

NASW Recommendations for the 2015 White House Conference on Aging

Theme: Retirement Security

Submitted June 12, 2015

NASW appreciates the opportunity to submit comments on retirement security for consideration by the 2015 White House Conference on Aging (WHCoA). As the largest membership organization of professional social workers in the world, NASW works to enhance the professional growth and development of its 132,000 members, to create and maintain professional standards, and to advance sound social policies.

NASW applauds the White House's focus on retirement security as a central theme of the 2015 WHCoA. The association's specific comments on this topic, organized in response to the discussion questions on page 9 of the WHCoA Retirement Security policy brief, follow.

How can we strengthen Social Security for future generations, while maintaining benefits and ensuring the program adequately serves low-income seniors and other vulnerable populations? How can we ensure that older Americans fully understand the considerations affecting, and the implications of, their decisions as to when to claim Social Security benefits, when and how to draw on private retirement benefits, and how long to continue working?

NASW concurs with the White House that Social Security is an essential foundation of retirement security for older adults. The association recommends the following steps to preserve the integrity of this vital program:

- Avoid changes, such as implementation of the chained Consumer Price Index (CPI), that would result in benefit cuts to current or future beneficiaries.
- Support reallocation of the Old-Age and Survivors (OASI) payroll tax to address the imminent funding shortfall in the Social Security Disability Insurance (SSDI) program.
- Maintain face-to-face services in field offices for all members of the population.
- Secure adequate administrative funding for the Social Security Administration (SSA) to increase staffing and office hours. These measures will reduce wait times for both applicants and beneficiaries.
- Reinststitute the mailing of annual benefit statements.

Supplemental Security Income (SSI) is another integral SSA program. One-quarter of SSI beneficiaries are older adults, many of them women or people of color (SSA, [2014a](#), [2014b](#)). SSI income eligibility limits have not increased since the program's inception more than 40 years ago, and SSI resource limits are also outdated ([Justice in Aging](#), 2014).

How can we expand retirement plan coverage and participation and encourage people to save enough? How should the current private pension and retirement saving system be improved to enhance retirement security, especially for moderate and lower income households? How can we help Americans better understand and address their financial needs in retirement and make saving, investment, and risk management decision (including obtaining sound advice) that are right for them?

Approximately four in 10 older adults receive retirement benefits from public plans, private plans, or both ([SSA](#), 2014b). NASW affirms the role and supports the expansion of private and public retirement savings vehicles, including pensions. The shift away from traditional pensions, or defined benefit (DB) plans, toward defined contribution (DC) plans (such as 401(k) and 403(b) plans) has decreased both the amount and the security of many older adults' retirement income. Whereas DB plans provide guaranteed income in the form of a fixed monthly annuity for retirees and surviving spouses, most DC plans do not offer an annuity option, and many do not have the spousal protections associated with DB plans ([U.S. Government Accountability Office](#), 2014). Moreover, workers participating in DC plans assume greater responsibility for both accruing and managing their retirement savings than do DB plan participants. Although some adults may value the flexibility this responsibility provides, others find themselves unprepared for retirement because they were unable or unprepared to contribute sufficiently, lost savings because of investment decisions or stock market fluctuations, or borrowed from or liquidated their own plans for nonretirement purposes ([Reno & Veghte](#), 2010). Thus, adults participating in DC or other retirement savings plans especially need access to clear, unbiased information about investment options.

NASW also offers the following comments related to retirement security.

Age-based employment discrimination

Although about four of every five adults aged 65 and older are no longer in the civilian labor force ([U.S. Department of Labor](#) [DOL], 2014), employment constitutes a critical component of older adults' income. For many older adults, participation in the labor force provides a sense of purpose and opportunities for continued growth and generativity. At the same time, many older adults work because they need the income.

Employment motivation notwithstanding, adults aged 65 years and older constitute almost 5.5 percent of the (employed) U.S. civilian labor force ([DOL](#), 2014), thereby contributing significantly to the U.S. economy; adults aged 55 to 64 constitute another 16.5 percent. Yet, despite both this contribution and the protection of the Age Discrimination in Employment Act, or ADEA (1991), nearly one-quarter of the charges filed with the U.S. Equal Employment Opportunity Commission (EEOC) in fiscal year (FY) 2014 were on the basis of age ([EEOC](#), n.d.). Moreover, although any person 40 years or older may file such a charge, this EEOC statistic may not reflect the full extent of age discrimination experienced by older adults: The ADEA does not cover companies with fewer than 20 employees; age discrimination in hiring, lay-offs, and firing is difficult to prove; and a 2009 Supreme Court decision, [Gross v. FBL Financial Services, Inc.](#), has increased the burden of proof for age discrimination as compared with employment discrimination based on other factors ([Overman](#), 2011). Thus, age-related employment discrimination poses a substantial barrier to older adults' economic security. Additional measures are needed to decrease employer bias against adults in their 50s and older.

Establishing a resource center to gather and disseminate research and best practices related to older workers could also be useful in decreasing age-related employment discrimination.

Federal Poverty Level

The Federal Poverty Level (FPL) has long been criticized as an inadequate measure of economic security. Alternates include the [Supplemental Poverty Measure](#) (SPM), which is being developed by a federal interagency workgroup. The work of Wider Opportunities for Women's [National Economic Security Measure Initiative](#)—including the [Elder Economic Security Standard™ Index](#)—might also be informative. NASW encourages continued study of such alternative measures.

Food insecurity

As the economic challenges facing older adults increase, so, too, does the rate of late-life food insecurity, as the *State of Senior Hunger in America 2013* report (Ziliak & Gunderson, [2015a](#), [2015b](#)) attests:

- More than 15 percent of older adults (9.6 million people, or one in six older adults) face the threat of hunger; 8.7 percent (5.4 million) face the risk of hunger; and 3.3 percent (2.0 million) face hunger itself.
- The following groups are most likely to be food insecure (at risk of or facing hunger) or threatened by hunger: people aged 60 to 69, people of color, people with low incomes, and residents of southern and southwestern states.
- Across categories, food insecurity is associated with the following characteristics: being female; having grandchildren in the household; being unemployed or living with a disability; and being divorced, separated, widowed, or never having married.
- Between 2001 and 2013, the number of older adults experiencing the threat of hunger increased by 45 percent; those experiencing the risk of hunger increased by 66 percent; and those experiencing actual hunger increased by 133 percent. Both the recession and the increase in the aging population have exacerbated food insecurity among older adults.

NASW supports the following actions to decrease food insecurity among older adults:

- Fully fund federal nutrition programs—including the Supplemental Nutrition Assistance Program (SNAP), the Special Supplemental Nutrition Program for Women, Infants and Children (WIC), Child Nutrition Programs, The Emergency Food Assistance Program (TEFAP), the Commodity Supplemental Food Program (CSFP), the Nutrition Education and Obesity Prevention Grant Program (SNAP-Ed), and Older Americans Act nutrition programs—in FY 2016, as described by NASW and other advocates in this [March 2015 letter to Congress](#).
- Provide funding in FY 2016 to create a new state option to improve SNAP access for older adults, as described in the aforementioned letter. Older adults are underenrolled in SNAP, and waivers to reduce barriers to SNAP have been successful in some states.

Medicare access

In 2012, older adults spent more than 12 percent of their post-tax income on health care expenses, nearly two times the proportion spent by the population as a whole ([DOL](#), 2013). Although the Patient Protection and Affordable Care Act (2010) includes multiple provisions benefiting older adults, gaps in Medicare coverage persist, and many beneficiaries with low incomes do not have access to either Medicare Savings Programs or Medigap ([Families USA](#), 2013). Other older adults incur unnecessary out-of-pocket costs, gaps in coverage, and a lifelong financial penalty for failing to enroll in Medicare at 65—or for disenrolling from Part B in error. These coverage gaps and costs often contribute not only to health disparities, but also to economic insecurity among older adults. Thus, NASW supports the following actions specific to the Medicare program:

- Review and improve the Medicare Part D appeals process, as described in this October 2014 [letter to the Medicare Payment Advisory Commission](#).
- Notify individuals approaching Medicare eligibility (including people not receiving Social Security, same-sex couples, and people eligible to transition to Medicare from Medicaid, employer-based health plans, or health care exchanges) of their enrollment rights and responsibilities. Suggested actions include a strategic review and audit of existing materials, followed by development and implementation of an interagency approach to fill information gaps.
- Ensure that Medicare beneficiaries have access to the tools needed to help them make choices related to Medicare. Adequate funding for the State Health Insurance Program (SHIP) program is essential to achieve this goal.
- To ensure that same-sex couples receive the full range of Medicare benefits for which they are eligible, continue and expand education to Medicare beneficiaries, employers, SHIP networks, and 1-800-MEDICARE about all aspects of [United States v. Windsor](#) (2013) implementation.
- All married couples, regardless of where they live, should be eligible to receive essential services and supports under Medicare, Social Security, the Veterans Administration, and other federal programs. NASW applauds President Obama for helping to eliminate legal barriers for same-sex couples by including language proposing a “place of celebration” rule for Social Security in his budget. Enacting legislation that establishes “place of celebration” as the standard used to recognize same-sex couples across all federal programs is necessary.

Workforce

Multiple professions and service sectors play key roles in enhancing older adults’ retirement security. At the same time, a workforce (including professional social workers) that is trained in aging plays an integral role in helping older adults and families to plan for retirement needs and to access resources. NASW’s comments on the WHCoA LTSS policy brief include information and recommendations specific to the eldercare workforce.