

# Aging, Women and Poverty in California

*we must do more*



**CCoA**

California Commission on Aging  
... a citizens voice within government



CALIFORNIA  
WOMEN'S  
LAW CENTER



*“Sixty-six percent of seniors in poverty are women, women who  
cared for us, clothed us, housed us ...  
it is immoral ... we must do more”*

California State Senator Kevin de León  
Keynote address, Aging, Women and Poverty in California forum,  
June 3, 2016



## **TABLE OF CONTENTS**

<b>ACKNOWLEDGMENTS</b>	<b>5.</b>
<b>INTRODUCTION</b>	<b>9.</b>
<b>SECTION ONE: CALIFORNIA'S AGING POPULATION</b>	<b>11.</b>
<b>SECTION TWO: THE INTERSECTIONALITY OF AGING, WOMEN AND POVERTY</b>	<b>13.</b>
<b>SECTION THREE: THE QUESTION OF EQUITY AND ELDER RIGHTS</b>	<b>18.</b>
<b>SECTION FOUR: RETIREMENT AND ECONOMIC SECURITY</b>	<b>22.</b>
<b>SECTION FIVE: RECOMMENDATIONS</b>	<b>24.</b>
<b>REFERENCES</b>	<b>29.</b>
<b>APPENDIX: AGING, WOMEN AND POVERTY IN CALIFORNIA AGENDA</b>	<b>32.</b>



## ACKNOWLEDGMENTS

Authors: Sandra K. Fitzpatrick, MA, Executive Director, California Commission on Aging  
Carol M. Sewell, MAG, Legislative Director, California Commission on Aging  
Amber C. Christ, J.D., Senior Staff Attorney, Justice in Aging

Collaborators on the *Aging, Women and Poverty in California* forum and policy brief:  
Betsy Butler, Executive Director, California Women’s Law Center  
Nancy Kirshner-Rodriguez, Executive Director, California Commission on the Status of Women and Girls  
Paul Downey, Chair, California Commission on Aging

Speakers at the *Aging, Women and Poverty in California* forum:  
Alissa Ko, Senior Associate Director, White House Office of Intergovernmental Affairs  
Honorable Kevin de León, President Pro Tempore, California Senate  
Honorable Jackie Lacey, District Attorney, Los Angeles County  
Honorable Carol Liu, California State Senator  
Honorable Mitch O’Farrell, Los Angeles City Council Member  
Honorable Hilda L. Solis, Los Angeles County Supervisor

Presenters at the *Aging, Women and Poverty in California* forum:  
Kafi D. Blumenfield, Executive Director, Discovery Cube Los Angeles  
Betsy Butler, Executive Director, California Women’s Law Center  
Grace Cheng Braun, MSPH, President and CEO, WISE & Healthy Aging  
Catherine J. Dodd, PhD, RN, Chair, National Committee to Preserve Social Security and Medicare  
Paul Downey, Chair, California Commission on Aging  
Sandi Fitzpatrick, MA, Executive Director, California Commission on Aging  
Chris Hoene, Executive Director, California Budget & Policy Center  
Surina Khan, CEO, Women’s Foundation of California  
Nancy Kirshner-Rodriguez, Executive Director, California Commission on the Status of Women and Girls  
Denise Likar, Vice President for Independence at Home, a SCAN community service  
Karen Lincoln, Associate Professor, USC School of Social Work  
Lisa Nerenberg, Executive Director, California Elder Justice Coalition  
D. Imelda Padilla-Frausto, MPH, Researcher, UCLA Center for Health Policy Research  
Anne Price, MA, President, Insight Center for Community Economic Development  
Kevin Prindiville, Executive Director, Justice in Aging  
Usha Ranji, Associate Director, Women’s Health Policy at the Henry J. Kaiser Family Foundation

Sponsors of the *Aging, Women and Poverty in California* forum:

Gold Level Sponsor:	SCAN Health Plan California Commission on the Status of Women and Girls
Silver Level Sponsors:	AT&T SEIU Local 2015
Bronze Level Sponsors	AARP California Foundation on Aging Care 1 <sup>st</sup> Health Plan Thomas Safran & Associates

Collaborators:	Donna Benton, Ph.D. Adria E. Navarro, Ph.D., LCSW Bethany Renfree, MA Maria Siciliano, MPA, MSG
----------------	----------------------------------------------------------------------------------------------------------



# Aging, Women and Poverty in California

*we must do more*





## INTRODUCTION

California's older adult population will nearly double – by 4 million – over the next two decades. Traditionally, older women live longer than men and make up the majority of older adults. While increased longevity is a bonus for some adults it can often bring with it chronic health conditions, frailty, vulnerability, social isolation and scarcity of resources. Women who live longer are more likely to develop Alzheimer's disease and those who live longest also risk outliving their savings. One in five single older women live below the federal poverty level, while another 32.2 percent have incomes that are higher, yet are still unable to meet their basic living expenses. Older women of color are at greatest risk of poverty, with over 60 percent of all single elders of color facing economic insecurity.

In 2016 the CA Commission on Aging joined with the California Women's Law Center and the California Commission on the Status of Women and Girls to host the first statewide convening focused on older women in poverty through the lenses of retirement options, elder justice, food insecurity and health access. The *Aging, Women and Poverty in California* forum brought together policy leaders from around the state representing diverse disciplines and perspectives in order to cultivate a set of policy recommendations addressing this looming crisis. Approximately 150 attended the one-day forum to hear ideas for improving the economic status of older women today and to help younger women avoid a similar fate.

The forum included remarks by elected leaders, plenary speakers and three expert panels focused on:

- creating a common dialogue around older women and poverty
- drawing the connection between poverty, inequity and abuse
- examining retirement and economic security policies and programs

This policy paper summarizes the key issues facing poor older women in California as well as serves as a roadmap for policy makers, aging advocates, advocates for women, academia and community leaders. Key observations and recommendations from the forum are supplemented with research material from a variety of sources that will enable us to build further awareness and the framework of a strategy for addressing the changing dynamics and economic realities for California women as they age. The Appendix provides the agenda for the Forum. The Forum program and slides from presenters who used power point are available at <http://www.ccoa.ca.gov/Initiatives/AgingWomenAndPoverty/>.

This policy paper is presented in five sections covering the four major policy areas addressed by the

Forum, with a fifth section providing policy recommendations.

Section One offers an overview of California's aging population and the impacts on the state of the cohort's changing demographics. Covering the rising numbers of older Californians and the increasing diversity of this group, the section sets the stage for an examination of growing poverty rates in a demographic group that has few options for improving its members' economic standing.

Section Two explores the specific effects of this trend as it pertains to older women. The section considers the impacts of women's greater longevity, unique health conditions and higher care needs in light of their lower retirement income and a reduced safety net.

Section Three is devoted to elder justice and how the cumulative effects of poverty and inequity increase older women's vulnerability to abuse.

Section Four covers shortfalls in employment equality and the retirement system that prevent many older women from drawing a secure retirement income in their final years.

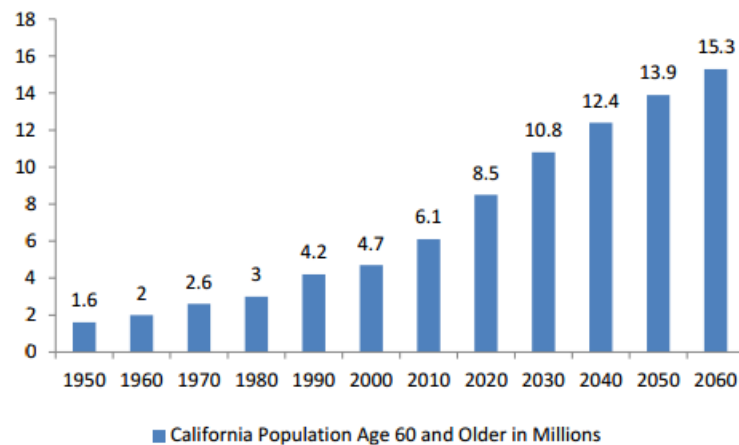
Section Five identifies overarching goals from each policy area and the underlying policy recommendations to move the state toward meeting them. Recommendations as broad as adopting a more accurate approach to measuring poverty for older adults, and as specific as securing ongoing funding for the Long-Term Care Ombudsman, show the range of actions that can be effective steps toward lifting older women out of poverty.

This policy paper is offered for advocates to use in developing strategies to end the cycle of poverty for women throughout their lives. We believe the collaborative approach of bringing together advocates from the fields of aging and gender equity helps to strengthen our voice on this critical issue.

## SECTION ONE: CALIFORNIA'S AGING POPULATION

California's aging population is increasing and undergoing a significant demographic change. Three key factors that contribute to this transformation include 1) exponential growth of the older adult population (particularly in the number of the oldest old), 2) diversity and 3) poverty.

Since the turn of the century California's population age 60 and over has grown rapidly and will continue to do so for decades. According to the California Department of Finance there are 7.6 million Californians age 60 and older. By 2030 the number is projected to increase to 10.8 million and by 2050, over 25 percent of all Californians will be age 60 and older. To put this growth in the simplest of terms, 1,000 Californians turn age 65 every day and will continue to do so for the next seventeen years.



Of significant concern to public policy experts is the projected increase in the population age 85 and older due to their increased need for services and supports. The Public Policy Institute of California (PPIC) notes that in 2030 most of California's older adult population will be between age 65 and 75. However, beginning in 2020 the fastest growth will occur among seniors age 75 and older. Just ten years later, the over-85 population will grow considerably, increasing 61 percent from 2012 numbers.<sup>i</sup>

More and more individuals are living to be age 100 and beyond. Centenarians are the fastest-growing age segment, with their numbers projected to grow at more than 20 times the rate of the total population by 2050.<sup>ii</sup> At the time of the 2000 census, California was already home to 5,921 centenarians.<sup>iii</sup> This "growth explosion" of older adults, along with their longevity, will have an impact

on all aspects of society.

Aging people of color are more likely than white Americans to experience poverty.<sup>iv</sup> By the late 1990's racial and ethnic minority populations became the largest proportion of California's overall population, yet currently California's older adult population remains primarily white. That situation is about to dramatically change. According to the PPIC, "The number of seniors in every major racial/ethnic group will increase by 2030. Whites will remain the largest group and are projected to grow by 53 percent (1.5 million people). However, the fastest rates of growth will occur among nonwhite populations, especially Latinos (170 percent, or 1,430,000 people) and Asians (118 percent or 765,000 people). The African American senior population will increase by 96 percent, or 230,000 people."<sup>v</sup>

In addition to these significant changes, California must simultaneously consider the unique issues experienced by lesbian, gay, bisexual, and transgender (LGBT) populations. While specific information on the number of LGBT elders in California is not readily available, based on national estimates, the California Department of Aging (CDA) projects there are approximately 276,000 to 552,000 older LGBT Californians. CDA predicts that by 2030 this number will nearly double.

As the population grows, so will the poverty rate. Kevin Prindiville, Executive Director of Justice in Aging, describes several systemic causes for the high incidence of elder poverty in California, including population increases, changing economy, lasting recession, rising costs and a shrinking safety net.<sup>vi</sup> Despite an economy that is recovering, California leads the nation in the percentage of older adults living in poverty, according to a report by the Kaiser Family Foundation (KFF).<sup>vii</sup> Using the federal supplemental policy measure, the KFF found that 21 percent of Californians age 65 and older - approximately 900,000 individuals - live in poverty.

A unique measure of poverty to our state is the California Elder Economic Security Index (EESI), an evidence-based measure that identifies the actual cost of basic living expenses for older adults in each of California's 58 counties. Updated and maintained by the UCLA Center for Health Policy Research (CHPR), the EESI is a more comprehensive and accurate reflection of what a person needs to have a decent standard of living in California. D. Imelda Padilla-Frausto with the UCLA CHPR has identified those older adults with incomes falling between the supplemental poverty measure and the higher EESI as California's "hidden poor." More than three-quarters of a million (772,000) older Californians are

among this group, which includes high rates of older adults who rent, Latinos, women, grandparents raising grandchildren, and people in the oldest age groups.<sup>viii</sup> When adding the number of older Californians at the supplemental poverty rate with the number of “hidden” poor, nearly 40 percent of Californians age 65 and older has a substandard income level.

According to Brandy Bauer with the National Council on Aging, “Roughly 25 million Americans aged 60+ are economically insecure—living at or below 250 percent of the Federal Poverty Level (\$29,700/year for an individual in 2016). These older adults face a daily struggle to pay for out-of-pocket medical expenses, utility bills, food, housing, and transportation costs. Even for those seniors who live above the poverty level, one major adverse life event—such as a job loss, health crisis, or foreclosure—can plunge them into poverty.”<sup>ix</sup>

*“Poverty is a thief.*

*Poverty not only diminishes a person’s life chances, it steals years from one’s life.”*

Michael Reish, Ph.D. Professor of Social Justice, University of Maryland  
2014 testimony, U.S. Senate Subcommittee on Primary Health and Aging

## **SECTION TWO: THE INTERSECTIONALITY OF AGING, WOMEN AND POVERTY**

Section one provided an overview of California’s increasingly older and poorer population. Women make up the majority of California’s age 65-plus population and as a result of a confluence of life circumstances and societal inequities will often find themselves impoverished in later life. Section two will explore longevity and lifelong income inequity as contributors to the prevalence of female poverty and will describe the compounded impact poverty plays in all aspects of daily living.

Traditionally, older women live five years longer than men, more often end up living alone, and are in poorer health. The longer they live, the more likely they are to be poor. If a woman is living alone, the greater odds are that she is, or will ultimately be, living in poverty.

Women of color disproportionately feel the effects of poverty and over a longer period of time. Black women have the highest rate of poverty for those 65 years of age and above (21 percent), followed by Hispanic women (20 percent), Asian women (13 percent) and white women (9 percent).<sup>x</sup> For Native women, economic insecurity is often acute in older age. According to a 2014 report by the California Research Bureau, American Indian and Alaska Native elders living in California “were 2.1 times as likely as other older Californians to experience some combination of not being able to afford food, skipping meals, going hungry, and not eating balanced meals and were also more likely than other older Californians to be below 200 percent of the poverty level (28 percent more likely).”<sup>xi</sup>

Eighty-two percent of those over age 100 are female. While increased longevity is a bonus for some, the consequences of living longer can often include frailty, vulnerability, and social isolation, which will be addressed in greater detail in Section Three. On average women live longer than men, however three decades of U.S. health data reveal that women often spend many of their extra years in poor health and disability.<sup>xii</sup> Despite these trends, research points to suicide being less of a factor for older women than for older men.

Unfortunately, longevity does not translate into more income when one reaches retirement age. The National Institute on Retirement Security confirms that women are 80 percent more likely than men to be impoverished in retirement.<sup>xiii</sup> A long history of unequal pay, interrupted work history for child rearing and/or parent care, discriminatory hiring practices, and inadequate income to save for retirement result in women having fewer resources in retirement. Even those women who need to or want to work beyond “normal” retirement age are less likely to keep or find employment due to negative perceptions about advanced age. Because of the importance of this issue, a later section in this report will delve more deeply into retirement and income security.

Accessing and paying for health care, a problem for many older adults, becomes more acute for women as they age. Numerous studies show that older women have greater health care needs and have higher out-of-pocket health care expenses than older men. While older women will have access to Medicare and others to Medi-Cal as well, these payment options have limitations and restrictions. Limited resources will restrict or prohibit a woman’s access to health services, medications, procedures and treatment.



Because people are living longer, more Americans are dying of diseases linked with old age, states the U.S. Office of Women's Health. Health issues faced by older women include heart disease, cancer, stroke, Alzheimer's disease, and injuries from falls.<sup>xiv</sup> Chronic conditions, physical limitations, and the risk of many diseases and conditions all increase as women age resulting in the need for long-term services and supports (LTSS). LTSS are defined as the services and supports used by individuals of all ages with functional limitations and chronic illnesses who need assistance to perform routine daily activities.

Usha Ranji, Associate Director, Women's Health Policy, Kaiser Family Foundation has identified four socioeconomic factors that predispose older women to need long term services and supports: advanced age (85 plus), being widowed, living alone, and having an income under 200 percent of federal poverty level.<sup>xv</sup> As women age their functional ability may decline, resulting in the need for expensive long-term care services. The disability rate in California for the age 60-plus population is 43 percent, according to California's State Plan on Aging.<sup>xvi</sup> A new report released by the California Legislative Analyst's Office estimates that Californians who turn 65 between 2015 and 2019 are projected to spend nearly one year longer with an average of two or more Activities of Daily Living limitations than will seniors nationally.<sup>xvii</sup>

*"As we all grow older, statistics show that we will have something in our path that's going to slow us down and impact our ability to live independently and take care of ourselves. We're all going to need some level of help. It is imperative that California recognize the need to protect this vulnerable population by making significant investment to ensure they don't fall through the cracks."*

Denise Likar, Vice President for Independence at Home, a SCAN Community Service  
Presentation to Aging, Women and Poverty in California forum, June 3, 2016

Older women are likely to need skilled nursing care at some time in their lives even though the trend and personal preference is for at-home or in-community care. The PPIC found that women are more likely to live in a care facility than men.<sup>xviii</sup> Research by the KFF finds that 76 percent of nursing home

residents are women and 24 percent are men and that more women (68 percent) than men (32 percent) use the services of health providers.<sup>xxix</sup> Further, the PPIC projects that by 2030 slightly more than one million seniors will require some assistance with self-care and that the demand for nursing home care will likely increase by 16 percent over 2012 levels.<sup>xxx</sup>

A growing demand for nursing home beds will likely be stymied by another development in California. The 2014 annual report from the State Long-Term Care Ombudsman tallied a total of 1,259 skilled nursing facilities with a total of 12,401 beds operating in the state, and 7,550 residential care facilities for the elderly providing an additional 176,970 beds.<sup>xxxi</sup> According to California Long-Term Care Ombudsman Association, annually between 10 and 12 skilled nursing facilities close in California, resulting in a loss of 1,000 to 1,200 beds which inversely corresponds with the anticipated growth that will be required.<sup>xxii</sup>

As a person's age increases, the need for and utilization of a range of services and supports, including home care, LTSS and skilled care also increases. A long-lived population with multiple chronic conditions will significantly increase the demand for medical and social service providers. The changing demographics will require culturally inclusive services, personnel and materials. In a 2014 report by the California Senate Select Committee on Aging and Long-Term Care (CSSCALTC), the issue of workforce shortage is highlighted. The report estimates that with the implementation of the Affordable Care Act, the expansion of Medi-Cal, and the growth of a diverse aging population, California will need to add 500,000 health care workers by 2020. In addition, as the state's population becomes more diverse, the workforce must change to reflect the changing demographics and support cultural competence.<sup>xxiii</sup>

According to the John A. Hartford Foundation (Hartford), growth of the older population will "escalate the demand for social workers with geriatric knowledge, skills and values." Growth potential in the field is high, yet interest and participation in geriatric social work education still lags. The Hartford report points to a continuing shortage of geriatric social work faculty, as well as limited funding for geriatric and gerontology-focused programming, leading to "a lack of faculty trained in aging and a paucity of geriatric connect in social work education."<sup>xxiv</sup>

California's direct care workers -- including certified nurse assistants, home health aides, and personal care aides -- are responsible for an estimated 70-80 percent of the paid hands-on care for older adults and persons with disabilities, as outlined in the CSSCALTC 2014 Report. The report continues "...direct

care workers (most of whom are women) are among the lowest paid of all U.S. workers, and approximately 45 percent live in households earning below 200 percent of the federal poverty level.”<sup>xxv</sup>

One of the often feared consequences of older age is the decline of cognitive function. While not all older adults who live a long life will develop Alzheimer’s disease or other dementias, women who live into advanced age are more likely than men to develop the disease. Dr. Dale Bredeisen, Director, Mary S. Easton Center for Alzheimer’s Disease Research reports that 15 percent of the general population will get Alzheimer’s disease, with women being at the epicenter. Sixty-five percent of all individuals with Alzheimer’s disease are women. In addition, women make up 60 percent of all caregivers for individuals with Alzheimer’s disease.<sup>xxvi</sup>

Social isolation, homelessness and food insecurity are more often felt by older women than older men. The California Department of Aging’s *Snapshot of Older Californians* confirms that 45 percent of women age 60 live alone.<sup>xxvii</sup> This percentage goes up as the woman’s age increases. With advanced age, older adults may become more socially isolated due to loss of family and friends, limited mobility, or poor health. Women who have never married are much more likely to age into poverty. In addition older lesbian, bisexual and transgender women often face discrimination which compounds the impacts of aging and poverty.

It is unimaginable that in a state like California many older adults do not have adequate financial resources to purchase enough food to eat. Sixteen percent of older Californians face the threat of hunger or are marginally food insecure, 9.13 percent are food insecure, and nearly 4 percent have very low food security and experience hunger.<sup>xxviii</sup>

According to the Department of Housing and Urban Development’s 2015 Annual Homeless Assessment Report to Congress, California accounted for 21 percent of the nation’s homeless population in 2015.<sup>xxix</sup> Due to increasing poverty, the high cost of housing, and the elimination of safety net programs, the number of homeless older adults in California is increasing sharply. The homeless population in the United States is aging, mirroring general population trends,<sup>xxx</sup> with people over age 50 making up 31 percent of the nation’s homeless population.<sup>xxxi</sup>

New York Times reporter Adam Nagourney wrote “the emergence of an older homeless population is creating daunting challenges for social service agencies and governments already struggling to fight

poverty.”<sup>xxxii</sup> Cities like San Francisco and Los Angeles report sharp increases in the number of elders who are homeless and are beginning efforts to mitigate the situation.

A review of the literature points out the difficulty in finding the number of older women who are homeless in California. Anecdotal evidence suggests that there are an increasing number of homeless older women facing the perils of life on the street.

Safety net programs are those government subsidized services intended to prevent individuals from falling into poverty. In California the aging network is made up of government and community based service organizations providing important supports to older adults critical to their safety and well-being.

At one time California was seen as an “innovation-rich” state and a leader in providing services to support the full integration of persons with disabilities and seniors in community life. From robust service initiation in the 1970s, to full-on expansion in the 1980s, to heart-breaking reductions in the past decade, the LTSS system evolved and then literally fell apart in 2009 due to California’s budget crisis. Deep cuts were made to a broad array of social and health services targeting low income seniors. The cuts along with subsequent program eliminations were devastating to those who received benefits and services as well as to those organizations that provided them. The impact was felt most by those older adults (often with low incomes) who depended on a combination of programs to remain safely living in the community. Unfortunately, many of these budget and program cuts have yet to be restored.

This section highlighted the realities, disparities and cumulative inequities California women face as they age. The following two sections offer greater detail about the systems and events that lead women toward poverty over the course of their lives.

### **SECTION THREE: THE QUESTION OF EQUITY AND ELDER RIGHTS**

Poverty and inequity create fertile ground for abuse and exploitation, placing vulnerable elders at heightened risk. Older women make up a majority of elder abuse victims, made more susceptible by their lower incomes, dependence upon others, and vulnerabilities due to loneliness and isolation.

Older women are disproportionately affected by poverty and the hazards that accompany poor economic circumstances. Lifelong poverty means an individual has likely had extended exposure to a

poor quality diet, limited options for housing, few chances for educational advancement and limited access to quality healthcare. Often in the dual role of provider and caregiver, many low-income women face additional pressures trying to provide for their family members and for themselves. Low wage earners have historically had limited job security and few benefits, leaving workers unable to save or build toward a secure retirement.

The convergence of life events ties directly to the discussion of elder justice, a concept that speaks to assuring the rights and equitable treatment of the elderly in all aspects of life. Do elders in poverty have equal access to sufficiently funded safety net programs that address their health and social service needs? Is the justice system able to accommodate the needs of poor elders, or are they shut out of the system due to their inability to access legal assistance or prevented by disability from even traveling to the court to file documents or attend hearings? Are the elderly isolated by a lack of appropriate transportation in their community? And does a lack of affordable housing force them into inadequate and unsafe living arrangements, or even homelessness?

*“Aging is a stratified process that reflects the inequalities  
that structure our life chances from  
birth onward...”*

Karen D. Lincoln, Ph.D., MSW, M.A.  
University of Southern California

Women comprise an increasing proportion of the older adult population as they age. In 2014, the ratio of older women to older men was 127.2 to 100, and by age 85 the ratio was 192.2 to 100 – or almost double.<sup>xxxiii</sup> Longer lifespans can be a mixed blessing, giving more time to enjoy family, contribute to community and to pursue one’s passions. But living longer may also mean a fixed retirement income has less value over time, or a nest-egg runs out before it should. Longevity may lengthen the time one lives with chronic health conditions or disability, or bring extended periods of isolation from outliving family and friends. Older women become increasingly vulnerable with such events, often falling prey to

unscrupulous scammers or taken advantage of by family or caregivers who claim they are “helping” with financial affairs.

“The real truth is that women are providing a huge uncompensated labor force In this country and suffering the consequences, not just financially, but in terms of their own health... Put all those pieces together—the years women are out of the workforce completely, not investing, not earning Social Security credits—and that’s a recipe for women not faring well at all.”

Marielena Zuniga, *New Attitudes: Women and Aging*

The issue of caregiving is described as “an increasingly complex issue with wide-ranging long-term health and financial impacts for caregivers and society at large.”<sup>xxxiv</sup> The role of caregiver is most often held by women and frequently creates a pathway to financial hardship in later life. The majority of caregiving is provided informally by family or friends who take extended periods of time away from work to raise children or to care for an ailing loved one. The breaks in service and limited supports available to informal caregivers provide financial strain while the caregiving occurs and reduce the individual’s lifetime social security earnings as well as their ability to save.<sup>xxxv</sup>

For paid caregivers, low wages and a high risk of physical injury make their financial prospects only slightly better. Higher wages would help paid caregivers work toward self-sufficiency in later life and better reflect the true value of the work they provide. Better training for all types of caregivers is needed to help protect them from the physical and mental strain of the responsibilities.

Women of color are at greatest risk of poverty and vulnerability in late life. Looking at older women of today, an African American woman age 65 has likely experienced racial segregation in schooling, in work opportunities, and probably in the physical environment in which she was raised. Poor health and income instability are the cumulative effects of such unhealthy influences, setting up African American

women for risk of abuse and exploitation.<sup>xxxvi</sup> The circumstances are similar for older women of other ethnic populations, where language barriers and cultural norms combine with the cumulative disadvantages of lifelong poverty to increase vulnerability.<sup>xxxvii</sup>

As the majority of the older adult population, women are also the most frequent targets of elder abuse and exploitation.<sup>xxxviii</sup> Women are more likely to spend their last years at home as widows, if they ever married, and later will make up the majority of residents in skilled nursing or residential care. The loss of independence and autonomy that can come with diminished health or mental capacity heighten an elder's vulnerability to abuse.

Adult Protective Services and the Long-Term Care Ombudsman provide an effective response to abuse and exploitation, yet the programs are poorly resourced and are routinely given lower funding priority than similar protective programs for children. Reports of elder and dependent adult abuse grew by 65 percent between 2001 and 2013, yet that same time period saw budget cuts for both protective programs.<sup>xxxix</sup> Increased awareness of elder abuse and better coordination of the government's programs and policies to prevent and respond to all levels of abuse are essential to stemming these crimes.<sup>xl</sup>

Assuring justice for older women will require a fresh look at the systems that lead to vulnerabilities. Incomes must be equal for women performing the same jobs as men and educational opportunities should be made more widely available in underserved communities. Governments and society must recognize the true value of the work women do, whether it takes place in a nursing home or a board room. Safety net programs serving vulnerable adults must have funding parity with programs serving families and children, and the rights and autonomy of all elders must be protected and expanded.

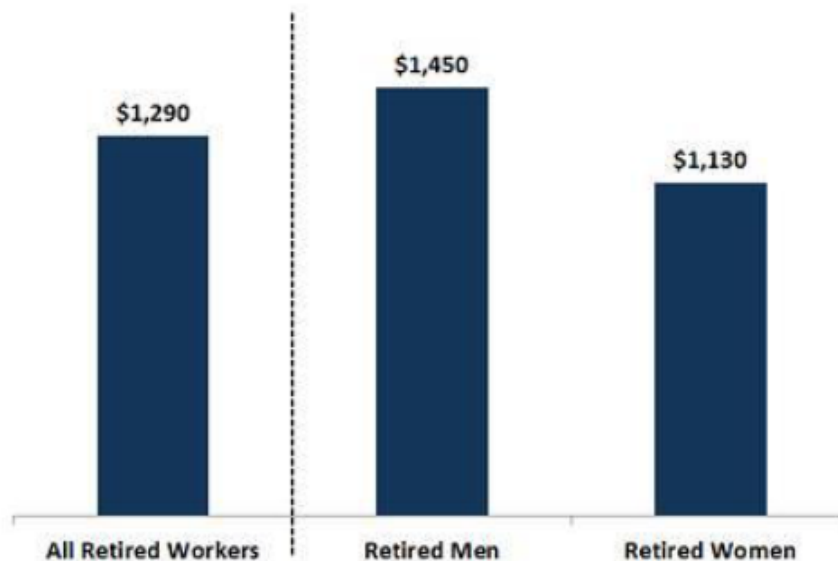
## SECTION FOUR: RETIREMENT AND ECONOMIC SECURITY

*“In a time of vanishing and diminished 401 k accounts, Social Security benefits keep 1 of every 3 Americans over 65 out of poverty.”*

Robert Love, AARP Editor in Chief<sup>1</sup>

Retirement and economic security are at the heart of the conversation about older women and poverty. Despite California’s status as an economic powerhouse, the state has one of the nation’s highest poverty rates among those age 60 and over. An equally high proportion of the state’s older adults have incomes over the federal poverty level, yet are still unable to meet their basic daily needs. Not surprisingly, women make up the majority of those living in poverty during the last years of their lives.

### Average monthly Social Security payments for retirees in 2013



Source: Social Security Administration, "Fast Facts & Figures About Social Security, 2014," September 2014.



xli



The dominant factors behind retirement and income security are consistent employment, lifetime earnings, and access to retirement plans. These factors often work against older women, many of whom have had breaks in employment from raising children and other caregiving responsibilities, which ultimately result in lower overall earnings. Women receive no monetary compensation for the essential work of child-rearing or caring for an ailing family member, and as Social Security payments are based only on earned income, the result is lower Social Security retirement payments as well. Taking time away from work may also cause a worker to be considered less reliable or less committed, leading to fewer opportunities for workplace advancement.

Income inequality also plays a significant part in women's lower retirement savings. Women traditionally have lower incomes than men, due in part to the types of jobs they hold, as well as a history of earning less than men doing similar work. Despite repeated efforts to assure equal pay for equal work (notably the Lily Ledbetter Fair Pay Act<sup>xliii</sup> and California Fair Pay Act of 2015<sup>xliiii</sup>), the reality is that many women have spent their entire careers at lower pay scales than men. Lower earnings mean less opportunity to accrue personal savings along with lower contributions to employer-sponsored retirement plans and Social Security.<sup>xliiv</sup> Representing 55 percent of the older adult population, the average older woman earns half as much as an older man in retirement (\$15,500 to \$31,000, respectively), and is less likely to be employed.<sup>xliv</sup>

Demographic changes over the next 20 years will further influence the economic security of the aging population in California. By 2035, a majority of the state's older adult population will be non-white, with the highest growth rates occurring in the Latino and Asian populations. Communities of color are more likely to have lower earnings and to accrue fewer assets than whites. In times of financial crises, African Americans and Latinos are more likely to have limited resources to draw from, placing their economic security at even greater risk.<sup>xlvi</sup>

Older women's economic standing is also impacted by higher medical expenses. Older women have higher healthcare needs than men, in part due to greater longevity. Higher rates of chronic disease and cognitive impairment lead to higher care needs as women age, and women comprise the majority of long-term care residents.

Medicare is the primary provider of health insurance for the over-65 population. In 2015 the program served 24 million older women in the U.S., providing essential insurance coverage for a population with

few resources and almost no alternatives. As noted by the Kaiser Family Foundation, however, gaps in Medicare coverage pose a significant financial burden for older women in particular. Because Medicare requires high cost-sharing and provides almost no coverage for long-term care, the highest utilizers of these services – women – is the group least prepared to pay the costs.<sup>xlvii</sup>

*“Medicare falls far short of meeting women’s long-term care needs and exposes many to high costs when they can’t live independently.”*

Usha Ranji, Kaiser Family Foundation

Basic Medicare currently requires 20 percent co-pays for limited services, prompting those who are able to purchase costly supplemental insurance. For the 60 percent of women over 85 who live on less than \$20,000 a year, Medicare’s out-of-pocket requirements are unaffordable and supplemental coverage out of the question.<sup>xlviii</sup>

## SECTION FIVE: RECOMMENDATIONS

This Policy Brief identifies the many intersections that exist among demographics, gender and economic insecurity in California. The final section integrates information provided at the *Aging, Women and Poverty in California* forum with additional reports and research in order to identify policy recommendations and action steps that will assist policy leaders, elected officials and advocates to build a strategy of awareness and action throughout the state.

### CALL TO ACTION

- ***Adopt a better measure of poverty for older adults***
- ***Improve economic security***
- ***Strengthen supports for family caregivers***
- ***Expand and improve elder justice resources***
- ***Secure state and local government commitment to older adults***

The following recommendations were developed in consultation with Amber Christ, J.D. through a partnership with her organization, Justice in Aging (JIA), which was a principal contributor to the *Aging, Women and Poverty in California* forum and is a leading advocate in the fight to end poverty nationwide. The recommendations incorporate ideas raised earlier in this report with JIA's independent research to reflect broad and meaningful policy changes that could positively impact older women's lives.

**Adopt a better measure of poverty for older adults.** Women, particularly the oldest women, women of color, and women as single heads of household, are more likely to be among the "Hidden Poor". The term reflects nearly 775,000 California seniors who have incomes above the official federal poverty level (FPL), but who do not have enough income to make ends meet day-to-day.

Currently, the FPL is used to identify the number of individuals living in poverty and as a baseline for eligibility for public assistance programs. While the FPL has been adjusted over the years to account for inflation, it has not been updated to reflect changes in consumption and the standard of living since the 1950s. The FPL also does not take into consideration regional variations in cost of living like housing, food, and health care. By adopting the Elder Index – a measure of poverty that accounts for the current basic living expenses faced by older adults living in California—the state will be positioned to better identify those seniors in need of assistance and develop policies to meet their actual needs.

**Improve Economic Security.** We know that government programs successfully raise individuals out of poverty. To start, California must restore the State Supplemental Payment (SSP) of the Supplemental Security Income (SSI) benefit to pre-2009 levels. Women rely heavily on SSI, but the benefit today is only 90 percent of the FPL or just \$889 a month. This is a 10 percent decrease in benefits since 2009. Increases to the SSP are necessary to ensure that low-income older adults can make ends meet.

It is also critical to update income eligibility limits for social safety net programs like SSI, Medi-Cal, housing, and food assistance. For example, the resource limit for SSI and Medi-Cal is currently \$2,000. Low resource limits make it impossible for older adults to accrue any savings without loss of benefits. When the average rent in Los Angeles County is \$1,016, older adults are unable to save for a deposit plus one month's rent without fear of losing their health care coverage or income supports. Supporting federal legislation like the SSI Restoration Act which would increase resource limits for SSI to \$10,000 and California legislative efforts to increase income limits for Medi-Cal eligibility for older adults is vital.

Similarly, it is also crucial to update and expand Social Security. Catherine Dodd, Chair of the National Committee to Preserve Social Security and Medicare, explained that the Social Security program does not equitably provide for women and recommends changes in computing benefits to ensure women who work as caregivers or in low-wage employment receive adequate retirement income.

We also must improve the health care delivery system and make needed changes to the Medicare and Medicaid programs to expand coverage and reduce high out-of-pocket expenses that women face. Updating income eligibility and resource limits for Medicare Savings Programs like the Qualified Medicare Beneficiary program would make Medicare more affordable for more low-income older adults. Medicare coverage is also limited and does not currently cover benefits that are particularly utilized by older women like LTSS and other high-cost benefits like dental and vision. While Medi-Cal helps fill gaps in coverage, it is not comprehensive. Older adults continue to face high out-of-pocket expenses and Medicare and Medi-Cal program rules make it difficult for recipients to access benefits. Expanding Medi-Cal to more comprehensively cover assisted living, dental benefits, transportation and investing in improved health care delivery systems that successfully integrate housing into healthcare through programs like the Health Homes Program, Cal MediConnect, and the Whole Person Care Pilot will help lower costs, improve quality of care, and help older women remain living in the community rather than in institutions.

It is equally important to adopt a range of policies that ensure economic security earlier in life.

Legislation like Senator de Leon's Secure Choice Retirement Savings Program, which was signed by the Governor in September, will help individuals working in lower and middle-income jobs, the majority of whom are women, save for retirement.

**Strengthen supports for family caregivers.** As the population ages, the need for family caregivers and the resources that support them is growing. Lower-income women disproportionately shoulder the amount of family caregiving provided which leads to further financial vulnerability, increased stress and poorer health. Strengthening the programs that older adults rely on including improved access to long-term services and supports helps to relieve some of the burden placed on caregivers. Policies should also be adopted and expanded to directly support family caregivers. For example, the health care system should be trained to better assess the needs of family caregivers through the care planning process. The recent passage of the Care Advise Record Enable (CARE) law in California (SB 675, Chapter 494, 2015), that requires hospitals to give patients the opportunity to elect a caregiver to assist them

after discharge is a step in the right direction. Other initiatives like the federal Recognize, Assist, Include, Support and Engage (RAISE) Family Caregivers Act should also be supported.

Training opportunities for caregivers also need to be expanded and made more accessible. Sixty percent of caregivers of older adults with Alzheimer's are women. Providing voluntary, free-of-charge training in dementia caregiving and in other areas like fall prevention, personal care, and medication management would be welcomed and beneficial for caregivers. It is also critical to provide caregiving training and support in-language since many caregivers have limited English proficiency. In addition, consistent access to a 24-hour nurse hotline or other types of care management support would help caregivers navigate problems more effectively and possibly decrease avoidable hospitalizations.

**Expand and improve elder justice resources.** Due to the inequalities women face during life, they are put more at risk for elder abuse – including financial, emotional, physical, and neglect. Of adults 60 and over, nearly 66 percent of victims are female. Lisa Nerenberg with the California Elder Justice Coalition described the need to increase funding to Adult Protective Services (APS) and the Long Term Care Ombudsman and improving access to the justice system through initiatives like LA County's Elder Abuse Outreach Campaign.

Relationships between APS, the Long-Term Care Ombudsman, and legal services should be strengthened. Elder financial abuse can impact older adults' eligibility for and receipt of public benefits like Medi-Cal. For example, older adults may be denied eligibility for Medi-Cal long term care on the basis of giving away assets when in fact the resources were stolen. Similarly, older adults can face eviction from a nursing facility for failing to pay their portion of the cost because a family member or caretaker has stolen their Social Security check. Having strong working relationships and agreements between these three entities can help to identify and prevent the negative effects of financial exploitation.

State programs focused on protecting vulnerable elders and persons with disabilities must receive funding parity with similar human services programs. Both nationally and here in California, programs such as Adult Protective Services and the Long-Term Care Ombudsman receive disproportionately low funding when budget decisions are being made. Given the growth of the population and increasing rates of abuse and exploitation, policymakers must revisit past approaches to funding these programs to ensure that programs can respond effectively.

**Secure state and local government commitment to older adults.** California must commit to improving the lives of older adults in poverty. Many in local leadership positions have worked to open and support the operation of senior and community centers, establish more affordable housing, and address food insecurity. We need to push more of our local advocates to focus on the unique issues older adults, and particularly older women in poverty face.

To further strengthen the voice for change, we must engage and enable collaboration between advocates for aging and gender equity. State leadership must commit to California's aging population. The crisis of senior poverty must be made a priority. The Senate Select Committee on Aging and Long-Term Care is scheduled to sunset at the end of 2016. We respectfully request that the Senate Pro Tempore reauthorize the Select Committee and make naming a new Chair a priority.

*"It is imperative we separate the insidiousness of economic inequality from the value and purposefulness of those living in poverty."*

Paul Downey, Chair, California Commission on Aging and  
President/CEO of Serving Seniors,  
Aging, Women and Poverty in California forum, June 3, 2016

## REFERENCES

- 
- <sup>i</sup> Beck and Johnson, “Planning for California’s Growing Senior Population.” Public Policy Institute of California, August 2015.
- <sup>ii</sup> *New York Daily News*, “Centenarians are the fastest-growing age segment: Number of 100-year-olds to hit 6 million by 2050.” July 21, 2009.
- <sup>iii</sup> Buck and Reese, “Poverty rate jumps among California Seniors.” *Sacramento Bee*. February 25, 2014.
- <sup>iv</sup> Cawthorne, Alexandra, “Elderly Poverty: The Challenge Before Us.” Center for American Progress, July 2008.
- <sup>v</sup> Beck and Johnson, “Planning for California’s Growing Senior Population.” Public Policy Institute of California. August 2015.
- <sup>vi</sup> Prindiville, Kevin, presenter, “Aging, Women and Poverty in California: A forum to discuss the needs of older Californians.” June 3, 2016.
- <sup>vii</sup> Cubanski, Casillas and Damico, “Poverty Among Seniors: An Updated Analysis of National and State Level Poverty Rates Under the Official and Supplementation Poverty Measures.” Kaiser Family Foundation, June 10, 2015.
- <sup>viii</sup> Padilla-Frausto and Wallace, “The Hidden Poor: Over Three-Quarters of a Million Older Californians Overlooked by Official Poverty Line.” UCLA Center for Health Policy Research. August 2015.
- <sup>ix</sup> Bauer, Brandy, “Economic Security.” Grantmakers In Aging, <http://www.giaging.org/issues/economic-security/>. April 2016.
- <sup>x</sup> Women’s Bureau, U.S. Department of Labor, “The Economic Status of Women of Color: A Snapshot.” April 2016.
- <sup>xi</sup> Kellie Jean Hogue, Ph.D. and Tonya D. Lindsey, Ph.D. (S-14-017, July 2014). California Research Bureau, California State Library, Sacramento, CA 95814.
- <sup>xii</sup> MacKenzie, Debora, “Women live longer than men but suffer more years of poor health.” New Science Live, <https://www.newscientist.com/article/2081497>, March 17, 2016.
- <sup>xiii</sup> National Institute on Retirement Security, “Women 80% More Likely to be Impoverished in Retirement.” <http://www.nirsonline.org/> March 2016.
- <sup>xiv</sup> Office of Women’s Health, U.S. Department of Health and Human Services, “Healthy Aging.” <http://www.womenshealth.gov/aging/diseases-conditions/>. August 2010.
- <sup>xv</sup> Ranji, Usha, presenter, “Aging, Women and Poverty in California: A forum to discuss the needs of older Californians.” June 3, 2016.
- <sup>xvi</sup> California Department of Aging, “California State Plan on Aging.” 2013-2017.

---

<sup>xvii</sup> Didier, Amber and Frietag, Callie. California Legislative Analyst's Office. "Disability Among California's Seniors: A Long-Term Outlook," presented to The SCAN Foundation's 2016 LTSS Summit, September 13, 2016.

<sup>xviii</sup> Beck and Johnson, "Planning for California's Growing Senior Population." Public Policy Institute of California, August 2015.

<sup>xix</sup> Cubanski, Casillas and Damico, "Poverty Among Seniors: An Updated Analysis of National and State Level Poverty Rates Under the Official and Supplementation Poverty Measures." Kaiser Family Foundation, June 10, 2015.

<sup>xx</sup> Beck and Johnson, "Planning for California's Growing Senior Population." Public Policy Institute of California. August 2015.

<sup>xxi</sup> Office of the California State Long-Term Care Ombudsman, *California Long-Term Care Ombudsman Program FFY 2014 Annual Report*. [https://www.aging.ca.gov/Docs/LTCOP/PUB\\_%20FINAL\\_LTCOP\\_2014\\_ANNUAL\\_REPORT.pdf](https://www.aging.ca.gov/Docs/LTCOP/PUB_%20FINAL_LTCOP_2014_ANNUAL_REPORT.pdf). July 2016.

<sup>xxii</sup> Leza Coleman, California Long-Term Care Ombudsman Association. Personal interview. July 2016.

<sup>xxiii</sup> Senate Select Committee on Aging and Long Term Care, "A Shattered System: Reforming Long-Term Care in California." December 2014.

<sup>xxiv</sup> John A Hartford Foundation. *Escalating Need for Geriatric Social Workers*. [http://www.jhartfound.org/ar2009/Escalating\\_Need\\_for\\_Geriatric\\_Social\\_Workers.html](http://www.jhartfound.org/ar2009/Escalating_Need_for_Geriatric_Social_Workers.html). 2009.

<sup>xxv</sup> Senate Select Committee on Aging and Long Term Care, "A Shattered System: Reforming Long-Term Care in California." December 2014.

<sup>xxvi</sup> Dale Bredesen, M.D., "A New Approach to Alzheimer's Disease Therapeutics." Presentation to California Assembly Aging and Long Term Care Committee. June 21, 2016.

<sup>xxvii</sup> California Department of Aging, "Snapshot of Older Californians", California State Plan on Aging, 2013-2017.

<sup>xxviii</sup> Ziliak & Gunderson, "The State of Senior Hunger in America 2012: An Annual Report." May 2014.

<sup>xxix</sup> Cohen, de Sousa, Henry, and Shivji, "The 2015 Annual Homeless Assessment Report to Congress." U.S. Department of Housing and Urban Development. November 2015.

<sup>xxx</sup> National Health Care for the Homeless Council, "Aging and Housing Instability: Homelessness Among Older and Elderly Adults." September 2013.

<sup>xxxi</sup> Nagourney, Adam, "Old and on the Street: The Graying of America's Homeless." *The New York Times*. May 31, 2016.

<sup>xxxii</sup> Adam Nagourney, "Old and on the Street: The Graying of America's Homeless." *The New York Times*. May 31, 2016.



- 
- <sup>xxxiii</sup> U.S. Administration on Aging. "Profile of Older Americans: 2015." [http://www.aoa.acl.gov/aging\\_statistics/profile/2015/3.aspx](http://www.aoa.acl.gov/aging_statistics/profile/2015/3.aspx). May 23, 2016.
- <sup>xxxiv</sup> American Society on Aging. "The Complex Landscape of Family Caregiving." *Generations*, 39 (4): 4. Winter 2015-16.
- <sup>xxxv</sup> Kingson, E. and O'Grady-LeShane, R. "The Effects of Caregiving on Women's Social Security Benefits." *The Gerontologist* (1993) 33 (2): 230-239.
- <sup>xxxvi</sup> Lincoln, Karen, Ph.D. Panel presentation. *Aging, Women and Poverty Forum*. June 3, 2016.
- <sup>xxxvii</sup> Ebner, N. and Rhee, N. "Aging California's Retirement Crisis: State and Local Indicators." Commissioned by *Retirement Security for All*. October 2015.
- <sup>xxxviii</sup> County Welfare Directors of California Protective Services Officers Committee. "Anna and Joe; The Importance of Adult Protective Services in the Fight Against Elder Financial Abuse." February, 2007.
- <sup>xxxix</sup> County Welfare Directors Association, Protective Service Officers Committee statewide survey, 2013.
- <sup>xl</sup> California Elder Justice Coalition. *From Blueprint to Benchmarks: Building a Framework for Elder Justice*. January, 2016.
- <sup>xli</sup> Altman, D. "Seniors and Income Inequality: How Things Get Worse With Age. *The Wall Street Journal*. *Wsj.com*. June 11, 2015.
- <sup>xlii</sup> Lily Ledbetter Fair Pay Act was signed by President Obama in 2009.
- <sup>xliii</sup> California Department of Industrial Relations. *California Equal Pay Act: Frequently Asked Questions*. [http://www.dir.ca.gov/dlse/California\\_Equal\\_Pay\\_Act.htm](http://www.dir.ca.gov/dlse/California_Equal_Pay_Act.htm).
- <sup>xliv</sup> Plumb, M., Weitz, T., Hernandez, M., Estes, C., Goldberg, S. "Security for Vulnerable Older Women in California. *Women, Health, and Aging: Building a Statewide Movement*. California Endowment. May, 2007.
- <sup>xlv</sup> Ebner, Nina, PhD. *Aging California's Retirement Crisis: State and Local Indicators*. Commissioned by California Retirement Security for All. October 2015.
- <sup>xlvi</sup> Price, Anne. Panel presenter, *Aging, Women and Poverty in California; A forum to discuss the needs of older Californians*. June 3, 2016.
- <sup>xlvii</sup> Ranji, Usha. Panel presenter, *Aging, Women and Poverty in California: A forum to discuss the needs of older Californians*. June 3, 2016.
- <sup>xlviii</sup> Salganikoff, Alina. *How Medicare Shortchanges Women*. [www.nextavenue.org](http://www.nextavenue.org). July 30, 2015.



## APPENDIX

### Aging, Women and Poverty in California

Friday, June 3<sup>rd</sup>, 2016 | Skirball Cultural Center

8:00 am	<b>Registration and Continental Breakfast</b>
8:45 am	<b>Welcome</b> <i>Forum Facilitator</i> – <b>Paul Downey</b> , Chair, California Commission on Aging and President/CEO, Serving Seniors <b>Nancy Kirshner-Rodriguez</b> , Executive Director, California Commission on the Status of Women and Girls <b>Betsy Butler</b> , Executive Director, California Women’s Law Center <b>Hon. Jackie Lacey</b> , Los Angeles District Attorney <b>Video</b> –“Dollie, Sandy, Lidia and Myrtle have something to say about being poor”
9:45 am	<b>First Panel – California’s Aging Population Through a Woman’s Lens</b> <i>Moderator</i> – <b>Sandi Fitzpatrick</b> , Executive Director, California Commission on Aging <b>Kevin Prindiville</b> , JD, Executive Director, Justice in Aging <b>D. Imelda Padilla-Frausto</b> , MPH, UCLA Center for Health Policy Research <b>Denise Likar</b> , MSW, Vice President, Independence at Home—a SCAN Community Service
11:00 am	<b>Second Panel – Elder Justice: Leveling the Field for Our Mother and Grandmothers</b> <i>Moderator</i> – <b>Kafi D. Blumenfield</b> , Commissioner, California Commission on the Status of Women and Girls <b>Grace Cheng Braun</b> , MSPH, President and CEO, WISE & Healthy Aging <b>Karen Lincoln</b> , PhD, MSW, Associate Professor and Director, USC Hartford Center of Excellence in Geriatric Social Work and Chair of Advocates for African American Elders <b>Lisa Nerenberg</b> , MSW, MPH, Executive Director, California Elder Justice Coalition and <b>Laphonza Butler</b> , Provisional President, SEIU Local 2015
12:00 pm	<b>Lunch and Program</b> <b>Hon. Kevin de León</b> , President pro Tempore of the California State Senate <b>Hon. Hilda L. Solis</b> , Los Angeles County <b>Recognition of State Senator Carol Liu</b>
1:30 pm	<b>Third Panel: Retirement and Economic Security</b> <i>Moderator</i> – <b>Surina Khan</b> , CEO, Women’s Foundation of California <b>Anne Price</b> , CEO, Insight Center for Community Economic Development <b>Catherine J. Dodd</b> , PhD, RN, Chair, National Committee to Preserve Social Security and Medicare <b>Usha Ranji</b> , Associate Director, Women’s Health Policy at the Kaiser Family Foundation <b>Chris Hoene</b> , Executive Director, California Budget and Policy Center
2:45 pm	<b>Final Thoughts: A Call to Action</b> <b>Mitch O’Farrell</b> , Los Angeles City Councilmember <b>Laphonza Butler</b> , President SEIU Local 2015

California Commission on Aging  
1300 National Drive, #173  
Sacramento, CA 95834  
[www.ccoa.ca.gov](http://www.ccoa.ca.gov)