

# Women, Economic Insecurity and Aging in the Florida Sunshine

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**Mary Gatta, PhD**  
City University of New York- Guttman  
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**A Report for the American Association of University Women (AAUW) St. Augustine and Jacksonville Branches**

# Women, Economic Insecurity and Aging in the Florida Sunshine

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## Executive Summary

This report investigates the experiences of women in retirement in Florida—statewide and focusing on St. Johns and Duval Counties in Northeastern Florida—resulting in an agenda to address economic security for women.

## Key Findings

- 1. Florida women have fewer economic resources in retirement than do Florida men.**
  - a. Including all forms of income (Social Security and any retirement savings and/or pensions) men's median annual income in 2016 was \$28,212, while women's median annual income stood at \$16,222. This is a 42.5% difference in income.
  - b. Looking just at Social Security income further highlights the gender gap. The median Social Security income for Florida men in 2016 was slightly over \$16,200, while women had a median Social Security income of \$11,587. This is a 28.6% difference in income.
  - c. Among Florida men, Social Security income made up 58% of their 2016 retirement income; for women Social Security accounted for 68% of their retirement income. Women in Florida depend on Social Security to cover more of their living expenses than do men.
  - d. Women in Florida have amassed much less in terms of retirement savings than have men. While 47% of men report retirement income (outside of Social Security) in 2016, only 36% of women reported retirement income. Excluding Social Security income, the median annual retirement income of men was \$20,555 in 2016; the median annual retirement income for women was almost half of that (\$11,890).
  
- 2. Using the Elder Index as a benchmark, while seniors in Florida overall face economic insecurity, women tend to face greater economic insecurity in retirement than do men.**
  - a. Overall 40% of all retired households in Florida live below the Elder Index.
  - b. Single households are more economically insecure than coupled households (49.7% v. 25.6%).
  - c. A greater percentage of women live in households that are below the Elder Index than men (38.5% v. 31.2%).
  - d. When we look at women's personal income (not including income of a partner), a far greater percentage of women are below the Elder Index. Considering solely one's own income, 66.8% of women and 48.7% of men live below the Elder Index.

- e. Race impacts one's chances of living below the Elder Index. A greater percentage of Hispanic, Black and Asian households than Whites live below the Elder Index. Specifically, 32.8% of White households live below the Elder Index in Florida, 54.4% of Asian households, 66.2% of Black households, and 75.8% of Hispanic households live below the Elder Index in Florida.
- f. Floridians who own their homes outright in retirement fare much better than those that hold mortgages or rent. While 29.3% of owner households without a mortgage are economically insecure; 63.6% of renter households and 44.2% of owner households with a mortgage are economically insecure.

**3. Focusing on St. Johns and Duval Counties women face greater economic insecurity than do men.**

- a. Specifically, 32.3% of St. Johns seniors live below the Elder Index, while 44.5% of Duval County seniors are below the Elder Index.
- b. In both counties, single households are more economically insecure than partnered households. In Duval County 52% of single households and 28% of partnered households live below the Elder Index. In St. Johns County 43.2% of single households and 18.9% of partnered households live below the Elder Index.
- c. Across gender, women are more economically insecure in both counties. In Duval County 44% of women live in households below the Elder Index as compared to 35.4% of men live in households below the Index. In St. Johns County 31.4% of women and 23.4% of men live in households below the Index.

**An Agenda to Address Retirement Insecurity for Florida Women Over the Lifetime**

**Gender Equity in the Labor Market-** Retirement insecurity stems, in part, from women's labor market experiences. Addressing gender inequity in the labor market is a critical step to help women save for retirement and increase their Social Security income later in life.

- ✓ Close the gender pay gap.
- ✓ Provide state based paid family leave.
- ✓ Address discrimination (gender, race, age) in the labor market.

**Securing Retirement-** Too often women's income falls short of basic economic security in retirement. Policies and programs that help ensure retirees have adequate knowledge, income and supports are critical in securing retirement.

- ✓ Strengthen social security to ensure women are protected in retirement.
- ✓ Provide financial planning for girls and women.
- ✓ Increase savings opportunities for workers.
- ✓ Increase supports/public assistance for seniors.

**Affordable and Accessible Universal Health Care-** Concerns about health and health care weigh heavily on the minds of Florida senior women. Many fear they are an illness away from economic despair. Ensuring affordable and accessible health care for retirees is critical for economic security.

- ✓ Ensure a single payer *Medicare for All* universal program.

# Women, Economic Insecurity and Aging in the Florida Sunshine

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## FULL REPORT

The plan for a care-free retirement in the warm Florida sunshine can be quite the elusive dream for some. Far too many Floridians are living in economic insecurity as they age in the state. And often one's gender and race impact the probability of being economically insecure later in life. In this report I investigate economic insecurity among older Floridians with a focus on women in St. Johns and Duval Counties in Northeastern Florida. Using data from both the American Community Survey, the Elder Economic Security Standard™ Index, and focus groups with older women, I investigate the economic security challenges women face as they live out their retirement years in Florida. Based on these findings, I present recommendations that can help women (and indeed all seniors) age in Florida with economic security.

### How Are Older Florida Women Faring?<sup>1</sup>

What does the population of older residents who no longer work look like in Florida? In 2016 amongst all Floridians who are 65 years of age and older, retired and live independently in elder only households<sup>2</sup>, women comprise a larger percentage of this population than do men (57% v. 43%). In addition, fully retired Floridians are predominately White (83.3%); with much smaller percentages Black (5.5%) and Hispanic (9.4%). And a third (34.5%) are disabled. The 2016 median annual household income of Florida retirees is \$31,326 and the median Social Security income is \$14,509.

However looking across gender, women consistently have fewer economic resources in retirement. Overall there is a significant gender gap in income among older Floridians who no longer work. Including all forms of income (Social Security and any retirement savings and/or pensions) men's median annual income in 2016 was \$28,212; while women's median annual income stood at \$16,222. Looking just at Social Security income further highlights the gender difference. The median Social Security income for men in 2016 was slightly over \$16,200; while women had a median income of \$11,587. With less overall income it is not surprising that women depend on Social Security to cover more of their living expenses more than do men. For Florida men, Social Security income made up 58% of their 2016 retirement income; for women Social Security accounted for 68% of their retirement income. Further women have amassed much less in terms of retirement savings than have men. While 47% of men report retirement income (outside of

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<sup>1</sup> Data calculations in this section were conducted by Jessica Horning. Data is from US Census Bureau, American Community Survey 2016 1-year PUMS.

<sup>2</sup> Elder-only households refers to individuals who are living independently with no one under 65 years old in the home.

Social Security) in 2016, only 36% of women reported retirement income. And the gap in personal savings income by gender is striking. Excluding Social Security income, the median annual retirement income of men was \$20,555 in 2016; in contrast the median annual retirement income for women was almost half of that (\$11,890).

Women in Florida simply have less income than men in retirement. Many of the explanations for the gender difference in income are directly tied to women's labor market experiences during their working years. The traditional gender division of labor in American families leads to higher percentages of women staying at home to care for family than men. Women are more likely to leave the workforce to take care of aging family members or children. This gives them fewer years to generate income, benefit from employer retirement programs, and receive pay raises. In addition, Florida does not have a paid leave program—that means when women take time out of the labor force they do not have access to any income during that time. And at the federal level, since there is no caregiver credit in Social Security Insurance, women are not contributing to their Social Security when they are providing critical family care.

Moreover, women face a gender wage gap in Florida and nationally that impacts their economic security throughout their lifetime. Recent data from the American Association of University Women finds that median earnings for men in Florida were \$41,105 compared to \$35,604 for women — an earnings ratio of just 87 percent. This means for every dollar earned by a man; a woman is earning just 87 cents. And when one takes race and ethnicity into account, that gap widens in Florida: Asian American women are paid 74 percent, African American women are paid 61 percent, Native American women are paid 65 percent, and Hispanic/Latina women earn just 59 percent of white men's wages<sup>3</sup>.

If women were paid fairly in Florida they could better afford their daily family expenses — housing, food, healthcare, etc.—in addition to their retirement needs. The lost income because of the gender pay gap is quite staggering. In Florida over a lifetime of work, a high school educated woman will lose an estimated \$700,000 to pay inequity, according to the American Association of University Women. The graduate of a professional school will find that she is \$2 million poorer because she is not paid fairly<sup>4</sup>. Such data indicate that the pay gap is a systemic feature in our labor market—impacting women across race, educational and occupational groups. Perhaps even more significant is that these insurmountable losses make clear that equal pay matters not just for women's everyday expenses but also for their future economic security. Since women are paid less than men in each paycheck, they are paying less into their Social Security and retirement savings programs. The result is that the inequities women face in their working years carries over into their retirement years, making those years far more difficult.

### **What Does It Take to Be Economically Secure in Florida?**

How much income do Floridians need to meet the real costs of living? To answer this question we need an accurate definition and measure of elders' economic security. The University of Massachusetts Gerontology Institute developed the Elder Economic Security Standard™ Index

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<sup>3</sup> American Association of University Women. 2017. "The Simple Truth about the Gender Pay Gap." <https://www.aauw.org/resource/the-simple-truth-about-the-gender-pay-gap/>

<sup>4</sup> Ibid.

(referred to as the Elder Index) to measure the minimum income older adults require to make ends meet, live with dignity and remain in their own homes as they age. The Elder Index helps workers and retirees plan for the future. It also serves as a basis to quantify the effectiveness of state and national public policies and programs in preserving economic security for older adults.

To arrive at a measure of income adequacy, the Elder Index sums the five major monthly expenses that constitute the basic elder household budget. As a measure of basic needs, the Elder Index includes only those goods and services essential to health and welfare:

- ✓ Housing: Rent or mortgage payments and all housing-related costs (utilities, insurance, property taxes), as applicable
- ✓ Food: Food prepared at home, based on the USDA Low-Cost Food Plan for older adults
- ✓ Health Care: Premiums for Medicare, supplemental insurance and average out-of-pocket costs, including co-payments and deductibles
- ✓ Transportation: Private auto ownership and use, or public transportation where widely available
- ✓ Miscellaneous: Essential household and personal items such as clothing, paper products, cleaning products, etc. Miscellaneous expenses are estimated at 20% of all other expenses, based on Department of Labor Consumer Expenditure Survey data.

An elder with income sufficient to cover only these expenses attains basic security but is unlikely to thrive in retirement. Attaining the Elder Index income is therefore one critical, but not final, step along the path to a high quality of life. Table 1 represents the Elder Index for Florida.

**Table 1: ELDER INDEX: Florida, Statewide Average, 2016**

Expenses/Monthly and Yearly Totals	Single Elder			Elder Couple		
	Owner w/o Mortgage	Renter, one bedroom	Owner w/ Mortgage	Owner w/o Mortgage	Renter, one bedroom	Owner w/ Mortgage
Housing (inc. utilities, taxes & insurance)	\$494	\$823	\$1,351	\$494	\$823	\$1,351
Food	\$256	\$256	\$256	\$470	\$470	\$470
Transportation	\$224	\$224	\$224	\$347	\$347	\$347
Health Care (Good)	\$310	\$310	\$310	\$620	\$620	\$620
Miscellaneous	\$257	\$257	\$257	\$386	\$386	\$386
<b>Index Per Month</b>	<b>\$1,541</b>	<b>\$1,870</b>	<b>\$2,398</b>	<b>\$2,317</b>	<b>\$2,646</b>	<b>\$3,174</b>
<b>Index Per Year</b>	<b>\$18,492</b>	<b>\$22,440</b>	<b>\$28,776</b>	<b>\$27,804</b>	<b>\$31,752</b>	<b>\$38,088</b>

**Source: Gerontology Institute of the University of Massachusetts, Boston. 2016.**

At the state level seniors in good health who own their home outright need a yearly income of \$18,492 for basic economic security; for a retired couple that income stands at \$27,804. Seniors who rent their home need \$22,440 in annual income if single, and \$31,752 a year if partnered. And seniors who have a mortgage face the highest income needs-- \$28,776 (if single) and \$38,088 (if partnered). Recall the median Social Security income for women in Florida is \$11,587—so

regardless of what household type a woman lives in, Social Security alone cannot cover one's income needs in retirement in Florida.

So how are Florida seniors fairing in regard to economic security? Sadly, not that well. A staggering 40% of all retired households in Florida live below the Elder Index. Table 2 illustrates how economic security differs among groups in Florida. Women face greater economic insecurity than men. While all single households are more economically insecure than coupled households (49.7% v. 25.6%), overwhelmingly female headed single households live below the Elder Index. Further it is important to note that a larger percentage of women live in households that are below the Elder Index than men (38.5% v. 31.2%). When we look solely at women's personal income, a far greater percentage of women are below the Elder Index. Focusing on individual income, 66.8% of women and 48.7% of men live below the Elder Index. This means that overall women are significantly poorer than men in their retirement years. And sadly, the experiences of older women in Florida are also evidenced nationally as women report greater economic insecurity relative to men throughout the country.

In addition to gender differences, race impacts one's chances of living below the Elder Index. A greater percentage of Hispanic, Black and Asian households than Whites live below the Elder Index. Specifically, 32.8% of White households live below the Elder Index in Florida, 54.4% of Asian households, 66.2% of Black households, and 75.8% of Hispanic households live below the Elder Index in Florida. The data in Florida mirrors national trends on race, aging and retirement insecurity. According to the National Institute for Retirement Security (2013) workers of color, in particular Latinos, are significantly less likely than White workers to be covered by an employer-sponsored retirement plan—whether a 401(k) or defined benefit pension. They found that only 54% of Black and Asian employees and 38% of Latino employees age 25-64 work for an employer that sponsors a retirement plan, compared to 62% of White employees. This means that households of color are far less likely to have dedicated retirement savings than White households of the same age. And the racial difference is staggering: a large majority of Black and Latino working-age households—62% and 69%, respectively—do not own assets in a retirement account, compared to 37% of White households<sup>5</sup>. The cruel reality is that the groups that fared the worst in their working years struggle the most in their retirement.

And certainly, assets matter in retirement. One of the most significant assets that matters for economic security is home ownership. As clear from Table 2, Floridians who own their homes outright in retirement fare much better than those that hold mortgages or rent. While 29.3% of owner households without a mortgage are economically insecure; 63.6% of renter households and 44.2% of owner households with a mortgage are economically insecure.

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<sup>5</sup> Nari, Rhee. 2013. "Race and Retirement Insecurity in the United States."  
[http://www.nirsonline.org/storage/nirs/documents/Race%20and%20Retirement%20Insecurity/race\\_and\\_retirement\\_insecurity\\_final.pdf](http://www.nirsonline.org/storage/nirs/documents/Race%20and%20Retirement%20Insecurity/race_and_retirement_insecurity_final.pdf)

**Table 2: Who is Economically Insecure in Florida? 2016**

<b>Household Type</b>	<b>Percent Above the Elder Index</b>	<b>Percent Below the Elder Index</b>
<b>Single Households, HH Income</b>	<b>50.3%</b>	<b>49.7%</b>
<b>Female Single Households, HH income</b>	<b>47.8%</b>	<b>52.1%</b>
<b>Male Single Households, HH Income</b>	<b>55.6%</b>	<b>44.4%</b>
<b>Couple Households, HH Income</b>	<b>74.4%</b>	<b>25.6%</b>
<b>Individuals, HH Income</b>	<b>64.7%</b>	<b>35.3%</b>
<b>Female Individuals, HH Income</b>	<b>61.6%</b>	<b>38.5%</b>
<b>Male Individuals, HH Income</b>	<b>68.8%</b>	<b>31.2%</b>
<b>Individuals, Personal Income</b>	<b>41.0%</b>	<b>59.0%</b>
<b>Female Individuals, Personal Income</b>	<b>33.2%</b>	<b>66.8%</b>
<b>Male Individuals, Personal Income</b>	<b>51.3%</b>	<b>48.7%</b>
<b>White Households, HH Income</b>	<b>67.3%</b>	<b>32.6%</b>
<b>Asian Households, HH Income</b>	<b>45.6%</b>	<b>54.4%</b>
<b>Black Households, HH Income</b>	<b>33.8%</b>	<b>66.2%</b>
<b>Hispanic Households, HH Income</b>	<b>24.2%</b>	<b>75.8%</b>
<b>Owner Households without a Mortgage, HH Income</b>	<b>70.2%</b>	<b>29.3%</b>
<b>Renter Households, HH Income</b>	<b>36.4%</b>	<b>63.6%</b>
<b>Owner Households with a Mortgage, HH Income</b>	<b>55.8%</b>	<b>44.2%</b>

Calculations by Jessica Horning. 2018. Source: US Census Bureau, American Community Survey, 2016, 1-year PUMS.

Note: The acronym HH refers to Household Income

### **How are Seniors Faring in St. Johns and Duval Counties?**

Living costs differ by county in Florida, therefore the Elder Index shifts depending what county a senior resides. Tables 3 and 4 represent the Elder Index for St. Johns and Duval Counties, respectively. The Elder Index for seniors living in Duval County is comparable to the Florida statewide Elder Index as a whole. Whereas, living costs for seniors in St. Johns County are higher than the statewide Index for several family types.

Yet seniors in these neighboring counties have distinctive experiences. Amongst all households in each county a greater percentage in Duval live below the Elder Index than in St. Johns County. Specifically, 32.3% of St. Johns seniors live below the Elder Index, while 44.5% of Duval County seniors live below the Elder Index. In both counties, single households are more economically insecure than coupled households: In Duval County 52% of single households and 28% of coupled households live below the Elder Index; in St. Johns County 43.2% of single households and 18.9% of coupled households live below the Elder Index. And across gender, women are more economically insecure in both counties. In Duval County 44% of women live in



households below the Index as compared to 35.4% of men. In St. Johns County 31.4% of women and 23.4% of men live in households below the Index<sup>6</sup>.

**Table 3: Elder Index, Florida, Duval County, 2016**

Expenses/Monthly and Yearly Totals	Single Elder			Elder Couple		
	Owner w/o Mortgage	Renter, one bedroom	Owner w/ Mortgage	Owner w/o Mortgage	Renter, one bedroom	Owner w/ Mortgage
Housing (inc. utilities, taxes & insurance)	\$459	\$806	\$1,287	\$459	\$806	\$1,287
Food	\$256	\$256	\$256	\$470	\$470	\$470
Transportation	\$219	\$219	\$219	\$339	\$339	\$339
Health Care (Good)	\$330	\$330	\$330	\$660	\$660	\$660
Miscellaneous	\$253	\$253	\$253	\$386	\$386	\$386
<b>Index Per Month</b>	<b>\$1,517</b>	<b>\$1,864</b>	<b>\$2,345</b>	<b>\$2,314</b>	<b>\$2,661</b>	<b>\$3,142</b>
<b>Index Per Year</b>	<b>\$18,204</b>	<b>\$22,368</b>	<b>\$28,140</b>	<b>\$27,768</b>	<b>\$31,932</b>	<b>\$37,704</b>

Source: Gerontology Institute of the University of Massachusetts, Boston. 2016.

**Table 4: Elder Index, Florida, St. Johns County, 2016**

Expenses/Monthly and Yearly Totals	Single Elder			Elder Couple		
	Owner w/o Mortgage	Renter, one bedroom	Owner w/ Mortgage	Owner w/o Mortgage	Renter, one bedroom	Owner w/ Mortgage
Housing (inc. utilities, taxes & insurance)	\$500	\$806	\$1,718	\$500	\$806	\$1,718
Food	\$256	\$256	\$256	\$470	\$470	\$470
Transportation	\$219	\$219	\$219	\$339	\$339	\$339
Health Care (Good)	\$344	\$344	\$344	\$688	\$688	\$688
Miscellaneous	\$264	\$264	\$264	\$399	\$399	\$399
<b>Index Per Month</b>	<b>\$1,583</b>	<b>\$1,889</b>	<b>\$2,801</b>	<b>\$2,396</b>	<b>\$2,702</b>	<b>\$3,614</b>
<b>Index Per Year</b>	<b>\$18,996</b>	<b>\$22,668</b>	<b>\$33,612</b>	<b>\$28,752</b>	<b>\$32,424</b>	<b>\$43,368</b>

Source: Gerontology Institute of the University of Massachusetts, Boston. 2016.

### What Are Older Women’s Experiences in Duval and St. Johns Counties?

The earlier sections paint an alarming picture of older women in Florida—large percentages are struggling to be economically secure as they age. However the stories behind the numbers give

<sup>6</sup> Data calculations in this section were conducted by Jessica Horning. Data is from US Census Bureau, American Community Survey 2016 5-year PUMS.

us a more detailed understanding of what it is like to age in Northeastern Florida. To collect some of those experiences, I conducted four focus groups with older women (65 and older) in Duval and St. Johns Counties. The focus groups were stratified by income, so that there was representation of women who were both above and below the Elder Index.

### ***Feeling Economically Insecure and Ill-Prepared Even with Incomes Above the Elder Index***

Overall the women I met had a variety of concerns and anxieties about economic security as they aged in Florida. One common concern was feeling ill-prepared for retirement. This was particularly pronounced for women who had incomes that were above the Elder Index. On paper, they had basic economic security but, as they discussed their futures, they raised significant concerns about their overall economic security.

Many of the women I met thought they had prepared as best they could. However, the reality of life without any job income made them question their preparedness. One theme was the persistent fear that they would simply run out of money. For instance, one 93-year-old Duval woman noted:

*I'm ninety-three now. I never expected to live this long and the retirement that I set up for myself, years ago, I thought was going to be perfectly adequate because back in the day, when I was born, women only lived into their seventies, if they were lucky. So, this idea, you never know how much longer you're going to live. And so, you don't plan on the statistics of what, eighty, eighty-two for women? Who knows? You may have another 10 years or more on there. It ups the ante, I think, for everybody.*

In addition the women reported that they often did not have the financial background and education to fully understand their investment and retirement strategy. As one woman shared:

*I've been on my own about 45 years. So, when I started out, I was a teacher. I saved everything I possibly could save, but I somehow had that drilled inside of me by my parents and I thought I'd have a good retirement. But I'm looking at it now. I've been retired about seven years and I'm not sure how long it will last. And I made investments I don't know a lot but, I just kind of followed along and went to lectures. So, I have enough for a while. I came up in the era I guess where you got married and had a family and your husband took care of you. And, I'm one who has never managed that.*

Another woman shared a similar story concerning the lack of information and her lack of comfort with financial planning; particularly as her husband had overseen their finances during their marriage. As this woman from St. Johns County noted:

*I have another experience some of you know about it because we moved from [another state] I'm originally from Europe. Never paid my Social Security in Europe, because I always worked elsewhere. But, my husband passed away six months after we moved here, so, even though we bought our house, cash and I was not too much aware of the financial situation. Because he would always try to teach me but, and I would say you are good at it so you do whatever. And, so when I became a widow it was like a huge cloud on my head and not knowing exactly where I was. So, a*

*year and half later, I feel much better about it. That's why I put the cross there, in between fair and good economic security on the survey, because I am right there. This is a situation that I didn't plan that early because he was not ill. And so that's something else that I'm concerned about.*

Overall, many women felt they had a lack of concrete knowledge about financial planning during their working years. Some women felt this was tied to gendered assumptions of family life where the work of finances was led by men in their family. This was particularly jarring when a life catastrophe occurred-- such as the death of a spouse. Women found themselves unaware of what money was even available. In fact, this was further supported by a Duval County woman in a focus group who retired from a career as a financial planner. As she noted:

*I have been a financial advisor and I retired from that, so, feeling economically secure. And, listening to other women who do planning, I found that women fall into two categories in terms of financial stuff, well three. One is, they are extremely good at doing the here and now, the budgeting, the managing the household kind of financial stuff. But in terms of the investment environment, many women have stayed away from it. The women that have had to become independent sooner, from a spouse or other family, tend to get more involved and, discuss what they have and understand some of that. But still, women are extremely conservative in their nature. So, and the other is women that just have been fairly good, business women have some real acumen for and provide. But, what they don't understand or what even financial advisors don't, I think correctly help them to foresee is the cost of ill health. That is the most vulnerable place for anybody.*

Many women—even those with incomes above the Elder Index—found that they still needed to work as they aged. Several women were still working, trying to amass as much as possible for an eventual retirement. As a St. Johns County woman told me:

*I'm still working. I still have another three years or so before I retire. I was living in [another state] for the last twenty some odd years. I couldn't afford to retire out there. I never bought. Because, I never had intended to stay there. So, I realize I have to do something in my next years because I can't retire.*

Another woman shared:

*I'm not married I don't have kids and I am going to turn 63 and everybody is saying, why haven't you retired? 62, you should have retired and get your retirement! And, live off of what you have and stuff and like that. I say, no, I can't do that because, also, my friends and stuff that are saying this, a lot of them are saying, they have double income coming in. I only have a single income and they don't understand that. That I can't do that, because, I'll never be able to survive. You know, I need to get that money that I keep working, to get that Social Security and whatever else. I'm going to need that otherwise, I can't survive.*

The fear of economic insecurity pervaded the lives of many of the women I met who did have some level of basic economic security. The clear fear of not having enough—income, savings or financial information—clouds their retirement choices and experiences. Many of the women felt they were simply one catastrophe away from significant economic problems.

### ***Supports are Essential, But Not Enough***

Several women I met did not have the income to meet basic economic security. Amongst that group, those who were able to access some public supports—low-income housing; nutritional supports, transportation, etc.—while still reporting that they felt insecure, stressed how those supports were essential for their survival. As one St. Johns County woman told me:

*I'm 300% under the poverty level and I qualify for everything. So, I have Medicaid and Medicare and pharmaceuticals help. You know, a free Sunshine bus pass, stuff like that.*

I then asked her if she felt economically secure because of the supports she had. She responded:

*Oh, of course not! Because I have no savings and very little income. If there is a disaster, here you know, like for instance, I have a leaky roof from Hurricanes Matthew and Irma, and I don't know how it'll get fixed.*

Another Duval County woman talked about how she barely gets by every week even though she has a low-income apartment, which helps to cut her costs. She told me:

*More than half of my Social Security goes to the rent. We are lucky to find places like where I live. I'm very lucky to pay what I pay for my apartment. Still, almost \$700 dollars a month out of a thousand dollars. Three hundred dollars left and out of that you pay electricity and cable. You don't go anywhere. You need TV. With no TV, you go crazy. What else is left? They give you sixteen dollars in food stamps.*

Many of the women referred to some of the challenges in the support systems. One significant issue they faced was that as some costs went down, others went up. Therefore, they do not experience an economic impact from the Cost of Living Allowance (COLA) in their Social Security. As one Duval woman explained:

*You know what I have problems with them taking that money out for that Medicare thing. That should be free for the elderly. They give us a Social Security pay raise, right? Then they turn around and take one hundred and thirty-four dollars. You make this X amount of money of Social Security. If they say you get eighteen hundred dollars a month for Social Security. So, they turn around and go and they take a hundred and something dollars out.*

So while their total income remained the same, the cost of living has increased. This was particularly evident when the women talked about the Supplemental Nutrition Assistance Program (SNAP). The women I met in Duval and St. Johns Counties reported they received between \$10 and \$16 a month in SNAP benefits. These benefits were not enough to cover their food needs, and many seniors reported that the bureaucracy that they needed to plow through to get their benefit was often too copious extensive and difficult, serving to discourage them from applying. As summed up by one St. Johns woman: the cuts to public programs impact everyone, regardless of income.

*So some of the concern, right, is how, if Medicare gets cut more, if Social Security gets cut, people in the middle who might just be getting by, right. Or, the concerns. I mean, we see real extreme levels of poverty the older one gets because you outlive whatever savings you may have at some point. And what the question is, how low are we going, to how low can it go for seniors and that I think is a concern. And when we frame things as entitlements, like Social Security for example, it's easier to cut it without recognizing we paid, people paid into it.*

### ***Everyone is Worried About Health and Health Care***

Regardless of whether the women I spoke with were above or below the Elder Index, they all raised concerns about health and health care. Women on Medicare worried about premiums rising, the increased number of services not included (such as dental) and affording their prescriptions and copays. They talked about the complicated health care systems and the challenges navigating them. Perhaps their greatest fear was that one health care crisis could derail their economic security plan. As one St. Johns woman noted:

*Health is in the back of a lot of people's minds. Because you hear these stories of catastrophic health problems or dementia problems where people are, for years. And you hear the stories of fifty thousand dollars a year for nursing homes. What that cost is, I have no idea, what percentage of people become that sick. Everybody has that fear inside them. Is this, what's going to happen to me? If this happens to me, what do you do? People at the very low income at the Medicaid level, you know you'll have to find your Medicaid bed and that's where you'll sleep. But, I think everybody else, up until you get to the wealthy people, are always worried about this.*

As one woman told me her concerns were about the costs of health care and the quality of care that she would get—particularly who would care for her and how would she pay for it. As she said:

*But I guess that's the first thing that I think I know the one thing I'm concerned about worry about is health care. What if? You know financially as well as you know physically if someone is there to be with you. My children don't live here and you don't want to be a burden on your children. And the idea that some of us are still working, to, number one, put away while we still we can. And the second reason is because of health care, period.*

Health costs were bankrupting many of the women I spoke with, and they were concerned that there was no end in sight. As one woman said:

*Lots of people get sick and sicker because they can't afford to buy insurance. And, the thing about that, they prescribe are expensive medicine people can't afford to buy that. They need to accommodate the people who know they can't pay that kind of money. It's just ridiculous and they know they need this stuff. I have a prescription that is five hundred and something a month.*

## ***Family Care and Economic Security***

One of the challenges women in all the focus groups spoke about was caring for other family members, and how that impacted their economic security. The need to provide care for and financial support to family impacted women in all the focus groups—and that care often cut into whatever savings women may have. For instance, one woman told me:

*We also have less money than we would have had because for years we supported my parents and then we supported my husband's parents. So, that money which could have gone into 401k's and whatever was there. And we never, we never thought, Oh my gosh this is awful! We don't want to do this! Of course you did it. We expected that we would do it. Because neither family had anything really put away. I know my dad finally lived off his Social Security and a pension and that was it. And it wasn't enough to keep up with the cost of living. My mother was, you talk about being in a facility, my mother had a combination of dementia that was partially Alzheimer's and partially just because of things that happened to her and she said spent ten years in a facility. So that is something that all of us might have just think about. You have less to work with when you get to be an older person because you have spent years taking care of generations.*

In addition to caring for parents, women talked about caring for their adult children and helping them out financially. For instance, one woman shared how she financially cared for her adult son and his family when he lost his job—and that this sustained financial support cut into the savings she had earmarked for her retirement.

*For close to a year my son was out of work and I paid the mortgage and all the expenses and that they needed for a family of four.*

Her story was not unique. Women in both income groups spoke about the ways they economically helped their adult children—from paying for some bills to one woman shared how she and her husband had to buy her adult daughter's mortgage to help them. Other women shared how they were not just financially, but physically caring for their adult children—often because of a health crisis. For instance a woman in Duval shared:

*My son was paralyzed in a football accident. He lives in [another state]. But, I had to move him here with me. He has been with me for almost two years. Because he had to have another surgery, two surgeries; a heart bypass and surgery on his neck because his spine was growing crooked and they had to get in there and straighten it out in his neck airway. groin. He got into the accident in school. So, now I've been taking care of him on me. I have to go to the store and buy stuff for him. I used to go out, just go and eat things but now, I have to make sure things are prepared for him. If I go anywhere, I must make sure someone is there and able to sit. So, this costed me to have him here. And this was something unforeseen. He stayed in [another state] for thirty some-odd years takin' care of himself when all of a sudden, his good side started going bad. So, now he's in rehab, three times a week. And, I'm back and forth with him doing therapies until he's at the point he can was. And, I'm in therapy because I've been pushing him with a wheelchair. So, my doctor has to put me on therapy help me be in so much pain. It's just a double bind for me, I have to do what I have to do. He's my only child and I'm single, so I just have to do what I do. There isn't anyone to help me.*

Another woman shared a similar story:

*My son is fifty-two and totally disabled. He was born with his adrenal system didn't develop, he's had three transplants. He was disabled. His doctors say he cannot work, so, he's on Social Security. He gets some Social Security, which is very little. His prescription copays, that I pay, each year is over twelve thousand dollars. That is more than his Social Security income. So, I will never be free from that as long as he lives. And, I don't know if it's going to be tax deductible.*

### ***Community Matters for Older Women***

One theme that emerged from all my focus groups was that community mattered for older women as they planned for their futures. The women spoke about the role that the senior centers played in Duval and St. Johns Counties—both to connect them with other women and also to provide them with needed social, assistance, and nutritional services. As one woman said about the St. Johns senior center:

*If I didn't come here five days a week, I'd be the most miserable person that ever. You wouldn't even want to get close to me!*

Women in Duval County reported they were working on developing a Village model<sup>7</sup> for their neighborhood-- a form of communal living with networked and shared services. As one Duval woman shared:

*We just finished writing a grant to, we're going try to hire a part time person to establish this. It's going to take about two years to get it established. Eventually, the cost everybody will be putting in, a small fee that will end up covering the cost of it. But the concept, is to a create community of shared and networked services.*

Others are creating co-housing where women live together and take care of each other. As one woman told me:

*My sister- in-law and I live together and she has much more of a disability than me. So, it's just the two of us. She's seventy and I'm in my eighties. So, that's it. We are taking care of each other there. We are trying to make the best we can.*

Creating intentional communities (from shared housing to multigenerational co-housing), some women are choosing to live communally to take care of each other—emotionally, physically and financially. These communities create the social infrastructure to address food insecurity, home health care, transportation and belonging. Often referred to as a modern day “Golden Girls”--one retirement strategy, with often little faith in the existence of public supports and not being able to afford private care--people are starting to form intentional communities to support a precarious retirement future.

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<sup>7</sup> The Village model which links neighbors together to help one another remain in the homes and age in place. For more information see: The Village Model at [http://www.vtvnetwork.org/content.aspx?page\\_id=22&club\\_id=691012&module\\_id=248578](http://www.vtvnetwork.org/content.aspx?page_id=22&club_id=691012&module_id=248578)

### ***Economic Insecurity and Safety Concerns***

A theme that emerged from one focus group discussion with older women who lived below the Elder Index in Jacksonville (Duval) was the connection between a lack of economic security and a lack of safety. Several of the women noted anecdotally that their low retirement incomes made it difficult to afford housing in neighborhoods that could provide a degree of safety. As one woman noted:

*I'm in prison in my own house. I have burglar bars, I have camera, and I have alarm system. And I still feel insecure at times. And going somewhere and you come in at night, you scared, you have a look around, you don't know who may try to attack you.*

Another woman expanded on her concerns by sharing:

*And the house where I stay at when people get in the elevator, then they burglarize around the apartments and then everything else.*

Several women were concerned about the numbers of individuals in their neighborhoods who were engaging in drug and criminal behaviors. They further reported that they believed that even the police feared for their safety in some of their buildings and were often slow to respond to their calls for assistance. As one woman summed up:

*The police are afraid to go into certain areas, too. Of course, it's violent. The policemen they have fear because they don't know if somebody is going to shoot them. Heck, so they hesitate about even going in certain areas. But, it's hurting the ones who are not doing anything.*

### ***Addressing Inequality to Find A Way Forward***

Stratifying my conversations with women who are both above and below the Elder Index highlights that inequality exists between women in Florida. For instance, older women who more recently moved to Florida may come with higher incomes from their working years or have sold a home in another part of the country—thereby taking some more resources into retirement. Women who consistently were employed up to retirement had high Social Security benefits and perhaps access to some retirement savings programs through their employment. Having access to resources, being able to share intergenerational wealth, having access to savings, retirement and health insurance, and working in a job that offers economic security, all correlate to being able to better “afford” retirement.

Moreover workers who do not have economic resources during their working years and/or worked in jobs that tended to be physically draining without adequate health care find themselves already several steps behind the retirement ladder. Home ownership is a clear example of this inequity. Workers that can afford to purchase homes during their working years enjoy tax benefits such as the Mortgage Interest Deduction (MID) that provide them with additional income that can



be used toward retirement savings<sup>8</sup>. Further retirees can also tap into home equity to supplement retirement savings<sup>9</sup>. And home owners tend to be less cash-burdened than renters in their working years and retirement. Corey Abramson (2015) succinctly noted “who lives to grow old in America and who dies before they have the chance is determined in large part by social inequalities that reflect persistent racial, socioeconomic and gender based divisions that are central to social stratification in America...Consequently some of the most powerful connections between inequality and old age play out before old age is ever reached<sup>10</sup>.”

And what further complicates women’s economic security is that even though there is stratification within groups of women (across class, race and education), women overall face significant gaps in income in their working years and retirement relative to men. Therefore, a path forward for retirement security for women in Florida must address the gender disparities in the labor market and retirement system; along with strengthening the supports and programs (both at the state and federal levels) to ensure workers today can age with economic security.

### **An Agenda to Address Retirement Insecurity for Florida Women**

**Gender Equity in the Labor Market-** Retirement insecurity stems, in part, from women’s labor market experiences. Addressing gender inequity in the labor market is a critical step to help women save for retirement and increase their Social Security income later in life.

- ✓ ***Close the gender pay gap.*** Women lose income as a result of the gender pay gap. This loss of income impacts savings and Social Security payments. Closing the gender pay gap in Florida is a critical step in helping women better secure retirement. Florida has an opportunity to address this pay inequity with legislation: the “Senator Helen Gordon Davis Fair Pay Protection Act.” The bills provide stronger guidance, protections and enforcement to ensure women and men are paid fairly.
- ✓ ***Provide paid family leave.*** Florida does not have a paid leave insurance program. When a woman need to take time out of the labor market to care for family members, they must do so unpaid. This decreases overall savings and increases economic insecurity. Paid family leave insurance provides women with access to income while performing critical family caregiving.
- ✓ ***Address discrimination (gender, race, age) in the labor market.*** Workplace discrimination—particularly age, gender and racial discrimination—must be eliminated through enforced policies and greater workplace education. Workers also need effective venues to address inequity (either through legal or workplace channels). This is particularly critical as workers report that they need to work longer in order to economically survive. Lost income in the years leading up to retirement reduces the credits used to calculate a

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<sup>8</sup> Desmond, Matthew May 9, 2017. “How Homeownership Became an Engine of Inequality.” *New York Times*

<sup>9</sup> It is important to note that owning one’s home is a signifier of a more secure retirement, carrying a mortgage into retirement often creates a situation where a retiree is significantly economically insecure as evidenced by the Elder Index.

<sup>10</sup> Abramson, Corey. 2015. *The End Game: How Inequality Shapes Our Final Years* Cambridge, MA: Harvard University Press., p. 134-135

worker's benefits and may force workers to collect benefits early or tap any savings they have---both practices reduce lifetime benefits.

**Securing Retirement-** Too often women's income falls short of basic economic security in retirement. Policy and programs that help ensure retirees have adequate knowledge, income and supports are critical in securing retirement.

- ✓ ***Strengthen Social Security to ensure women are protected in retirement.*** Florida Congressional legislators must work to secure and strengthen Social Security. This includes protecting the basic income guarantees Social Security now offers and modernizing the program. To help improve economic security for women proposals include: Create a minimum benefit level so that no American lives in poverty upon retirement; Raise benefits for Americans 85 years and older; Improve survivorship benefits so that surviving spouses do not face large benefit cuts; Create a caregiving credit so that workers can temporarily care for ailing family members without losing retirement income; and Address the solvency of Social Security by eliminating the payroll tax cap.
- ✓ ***Provide financial planning for girls and women.*** Identify the needs of girls and women with respect to their financial knowledge, confidence, and financial strategies, with a focus on their ability to make ends meet, save, choose and use financial products, and seek information and advice. Trusted community based organizations can serve as important points of contact to provide financial education to adult women. In addition financial literacy courses—including information on savings, debt and college loans--- must be part of the high school curriculum. There are bills in the State House and Senate to include financial literacy courses in high school classes.
- ✓ ***Increase savings opportunities for workers.*** State-based retirement plans could provide access to retirement savings accounts for millions of working women who do not have access to any workplace savings opportunities. Florida should investigate the possibility for developing a state-based retirement program for its workers. Currently eight states have passed legislation to establish retirement savings programs for private sector workers whose employers do not offer a plan, and several others have legislation pending<sup>11</sup>. Central to these plans is automatic enrollment and a simplified savings program. In a traditional retirement savings plan, workers are not enrolled unless they specifically sign up. However, in automatic enrollment plans, workers are automatically enrolled unless they opt-out<sup>12</sup>. This helps to address workers' tendency not to save, since they are automatically enrolled. A state-based retirement program provides a retirement savings option for workers who work in organizations that do not offer employment savings programs.
- ✓ ***Increase supports/public assistance for seniors.*** For many older workers and current retirees it is simply too late to save. A successful retirement will not be grounded in their savings that they accumulate but instead by lowering the costs of their life expenses. We

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<sup>11</sup> The Pensions Right Center has a database of state programs and legislation:  
<http://www.pensionrights.org/issues/legislation/state-based-retirement-plans-private-sector>

<sup>12</sup> Johns, David and William Gale. 2016. Policy Design and Management Issues for State Retirement Saving Plans  
[https://www.brookings.edu/wp-content/uploads/2016/07/Johnsgale\\_primer\\_policybrief\\_03182016-2.pdf](https://www.brookings.edu/wp-content/uploads/2016/07/Johnsgale_primer_policybrief_03182016-2.pdf)

must provide access to affordable housing and enhanced supports for other life necessities. Access to The Supplemental Nutrition Assistance Program (SNAP) can help seniors better afford food and help bridge economic insecurity gaps. In addition SNAP also helps improve health outcomes for seniors by addressing malnutrition and other maladies that arise from food insecurity. Other supports include ways to help subsidize electricity for seniors; along with an investment in a public transportation system that can minimize costs for travel to doctors and grocery stores. It is through a renewed commitment to support programs that older low wage workers can supplement their Social Security income and what savings they may have.

**Affordable and Accessible Universal Health Care--** Concerns about health and health care weigh heavily on the minds of many Florida women. Many fear they are an illness away from economic despair. Ensuring affordable and accessible health care for all retirees and workers is critical for economic security.

- ✓ ***Ensure a single payer Medicare for All universal program.*** Medicare, which is run by the Centers for Medicare and Medicaid Services (CMS), is the nation's health insurance program for people 65 and older and for those who are disabled. Created in 1965 when people over 65 found it virtually impossible to get private health insurance coverage it has made access to health care a universal right for Americans once they reach age 65. Since 2011 the population of Medicare-eligible people has grown rapidly, the year when the first of the baby boomers reached age 65 and became eligible. By the year 2030, when the youngest boomers have reached age 65, Medicare enrollment will nearly double to an estimated 80 million people<sup>13</sup>. And in 2010, the Affordable Care Act added a decade of economic security to the Medicare Trust Fund, increased free preventive services, and increased parity between traditional Medicare and private Medicare plans<sup>14</sup>.

However even with Medicare, many older Americans face large out-of-pocket health care costs. Per the National Academy of Social Insurance this occurs in three main ways. “First, most pay premiums for coverage under Part B and Part D of Medicare. Second, they may pay premiums to private Medigap plans or to Medicare Advantage plans to cover items not covered by traditional Medicare. Third, they must make direct payments to doctors, hospitals, and nursing homes for services not covered by their health insurance. Because the cost of health care has been rising much faster than both the general growth rate of the economy and the increase in Social Security benefits, if current trends continue, income after taxes and health care spending for the typical married couple will be no higher in 2030 than it was in 2000<sup>15</sup>.” As a result while Medicare helps seniors bridge some of the economic gaps, it is not enough. And many seniors are choosing between food and medicine, or managing their long-term health issues and paying their rent.

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<sup>13</sup> National Academy of Social Insurance. 2017. “The Future of Medicare.”  
<https://www.nasi.org/learn/medicare/future-medicare>

<sup>14</sup> Stein, Judith. 2015. “Medicare at 50: Then and Now” <https://talkpoverty.org/2015/06/30/medicare-50/>

<sup>15</sup> National Academy of Social Insurance. 2017. “The Future of Medicare.”  
<https://www.nasi.org/learn/medicare/future-medicare>

True retirement security is premised on the notion that health care is a right, not a privilege, and that health care must be disaggregated from one's employment. One proposal to achieve this is a "Medicare for All" system that creates a federally administered single-payer health care program, covering the entire health care continuum. Universal health care provides workers the opportunity to work in a job that they love, rather than searching for one that "comes with benefits." This helps to level the playing field for workers in jobs that are traditionally excluded from health care benefits. A universal health care program provides workers and retirees with the health care they need regardless of income or job. Particularly important is the need to eliminate co-pays, deductibles, and cover long term costs—all of which currently costs older Americans hundreds of thousands of dollars. Knowing one has health care during their working and retirement years is central to economic security over the life course.

### **Final Thoughts**

The retirement insecurity crisis must be addressed not only for women whose lives are forever negatively impacted by poverty in working and nonworking years, but also for the states and local communities that financially and socially will burden a great deal of the costs. To begin to address this challenge, Florida must ensure that elder economic security for women is central to its policies and programs for both working women and retired women. It is only through a dedicated state effort that Florida women will have the opportunity to age in the state with economic security.

## Methodological Notes

The data for this report are from two main sources. Working with Jessica Horning, I used the Elder Economic Security Standard™ Index and the American Community Survey to identify the basic economic security income levels in Florida and which groups of Floridians are living above and below the Elder Index. A second source of data, a series of focus groups, were conducted in December 2017. I partnered with the American Association of University Women in St. Augustine and Jacksonville along with ElderSource to recruit women for the focus groups. This research was supported, in part, from the City University of New York.

**Table 5: Key Demographics of Focus Groups (N=37)**

<b>Race</b>		
<b>White</b>	<b>20</b>	
<b>Black</b>	<b>15</b>	
<b>Hispanic</b>	<b>1</b>	
<b>Other</b>	<b>1</b>	
<b>Marital Status</b>		
<b>Married/Partnered</b>	<b>9</b>	
<b>Single/Never Married</b>	<b>5</b>	
<b>Divorced/Widowed</b>	<b>20</b>	
<b>Other</b>	<b>2</b>	
<b>Missing</b>	<b>1</b>	
<b>Annual Income</b>		
<b>\$0 to \$10,000</b>	<b>11</b>	
<b>\$10,001 to \$20,000</b>	<b>6</b>	
<b>\$20,001 tp \$30,000</b>	<b>4</b>	
<b>\$30,001 to \$40,000</b>	<b>2</b>	
<b>\$40,001 to \$50,000</b>	<b>4</b>	
<b>Over \$50,001</b>	<b>10</b>	