



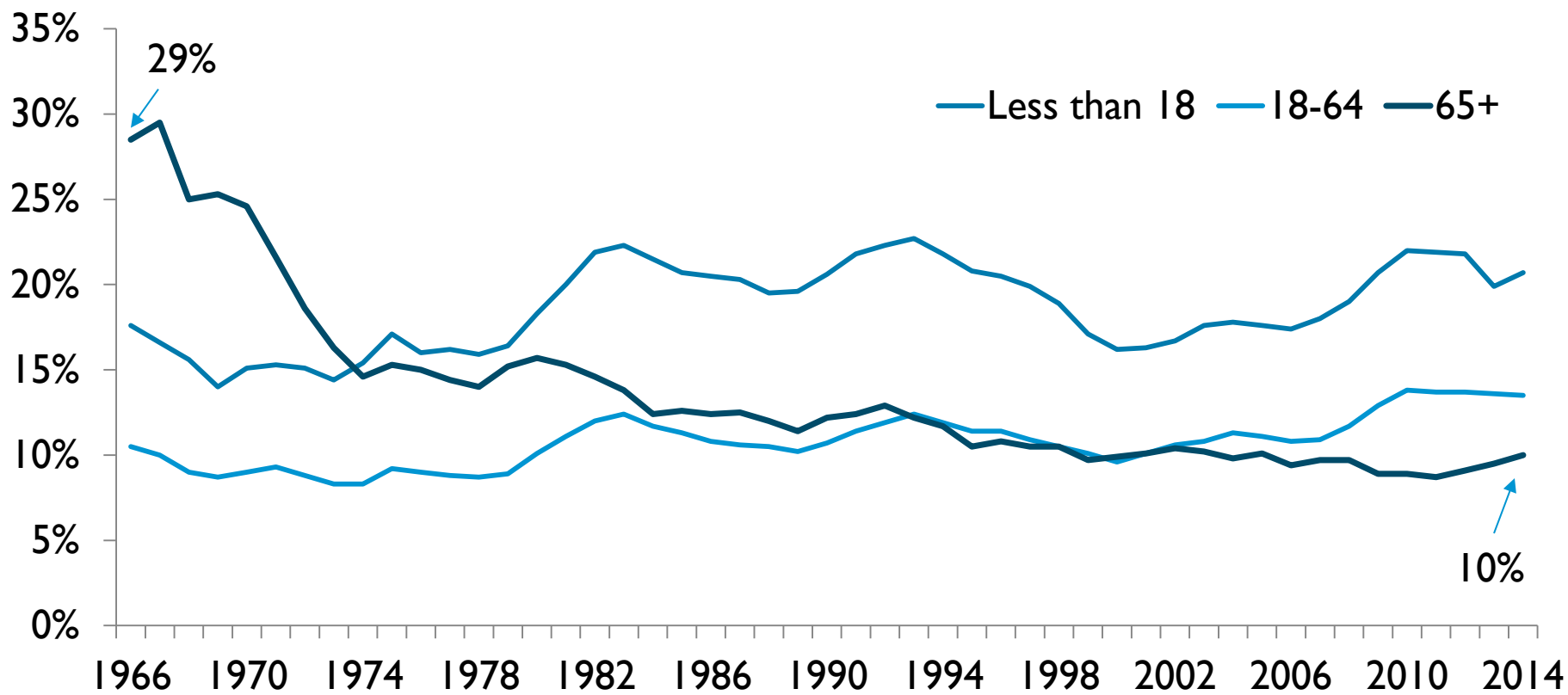
# Seniors, Housing, and Health: Financial Challenges of Low-Income Older Adults

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Urban Institute

March 2, 2016

# Older Adults Have Made Tremendous Financial Gains over the Past Generation

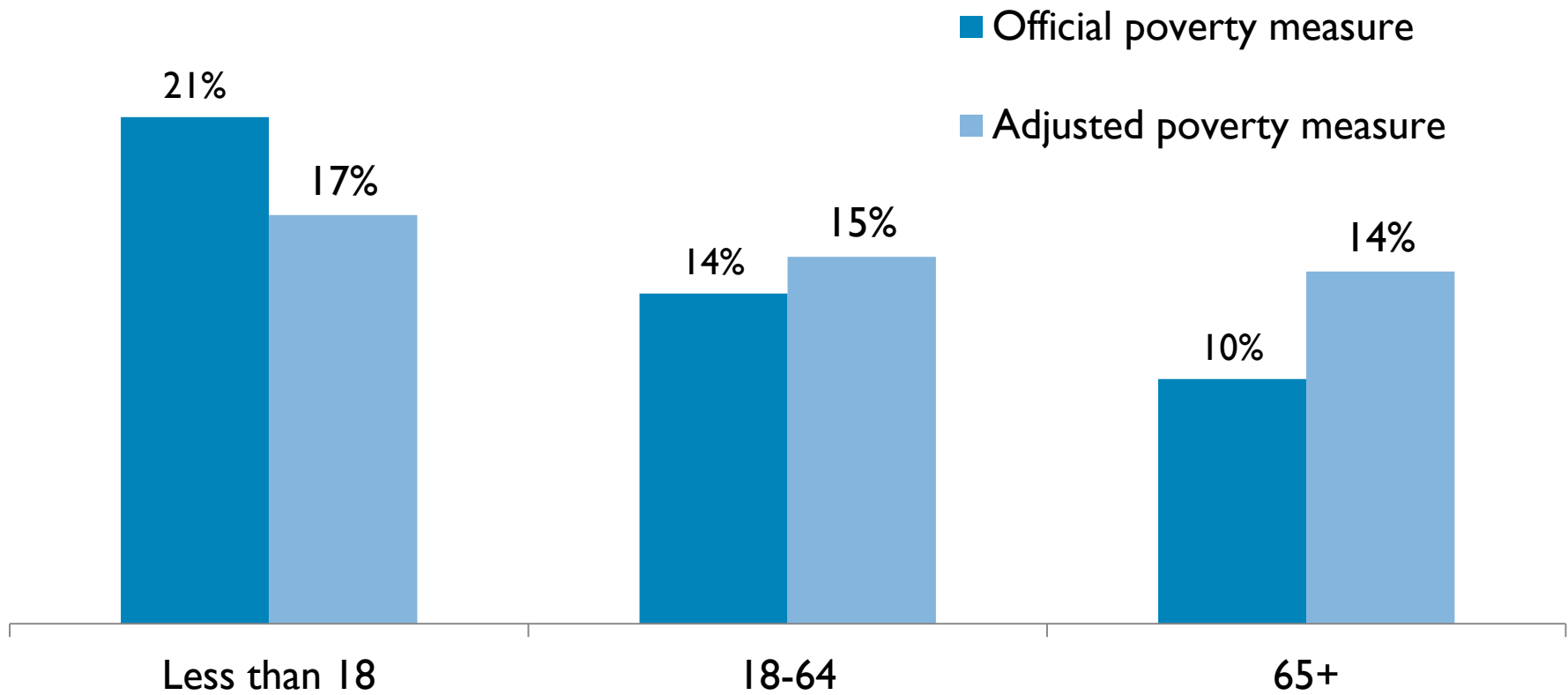
## Share of Individuals with Family Incomes below the Federal Poverty Level by Age, 1966-2014



Source: US Census Bureau (2015).

# A New Poverty Measure that Accounts for Health Care Spending Better Reflects Financial Need at Older Ages

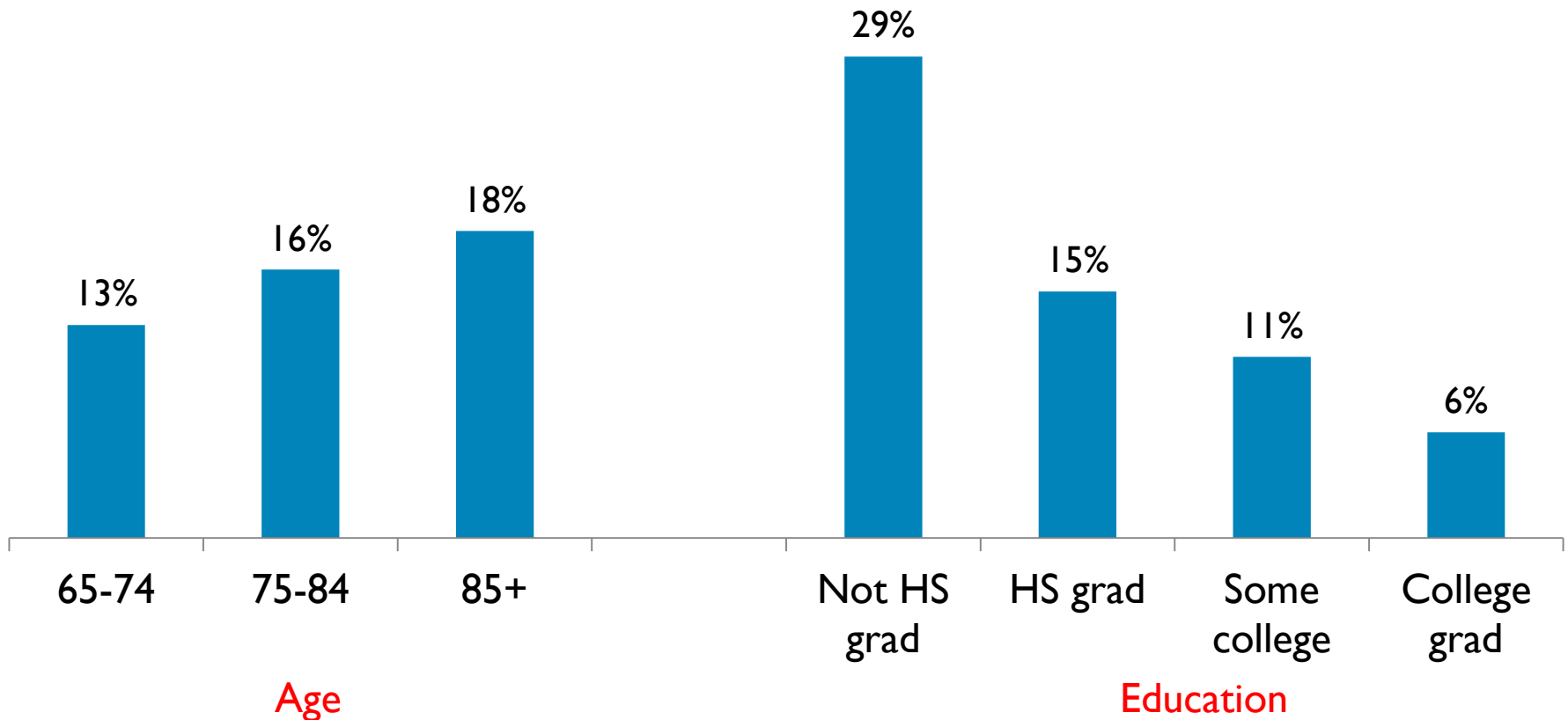
## Poverty Rates under Official and Adjusted Measures by Age, 2014



Source: Short (2015).

# Older Adults Age 85+ and Those with Limited Education Are Especially Likely to Have Inadequate Income

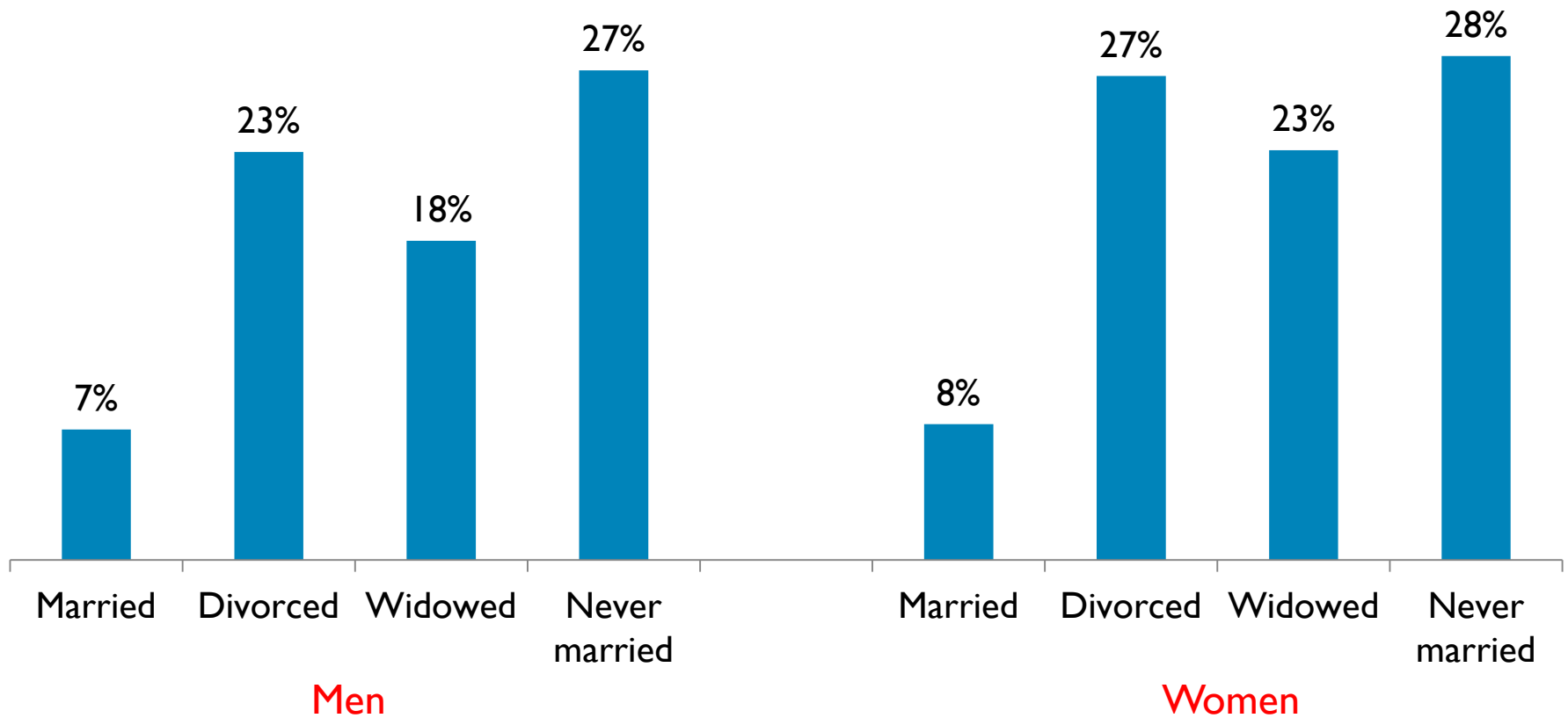
**Share of Workers with Incomes below 125% of the Official Federal Poverty Line, 2013**



Source: Author's estimates from the 2013 American Community Survey.

# Older Adults without Spouses Are Much More Likely to Have Inadequate Incomes than Married Adults

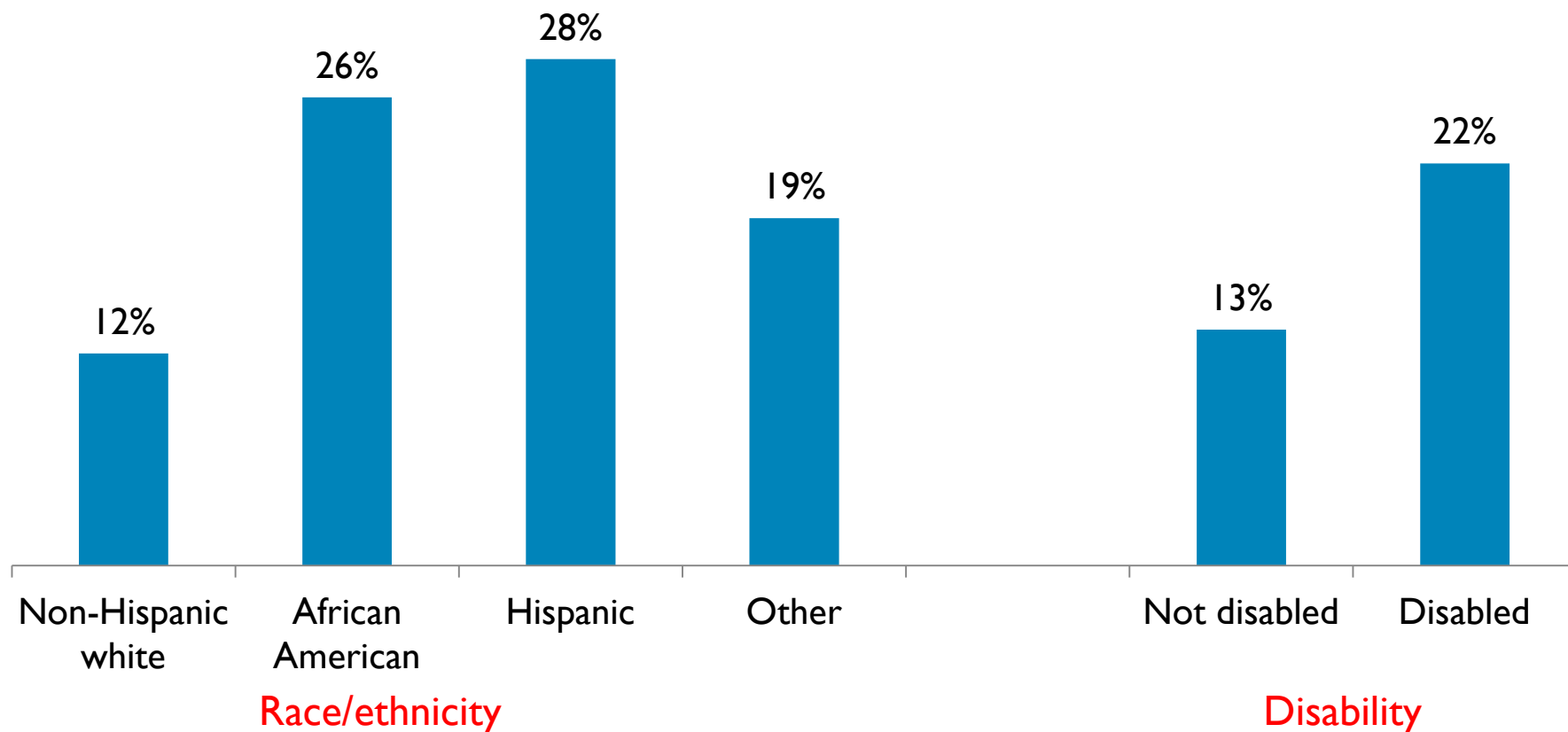
## Share of Workers with Incomes below 125% of the Official Federal Poverty Line, 2013



Source: Author's estimates from the 2013 American Community Survey.

# Inadequate Income Is also Prevalent among Older African Americans, Hispanics, and Adults with Disabilities

## Share of Workers with Incomes below 125% of the Official Federal Poverty Line, 2013



Source: Author's estimates from the 2013 American Community Survey.

# People Who Develop Functional Limitations at Older Ages Report Less Income and Wealth before Disabilities Begin

**Median Total Household Wealth for Adults Ages 51-59 in 1992, by Disability Status Over Next 20 Years**  
*(Adults with No Limitations in 1992, 2014)*

\$182,300



No Limitations

\$123,400



At least 1 limit with personal care activity

\$111,800

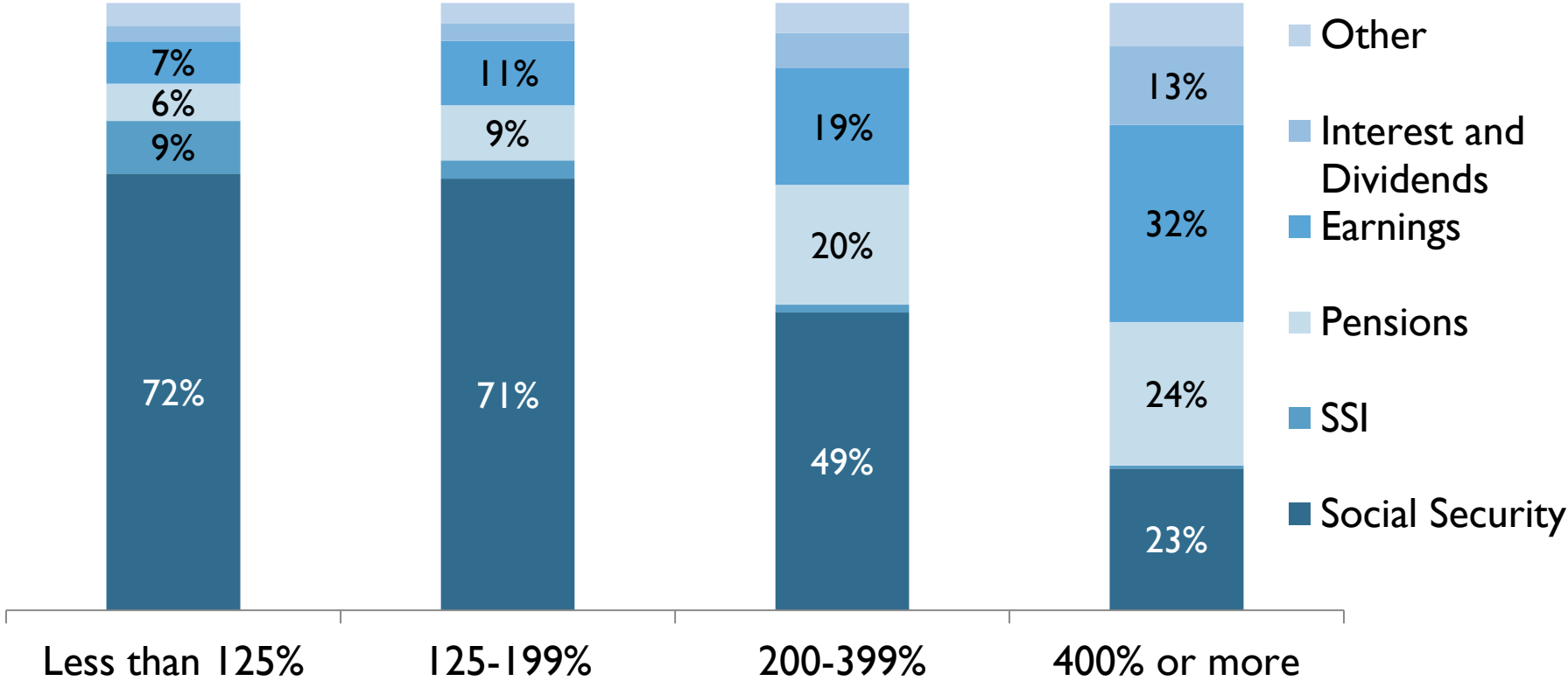


2 or more limits with personal care activities

Source: Author's estimates from the 1992 to 2012 waves of the Health and Retirement Study.

# Social Security Is a Crucial Source of Income for Low-Income Older Americans

## Distribution of Income Sources by Family Income Relative to the Federal Poverty Level, Ages 65+, 2013

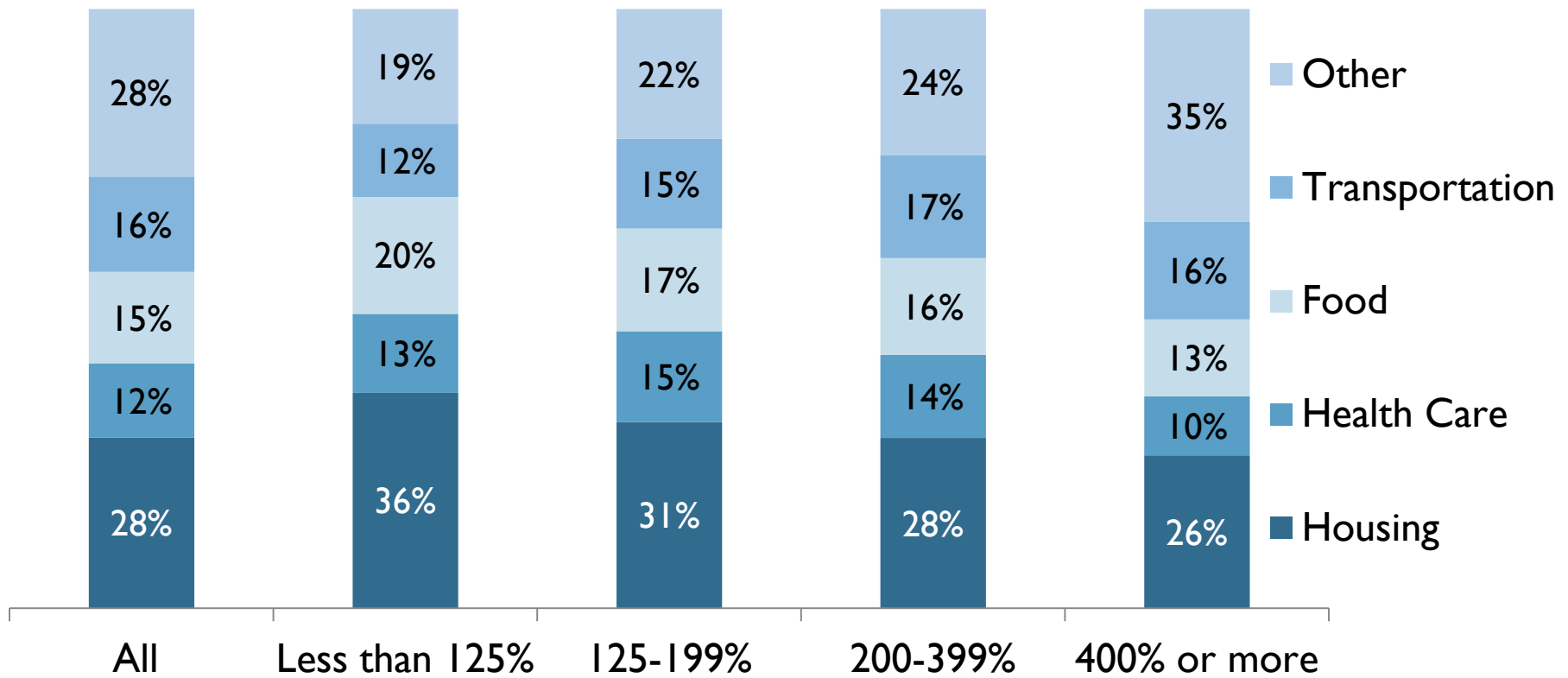


Source: Author's estimates from the 2013 American Community Survey.



# Older Adults Spend Much More on Housing than Health Care

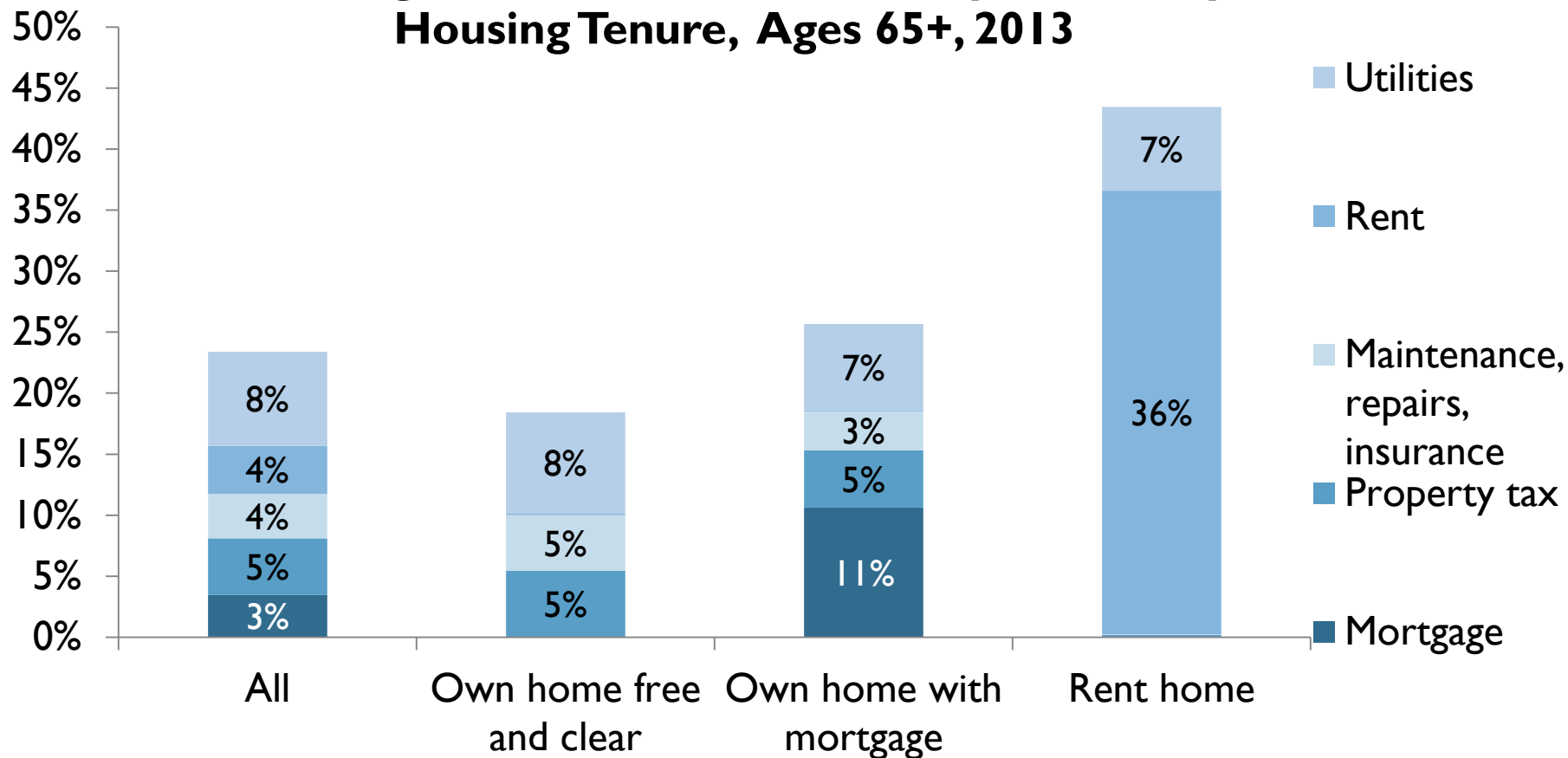
## Distribution of Household Spending by Income Relative to the Federal Poverty Level, Ages 65+, 2013



Source: Author's estimates from the 2013 Consumer Expenditure Survey.

# Housing Expenditures Consume Nearly One-Fourth of Income for Older Households

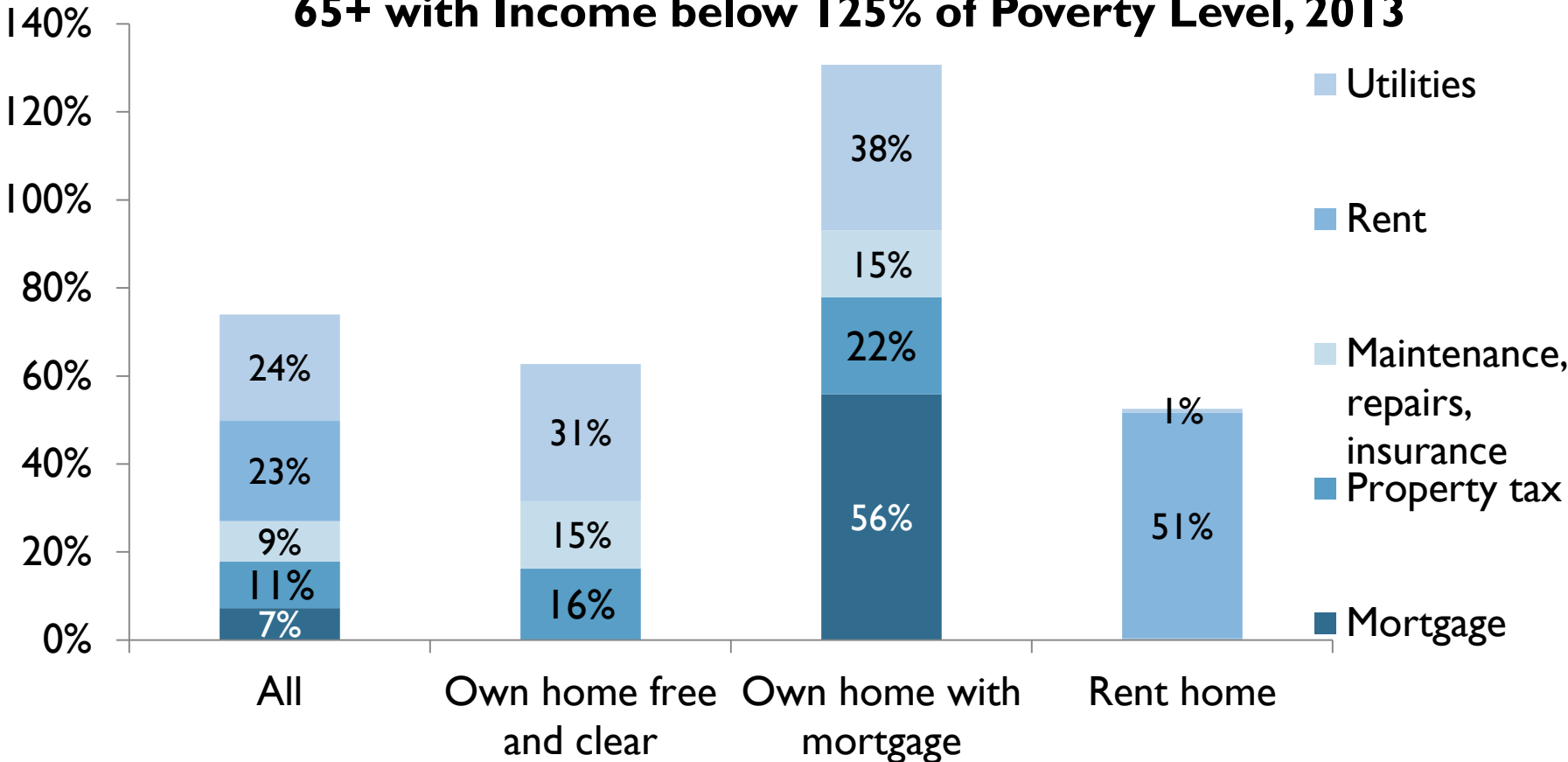
## Housing Costs as a Share of Family Income by Housing Tenure, Ages 65+, 2013



Source: Author's estimates from the 2013 Consumer Expenditure Survey.

# Housing Costs Are Especially Burdensome for *Low-Income* Older Adults with Mortgages

## Housing Costs as a Share of Family Income, Adults Ages 65+ with Income below 125% of Poverty Level, 2013



Source: Author's estimates from the 2013 Consumer Expenditure Survey.