

JUSTICE IN AGING
FIGHTING SENIOR POVERTY THROUGH LAW

The State of Senior Poverty

Amber Christ, Senior Staff Attorney

October 5, 2017

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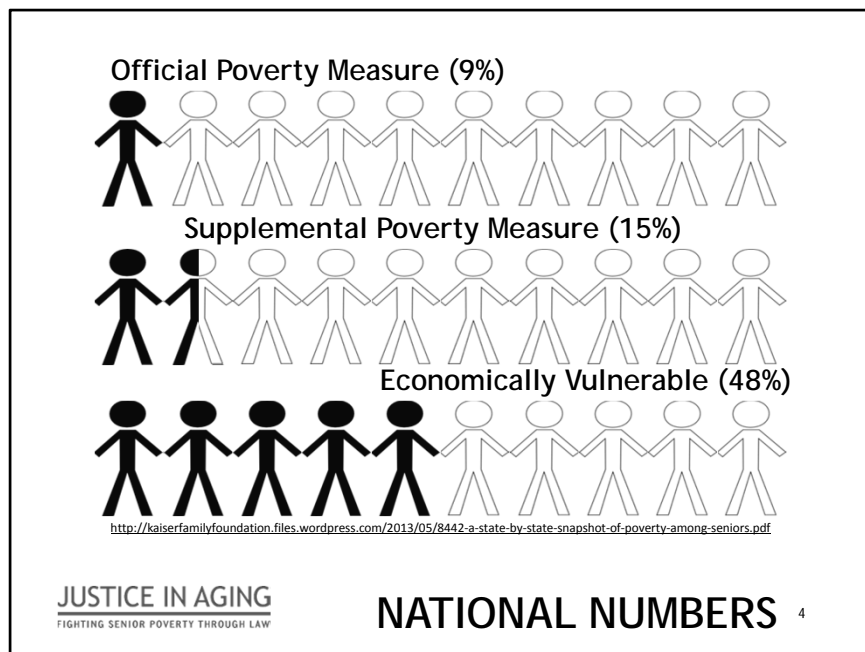
Justice in Aging is a national organization that uses the power of law to fight senior poverty by securing access to affordable health care, economic security, and the courts for older adults with limited resources.

Since 1972 we've focused our efforts primarily on populations that have traditionally lacked legal protection such as women, people of color, LGBT individuals, and people with limited English proficiency.

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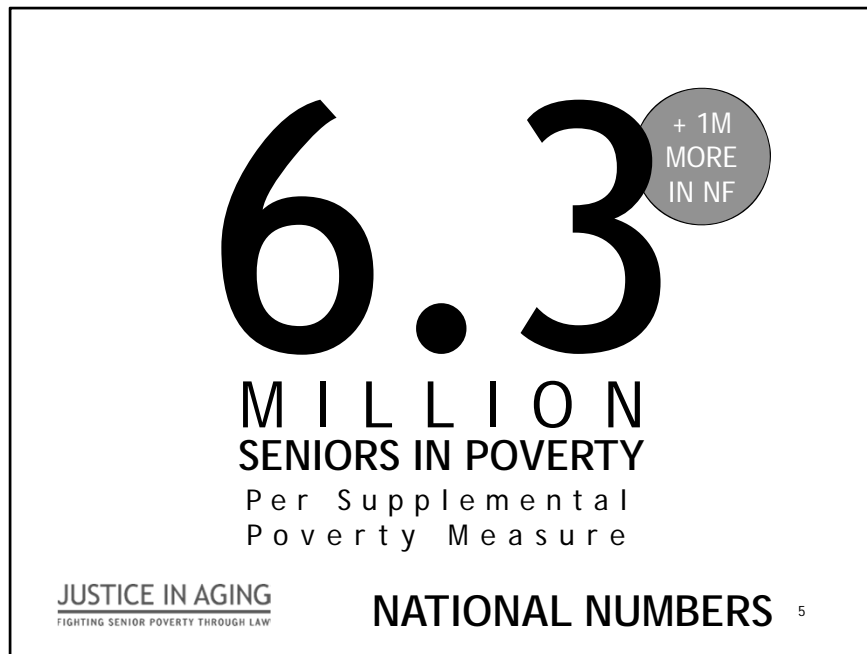
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Official poverty level – what most program eligibility is based upon – national standard. It does not take into account regional difference in costs – which is substantial in California where we have a much higher cost of living and in particular housing costs (as Margot will discuss at length) and has not been updated since it was first developed back in the 1960s.

The Supplemental Poverty Measure was developed by the Census Bureau in 2011 – takes into consideration housing costs and regional differences; and when counting available income, takes into account health care expenses. This is particularly important from the perspective of older adults who on average spend about 16% of their total income on health care expenses.

Economically vulnerable are individuals who have income that is 2x that of the supplemental poverty measure – any change in the income they rely on or an increase in expenses, would send these individuals into poverty.



In total, there are approximately 6.3 million seniors living in the community who are living in poverty. 1 million more seniors live in nursing facilities.



Here in California, we have the second highest poverty rate for seniors in the country – surpassed only by Washington DC.
20% of seniors are living in poverty.

Elder Economic Security Index (EESI)



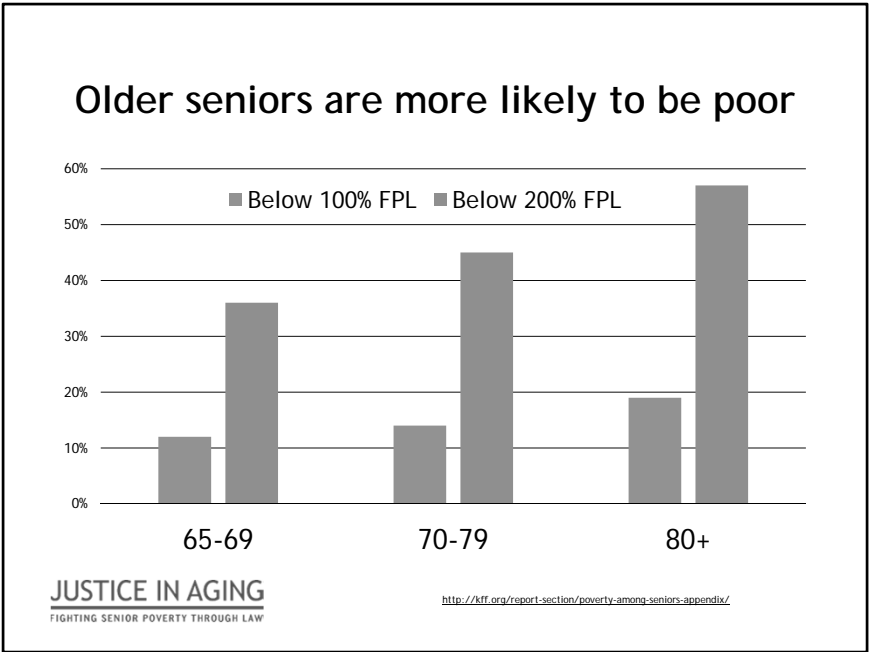
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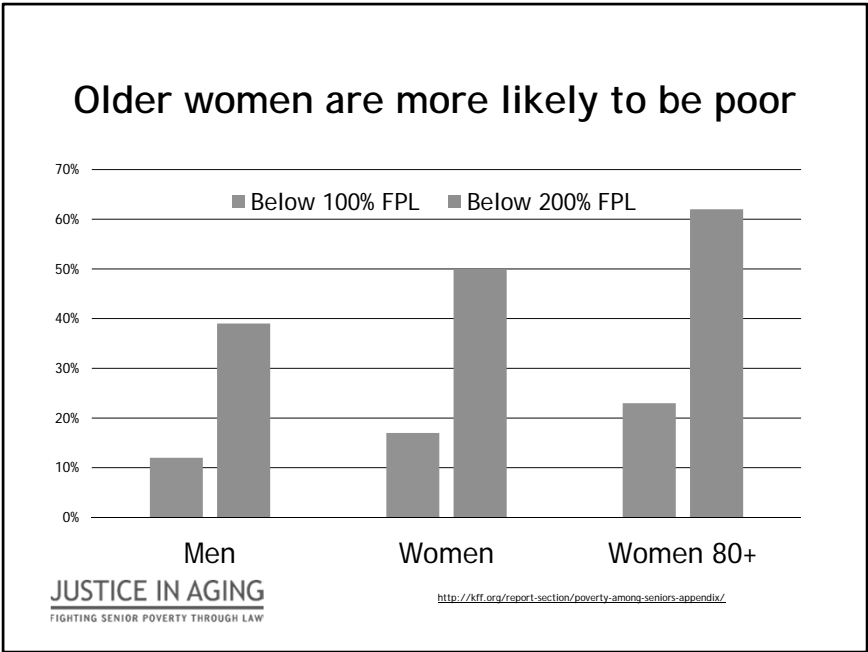
In California – UCLA’s Center for Health and Policy wanted to examine the economic security of older adults and developed the Elder Index – unlike the FPL or even supplemental poverty measure, calculated at the county level. The FPL was based on consumption habits in the 1950s of a typical young couple. The Elder Index takes into consideration those costs older adults face – health care, housing, food, transportation,
2015: \$23,760 –
Average Rent: 877
Food: 270
Healthcare: 342

But let’s take a more expensive county – say Los Angeles city: 24,370; higher attributable to housing costs: rent 1130 compared to 877 in California; but health care expenses lower; shockingly, Alameda County is even higher - \$27, 276 – housing, health care, and food all higher.

We call the individuals who have income above the federal poverty guidelines but below the elder index as the “hidden poor” – there approximately 775,000 seniors who are among the hidden poor

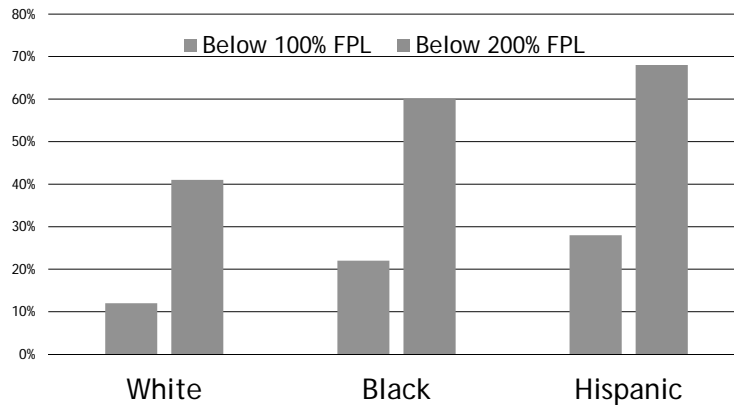


What we know – older seniors are more likely to be poor – this is because health care costs increase considerably as we age.



WOMEN – much more likely to be poor – usually around 10 percentage points more than men – why? Less income – usually caregivers. And live longer and have higher health care costs.

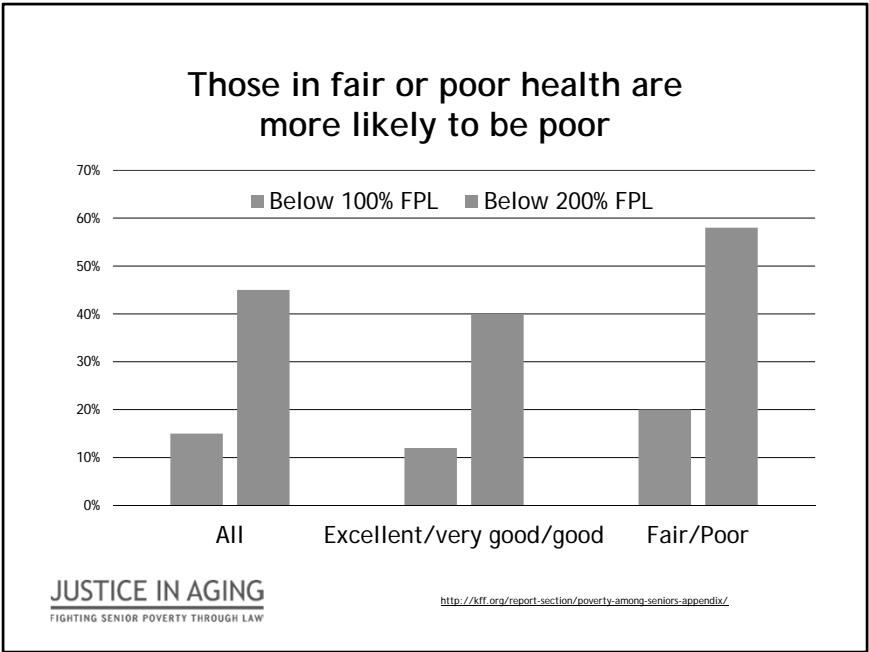
Older people of color are more likely to be poor



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<http://kff.org/report-section/poverty-among-seniors-appendix/>

POC



HEALTH STATUS

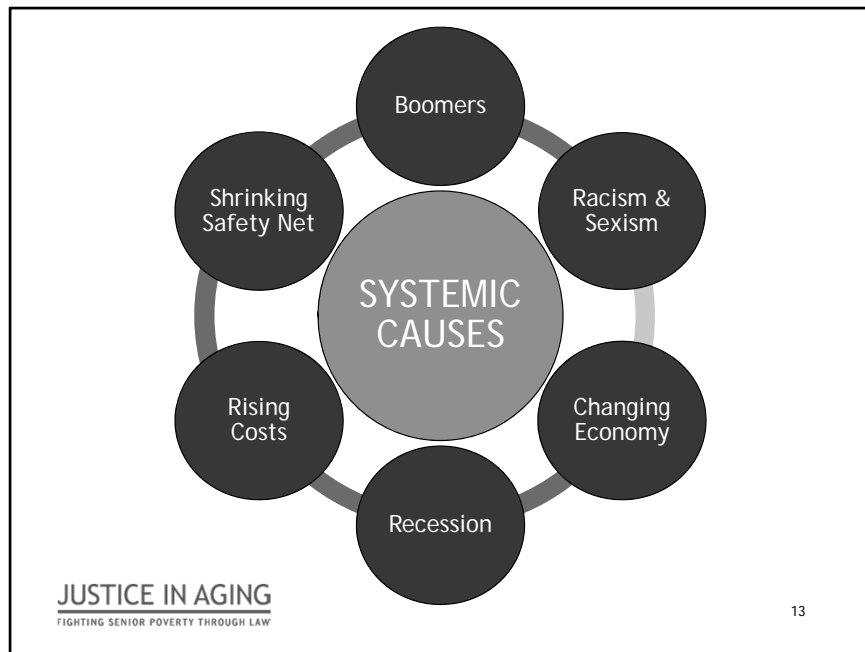
WHY?

How we age - including how many of us age in poverty - is influenced by social policies and structures that can and should change

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The economic inequality, health inequality, and other inequalities compound. Women will earn less than their male counterparts – both because of discrimination, but also because more likely to be caretakers and therefore have large periods of time not paying into Social Security – caretakers for children; caretakers for aging parents. Black women earn less than their white counterparts and face systemic barriers to care that also increase the likelihood that they’ll have poorer health as they age.



More and more individuals are aging into poverty – and there are a number of reasons for that.

Boomers: number of seniors will double over the next two decades and by 2050, those over 60 will represent $\frac{1}{4}$ of California population. To put this in perspective – 1000 people turn 65 every day in California and will do so for the next 17 years. But even more the growth of those individuals 75 and over is going to have the highest population growth starting in 2020. People of color will also have the highest growth rates aging – especially hispanic older adults and asian older adults.

Racism and sexism – as noted before

Changing economy and the recession

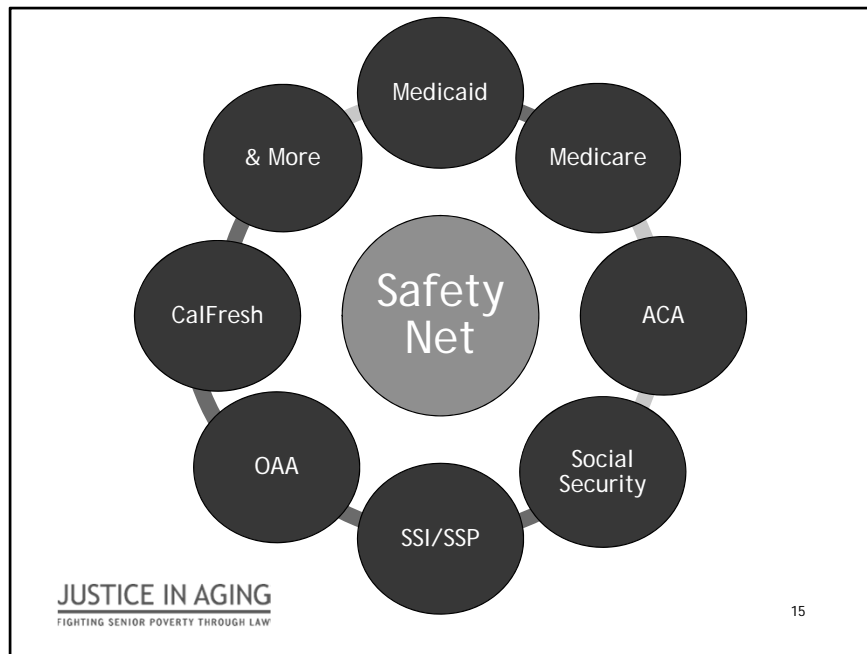
Rising costs

Shrinking safety net

Shrinking Safety Net

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If we look at the social safety net for seniors here in California – it includes Medicaid (Medi-Cal) primary as the payor for long-term services and supports Medicare

The Affordable Care Act – provided coverage for those who younger older adults – either through affordable coverage on the marketplace or expanded Medicaid – means they’re healthier entering into older age and Medicare

Social Security

SSI/SSP – which we know is not adequate – it’s below the FPL – SSI counting has not been updated since it came into existence back in the 70s. SSP saw it’s first COLA in years but won’t be ongoing.

Older Americans Act – includes meals and other services for older adults

CalFresh

And many more programs

FEDERAL UPDATE

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CAPPING MEDICAID FUNDING

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By their nature, cap proposals are designed to reduce federal Medicaid spending for each population and for the program as a whole. If spending is reduced by a significant margin, the ability of Medicaid to continue to meet the LTSS needs of older adults is threatened.

Making cuts via the current version of the cap proposals is particularly dangerous for older adults needing LTSS.

Two particular ways: caps or block grants

PROPOSALS

Legislation to repeal &
replace ACA

Federal Budget

Tax Reform?

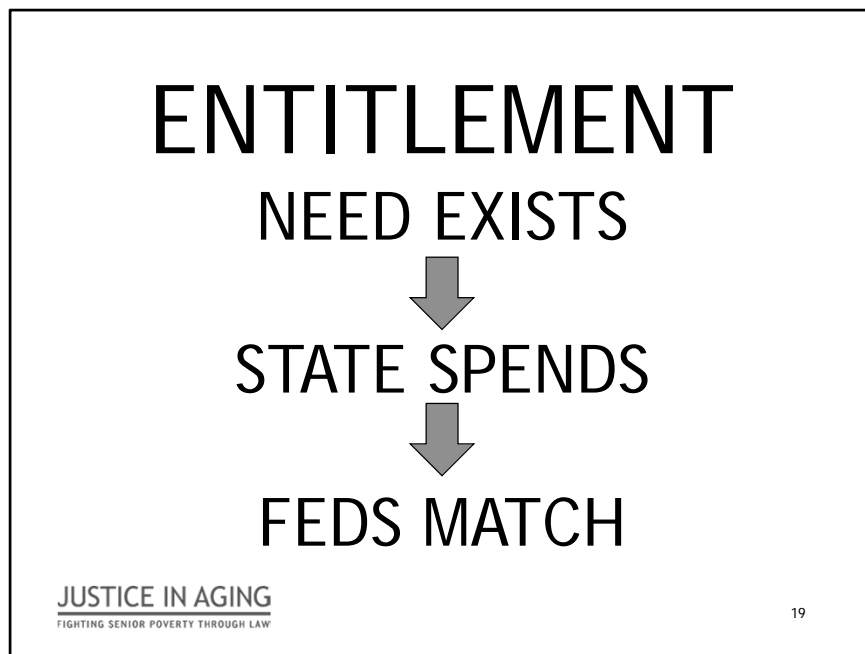
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We have seen this through the legislation to repeal and replace the ACA – would have eliminated Medicaid expansion and capped Medicaid funding

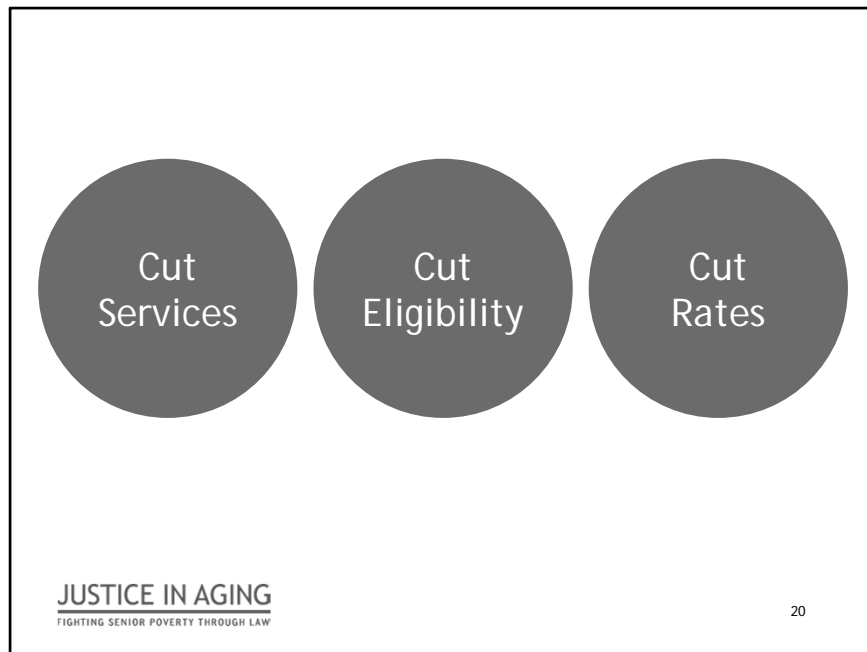
Federal budget – House is voting today that would cut 1 trillion from Medicaid (and half a trillion from Medicare)

Tax Reform – not clear if it will touch Medicaid – but most likely Medicaid cuts will be pursued because the tax proposal will create huge deficits that will need to be offset by cuts – and other than defense, Medicaid and other entitlement programs are the biggest line items for government spending.



The way that Medicaid works now is based on how much health care people need. Based on those needs, the state spends money on needed health care and related services, and then the federal government matches that spending. Depending on your state, the federal match can range from 50% to 73%.

If you cap how much the feds provide, you cannot account for the state spending that can occur – for example, a natural disaster. Or a hepatitis C drug. Or the shifting demographics – where our population is aging and will include individuals who are 80 and over at numbers higher than the caps can account for.



Tremendous pressure to cut optional services bc they will have to provide NH institutional

But they won't be able to so they will tighten eligibility. Many families will be locked out. Bankrupt families.

Then they will lower rates – leading to quality and access issues. Jobs lost.

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THREATS TO SSI

PROPOSALS

- 2018 Budget - \$8 Billion Cuts
- HR 2792

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Cut SSI for 8 billion in Trump's budget – House budget does not specifically call for this. But the budget instructs policy makers to cut at least \$203 billion over the next ten years from a variety of programs—cuts that are likely to include SSI.

SSI/SSP Advocacy

- SSI Restoration Act
- SSP - CA4SSI

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SSI Restoration Act – would increase the resource limit (from 2,000 to 10,000) would update the unearned and earned income deductions, would allow people to live together without reducing SSI amount and more.

SSP – Californians 4 SSI attempting to restore the COLA and help people receiving SSI to live above the federal poverty rate.

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OTHER SAFETY NET CUTS

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Making cuts via the current version of the cap proposals is particularly dangerous for older adults needing LTSS.

Two particular ways:

2018 Budget

- Medicare - \$500 billion
- SNAP (CalFresh) - \$138 billion
- TANF(CalWorks) - \$ 15 billion
- Child Tax & Earned Income Tax Credits - \$25 Billion
- LIHEAP
- Social Services Block Grant
- HICAP Funding
- Housing

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2/3 cuts in budget come from programs that serve low and moderate income Americans


The efforts among aging advocates is defend, defend, defend.

Text
4JUSTICE
to
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Justice in Aging

Amber Christ, Senior Staff Attorney
achrist@justiceinaging.org

justiceinaging.org

 @justiceinaging