

Economic Security



Retirement is not “golden” for all older adults. Over 20 million Americans aged 60+ are economically insecure—living at or below 250% of the federal poverty level (FPL) (\$27,225 per year for a single person). These older adults struggle each day with rising housing and health care bills, inadequate nutrition, lack of access to transportation, diminished savings, and job loss. For older adults who are above the poverty level, one major adverse life event can change today’s realities into tomorrow’s troubles.

Poverty Measures

- Social Security keeps 20.3 million seniors and persons with disabilities out of poverty. Older adults aged 65+ depend on Social Security for all or most of their monthly income, and 19% live on less than \$16,335 annually for a single person, or 150% of federal poverty level (FPL).
- The FPL does not account for the rising cost of living seniors experience as they age, which can include illness, loss of a spouse, or care for a disabled spouse, adult dependent child, or grandchildren.
- More accurate poverty measures—including Wider Opportunities for Women’s Elder Economic Security Index and the Institute on Assets and Social Policy’s Senior Financial Stability Index—show millions of older adults struggling to meet their monthly expenses, even though they’re not considered “poor” because they live above the FPL, which is \$10,458 for a single elder.

Income & Employment

- Many seniors rely on fixed incomes, receiving on average \$1,081 in Social Security benefits, \$401.70 in Supplemental Security Income, and/or \$297 in public assistance each month. (Social Security Administration)
- Women fare worse than men, with 56% economically disadvantaged compared to 30% of men. Weekly earnings vary by age and gender. Men aged 55+ have the highest average weekly earnings at \$965, while women earn \$744. (Bureau of Labor Statistics)
- In August 2011, 22.4 million Americans aged 55+ were employed, and 1.7 million were actively seeking work. The unemployment rate for mature workers in this age group is 6.6 %. The average duration of looking for employment is 44.6 weeks, just a few weeks shy of a year for this age group (Bureau of Labor Statistics)

Debt & Savings

- One-third of senior households has no money left over each month or is in debt after meeting essential expenses. (Institute on Assets and Social Policy)
- In 2008, the average credit card debt among adults aged 65+ was \$10,235. Commonly cited reasons for debt were to pay necessary living expenses and medical costs.

NATIONAL COUNCIL ON AGING

ECONOMIC SECURITY FACT SHEET

- 14% of adults aged 65+ face retirement with negative net worth, contributing to a rise in bankruptcies that has grown at the fastest pace ever due to high credit card debt and debts against their home. (Aging and Bankruptcy, U.S. Courts)

Health & Nutrition

- Approximately 13% of U.S. households with an elderly member were categorized as food insecure in 2009. These households were uncertain of having, or were unable to acquire, enough food to meet the needs of all members due to insufficient money or other resources for food. (U.S. Department of Agriculture)
- More than one-third of African American and Latino seniors pay out-of-pocket health expenses that consume 15% or more of their income.

Media Contacts

Sandra Nathan: (202) 479-6676
sandra.nathan@ncoa.org

Ramsey Alwin: (202) 479-6649
ramsey.alwin@ncoa.org

Ken Schwartz: (202) 600-3131
ken.schwartz@ncoa.org

About NCOA

The National Council on Aging is a nonprofit service and advocacy organization headquartered in Washington, DC. NCOA is a national voice for older Americans—especially those who are vulnerable and disadvantaged—and the community organizations that serve them. It brings together nonprofit organizations, businesses, and government to develop creative solutions that improve the lives of all older adults. NCOA works with thousands of organizations across the country to help seniors find jobs and benefits, improve health, live independently, and remain active in their communities. For more information, please visit www.NCOA.org.

Housing

- Americans aged 50+ represent 28% of all delinquencies and foreclosures in the current crisis. (AARP)
- Three out of five senior households of color use more than 30% of their income to pay housing costs, the U.S. Department of Housing & Urban Development's definition for unaffordable housing.
- 44% of African American and 37% of Latino seniors either rent or have no home equity.

NCOA's Role

NCOA offers several programs that provide hope for economically insecure older adults.

Economic Security Initiative

This initiative offers innovative programs in 14 communities to help economically disadvantaged older adults cut through red tape and create a plan to build their own economic stability and security. The service includes one-on-one assistance, counseling, and follow-up as they find job training, assistance with health care and prescription drugs, housing and nutrition programs, and financial planning.

National Center for Benefits Outreach and Enrollment

The center helps organizations enroll seniors with limited means and younger adults with disabilities in a wide range of benefits programs. Since 2011, 3 million people have used NCOA's online screening tool BenefitsCheckUp® to find benefits programs worth over \$10.3 billion that help them pay for prescription drugs, health care, rent, utilities, and other needs.

Senior Community Service Employment Program (SCSEP)

SCSEP offers valuable on-the-job training and job placement that helps older workers, particularly those who are low-income or disadvantaged, build job skills and confidence. NCOA currently operates 22 SCSEP projects in 11 states. SCSEP is funded by a grant from the U.S. Department of Labor.

For more information, please visit www.NCOA.org/EconomicSecurity.