Struggling to Get By:
Elder Economic Insecurity in Bergen and Passaic Counties

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Wider Opportunities for Women (WOW)

Wider Opportunities for Women (WOW) has promoted empowerment, equity and economic security across the lifespan since 1964. Through advocacy, research, training and technical assistance, WOW advances equal education and employment opportunities, non-traditional occupations for women, economic empowerment and secure retirement.

WOW’s Family Economic Security Project (FES Project) and Elder Economic Security Initiative (Elder Initiative) improve policy and programs by defining and advocating economic security. The FES Project and Elder Initiative work in WOW’s home of Washington, DC and with their partner networks to improve the lives of workers, families and seniors across the country.

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Report Overview

Every day, seniors in Bergen and Passaic Counties struggle to cover their basic needs. How are they surviving? What sacrifices are they forced to make? What is the role of public supports in closing the economic security gap? What are their concerns for their future? WOW conducted focus groups with older adults to understand the economic insecurity that Bergen County and Passaic County seniors face, through their own voices and lived experiences.

We find that economic insecurity exists across demographic groups—gender, race and income levels. Nearly all seniors we spoke to—including those with pensions and economic security incomes—report experiencing significant concerns and anxiety about their current economic situation, and they engage in financial coping strategies to get by. The focus groups also demonstrated that older women—often having experienced lower pay during their working lives—face even greater economic challenges in their later years than their male counterparts face.

Further, seniors report that public supports are essential to their economic well-being, but are often inaccessible or inadequate to cover their needs or bridge the gap between their current incomes and economic security. Many seniors find themselves at the edge of potential “benefit cliffs,” where a slight increase in their Social Security income could cause them to be ineligible for another benefit. Some also report facing limits on supports, such as home health care, which prevent them from receiving services into their later, most vulnerable years. The inability to access public support programs creates an even more precarious economic situation as they age.

Seniors’ economic security concerns are not confined to the individual elder’s life. Instead, older adults often try to help their family members and may also benefit from support extended by their families. However, seniors report that this is a delicate balancing act, as family economic security continues to erode and seniors try to balance their own needs with those of their families.

Finally, seniors with a wide range of former work experience and economic status have significant concerns for the future—both in regard to their own economic security and that of their children and family members.
What Does It Take to Age in Place with Dignity in Bergen and Passaic Counties—and How Many Have It?

How much income do Bergen and Passaic County elders need to meet the real costs of living? How much do public support programs—income, food, medical, transportation, utility and housing assistance—help elders meet their rising expenses? To answer these questions, service providers, advocates and policymakers need an accurate definition and measure of elders’ economic security.

WOW’s Elder Economic Security Standard™ Index (Elder Index) measures the minimum income older adults require to make ends meet, live with dignity and remain in their own homes as they age. The Elder Index helps workers and retirees plan for the future. It also serves as a basis to quantify the effectiveness of state and national public policies and programs in preserving economic security for older adults. The Elder Index helps pre-retirees, elders, advocates, policy makers, foundations and direct service providers:

- Define, quantify and understand elders’ basic economic security needs;
- Measure the gaps between typical incomes and economic security;
- Measure how well public policies can help fill those gaps; and
- Evaluate current public policies and programs’ ability to move individuals toward economic security

To arrive at a measure of income adequacy, the Elder Index sums the five major monthly expenses that constitute the basic elder household budget. As a measure of basic needs, the Elder Index includes only those goods and services essential to health and welfare:

- Housing: Rent or mortgage payments and all housing-related costs (utilities, insurance, property taxes), as applicable
- Food: Food prepared at home, based on the USDA Low-Cost Food Plan for older adults
- Health Care: Premiums for Medicare, supplemental insurance and average out-of-pocket costs, including co-payments and deductibles
- Transportation: Private auto ownership and use, or public transportation where widely available
- Miscellaneous: Essential household and personal items such as clothing, paper products, cleaning products, etc. Miscellaneous expenses are estimated at 20% of all other expenses, based on Department of Labor Consumer Expenditure Survey data.

An elder with income sufficient to cover only these expenses attains basic security, but is unlikely to thrive in retirement. Attaining the Elder Index income is therefore one critical, but not final, step along the path to a high quality of life. Tables 1 and 2 illustrate the Elder Indexes for both counties.
A large percentage of seniors—across gender, race and household composition—in Bergen and Passaic counties are living below the Elder Index, below the “economic security line.” Table 3 demonstrates that 59.8% of seniors living alone and 28.7% of coupled seniors live below the Elder Index in Bergen County, and 61.1% of seniors living alone and 33.9% of coupled seniors in Passaic County live below the Elder Index. Larger proportions of women than men in both counties live below the Elder Index. For instance, among single elders, 63.6% of women and 45.9% of men in Bergen County, and 66.5% of women and 48.6% of men in Passaic County live below the Elder Index. And Blacks and Hispanics in both counties are more likely to live below the Elder Index than Whites and Asians. Specifically, 80.1% of single Hispanics and 94.5% of single Blacks or African Americans live below the Elder Index in Bergen County, as
compared to 57.4% of single Whites. In Passaic County, nearly 100% of single Hispanic, 92.4% of single Blacks, and 55% of single Whites live below the Elder Index.¹

<p>| Table 3: Percentage and Number of Individuals Living Below the Elder Index in Bergen and Passaic Counties |</p>
<table>
<thead>
<tr>
<th></th>
<th>Bergen County</th>
<th>Passaic County</th>
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<tbody>
<tr>
<td>Single</td>
<td>59.8% (18,760)</td>
<td>61.1% (7,447)</td>
</tr>
<tr>
<td>Couples</td>
<td>28.7% (10,475)</td>
<td>33.9% (3,701)</td>
</tr>
<tr>
<td>Men (Single)</td>
<td>45.9% (3,126)</td>
<td>48.6% (1,790)</td>
</tr>
<tr>
<td>Women (Single)</td>
<td>63.6% (15,664)</td>
<td>66.5% (5,657)</td>
</tr>
<tr>
<td>White, Not Latino (Single)</td>
<td>57.4% (16,079)</td>
<td>55.0% (5,714)</td>
</tr>
<tr>
<td>Black or African American (Single)</td>
<td>94.5% (752)</td>
<td>92.4% (902)</td>
</tr>
<tr>
<td>Hispanic or Latino (Single)</td>
<td>80.1% (1,273)</td>
<td>100.0% (667)</td>
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Struggling to Get By—Seniors’ Stories of Living on the Edge

The numbers of local seniors living below the Elder Index are jarring; yet only when one digs deeper to capture the stories behind those statistics can we better understand how seniors are surviving day to day in precarious economic situations. Doing so allows us not only to highlight how difficult the situation is for seniors in Bergen and Passaic counties, but also to provide insights that can inform policy and programs designed to address the economic security gap.

To this purpose, WOW conducted a series of focus groups with Bergen and Passaic County seniors. The aim was to chronicle lived experiences of seniors “struggling to get by” in the current economic climate, illuminating individuals’ challenges and the ways they make ends meet. Five focus groups were conducted that engaged a total of 76 diverse seniors in lively exchanges about their current circumstances, how they have found themselves in those circumstances, and how they are “getting by.”

We stratified our focus groups so that they would represent seniors in subsidized housing and seniors who were retired NJ union members. One focus group took place at the Jewish Federation Senior Housing facility in Paterson (Passaic County) and two focus groups took place at Teaneck Senior Housing in Teaneck (Bergen County)—these focus groups engaged seniors in subsidized housing. We then conducted two focus groups with retirees from several unions representing auto, manufacturing, administrative and service industries (Bergen County). One of these focus groups was held at the Bergen

County Central Labor Council meeting and a second was held at a United Automobile Workers (UAW) retiree meeting. Income, demographic and public assistance participation data on the participants in the focus groups can be found in the Appendix.

Through our focus group research we were able to identify four main themes that permeate seniors’ lives in Bergen and Passaic counties. These are:

1. Economic insecurity exists across demographic groups—gender, race and socio-economic status. And there are similarities in the challenges faced by seniors in different demographic groups. For instance, 64% of seniors surveyed reported that their economic security level was poor or fair, regardless of whether they were union retirees or residents of subsidized housing. And lived experiences shared by women indicated that labor market structures that had characterized their working years (occupational sex segregation, gender wage gap, etc.) had an adverse impact on their economic security as seniors.

2. Public supports are essential to seniors’ economic well-being, but are often significantly inadequate to cover their needs or bridge their economic security gaps—the gap between current income and economic security income. Further, many seniors find themselves at the edge of potential benefit cliffs, where a slight increase in their Social Security income could cause them to be ineligible for assistance. These cliffs many times create an even more precarious economic situation for seniors.

3. Seniors’ overall economic security is often impacted by concerns for family members’ economic security. Seniors often try to help their family members and may also benefit from support from their families. However, seniors report this is a delicate balancing act, as greater family economic security continues to erode and seniors try to balance their own needs with those of their families.

4. Seniors have significant concerns for the future—both in regard to their own economic security and the economic security of their children and family members.

**Economic Insecurity Across Demographic Groups**

We purposely stratified our focus groups to represent a diverse socio-economic sample. In particular, we wanted to determine if there were significant differences between seniors who had retired from New Jersey unionized jobs and did not qualify for supports such as subsidized housing, and seniors who were living in subsidized housing. Clearly, there were income differences. Union retirees reported a higher level of income; 42% of union focus group participants said they had annual incomes of $30,000 or more, while only 11% of subsidized housing residents indicated that they had incomes over $30,000. Regardless of these differences, however, close to two-thirds of all those sampled reported their economic security level as either poor or fair.
Preparation for Retirement is Often Inadequate—in Retrospect

Several seniors in both of our samples felt that they had been preparing for their retirement, but when they faced the reality of retirement, they learned they had been ill-informed about needs and that they were ill-prepared. Employment was a common concern for focus group participants. Some thought they would be able to find another job after retirement, but found themselves unable to do so. As one senior told us:

“Yes, I knew I would retire and thought I’d get another job. Unfortunately, I had a stroke and can’t work.”

Others talked about having saved for retirement, but quickly learning that they had not been able to save enough, and found themselves outliving their savings. For instance:

*Working those years, saving, I thought I would be 100 percent secure. Instead, I feel like I’ve got zero!*

*I have outlived my savings and don’t want to live with my children.*

Seniors were most concerned about the rising costs of basic needs, most notably health insurance, and how rising costs were making their savings inadequate. Even those with secondary health insurance plans through their former employer and/or union did not feel this would be enough, particularly as they aged.

*I have a fear. I have several health care conditions and if they deteriorate and I need constant care... I’m not complaining, I have a pension, but home care is incredibly expensive.*

*I don’t have health care benefits. I was in a union for 40 years — was in Amalgamated union. Nobody has benefits once they retire; you have to buy a supplement; it’s expensive, and going higher.*

*I feel insecure myself. My income is steady, but property taxes and insurance go up. It is highway robbery for health care. There is a smaller and smaller amount left every month. Did anyone take into consideration the taxes? Nobody!*  

*My secondary health insurance is half of my Social Security check before any other expenditures; it’s choking me. Before I get health care, I have to eat, I have to live someplace.*

Seniors Find Ways to Cope

The seniors we spoke with overwhelmingly reported that their retirement years were characterized by the reality that the costs of basic needs were rising, forcing them to make tough choices in order to find ways to save money. For instance:
Food costs are very high. Every week you go shopping, have to buy like our mothers and fathers did—not just anything you want, like our kids do.

I cut back on telephone, cable, and got rid of my car. Food, health, life insurance goes up, even gas and electric goes up.

I had to choose between cable and computer; I enjoy my computer.

I haven’t bought nothing since I moved here [into affordable housing].

I can’t buy filet mignon, but I can buy chuck!

However, while some seniors may talk about choosing between steak and ground beef, the reality is that the choices others are making are far more consequential than that. As one woman told us, she found a way to save money by denying herself needed assistive devices:

I need hearing aids, but I only use one. Why? Because they’re very expensive. And Medicare doesn’t cover them.

Others noted that they are unable to continue to save, creating even greater anxiety for them.

I spend my entire pension and Social Security every month, and I can’t save any money. If I have a problem with my car, I can’t fix it. This isn’t the way I imagined it would be when I retired.

And some, who have been able to secure work in retirement have done so just to try to make ends meet.

I wasn’t old enough for Social Security yet, so I had to either take a job or live with my kids. I would rather work 24/7.

I have three part-time jobs just to pay the rent.

**Challenges Faced by Senior Women**

Gender played a significant role in the seniors’ ability to be economically secure. The impact of gender seemed to surface in two distinct ways. First, women noted that their Social Security income was lower than their male counterparts’. As this woman states:

The reason for my Social Security being so low is because I also lost my husband at a very young age and had children. I had to be home during the day and work at night. I took a job as a waitress; you get out what you put into Social Security.
This woman’s experience, and those of others like her, highlights how larger labor market structures—including occupational sex segregation—contribute to the concentration of women in low wage work. This phenomenon, along with the need for women to take time out of the paid labor market to care for their children, as well as the gender wage gap, all impact the amount of money women are able to contribute to their Social Security insurance. In this individual’s case, being a single mother limited her labor market choices, forcing her to enter work that allowed flexibility to care for her children, but not wages that offered her economic security.

Some women also reported that they, often following gendered expectations of women’s roles in the household, did not educate themselves on their economic security and planning for the future. As a result, they often found that they were ill-prepared when their husbands died. For instance:

I’m in a position now that I am embarrassed about—never saved a penny; had no need to. I should have used my head. I had whatever I needed and wanted, and I lived a very happy life. No need to save to go someplace; we were a couple and went. I tell my children, don’t do what I did; I am suffering for it now. I just don’t have any savings. I don’t know how to save.

Despite their challenges, the seniors we spoke to in Bergen and Passaic counties stated that they expected to continue to make sacrifices on their basic needs in order to get by. Several of them harkened back to an earlier time of their lives—the Great Depression of the 1930’s—and lamented that they often felt they were back in a similar situation. At the same time, they worry about their children and grandchildren who have not been tested by such challenges.

Most of us here are from a generation of parents who were the tough generation; somehow we’ll survive. I don’t know about our kids, though; as a kid, my parents were just trying to survive, get food on the table. There was one pair of sneakers for me and my brothers to share, holes in our shoes.

Things have gone backwards; our generation lived through a Depression in the early ‘30s; we learned the need of being secure, of taking care, making sacrifices, buying things you can afford. Younger people haven’t gone through that.

Public Supports—Essential, Yet Often Inadequate and Unreliable

One of the notable findings in the samples was that the residents of subsidized housing, while very much feeling economically insecure, did recognize that having access to subsidized housing made a significant difference in their lives. At the same time, they were quite cognizant that it was inaccessible to most seniors in Bergen and Passaic counties. They often referred to it as “luck” that they were able to access a subsidized apartment. This was mostly related to the long waiting lists they endured as they waited for housing to become available. As one woman told us:
People are lucky to live here. There’s a lottery system. The supply is so much less than the demand…if you get a low number in the lottery, you’re lucky.

Another supported her point.

We live here in subsidized housing and we are lucky to live here for only 30% of our income. I’m 83. I was born in the first Depression and grew up with that... I’m trained...You live within your means.

One woman told us about the waiting list—and how long it is.

There is a lottery system—with 800 names on the list; if you’re 800th to be called, it’s easily a 10-year wait. I am visibly handicapped, but there are only 16 apartments accessible; so it’s a longer wait.

Her statement highlights two important points. First, the wait list is very long and while a senior is waiting, she is often struggling to put a roof over her head. As another woman illustrated for us:

To me this housing is a blessing. I lived with my daughter and son-in-law for 6 years waiting for an apartment here... I wasn’t myself... This (subsidized housing) to me was a godsend... My daughter and son-in-law live close by and help whenever they can.

Second, the lack of subsidized, handicap-accessible apartments is a significant issue for seniors. As a woman with a chronic illness told us:

I was in the hospital and a woman who lived here said, “Jane, I’m going to bring you an application because you can’t live in your house anymore...” I had stairs and too many things (blocking my way)...I waited 5 ½ years because I needed my unit to be handicap-accessible.

Yet, while housing assistance is essential, even for those seniors who have it, it is not enough to ensure economic security. As residents from the subsidized housing developments told us:

I live Social Security check to Social Security check, even here [in affordable housing]. Social Security, and two part-time jobs—one is 90-minutes a day, the other on Saturday & Sunday.

As a result seniors often need several kinds of support to help them move toward economic security. As one woman shared:

I broke my hip and came out of the hospital and had Meals on Wheels... It was $1.25 a week—I was saving money! So there are little perks in this county... PAAD, Meals on Wheels and food stamps.

And even when they have access to other supports, it often is not enough.
You get food stamps now, and then go to the market, and food has gone sky-high. I get $16 a month; it’s not what we need.

I get $16 a month; if I go to the store and get a big packet of chicken, (that’s as far as it goes); nothing else.

For both groups of seniors we spoke with, health care cost increases were a large concern. In particular, they noted that health care not only consumed a large portion of their income, but that any increases in Social Security were eclipsed by rising health care costs. As one senior told us:

We get COLAs on our Social Security, but this year only 1.7%. Our Medicare is going up by 5%. Our copays, if we have supplemental insurance, premiums go up every year. We are going into the hole.

Others agreed with this point, but noted that as bad as it is for them, they felt it was worse for generations before them who did not have access to supports.

Health care is swallowing up a lot of the income for senior citizens. But I’m doing a lot better than my grandmother. There was no Section 8 (housing assistance) for her. She did not have nurses to come around. And we have food stamps. But health care is something we all worry about.

Medical cost increases; just got a Social Security cost of living raise and Medco took it; raise from COLA is already gone (Medco is for prescription drugs); so raise was erased by the Rx cost increase.

Seniors also related how important transportation supports were for them in order to attend medical appointments and do their food shopping. However, even with those supports there can be challenges in practice. For instance, one woman reported challenges in accommodating aides on the transit that was provided by the affordable housing complex:

Transit is an issue; the bus can only hold so many, but that’s not problematic. But it is a problem that only one handicapped person can go at a time. And if an aide is needed, they can’t go with you on the bus; it’s for residents only. They said it was because of insurance; and that it (transit support) is not for medical appointments—this is independent living, so transit goes to the mall and shopping center; but they try to accommodate if the doctor’s office is en route.

The above comment also highlights that it is not always a guarantee that a senior will have transportation for medical appointments provided by the affordable housing complex. In those cases, seniors need to plan ahead for transportation sources that do provide routes to medical appointments. Yet planning itself comes with some challenges. As one senior told us:
So transportation that you need to plan 2 weeks ahead for is (provided by the) township or county; and it will take you to medical appointments, and I would have to have an assistant with me if have a handicap of some kind.

And, they need to plan to have the exact fare, as the transit provider does not have the ability to make change.

I understand that there are services such as AccessLink that take people with a disability places. But you have to have exact change, and they won’t take pennies; they charge by the mile and you have to live within ¾ of a mile of a NJ transit stop.

Despite having access to some needed supports, seniors constantly lived with anxiety that they would lose the public subsidies they had either because their incomes would slightly increase, thereby making them ineligible for other supports; or that the supports would no longer be there for them. This worry was most pronounced in regard to housing. Subsidized housing is a support that cannot be understated in its ability to help seniors close the economic security gap. However, seniors report that they live in fear that the housing subsidies could be eliminated at any given point.

It’s our whole life. If we were not living here...a lot (of landlords) want $1,500,² then a month in advance, etc.

I worry if they will touch and change this housing assistance. Have to go forward and leave that alone.

The concern is our subsidies will be cut, then (it will) cut into food, medicine, supplemental insurance.

While concern for the potential loss of supports clouded seniors’ lives, the real loss of supports was something many seniors had experienced. For instance, one man who has a disability told us how the loss of his home health aide had impacted his life.

I had when I came here an assistant who would help me (with) doing basic things around the house, or using my car. The program was provided by the county. After 17 years or so, they decided they would have to put an end on how many years you could get the assistance. I was well beyond 70 at this point; and it would now cost me $100 a day, and that I can’t afford, so I am living in a slightly altered state today and some of the things I’d like to do, cannot do.

Another recounted how her electricity subsidy was eliminated when she did not use enough electricity in her apartment.

² WOW calculates rent for a one-bedroom unit in Passaic County at $1,344, similar to this senior’s assessment of the rental market. Housing costs include rent and related costs (heat, utilities, and insurance).
Now all of a sudden they cut me off because I don’t use enough electricity! Gas and electric gives you so much a month—say for 6 months. You don’t have to pay your bills, so it’s money in your pocket. Then they evaluate you again, and if you don’t use a certain amount, they cut it off. I got a letter like that and asked them, “Why are you penalizing me for using the electricity that the government pays for?” I was just cut off; now I have to pay the electric bill.

Another woman noted how an increase in Social Security income created a benefit cliff for her that made her ineligible for the state prescription plan for seniors. This cliff made her even more economically insecure despite an increase in Social Security income.

I had an increase in my Social Security income and it knocked me out of PAAD, and now I have to pay for my prescriptions, which I cannot afford.3

One of the most severe stories the seniors shared with us was one that demonstrated how waiting for Medicare eligibility cost a family member her life. As one gentleman related:

Within days, my son’s mother-in-law and her husband both had had heart attacks. They lived on a farm and in order to pay the medical bills, the livestock, car, farm equipment, all had to be sold. The bills came in from doctors and there was still not enough money; so it wiped out their savings. A year later my son’s mother-in-law developed cancer. She was a year out from Medicare. She decided to wait for treatment until (she was) eligible for Medicare and could afford it, and during that time it spread throughout her liver and kidneys. My son’s wife was so upset, she screams she should never have lost her mother. If health care had been available for her, she would be alive today. At the end, she was just skin and bones; when she died she had just turned 65, when she would have been Medicare-eligible.

Supporting Families and Family Support

Even though the seniors we spoke with noted that they felt very insecure, they also felt strongly that when they could, they would help their children and other family members. They were quick to confirm with experiences from their own lives what data on Americans and economic security demonstrate—that many families are living below economic security for their family type and are struggling to get by. As a result, when possible, seniors in both of our sample groups tried to offer support to their children and other family members. For instance, one woman told us that when she received some money from selling her home, she used it to provide for her children and grandchildren, despite the fact that she could have used that savings for her own economic security.

Because I was able to sell my house when I moved here, a lot of the money that I had gotten from it has gone to helping my grandchildren get through school, tuition etc... My remaining son (lost

3 Although this individual was ineligible for Pharmaceutical Aid to the Aged and Disabled (PAAD), it is more than likely that she would have been eligible for the state-funded and administered Senior Gold program that uses 318% of the Federal Poverty Level as its income limit. While Senior Gold would provide some level of support, it comes with higher co-pays and participants must enroll in Medicare Part D to receive benefits.
the other one), his job is gone and I was able to supplement his wife’s money and the money he would have been making to keep their house…. It downgraded me, but what am I here for?

Another noted:

Everyone I know is sucking wind. You’re lucky to get by. Everyone is helping their kids. I’m putting my grandson through college; he’s not going if I don’t pay for it.

Seniors also reported that they would sacrifice for their children. For instance, one woman told us how she had to eliminate some of her expenses in order to help her daughter, who went through a foreclosure.

My daughter lost her house and was told she had 2 ½ weeks to go; who did they come to? I don’t have the money to have the TV stations, or to give to the doctor.

In addition, some seniors also had to find ways to support aging parents, who have outlived their savings.

My mother—she lives by herself, but she needs care 7 days a week, but thank goodness not 24 hours. She gets the maximum amount of help available in NJ due to her low income, along with the maximum hours from a home health aide. This is not under Medicare but other supports under the Older Americans Act. But it is still not enough; still a big, big problem, I’m disabled, she relies on me; whom else is she going to rely on?

Many seniors noted that they wanted to help their families economically, but could not. This was a source of frustration for them. As one woman noted:

I worry so much about my children and my grandchildren. I went to the dentist yesterday and it’s going to cost me $2,000. There’s more I have to pay for but I want to help my daughter with an alarm system and my granddaughter’s twins. I want to help them, but I have to pay for myself. Things come up that you don’t expect.

Other seniors admitted that they sometimes needed to rely on the support they would receive from family members. This was a subject that the seniors were very uncomfortable talking about. A small number of seniors indicated that they did receive some type of support from their children, but they were very uncomfortable going into detail about the type of assistance. One woman noted that she received money from her children for her birthday. Another shared her concern that even in subsidized housing, she might not be able to make ends meet, and would have to move in with her children.

Don’t do what I did…I was married and had anything I needed and wanted and lived nicely and everything…After my husband died, the insurance ran out. He died and I had no savings. Now I’m concerned about me because I don’t want to have to go to my children. Of the four children I have, two can help me, and I may need it.
Concerns for the Future

Seniors in both of our samples expressed grave concerns not only for their own economic security as they aged, but also for that of their children and grandchildren. And this latter concern was much more pronounced in all our focus groups.

Both groups of seniors voiced concerns that benefits they had felt just years ago were quite secure, were instead today being depleted and might not be available to them in the years to come. As union members noted:

*I belong to Amalgamated local and we had our own pension. I’m concerned that those investments will not be enough to cover the benefits promised; and there are not enough member contributions anymore with the decreasing number of union members, and lack of growth in the stock market—so it’s just what we already have in there.*

*We were very fortunate at UAW (United Automobile Workers) but now we’re hurting—lost bonuses, big copays, lost benefits, dental; they have cut back on about a third of the money we thought we had due to the bankruptcy of General Motors. They are now looking to cut more—other companies are also doing this.*

In addition to eroding retirement savings, seniors in both groups were concerned about the availability of health care as they aged. Several seniors succinctly stated their worries:

*I think most of us are concerned as we get older what the future will hold. Nursing homes are exorbitant, where will older people end up? I am most concerned about illness and sickness and moving to a nursing home….if all our funds are used up, will the government help us?*

*My main concern is my secondary insurance. I took it out 10 years ago when it was just under 100 dollars. I loved the policy—it covers everything….Now fast-forward…it’s increased 350 times itself…now I’m paying $400 a month for my secondary. I cannot… As you get older…sooner or later it’s going to happen… You will need the secondary. At this point in my life it’s taking half of my Social Security to pay my secondary… If I drop it, I will go on to Medicaid…Should there or shouldn’t there be a limit to what the secondary insurance company can charge?*

One woman suggested a way for her fellow seniors to deal with their concerns:

*You have to pray.*

As concerned as the seniors were for their own futures, they reported they were much more concerned about their children and grandchildren. Many seniors noted that their children were not able to save any money. As one older woman told us:
"My son can’t save anything. He’s working 7 days a week, and he has a wife and a daughter, and his wife went back to school because she lost her job. He is very upset about not being able to save; he told me I need to have life insurance)."

Another senior alluded to the changing labor market and his concerns about his children’s ability to be economically secure—and the circle of trying to help his children, while they are trying to help him.

"It’s just that nowadays, the way things are with the economy, young people are losing jobs or working part-time. You have to help them to get an education and get student loans. It’s a back and forth, you’re trying to help them and they’re trying to help you."

Other seniors noted that current labor market structures are impacting their children’s economic security.

"This generation will have a harder time to survive than we did. When a company decides to eliminate their workforce, seniority doesn’t count."

"My daughter is very stressed and can’t leave a job she wants to leave...I want to help her so she can change jobs."

Some noted that they tried to emphasize to their children that they would need to save. For instance, one woman noted:

"My security now is OK—I don’t do too many extra things. I’ve learned to be content with whatever lot I’m in...I have tried to teach my children about savings, but my daughter doesn’t have a job."

And several seniors felt that the supports that they have—Social Security insurance and housing—would not be available for their children.

"My concern is for the future and the kids ... For me, I look up at the sky and I’m ok...I don’t think the future will be good for the kids....Social Security...that’s a little scary."

"We got to explain to children that we can’t lose Social Security or Medicare—it’s an insurance program, not an entitlement; we need that."

Another summed up the unknown that lay ahead for generations to come.

"My concern is not for myself but for my children and grandchildren...what if? Are we planning for something for them?"
Concluding Remarks

Economic insecurity appears to pervade the retirement years of the majority of the seniors in Bergen and Passaic counties with whom we spoke. They highlighted the concerns they had for their own futures and those of their families, especially in view of the rising costs they experience for basic needs. Those that had access to supports—particularly housing—were appreciative of how critical that support was to their economic security, but also painfully aware that supports often did not close the economic security gap, nor were they in plentiful supply. Some had inadequate or inaccurate information about supports that were available to them. This mosaic of perceptions—some correct, others not—underscores the complex challenges faced by both seniors experiencing economic insecurity and those working to meet their needs.

Many seniors live in fear that the supports now in place will be eliminated or reduced, thereby making a precarious situation even worse. Sadly, these are not unfounded fears—nationally we have seen cutbacks in many of the supports and services that seniors cited, and with large percentages of older adults living below the Elder Economic Security Index for their family types, access to supports becomes even more critical. By digging deep into the everyday lived experiences of seniors struggling to get by, we see both resilience and sacrifice. In their stories of survival, we find significant evidence that programs and policies that can support the economic security of seniors must be a central piece of our national, state and local agendas.
## Appendix: Characteristics of Focus Group Participants

<table>
<thead>
<tr>
<th></th>
<th>Total Participants (N=76)</th>
<th>Union Participant Group (N=38)</th>
<th>Subsidized Housing Participant Group (N=38)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Sex</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>28 (37%)</td>
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</tr>
<tr>
<td>Female</td>
<td>48 (63%)</td>
<td>14</td>
<td>34</td>
</tr>
<tr>
<td><strong>Race</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>White</td>
<td>45 (59%)</td>
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<td>18</td>
</tr>
<tr>
<td>Black</td>
<td>26 (34%)</td>
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<td>17</td>
</tr>
<tr>
<td>Hispanic</td>
<td>1 (1%)</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>Other</td>
<td>3 (4%)</td>
<td>1</td>
<td>2</td>
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<tr>
<td>Missing</td>
<td>1 (1%)</td>
<td>1</td>
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<tr>
<td><strong>Marital Status</strong></td>
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<td></td>
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<tr>
<td>Single/Never Married</td>
<td>8 (11%)</td>
<td>5</td>
<td>3</td>
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<tr>
<td>Married</td>
<td>27 (36%)</td>
<td>24</td>
<td>3</td>
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<tr>
<td>Divorced/Widowed</td>
<td>40 (53%)</td>
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<td>Missing</td>
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<tr>
<td><strong>Family/Household Composition</strong></td>
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<tr>
<td>Have Children</td>
<td>63 (83%)</td>
<td>31</td>
<td>32</td>
</tr>
<tr>
<td>Have Grandchildren</td>
<td>56 (74%)</td>
<td>23</td>
<td>33</td>
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<tr>
<td>Currently Live in Household with Children or Grandchildren</td>
<td>5 (7%)</td>
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<tr>
<td><strong>Current Annual Income</strong></td>
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<td></td>
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<tr>
<td>Less than $10,000</td>
<td>16 (21%)</td>
<td>6</td>
<td>10</td>
</tr>
<tr>
<td>$10,001 - $20,000</td>
<td>10 (13%)</td>
<td>2</td>
<td>8</td>
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<tr>
<td>$20,001 - $30,000</td>
<td>14 (18%)</td>
<td>5</td>
<td>9</td>
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<tr>
<td>$30,001 - $40,000</td>
<td>11 (14%)</td>
<td>7</td>
<td>4</td>
</tr>
<tr>
<td>$40,001 - $50,000</td>
<td>3 (4%)</td>
<td>3</td>
<td>0</td>
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<tr>
<td>More than $50,001</td>
<td>6 (8%)</td>
<td>6</td>
<td>0</td>
</tr>
<tr>
<td>Missing</td>
<td>16 (21%)</td>
<td>9</td>
<td>7</td>
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<tr>
<td><strong>Housing</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Own without a mortgage</td>
<td>15 (20%)</td>
<td>15</td>
<td>0</td>
</tr>
<tr>
<td>Own with a mortgage</td>
<td>6 (8%)</td>
<td>6</td>
<td>0</td>
</tr>
<tr>
<td>Rent</td>
<td>52 (68%)</td>
<td>14</td>
<td>38</td>
</tr>
<tr>
<td>Missing</td>
<td>3 (4%)</td>
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## Appendix: Characteristics of Focus Group Participants (Continued)

<table>
<thead>
<tr>
<th>Income and Support Sources</th>
<th>Total Participants (N=76)</th>
<th>Union Focus Group Participants (N=38)</th>
<th>Subsidized Housing Focus Group Participants (N=38)</th>
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</thead>
<tbody>
<tr>
<td>Supplemental Nutrition Assistance Program (SNAP)</td>
<td>18 (24%)</td>
<td>10</td>
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<td>Medicare</td>
<td>60 (79%)</td>
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<tr>
<td>Medicaid</td>
<td>14 (18%)</td>
<td>10</td>
<td>4</td>
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<tr>
<td>Pension</td>
<td>29 (38%)</td>
<td>17</td>
<td>12</td>
</tr>
<tr>
<td>Housing Assistance</td>
<td>50 (66%)</td>
<td>12</td>
<td>38</td>
</tr>
<tr>
<td>Social Security</td>
<td>65 (86%)</td>
<td>31</td>
<td>34</td>
</tr>
<tr>
<td>(Took) Early Social Security</td>
<td>33 (43%)</td>
<td>14</td>
<td>19</td>
</tr>
<tr>
<td>Social Security Disability Insurance (SSDI)</td>
<td>6 (8%)</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>Energy Assistance</td>
<td>3 (4%)</td>
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<td>2</td>
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<tr>
<td>Personal Savings</td>
<td>13 (17%)</td>
<td>7</td>
<td>6</td>
</tr>
<tr>
<td>NJ Pharmaceutical Assistance to the Aged &amp; Disabled (PAAD)</td>
<td>20 (26%)</td>
<td>6</td>
<td>14</td>
</tr>
<tr>
<td>Personal Investments</td>
<td>11 (14%)</td>
<td>7</td>
<td>4</td>
</tr>
</tbody>
</table>

### Self-Reported Economic Security Levels

<table>
<thead>
<tr>
<th></th>
<th>Total Participants (N=76)</th>
<th>Union Focus Group Participants (N=38)</th>
<th>Subsidized Housing Focus Group Participants (N=38)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Poor</td>
<td>16 (21%)</td>
<td>7</td>
<td>9</td>
</tr>
<tr>
<td>Fair</td>
<td>33 (43%)</td>
<td>18</td>
<td>14</td>
</tr>
<tr>
<td>Good</td>
<td>20 (26%)</td>
<td>7</td>
<td>13</td>
</tr>
<tr>
<td>Excellent</td>
<td>3 (4%)</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>Missing</td>
<td>4 (5%)</td>
<td>3</td>
<td>1</td>
</tr>
</tbody>
</table>
THE INCOME ANNETTE earned over a lifetime was not sufficient to ensure a secure retirement after age 65. Even though she now works part-time to supplement her modest Social Security income, she and many older New Jersey women just like her struggle to get by, relying on children, grandchildren and public assistance to help make ends meet.

More than 250,000 New Jersey elders struggle with a lack of economic security. As shown in Figures 1 and 2, 60% of single elders and 28% of elder couples in Bergen County lack an economic security income and fall below the “economic security line.” More than 61% of single elders and almost 34% of elder couples live below the economic security line in Passaic County. They are at risk of lacking basic needs such as housing, food or health care. They are also at risk of falling into poverty and/or entering a public institution if they have a financial or health crisis. Elder women in both counties do even worse than elder men. Among single elders, nearly 64% of women in Bergen County and over 66% of women in Passaic County lack security, compared to just under 46% of men in Bergen County and nearly 49% of men in Passaic County.

The large proportion of women who lack security incomes is largely attributable to gender differences in Social Security payments. A senior’s Social Security payments are calculated using his or her 35 highest annual incomes. Women retiring now began working in the 1960s, when women’s opportunities were limited and they earned, on average, less than half the wages of men. Years of pay inequity add up to a significant difference in savings and Social Security payments.

I lost my husband at a very young age and had children. I had to be home during the day and work at night. I took a job as a waitress. You get out what you put into Social Security.

- Annette J., Bergen County

Figure 1: Percentage of Elders Living Above and Below the Economic Security Line in Bergen County, NJ, 2012

Figure 2: Percentage of Elders Living Above and Below the Economic Security Line in Passaic County, NJ, 2012


Ibid. The number of seniors who lack economic security incomes is calculated by comparing individual New Jersey seniors’ actual incomes, reported by the US Census Bureau, to the New Jersey Elder Economic Security Index, by county.
Figure 3 shows the Social Security benefits earned by two workers, a man and a woman, who earned the median pay for their gender for all of their working lives. When the senior woman retires, she collects just over $12,000 annually, a mere 40% of the Elder Index (see below) for single renters in New Jersey. Her Social Security benefits are $5,300 lower than the senior man’s benefits of $17,300. As they age, the gap increases slightly with every Social Security Cost of Living Adjustment.

The number of New Jersey seniors who lack security is calculated using WOW’s Elder Economic Security Index (Elder Index), which demonstrates the incomes elders need to meet basic needs and remain at home during retirement. The Elder Index includes the basic costs required for health and safety: housing, food, transportation, health care and miscellaneous household costs such as a telephone and clothing.

<table>
<thead>
<tr>
<th>County</th>
<th>Owner w/o Mortgage</th>
<th>Renter, One Bedroom</th>
<th>Owner w/ Mortgage</th>
<th>Renter, One Bedroom</th>
<th>Owner w/o Mortgage</th>
<th>Renter, One Bedroom</th>
<th>Owner w/ Mortgage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bergen County</td>
<td>$28,584</td>
<td>$31,872</td>
<td>$44,472</td>
<td>$39,888</td>
<td>$43,176</td>
<td>$55,776</td>
<td></td>
</tr>
<tr>
<td>Passaic County</td>
<td>$27,852</td>
<td>$31,752</td>
<td>$40,992</td>
<td>$39,156</td>
<td>$43,056</td>
<td>$52,296</td>
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</tr>
</tbody>
</table>

Note: Elder Indexes are for those in good health.
Source: The Economic Security Database, Wider Opportunities for Women and the Gerontology Institute, University of Massachusetts Boston.
JOAN, A LOW-INCOME ELDER in Passaic County, counts herself lucky to have obtained a handicap-accessible subsidized housing unit after waiting for more than five years. While housing assistance is not the only assistance that can help close the gap between low incomes and security, it is usually the most impactful—and the most difficult to secure.

More than 250,000 elders in New Jersey live in households that struggle to reach economic security. More than 9-in-10 New Jersey elders receive Social Security, which provides nearly 100% of retirement income for more than 1-in-4 seniors. Average Social Security payments are not high enough for elders to even approach economic security, but are too high to allow elders to qualify for important public assistance programs, such as Medicaid or Supplemental Security Income.

Public assistance accessibility is crucial to seniors who live above the poverty line but remain vulnerable. As shown in Figures 1 and 2, 60% of single elders and 28% of elder couples in Bergen County lack an economic security income and fall below the “economic security line.” More than 61% of single elders and almost 34% of elder couples live below the economic security line in Passaic County. They are at risk of lacking basic needs such as housing, food or health care. They are also at risk of falling into poverty and/or entering a public institution if they have a financial or health crisis. Elder women in both counties do even worse than elder men. Among single elders, nearly 64% of women in Bergen County and over 66% of women in Passaic County live in economic insecurity, compared to just under 46% of men in Bergen County and nearly 49% of men in Passaic County.\(^{ii}\)

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\(^{ii}\) Ibid. The number of seniors who lack economic security incomes is calculated by comparing individual New Jersey seniors’ actual incomes, reported by the US Census Bureau, to the New Jersey Elder Index, by county.
Figure 3 shows how important public assistance programs are to an elder woman renter who lives alone in Passaic County. Her income is the average Social Security benefit for Passaic County senior women. Because she has less than $2,000 in the bank, she is eligible for food, prescription, medical, energy, and rental assistance, as well as a small property tax credit. Assuming she receives all assistance she is income eligible for, which is very rare, the elder remains far below the economic security line until she is able to obtain rental assistance. State Rental Assistance moves the elder from 56% to 99% of the Elder Economic Security Standard Index. Rental assistance is a powerful tool to aid elders struggling to avoid destitution, but it is in short supply: In Bergen and Passaic Counties, only 6,300 federal housing vouchers are available in each county. Even with the laudable elder set-asides built into the State Rental Assistance Program, which is much smaller than federal housing assistance programs, many elders are unable to access this vital support.

### Table 1: Annual Elder Index, Bergen and Passaic Counties, by Housing Status, 2013

<table>
<thead>
<tr>
<th></th>
<th>Elder Person</th>
<th>Elder Couple</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Bergen County</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Owner w/o Mortgage</td>
<td>$28,584</td>
<td>$44,472</td>
</tr>
<tr>
<td>Renter, One Bedroom</td>
<td>$31,872</td>
<td>$43,176</td>
</tr>
<tr>
<td><strong>Passaic County</strong></td>
<td></td>
<td></td>
</tr>
<tr>
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<td>$40,092</td>
</tr>
<tr>
<td>Renter, One Bedroom</td>
<td>$31,752</td>
<td>$43,056</td>
</tr>
</tbody>
</table>

Note: Elder Indexes are for those in good health. Source: The Economic Security Database, Wider Opportunities for Women and the Gerontology Institute, University of Massachusetts Boston.
Public Assistance Can Fail to Keep Bergen and Passaic County Seniors above the Economic Security Line

Part of a WOW series assessing the economic security of NJ elders

MARGO, SINGLE AND WITHOUT savings, barely makes ends meet. A resident of subsidized housing, Annette recently lost access to state-funded Prescription Aid to the Aged and Disabled (PAAD) when her Social Security payment was increased for inflation. That loss of support makes it harder for her to pay her bills.

More than 250,000 elders in New Jersey live in households that lack economic security incomes, and many live with the fear that the public assistance on which they rely can be taken away at any time. Income eligibility limits for many assistance programs are intended to ensure that those with the lowest income get the most help. However, they also create “cliffs,” incomes at which eligibility ends or benefit amounts decrease suddenly. As a result, increased income may not improve an elder’s economic security; it may even decrease it.

Public assistance accessibility is crucial to seniors who live above the poverty line but remain vulnerable. As shown in Figures 1 and 2, 60% of single elders and 28% of elder couples in Bergen County lack an economic security income and fall below the “economic security line.” More than 61% of single elders and almost 34% of elder couples live below the economic security line in Passaic County. They are at risk of lacking basic needs such as housing, food or health care. They are also at risk of falling into poverty and/or entering a public institution if they have a financial or health crisis. Elder women in both counties do even worse than elder men. Among single elders, nearly 64% of women in Bergen County and 67% of women in Passaic County live in economic insecurity, compared to just under 46% of men in Bergen County and nearly 49% of men in Passaic County.

Figure 1: Percentage of Elders Living Above and Below the Economic Security Line in Bergen County, NJ, 2012

Figure 2: Percentage of Elders Living Above and Below the Economic Security Line in Passaic County, NJ, 2012

I had an increase in my Social Security income and it knocked me out of PAAD, and now I have to pay for my prescriptions, which I cannot afford.

- Margo T., Bergen County


Ibid. The number of seniors who lack economic security incomes is calculated by comparing individual New Jersey seniors’ actual incomes, reported by the US Census Bureau, to the New Jersey Elder Index, by county.
Because there are fewer supports for those with incomes above the federal poverty line, many elders living above the 2013 federal poverty level of $11,490 for one person find themselves almost as far from economic security as those living below the poverty line. Figure 3 shows the gaps between income and economic security across a range of incomes for elders who rent in New Jersey’s Bergen County and do not receive scarce housing assistance. Due to benefit cliffs, an elder with $18,000 in annual income is nearly as bad off as an elder with $10,000 in annual income.

Figure 3: Annual Income, Maximum Public Assistance Available, and Economic Security Gaps for Single Elder Renters in Bergen County, NJ, 2013


The number of New Jersey seniors who lack security is calculated using WOW’s Elder Economic Security Index (Elder Index), which demonstrates the incomes elders require to meet basic needs and remain at home during retirement.

The Elder Index includes the basic costs required for health and safety: housing, food, transportation, health care and miscellaneous household costs.

Table 1: Annual Elder Index, Bergen and Passaic Counties, by Housing Status, 2013

<table>
<thead>
<tr>
<th>County</th>
<th>Elder Person</th>
<th>Elder Couple</th>
<th>Elder Person</th>
<th>Elder Couple</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Owner w/o Mortgage</td>
<td>Renter, One Bedroom</td>
<td>Owner w/ Mortgage</td>
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</tr>
<tr>
<td>Bergen County</td>
<td>$28,584</td>
<td>$31,872</td>
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<td>$39,888</td>
</tr>
<tr>
<td>Passaic County</td>
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<td>$39,156</td>
</tr>
</tbody>
</table>

Note: Elder Indexes are for those in good health.
Source: The Economic Security Database, Wider Opportunities for Women and the Gerontology Institute, University of Massachusetts Boston.