The Elder Index™ is a measure of the cost of living for older adults age 65 or older living independently in today's economy. The Elder Index allows us to identify older people with incomes "in the gap" between the Federal Poverty Guideline and what it takes to live with security. Older adults living "in the gap" have incomes too high to qualify for many means-tested public benefits programs, yet too low to achieve intermediate- or long-term economic stability.

Costs of living for older Bostonians age 65 and older in good health vary widely by housing scenario. Older homeowners without a mortgage spend the least annually ($25,243 for singles; $36,302 for couples). By contrast, older homeowners with a mortgage must spend the most per year ($40,279 for singles; $51,338 for couples).

Figure 1 shows that in Boston, a greater proportion of older adults living alone are below the Elder Index (74%) relative to older couples (44%), due in part to economies of scale realized in two-person households. As shown in Figure 2, the average Social Security benefit for retired workers falls well short of the income required to cover necessary living expenses, as defined by the Elder Index.
The average Social Security Benefit for retired workers covers less than half the estimated cost of living for an older adult in good health (Figure 2).

The Elder Index for Boston for both singles and couples is higher than the Elder Index for Massachusetts and the United States (Figure 3). An older renter in good health living alone in Boston needs $37,063 to achieve economic security, compared to $33,048 in Massachusetts and $25,416 in the United States. The Elder Index for an older couple in good health living in a rented home in Boston is $48,122, compared to $45,252 in Massachusetts and $36,204 in the United States. Housing represents the largest expense in all scenarios and locations. The high cost of housing in Boston is the most significant factor accounting for the Elder Index being much higher in Boston than in Massachusetts and the U.S. as a whole.

For more information about the Elder Index and to look up county-level Elder Index values visit ElderIndex.org.