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**NEW RESEARCH SHOWS COST OF LIVING FOR SAN DIEGO SENIORS IS GROSSLY UNDERESTIMATED**

*San Diegan Testifies In Sacramento That Federal Poverty Line Is An Antiquated Measure*

**SAN DIEGO – Feb. 26, 2008** – An innovative measure released today based on the basic cost of living for San Diego’s elderly highlights the inaccuracies of the more than 40 year-old Federal Poverty Line and creates new awareness of what it takes to survive in San Diego County.

The new data, The Elder Economic Security Standard Index™ (Elder Standard Index), is released in conjunction with a Senate Aging and Long-Term Care Subcommittee hearing held this morning in Sacramento, chaired by Senator Elaine Alquist. The groundbreaking Elder Standard Index transforms the way seniors’ basic needs are calculated – exposing the real costs seniors struggle to cover, including housing, healthcare and food, on a county-by-county basis. At the hearing, San Diegan Paul Downey – who is also president and CEO of San Diego-based Senior Community Centers – testified in support of the new index, and was joined by other senior advocates and service providers from around the state to urge lawmakers to adopt the new measure.

“The Elder Standard Index highlights the inaccuracies between what the federal government deems sufficient and what it really costs a senior to survive in San Diego County,” said Downey, whose organization provides nutritional, medical and mental health services, and housing assistance to low-income seniors. “Because this information is specific to San Diego County, it will help service providers, lawmakers and advocates paint a realistic picture of the need that exists in our own backyard.”

The Elder Standard Index for California, calculated by the UCLA Center for Health Policy Research, reveals that the Federal Poverty Line covers only a fraction of the basic costs experienced by adults age 65 and older – yet the Federal Poverty Line is used to determine income eligibility for most public programs, and state and federal resource allocations to local communities. Even seniors who have worked their entire lives and are

now living on incomes comprised of Social Security, retirement accounts and pensions are finding that they are unable to cover the most basic expenses included in the Elder Standard Index.

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#### **ELDER STANDARD INDEX - 2-2-2-2-2**

“The antiquated Federal Poverty Line can no longer provide an accurate picture of what it takes to keep a roof over your head, maintain your health, pay for prescription medications, eat nutritious meals, and have basic utilities if you are a senior. In fact, the Federal Poverty Line underestimates the cost of living for California seniors by at least 50 percent,” said Senator Alquist.

The Federal Poverty Line is a four-decades-old, one-size-fits-all measure based solely on the cost of the basic food budget needed to meet minimum nutritional requirements. The Federal Poverty Line is lower for elders than middle-aged adults, reflecting an inaccurate assumption that elders need less to live on than younger people. The Federal Poverty Line fails to take into account housing and transportation costs and, most importantly, medical costs, which can be particularly debilitating for the elderly.

“The Federal Poverty Line makes the assumption that the costs for housing, health care and food are consistent throughout the entire nation,” said Pam Smith, director of Aging and Independence Service for San Diego County. “No two counties are the same and The Elder Standard Index will help us evaluate the issues on a local level and create custom solutions to allow our seniors to age with dignity.”

The Elder Standard Index methodology, originally developed by D.C.-based Wider Opportunities for Women (WOW) and the Institute of Gerontology at the University of Massachusetts-Boston, uses widely accepted and credible national and state data sources such as the U.S. Census Bureau and the U.S. Department of Housing and Urban Development. The UCLA Center for Health Policy Research used geographically relevant data for each county in California to calculate the California data, reflecting local market rates for items such as housing, health care, transportation and long-term care. The Elder Standard Index is the only elder-specific financial measure of its kind.

“This new data provides an accurate tool with which legislators can evaluate existing and future policy decisions, direct service providers can assess their communities’

unique needs and secure necessary funding, advocates can better express their priorities, and individuals can plan for retirement,” said Susie Smith, Director of Cal-EESI at the Insight Center for Community Economic Development. “We urge the State of California to officially adopt the Elder Standard Index to help ensure that all older Californians can live with dignity and economic well-being.”

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### **ELDER STANDARD INDEX – 3-3-3-3-3**

Cal-EESI is a part of a national campaign led by WOW.

“Since 1996, WOW has been working with the Insight Center for Community Economic Development and other state partners across the country to design sound public policies and strong programs that help elders and families reach economic security,” says Ramsey Alwin, Director of the National Elder Economic Security Initiative at WOW.

Cal-EESI is a statewide, research-driven initiative at the forefront of a national effort to raise awareness and promote policy change to ensure that older Americans can live with dignity and economic well-being in their own homes. Cal-EESI is led by the Insight Center for Community Economic Development (formerly NEDLC), in coordination with the national effort, led by WOW. Using the Elder Standard Index, Cal-EESI provides education, advocacy and outreach to policymakers, advocates, foundations and direct service providers.

County-specific data is available online at [www.insightcced.org](http://www.insightcced.org). For more information or to coordinate interview opportunities, please contact Price Arnett at 619/296-0605, ext. 234 or [pa@nstpr.com](mailto:pa@nstpr.com).

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