



# Aging in Place with Dignity: Policy Recommendations to Increase Economic Security for New Mexico Elders

2010

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## New Mexico Aging & Long-Term Services Department



The New Mexico Aging & Long-Term Services Department, a cabinet level state agency, develops programs and public policies which foster the delivery of integrated programs and services to adults in need, older persons, persons with disabilities and their families throughout New Mexico. The Department is charged with creating a seamless, comprehensive, efficient and cost-effective array of programs and services which emphasize home and community-based long-term care, healthy and productive aging, economic security, protection of rights and prevention of abuse, neglect and exploitation. The Department has the authority to develop and manage budgets and programs, issue rules and regulations and develop a statewide plan for addressing the needs of older New Mexicans and New Mexicans with disabilities. The Cabinet Secretary of the Aging & Long-Term Services Department is appointed by, and serves at the pleasure of, the Governor.

## Wider Opportunities for Women (WOW)



Wider Opportunities for Women (WOW) works nationally and in its home community of Washington, DC to achieve economic independence and equality of opportunity for women and their families at all stages of life. For over 45 years, WOW has been a leader in the areas of non-traditional employment, job training and education, welfare to work and workforce development policy. Since 1995, WOW has been devoted to the self-sufficiency of women and their families through the national Family Economic Security (FES) Programs. Through FES, WOW has reframed the national debate on social policies and programs from one that focuses on poverty to one that focuses on what it takes families to make ends meet. Building on FES, WOW has expanded to meet its intergenerational mission of economic independence for women at all stages of life with the Elder Economic Security Initiative. For more information about WOW's programs please visit [www.wowonline.org](http://www.wowonline.org) or call WOW at 202-464-1596. *The Elder Economic Security Standard™ Index for New Mexico* was tabulated by the Gerontology Institute at the University of Massachusetts Boston and Wider Opportunities for Women (WOW) as part of the Elder Economic Security Initiative™ at WOW.

## Many thanks:

**New Mexico’s Elder Economic Security Initiative (NMEESI) Advisory Council:** Randella Bluehouse (National Indian Council on Aging); Stan Cooper (AARP); Barbara Deaux (Northern New Mexico Economic Development District); Joie Glenn (NM Association of Hospice and Home Care); Ruth Hoffman (Lutheran Advocacy Ministry); Cookie Johnson (ALTSD PAC Member); Jeffrey Pines (Elders Getting Information and Services, EGIS); Giovanna Rossi (NM Women’s Health Office); Dolores Roybal (Con Alma Health Foundation); Kathy Sanchez (TEWA Women United); Monica Niess (The Write Choice); Pamela Gavagne (Ph.D. candidate); University of New Mexico Women’s Studies Students (Deanna Alvarez; Mona Gonzalez; Justyne D. Montoya; Jennifer Velasquez; Tanya M. Zeid).

**Aging and Long-Term Services’ Department Policy Advisory Committee (Steering Committee for NM EESI):** John Aquino (Ohkay Owingeh); Dorothy Bitsilly (Tohatchi); Russell Boor (Las Cruces); Salome DeAquero (Santa Fe); James Hassenger (Lordsburg); Joie Glenn, Chair (Albuquerque); Cookie Johnson (Truth or Consequences); Ron Montoya (Albuquerque); Robert Peets (Grants); Gil Yildiz (Albuquerque); Bill Waugh (Taos).

### We gratefully acknowledge the assistance of:

Joanna Lamb  
 Noel Martinez  
 TEWA Women United  
 Michael Spanier, ALTSD Cabinet Secretary  
 Matthew Onstott, ALTSD Deputy Secretary  
 Fred Schaum, ALTSD Performance Manager  
 NM Aging and Long Term Services Department Staff  
 Stacy Sanders, Director, Wider Opportunities for Women  
 Jan E. Mutchler, Gerontology Institute, University of Massachusetts, Boston  
 Paul Biderman, Institute of Public Law, UNM School of Law

The many people who provided us with names, comments and logistical support

**... and especially all the elders and providers that participated in the Interviews and Forums –  
 thank you!**

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## Executive Summary

The New Mexico Aging and Long-Term Services Department (ALTSD) presents these policy recommendations to advance the goal of economic security and provide a continuum of home and community-based social and health services that meet individuals' needs and maximize their independence so they can live on their own terms in their community. The recommendations are based on the findings of the New Mexico Elder Economic Security Standard™ Index (Elder Index) and nearly 75 hours of interviews and forums with elders and their caregivers from around the state. Elders expressed preferences for aging-related policies that facilitate self-reliance, dignity, and aging in-place. ALTSD recognizes that implementing recommendations along these lines will require further analysis and discussion with other state agencies; this document serves as a first step in improving services for New Mexico's elders.

### Policy Recommendations Derived from Elder Economic Security Research

- ◆ Institute a state tax credit for taking care of an elder at home.
- ◆ Fund community-based organizations that support families who provide informal uncompensated long-term care services.
- ◆ Allocate state funds to reduce the waiting list for the New Mexico Coordination of Long-Term Services "C" home- and community-based Medicaid waiver.
- ◆ Allocate additional funds to support the Aging and Disability Resource Center (ADRC) in its ongoing operations and outreach for the access of long-term support services.
- ◆ Fund the promotion of evidence-based retirement planning programs for elders and their families in New Mexico.
- ◆ Amend §22-13-1.1 F, NMSA 1978, to include a Financial Literacy course as a legal requirement for graduating high school seniors.
- ◆ Create a permanent State Transit Fund dedicated to the development and operation of a public transportation program.
- ◆ Explore implementing tax credits to local transportation providers for elders in rural and metro areas.
- ◆ Allocate additional state and federal funds to increase the number of rental assistance vouchers available for individuals in need of housing.
- ◆ Explore new options to help low-income elders manage property tax obligations.
- ◆ Allocate funding to support evidence-based health education and diabetes prevention programs in local communities.
- ◆ Allocate funding to community-based organizations to support evidence-based fall prevention programs.
- ◆ Amend the Internal Revenue Code, to add two additional targeted groups, "low income elders" and "unpaid caregivers", for the purposes of eligibility for the Work Opportunity Tax Credit (WOTC).
- ◆ Extend the Work Opportunity Tax Act beyond 2011.
- ◆ Adopt a statewide living wage.
- ◆ Encourage the use of the Elder Index as a strategic planning tool in local and state policy making and for all entities engaged in service provision for New Mexico's elders

## Introduction

The recession of 2008-2009, with its associated mortgage crisis, bank failures, decimation of investment accounts, pension fund failures, etc., has called into question the economic security of many New Mexicans, especially elder New Mexicans. In a state where an estimated 17% of people over age 65 live in poverty<sup>1</sup>, an abrupt downturn in the economy has created an environment where hardship is magnified and elders are finding it more difficult to pay for basic needs such as housing, food, transportation, health care, and other necessities. Even for those who might have planned well for their elder years, this period of economic uncertainty has caused them to recalculate their short- and long-term financial plans and adjust some of their expectations about retirement.

In response, the New Mexico Aging and Long-Term Services Department (ALTSD) formulated a research plan to produce a set of evidence-based policy recommendations. Implementation of these recommendations would have a demonstrable impact on the economic security of elder New Mexicans and are informed by their expressed needs for maintaining dignity and independence.

In 2009 the ALTSD began working with Wider Opportunities for Women (WOW), the Gerontology Institute at the University of Massachusetts Boston (GI), the University of New Mexico School of Law's Institute of Public Law (IPL), and Tewa Women United (TWU) to better understand the economic realities of elder New Mexicans. The project began with the creation of the New Mexico Elder Economic Security Standard Index (Elder Index). The Elder Index measures what it costs to age in place on a county-by-county basis and provides a data-based illustration of the gap between the real cost of living for elders in New Mexico and average retirement incomes.

Based on key findings from the Elder Index, IPL framed the issue of elder economic security and conducted National Issues Forum-style<sup>2</sup> events around the state to ascertain what key values elders and their caregivers believe should underlie policies and/or programs for New Mexico's elderly. Concurrently, TWU interviewed elder Native Americans in northern New Mexico to hear about their experiences in this time of increased economic insecurity. Separately, these detailed and rich reports are available at [www.nmaging.state.nm.us/ALTSD\\_news\\_events.html](http://www.nmaging.state.nm.us/ALTSD_news_events.html). The qualitative and quantitative data from these sources form the basis of the policy recommendations herein.

This policy brief begins with a short description of the data and information sources used in preparing the 2010 NM ALTSD Elder Economic Security Initiative policy recommendations. Recommendations derived from the project begin on page 5. The report concludes with a brief discussion on the overall impact of various forms of public support on bridging the gap between the Elder Index and typical retirement incomes of New Mexico's elders. ALTSD's expert recommendations regarding the larger federal and state decision-making contexts are presented on page 12.

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1 <http://bber.unm.edu/census/coranks/65yearsrank.htm>

2 NIFI forums are moderated events where an issue is framed in terms of several different approaches whose merits and drawbacks are deliberated by participants, eliciting key values in the search for the common ground necessary to move to public action.

## Information Sources

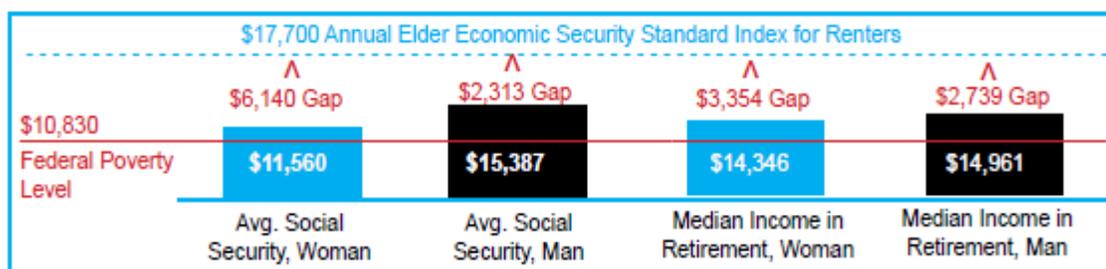
**The New Mexico Elder Economic Security Standard Index: Meeting Basic Expenses.** The Elder Index developed by WOW and GI is a measure of well-being that determines the income and supports needed for older adults to live modestly, but as independently as they can, depending on their health and life circumstances.<sup>3</sup> In comparison to the Federal Poverty Level (FPL), which is based solely on the national cost of food, the Elder Index uses the **actual costs** for older adults -- in New Mexico, on a county-by-county basis -- of housing, transportation, healthcare, food, and other necessities.<sup>4</sup> Figure 1 presents the statewide NM Elder Index.

**Figure 1: The Elder Economic Security Standard Index 2009 Statewide\* Monthly Expenses for Selected Household Types**

Monthly Expenses	Elder Person (age 65+)			Elder Couple (both age 65+)		
	Owner w/o Mortgage	Renter, one Bedroom	Owner w/ Mortgage	Owner w/o Mortgage	Renter, one Bedroom	Owner w/ Mortgage
Housing (inc. utilities, taxes, etc.)	\$ 292	\$ 544	\$ 946	\$ 292	\$ 544	\$ 946
Food	\$ 232	\$ 232	\$ 232	\$ 428	\$ 428	\$ 428
Transportation	\$ 214	\$ 214	\$ 214	\$ 378	\$ 378	\$ 378
Health Care (Good Health)	\$ 281	\$ 281	\$ 281	\$ 562	\$ 562	\$ 562
Miscellaneous	\$ 204	\$ 204	\$ 204	\$ 332	\$ 332	\$ 332
Index Per Month	\$ 1,223	\$ 1,475	\$ 1,877	\$ 1,992	\$ 2,244	\$ 2,646
Index Per Year	\$ 14,676	\$ 17,700	\$ 22,524	\$ 23,904	\$ 26,928	\$ 31,752

These are the costs for elders in different living situations to live **independently** by covering their basic needs **without** income-eligible public programs such as the Supplemental Nutrition Assistance Program (SNAP) (formerly food stamps), Medicaid, subsidized housing, or property tax relief. As an example, the annual **average cost** of basic living expenses state-wide, for a single elder who rents a one bedroom apartment is \$17,700. How does that compare to the **average retirement income** statewide? Figure 2<sup>5</sup> illustrates the gap between likely income scenarios and two different cost of living estimates, the NM Elder Index, a measure of economic security, and the Federal Poverty Level, a measure of deprivation.

**Figure 2: The Elder Economic Security Standard Index vs. Benchmark Annual Incomes for Single Elders in New Mexico, 2009**



Sources: US Census Bureau, 2008 American Community Survey PUMS data. Median incomes are inflated using a CPI inflator. Social Security Administration, OASDI Beneficiaries by State and County, 2008. Average Social Security values are inflated using SSA COLAS.

The policy recommendations in this brief are intended to bridge the gap illustrated in Figure 2. Whether through monetary supports or the provision of services that free up monies to be used for other basic needs, the goal is to increase the economic security of New Mexican elders.

**Building Elder Economic Security: Public Deliberation.** Using the information from the Elder Index, IPL designed a series of public forums to address the question of who should be

<sup>3</sup> <http://www.wowonline.org/ourprograms/eesi/index.asp>

<sup>4</sup> For a full explanation of how the Elder Index was created and all the county-level Elder Indices, please see the Appendix of the 2010 WOW research report, New Mexico Elder Economic Security Standard Index.

<sup>5</sup> Not all men in retirement receive social security, hence the difference in the average social security income for men and the median income in retirement for men.

responsible for addressing the apparent gap between the Elder Index and the retirement scenarios of New Mexico elders. IPL chose the National Issues Forum Institute model of public deliberation to draw out the values underlying the discussions among elders and caregivers about who should be responsible for meeting the economic needs of elders: the individual and his or her family, the community, and/or governmental agencies. An overarching theme in these discussions was that programs and policies should be designed and implemented to maximize independence, self-reliance, and individual dignity as much as possible.

The policies recommended in this document are grounded in the values expressed by the participants; they remind policy makers, service providers, elders, and those who care for them, that well-designed policies should be informed by those values. A thematic summary of all the forum discussions, a list of foundational values, and recorder notes from each of the nine sessions can be found in IPL's 2010 report to ALTSD, *Bridging the Gap: the Role of Individuals, Community and Governments in New Mexico's Elder Economic Security*.

**Native American Voices: Stories from Northern New Mexico.** TWU conducted 21 interviews with members of seven Northern New Mexico Pueblos asking questions about people's experiences in the current economic environment. Quotes from these interviews are used to illustrate the commonalities among all struggling New Mexican elders and highlight some of the differences policy-makers might consider in formulating programs that affect older Pueblo residents. The internal ALTSD document, *Getting By With What We Have: A Study of Current Economic Conditions of Indigenous Elders in Northern New Mexico*, summarizes the challenges and coping strategies identified by these Pueblo residents.

### **Elder Economic Security Policy Recommendation Framework**

There are 16 policy recommendations in the categories of: Home & Community-Based Services, Transportation, Housing, Financial Literacy, Health Education, Workforce, and New Policy Tools.<sup>6</sup> These policy recommendations are loosely based on the major expense categories that make up the Elder Index. Recommendations are presented for each area and are followed by a discussion of the supporting data, observations, and/or stories, and a discussion of the potential effects of adopting each recommendation.

**Elder Economic Security Policy Recommendations.** All recommendations in this report have been developed by the New Mexico Aging and Long-Term Services Department from the results of the WOW reports on the Elder Index, and the qualitative reports from the IPL and TWU. ALTSD worked closely with WOW and GI in the creations of the Elder Index models and to understand their implications for New Mexico; ALTSD staff were key to the convening of the Elder Economic Forums and a member of the ALTSD Policy and Planning Division observed the proceedings at every forum; and ALTSD worked with TWU to create the interview questions and created the analytic scheme for qualitative data. This project also received expert advice from members of its Policy Advisory Committee, which is appointed by the Governor.

The policy recommendations that follow have a solid foundation in the research conducted under the auspices of this project. ALTSD has translated the expressed needs of New Mexican elders into recommendations for consideration by the New Mexico Legislature and the committees and subcommittees responsible for aging issues.

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<sup>6</sup> The order of presentation does not reflect the relative importance of any area or recommendation.

Support home and community-based services that allow elders to age in place with dignity.

## Home & Community-Based Services

*Foundational Values: Choice, freedom, privacy, aging in place, connection, independence*

### State Tax Credit for Care of Elder Dependents

Institute a state tax credit for taking care of an elder at home.

### Increase Support for Community-Based Long-Term Service Organizations:

Fund community-based organizations that support families who provide informal uncompensated long-term care services.

### Increase Availability of State Provided Long-Term Services to New Mexico Elders

Provide funding to reduce the waiting list for the New Mexico Coordination of Long-Term Services (CoLTS) "C" home- and community-based Medicaid waiver, which would allow elders and people with disabilities more access to long-term care and respite care for their caregivers in their homes and communities.

### Expand Aging and Disability Resource Center Outreach

Fund the Aging and Disability Resource Center (ADRC) in its ongoing operations and outreach to assist individuals in need of accessing long-term care services.

### Why These Matter

ALTSD is committed to keeping elders in their homes for as long as they are able and want to be there. Estimates show that annual costs for supporting a resident in a nursing home are about twice as high as providing an elder with in-home services<sup>7</sup>. There are a host of reasons why it difficult for families to care for their elders, easing some of the monetary considerations by providing tax credits for elder dependent care or support for community-based organizations who serve the elders and caregivers could help. In the public forums, some participants worried about "being a burden" on their families. Policies that provide families and organizations subsidies for care are one way to address this issue on behalf of New Mexico elders, to the benefit of elders and state government alike.

Increasing the availability of CoLTS is one way to bridge the economic security gaps when the cost of living increases dramatically due to long-term care needs. As noted in WOW's analysis of the impact of CoLTS,

*"Due to the high cost of care—on average \$556 per month for even the most basic care—many of those without family caregivers find themselves unable to finance even short-term LTC needs. Without intervention, low-income, moderate-income, and even middle-class elders who require long-term care may be forced to give up or borrow against their homes. Unless aided by CoLTS, many New Mexico elders who do not have uncommon assets and disability or LTC insurance are unable to avoid institutionalization when they suffer catastrophic or chronic bad health."*<sup>8</sup>

Increasing the outreach and capacities of the ADRC would provide elders and their families with information and education that would lead to their working on their own behalf to access those resources. The request for a 'one-stop shop' for information about federal, state, and community programs and services for the elderly was common among participants in the deliberative forums. In Carlsbad, a service provider opined, "I love the idea of a one-stop shop: having it all together makes life easier: you would be able to apply for multiple programs at the same time and it would coordinate service delivery." Speaking directly to the ADRC's outreach capacities, a provider in Carlsbad suggested they increase their staffing and the importance of, "...getting out information, especially in rural areas."

<sup>7</sup>Metlife Mature Market Institute, 2009 Metlife Market Survey of Nursing Home, Assisted Living, Adult Day Services & Home Care Costs, October.

<sup>8</sup> WOW, 2010. *Elders Living on the Edge: When Basic Needs Exceed Income in New Mexico*.

**Support transportation programs that enable elders to have more mobility around their communities.**

## Transportation

*Foundational Values: Self-reliance, dignity, independence, freedom*

### **Increase Transportation Options for Elders:**

Explore implementing tax credits to local transportation providers for elders in rural and metro areas.

### **Improve Public Transportation**

Create a permanent State Transit Fund dedicated to the development and operation of a public transportation program.

### **Why These Matter**

It costs a single elder renter an estimated \$214 a month for transportation in New Mexico; or about 15% of the total \$17,700 annual NM Elder Index (see Figure 1). Government provision of transportation is seen by some elders as part of the ‘safety net’ for people who no longer drive. They also recognize that this service is generally under-funded at the federal, state, and local levels.

The availability and quality of public transportation in most of New Mexico does not support elder self-sufficiency or facilitate the involvement in elder care of public transportation-dependent family members. As part of the allocation of a permanent State Transit Fund, requirements for program elements specific to meet elders’ needs might be appropriate. Elders participating in the public forums spoke of local elder transportation providers whose service schedules were limited, and about vehicles that were not complaint with standards set forth in the Americans with Disabilities Act (ADA).

The alternative of an elder accepting a ride from a volunteer or representative of a community organization is disappearing as issues of liability and bureaucracy overtake the best intentions of service providers and volunteer organizations. Frustration with this situation was expressed by a Senior Companion in Farmington, “When seniors request trips to the store, [the transit program] doesn’t help with groceries or getting on to the bus.”

In many rural and frontier areas of the state, transportation options might be further limited to friends and family who, as mentioned in a Clovis forum, may require elders to pay for the service. Offering incentives to increase and improve transportation services, especially in rural and frontier areas, would potentially reduce the money, time and effort required of elders who no longer drive.

Among the Pueblo residents, many have their own cars or seek rides from friends and family. Besides meeting the demands of the up-keep of their vehicles, their transportation concerns are primarily about getting to and from the local senior centers (which provide meals, activities and serve as information resources). Additionally, some stated that they would like to local senior center service expanded to include transportation to major cities like Albuquerque, Española, and Santa Fe.

For the Navajo who lived in reservation areas, transportation to town is critical for obtaining groceries, services, and visiting family who also lack transportation. The relative isolation of residents on the reservation poses a particular challenge for implementation of these recommendations across the state.

**Expand housing and rental assistance programs to reduce the number of individuals on housing assistance waiting lists.**

## Housing

*Foundational Values: Self-reliance, dignity, independence, freedom*

### **Increase State and Federal Housing Supports**

Allocate additional state and federal funds to increase the number of rental assistance vouchers available for individuals in need of housing.

### **Explore Additional Property Tax Relief Programs**

Explore new options to help low-income elders manage property tax obligations.

### **Why These Matter**

It is estimated that the statewide average cost for housing for a single elder renter is \$514 a month, or about 35% of \$17,700 annual NM Elder Index (see Figure 1). About 17% of elders are renters. Federal and state supported housing options are limited; due to high demand and limited funding, rental assistance in NM is rare.<sup>9</sup> Increasing the number and value of vouchers available would provide some relief for elders who rent, allowing a fraction of that 35% to be redirected to other basic needs. The eligibility considerations for renters and landlords will likely have a major influence on the success of this recommendation.

ALTSD is committed to keeping elders in their homes as long as they chose to be there, whether those homes are rental units or mortgaged houses. Government provision of housing assistance is seen by some forum participant as part of the ‘safety net’ for elders. In Gallup, a forum participant noted, “Seniors need their own housing (even apartments), not institutions, and support to live at home, like companions to help with cleaning, errands, etc.” Discussions about ‘government housing’ for elders included: availability of subsidized housing and the general lack of quality and ADA non-compliance in available housing. A participant in the Las Vegas forum noted the lack of housing options for limited income seniors, especially for group living situations. Close attention should be paid to the availability of housing in rural and frontier areas. There is also an important link between housing and the ability of families to care for their elders. In Gallup we heard, “There is no low income housing in town so a family can’t come off the reservation to live nearer elders.”

Thinking more broadly about elder living situations, a Las Vegas resident commented that, “Cooperative housing is appealing. It might be appropriate later as an intermediate step before assisted living. In Great Britain there’s a six-unit house with shared janitorial and food preparation staff.... This allows independence within a care situation. Plus, the costs were known, not variable, and partially paid by the government.”

Statewide, a majority of the elder population (83%) owns their homes outright or is paying a mortgage on a residence. Forum participants and Pueblo interviewees who owned homes were concerned about: the rising cost of property taxes; the physical and financial considerations of home maintenance; and the seasonal costs of heating and cooling their homes. Unexpected repairs sometimes required loans that further stretched tight budgets; a Pueblo resident who was falling behind on her bank loan for an emergency home repair said, “Everything was okay, going good, I didn't expect this, I wouldn't have borrowed that thousand to fix my house...I just wasn't prepared.” A provider in Las Vegas talked about potential help for home-owners through the NM Mortgage Finance Authority (funded by the AARA Rapid Re-Housing Program) but said there was little information available to the average person and an applicant had to travel to Albuquerque to submit the lengthy paperwork.

<sup>9</sup> WOW, 2010. *Elders Living on the Edge: When Basic Needs Exceed Income in New Mexico.*

Encourage financial literacy and informed retirement planning amongst younger and older generations.

## Financial Literacy

*Foundational Values: Self-reliance, education, planning for the future*

### **Educate Elders and Families about Retirement Planning**

Allocate funding to promote evidence-based retirement planning programs for elders and their families in New Mexico.

### **Require Financial Literacy Course in High School**

Amend §22-13-1.1 F NMSA 1978 to include a Financial Literacy course as a legal requirement for graduating high school seniors.

### **Why These Matter**

The issue of financial literacy and related policy recommendations came out of the statewide forums when the role of individual responsibility in elder economic security was deliberated. Increasing the level of financial literacy is a proactive attempt to change the context in which financial decisions are made, to the long-term benefit of younger generations and the short-term benefit of elders.

Forum participants suggested that while everyone *should* take responsibility for their own economic well-being, there are gaps in knowledge among youth and elders alike. Education, workshops and mentoring opportunities were suggested as ways to give people the opportunity to learn financial literacy basics. Policy recommendations for the promotion of retirement planning programs and a high school financial literacy requirement begin to address these concerns.

Elders and providers agreed that better planning, budgeting, saving, fiscal discipline and responsibility are desirable skills but differed somewhat in their assessment of whether these skills are attainable. A participant in the Albuquerque forum remarked, “It can be hard to teach financial literacy to seniors – they have shorter memories and shorter life-spans left to implement planning and savings.”

The promotion of retirement planning programs would add a level of safety for elders and their families as well. A participant in the Albuquerque forum observed, “There is a predatory environment regarding seniors that makes learning how to do financial planning difficult.” The more elders can effectively evaluate the financial instruments marketed to them, the greater their economic security.

It is worth noting that there are elders and families in New Mexico for whom ‘retirement’ is not a consideration or an option. There is no lesser need for financial literacy skills among this group although outreach to them may present a difficult challenge.

New Mexico elders and younger generations alike require better skills in financial planning, budgeting, saving, and fiscal discipline and responsibility. This requires multi-lingual, accessible, and culturally sensitive educational materials.

Utilize planning tools in promoting equitable and rational policy for elders.

## New Policy Tools

*Foundational Values: Self-reliance, dignity, independence, innovation, knowledge, transparency*

### Consider More Comprehensive Measures of Elder Economic Well-Being, Adopt the Elder index:

Encourage the use of the Elder Economic Security Standard Index (Elder Index) as a strategic planning tool in local and state policy making. This includes the New Mexico Aging and Long-Term Services Department, the New Mexico Department of Health, the New Mexico Department of Human Services, the New Mexico Department of Transportation, the New Mexico Department of Economic Development, federal agencies operating programs in the state, Area Agencies on Aging, community-based providers and local councils and units of government (counties, cities, townships.)

#### Why This Matters

“The Elder Index helps workers and retirees plan for the future. It also quantifies the effectiveness of state and national public policy and programs in preserving economic security for older adults. The Elder Index helps pre-retirees, elders, advocates, policy makers, foundations and direct service providers:

- quantify elder economic security;
- examine the components of economically secure elders’ basic expenses;
- measure the gaps between typical incomes and economic security;
- measure how well public policies can help fill those gaps; and
- evaluate current income support programs’ ability to move individuals toward economic security.”<sup>10</sup>

In addition to allowing state and local communities to serve their elders more effectively, there is an implicit assumption about the insufficiency of the current measure of economic well-being, the Federal Poverty Level (see figure 2). The adoption of the Elder Index suggests a potential realignment of eligibility requirements; the effects of such realignment have yet to be modeled for New Mexico.

A more realistic estimate of the real costs of making ends meet for elders in New Mexico could stabilize what are perceived as moving targets for state and federal program eligibility. A provider in the Las Vegas forum explained, “Governments’ rules for services change, eligibility time frames, income levels. There are no more ‘one dollar over’ pots for people who just barely miss eligibility to receive services anyway. This is especially bad where disease is an issue and you have to have the condition for 2 years to be eligible, then 4 years, then back to 2.”

Because the Elder Index is calculated on a county-by-county basis, regional variations will be taken into account automatically and allow for more tailored services delivery based on those variations.

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<sup>10</sup>WOW, 2010. *Elders Living on the Edge: When Basic Needs Exceed Income in New Mexico.*

**Reform and redefine health care to increase the emphasis on wellness, mobility, and the prevention of falls and chronic health conditions.**

## Health Education

*Foundational Values: Self-reliance, education, independence, safety*

### **Provide Evidence-based Health Education**

Allocate funding to support evidence-based health education and diabetes prevention programs in local communities.

### **Fund Fall Prevention Programs**

Allocate funding to community-based organizations to support evidence-based fall prevention programs.

### **Why These Matter**

Healthcare costs for an elder renter in good health are about \$281 monthly statewide in New Mexico. When health deteriorates and additional healthcare services are required, estimated costs rise to between \$6,000 and \$35,000 annually. Supporting programs and organizations that promote health education, disease and accident prevention could lessen the number of elders who find themselves incurring additional healthcare costs or expensive healthcare services. Such programs also protect the quality of people's lives and reduce suffering from injuries and surgeries.

**Increase opportunities and/or incentives for older and younger workers, and caregivers, to enter and remain in the workforce.**

## Workforce

*Foundational Values: Self-reliance, dignity, independence, responsibility to the next generation*

### **Tax Credit for Hiring Low Income Elders and Unpaid Caregiver Worker:**

Amend Section 51 of the Internal Revenue Code, to add two additional targeted groups, "low income elders" and "unpaid caregivers," for eligibility for the Work Opportunity Tax Credit (WOTC).

### **Work Opportunity Tax Act:**

Extend the Work Opportunity Tax Act beyond 2011.

### **Living Wage:**

Adopt a statewide living wage.

### **Why These Matter**

Many elders are choosing to work in retirement as a means to supplement incomes that may no longer be sufficient to meet their basic needs. Providing incentives for hiring elders increases elder self-sufficiency. For unpaid caregivers, the results may be mixed if they enter the workforce while providing for an elder: for some, the overall situation improves by increasing family incomes but for others, the requirements of a job may conflict with the level of care provided by the unpaid person. Adoption of a living wage potentially provides more money overall for all households with low wage earners and creates an environment where the next generation has more resources with which to plan their retirements.

## Conclusions

Collectively, the policy recommendations developed based on elder perspectives of economic security have the potential to increase the availability of information and funding for programs which are key to helping elder New Mexicans age in place, with dignity. The recommendations are oriented toward improving government services; providing funds to increase community and family engagement in the care of elders; allowing elders to live with as much independence as possible in a supportive environment. They are also oriented toward improving the economic security of future generations of elder through education and work/wage policy changes.

One way to look at how these policy recommendations might work is to see what difference they could make in the life of a New Mexico elder<sup>11</sup>. Assuming an income that make him or her eligible for the programs affected by the recommendations, what changes might this person expect?

- ◆ Long-term care services by caregivers who are compensated for their provision of care or who receive a tax credit if the elder lives with the caregiver;
- ◆ Increased availability of long-term care services from community organizations;
- ◆ Quicker receipt of a New Mexico Coordination of Long-Term Services “C” home and community-based waiver to help pay for long-term services;
- ◆ More accessible information from the Aging and Disability Resource Center (ADRC);
- ◆ Education on retirement planning, disease and fall prevention.
- ◆ Increased public transportation opportunities.
- ◆ Rental vouchers or property tax relief
- ◆ Greater opportunities for employment, at a living wage, if an elder wants to return to the work force.

As the Elder Economic Security data, and the values and stories of elder New Mexicans are further considered and discussed, ALTSD will work with other state agencies to develop additional policy recommendations for elders, moving them closer to economic security.

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<sup>11</sup>For a full empirical description of the impacts of public supports on the lives of elder New Mexicans, please see, WOW, 2010. *Elders Living on the Edge: When Basic Needs Exceed Income in New Mexico*.

## Expert Policy Recommendations from ALTSD

Explore the possibilities offered by State government, agencies, and elder involvement in the federal Patient Protections and Affordable Care Act.

### PPACA Possibilities

*Foundational Values: Education, choice, interdependence, government responsibility, innovation*

#### **Ensure Protections against Spousal Impoverishment**

Make permanent the “protection for recipients of home and community-based services against spousal impoverishment” provision in Section 2402 of the federal Patient Protection and Affordable Care Act.

#### **Explore State Plan Benefits to NM of Patient Protection and Affordable Care Act:**

Encourage New Mexico to analyze the opportunity to participate in the Community First Choice, Money Follows the Person and 1915(i) State Plan Benefit options of the federal Patient Protection and Affordable Care Act.

#### **Fund Education and Outreach to Increase Participation in PPACA Long-Term Benefits:**

Allocate state and federal funds to develop an educational outreach campaign that would encourage elders to learn about and participate in long-term care benefits available to them through the federal Patient Protection and Affordable Care Act’s Community Living Assistance Services and Support provision.

#### **Why These Matter**

These three aspects of the March 2010 PPACA are singled out as offering the greatest opportunities to improve the quality and availability of homecare services to elder Medicaid-eligible New Mexicans and provide a needed protection for healthy spouses of elders receiving homecare services. Our poorest elders in New Mexico are served by these recommendations, increasing their opportunities for aging in place and increased quality of life.