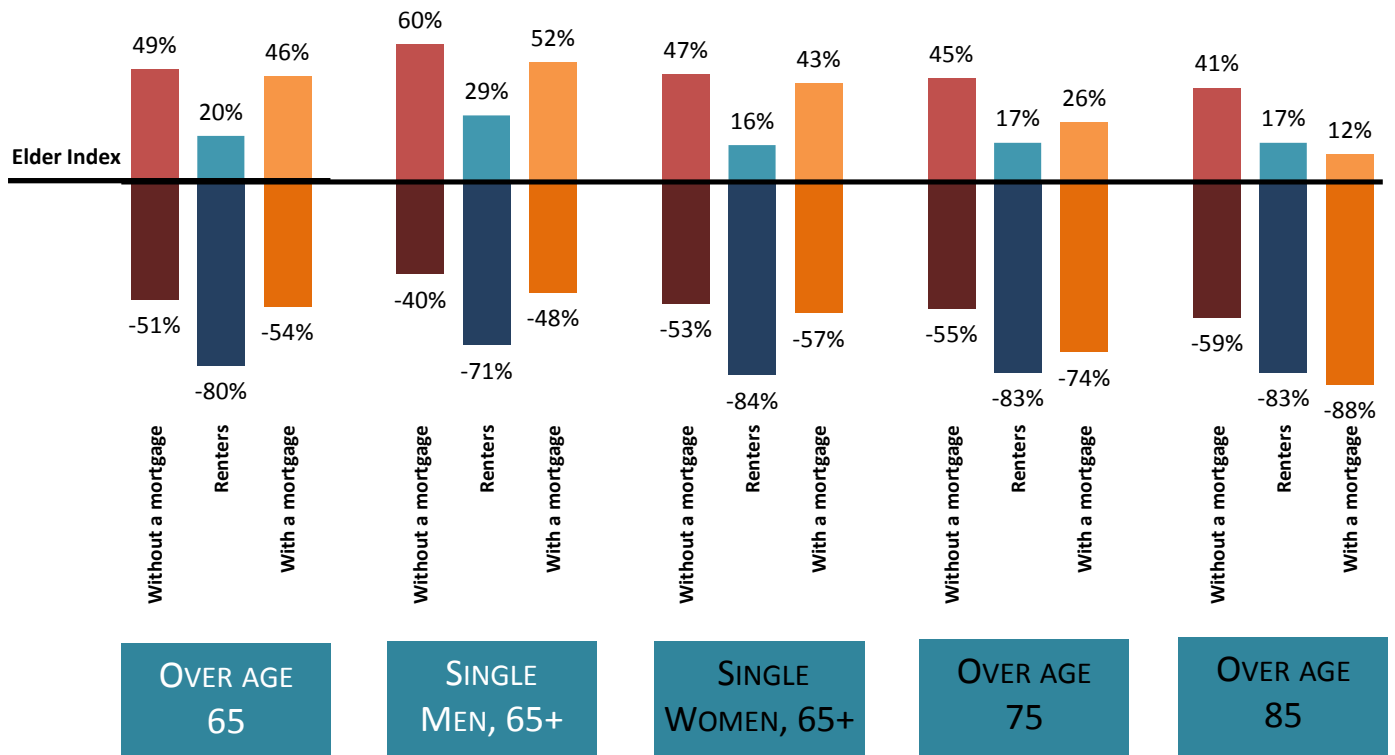
## Cost Comparison of Index Per Year for a Single Elder Renter in the Counties



# Single Elders below the Index by County



# Economic Security and Insecurity Rates of NJ Elder Households by Age, Gender and Housing Status

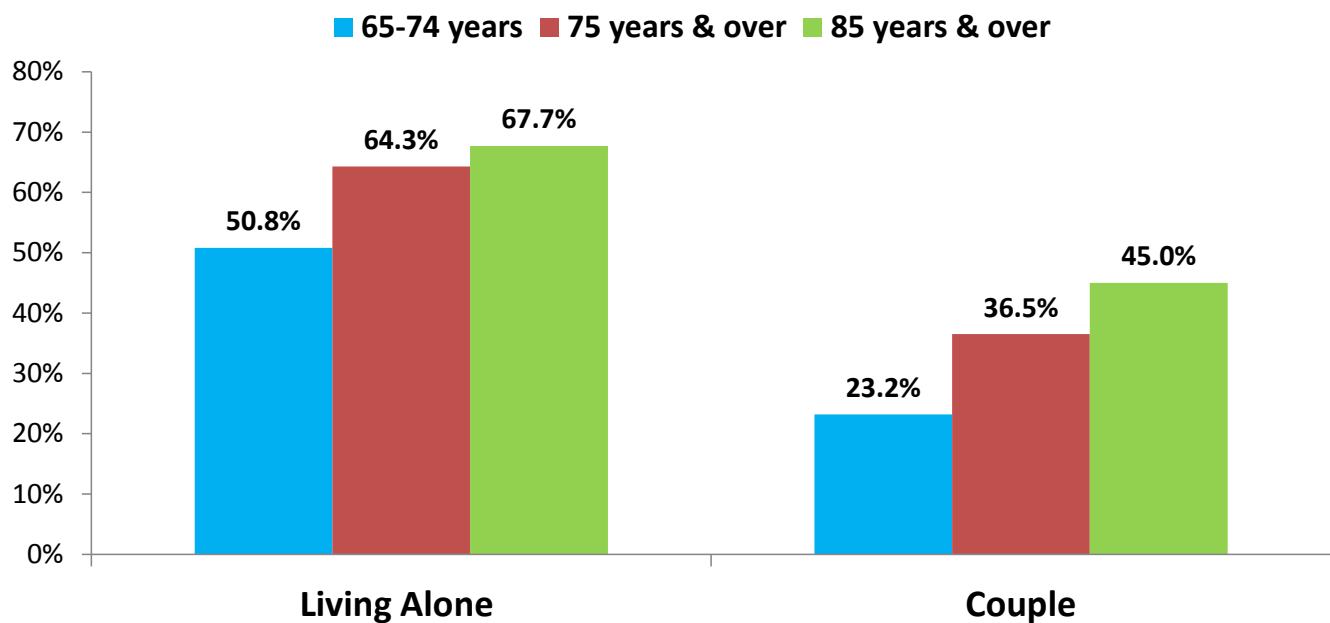


Source: Author's Calculations; US Census Bureau, American Community Survey 2012 PUMS



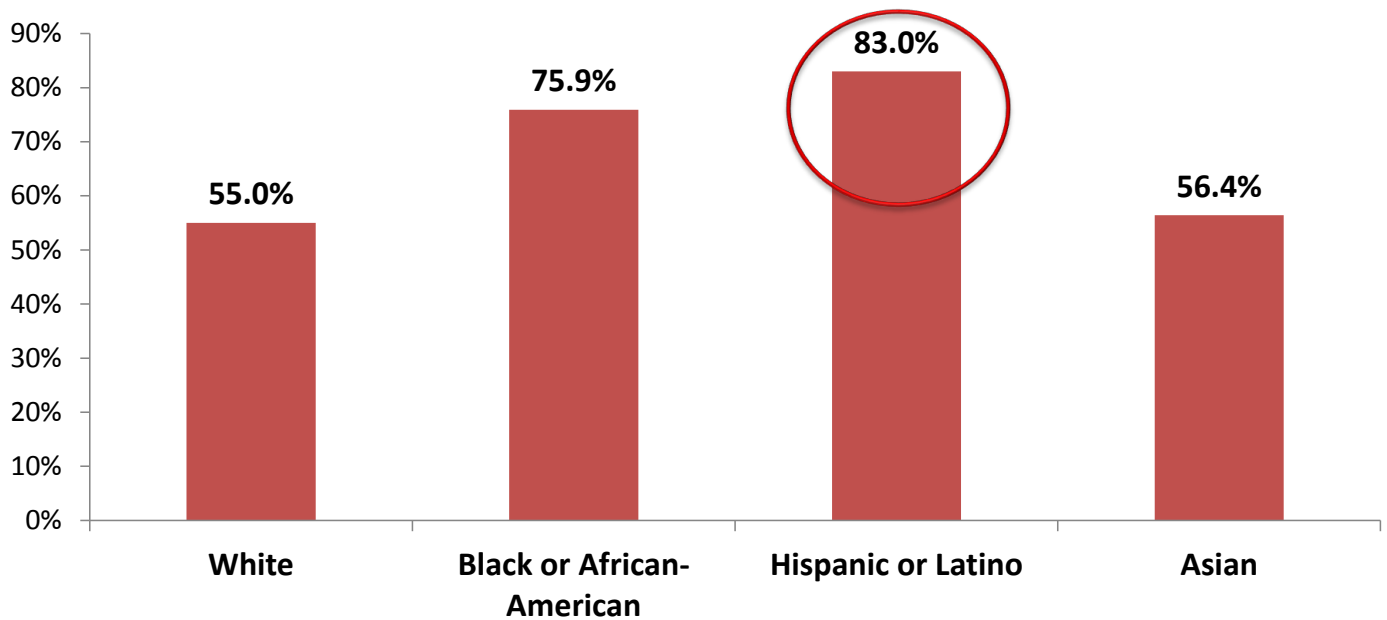
## Elders below the Index by Age: (Singles & Couples)

***Percent of elders experiencing income shortages increases with age  
The oldest among the elderly - 85 years & above – are most vulnerable***



# Single Elders Below the Index by Race & Ethnicity

*Hispanic or Latino Elders Living Alone have the highest income inadequacy rate*



Looking at the needs of Single Elder Woman Renter living on average annual Social Security of \$15,191\*

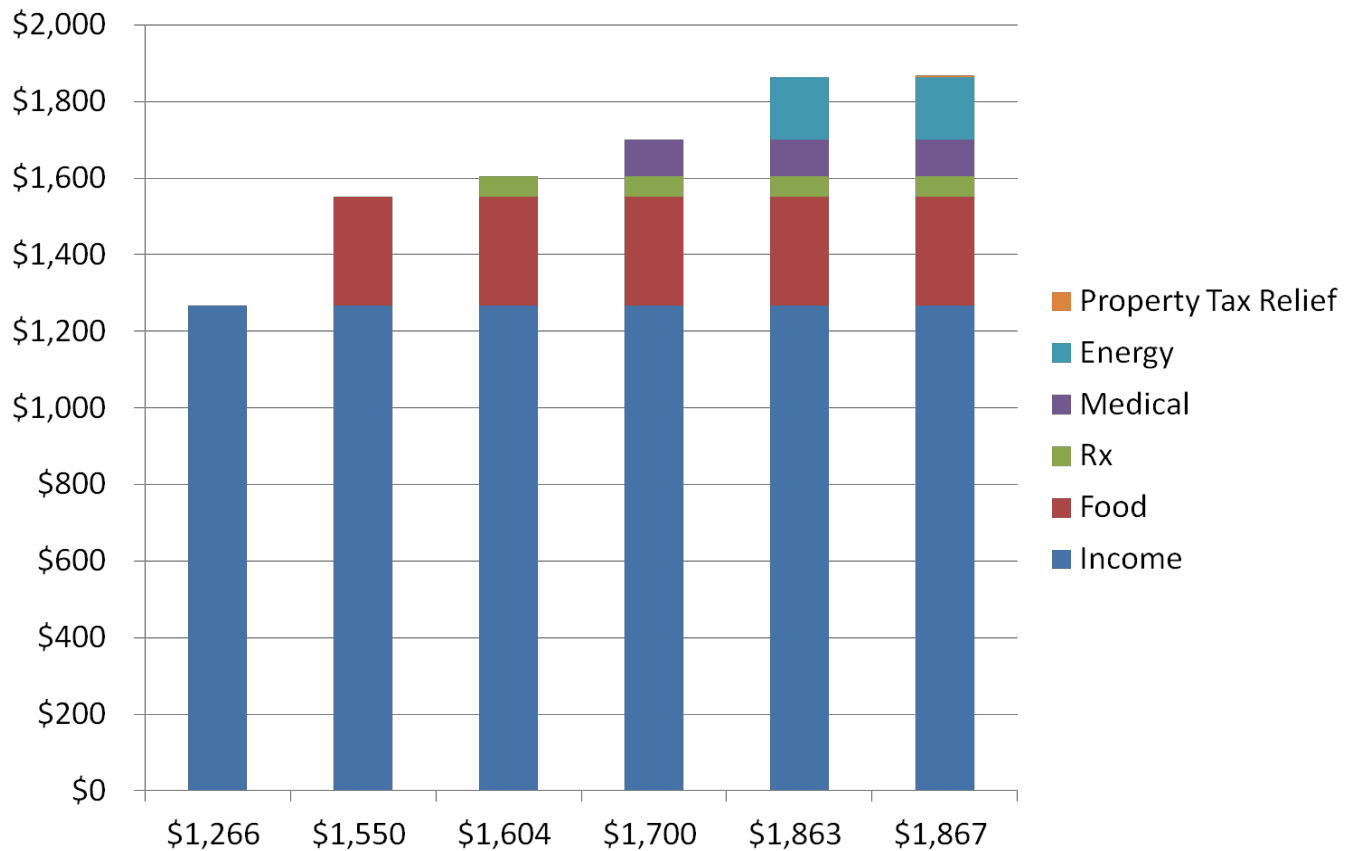
Elder woman receives the state average SS of \$1266/mo and would be at 52% economic security. If she applies & receives the following it would bring her closer to **79% economic security**. \* \$15,191 is the average benefit. **Many elders receive less.**

- **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

**The only item that further closes the gap is affordable housing.**

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

Monthly Elder Economic Security Index \$2,436 needed to cover basic costs



## *Addressing basic needs*

# Nutrition Specific recommendations

### **Remove application barriers for Nutrition Programs:**

Seniors living in poverty continue to be underserved by statewide nutrition programs. Meal supports can radically affect a senior's health and well being while also making a profound difference in their economic status.

- ***Participation 5-7 days a week: receiving nutrition one meal per day in a congregate nutrition program, or home delivered meal, plus participation in a weekend meal programs, plus participation in the USDA Farmers' Market Coupon Program can in effect provide a \$1200 annual benefit to a senior.***
- **Streamline access to Supplemental Nutrition Assistance Program (SNAP)**

## Nutrition Recommendations continued

- **Raise the USDA eligibility guidelines from 185% of the FPL to 200% for SNAP.**
- **Increase the amount of vouchers available through the Farmer Market Coupon Program for seniors and increase eligibility guidelines from 185% of the FPL to 200% FPL.**
- **Support the stabilization of the statewide weekend home delivered meal program which is underwritten by the Casino Revenue funding.**

[www.njfoundationforaging.org](http://www.njfoundationforaging.org)

**2014 data details will be posted soon**



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