

## White House Conference on Aging 2005-Public Policy Committee Listening Sessions Statement of Dr. Laurie Young, Executive Director OWL

Good afternoon, I am Laurie Young, the Executive Director of OWL, the voice of midlife and older women. Founded as the Older Women's League in 1980 with chapters and at-large members across the country, OWL is the only national grassroots membership organization to focus solely on issues unique to women as we age. You will be hearing from many who will speak to the huge impact of aging baby boomers on our society. We are grateful today for the opportunity to share our ideas and highlight the issues that women face, which we hope will impact your focus on the agenda and shape of the 2005 White House Conference on Aging. As you know, the face of aging America is most often female. Aging is indeed a women's issue and it is important to remember that good public policy for women is good public policy for everyone. So please consider some of the realities women face during midlife and aging which lead to long-term challenges during these phases of life.

Economically, women today are still twice as likely as men to work in technical, sales and administrative support positions, which generally generate low-wages. Midlife and older women continue to live with the consequences of the ever-present wage gap that affects women **throughout** their lifespan. This gap doesn't retire or improve with age. **Actually women over the age of 50 earn only two thirds of what their male counterparts earn.** So it's important to understand that simply working longer into the lifespan may not provide answers to greater economic security when women are finally able or choose to retire. While we will work to expand options for women, we must remember that not everyone will want to work or be able to work until age 70. Certainly, this should be an individual choice.

Another major issue that affects a woman's ability to prepare for and maintain economic security as she ages- is caregiving. The typical informal caregiver, whether she is caring for a parent, partner, spouse, child or even grandchild, is a married woman in her mid-forties to mid-fifties. She is employed full-time *and* spends an average of 20 hours per week on caregiving.

Many caregivers are members of the "sandwich generation," caring for children at home in addition to older family members. Some women belong to the "club sandwich generation," with three or more layers of caregiving responsibilities. Women often curtail their professional opportunities, which can imperil financial security in old age. Caregiving doesn't just impact the course of their career; it can often preclude them from working at all. Women spend an average of 12 years out of the workforce for family caregiving. All told, roughly one quarter of caregivers, who were previously employed, stopped working for an extended period of time.

The financial impact of caregiving is especially troubling. Time out of the workforce diminishes women's earning power. As a result, they are twice as likely as men to face poverty in retirement. Indeed, women account for more than 70 percent of the elderly poor.

Therefore it should not be a surprise to you that OWL advocates strongly for the protection of Social Security from those who would privatize or carve-out personal savings accounts as the answer to Social Security solvency issues. There is still considerable debate about the solvency problem and whether dramatic changes or minor adjustments are required to ensure the future of Social Security.

In fact, from our perspective the major economic threat to midlife and older women is the increasing call to privatize Social Security. The concept, and the ideology driving its course, is the same regardless of whether the terminology changes from privatization to personal accounts. It is the dismantling of the very foundations upon which Social Security was designed.

Social Security is *an insurance program* designed to protect Americans from the threat of poverty. Social Security is also a program many women rely on. As the majority of beneficiaries and the majority of those who depend most on its progressive, guaranteed, lifetime benefits, women have a unique stake in the future of Social Security. Without this benefit more than 50% of women over the age of 65 would slip into poverty.

Having outlined the financial picture for most midlife and older women, I'd now like to focus on the issue of affordable and accessible healthcare as a problem demanding attention during the White House Conference on Aging. Several points:

**First:** As I just stated, midlife and older women are often challenged economically, many will face economic hardship and poverty as they age.

**Second:** The failure to take charge of our healthcare system has led to what for many, is the inability to access affordable, appropriate healthcare.

**Third:** Women still work in jobs that are less likely to provide comprehensive healthcare coverage. Only 68% of women aged 50 to 64 and 30% of women over the age of 65 receive employer-based health insurance. The technical, sales and administrative support positions that women most likely work in, generally generate low-wages and offer very expensive insurance or none at all.

Lack of adequate healthcare does not solely affect midlife women, although many women breath a sigh of relief when they turn 65, there are gaps in Medicare that require private (or public) insurance to cover. Consider the typical Medicare recipient- she's outlived her spouse, she's divorced, or she's never been married, and because she's alone, she's more likely than a man to be living in poverty. She suffers from a long-term chronic illness—arthritis, osteoporosis, and diabetes—and, chances are, she suffers from more than one. She spends an average of \$260 or more a month on out-of-pocket health care costs. And though she may be living in her own home today, her poor health and the lack of help in managing her daily affairs will probably require her to seek long-term care.

**The gaps in Medicare coverage do not protect midlife and older women from high out-of-pocket expenses.** Because older women are more likely to live in poverty, they are more likely to spend a greater portion of their income on health care. The average woman spends 20  percent of her income on out-of-pocket health care services -- including prescription drugs and supplemental insurance. The older and poorer the

woman, the higher her out-of-pocket health care costs. Poor women without supplemental insurance spend **almost half** of their income on health care costs.

Clearly, midlife and older women face a huge challenge with the increasing cost of healthcare. Our healthcare system is placing a huge burden on women with the double-digit inflationary costs of healthcare coverage and the continuing lack of a comprehensive, universal and defined prescription drug benefit within Medicare.

Nearly 80 percent of women on Medicare use prescription drugs regularly. And because women have roughly half of the retirement income of men, drug costs consume a much larger share of our already-limited income. Our tendency toward chronic illnesses—which are often treated with prescription drugs—as well as a longer lifespan, increases our reliance on these life-sustaining medications and presents a huge affordability issue for many older women.

Older women in this country should not be faced with ominous choices between life preserving medications and other costs of living. As I've stated, the reality is that many women will face aging with inadequate financial resources. The choices we make in public policy make a strong statement of how we value the lives of older women. It is time to send a message to your mothers, your grandmothers, your sisters and daughters that their futures and lives are valuable; and that you will accept these issues in developing your plans to ensure the safety and quality of life for women as we age. Thank you for listening.