

# A Blueprint for Increasing the Economic Security of Older Adults: Reauthorization of the Older Americans Act

## 13 Million Seniors on the Edge of Poverty

The recent recession had a devastating impact on millions of older Americans. Lost jobs, savings, and income have pushed millions to the brink of poverty—with little time to rebound.

Today, over 13 million older Americans are economically insecure, living on only \$22,000 or less each year. Too often, this means choosing between paying for food, housing, utilities, or medicine.

The Older Americans Act (OAA) is the primary vehicle for delivering social, nutrition, and home and community-based services to seniors and their caregivers. It authorizes a wide array of services through a national network of 56 state units on aging, 629 area agencies on aging, and nearly 20,000 service providers. Although most OAA services are available to all older adults, providers are required to target those in greatest social and economic need.

The OAA is due for reauthorization in 2011. This reauthorization presents a timely opportunity to address elder economic security concerns and make lasting, strategic changes to ensure that all older adults are able to access the resources they need to be economically secure.

With funding from the Atlantic Philanthropies, the National Council on Aging (NCOA) has developed a set of recommendations to strengthen the OAA to ensure that the aging network is operating squarely within a framework of economic security. The blueprint advances many innovative practices and uses of an economic security framework already adopted by the network, such as through NCOA's Economic Security Service Centers and Wider Opportunities for Women's (WOW) Elder Economic Security Initiative.

## Recommendations to Strengthen the OAA

**1. Establish a goal of economic security** by explicitly stating economic security as an objective of the OAA, defining what economic security means for older adults, and allowing state and local agencies to use local measures to target older adults most in need, plan effectively, and evaluate impact.

- Declare economic security to be a goal of the OAA and define what this means for the aging services network and the older adults it serves.
- Allow states, area agencies on aging, and other aging service providers to use a local measure of economic security in planning efforts and provide training and technical assistance to enable area agencies and other local aging service providers to use such measures to target those most in economic need and assess older adults' progress toward achieving economic security.

**2. Better coordinate existing resources** at the federal, state, and local levels, including implementing a holistic, person-centered approach to economic casework; empowering older adults to improve their economic status; and forging new local partnerships with organizations such as certified nonprofit debt management, home equity, bankruptcy, and foreclosure mitigation providers.

- Authorize the Assistant Secretary for Aging to provide training, technical assistance, and funding to support the local adoption of person-centered economic casework approaches to provide assistance to older adults experiencing economic distress, and fund an evaluation to assess the efficacy of this approach in moving older adults closer to a goal of economic security.



- Strengthen the aging network’s role as a leader and convener of community resources to ensure that a full range of partners are engaged in the collaborative development, implementation, and oversight of economic security efforts. Aging partnerships should place additional emphasis on the engagement of trusted, certified leaders in the field of financial services.
- Charge the Interagency Coordinating Committee on Aging with:
  - Creating an inventory of all federal programs aimed at reducing poverty and increasing the economic security of older adults.
  - Analyzing program effectiveness against a goal of economic security that draws on a concrete measure, using a methodology such as WOW’s Elder Economic Security Standard Index.
  - Recommending and drafting the necessary regulatory and legislative changes to increase economic security of vulnerable and economically disadvantaged older adults.
  - Issuing interim and final reports to the Administration and Congress documenting and presenting the results of this work.

**3. Evaluate and replicate economic casework strategies** by funding a national demonstration.

- Authorize the Assistant Secretary, in cooperation with related federal agency partners administering relevant federal programs (Department of Labor, Housing & Urban Development, Health & Human Services, Social Security Administration, Department of Agriculture, Neighbor-Works, Treasury, Consumer Financial Protection Bureau, Federal Reserve, CNS) to make a grant to or enter into a contract with a qualified, experienced entity to establish a National Economic Security Center Demonstration, which shall:
  - Maintain and update web-based decision support and assessment tools and integrated, person-centered systems designed to inform and assist older individuals experiencing economic distress.
  - Utilize cost-effective strategies to find older individuals with greatest economic need.

- Create and support efforts for Aging and Disability Resource Centers, Area Agencies on Aging, Senior Community Service Employment Programs, and other public and private state and community-based organizations, including faith-based organizations and coalitions, to serve as economic security centers.
- Develop and maintain an information clearinghouse on best practices and cost-effective methods for providing person-centered economic casework.
- Provide, in collaboration with related federal agency partners administering the federal programs, training and technical assistance to local aging network providers on effective economic casework strategies.
- Evaluate the systems change required to implement the approach and return on investment.

**Time to Act**

Achieving economic security is essential to aging in place with dignity. With the baby boom generation now entering retirement, the time to solve this problem is now. The aging services and programs authorized under the OAA should be designed, supported, delivered, and evaluated in relation to the goal of economic security. Accomplishing this necessitates that economic security be appropriately defined and realistically measured. NCOA is committed to playing a leadership role as we collectively move these critical provisions forward.

For a complete copy of *A Blueprint for Increasing the Economic Security of Older Adults: Reauthorization of the Older Americans Act*, please visit [NCOA.org/economicsecurity](http://NCOA.org/economicsecurity).

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