

# **An age of uncertainty - Seniors living on a fixed income face hard choices as costs soar for groceries, gas and medicine. No relief is in sight.**

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ATLANTA — It was a bad day at the bingo table.

When the numbers fall right, the senior citizens who gather in a small conference room in the rear of the Kroger grocery store for their weekly bingo game fill their bags with winnings that include eggs, chicken, fruit, bread and fresh fish. But on this day, no one took home more than two or three items.

"I'm going to have to go shopping now," said 84-year-old Ruth Graves, a retired waitress who lives on Social Security, as she rolled her cart into the store to take advantage of senior discount day, a 10 percent savings on purchases on Wednesdays.

For Graves, who supplements her income by selling Avon products, and the dozen other women who regularly attend the bingo games, it is a time for fun, laughter and socializing. But there is also a practical benefit—every item of free groceries helps them save money as the unstable economy pushes their living expenses higher.

Faced with soaring costs of prescription drugs, housing, gasoline and groceries, it is easy for seniors on fixed incomes to go over budget. And sometimes, as hard as they try, there is not enough money each month to make ends meet.

Like many of America's elderly, Graves is old enough to remember at least part of the Great Depression that began with the stock market crash of 1929 and ended with the onset of World War II. The memories of hunger, unemployment and watching their parents sink into financial ruin are etched in their minds.

While America is not on the verge of a depression, nor has a full-fledged recession been declared, many seniors feel vulnerable in this economy. For more than 30 million people over age 65, Social Security, averaging about \$1,079 a month, is the primary source of income, according to the Social Security Administration.

With gasoline prices around \$4 a gallon, staples such as eggs, bread and milk rising rapidly and utility costs soaring, many seniors are caught in a financial crunch. With only Social Security, pensions or personal savings, experts say, many cannot keep up with inflation.

"Everyone is getting hit hard, but seniors with a tight income get hit even harder," said David Irwin, a spokesman for the AARP, the advocacy group for Americans 50 and older.

"When you look at someone who has retired ... and what companies are doing with retiree health-care plans, more and more health-care costs are coming out of the pocket of the individual, and pension plans are slipping away as well," Irwin said. "People who budgeted a certain amount for retirement are seeing that slip away."

## **Accumulating debt**

To keep up with the rising costs of prescription drugs and medical payments not covered by Medicare, retirees have accumulated more debt than ever, experts say. According to the Employee Benefit Research Institute, which studies economic security issues, the average debt for a family headed by someone 75 or older rose 160 percent between 1992 and 2004, from \$7,769 to \$20,234.

"They've been bombarded with preapproved credit card solicitations because [companies] think if seniors take their card, they are going to pay. The problem is that these are people living on Social Security," said Jerome Lamet, supervising attorney for Debt Counsel for Seniors & the Disabled, a for-profit Chicago company that helps seniors relieve their debt.

"For many of them, it was either use the credit card to buy prescription drugs or die," he said. "Others are so desperate, they are using the cards just so they can eat."

Groups such as AARP, the Legal Aid Society and the Area Council on Aging provide programs to assist a growing number of senior citizens who are finding their nest eggs dwindling, losing their homes to foreclosure and falling victim to scams that threaten to deplete their savings. But sometimes those are not enough.

In Grantville, Ga., the director of the small town's senior citizen center travels about 45 miles north to Atlanta to buy discounted vegetables at the farmers market, then distributes them to the elderly for free or at nominal cost. Without that, officials said, some older people in the community who once grew fresh vegetables in their backyard would go without nutritious meals.

Other senior centers are reporting more people coming in for hot lunches. Meals on Wheels, which delivers meals to homes, also has seen an increase, so much so that the cost of administering such community programs is skyrocketing.

"Obviously, this is something state and federal legislatures should pay attention to and make sure they are adequately funded," said Irwin of the AARP. "It also reaffirms the need to keep Social Security strong. Without it, more than half of the individuals over the age of 65 will fall below the poverty level."

## Trimming costs

Meanwhile, seniors such as Vesta Oliver, 65, a retired Army medic from Atlanta, must find creative ways to cut costs. Oliver, who drives a Pontiac Grand Prix, said she never lets her tank pass half-empty. That way, she does not have to dole out a big chunk of cash at the gas station.

"Gas is ridiculous. I spent \$20 for 5 gallons," she said. "If I let it get empty, I wouldn't be able to eat."

Evelyn Lindsey, 81, a retired seamstress and cook from Atlanta, goes to several stores in one day to get the best bargains. Mostly she buys generic brands and only purchases what she really needs.

"I shop for bargains, so I go from one store to the next," she said. "If Walgreens has a 5-pound bag of sugar for \$1.99 and someone else has it for \$2.19, I will drive to Walgreens to save 20 cents.

"I have to think of gas, though, so I won't drive too far," she said.

Businesses are increasingly offering incentives to attract the highly competitive senior citizen market. Most grocery stores offer senior discounts midweek, when business tends to be slower. Ample discounts also are available for travel, wireless phones, restaurants, movie theaters and other services.

According to David Smidt, president of Chicago-based online coupon directory [seniordiscounts.com](http://seniordiscounts.com), that leaves money in the pockets of seniors, many of whom are outliving their savings.

"When they began putting money away for retirement in their 20s, 30s and 40s, their life expectancy was around 65 or 70. Now people are taking better care of themselves and living longer, and they are finding the money they put aside is not enough," Smidt said.

"They may have another 10 years to go, so they are trying to maximize their savings. Ten percent off a food order might not seem like a great deal, but over time they can save hundreds or thousands of dollars by shopping at the right time."

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