



COST OF LIVING FOR OLDER ADULTS SAN DIEGO COUNTY, 2022

March 2023

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**County of San Diego
Health and Human Services Agency**

**Public Health Services
Community Health Statistics Unit**

March 2023

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Cost of Living for Older Adults (Ages 65 Years and Over), San Diego County, 2022

Introduction

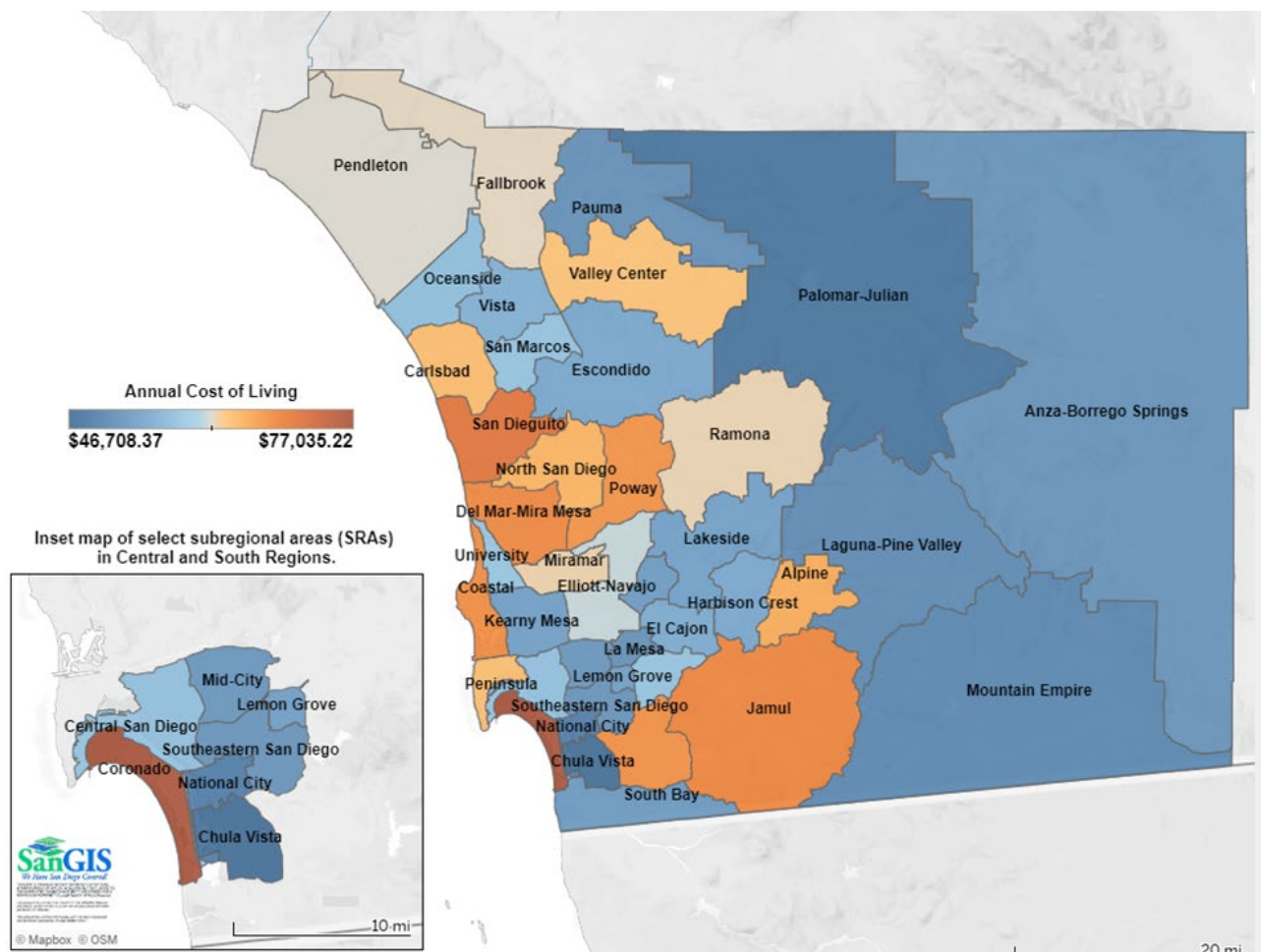
The Cost of Living for Older Adults document and dashboard were developed to highlight economic issues facing the aging population in San Diego County. The purpose of this analysis was to determine the estimated basic costs of living for older adults (those aged 65 years and over). San Diego County continues to be one of the most expensive places to live. As many older adults are living on fixed income, this analysis determines affordability of housing, among other essentials, for that segment of the population. As older adults are priced out of living in San Diego County, they become at risk for homelessness, food insecurity, and other issues that affect their ability to live healthy, safe, and thriving lives. This analysis determines the cost of living for older adults for each Health and Human Services Agency (HHSA) region, subregional area (SRA), and San Diego County overall. This document includes a “key findings” section which is intended to highlight the most relevant results of the analysis. The document also includes a section on long-term care costs. As many older adults suffer from dementia, or one or more chronic diseases, they may also require long-term care during their later years. Lastly, the document includes a section on additional cost to grandparents (ages 65 years and over) responsible for grandchildren under 18 years. The methodology used by UCLA Center for Health Policy Research for their Elder Index Cost of Living Dashboard, 2019 was adapted to estimate the costs faced by older adults in each HHSA region, SRA, and San Diego County overall.

Costs faced by older adults fall into five major categories: housing, food, health care, transportation, and miscellaneous. Housing costs include those faced by renters, owners with a mortgage and owners without a mortgage. In 2021, 33.1% of homeowners (65 years and over) spent more than 30% of their household income on housing costs, while 62.9% of renters (65 years and over) also spent more than 30% of their household income on rent alone.^{1,2} Food costs were determined using USDA’s low-cost food plan.³ In San Diego County, 7.6% of households (65 years and over) received Supplemental Nutrition Assistance Program (SNAP)/food stamp benefits in 2021.⁴ Health care costs were estimated for an older adult who is on Medicare and is enrolled in a Medicare Advantage Plan. Miscellaneous costs include costs not explicitly outlined as falling into the categories above, such as personal care, telephone service etc. Miscellaneous costs were assumed to be about 20% of the sum of what was spent in the other four categories.⁵

To view the Cost of Living for Older Adults Dashboard, please visit:
https://public.tableau.com/views/CostofLivingforOlderAdultsSanDiegoCounty/CostofLiving?:language=en-US&:display_count=n&:origin=viz_share_link

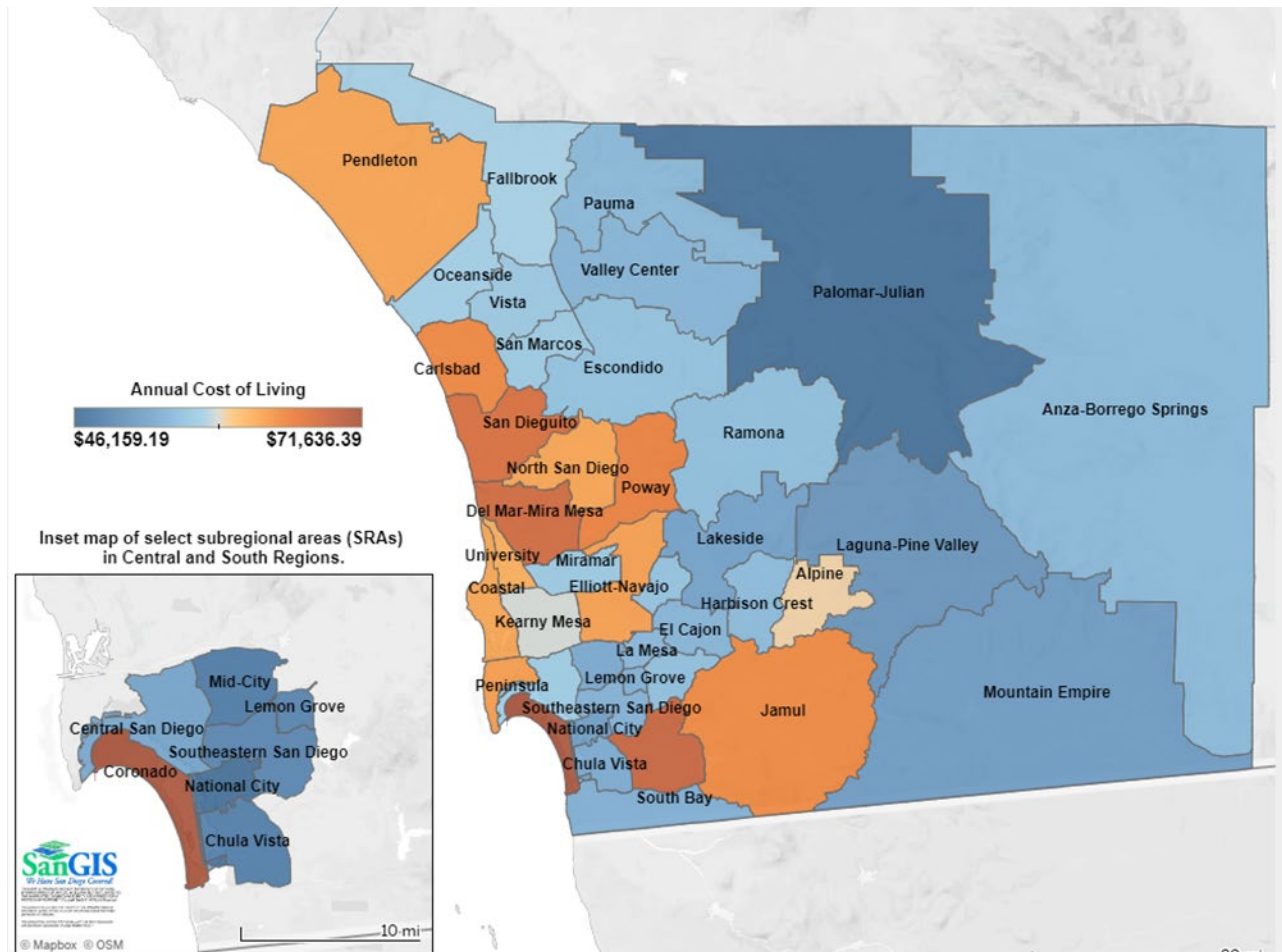
This interactive tool helps to visualize the amount spent on basic necessities for older adults in each Health and Human Services Agency (HHSA) region, subregional area (SRA), and San Diego County. Overall, the cost of living tool estimates the average costs for housing, food, healthcare, transportation, and miscellaneous expenditure.

Estimated Annual Cost of Living for an Older Adult Couple, Owner-Occupied Household, by Subregional Area (SRA), San Diego County, 2022



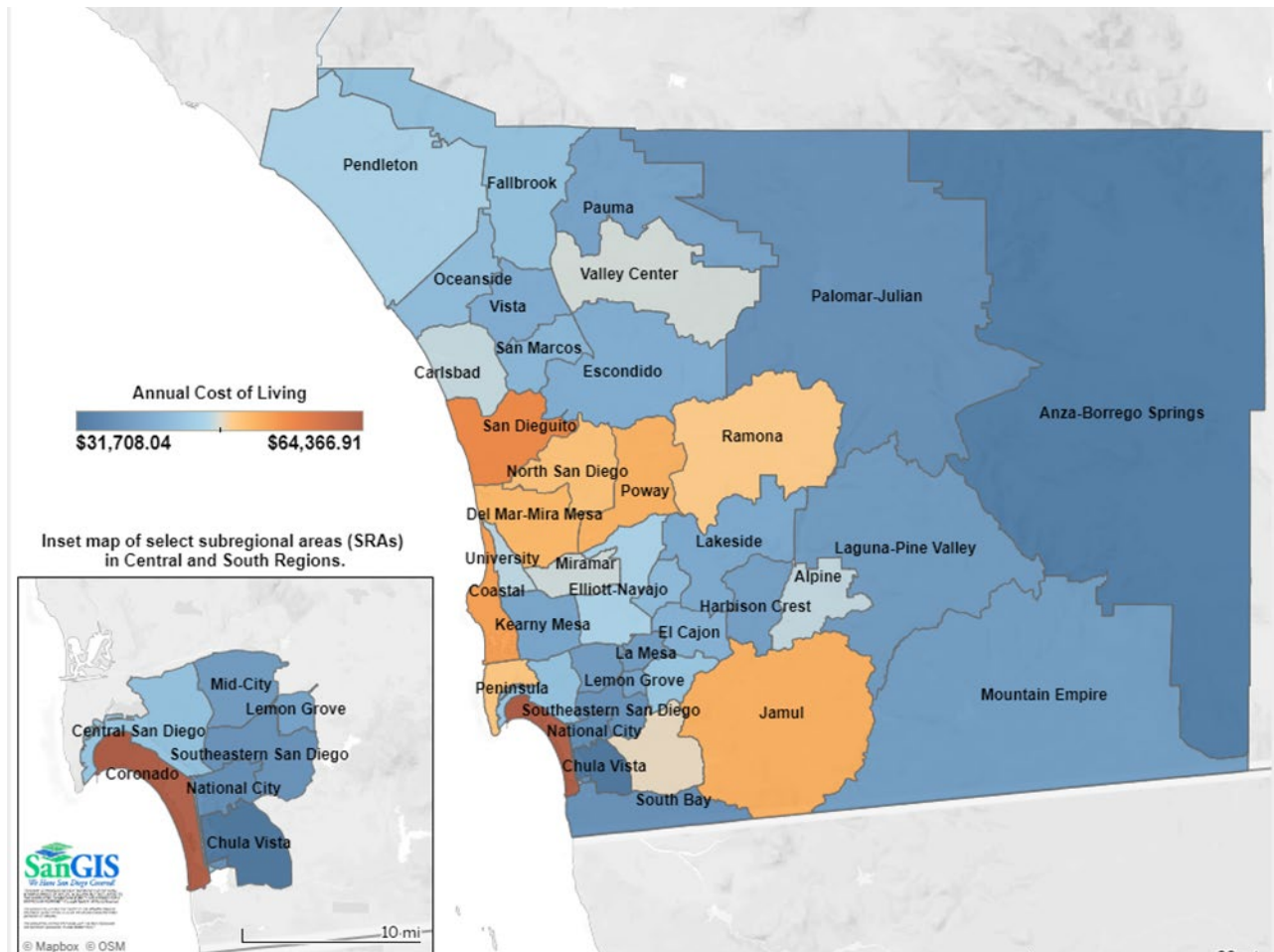
Prepared by: County of San Diego, Health and Human Services Agency, Public Health Services, Community Health Statistics Unit, February 2023.

Estimated Annual Cost of Living for an Older Adult Couple, Renter-Occupied Household, by Subregional Area (SRA), San Diego County, 2022



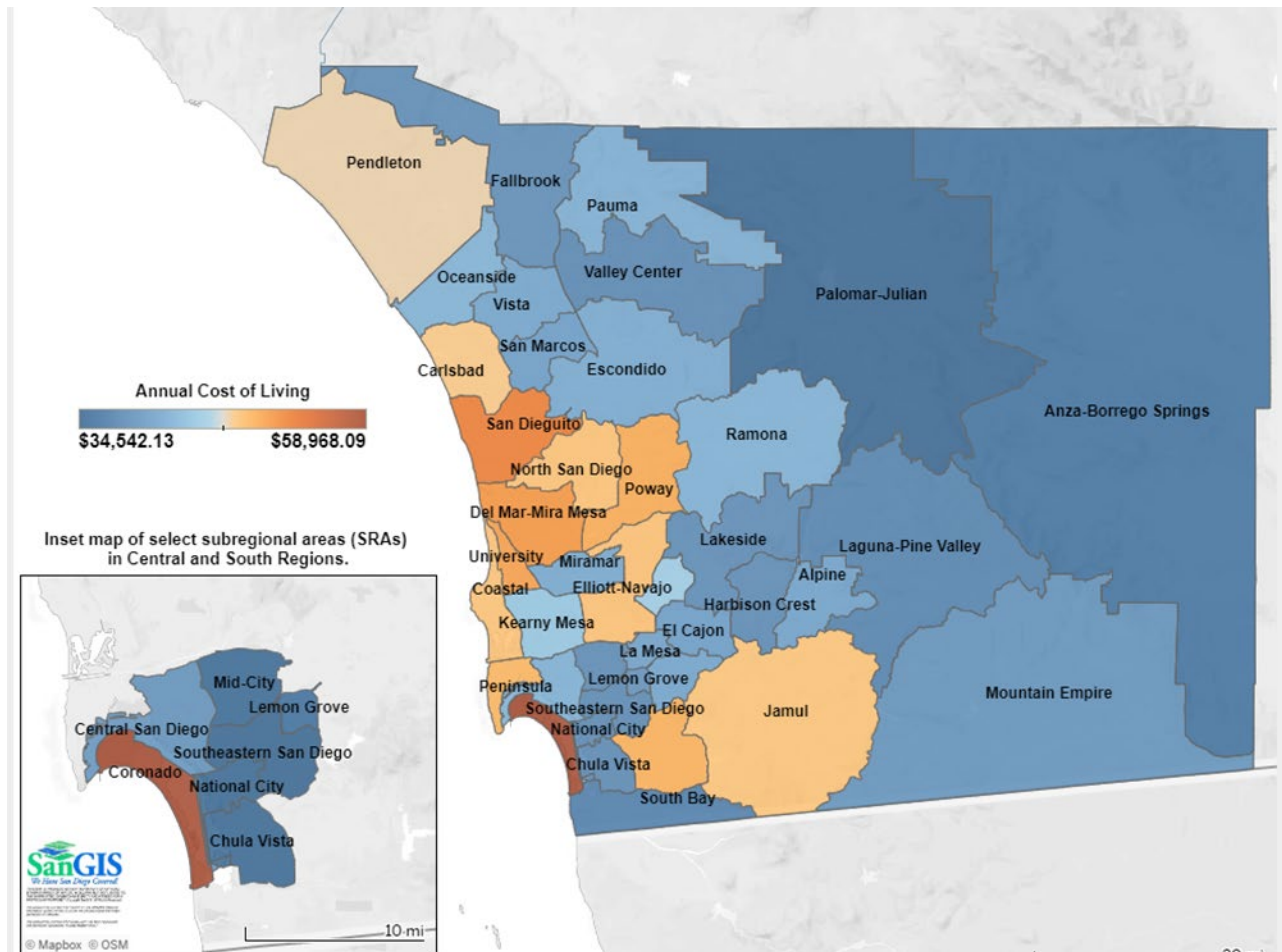
Prepared by: County of San Diego, Health and Human Services Agency, Public Health Services, Community Health Statistics Unit, February 2023.

Estimated Annual Cost of Living for a Single Older Adult, Owner-Occupied Household, by Subregional Area (SRA), San Diego County, 2022



Prepared by: County of San Diego, Health and Human Services Agency, Public Health Services, Community Health Statistics Unit, February 2023.

Estimated Annual Cost of Living for a Single Older Adult, Renter-Occupied Household, by Subregional Area (SRA), San Diego County, 2022



Prepared by: County of San Diego, Health and Human Services Agency, Public Health Services, Community Health Statistics Unit, February 2023.

Cost of Living for Older Adults (Ages 65 Years and Over), San Diego County, 2022

The average costs faced by older adults for housing, food, healthcare, transportation, and miscellaneous expenditure.

Owner-Occupied Household:

Single Older Adult, San Diego County

Monthly
Expenditure **\$3,482.95**

Annual
Expenditure **\$41,795.45**

Older Adult Couple, San Diego County

Monthly
Expenditure **\$4,818.31**

Annual
Expenditure **\$57,819.68**

Renter-Occupied Household:

Single Older Adult, San Diego County

Monthly
Expenditure **\$3,454.14**

Annual
Expenditure **\$41,449.64**

Older Adult Couple, San Diego County

Monthly
Expenditure **\$4,789.49**

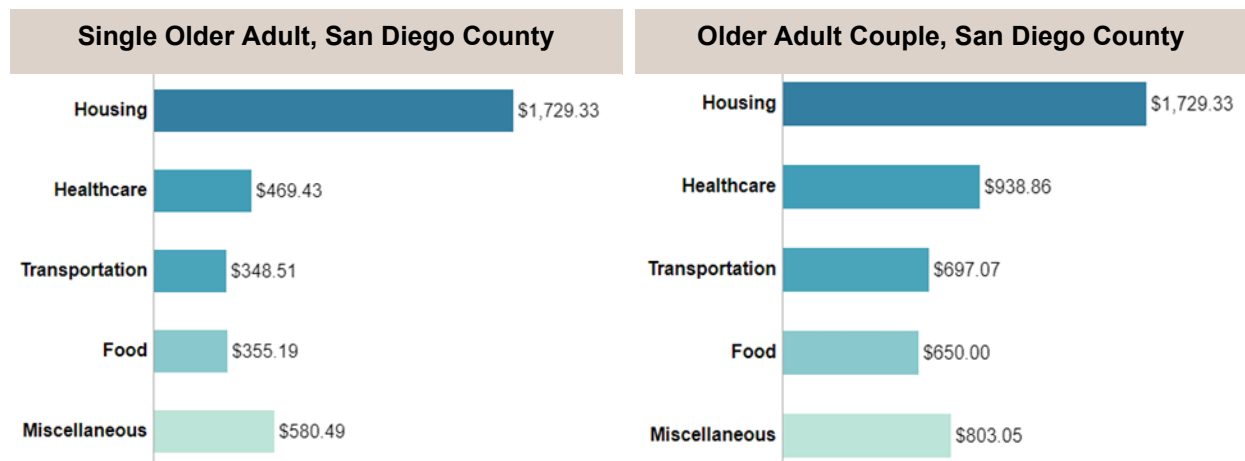
Annual
Expenditure **\$57,473.86**

Monthly Expenses for Older Adults (Ages 65 Years and Over), San Diego County, 2022

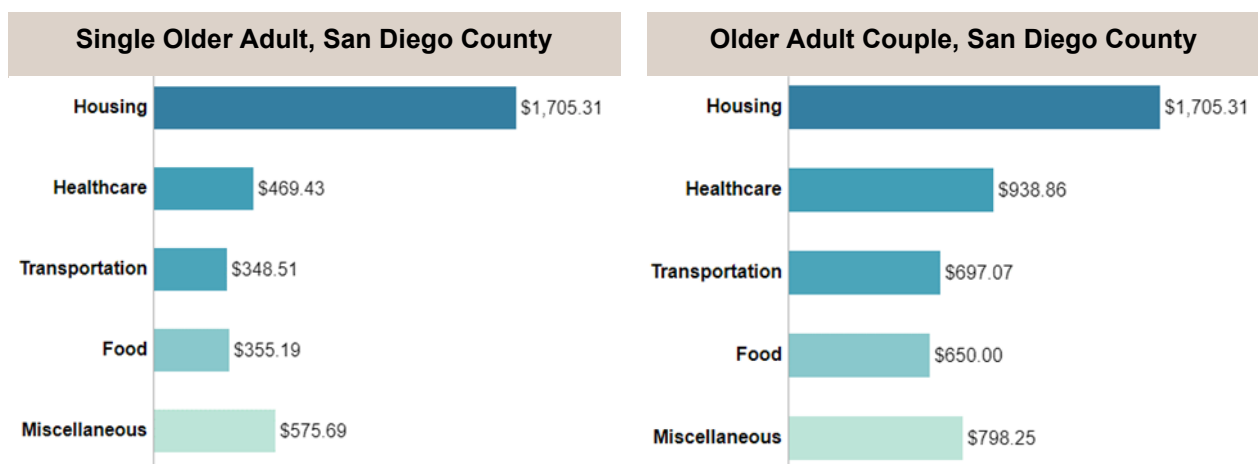
The average amount spent per month by expense type to meet basic necessities without public or private assistance.

In San Diego County, nearly one in four older adults (24.9%) were living alone and 48.8% of households with older adults were married-couple family households in 2021.⁶ Single older adults would typically pay as much as an older adult couple in housing costs. Food costs are more expensive for one person, as it is less expensive per unit to buy food in bulk for a larger family. Health care costs are the same per person in each household. Transportation costs are slightly more expensive for older adult couples but are not double because couples often travel together.

Owner-Occupied Household:



Renter-Occupied Household:



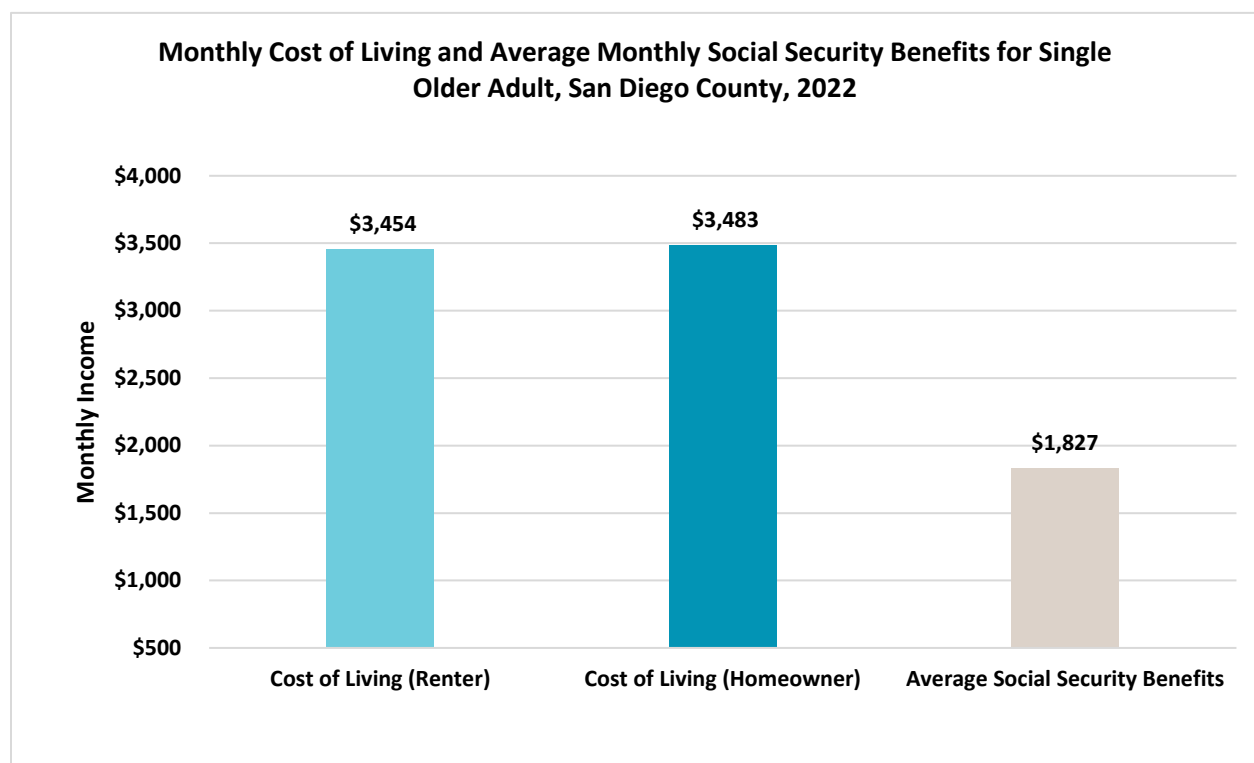
The graphs above describe the estimated average amount spent by older adults per month by expense type to meet basic necessities without public or private assistance in San Diego County. The average monthly expenditure on housing varies by housing tenure (owner vs renter).

The values provided in these graphs are different than the values estimated by UCLA Elder Index Cost of Living Dashboard because they are based on data sources available at the local level. More information on the data sources used by the Elder Index Cost of Living Dashboard and the county tool are available in the methodology section at the end of this document.

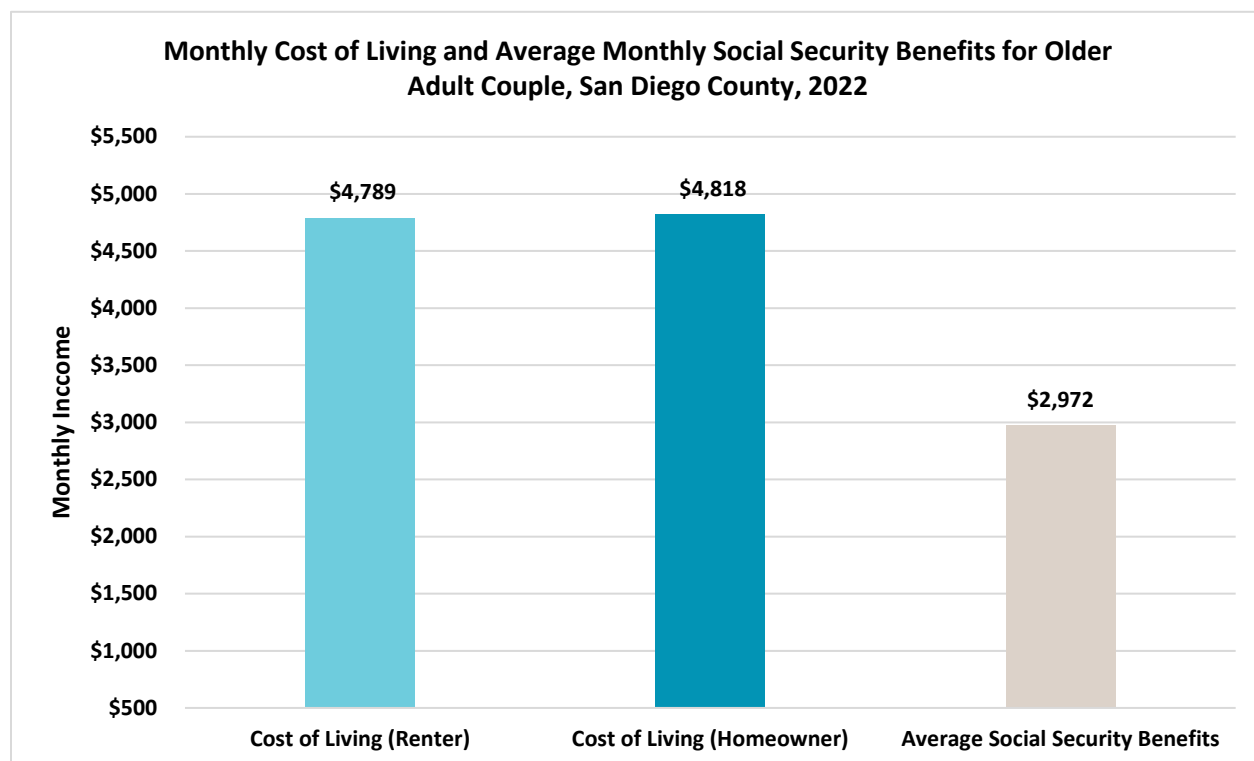
Key Findings

The income needed to meet daily needs in San Diego County was 1.9 times more than the average Social Security benefits for single older adults and 1.6 times more for older adult couples.

Single Older Adult:



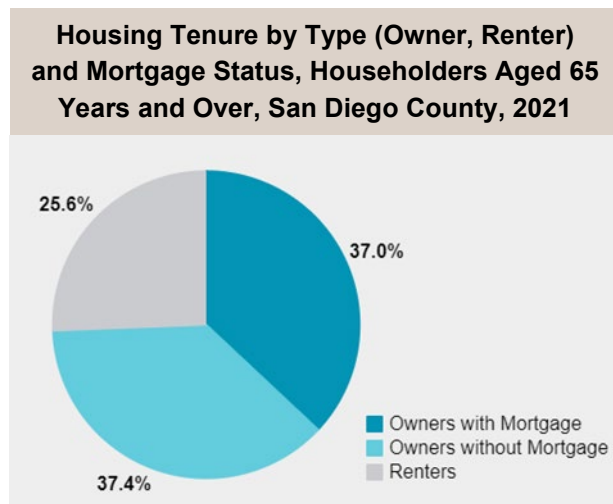
Older Adult Couple:



In 2022, the average monthly Social Security benefits in the United States was \$1,827 for single older adults and \$2,972 for older adult couples. This means that households with older adults relying on Social Security benefits would fall short the income needed to make ends meet by \$1,627 to \$1,846 a month in San Diego County.⁷

In 2021, more than 1 in 4 San Diego County householders aged 65 years and over were renters.

In 2021, about 63% of householders aged 65 and over had either a mortgage (37%) or rent payment (25.6%) in San Diego County. Central Region had the highest proportion of householders aged 65 years and over who were renters (41.5%), and North Central Region had the lowest (20.2%) in 2021. Also, North Central Region had the highest proportion of householders aged 65 years and over who were homeowners with mortgage paid off (42.5%) and Central Region had the lowest (27.6%) in 2021.



In 2021, 85.2% of householders aged 65 years and over received Social Security Income.

Income in the Past 12 Months (in 2021 Inflation-Adjusted Dollars), Householders Aged 65 Years and Over, San Diego County, 2021

The proportion of households with householder aged 65 years and over by income type and mean income by income type.

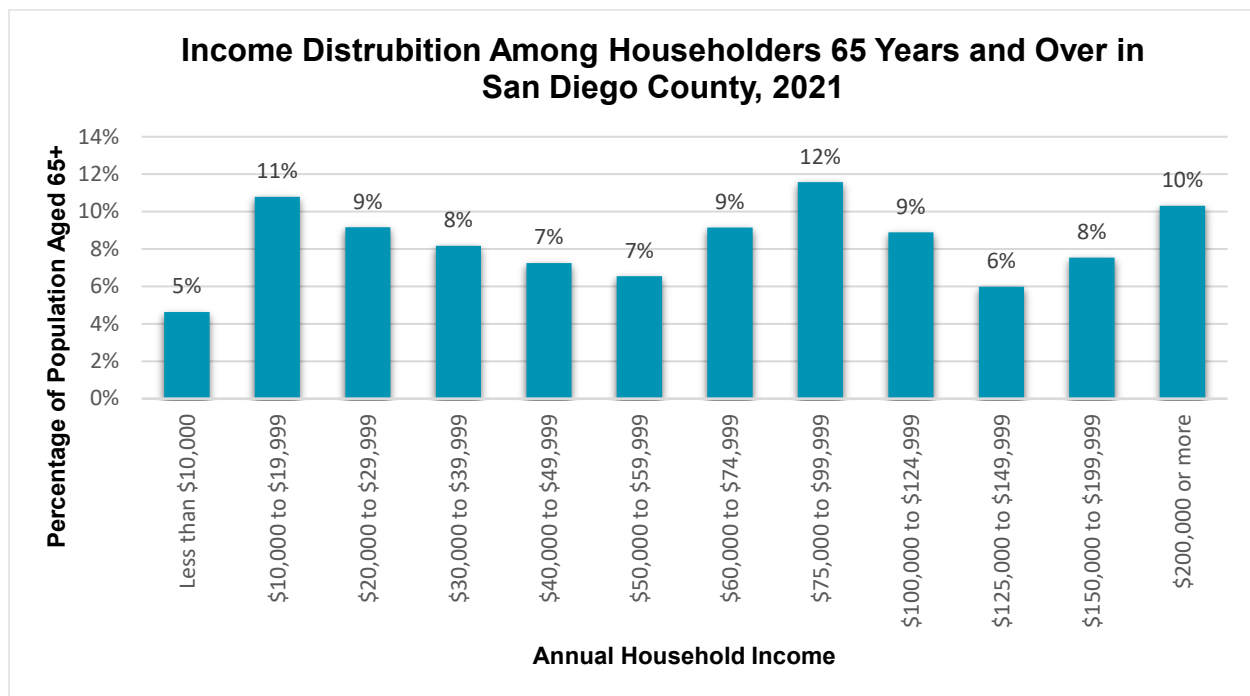
Income type	Percentage of Households	Mean Income (Per Month)	Mean Income (Per Year)
Earnings	41.6%	\$6,941	\$83,292
Social Security Income	85.2%	\$1,903	\$22,831
Supplemental Security Income	8.0%	\$856	\$10,268
Cash Public Assistance	2.1%	\$386	\$4,637
Retirement	54.5%	\$3,419	\$41,032

The mean Social Security income in San Diego County was \$1,903, significantly less than the average costs faced by older adults for basic necessities. More than half of older adults in San Diego County received retirement income, and 41.6% received income from employment.⁸ This leaves a large proportion San Diego population to rely on Social Security income alone. Social Security benefits alone are not enough to cover basic needs, particularly in urban, high-cost regions like San Diego.

The national average monthly Social Security Income benefit for a single older adult would not even cover the cost of housing in San Diego County.

In 2021, the average rent for a one-bedroom home was \$1,705.31 per month and the average owner cost was \$1,729.33 per month in San Diego County. A single older adult relying on Social Security benefits would be unable to afford rent in San Diego County, where rent accounts for approximately 49% of the total income needed for a single senior to make ends meet. Older adult couples would have less than \$1,300 remaining after rent to pay for other basic needs, groceries, healthcare, transportation, and any other essential miscellaneous items.

In 2021, approximately 33% of San Diego County householders, aged 65 and over, had an annual income less than \$40,000.

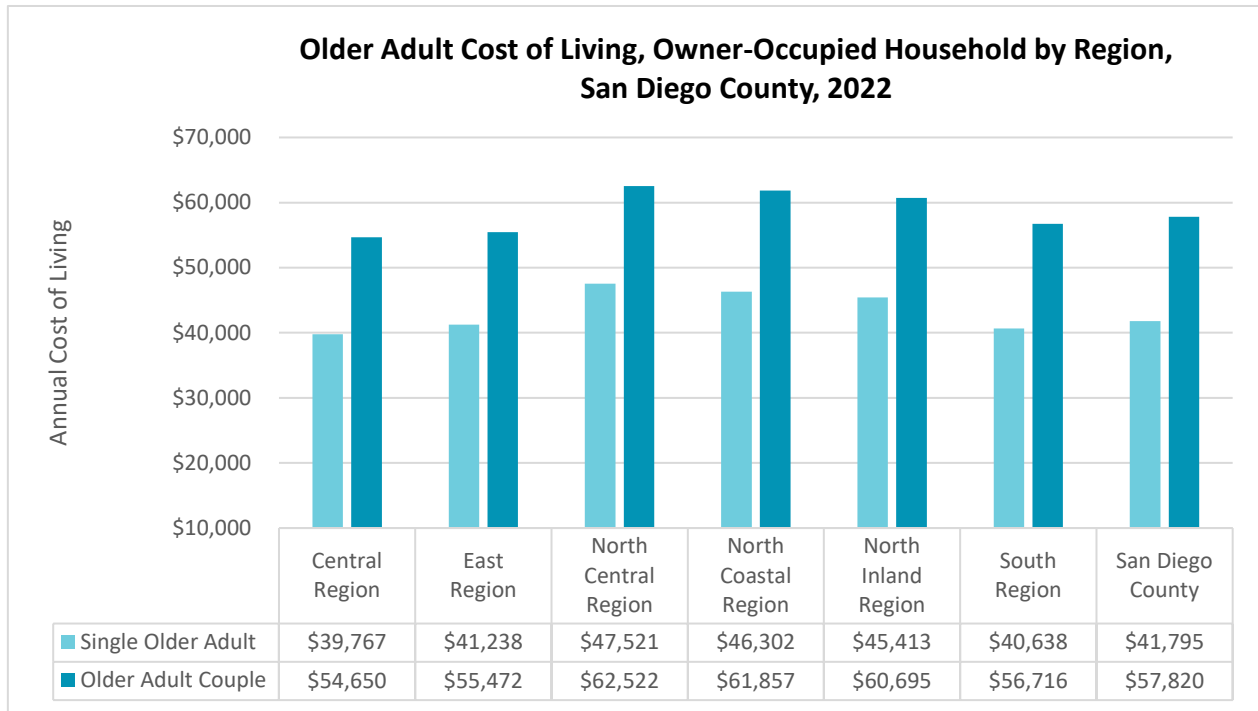


According to the 2021 American Community Survey 5-Year Estimates, just over one third of San Diego County householders, aged 65 years and over, had an annual income below the income required to meet basic expenses such as housing, food, transportation, and health care without public or private assistance.⁹

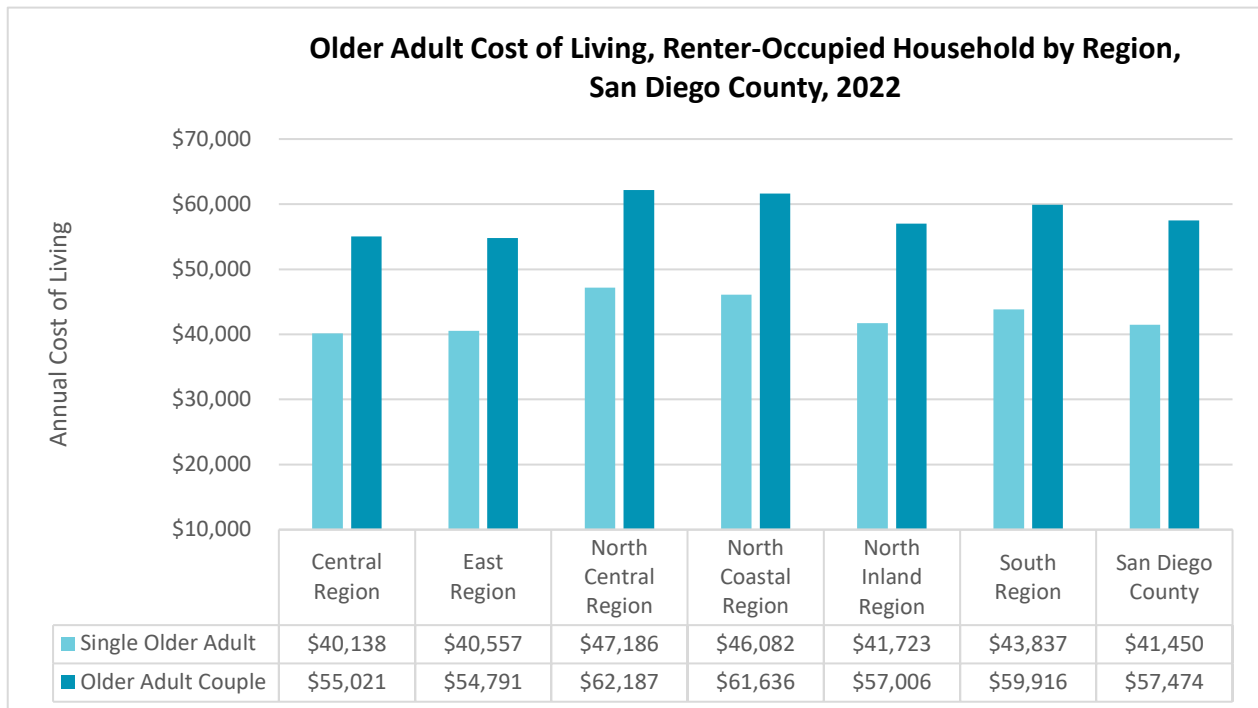
The cost of living varied within San Diego County, and North Central Region was the most expensive region in the county.

In North Central Region, the average annual expenditure in 2022 was \$47,186, or \$3,932 a month for a single older adult, renter-occupied household. For an older adult couple, renter occupied household, the average annual expenditure was \$62,187, or \$5,182 a month. Owner occupied households had a slightly higher cost of living for both single older adults and older adult couples. Housing accounts for the largest portion of the budget for all older adult household types across regions, ranging from about \$985 to \$2,637 a month.

Owner-Occupied Household:



Renter-Occupied Household:



Coronado in South Region was the most expensive San Diego Subregional Area for older adults in 2022.

In 2022, the annual income needed to make ends meet in Coronado SRA ranged from \$71,636.49 to \$77,035.22 in an older adult couple household, depending on housing tenure. In a single older adult household, \$58,968.09 was needed for renters and \$64,366.91 was needed for owners. Among older adults in Coronado SRA, housing accounted for \$2,637.42 a month for owners and \$2,262.50 a month for renters.

Most Expensive Subregional Areas for Older Adults (Homeowners), San Diego County, 2022

Single Older Adult		Older Adult Couple	
1. Coronado	\$ 64,366.91	1. Coronado	\$77,035.22
2. San Dieguito	\$ 56,006.83	2. San Dieguito	\$70,909.73
3. Coastal	\$ 53,639.56	3. Jamul	\$68,869.55
4. Jamul	\$ 52,224.03	4. Del Mar-Mira Mesa	\$68,619.24
5. Poway	\$ 52,024.21	5. Coastal	\$68,191.35
6. Del Mar-Mira Mesa	\$ 51,496.13	6. Sweetwater	\$68,071.53
7. North San Diego	\$ 50,438.15	7. Poway	\$67,757.64
8. Peninsula	\$ 49,899.04	8. Alpine	\$65,699.36
9. Ramona	\$ 49,477.32	9. North San Diego	\$65,050.04
10. Sweetwater	\$ 48,407.70	10. Carlsbad	\$64,321.18

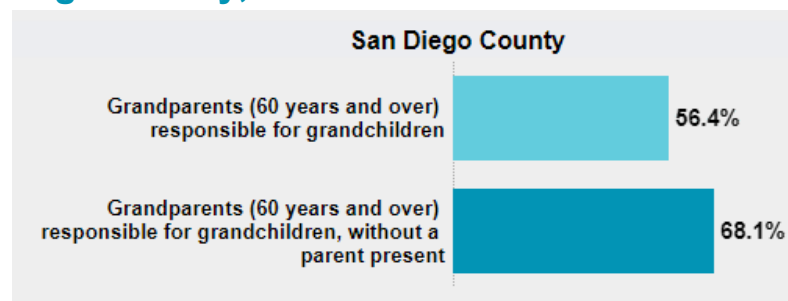
Annual income required for older adults (ages 65 years and over) for basic necessities in San Diego County.

Most Expensive Subregional Areas for Older Adults (Renters), San Diego County, 2022

Single Older Adult		Older Adult Couple	
1. Coronado	\$ 58,968.09	1. Coronado	\$71,636.39
2. San Dieguito	\$ 52,541.03	2. Sweetwater	\$69,043.78
3. Del Mar-Mira Mesa	\$ 51,066.68	3. Del Mar-Mira Mesa	\$68,189.78
4. University	\$ 50,451.22	4. San Dieguito	\$67,443.92
5. Poway	\$ 49,724.67	5. Poway	\$65,458.10
6. Sweetwater	\$ 49,379.95	6. Carlsbad	\$64,818.34
7. Peninsula	\$ 49,014.57	7. Jamul	\$64,613.38
8. Elliott-Navajo	\$ 48,224.87	8. Peninsula	\$63,283.71
9. North San Diego	\$ 48,182.09	9. Elliott-Navajo	\$63,125.76
10. Coastal	\$ 48,065.11	10. North San Diego	\$62,793.98

Annual income required for older adults (ages 65 years and over) for basic necessities in San Diego County.

Grandparents Responsible for Grandchildren under 18 Years, San Diego County, 2021



Older adults who are responsible for grandchildren under 18 years face additional costs spent on basic necessities such as housing (extra rooms), food, transportation, and other miscellaneous expenditures

required to raise grandchildren. In 2021, of the grandparents responsible for own grandchildren under 18 years in San Diego County, 56.4% were 60 years and over.¹⁰ Additionally, in 2021, of the grandparents responsible for own grandchildren under 18 years without a parent present in San Diego County, 68.1% were 60 years and older.¹⁰

The additional cost to grandparents (65 years and older) responsible for grandchildren, estimated by UCLA's Elder Index Cost of Living Dashboard, 2019, included expenses on housing (extra rooms), food, transportation, and other miscellaneous expenditures such as personal care etc.⁵ This estimate did not include childcare costs, health care costs, or tax credits. In 2019, in San Diego County, a single older adult in a rented household spent an additional \$6,528 a year to meet the needs of one grandchild. The estimated additional expenditure for a single older adult responsible for three grandchildren, in a rented household, was \$24,348. In 2019, an older adult couple in a rented household spent an additional \$11,544 a year to meet the needs of one grandchild in San Diego County. The estimated additional expenditure for an older adult couple responsible for three grandchildren, in a rented household, was \$33,576.

Long Term Care Costs, San Diego County, 2023

Long-term services and supports (LTSS) is the general name for assistance provided to people who are unable to perform one or more Activities of Daily Living (ADLs) on their own, due to cognitive limitations, functional limitations, or both. LTSS includes care for older adults who need assistance because of age; physical, cognitive, developmental, or chronic health conditions, or other functional limitations that restrict their abilities to care for themselves.¹¹

Genworth's Cost of Care Survey tool was used to calculate the projected annual median costs for long-term care based on level of care.¹² In San Diego County in 2023, the costs of long-term care for an older adult were substantial. In 2023, the costs average \$81,316 annually for in-home care homemaker services. These services allow older adults to remain in their homes by helping with meals, housekeeping, running errands, and other extensive personal care needs.

Adult day health care provides a safe, engaging, and supportive environment for an older adult who needs assistance but does not require round the clock supervision allowing a spouse or family caregiver to continue working or handling other responsibilities. The average annual cost of an adult day health care is \$26,204 in 2023.

The average annual cost of an assisted living facility with a private, one bedroom space is \$69,701 in 2023. Assisted living facilities generally provide personal care and health services for people who need assistance with ADLs. The average annual cost of skilled nursing for a semi-private room is \$119,461 and a private room is \$154,891 in 2023. The costs associated with nursing home care may be covered under health insurance, Medicare, or Medicaid, depending on the treatment needed. By 2035, the average costs associated with in-home long-term care are projected to exceed \$115,000 annually.

Methodology

All measures were chosen for similarity and comparability to measures used by UCLA's Center for Health Policy Research for their Elder Index Cost of Living Dashboard, 2019, and documented in their methodology report, available at the following website:

https://healthpolicy.ucla.edu/programs/health-disparities/elder-health/EIRD2011/Documents/elderindex_methodology2011.pdf.

Methodology used by UCLA's Center for Health Policy and Research was then adapted for San Diego County. This document explains differences in measures used and adaptations made for use at the regional and subregional area levels.

Expense Type and Monthly Cost

1. Housing

- For this application, the FY 2021 HUD Fair Market Rents for one-bedroom home was used to estimate the costs of housing for older adults who reside in a rented home. The data were available by zip code and aggregated to SRAs using a zip code to SRA crosswalk.
- The American Community Survey (ACS) 5-year estimates for housing tenure and housing costs were used to create a surrogate estimate for average housing costs for homeowners aged 65 years and over, by census tract. These data were aggregated from census tracts to SRA with a crosswalk.
- The housing tenure for those householders, aged 65 and over, was determined using ACS tables B25007 (Tenure by Age of Householder), and B25027 (Mortgage Status by Age of Householder) to calculate the proportion of older adults who were homeowners with and without mortgages. These percentages were applied to homeowner costs determined using ACS tables B25088 (Median Selected Monthly Owner Costs [Dollars] by Mortgage Status).
- SOURCES: 2017-2021 American Community Survey 5-Year Estimates, Tables B25007, B25027, B25088. U.S. Department of Housing and Urban Development, 2021 Fair Market Rents (40th Percentile Rents), HUD's Office of Policy Development and Research (https://www.huduser.gov/portal/datasets/fmr.html#2021_query).

2. Food

- For this application, the United States Department of Agriculture's (USDA) Low-Cost Food Plan was used. It provides a low-cost nutritionally adequate diet for persons based on age and gender. The costs were provided in the Official USDA Food Plans: Cost of Food at Home at Three Levels, U.S. Average, December 2022 worksheet was used for this application. For older adults, costs were available for ages 51-70 and 71+.
- Based on the 2020-2021 Consumer Expenditure Survey for San Diego metropolitan area, the average annual expenditure on food was divided by the national average annual expenditure on food and this factor was multiplied by the average cost of food (based on low-cost food plan) for older adults (51 years and older) to obtain the estimated food cost for a single older adult.
- For an older adult couples, the cost was multiplied by 1.83. This was obtained based on the average annual dollars spent on food by older adults (65 years and over) by number of people (one person and two people consumer units).
- SOURCES: Official U.S. Department of Agriculture (USDA) Food Plans: Cost of Food at Home at Three Levels, U.S. Average, December 2022. U.S. Bureau of Labor Statistics Consumer Expenditures for the San Diego Metropolitan Area: 2020-2021. U.S. Bureau of Labor Statistics Consumer Expenditures Surveys 2020-2021, consumer units of one person by age of reference person, consumer units of two people by age of reference person.

3. Transportation

- Based on the 2020-2021 U.S. Consumer Expenditure Survey, the percentage of average income spent on transportation among older adults (65 years and over) was calculated. Results were calculated for a single older adult (one person consumer unit), and an older adult couple (two people consumer unit).
- The American Community Survey (ACS) provides data on median nonfamily household income by age of householder in the past 12 months for a householder living alone, and median household income by age of householder by census tract. Data were then aggregated from census tracts to SRA with a crosswalk.
- The average median household income among older adults in the past 12 months was multiplied by the percentage of annual income spent on transportation to estimate the transportation cost for a single older adult and an older adult couple by geography.
- SOURCES: U.S. Bureau of Labor Statistics Consumer Expenditures Surveys 2020-2021, consumer units of one person by age of reference person, and consumer units of two people by age of reference person. 2017-2021 American Community Survey 5-Year Estimates, Tables B19215, S1903.

4. Healthcare

- UCLA assumes that each older adult is:
 - Enrolled in Medicare
 - Enrolled in HMO/Medicare Advantage plan or has a Medigap Policy and
 - Has Part D coverage
- For their county calculator, UCLA looked at the Medicare Advantage penetration rates for each county. For those counties with a penetration rate greater than 20%, the figure used to represent healthcare costs was based on the Kaiser HMO/Medicare Advantage plan premium for that area. The penetration rate for Medicare Advantage plans in San Diego County among those with Medicare was greater than 40% in 2022.
- The figure used was the sum of the Medicare Part B premium, the Kaiser HMO/Medicare Advantage plan premium (which is \$0 for San Diego County), and average out-of-pocket costs. UCLA used an average of out-of-pocket costs from the Agency for Healthcare Research and Quality Medical Expenditure Panel Survey.
- For this application, the figure used was the sum of the 2022 Kaiser HMO/Medicare Advantage plan premium for San Diego County (\$0), the 2022 Kaiser optional Comprehensive hearing/dental Monthly Premium (\$16), the 2022 Medicare Part B Monthly Premium (\$170.10), and the maximum annual out-of-pocket costs indicated by the 2022 Kaiser HMO/Medicare Advantage plan. Maximum annual out-of-pocket costs were divided by 12 to determine the average monthly out-of-pocket costs (\$283.33).
- For a single older adult, the monthly cost was the sum of the components described above. For an older adult couple, this cost was doubled, as it assumed both members of the couple were on Medicare Advantage and had the same out-of-pocket costs.
- SOURCES: Kaiser Permanente, Kaiser Senior Advantage Plan San Diego County, 2022.
(<https://healthy.kaiserpermanente.org/content/dam/kporg/final/documents/health-plan-documents/summary-of-benefits/medicare/2022/summary-of-benefits-san-diego-scal.pdf>).
Centers for Medicare & Medicaid Services, 2022 Medicare Parts A & B Premiums and Deductibles/2022 Medicare Part D Income-Related Monthly Adjustment Amounts, 2021. ([2022 Medicare Parts A & B Premiums and Deductibles/2022 Medicare Part D Income-Related Monthly Adjustment Amounts | CMS](#)).

5. Miscellaneous Costs

- Miscellaneous costs were assumed to be 20% of the sum of the other four categories, and account for costs not covered elsewhere such as home repair costs, landline telephone costs, personal care etc.

References

1. 2017-2021 American Community Survey 5-Year Estimates, Table B25093.
2. 2017-2021 American Community Survey 5-Year Estimates, Table B25072.
3. Official USDA Food Plans: Cost of Food at Home at Three levels, U.S. Average, December 2022.
4. 2017-2021 American Community Survey 5-Year Estimates, Table S0103.
5. UCLA Center for Health Policy Research, Elder Index Cost of Living Dashboard, California, 2019 (<https://healthpolicy.ucla.edu/programs/health-disparities/elder-health/elder-index-data/Pages/CostOfLiving.aspx>).
6. 2017-2021 American Community Survey 5-Year Estimates, Tables B09020, S0103.
7. Social Security Administration, Fact Sheet: 2023 Social Security Changes, 2023. (<https://www.ssa.gov/news/press/factsheets/colafacts2023.pdf>).
8. 2017-2021 American Community Survey 5-Year Estimates, Tables B25007, B25027.
9. 2017-2021 American Community Survey 5-Year Estimates, Table B19037.
10. 2017-2021 American Community Survey 5-Year Estimates, Table B10051.
11. LTSS Overview. (<https://www.cms.gov/Outreach-and-Education/American-Indian-Alaska-Native/AIAN/LTSS-TA-Center/info/ltss-overview>).
12. Genworth Cost of Care Survey, Compare Long Term Care Costs Across the United States, California, San Diego Area. (<https://www.genworth.com/about-us/industry-expertise/cost-of-care.html>).