

FOCUS AREA 4

Affording Aging



Financial security in later life represents one of the most pressing challenges facing individuals and families today. As we live longer and basic living costs outpace inflation, affording aging has become more complex. The traditional three-legged stool of retirement income – Social Security, employer pensions, and personal savings – has weakened dramatically, with fewer workers given defined benefit pensions and greater responsibility placed on individuals to fund their own retirement. Meanwhile, the costs associated with aging extend far beyond daily living expenses to encompass healthcare, long-term care, housing modifications, and support services. For many people, the cost of living continues to outpace wages and opportunities to build assets during working years.

Over 15 years, Illinois has seen a striking 82% increase in the number of older adults living in poverty – going from 157,250 in 2008 to 286,453 in 2023. Stated differently, 7.23% of Illinois' older adults were living in poverty compared to 9.82% in 2023. This trend requires coordinated and sustained action to ensure all of us can live with independence, dignity, and respect as we get older. The impact of not-so-long-ago policies and practices that discriminated against marginalized communities – in employment, housing, banking, and more – further complicates financial security in later life, often leading to higher rates of housing, food, and health insecurity for women, people of color, Indigenous people, and people in the LGBTQIA+ community.

This Focus Area seeks to ensure that all older adults and people with disabilities have:

- Economic security and financial health.
- Opportunities for safe, accessible, and affordable housing.
- Access to long-term care support.
- Freedom from fraud, neglect, exploitation, and abuse.
- Estate planning resources.

Note: Housing is a crucial aspect to affording aging. For details on affordable, accessible, and quality housing, please see Focus Area 1: Creating Livable and Connected Communities.

One in ten older Illinoisans live at or below the poverty level, and access to financial assets is widely disparate among Black, White, Latine, and Asian older adults.



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Strategies

For a full description of these strategies, associated actions, outcomes, and metrics, please see Appendix A.4.

- Develop and roll out a cross-sector awareness campaign to inform Illinoisans of existing state, federal, and local programs and services.
- Create and disseminate a statewide financial education plan to increase financial literacy, retirement planning education, and financial exploitation and scam awareness across generations.
- Ensure older worker and disability protections and remove barriers to workforce participation.
- Reduce hidden poverty by increasing affordability and access to basic necessities – food, healthcare, home care, and transportation.
- Explore policies that address structural drivers of economic insecurity and inequities across racial groups.

What We'll Measure

- Percentage of older adults living in poverty at a specific time point and over time
- Percentage of older adults who own a home with a mortgage or free and clear
- Percentage of older adults experiencing food insecurity
- Percentage of older adults without retirement income other than Social Security
- Median financial loss due to fraud by age group

Illinois by the Numbers

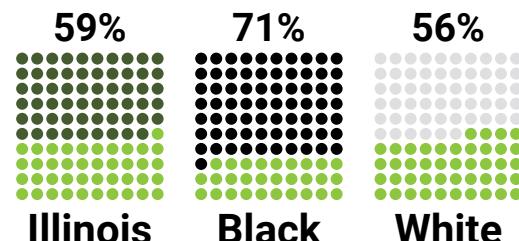
In 2023, 1 in 10 older adults lived in poverty



Poverty rates were 2.5 times higher among Black compared to White older adults



The percentage of older adults who did not have retirement income and among older Black and White residents



Appendix A.4

Focus Area: Affording Aging

Where Illinois Stands

One in ten older Illinoisans live at or below the poverty level. Poverty rates are 2.5 times higher among Black compared to White older adults (21.0% versus 7.8%, respectively). Additionally, the percentage of older adults who do not have retirement income is 59% for Illinois and ranges from 71% among older Black Illinoisans to 56% among older White Illinoisans. Older women are also less likely to have retirement income compared to older men in Illinois. Having other financial assets to rely on, including the equity in one's home, may help mitigate financial strains. Among Illinoisans aged 50+, 83.8% are homeowners and 15.2% are renters. Of the nearly 3.3 million homeowners aged 50+, 74% are White, 10.1% are Latine, 8.4% are Black, and 5.4% are Asian. The homeownership rate is 1.4 times higher in White compared to Black older populations. This disparity decreases slightly among adults 65+ to a relative difference of 1.32.

Regarding food security, approximately 10% of older Illinoisans report at least sometimes not having enough food to eat or money to buy more food. Latine and Black older adults were nearly 6 and 4 times more likely than White older adults to report experiencing an insufficient amount of food (32.3% of Latine and 19.9% of Black older adults compared to 5.2% of White older adults, respectively).

Lastly, the ability to afford aging is hindered by the high rates of fraud and other forms of financial exploitation among older adults. Although total fraud losses were highest among adults 60-69 (~ \$39 million), the median amount lost was highest for adults aged 80+ (\$1,800) followed by those aged 70-79 (\$1,000).

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Strategy 1: Resource Awareness

Develop and roll-out a cross-sector awareness campaign to inform Illinoisans of existing state, federal, and local programs and services.

Actions

- Ensure EngAge Central includes existing state, federal, and local programs and services with website links, contact information, and brochures (as applicable) that help with affording aging and include these resources in an awareness campaign. (**Short-term**)

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- Compile and analyze call and website data to determine trends in frequently requested resources and areas of unmet need, paying particular attention to inequities across groups (race/LGBTQIA+/disability) and geographic zones (urban/suburban/rural). **(Short-term)**
- Identify resources that have exclusions for people with criminal histories and explore opportunities to change exclusions in policy where practical. **(Short-term)**
- Coordinate with the Illinois Department of Corrections to explore pathways from incarceration to community-based services and public benefit programs, including methods to assess and enroll individuals pre-release and at Parole Offices and Adult Transition Centers, so resources are in place upon release. **(Mid-term)**
- Develop and conduct an annual cross-agency training on aging programs, services, and resources available to the public through each state agency including IDoA partners, Illinois Municipal League, rural partners, Illinois Association of Community Action Agencies, and University of Illinois Extension. **(Mid-term)**

Strategy 2: Financial Education

Develop and disseminate a statewide financial education plan to increase financial literacy, retirement planning education, and financial exploitation and scam awareness across generations.

Actions

- Explore establishment of a statewide coalition to develop a coordinated effort for financial literacy. **(Short-term)**
- Work to identify or develop financial education tools that are targeted for different generations, geographies, and incomes, inclusive of disabilities and learning styles, to increase financial literacy. Topics should include basic banking tools, retirement planning education and tools, investing, estate and advanced care planning, insurance products including Long-Term Care (LTC) insurance, as well as scam and financial exploitation awareness and where to go for help. **(Short-term)**
- Explore pursuing legislation to require mandated reporting by all staff at financial institutions and provide the authority to implement holds on suspicious transactions, and increase accountability and prosecution of persons who perpetrate scams and financial exploitation against older adults. **(Short-term)**
- Promote increased participation in the Illinois Secure Choice Program and the Illinois Savings Plan. **(Mid-term)**
- Promote increased participation in Long Term Care (LTC) insurance plans. Consider incentives for companies that offer LTC insurance as a benefit for employees to purchase, as they do short-term or long-term disability insurance. **(Long-term)**
- Explore the possibility of establishing a Roth Individual Retirement Account for graduating high school seniors. **(Long-term)**

Strategy 3: Workforce Access and Participation

Ensure older worker and disability protections and remove barriers to workforce participation.

Actions

- Work to identify and eliminate/reduce barriers or disincentives to older adults and people with disabilities who want and/or need to work, using current peer reviewed literature and public comments from town halls or a survey of employers. **(Short-term)**

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- Explore the development of an Older Worker Campaign to encourage employers to hire older workers and people with disabilities and establish anti-ageist, anti-ableist policies in the workplace. Develop a "Know Your Rights" campaign for older workers and family caregivers. (**Mid-term**)
- Explore the development of a state paid benefit program for all workers working in Illinois (since FMLA is unpaid leave and this would allow workers on FMLA to also receive a paid benefit). (**Long-term**)
 - Identify other state paid leave benefits programs and consider which options for paid leave benefit models could work for Illinois.

Strategy 4: Access to Basic Necessities

Reduce hidden poverty (i.e., situations in which people earn above the official poverty line but still struggle to afford necessities, or where the experience of poverty is masked by other factors like social isolation) by increasing affordability and access to basic necessities – food, healthcare, home care, and transportation.

Actions

- Promote increased utilization of Medicare Savings Programs and Extra Help. (**Short-term**)
- Promote increased awareness of food bank delivery programs. (**Short-term**)
- Promote increased awareness of the Illinois Department of Commerce and Economic Opportunity (DCEO) Illinois Grocery Initiative, which helps local governments address inadequate access to fresh foods, especially in food deserts. (**Short-term**)
- Promote participation in DCEO's forthcoming Pharmacy Support Program. In partnership with the Illinois Retail Merchants Association, this program will provide financial support to retail pharmacies and help ensure Illinois residents have equitable access to prescription drugs. (**Short-term**)
- Work to ensure older adults exiting the Illinois Department of Corrections are connected to benefit, entitlement, and other programs. (**Short-term**)
- Promote increased awareness and usage of public transportation ride free programs and license plate renewal discount programs (Benefit Access Program). (**Short-term**)
- Explore the development of a streamlined or universal application for Illinois benefit programs to maximize enrollment in Medicaid, SNAP, property tax relief, Benefits Access Program, and other programs with eligibility determined at the state level. Expand education and support with enrollment and paperwork on all relevant programs. (**Mid-term**)
- Work to increase the number of participating hospitals and the number of participants, specifically older people, eligible for the Medical Debt Pilot Program. (**Mid-term**)

Strategy 5: Economic Security

Explore policies that address structural drivers of economic insecurity and inequities across racial groups.

Actions

Consider policies and programs such as baby bonds, guaranteed basic income, and other forms of support to reduce racial wealth gaps in order to ensure that all Illinoisans have economic security and financial health as they age. (**Long-term**)

**Citations can be found on page 54 of the full Plan.*