

# PROBLEMS OF THE AGING

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HEARINGS  
BEFORE THE  
SUBCOMMITTEE ON  
FEDERAL AND STATE ACTIVITIES  
OF THE  
SPECIAL COMMITTEE ON AGING  
UNITED STATES SENATE  
EIGHTY-SEVENTH CONGRESS  
FIRST SESSION

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Part 13.—Kansas City, Mo.

DECEMBER 6, 1961

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NOTE.—Thirteen hearings on "Federal and State Activities in the Field of Aging" were held and they are identified as follows:

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Part 3—Los Angeles, Calif.	Part 10—Lihue, Kauai
Part 4—Las Vegas, Nev.	Part 11—Wailuku, Maui
Part 5—Eugene, Oreg.	Part 12—Hilo, Hawaii
Part 6—Pocatello, Idaho	Part 13—Kansas City, Mo.
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## PROBLEMS OF THE AGING

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WEDNESDAY, DECEMBER 6, 1961

U.S. SENATE,  
SUBCOMMITTEE ON FEDERAL AND STATE  
ACTIVITIES OF THE SPECIAL COMMITTEE ON AGING,  
*Kansas City, Mo.*

The subcommittee met at 10 a.m., in the Little Theater of the Municipal Auditorium, Kansas City, Mo., Senator Edward V. Long presiding.

Present: Senator Edward V. Long, committee chairman.

Committee staff members present: Dr. Frank Atelsek, research director; Miss Dorothy McCamman, professional staff member; Frank C. Frantz, professional staff member; Mrs. Edith Robins, professional staff member; and John Guy Miller, minority counsel.

Also present: Daniel Miles, assistant to Senator Long.

Senator LONG (presiding). The subcommittee will come to order.

Ladies and gentlemen, we have a list of witnesses this morning that we will hear as the morning progresses. Our staff has asked that these statements be prepared in written form and copies filed with us. As I understand from the staff, there are only one or two, if any, that have filed them. We would appreciate if you would file your statements with us at this time. As we call the witnesses they will have their opportunity, of course, to be heard, but it will help us if we have copies of the statements here to follow.

Ladies and gentlemen, we are delighted that you are here today. This is one of a series of more than 30 hearings which the Special Committee on Aging of the U.S. Senate is holding over the country.

It is an official hearing of the U.S. Senate and everything said here will be taken down by our reporter. The record of the testimony and discussion will be studied by members of the committee and the staff, and will form the basis for reports to the Congress next year.

I will hold six hearings in Missouri: Today's hearing on Federal and State activities in the field of aging; one on Friday in St. Louis on the subject of housing; one on nursing homes in Springfield next Tuesday; and three on the subject of retirement income in St. Joseph, Hannibal, and Cape Girardeau.

I am glad that we will be able to explore the problems of the aged and the aging in such depth in this State. We now have more than half a million residents who have passed their 65th birthday. Therefore, I think it extremely important that the field hearings which our Senate committee has been holding all over the United States should take adequate recognition of the diversity of needs and resources in a State like ours. I want the record to show the situation

in Missouri's smaller and more rural communities, as well as in our large cities.

We are opening our Missouri hearings with the broad subject of Federal and State activities. Our assignment today spans the total concern of the Special Committee on Aging and provides an opportunity for a broad perspective. We will wish to explore a number of programs and activities designed to meet a wide variety of needs. The special areas of retirement income, housing, and nursing homes, which we will be emphasizing in our other hearings, also come within the scope of Federal-State activities.

I would like to make clear that the charge to our subcommittee is to collect information. This hearing and the others which have been held during the last 2 months provide an opportunity for stock-taking—for assessing the needs of our older people; our resources for meeting these needs at the Federal, State, and community level; and for determining priorities and next steps. We can then move ahead with assurance that we are headed in the right direction.

This morning's session will be devoted to the testimony of expert witnesses. Because our time is so short, we were unable to schedule all the groups and individuals who asked for an opportunity to appear here today. It has been necessary, therefore, to place limits on the number and length of our oral presentations, but we would welcome written statements for the record. We can assure you that we want to hear from every one of you. I personally can guarantee that any written statements will receive our careful attention.

Above all, we want to hear from our senior citizens themselves. This afternoon we will hold a townhall meeting of senior citizens where I hope the real experts, our older people, will speak for themselves about their problems and what can be done about them. I hope that out of their experience and wisdom, they will tell us what we, as a people and as a nation, should be doing to make sure that those same problems do not exist in the future.

Now, as I have indicated in this formal statement, our time is rather limited, we have a large number of people to be heard and it is the desire of the committee that we do hear as many as possible, perhaps have some interrogation of some of the witnesses. We ask that when the witnesses are called that you will not read your prepared statements to us from the platform; we have them here and they will be placed in the record. We would like for you to go over the highlights of them and present them; we don't want to curtail you too much, but for the sake of time and for giving many an opportunity to be heard, we do ask you to hit the highlights of them and then perhaps we can go into them more in detail. I would like to suggest to you too that since we did not receive the written statements from a number of the witnesses—perhaps through some misunderstanding that we did want them before the hearing—that there is a possibility that our staff would want to correspond with you and raise some questions that we would like to have your voice on; which would be of assistance to the committee and to the staff in formulating our recommendations to the full Congress; so if that will be agreeable, perhaps that will be done in some of the cases.

As I have indicated too, this afternoon will be the town hall meeting, we call it, where the senior citizens themselves, who are really



the experts in the field, who spent more time and talent in studying the problems, who are more interested in it than anybody else, have given more thought to it than any other individual or groups, will be given the opportunity to be heard, and certainly the committee is very much interested in hearing your problems and suggestions as to their solutions.

First witness this morning, we have asked my good friend, the mayor of Kansas City, Hon. Roe Bartle, to be here. It is my understanding that the mayor is unable to be here this morning and he has sent his executive assistant, Reynolds D. Rodgers, to be here.

Mr. RODGERS. Yes, sir, I am here.

Senator LONG. The last time I saw Mr. Rodgers was the time of the flood up here a few weeks ago, we were down on Sugar Creek together.

Mr. RODGERS. Yes, sir, that is true.

#### STATEMENT OF REYNOLDS D. RODGERS, EXECUTIVE ASSISTANT TO MAYOR BARTLE

Mr. RODGERS. Senator Long, members of the Subcommittee on Aging and ladies and gentlemen. Of course it is difficult for me to fill in for such a man as Mayor Bartle, but prior to his trip to New York to sign bonds for our water department, he gave me some of his views on this very worthwhile project that is being conducted here today by our distinguished Senator from Missouri.

He wanted me particularly to convey his delight that Kansas City has been asking to participate in this very constructive and penetrating program that Senator Long and his staff are conducting here in Kansas City. We are grateful for the committee's attention to the problem of aging here in the Greater Kansas City area, and we are hopeful for some fruition from it.

Senator, the Kansas City program is new. I understand many of our churches and some particular organizations do have programs that they have been operating for some years. The city itself has a new program. I think back about 3 years ago it started out with about 254 people, we now have about 5,000 people in that period of time, participating in the Kansas City sponsored program. I understand that it has increased from three groups to 27 in that time. The average age is the seventies, we have some people in their late eighties and I understand we also have some people in the nineties actively participating in our golden age program. Certainly this is very gratifying. It indicates that activity does not cease at a certain prescribed age.

Recently we had a convention here and I made these comments, Senator, if I may take a moment. I said I had read recently in our Kansas City Star newspaper, that the great German, Von Goethe, finished Faust at the age of 90, Benjamin Franklin helped constructively to formulate and give to this country our Constitution, while he was in the eighties; I also understand that the Wizard of Menlo Park, Thomas Edison, at the age of 84, was still working on some of his most constructive inventions, so we in Kansas City do not feel that activity ceases because you reach 60 or 65, the so-called age of retirement.

We have Miss Marjorie Melton in our city program; the Central Presbyterian Church has a great program. I am familiar with these groups, I have spoken before them on a number of occasions. Our program, as far as Mayor Bartle feels, as far as the city feels, seems we are limited to recreation only, and the golden age program, the senior citizen program, should not be confined merely to recreation; if we want recreation only, we can look at television and go out and see our 10th place ball club play baseball, if this is all we are looking for. We feel this is just a small part of the aging program and we think that there should be some form of medical program of some sort, I don't know, just some sort of a program having to do with the medical aspect of aging. We noticed a housing plan to be incorporated in our senior citizen program. Strictly, I think that one thing that I have discussed with a number of people is part-time employment. A number of them would like to avail themselves of this opportunity to work, but we have no headquarters and we have no particular place set up where we could have records checked, telephones, people who would have an opportunity to call in and avail themselves of the services of these fine people. So what I am saying is what we need more than anything right now for our senior citizens is a golden age center. We have community centers, we spent millions of dollars for those starting out, but we don't spend much money on those that have done so much for us over the period of years.

With the city itself, with its limited financial situation we hear so much about, we cannot float a bond program for a golden age program. I certainly hope—this is my prime purpose for standing before you for these few minutes, saying—I certainly hope that the purpose, one of the purposes of this hearing is to see if they cannot subsidize the golden age program in some way so that we can realize many of the inadequacies that we have right now and bring them into being.

I think we have a good aging program here, Senator Long, and I think that by more active participation on many of the governmental levels it is a great investment in the future. I think that the people also would have more of a sense of belonging if we can show them we are not interested in just letting them sit around and sing or do some handcraft work. We actually want them to continue the accomplishments that they have given us over the years.

Now, my understanding from other hearings that I have been attending, we have given about \$30 million for juvenile delinquency and I just wonder how much we have given for senior sufficiency, and we hope that there will be some recommendations. I am sure that the groups here represented have particular recommendations for the senior citizens program as it relates itself to the heart of America.

Certainly we are delighted that the Senate subcommittee has come to the heart of America, Senator Long is a great friend of this area and my boss, the mayor, and when we say the heart of America, we are not just saying it as a geographical location. We have the finest people in the world I think, gathered in front of you, you have some of the most generous and hospitable, a vitally energetic people, and we know this is a great place to live and grow, and we certainly hope it will continue to be a great place to enjoy the golden years.

Sir, we hope you will have a most constructive program. The city of Kansas City welcomes you and your committee, welcomes all the people here gathered, assembled to bring about a worthwhile program in the senior planning. The mayor's office is delighted to have you here and I speak a particular word of welcome from myself to you.

Thank you very much.

Senator LONG. Thank you, Mr. Rodgers, and will you please accept my greetings and convey my greetings also to my good friend, the mayor.

It is gratifying to me, as a member of this committee, to learn more about your—the interest of the city in our aging problems. Kansas City is a progressive city, one of the great cities of our State and Nation, in many ways, and certainly they are one of the leaders in recognizing the problem that we have here.

I am not totally without appreciation of your golden age clubs up here. I have a cousin in Kansas City who is a member of it and I am going to introduce you to him in just a minute. He doesn't look like he is 65. I think since he reached 65 and joined that club he has knocked off 20 years. He looks nearer 45. If it does that for him I think it is a great thing. He is very interested in this club. One of the great things we have left.

Howard Ferguson, I would like for you to stand up and take a bow.

I am not 65 and I will swear he looks younger than I do.

We have now with us the mayor of Independence. After the election yesterday I am not just sure who the mayor is or what the situation is.

The Honorable Arch G. Campbell, mayor, are you present?

#### STATEMENT OF ARCH G. CAMPBELL, MAYOR OF INDEPENDENCE, MO.

MAYOR CAMPBELL. Senator Long, subcommittee, we are mighty happy to have you with us too, and friends.

Just to put the record straight, I still am the mayor pro tem of Independence until after April, anyway, but the charter did pass yesterday.

But our golden age program is rather new. It started about a year and a half ago with a—I would say a very, very few people, possibly 20 or 25 at our first meetings. Today it has increased until we have around 200 to 260 belonging to the golden age group, and I definitely think that it is one of the finest things that our recreation department has ever started. I am taking credit that the recreation department started it, however, the Kiwanis Club is one of the boosters of it and one of the sponsors of the golden age club, however, it is under the city recreation division. They meet once a week and about once a month have something special. Any holidays, there is always a special gathering and we are planning right now for a big turkey dinner for Christmas. We had one last year and that was our first one, and it was very small in comparison to what this one is going to be.

Truthfully, the big drawback is finances, how to support this golden age club. Ours, I will say, have been very generous themselves. Actually, they are practically supporting it themselves. There is hardly a meeting but what they don't have a little entertainment. They

furnish their own entertainment, they furnish their own food for little snacks during the meeting. Two or three will bring cakes and things like that, but it has been a wonderful thing for Independence, and it's only in its infancy as far as we are concerned. We are planning big things with it.

There are some of them that come to us, a number have come to me and asked if there is some way they could have an educational program with it. It's surprising how many at the age of 65 that would like to take up bookkeeping or would like to learn some of the things that they have missed out in school, that they didn't have an opportunity or didn't have the time to take, and I think it's wonderful if their minds are that eager to learn, and I think they should have an opportunity. I don't know of a better way that they could spend their time. And I do want to say for Independence, we are very happy that you came and very happy to bring what little message we can to you and we will cooperate in every way, shape and form we can. Thank you.

Senator Long. Thank you, Mr. Mayor. As I said a moment ago, it is gratifying to the committee to learn that the cities here in my home State are cognizant of the problem and interested in solving it, working with us as they have in many ways. We appreciate you coming down this morning.

Now, the next witness is my good friend Senator William J. Cason, and I don't see Bill in the audience. We will pass that for just a moment and perhaps he will be here as the morning goes on.

Now, the next, the first witness then, the first expert witness we might want to call him, that I would like to call, is Mr. Proctor Carter, who is the director of the Missouri State Division of Welfare in Jefferson City.

It has been my great privilege and good fortune to have known Mr. Carter for many years. I have worked with him for many years. I have worked with him during the years I served in the State senate. I worked with him when I served as Lieutenant Governor. In my opinion Mr. Proctor Carter is the most dedicated and distinguished official we have in the State of Missouri. No one feels about this program like Mr. Carter does. I am delighted to have him here this morning.

Mr. Carter, will you come around and have a seat here at the table, please.

Mr. Carter, I would like to suggest that since we have your statement, that you just touch the highlights of it to save time instead of reading it in its entirety.

#### **STATEMENT OF PROCTOR CARTER, DIRECTOR, MISSOURI STATE DIVISION OF WELFARE, JEFFERSON CITY**

Mr. CARTER. I thank you, Senator, for your kind introduction. I would like to say that I certainly compliment you and your subcommittee on holding these hearings throughout the State, because as you well know, you are dealing with a tremendous problem, and one which certainly needs proper solution.

I might also say that in addressing my remarks to you as chairman of the subcommittee I am talking to a man who has always taken a serious interest in the welfare programs and in the problems of older

citizens during the many years you served in the State senate and as Lieutenant Governor.

As has been pointed out, Missouri is a State with a very large number of persons 65 years of age or over. There are something over 500,000 such persons. One out of every eight persons in this State is 65 years of age or older. Missouri ranks second among all the States of the Nation in the proportion of aged persons to the general population.

When you consider, Senator, that in addition to these people over 65 (500,000) there are in the age bracket between 45 and 65, another million, it means that over a third of the entire State's population is in the age group above 45. Of the 503,000 people over 65 in the State, there are 295,000 who receive social security benefits, and of that number 39,000 also receive State old age assistance. There are 112,000 persons over 65 today who receive a monthly benefit in the form of State old age assistance.

These old age recipients receive an average of about \$60 a month. Missouri's average payment is not among the highest in the country, nor do we have many services that other States provide for older people, but our State does exert a tremendous financial effort in behalf of the welfare program. We will spend this biennium, over \$300 million for the State's welfare programs in State and Federal funds. Of that amount, \$52 million will go from State funds for old age assistance to be matched with \$108 million of Federal funds. Through the expenditure of \$300 million on the welfare programs in these next 2 years, Missouri will be spending more per inhabitant, for welfare programs than any other State in the Nation, with the exception of Oklahoma, Colorado, Louisiana, and Washington.

For old age assistance alone, the per capita cost, the amount charged against each citizen for old age assistance in this State is \$19.24, which is exceeded only by Oklahoma, Colorado, and Louisiana.

The medical problems associated with old age are severe, and they are very, very large. In 1959, Missouri began a program of inpatient hospital care for persons on old age assistance rolls, and for others receiving public aid benefits.

The last general assembly appropriated for this biennium about \$2 million to support this program, and with the \$2 million will come \$3½ million in Federal money. We feel that we will be able to pay full per diem hospital costs for people on assistance throughout this current biennial period.

Senator LONG. Let me interrupt. That doesn't include people on social security benefits, that is our old age assistance program?

Mr. CARTER. Old age assistance and other persons on welfare. But of those on old age assistance, Senator, 39,000 of them are a combination of old age assistance and low social security grants, so it would include some of them.

There are 141 hospitals that are participating in the Missouri hospital care program. We pay through this program, hospital care for a period of 14 days per admission, and, as I said, pay the full hospital per diem cost. There is no restriction on the number of admissions to a hospital during the year.

During the last biennium we supplied hospital care for 15,000 older persons, using a total of 202,575 hospital days, with an average hospital stay of 13 days. The average per diem hospital cost during that

period was \$22.05. The last Congress enacted legislation which would extend medical care to persons in the aged population but not on assistance rolls in the form of the Kerr-Mills bill, and Missouri has not availed itself yet of this particular Federal program.

The last session of the general assembly considered a measure which would have provided a rather complete hospital and medical care program for persons on assistance rolls, extending the inpatient hospital care program, and also through the Kerr-Mills legislation to cover people not on public assistance rolls but over 65 years of age and medically indigent. Unable, while meeting other expenses, to meet high hospital and medical costs.

This particular piece of legislation set forth these services: Inpatient or outpatient hospital or clinic services, skilled nursing home services, physician's services, home health care services, diagnostic screening and preventive services, private duty nursing services, dental services, prescribed drugs, eye glasses, dentures, and prosthetic devices, anesthesia, laboratory and X-ray services, physical therapy and related services.

This legislation did not pass. A hearing was held and it was determined that because of the difficulty of arriving at the financial cost of such a program, it was deemed proper by the legislature to appoint an interim committee, composed of five senators and five house members and headed by Senator William J. Cason of Clinton, Mo., to make a study of the entire scope of medical care for aged persons and make a report to the next session of the general assembly.

Senator LONG. Pardon me. I notice in your prepared statement you said that this legislation failed primarily to pass because of the cost involved. It is roughly on a 50-50 basis with the Federal Government.

Mr. CARTER. It is higher than that, Senator. On the hospital care program that we have now, it is about 68 percent Federal and 32 percent State. Under the Kerr-Mills it is about 53 percent Federal and 47 percent State.

Senator LONG. Forty-seven percent State money would come out of our general revenue, our general taxes?

Mr. CARTER. That's correct. And, Senator, I would like to say here that there was no lack of interest, enthusiasm, or sympathy for older persons among the members of the general assembly that had anything to do with the bill not passing. It was just a question of how much it would cost and it was very difficult to try to make estimates, because we had not had previous experience in this type of program.

Incidentally, this interim committee has met under Senator Cason and it is a fine committee. I testified before the committee and plans were made to hold further hearings and possibly to visit other States that have more complete medical care programs for the aged, both under the public assistance statute and under the Federal Kerr-Mills statute. The committee plans to visit other States or to invite the heads of the States welfare departments into hearings in Jefferson City.

Now, I might say, Senator, that while our medical care provisions for people on public assistance are now limited to in-patient hospital care, it would be a simple matter to amend the State law to include

any other services of a medical nature that the legislature might desire. These could include nursing care, payment of physicians services, drugs, or any of a number of other medical services.

Senator LONG. Mr. Carter, forgive me for interrupting. It is sometimes a little easier to pose a question at that time.

In this type of medical care that you now operate in the State, do you use county hospitals or what determines what hospitals you use?

Mr. CARTER. We use any general hospital, Senator, and the physician sends the patient to any hospital.

Senator LONG. Does the patient have free choice of what physician he wants?

Mr. CARTER. Of course. It operates in exactly the same fashion as the entrance of any other person into a hospital.

Senator LONG. Even though when the counties—where they have county hospitals and county doctors, they are not required to use just the county doctor or the county hospital?

Mr. CARTER. No, Senator. The way this operates, if a person is sick, with what the law terms a "medical emergency or acute serious illness," the doctor puts that person in the hospital in the normal procedure. They don't clear with the welfare office or anybody else. That patient goes to the hospital, then the hospitals inquire of the individual, and make a determination if that person is receiving any type of public assistance. Then they clear with our county offices and if they are receiving public assistance, at the end of 14 days hospital stay the hospitals submit their statement to us and we pay the bill.

Senator LONG. I am glad to hear that, because I am very anxious that whatever program we have, our aged citizens have the right of choosing their own doctor and the doctors have the right of accepting the patient if they care to; they are not just required to go to their county doctors and the same would be true of the hospital.

Mr. CARTER. Senator, the Missouri Legislature, I thought, quite wisely provided for a medical advisory committee to the director of the division of welfare in carrying out the hospital care program. We have quite a fine committee with the State medical association being represented, the State osteopathic association, the State hospital association, the State osteopathic hospital association and others concerned with the problem.

Senator LONG. I notice in your statement you mentioned medically indigent. Does that mean that they have to be without funds?

Mr. CARTER. Well—

Senator LONG. Not able to pay it themselves before you can pay it under this program?

Mr. CARTER. That is the program that Missouri doesn't have. That is the program that is involved in the current Kerr-Mills Federal legislation. That is set up for people who are able to take care of normal living expenses and who do not qualify for old age assistance, but who are medically indigent. They can't take care of doctor bills and certain other medical expenses.

Senator LONG. That is why we hear the complaint they have to sign a pauper's oath.

I would like to suggest to our audience that we have no demonstration of any kind for or against any statement that is made from

the table here or from our witnesses. We want your feelings one way or the other on the matter but we want to be free and fair, all of us, so I will appreciate it if you will refrain from that.

Then, Mr. Carter—I am sorry to interrupt. I do have some other questions. If you care to go ahead.

Mr. CARTER. All right, sir. Well, as I have mentioned, we have hospital care only for people on public assistance rolls. They are not only medically indigent but indigent in every other respect. They have to have public aid. We have this in-patient hospital care, which with State legislative action could be extended to include any one of a considerable number of medical services. Federal funds would provide 68 percent of the matching on such a program.

Now, by enactment of new legislation, the State of Missouri could take advantage of the Federal Kerr-Mills bill which provides Federal funds—to be matched with State funds—for a program of medical care for people over 65 who are medically indigent. That would require brandnew legislation. The legal formula provides 53 percent Federal funds and 47 percent State funds.

Any type of medical care, either to those on public assistance rolls or the medically indigent, would be affected in our State in substantial measure if Congress enacts legislation providing certain types of medical care financed through the social security system. It is entirely possible that Congress will act one way or the other on this legislation before the next Missouri Legislature convenes in session.

I want to point out that any action taken by the Missouri Legislature to improve medical care for the aged, despite the favorable Federal matching formula, will require a considerable amount of State money, because this type of care is very costly. The amount of State money and Federal money required will depend on, first, the number of aged persons to be included in the program, and second, the extent and variety of medical services provided.

Finally, Senator, I would like to say that the last session of the Missouri Legislature considered a bill to set up by law a State commission on aging. This measure included on the commission members of the legislature, department heads of State government and representative citizens interested in the problem.

I think perhaps when you were a member of the general assembly a similar bill was introduced. The bill did not pass, principally, I think, because it was introduced late in the session and I think it will probably be introduced in the next session of the legislature.

Governor Dalton, recognizing the magnitude of the problem of aging, and the fact there is no official State body to give attention to it, recently set up through executive order, an interdepartmental committee on aging made up of heads of the various State departments most closely concerned. These departments include health, welfare, education, employment, security, vocational rehabilitation, commerce and industry, mental health, workmen's compensation, and personnel; the Governor charged the committee to study the whole field of aging and make recommendations to him for the next general assembly.

It is my belief, Senator, that the next session of the Missouri Legislature will devote a lot of attention to improvements in laws relating to older Missourians. I certainly hope that at the least, funds will be available to increase the grants for those on assistance rolls; im-



prove medical services for the aged; and establish a permanent State commission on aging.

Senator LONG. Mr. Carter, I want to go back to the medically indigent provision of the Kerr-Mills bill. You, of course, deal with a lot of senior citizens or older people. This committee heard the testimony from a professor at the University of Minnesota earlier in the week, who testified, as I recall, that he had talked to several thousand senior citizens and in his judgment the senior citizens actually had a greater fear of insecurity from medical care and hospitalization care than they did from death itself, and that they feel a great fear of not being independent when they had to take this type oath or operate under that type formula. Have you had any experience with them or would you care to comment on any view that you might have from your associations with them or discussing with them the problems of their medical care?

Mr. CARTER. Senator, I don't think there is any question about it, most people—and they don't have to be 65 years of age or older—are in dread of extended illness, or long-term hospitalization. I am sure that is a fact. I know that since Missouri has started the hospital care program, a number of people who are on public assistance rolls are facing the future with less apprehension.

Providing hospital care for over 15,000 individuals using over 200,000 hospital days has been a tremendous help to the elderly. I am quite sure that I can say with great accuracy that anything that can be done to improve the lot of our older people in terms of help with their medical costs and help with their hospital costs, is a great thing and will ease the minds of a large number of people.

Senator LONG. You would say that is probably one of their greatest fears, greatest problems?

Mr. CARTER. I am sure, Senator, I am sure of that, and I hope that better provisions can be made for the people when the Congress and our legislature meet next.

Senator LONG. Mr. Carter, the Kerr-Mills legislation, that was considered by the last session of the legislature and was not passed, do you recall what was the income level which the person was defined as medically indigent, considered at that time?

Mr. CARTER. Senator, I am sorry, I don't remember that figure that was in the bill. I know that in talking to directors in other States there are wide variations. I believe in Michigan you will find it is probably \$2,500 for a married couple. In one of the States it is down as low as \$100 a month, \$1,200. If they make more than that they wouldn't qualify.

Senator LONG. Now, throughout the course of the hearings we have often heard mentioned that increases in social security benefits under our social security system made by Congress, are not passed on to the senior citizens who are receiving both social security and welfare benefits. In other words, if Congress increases the social security benefits, the State in turn reduces the public assistance benefit or the old age pension benefit, and actually the senior citizens themselves get no increase. Is that true in Missouri or do you have any information about it?

Mr. CARTER. Senator, of the 112,000 people in the State that receive old age assistance, about 90,000 of them receive the \$65 maximum. As

you know, we have to operate on a "needs" basis and have to make out a budget for each case. Now, the vast majority of the recipients would receive the social security increase, but suppose a person is receiving \$30 old age assistance because they have other income, and their need is completely met. If the social security payment was to be increased in this case the old age assistance grant would have to be decreased correspondingly. We can't pay more than the budget need and must consider income from any source.

Senator LONG. In other words, it would be of no benefit to them?

Mr. CARTER. Not to that particular case. The ones getting the maximum payment would benefit because the ones at the top normally have very little else, the ones with lower assistance grants have more resources.

Senator LONG. What percentage or how many would be affected in a situation like that, that would get the full maximum, \$65?

Mr. CARTER. The percentage?

Senator LONG. Yes.

Mr. CARTER. Well there are about 90,000 out of 112,000 at the maximum.

Senator LONG. Mr. Carter, we thank you for a very informative statement. We appreciate you coming over. You were very helpful to the committee and staff, and I am sure will add much to our consideration to this problem.

Mr. CARTER. Senator, I want to take this opportunity to thank you for permitting me to testify.

(The prepared statement of Mr. Carter follows:)

PREPARED STATEMENT OF PROCTOR N. CARTER, DIRECTOR, MISSOURI DIVISION OF WELFARE

Senator Long, members of the subcommittee, ladies and gentlemen. I am director of the Missouri Division of Welfare, the agency responsible for the administration of the State's public assistance programs, including assistance to needy aged persons 65 years of age and over. These programs are financed jointly by the State and Federal Governments. As a preface to my remarks, I should like to express my appreciation for this opportunity to discuss one of our great human problems, the challenge presented by the needs of our older citizens. I believe this subcommittee provides a forum through which proper focus can be placed on the material, health, and social status of those who have contributed so much to the development of our State and Nation.

We in Missouri are particularly concerned with the problems associated with old age because Missouri ranks second among the States in the proportion of persons 65 and over to the total population of the State. The 1960 census showed that more than a half million Missourians (503,411) are aged 65 or over, representing about one out of every eight persons (11.7 percent) in the general population. The aged population of Missouri increased by almost one-fourth (23.6 percent) since 1950, compared with an increase of only 9.2 percent in the total population of the State. In 1900, Missouri had 113,000 aged persons—today the number is 503,000, an increase of 345 percent. At the same time, the total population of the State during this 60-year period increased from 3,106,665 to 4,319,813, or only 39 percent.

Of equal significance is the fact that there are 936,000 men and women in Missouri between the ages of 45 and 65, representing more than one-fifth (21.7 percent) of the total population of the State. These, together with the older age group, constitute one-third (33.4 percent) of the total population of Missouri. A half century ago, the median age of the State's population was 21 years. Today it is 32 years.

The growing number of persons in our society both in absolute terms and as a proportion of the total population has brought a number of problems associated with old age. One of the most important is economic security—the problem of

income maintenance in old age. Beginning with the first payments under the Federal old age insurance program (later referred to as OASDI) in 1937, economic security for aged persons was established for the first time on a national scale. As the years have passed, more and more aged persons have been included in the social security program and the rate of benefits increased. Today there are 295,000 aged persons in Missouri receiving OASDI benefits averaging about \$71.50 per month. Of this number, 39,000 also receive old age assistance. The number of OASDI recipients represents about 6 out of 10 (58.3 percent) aged persons in the State. Old age insurance benefits, therefore, represent a substantial economic resource for the largest proportion of older people in Missouri.

A second source of income for about one-fourth (23.1 percent) of all aged persons in Missouri is old age assistance (later referred to as OAA). This type of assistance is paid to needy aged persons who are without sufficient income or resources of their own. It is significant to point out that as the old age insurance program has been broadened in scope and benefits through the years, the OAA rolls have shown a corresponding decline. At present about 112,000 aged persons are receiving OAA benefits compared with a peak load of 133,732 in June 1954. This represents a decrease of 21,233 recipients or 16 percent during this 7¼-year period, or an average monthly decline of 244 recipients. At the same time the average monthly payment increased from \$49.59 in June 1954 to \$59.38 in October 1961, an increase of 19.7 percent.

Although Missouri does not provide as high payments and as many services to aged persons as some other States, Missouri's fiscal effort in behalf of public assistance recipients is very large. For the 1961-63 biennium, a total of \$297.3 million was appropriated to meet public welfare costs, of which \$107.9 million is from State general revenues. Payments to OAA recipients alone will cost \$159.4 million for the biennial period, of which \$52.2 million will be from State funds. Public assistance costs in Missouri constitute more than one-fourth (26 percent) of all State general revenue funds. For the 1959-60 fiscal year, the amount expended per inhabitant for all public assistance payments was \$30.80—exceeded by only four other States (Oklahoma, Colorado, Louisiana, and Washington).

For OAA payments alone, per capita costs amounted to \$19.24 compared with a national average of \$10.42, and exceeded by only three States (Oklahoma, Colorado, and Louisiana).

Meeting the medical needs of a large and growing population of older people is a serious and challenging problem. The incidence of chronic disease and disabling illness is highest in later life and consequently the prevalence of these conditions increases as the proportion of older people rises. More and more medical, surgical, and hospital facilities and services are being devoted to the health problems at the older ages.

Since 1959, Missouri has been operating an inpatient, hospital-care program for persons receiving old age assistance and others on the welfare rolls. Section 208.150(4) of the State law, which provides for inpatient hospital care for persons on assistance rolls, reads as follows: "Benefit payment in excess of the maximum amounts allowed by this section may be made on behalf of recipients of public assistance for the purpose of providing inpatient hospital care in a hospital licensed by the division of health to persons requiring hospitalization for medical emergencies or acute serious illness \* \* \*."

The 71st Missouri General Assembly appropriated \$2,085,053 from State general revenues to finance this program during the 1961-63 biennium. Anticipated Federal funds will total \$3,428,043, making a total of \$5,513,096 available for hospital payments during the 1961-63 biennium. We expect to pay full per diem hospital costs during this biennium for those on welfare rolls. Under the program, payment for hospital care is made direct to the hospital. Out of a total of 174 licensed general hospitals in Missouri, 141 are participating in the program. By regulation, hospital care is limited to 14 days per admission, with no restriction on the number of admissions per year.

During the 1959-61 biennium, 15,048 OAA recipient hospital claims were paid. These aged patients used 202,575 hospital days for an average hospital stay of 13.5 days. The average per diem hospital cost was \$22.05. The average per diem paid by the division of welfare is about \$18.46. This smaller amount is due to the fact that some persons who enter the hospital have insurance or other resources to apply on their hospital bills.

In order to extend medical care to a larger proportion of the aged population, the last Congress authorized a program of medical assistance for persons over

65 years of age, exclusive of those receiving old-age assistance. This legislation has come to be known as the Kerr-Mills bill. The State of Missouri has not, up to this time, taken advantage of the legislation.

The last session of the Missouri General Assembly, however, did consider legislation (H.B. 690) which would have established a more comprehensive medical care program for aged persons receiving OAA, as well as providing for these aged found to be medically indigent under provisions of Kerr-Mills legislation. Medical care services set forth in this bill included " \* \* \* inpatient or outpatient hospital or clinic services; skilled nursing home services; physician's services; home health care services; diagnostic screening, and preventive services; private duty nursing services; dental services; prescribed drugs, eye glasses, dentures, and prosthetic devices; anesthesia, laboratory, and X-ray services; physical therapy and related services." This legislation failed of passage primarily because of the substantial cost involved and not because of indifference or lack of interest on the part of the members of the general assembly.

After a hearing on house bill 690, it was decided by the Missouri General Assembly to establish an interim committee, composed of five State senators, and 5 representatives, to study all facets of the medical needs of aged persons in Missouri, and submit a report of its findings and recommendations to the next session of the State legislature, which convenes in January 1963. The interim committee met on November 3, at which time the major problems and possibilities were outlined. It was determined that hearings of the committee would be held in different sections of the State and that information on medical care programs in other States should be secured.

Although medical care provisions for old-age assistance recipients in Missouri are limited to inpatient hospital care, the following steps could be taken by the Missouri General Assembly which would broaden the scope and coverage of these services under existing State law.

1. With minor amendments to the State law, we could add a number of medical services for persons on State old-age assistance rolls. These added services would round out medical care for persons receiving OAA who now can look only to inpatient care in the hospital. Federal matching funds would be available on the basis of 68 percent Federal and 32 percent State. This is the matching formula under which we are operating the hospital program at the present time. It strikes me that this would be the first step toward improvement in medical care for the most indigent group of persons in Missouri 65 years of age and over.

2. By enactment of new legislation, the State could take advantage of the Federal Kerr-Mills law which would extend medical care to persons not on assistance rolls, but who are over 65 years of age and unable to adequately finance their own medical care. The matching formula under Kerr-Mills is 53 percent Federal funds and 47 percent State funds. I should think that this step would be taken only after adequate provision is made for those receiving State old-age assistance.

3. Any type of extension of medical care, either to those on assistance rolls or the medically indigent would be affected in substantial measure if Congress enacts legislation providing certain types of medical care financed through the social security system. It is entirely possible that the Congress will have decided this point one way or another before the next Missouri General Assembly convenes.

Any action taken by the Missouri Legislature to improve medical care of persons over 65 in Missouri will require a large expenditure of State funds, even taking into account the favorable Federal matching formula. The amount of money required will depend on (1) the number of aged persons to be included in the program; and (2) the extent and variety of medical services provided.

The recent session of the Missouri Legislature also considered a proposal to establish a permanent commission on aging, consisting of 15 members, 6 to be legislators, 5 citizens at large appointed by the Governor, and 4 ex officio members, including the directors of the division of health, division of welfare, division of employment security, and State department of education. This legislation was not passed, but will quite likely be introduced at the next session of the general assembly.

Recognizing the immensity of the problem associated with aging and the absence of an official body to give attention to it, Gov. John M. Dalton, on November 1, 1961, appointed an interdepartmental committee on aging made up of heads of the various State departments most closely concerned. These de-

partments include health, welfare, education, employment security, vocational rehabilitation, commerce and industry, mental health, workmen's compensation, and personnel.

In appointing this committee, Governor Dalton asked that it be concerned primarily with the following:

1. To provide a mechanism by which governmental agencies can coordinate their plans, policies, and activities with regard to aging.
2. To create public awareness and understanding of the needs and potentials of older persons.
3. To gather and disseminate information about research and action programs and provide a clearinghouse for current plans and proposed activities.
4. To recommend legislative and administrative action on behalf of the aged.
5. To carry out special projects within the departments concerned to add to the store of knowledge of the problem and to attempt to find feasible solutions.

It is my belief that the next session of the Missouri Legislature, which will convene in January 1963, will concern itself with a number of improvements in the laws relating to older Missouri citizens. I would hope that at the least funds may be available to improve medical services to the aged, increase the amount of benefits, and establish a permanent State commission on aging.

Senator LONG. Senator Cason is not here yet, is he? Mr. Albert Incani—I apologize if I did not pronounce that name correctly—who is chairman of the Committee on Aging, Regional Health and Welfare Council of Kansas City. Will you have a seat, sir. Did I pronounce your name correctly?

Mr. INCANI. Thank you, Senator. Don't have any qualms about it, Senator, because it has been mispronounced so often. I always just say think of the girl's name, Connie, and put an "in" in front of it.

#### **STATEMENT OF ALBERT INCANI, CHAIRMAN, COMMITTEE ON AGING, REGIONAL HEALTH AND WELFARE COUNCIL, KANSAS CITY**

Mr. INCANI. Senator, time is marching on. I will be as brief as possible. Of course, you do have a copy of our report.

As you know, this committee of the health and welfare council on aging was organized only this past summer. In brief, I would like to say that in planning in relation to aging, whether it be governmental bodies or others, that the planning should be in terms of the programs and services which the aging want and will use rather than what the individuals or committees think they ought to want or use. In short it should be planning with the aged for the aged.

I think it is high time, Senator, that we start looking upon our matured citizens as people and not treat them as old people nor as children, but as just plain people.

Our committee supports the principle of the establishment of a State commission on aging as the best means for giving leadership to planning on the statewide basis, and as a consideration to coordinating existing services. This we have not had. We know it has been turned down by the legislatures in the past, but we feel that we should start from the top and work down into our communities now.

On the subject of medical care of the aged, our committee recognizes that this is a serious problem for which a solution must be found, but at this point we have not taken a position regarding any specific proposals. We are aware of the fact that our old-age assistance program in the State of Missouri is, well, let's be frank about it, is one of the poorest in the country, and I think that we have to take into

consideration that if we are going to talk about standards of care and facilities for the older citizens, that it costs money and someone has to pay for it.

This committee, after inquiry with other urban areas, has come to the conclusion that the division is of sufficient importance that a committee such as ours should be staffed with a full-time professionally qualified person. We are, at the present time, in the process of seeking to implement this conclusion and will have a planning director for the entire regional area, which consists of Platte, Clay, Jackson, Cass, Wyandotte, and Johnson Counties.

I said I would be brief.

Senator LONG. Mr. Incani, we are grateful to you and we do appreciate your appearance here this morning. Your full statement will be made part of the record and I am sure will be very helpful to the committee and to the staff.

Mr. INCANI. Thank you, sir.

(The prepared statement of Mr. Incani follows:)

#### PREPARED STATEMENT OF ALBERT INCANI

The committee on aging of the regional health and welfare council was organized in the summer of 1961 and charged with the responsibility of exploring the special needs of the older citizens to determine existing resources and services and the unmet needs, and to recommend appropriate ways of meeting these identified special needs of the aged. The committee is also asked to offer a means of coordination of and intercommunication between those agencies and organizations providing special services to the aged. Further, we are to recommend and develop appropriate special projects designed to improve the knowledge and services relating to the older citizens. The committee's activities have been largely exploratory to this date. They have consulted resources, both in this community and in other areas, in order to gain guidance in determining the course of action.

On the basis of their activities and findings to date, we submit the following recommendations and specifications to the Senate committee:

(1) We are convinced that in planning for our older citizen, agencies and organizations, whether governmental or voluntary, should in their undertaking move in terms of the kinds of programs and services that the older citizen wants and will use and avoid programs based on the concept of committees as to what they ought to want or use. In short, planning in relation to the older citizen should be with rather than for him.

(2) The committee strongly believes that there should be established at the State level an official committee or commission on the aging which should serve as the focal point for coordinating State agency programs among themselves, and in relation to other existing services to our older citizens, thus serving as a focal point for statewide planning and coordination of activities for the older citizen.

(3) Relating to medical care for the aged, the committee has become fully aware that the provision of such medical services requires considerable attention. There are manifold evidences that in numerous individual situation the services are not adequately available. The evidence indicates that many of our older citizens are without means to cope with long-extended and costly medical services. The committee has not reached the point of endorsing any particular proposal, however, they are convinced that programs must be developed which will enable the senior citizen to secure needed medical care and that this must be done on a basis that will preserve his dignity and self-respect at all times.

(4) The committee, after inquiry and consultation from other urban areas, has concluded that this field of concern is of sufficient importance that to be effective a committee such as ours should be staffed on a full-time basis by at least one professionally qualified person who can provide the technical consultation and services to effectively implement the charge to this committee. We are presently in the process of seeking ways and means to secure such service.

(5) The committee as it has proceeded has given primary attention to orientation and inquiry. At the same time it has taken active concern in current de-

velopments in the community relating to the special needs of the older citizen. Specifically, it has urged the establishment of a State commission. It has recommended to its parent body, the regional health and welfare council, that they urge on the city council the enactment of currently proposed legislation to provide for the licensing of boarding homes, and nursing homes not now under State supervision which serve the aged and handicapped person with the view that these persons, because of their limited resources, frequently are unable to adequately protect their own interests and, therefore, need the protection provided through a sound program of licensure and supervision of such facilities.

The committee has already reached the point of recognition that there needs to be much work done in meeting the special needs of the older citizens in our community. As the result of our inquiry in other communities of like size, we feel that our State and city have not made the progress which has been made in most similar communities and that, therefore, our task is urgent and becomes increasingly so when we consider the high rate of incidence of aged in our community and the increasing span of life of the older citizen after his time of retirement which results in intensifying of the concerns and needs of the individual and the demands of his existing resources.

Senator LONG. Dr. J. H. Summers, president of the Missouri Medical Association will be our next witness. I believe Dr. Summers is from Lebanon, is that right, Doctor?

Dr. SUMMERS. That is right, Senator.

Senator LONG. Will you have a seat.

#### **STATEMENT OF J. H. SUMMERS, M.D., PRESIDENT, MISSOURI STATE MEDICAL ASSOCIATION**

Dr. SUMMERS. Senator Long and members of the committee, I am Jacob H. Summers, a resident of Lebanon, Mo., where I have been a practicing family physician for 30 years, and this year, in addition to serving my patients in the south-central portion of our State, I have the privilege of serving as president of the Missouri State Medical Association.

In behalf of the more than 3,800 doctors who are members of the State association, I want to thank you for this opportunity of presenting a brief statement at these hearings. My colleagues and I applaud efforts such as this to ascertain the real needs of our senior citizens in matters of health, housing, and income.

It is my sincere hope that these hearings will help pinpoint the specific problems that may actually exist and, to the exclusion of emotional assumptions, cast more light on questions that involve the health and welfare of fellow human beings.

As a physician, I should like to narrow my remarks primarily to the health care aspects of Federal-State relationships in the field of aging. Although health care is a tremendously broad and complex area, in the interest of time I shall touch on only three basic points. These are:

First, private, voluntary health insurance protection. Second, the available local and State resources for meeting the health needs of our aging citizens. And third, the proposed Federal social security approach to health care.

To place these topics in proper perspective, perhaps we should first enumerate a few facts regarding those who are over age 65 in Missouri. The latest census figures show that one of every eight Missourians today is 65 or more years of age. This is a higher ratio of older people than any other State except Iowa—and would indicate,

incidentally, that our standards and availability of care are as good as, if not better than, you'll find anywhere. In all, we have approximately 503,000 people who are over 65.

Relating these facts to voluntary health insurance protection, let's look at what has been accomplished in a few short years by private health protection plans such as Blue Cross and Blue Shield and the commercial insurance companies.

Since their inception about 20 years ago, voluntary plans have grown until, today, 134 million Americans have some kind of protection against the costs of illness. This constitutes about 74 percent of our population. Even more significant has been the constant rate of growth of prepaid health protection. In recent years, for instance, the number of people covered has increased by 3 to 5 percent each year—and this growth is bound to continue for years to come, if not hampered by unwise governmental action.

This same situation applies throughout the country to those over 65. Even though health coverage of older people is relatively new, already 53 percent of the people who are between 65 and 74 years of age have protection, and more than one-third of those 75 and over are covered. These percentages, too, will grow rapidly in the next few years if the voluntary plans are allowed to do the job they have already started so well.

The extent and adequacy of coverage is also growing rapidly. In 1959—the most recent year for which I've been able to get comparative figures—\$5.2 billion in health insurance benefits was paid out. This is a 90-percent increase in benefits over 1954. During the same 5-year period, the number of people covered increased 26 percent.

In 1959, health insurance benefit payments accounted for 53 percent of the public's total hospital bill, compared with just 40 percent in 1954. Voluntary health insurance benefits also covered 28 percent of all physician charges in 1959, as against 21 percent in 1954. These statistics indicate that year by year, voluntary insurance is increasingly paying a greater portion of our hospital and medical bills.

What has occurred on a national scale is also happening here in Missouri. Today, more than 80 percent of all Missouri residents have some form of voluntary health insurance protection. Of those who are over 65 in our State, approximately 48 percent have this type of private insurance—or 230,000 retirees and other senior citizens.

I think we should bear in mind, too, that the majority of these older folks have been attracted into voluntary insurance programs just within the last 5 to 7 years. So it is reasonable to expect that a much higher percentage of them are going to have the advantage of private insurance protection as time goes on.

Now I do not want to imply that voluntary insurance is the complete answer to the health care needs of our aging population. A certain amount of need continues to exist, although I believe it has been exaggerated in many quarters. Other workable programs must be relied upon to solve, for example, the needs of people who—at least temporarily—are unable to pay full premiums for private insurance coverage. Incidentally, I find it tremendously gratifying that even though our over-65 population is increasing every year, the number of older people who must rely on public assistance has been dropping steadily in our State for the past 7 years.



This brings us to the second topic I should like to touch on for a moment, namely local and State resources for assuring adequate health care to our older citizens.

At the present time there are about 112,000 people over 65 in Missouri receiving old-age assistance. These people have the benefits of our State's present vendor medical care program, which provides full hospital care for acute serious illness for 14 days for each confinement. In addition, of course, the program makes payments of up to \$100 a month for patients who are totally bedfast in a nursing home or in their own homes.

As to physicians' care for our indigent aged, I am convinced that doctors always have and always will see that no patient, regardless of income, is without needed care, provided the patient asks for it.

In addition to these existing sources of care, we have throughout the State literally hundreds of privately sponsored or tax supported local agencies equipped to furnish every conceivable type of health service. These agencies, too, stand ready to assist those who need care.

Still, there is perhaps room for expanding and improving our local and State health programs. There are some older people, for example, who have adequate incomes to meet everyday living costs, but who could not afford the extra expense incurred in times of sickness or injury.

Actually, in all such problems of providing health care, the question is simply one of money. Thus, we must view our solutions not only in terms of Federal and State relationships, but also Federal relationships with the individual citizen. In this area the question seems to be one of who is to provide the money, and who is to spend it.

One solution to the problem of providing additional funds for health care would be to remove the present \$1,200 limitation on every social security recipient's earnings, so that he could, if he wished, earn additional income himself. Our self-respecting senior citizens would undoubtedly prefer this to any program in which the Government decides that older people are incapable of handling money themselves—therefore, the Government must restrict their incomes and, instead, make them wards of the State.

Another way we might solve the problem of funds for health care would be to increase monthly cash payments to those on social security and trust our over-65 people to spend this money on the things they need, including health care.

Still another solution lies in the further implementation of the Kerr-Mills law passed by Congress in 1960.

The Kerr-Mills law provides everything in the way of health care and services that our older people need. It provides assistance to those who need help, without involvement of those who neither need nor want to be involved in a huge, costly, compulsory governmental medical program.

Further implementation of this law in Missouri is currently under study by a special interim committee of the legislature, and I believe, there is an excellent probability that the present health care assistance program will be expanded as a result. Further implementation can, in effect, extend the present vendor program both to our needy and near-needy groups and permit our tax dollars to help where help is actually needed, without having to resort to massive programs that

ultimately would make us all end our lives as wards of the Federal Government.

Third, and last of the points I should like to refer to quickly, is the proposed Anderson-King bill, which would tie health care for many of our aging citizens to the social security program. I have a feeling that a large number of people who have discussed this proposal have not thoroughly studied the bill's provisions or objectively weighed its effects.

For instance, here in our State we have approximately 400,000 retired persons—about 80 percent of those over 65 receive social security. Thus, 20 percent of our senior citizens would be ineligible for health benefits under social security.

The specific provisions of the proposal are, however, not as important as an assessment of its overall effects. It is a proposal that would, for example, violate for the first time the principle of providing social security benefits, in cash, as opposed to furnishing goods and services. I wonder what our over-65 citizens would say to a proposal that would reduce their present cash benefits and furnish instead actual food and clothing? Yet this is exactly what the Anderson-King bill proposes with respect to health care.

It is also a proposal that would inevitably mean Government interference—and ultimately Government control—in the relationships between a patient and those who provide his health services. It would be inordinately expensive and lead to unnecessary overuse of our medical facilities. It would be compulsory for everyone, whether or not they needed or wanted to participate in the program.

As one who has given much thought to this proposal and who has searched out the answers to the best of his ability, I submit that adoption of the Anderson-King proposals would be a terrible mistake for our country.

It would, as many of the bill's supporters have openly admitted, inevitably mark the first step toward socialization of our private health care system, not only for our aged, but for every citizen. It would place a heavy, and unnecessary, financial burden on taxpayers for establishing a system to pay for health care for many who do not actually need help in providing for themselves.

We are already equipped to handle through private voluntary means, coupled with the Kerr-Mills law and our own local and State resources, all the things that the Anderson-King proposal professes to do for our aged people. Our own self-reliant efforts should be encouraged by the Federal Government and given a full opportunity to eradicate what problems remain. There is no necessity for imposition of a compulsory, tremendously expensive, unnecessary Federal program that takes away the right of every citizen to act for himself, in the personal provision of his own health care. Thank you.

Senator LONG. Dr. Summers, thank you for a very fine statement. I would like to ask you a question or two. I am sure that you will explain it to us.

In your statement you refer to the voluntary health program, the Blue Cross and the Blue Shield, which has been a very outstanding service. I am concerned and the committee is concerned, of course, in regard to that type of provision or the provision of private insurance coverage, about the cost of it. As I recall, the cost of Blue

Cross and Blue Shield has materially increased in the last year. The cost of private insurance coverage has materially grown. As I understand, too, the average income of a retired citizen is roughly \$1,000; is that not right, the average citizen has less than \$1,000? Now, as I understand these policies, they are paid for during the lifetime or during the time a worker can carry them. An individual can carry them during his active time of earnings, but as high as the cost is now, don't you feel that there is some possibility that he wouldn't be able to carry them after he had retired and passed the peak of his income?

Dr. SUMMERS. Well, Senator Long, as far as the provision of the insurance program, I might speak more specifically on Blue Shield coverage. It can be obtained in the State of Missouri by citizens regardless of age, and if they once obtain it, either in a group or as an individual, it is not discontinued the remainder of their lifetime.

Senator LONG. I understand that, Doctor, I understand there are individual policies in private companies that are noncancelable, but the point I am trying to make, after a man retires, his income drops down, average income is about \$1,000 a year, and it is not a paid-up policy like we have in life insurance; there is still that monthly or yearly expense to maintain the policy. Isn't there some possibility that, at the price we now have to pay for this type of insurance, the cost would be prohibitive to people in that income group? The company can't cancel it, but the citizens themselves would not be able to carry it.

Dr. SUMMERS. Senator, I see your point. I think then I would say that those people who are retired and able to work and want to work, should be allowed to work and draw their social security or through an implementation of our present law in the Kerr-Mills bill, implemented in our State, to assist those people who need it.

Senator LONG. Well, Doctor, I am very much impressed with your thought of permitting them to work and earning more than the \$1,200, to raise that or to remove that restriction. That is one of the problems our committee certainly is getting information on, but I am concerned about those people, there are quite a number of those people in that age bracket that as they get older, more so, are unable to work, their incomes are very limited and they are not able to have employment with income. It seems to me that those—I don't want to belabor the question with you—but it seems to me that those people are being placed in a position that they wouldn't be able to carry our ordinary, private coverage from companies or from Blue Cross and Blue Shield.

Dr. SUMMERS. If they were unable to do so, implement our present setup in the Kerr-Mills to give them assistance to do so.

Senator LONG. Doctor, I want to preface this question by this statement: That there is no one more opposed to socialized medicine than I am. Certainly I want anyone, and I want myself, to have the choice of the doctor, and I want too, the doctor to have a choice of whether he treats me or not, just the same as I want to have the right to determine whether I want to take a case if a man comes to me as a lawyer and I want him to have the free right to select whatever attorney he desires. But it is rather difficult for me to understand the doctors' opposition to the King-Anderson bill on the basis that it would be socialized medicine, because it seems to me that under that act, the

man still has the right of selecting his doctor, the doctor still has the right of refusing to treat him. It looks to me like it boils down to the point of where the doctor can get his money. I can't understand the doctor's objection to his being paid and certainly every doctor, and especially a country practitioner like you and my other friends in my home county that do a great deal of work that they never collect for, I know that, but I can't understand why it's objectionable to doctors, if he is paid his fee from money that the patient has worked for or money that someone has given him, money that he gets from dividends, money that he gets from interest, or money that he gets from the private insurance policy, or money that he would receive under his social security benefit. Is there something that I don't understand or don't see or is it something in the future that the doctors object to in that type coverage?

Dr. SUMMERS. Well, sir, I am sure that you are aware of the bill, the political angle, more so than I, but as I see it, the handling of it would be controlled by the Federal Government. Hospitals would be designated and you as a private physician might not be able to have a hospital or utilize a hospital that they so designated and therefore you would not be able to take care of your patients and immediately those people, the doctors, of which there are a great number at the present time, and your interns and residents in those hospitals would be under direct control of governmental authority.

Senator LONG. Well, Doctor, I don't share your fear in that, but if there is that possibility, I am sure our committee wouldn't want to do anything that would place the doctors or the patients of the hospitals under their direct control. But wouldn't we have that same situation with the Kerr-Mills bill? Half the money, or more than half of the money is provided by our Federal Government. If we are apprehensive about our regulations.

Dr. SUMMERS. It seems under the present setup that we have, there is no question of that. I know in my small town, if an older person needs it, we send them to the hospital and they are taken care of there.

Senator LONG. I see you suggest social security payments could be increased and just trust our 65-year-old people to spend the money on the things they need, including health care. Well, would it not seem, Doctor, that the increasing of the overall cost of our social security program would be an unnecessary and an unusually heavy tax burden and still not accomplish what the citizens would desire—being sure that they actually had a paid-up insurance coverage or protection during the retirement years. It seems to me that that system of increasing our social security amounts is in reality what the King-Anderson bill does, that it increases our social security enough but makes the restriction that it be used for medical care.

I am not trying to argue the question with you, but those points are not clear to me.

Dr. SUMMERS. Under social security, also, we have a large number of people in the State of Missouri who are not—would not be benefited by that, they would still need to be taken care of.

Senator LONG. I can agree with you there would be some, but Doctor, in looking to the future, they anticipate that between 90 to 95 percent of the people of the country will be covered by social security; there would be some, the number, of course, would be very small, that

were not covered under the bill, and then we would need some direct help. As Mr. Carter has suggested, the various States do help.

Doctor, I compliment you on this statement. It is very fair. It seems to me that you are actually one of the first doctors I have heard testify in this type hearing and it is not—I can't see anything that is prejudicial and so on. I would be entitled to think that there would be—it is very fair and a very fine statement.

Dr. SUMMERS. Thank you, Senator for the opportunity to appear here.

Senator LONG. Now, I want to suggest this, that I thought I heard a semblance of a boo out there. This Senate committee will not tolerate that on the part of anyone. The doctor's statement was very fair. He had the doctors and the lawyers and the dentists and the golden age citizens in this country in it. We all have a right to our view and that is the purpose of being here. We may violently disagree with each other but in a hearing of this type we don't have a right to express such feelings. I hope we will remember that. As I say, they have a right to their views, you have a right to yours.

Mrs. DOLLY MANN. Can we express our views?

Senator LONG. You will have a right this afternoon.

Mrs. DOLLY MANN. I will call my doctor.

Senator LONG. I may agree with you, but we must all be courteous to each other in a meeting like this.

Now, let's be in order, please. Dr. Ralph Perry. Dr. Perry is the president of the Jackson County Medical Society. Dr. Perry, will you have a seat?

#### STATEMENT OF DR. RALPH PERRY, REPRESENTING THE JACKSON COUNTY, MO., MEDICAL SOCIETY

Dr. PERRY. Senator Long, and members of the staff, I beg your permission to correct the statement. I am not the present president of the Jackson County Medical Society, that is Dr. Kitchen. I am a past president of the Missouri State Medical Association.

Senator LONG. Well, my memorandum here, I believe I read it wrong, I misinterpreted it. Doctor, we appreciate your making the correction.

Dr. PERRY. I have my prepared statement and in the interest of brevity—

Senator LONG. I would appreciate it if you didn't read it in its entirety. I only have 45 minutes left.

Dr. PERRY. I will promise you that I can be through with this—most of it—I will omit the things I don't think are as pertinent as others. But to get the message across, I would almost have to give most of my statement. I will give you briefly my background and qualifications.

I have practiced medicine in this community for about 30 years, doing general practice, family practice, and during that time I have had an opportunity to take care of a good many older people. I believe that I have a pretty good background of knowledge and information as to several of the problems that confront these people.

Now, this morning in this statement, I want to point out what the community of Kansas City and the physicians of the Jackson County Medical Society have been doing for the aged people.

In Jackson County we have always expressed a concern and responsibility for the medical needs of the citizens of this community and traditionally we have volunteered and provided our services to care for the less fortunate citizens, regardless of their financial circumstances.

Now, we have in Kansas City a large municipal hospital, we have outpatient clinics that are well staffed, the doctors in these hospitals and the clinics give thousands of hours of free time. We have, I think, demonstrated to this community that we want all of our people to have the best medical care available, and I believe they are getting it. At this time I would like to challenge anyone to show me a truly sick person in this area who has a medical need, who wants for help, who asks for help and can't get it.

Now, the Jackson County Medical Society was one of the very early organizations that sponsored a Blue Cross and Blue Shield plan. We started out in a small way and the plans have grown to where they now encompass a 32 county area in eastern Kansas and in western Missouri. They have now almost a combined total of about 500,000 people, and I attach to my statement here, this morning, an addendum for the information of the committee, and statistical information. I will skip the statistics that I have in my statement except to say that in this area we have about 2,500 acute medical and surgical beds, nonprofit hospital beds, and that in all of these hospitals there are certain numbers of beds allocated to the free care of patients, not only the hospital service but the physicians' service, and an interesting thing to point out here in this connection with the hospitals is that in our large municipal hospital with a bed capacity of about 427, according to the statistics, there is about 63 percent occupancy of this hospital and that to me would indicate that if the people want care, it is here for them.

Kansas City has just concluded a successful campaign drive wherein they raised \$5 million to supplement many of the health agencies in this area. We want to point this out, that we feel that most of the citizens over 65 years of age are not ill. We know that a few of them are, and we also feel that these older people, a good many of them, the majority, perhaps, are in a position to take care of their health financial needs, but we know that there are a few who are definitely in need, and we—

Senator LONG. Doctor, pardon me. There will be those people over 65, while maybe some of them are not ill now, there will be a great number of them who during their lives, sometime after 65, perhaps have a serious illness.

Dr. PERRY. Yes, sir.

Senator LONG. And heavy medical-hospital expenses.

Dr. PERRY. We recognize that, that there is a higher incidence of chronic illness among the aged population, there is no question about that. Now, we feel, too, that if these people who are actually in need of medical help or other help, if it can't be provided on the local level then we feel that it should be furnished through Federal and State plans, and we don't quarrel with this at all. We definitely want these people to have help, but we feel that there are already programs

on the Federal level that when they are properly implemented in the State of Missouri, will furnish the needed help to these people and that, without resorting to a compulsory Federal tax through the social security system.

Senator LONG. Well, Doctor, if I can pose this question to you at this time: Why is it objectionable if—we will admit or I assume we do, that the social security system is desirable as a retirement plan, a large segment of the people in the country feel that, and if they feel that they want to use that type system to prepay a medical care and hospital program, that would provide them money to pay their hospital and pay their doctors, the same as the present social security system provides money for their livelihood, I don't see the objectionable part of it. Because that is part of the Federal program; the Kerr-Mills bill is part of the Federal program, matched by local money, it all comes from taxes one way or the other, only on the social security plan the individuals themselves pay half of it and form sort of a paid-up policy for them when they reach that age. The difficulty that I have in seeing the doctors' position is why it's objectionable to them; if the Kerr-Mills is right, then why not the other, because it's all a matter or tax money that is paid that way. That is the point that the committee would like to have your views on.

Dr. PERRY. I think I will develop the reasons why in the remaining portions of my statement.

The reasons we oppose the adopting of this King-Anderson bill, H.R. 4222, is that it proposes a limited health care program and to a limited number of people, that is those people that are on social security.

Senator LONG. But that would be 90, 95 percent of our population.

Dr. PERRY. But it isn't now, Senator, that is the point.

Senator LONG. We must look to the future on it. Of course it will be that way.

Dr. PERRY. Yes, sir. Another reason, for the first time in the history of this country this will put a compulsory tax on all the employed people in order to finance this limited health care program for many of them that don't need or don't want it, and it will for the first time place the Federal Government definitely in the consultation room of medical practice where only, in our opinion, the patient and the doctor belong.

Now, again, it may be argued that this doesn't constitute a threat to medical practice, but we feel that this is only a toe-in-the-door approach, and that there will be tremendous pressures to alter and change age limits and benefits until every man, woman, and child is covered by some type of compulsory Government health insurance program.

We feel that this social security approach and the experience of the past Congresses and as it has been stated by the proponents of this type of legislation, that let's get the old people covered first and then we will start from there.

Senator LONG. Doctor, I have just never heard that statement made, let's get the old people started.

Dr. PERRY. I can cite you references on it.

Senator LONG. I don't doubt that you have them, if you say that. My personal view is, of course, that I am not in accord with socialized

medicine, I certainly—I don't think anybody in the committee wants to be in that position.

Dr. PERRY. I am happy to hear you say that, sir.

Senator LONG. I am apprehensive about the doctors' position that this is a step toward socialized medicine. One other thing, you mentioned, Doctor, that I would like to touch on again, you mentioned that the older people were all cared for. We all know the medical profession has done a great charitable work over the years; I know that. Many of the doctors are my friends, but we also have two reasons, do we not, that many of our old people, they fear maybe this worse than death itself, as I said before, to have to ask for charity and being treated on a charitable basis. This plan that is now pending before the Congress, would give them, during their early years when they are active and can earn a living, a chance to buy this type of paid-up medical care. You do recognize there is some apprehension on their part and some reluctance on their part to ask for charity, even though the doctors are willing to do much of it.

Dr. PERRY. I think that phase of the problem has been vastly overestimated. I don't find that in my practice, the older people who can't afford medical care, they don't have much reluctance in asking me for that care. I think that has been overdone. If they actually need help, they will call you in most instances.

Senator LONG. Of course the testimony we have heard from the hearings indicates that they are terribly concerned about it.

Incidentally, this committee, I am sure, as you know, Doctor, is not in a position to pass on this particular problem. The committees that have jurisdiction over the present bill that is now before Congress are the Finance Committee of the Senate and the Ways and Means Committee of the House. This is just a factfinding committee, we have no effect on that, but this is actually of vital interest to our society and we would like to have you testify on it.

Doctor, thank you very much. I am sorry that our time did not permit you to go into detail.

Dr. PERRY. I have a few other definite points that I would like to develop but in the interest of preserving time—

Senator LONG. Your statement, I promise, will go into the record.

Dr. PERRY. I would like to request that, and also the statistical information about the Blue Cross and Blue Shield. Personally and on behalf of the Jackson County Medical Society, I would like to thank this committee and staff for permitting me to appear before you.

(The prepared statement of Dr. Perry and the statistical information follow:)

STATEMENT OF RALPH PERRY, M.D., REPRESENTING THE JACKSON COUNTY MEDICAL SOCIETY

Mr. Chairman and members of the committee, I am Dr. Ralph Perry of Kansas City, Mo., where I have engaged in the general practice of medicine and surgery for the past 30 years. I am appearing here today on behalf of the 875 physicians of the Jackson County Medical Society. It has been my privilege to serve on the executive council of this medical society and as its councilor to the Missouri State Medical Association and, in 1959, as president of the Missouri State Medical Association. I have been a member of the State association's committee on aging since 1959 and was a member of the task force on health and medical



care for the White House Conference on Aging, in 1961. Through my practice and my organizational activities, I have had a good opportunity to view firsthand the problems that concern aging citizens' health and medical care needs in my State and county.

I should like to confine my statement to a few of the basic problems relating to Federal, State, and county programs for the needy aged.

First, I shall point out that the community of Kansas City, with the support of the physicians of the Jackson County Medical Society, has the resources and facilities to meet these needs.

Second, that existing Federal and State legislation, when properly implemented, can and will meet the problem at the local level.

Finally, we want to present some of the reasons why the Jackson County Medical Society opposes the administration's King-Anderson bill and to suggest some proposals with which we feel the executive and legislative branches of the Federal Government should be concerned.

We have always expressed a concern and responsibility for the medical needs of the citizens of this community—traditionally, we have volunteered and provided our service to care for the less fortunate citizens of this area regardless of their financial circumstances. Through the voluntary medical staff of the municipal hospitals of Kansas City, our physicians supply good medical care to its needy citizens, both in the hospitals and in the well-staffed patient clinics, and elsewhere in the city and county. We have demonstrated to this community that we do want all people to receive the best medical care available, and I believe they are getting it. I challenge anyone to show me a truly sick person in this area who needs medical care, who wants to obtain help, and cannot get it.

The Jackson County Medical Society with the purpose of helping spread the cost of medical care to the low-income group in this area sponsored and established one of the very early Blue Cross-Blue Shield plans that have now grown to encompass a 32-county area in western Missouri and eastern Kansas and with a combined total of almost one-half million members. These plans cover all age groups. An addendum on our Blue Cross and Blue Shield programs with statistical information is attached for the record and committee's attention.

Our society members are contributing to establishing many voluntary health and welfare agencies and associations that serve the elder citizens of this community. A few of these are: Rehabilitation Institute, Western Missouri Chapter of the American Heart Association, Arthritis and Rheumatism Foundation, Heart of America TB and Health Association, Mental Health Foundation, and the Psychiatric Receiving Center.

In Jackson County, with a population of about 623,000, there are approximately 65,500 people over 65 years of age. Of this number, there are 8,851 on the old-age assistance rolls. Of these, there are approximately 100 patients per month now receiving hospital benefits under the vendor medical care program for acute serious illnesses.

Kansas City has approximately 2,500 acute medical and surgical nonprofit hospital beds; many of these beds are allocated to the free care of the needy patients. This figure does not include about 700 beds in the Kansas City municipal hospitals. It is interesting to note that in one of these, the Kansas City General, with a bed capacity of 427 and devoted entirely to medical care of the needy, that its average occupancy is about 63 percent.

To point up further the efforts of this area to help its needy citizens, the United Fund including the Community Chest, has just successfully completed a \$5 million campaign which will provide health-care services to many of the 115 agencies in the 5-county area.

Coming specifically to the announced title of this hearing, "Federal and State Activities in the Field of Aging":

We believe, and statistics will prove, that the majority of our over-age-65 citizens are not ill and the majority of them are able to meet their medical needs. We do agree that a few elderly ill people need financial aid for all the necessities of life in addition to health care. These are the people who definitely need assistance, and if it cannot be provided at the local level, then it must be furnished through Federal and State plans. We have no quarrel with this—we definitely want these people to have help. However, we support the programs that are already available through Federal acts when properly and adequately implemented. These would fulfill the needs of our aging citizen

without resorting to a system of compulsory taxation through the social security system.

We strongly oppose adopting the principles of health care financing embodied in the King-Anderson bill, H.R. 4222, of the 87th Congress. This proposes financing a health care program, limited to social security beneficiaries. For the first time in the history of this great Nation, this will put a compulsory tax on all employed people in order to finance a limited health care program for millions of these, many of whom do not need or want this help. It will, for the first time, place the Federal Government definitely in the consultation room of medical practice where only the doctor and the patient belong. It may be argued by some that the King-Anderson bill, H.R. 4222, does not constitute a threat to the time-honored profession we practice, but make no mistake, this is only the toe-in-the-door approach.

There will be tremendous pressures to alter and change the age limits and benefits until every man, woman, and child in the country is covered by a compulsory Government health insurance program.

There are many other facets of the proposed bill which I think should be clearly understood. It would, in our opinion, take away the voluntary free and cooperative efforts among doctors, nurses, hospitals, social workers, insurance companies, and community leaders and replace it with a compulsory, tightly restricted, Government-directed program administered by nonmedical people—political abuse and administrative waste would be bound to occur. In my opinion, it would fail completely to help the only segment of the elderly people who have a true need.

We urge that existing Federal legislation, the Kerr-Mills law and the vendor program, be implemented and expanded on the State level to the extent the needs exist. And, it is our opinion, that this program supported by local endeavors throughout the State can and will provide for our elder citizens without the adoption of compulsory Federal health legislation to meet what we believe to be a diminishing temporary problem.

Finally, Mr. Chairman, the Jackson County Medical Society desires to be recorded as urging that this Subcommittee on Aging and the administration proceed with a continuing study of the inflationary trends which are progressively eroding the resources of our elder population and to give some serious thought to increasing the net earnings base of over-age-65 social security recipients to enable many of them to be more self-sufficient. We further urge that the executive division of this administration and those Members of Congress who advocate health care financing through social security refrain from further efforts to enact such legislation and to recognize, evaluate, and promote existing legislation which, on the basis of its merit, will, in our opinion, adequately fill the health care needs of our aging citizens.

Personally, and in behalf of the Jackson County Medical Society, I want to thank the committee for the privilege of appearing before you.

Blue Cross and Blue Shield were established and are endorsed by hospitals and doctors for the purpose of bringing together, through prepayment, the users and the providers of health care.

To do this effectively, the services of these plans must be available to all—no matter what the applicant does, where he lives, or—of particular significance currently—how old he may be.

Recognizing this, the Kansas City plans, shortly after their beginning, removed the age limit on group enrollment, the only type of enrollment offered at first.

Then, in 1949, Kansas City became one of the first areas to go beyond group enrollment and offer nongroup membership to people who do not have group affiliation possible. Further, we believe we were the first to offer such enrollment without age limit.

At the outset, nongroup membership could be obtained only during "campaigns"—usually 2-week periods held twice annually. This technique was discontinued several years ago in favor of continuous open enrollment, and now people who do not have group membership available may apply for nongroup membership at any time, and at any age.

Of total local enrollment of 475,000, those 65 years of age and over represent 9.82 percent. Or, stated another way, for every 10 members under 65, there is 1 member 65 or over.

In the nongroup (or individual enrollment) category, 24.48 percent of the members are 65 or over. The percentage of people in this category age 65 or over is increasing as (1) members, including retirees, leave the work force and

exercise their privilege of converting membership from group to nongroup status, and (2) as many persons, past 65, enroll for the first time. As a related point of interest, membership was established in February 1961 for a Kansas City lady who celebrated her 101st birthday in June of 1961.

The benefit programs made available to these members for hospital and physician services are liberal, providing full payment for many services involved in their care.

From the outset of nongroup membership availability, enrollees have received the same Blue Shield program for physicians' services that is available in groups. This program provides benefits for surgery, orthopedic care, anesthesia, accident X-ray, radiation therapy, laboratory services, in-hospital medical care, and in-hospital diagnostic procedures. Of special importance is this fact—Kansas City Blue Shield is a "service" plan—which means simply that participating physicians accept the Blue Shield allowance for covered services as full payment for people within stated income limits. In the Blue Shield contract most applicable to the aged, these limits are \$1,800 annually for the single member; \$3,000 for a subscriber and spouse. As a result, this program was especially beneficial to many older persons on small, fixed incomes.

In February 1961, all nongroup members received a new and much improved Blue Shield program called trilevel. This program greatly increases the scope of services covered in the areas of in-hospital medical care, including pre-operative, postoperative, and intensive surgery, laboratory services, in-hospital diagnostic procedures, and radiation therapy. Quite importantly, it also increases the income limits for full-payment protection to \$6,000 for a single member and \$7,500 for the family member. Of the total population in this area, 8 out of 10 people are within these income limits. Of the over 65's, it likely is closer to 10 out of 10.

In Blue Cross, the benefits nongroup members receive for hospital services are the same as those provided for many group members with the exception of the room allowance. All nongroup members over age 65 have the opportunity to select daily room benefit of \$8, \$10, or \$12.

Outside of the room allowance, only two other Blue Cross benefits in member hospitals carry a dollar limit—(1) blood transfusion setup, and (2) routine laboratory service.

All other Blue Cross benefits in member hospitals provide full payment for the service—regardless of the hospital's charge or the amount used. These services include operating room, drugs, biologicals and solutions, dressings, oxygen and oxygen therapy, material for casts, material for anesthesia, physical therapy, and, for the outpatient, emergency room services for accidents or minor surgery.

With two exceptions, the benefit period for the hospital bed patient is 70 days—which may be used in one or more hospital stays, and which is renewed automatically and fully when 90 days separate the date of last hospital discharge from the date of next admission. The exceptions are 30 days in any 12-month period for pulmonary tuberculosis, nervous and mental disease; 14 days in any 12-month period for social diseases, or conditions arising from use of drugs or alcohol.

For the nongroup member, Blue Cross and Blue Shield are noncancelable so long as the member keeps his dues paid up.

Our experience with the older people follows the national picture—utilization of service by people 65 and over is between 2½ to 3 times that of the entire membership. Claims incidence follows this same pattern. Average length of hospital stay for those 65 and over is from 50 to 75 percent greater than that of the overall membership.

Medical (nonsurgical) conditions are the principal cause of hospitalization in the age-65-and-over group, with cardiovascular disease accounting for the majority of cases.

There are no difficulties particularly in enrolling or serving people in the older age range except those that may result from problems of senility or semi-senility. Some persons are reluctant to read, study, and take necessary action on material given them. Others who may read the material have difficulty comprehending it. These problems are certainly not confined to the older age group; they are, though, more pronounced in that group.

## 1960 financial statements

## KANSAS CITY BLUE CROSS, AS OF DEC. 31, 1960

We had—	
Cash and Government bonds.....	\$7, 738, 593
Accounts receivable and prepaid expense.....	419, 661
Building and real estate.....	419, 661
Total.....	<u>8, 577, 915</u>

We owed—	
Due hospitals.....	943, 194
Provision for uncompleted and unreported cases.....	1, 181, 378
Due Blue Shield for December collections.....	596, 841
Income applicable to future months.....	399, 901
Miscellaneous accounts payable.....	333, 017
Total.....	<u>3, 454, 331</u>

We had set aside to protect our members—	
For epidemics.....	2, 288, 938
For other contingencies.....	2, 288, 938
Future payment formula adjustments.....	545, 708
Total.....	<u>5, 123, 584</u>

## KANSAS CITY BLUE SHIELD, AS OF DEC. 31, 1960

We had—	
Cash and Government bonds.....	2, 796, 147
Due from Blue Cross for December collections.....	596, 841
Other accounts receivable and prepaid expense.....	135, 091
Building and real estate.....	419, 661
Total.....	<u>3, 947, 740</u>

We owed—	
Due physicians for cases reported.....	158, 922
Provision for uncompleted and unreported cases.....	323, 184
Income applicable to future months.....	197, 694
Miscellaneous accounts payable.....	133, 560
Total.....	<u>1, 313, 360</u>

We had set aside to protect our members—	
For epidemics.....	1, 185, 471
For other contingencies.....	1, 448, 909
Total.....	<u>2, 634, 380</u>

Senator LONG. The committee will be in recess for 5 minutes.  
(Short recess taken.)

Senator LONG. The committee will come to order. The committee must recess at 12 o'clock. We have about 24 minutes. I want to hear as much as we can in that time and I want to again ask our witnesses to be very short. We have their prepared statements and I can personally guarantee you they will receive the attention of the committee and staff.

Dr. E. J. Berger, member of the board of directors, Group Health Association of America. Doctor, will you cut it very short for me?

Dr. BERGER. Yes, sir.

Senator LONG. Very short. We have your statement.

Dr. BERGER. Right, I will be very brief.

**STATEMENT OF DR. E. J. BERGER, MEMBER OF THE BOARD OF DIRECTORS, GROUP HEALTH ASSOCIATION OF AMERICA**

Dr. BERGER. Senator Long, members of the committee, I am a physician and medical director of the St. Louis Labor Health Institute, which is a prepaid labor-management sponsored medical care plan for the Teamsters Union Local 688 in St. Louis. I am here as a representative of the International Brotherhood of Teamsters Union and as a board member of the Group Health Association of America.

I would like to state that at its convention in Florida, the International Brotherhood of Teamsters Union adopted a resolution in support of the Anderson-King bill on July 29, 1961.

Dr. Caldwell B. Esselstyn, president of the Group Health Association of America, testified before the House Ways and Means Committee in support of the King-Anderson bill on July 28, 1961, and I would like to state that I am fully in accord with his statement.

Senator LONG. Doctor, you are a medical doctor?

Dr. BERGER. Yes, sir.

Senator LONG. I have been with Ph. D.'s the last few days. With that statement you feel no apprehension this is a serious step toward socialized medicine?

Dr. BERGER. Absolutely not; I do not have those fears, sir. I have no fear of our Government.

Senator LONG. Thank you, Doctor.

Dr. BERGER. The Group Health Association of America and the International Brotherhood of Teamsters feels that this should be a pay-as-you-go program, using general tax funds only to help those individuals not covered by OASDI.

Senator LONG. In the Kerr-Mills legislation, about half of the money comes out paid by the general direct taxation from the States.

Dr. BERGER. That's right. GHAA, and the International Brotherhood of Teamsters recognizes that the Kerr-Mills bill was an initial step, but it is not sufficient and one of the things against it is that it depends on Federal plus State contribution. When some States have not been able to match Federal grants for old age assistance, it is unrealistic to think that the States will take advantage of an additional costly matching program. We recognize the rapidly worsening financial conditions of the States with already existing indebtedness of \$58 billion, and a projected indebtedness of \$85 billion by 1970. This does not suggest broad participation, and Mr. Proctor, in his statement, made point of the great expense which would be incurred by State participation in the Kerr-Mills bill.

I could make many other points, but we certainly feel that the King-Anderson bill will not interfere with the patient-physician relationship, with the kind of care that the physician prescribes, or with the choice of physician or choice of hospital.

An investigation by a highly skilled social worker would be very costly under the Kerr-Mills bill.

And in closing, may I say that the International Brotherhood of Teamsters union and the board of directors of the Group Health Association of America appreciate the opportunity of appearing before this committee through me, to testify in favor of this significant and timely legislation. We urge you most strongly to pass without

further delay the King-Anderson bill, H.R. 4222, and thereby make available an orderly savings program so that people under social security during their working years may be given the opportunity to invest a part of their earnings which will enable them in their years when their earnings are the lowest and their need for medical care the highest, to enjoy with dignity the best of American medical care which they themselves have earned.

Senator LONG. Doctor, thank you very much, I appreciate your statement.

(The prepared statement of Dr. Berger follows:)

PREPARED STATEMENT OF DR. E. J. BERGER

My name is Edward J. Berger. I am a physician and the medical director of the St. Louis Labor Health Institute, which is a prepaid labor-management sponsored comprehensive medical care plan for Teamsters Union Local 688 in St. Louis, Mo. I am here as a representative of the International Brotherhood of Teamsters and as a board member representing the Group Health Association of America.

At its convention in Miami Beach, Fla., in July 1961, the International Brotherhood of Teamsters adopted a resolution in support of the Anderson-King bill, H.R. 4222. This reads as follows:

"RESOLUTION NO. 41. MEDICAL AID TO THE AGED

"Whereas the Kerr-Mills bill of September 1960 has failed to provide medical assistance to the aged, with only seven States participating in the MAA program from October 1960 through May 1961; and

"Whereas the Special Senate Committee on Aging has indicated the need for congressional approval of 'basic health benefits to all the aged, financed by an increase in the social security payroll deduction'; and

"Whereas the medical aid to the aged bill is presently 'bottled up' in the House Ways and Means Committee, and no hearings scheduled in the Senate at this time; and

"Whereas humanitarian considerations as well as the medical needs of our senior citizens require comprehensive legislation in this long-neglected field: Be it therefore

*Resolved*, That the 18th Convention of the IBT assembled in Miami Beach, Fla., go on record in support of H.R. 4222; and be it further

*Resolved*, That a wire be sent to the chairman and the members of the House Ways and Means Committee demanding that the bill be reported out of committee; and that the Senate Democratic policy committee receive a similar wire demanding early hearings on this bill."

On July 28, 1961, Dr. Caldwell B. Esselstyn, president of the Group Health Association of America, testified before the House Ways and Means Committee in support of the Anderson-King bill, H.R. 4222, in Washington, D.C. I would like to state that I am in accord with this statement and repeat part of his testimony here.

Today, Group Health Association of America is representing the health interests of approximately 5 million individuals throughout the United States. It is the focal point of the prepayment group practice direct service movement throughout the United States.

There have been certain developments during the past 2 years which have added to the urgency of the need for more adequate legislation to provide medical care for those people over 65. In the first place, the number of people over 65 has been increasing for these past 2 years at the rate of approximately 3,000 persons per day. At the same time, the cost of medical care has continued to rise steadily month after month, until today it stands at 160.9 (1947-49=100), and is steadily rising. Experts in the field tell us that the rise will continue at the rate of approximately 8 percent per year and that the end is not in sight.

On the other hand, certain things have remained the same. Sickness remains the No. 1 cause of disability, and the economic level of the aged remains unchanged.

It is no longer disputed that 80 percent of the 65-and-over group have annual incomes of less than \$2,000, and that for 60 percent the income is less than \$1,000, or that 7.7 million older people have less than \$500 in liquid assets.

The need of hospitalization for the elderly remains at approximately  $2\frac{1}{2}$  times that of the rest of the population.

Sufficient time has elapsed to substantially prove the inadequacy of voluntary commercial insurance plans to meet the peculiar needs of this high risk group at premium rates they can afford.

The high premium limited benefits policies which have been developed for the over-65 group have shown themselves to be far short of even the basic needs. These inadequacies are no reflection upon the diligence and ingenuity of those people who have been endeavoring to meet the problem. The limiting factor is simply that neither voluntary nor commercial insurance companies can create the resources necessary to finance the peculiar medical needs of those over 65.

It is encouraging to note that both parties in the Congress have recognized the fact that some kind of a Government program is necessary to meet the indisputable vacuum.

It has also become apparent that the Congress has come to agree that whatever method is used to finance the program must of necessity be compulsory. Only three basic questions seem to remain unresolved:

1. Whether necessary funds are to be derived from general tax funds or payroll;

2. Whether the program should be financed by the Federal Government alone or by Federal plus State funds;

3. Whether beneficiaries of the program should be limited to those individuals in financial need or in addition made available through prepayment to those individuals eligible for benefits under OASDI who, by the beginning of 1963, will represent  $14\frac{1}{2}$  million people or 80 percent of the  $17\frac{3}{4}$  million people over the age of 65.

In answer to these questions:

(1) The Group Health Association of America and IBT feel that this should be a pay-as-you-go program, using general tax funds only to help those individuals not covered by OASDI.

(2) We feel this should be, by and large, a Federal—not a State—program, administered by a central agency, with uniform and predictable benefits throughout the Nation.

(3) The board of directors of GHAA has unanimously passed a resolution to give their most ardent support to the principle of adding to social security benefits now available to persons eligible for retirement and survivors benefits under the Federal social security system, certain medical care benefits.

A significant development has transpired in the last 2 years; namely, the Kerr-Mills legislation.

GHAA recognizes this bill as a helpful step. As a pioneering venture, and as a stopgap, we feel it has had a place. As a measure for covering the health needs of at least some of the people over 65 in financial distress, it will continue to have a place. However, as the sole national program, we feel it is unsatisfactory for the following reasons:

- (1) It depends on Federal plus State contributions. When several States have still not been able to match Federal grants for old-age assistance, it is unrealistic to think that the States will take advantage of an additional costly matching program. We recognize the rapidly worsening financial conditions of the States with already existing indebtedness of \$58 billion, and a projected indebtedness of \$85 billion by 1970. This does not suggest broad participation. Furthermore, inasmuch as it is the State and not the Federal Government which determines the scope of benefits, it suggests that State plans, even if activated, will in many instances be inadequate. As an example, we find that Kentucky provides 3 days of hospitalization which is limited to those patients suffering acute or life-endangering conditions.

- (2) It is expensive to administer. The bill calls for the establishment of 50 separate State agencies. This is Parkinson's law raised to the 50th degree. The cost of evaluating the financial eligibility of each recipient is exceedingly high, due partly to the fact that the status of each child also has to be scrutinized.

Furthermore, it may well be necessary to keep reviewing this status periodically. In Boston, the welfare commissioner reports that the cost of the initial investigation is running close to \$200 per case.

(3) We are a highly mobile population which means that each time a recipient changes his State he will have to be evaluated all over again by the agency of the State in which he comes to reside.

(4) It is a welfare and not a health program. Throughout the country, the quality of care of welfare programs, unfortunately, has left much to be desired.

(5) It is dependent on a means test of not only the recipient but his children which, it is reported by those involved in the program, is preventing many aged people from obtaining medical care they so much need. It withholds financial aid until not only the recipient, but the recipient and his children have exhausted most of their life savings. Those in rural areas have seen the tragic effects of these provisions time and time again under already existing welfare programs with distress sales of dairy herds, some of which have taken generations to assemble, and loss of family homesteads which have frequently been in the family for many years, not because of lack of diligence or thriftiness, but because of the staggering financial blow unpreventable and unpredictable disease can administer.

(6) In certain instances the funds are not providing additional health benefits but are being used to release existing funds which are being spent in the familiar categories of roads, bridges, etc.

(7) Under the program, all but the extremely wealthy still live under the constant fear that medical disaster will strike and destroy them financially.

These are some of the reasons we feel that supplemental legislation must be enacted.

We support H.R. 4222 above all because it is financed through the mechanism of social security which will allow its members to become a partner and not just a beneficiary under the plan.

The financing will be handled by a single, nationwide, already experienced, existing agency which will provide for uniform coverage no matter where the recipient may reside at any time.

The assurance of the AMA that it will provide professional care to the aged at a cost they can afford makes unnecessary provisions for payment of physicians' services at this time.

There will be no means test.

There will be no added burden on already existing general tax structures inasmuch as the financing will be within the social security agency.

It will lighten the heavy load of existing voluntary hospitals and diminish the necessity of the rich sick having to pay for the poor sick.

It will lighten the financial load of existing welfare programs.

It will greatly strengthen the hand of Blue Cross plans which, in so many instances today, are severely handicapped, because of the responsibility these plans have assumed for maintaining policies after the age of 65.

It is a plan designed to prevent medical indigency.

Furthermore, it will not interfere—

(a) With the patient-physician relationship in any way.

(b) With the kind of care the physician prescribes.

(c) With the patient's choice of physician or hospital, except in that the hospital must agree to subscribe to the program.

(d) With the patient's choice of qualified services covered.

Nor will it require—

(a) An investigation, costly to the community, by a highly skilled social worker, to determine the eligibility of a person to receive aid.

(b) Complete exhaustion of an elderly person's resources, and his signing of a pauper's oath before health care is provided.

Under the careful guidance of a competent, representative, 19-man health insurance benefits council as provided in the bill, the Secretary of Health, Education, and Welfare is assured a competent advisory body to help in the formation of policy and regulations.

In closing, may I say that the International Brotherhood of Teamsters Union and the Board of Directors of the Group Health Association of America appreciates the opportunity of appearing before this committee to testify in favor of this significant and timely legislation. We urge you most strongly to pass without further delay H.R. 4222 and thereby make available an orderly savings program so that people under social security during their working years may be given the opportunity to invest a part of their earnings which will enable them, in the years when their earnings are the lowest and their need for medical care the highest, to enjoy with dignity the benefits of the best of American medical care which they, themselves, will have earned.



Senator LONG. Mr. Gordon T. Beaham, president of the Missouri Public Expenditure Survey is present and has prepared a statement and he promised me he will not testify but he would like to submit it to the committee.

Mr. BEAHAM. Yes, sir; I would like to just take a minute.

Senator LONG. If you will make it 30 seconds, I will give it to you.

#### STATEMENT OF GORDON T. BEAHAM, JR., PRESIDENT, MISSOURI PUBLIC EXPENDITURE SURVEY

Mr. BEAHAM. I just want to refer back to statements that were made previously by Dr. Summers and Dr. Perry. We did, in our prepared statement, show the cost to Missourians of \$37 million, which is a preliminary estimate only and would be subject to upward revision. Dr. Perry and Dr. Summers referred to the fact that the program would find itself forced to absorb much of the burden of medical care borne by relatives, private groups, community funds and reductions or free care by doctors and other professional persons.

We do feel that H.R. 4222 would not—it would be very costly and it would not, we feel, meet whatever needs there may be there.

I greatly appreciate the opportunity to present this statement to you.

(The prepared statement of Gordon T. Beaham, Jr., follows:)

#### STATEMENT OF GORDON T. BEAHAM, JR., PRESIDENT, MISSOURI PUBLIC EXPENDITURE SURVEY

Mr. Chairman and members of the committee, my name is Gordon T. Beaham, Jr. I am president of Faultless Starch Co. Our office and factory are located here in Kansas City. I am appearing before the committee in my capacity as president of Missouri Public Expenditure Survey. Our executive director, Mr. Edward Staples of Jefferson City, is here with me.

The survey is a nonprofit and nonpartisan, privately supported research organization, actively interested in all phases of the expenditure of tax money at the Federal, State, and local levels. In my final analysis, all public progress depends upon sound public finance.

With the subject of Federal medical care for the aged under the social security system attracting much attention, I thought we could perform a service by calculating the cost to Missourians of such a program. Often when such programs are proposed, the costs are discussed on a national basis. It seemed to me that it would be of assistance to persons wishing to form a judgment of this proposal, if the cost could be broken down on a State basis, so that an idea could be gained of what part of the cost would be borne by Missourians.

The survey estimates that the Health Insurance Benefits Act of 1961, which is the major pending bill to provide medical care for the aged under social security, would cost Missourians \$37 million a year. This estimate is based on percentage of social security tax paid by Missourians to total social security tax paid.

While \$37 million a year is a substantial amount, it is not the whole story. The survey estimate is based upon the initial cost estimate of the proponents of this legislation. However, since the bill was introduced, Secretary Ribicoff of the Department of Health, Education, and Welfare has suggested that the tax proposed would have to be increased or the program reduced, because the estimate of nursing home usage had been too conservative. He has recommended that the maximum earnings to be taxed to finance the proposal be increased from \$5,000 to \$5,200.

That, I suggest, is only the first of many upward revisions in estimates of the cost of such a program that can be expected.

We need only to look at the liberalizing of the provisions of the Social Security Act in the past 10 years, to see how pressures to expand the scope of the medical care bill—and its costs—would be exerted upon Congress, if this type of program were to be enacted. There is little doubt that there would be strong pressures

to (1) include larger segments of the population, (2) include doctor and medicine costs in the benefits, and (3) increase amounts allowed for each category covered. Each of these expansions would be very costly, but could not be included in our estimate of \$37 million a year cost to Missourians at the start of the program.

Pressures for expansion of the program would not be the only factor in increased costs, however. Other factors would play a significant role. If publicly supplied medical care were available, many persons would avail themselves of it to the extent it was available, with little regard to their actual need for medical services. And furthermore, the program would find itself forced to absorb much of the burden of medical care presently borne by relatives, private groups, local community funds, and reduced or free care by doctors and other professional persons.

I think it might be well to point out that, in considering a possible new governmental program, we should first determine if there is a need, then weigh expected benefits against the costs. There has been no real demonstration of actual need for such a massive Federal program. But the costs are evident.

For your record I should like to leave with you a printed copy of a statement on this same subject which I submitted to the House Ways and Means Committee earlier this year.

I sincerely appreciate this opportunity to appear before your committee.

PROPOSED FEDERAL MEDICAL CARE PROGRAM WOULD COST MISSOURIANS \$37  
MILLION ANNUALLY

The following statement was presented to the U.S. House Ways and Means Committee by survey president, Gordon T. Beaham, Jr., for consideration during hearings on a proposal for a Federal medical care program for aged social security recipients. The committee is holding hearings on H.R. 4222, the Health Insurance Benefits Act of 1961, introduced by Rep. Cecil R. King of California and supported by the administration. It would be financed by increases in the social security tax. Provisions of the plan are outlined in the box.

The tax increase, provided for in H.R. 4222, would cost Missourians about \$37 million a year, based on the percentage of social security tax paid by Missourians to the total tax collected. This is about \$9 million a year more than Missouri is spending from State funds for current higher education needs and \$10 million a year more than the State is spending for mental health operations.

The administration estimates that the tax increases in H.R. 4222 would yield about \$1.5 billion each year. The social security tax rate paid by employees and employers would be increased by one-half of 1 percent (one-fourth of 1 percent each), and that of the self-employed by three-eighths of 1 percent. In addition, the first \$5,000 earned would be taxed rather than the first \$4,800, as at present.<sup>1</sup>

The foregoing tax increases would be in addition to those previously scheduled in the social security law as well as the increases already voted by the current session of Congress. By 1968, rates are scheduled to be 4½ percent each for employees and employers, or a total of 9¼ percent, and 6⅙ percent for the self-employed. Adoption of H.R. 4222 would raise these 1968 social security tax rates to 4⅞ percent each for employees and employers, or a total of 9¾ percent, and about 7¼ percent for self-employed.

If the tax increases proposed in the bill prove to be insufficient, these rates may be forced even higher. And experience has shown that the long-range cost of publicly financed medical care programs increases greatly over initial estimates. This has been demonstrated at the State level of government. An example of how rapidly costs increase under a publicly financed medical care program is found in the State of Washington, which was one of the first States to undertake a medical care program for public assistance recipients. Costs in the 1947-49 biennium were \$16.4 million. This increased to \$51.7 million in the 1957-59 biennium. Despite the present high rate of expenditure in Washington, the demand for State medical services continues to increase.

Increases in the cost of medical care programs above expectations result primarily from two factors:

<sup>1</sup> In the current hearings, the Secretary of Health, Education, and Welfare has recommended that earnings taxed be raised to \$5,200.

1. When publicly supplied medical care is available, many persons avail themselves of it to the extent it is available with little regard to their need for medical services. That has been the experience of the States which have entered into State-administered medical care programs. States entering such programs expecting to spend a few million dollars often find the costs of their programs increasing by several hundred percent in a few years.<sup>2</sup>

2. A public medical care program finds itself forced to absorb much of the burden of medical care expenditures previously met by relatives, private groups, and reduced or free care by doctors and other professional persons. That also has been the experience in States which have undertaken medical care programs.<sup>3</sup>

#### NEED NOT DEMONSTRATED

The need for a Federal compulsory medical care program has not been demonstrated. Resources available and the financial condition of most aged believed the need for such a program. Two main points to be considered in this connection are:

(1) Increasing participation in private medical insurance plans indicate that these plans can provide nearly universal coverage. The Health Insurance Association of America estimates that 90 percent of the aged will be covered by private medical insurance by 1970.<sup>4</sup> Participation in private medical insurance plans has grown from less than 25 million persons in 1943 to 123 million persons by 1959.<sup>5</sup> Those over 65 years of age are now obtaining coverage at a faster rate than the population as a whole, although they started more slowly.<sup>6</sup> Private plan coverage for the aged has increased from 25 percent of that group in 1952 to more than 49 percent today, and participation is growing.<sup>7</sup>

(2) Publicized statistics concerning the financial condition of older people often give an incorrect impression. Studies show that most older persons have resources with which to meet medical needs as they arise—either accumulated resources of their own, or funds available from other sources in case of need. Actual annual income often is not as reliable a measure of ability to meet medical needs when applied to the aged as it is when applied to persons in their working years. Needs are less, mortgages and furniture loans are paid, daily expenses are generally lower, and often some money has been invested by the time many persons retire. And many older persons can rely in whole or in part upon relatives or religious, fraternal, civic, and other groups for resources they may need.

A national survey of the medical needs of the aged by members of the staff of the Department of Sociology and Anthropology of Emory University reported that of those surveyed: 68 percent said they could pay for a medical emergency out of their own means; half had annual incomes in excess of \$2,000; most reported net worth of over \$10,000; 90 percent could think of no medical needs that were not being taken care of; and 60 percent were covered by private health insurance. The authors of the study reported that most of what has been cited in the past about the health and welfare of aged is based on inaccurate data derived from the experiences of a generation ago or from studies of the hospitalized or chronically dependent. The survey indicates that the great majority of people over 65 can finance their own medical care.<sup>8</sup>

#### PLAN WOULD NOT FULFILL PURPOSE

The H.R. 4222 plan would not accomplish the purpose for which it is proposed—to provide medical care for the aged who need it most but cannot afford it. As has been pointed out, most older persons have resources with which to meet their medical needs. Among the minority of older persons having unmet medical

<sup>2</sup> This was the finding of an extensive survey of States by Texas Research League in preparing the study, "Indigent Medical Care Services for Texas Public Assistance Recipients" (Austin, Tex., February 1961), p. 4.

<sup>3</sup> *Ibid.*

<sup>4</sup> E. J. Faulkner, "Statement of the American Life Convention Health Insurance Association of America and Life Insurance Association of America on H.R. 4700" (Washington, D.C. July 16, 1959), p. 8.

<sup>5</sup> Rita Campbell and W. Glenn Campbell, "Voluntary Health Insurance in the United States" (Washington, D.C. American Enterprise Association, May 1960), p. 8.

<sup>6</sup> Faulkner, *op. cit.*, p. 10.

<sup>7</sup> Leonard Larson, "Helping Those Who Need Help" (Washington, D.C., A.M.A., June 30, 1960), p. 19.

<sup>8</sup> Dr. James Wiggins and Helmer Schoeck, "Profile of the Aging," paper presented to the Fifth Congress of the International Association of Gerontology, Aug. 11, 1960, 18 pp., Foundation for Voluntary Welfare, Box 72, Burlingame, Calif.

needs, only a small proportion are recipients of social security benefits under the Federal old-age, survivors, and disability insurance program. Yet the only ones who would receive medical care under H.R. 4222 are social security recipients under that program. For the most part, those who would be given medical care under the bill are not those with deficient resources or those who may have some unmet medical needs.

#### PLAN HAS HARMFUL EFFECTS

In addition to being a costly unneeded plan that would not fulfill its purpose, the plan provided by H.R. 4222 actually would have harmful effects. By opening the way for many persons to avail themselves of medical services with little regard to their need, this proposal would increase loads on already overtaxed doctors, nurses, and hospitals, resulting in impairment of the overall quality of care now available.

Moreover, if adopted, the H.R. 4222 plan would be subjected to great pressures for further expansion. Experience under our social security system shows repeated broadening of its provisions, accompanied by rate increases. Demands could be expected to include larger and larger segments of the population under the medical care provisions, with each expansion accompanied by rate increases, until virtually the entire population would be included. Thus H.R. 4222 is a foot-in-the-door type of proposal. It inevitably would lead to much higher social security tax rates on employees, employers, and the self-employed, and disruption of the present system of medical care under which great advances have been and are being made.

#### PROVISIONS OF PLAN

H.R. 4222 would provide in general:

- (1) Hospital services up to 90 days in single illness, with patient paying \$10 a day for the first 9 days or a minimum of \$20.
- (2) Nursing home services up to 180 days, after a patient is transferred from the hospital.
- (3) Hospital outpatient diagnostic services in excess of \$20.
- (4) Community visiting nurse and related services up to 240 visits each calendar year.

It would be financed by social security tax rate increases:

- Of one-fourth of 1 percent for employees;
- Of one-fourth of 1 percent for employers; and
- Of three-eighths of 1 percent for self-employed; and

An increase in the maximum income taxed from the first \$4,800 earned to the first \$5,000 earned.

Senator LONG. Mr. Ed Staples who is the executive director of Missouri Public Expenditure Survey, is here with Mr. Beaham.

Ed, please stand up, I would like the people to see you. Now, Dr. William M. Kitchen, who is president of the Jackson County Medical Society. Now, Doctor, you promised me you are going to be brief.

#### **STATEMENT OF DR. WILLIAM M. KITCHEN, REPRESENTING THE CHAMBER OF COMMERCE, AS CHAIRMAN OF ITS PUBLIC HEALTH AND EDUCATION COMMITTEE**

Dr. KITCHEN. Senator, I will make this very short. I appreciate your courtesy in allowing me to appear here in behalf of the chamber of commerce, as chairman of the committee on health and education.

Most of the details of our presentation have already been covered in suggesting the implementation of the existing legislation by the State in order to meet the need for the elder. We certainly agree that there is a need, but we feel that the implementation on a local level should satisfy the need as it exists. The full implementation should be made by this State and other States to the extent of their resources

and the needs of their citizens prior to enactment of Federal legislation that will increase social security taxes and establish a program that cannot deliver the professional services of physicians without establishing a program of hospitals practicing medicine, which is incompatible with existing laws and court decisions in many States.

Senator LONG. Doctor, thank you very much. We appreciate your statement. Did you submit a prepared statement?

Dr. KITCHEN. The prepared statements have been given to you.

Senator LONG. Fine. Very well, the committee and staff will give it every consideration.

(The prepared statements of Dr. Kitchen and Charles E. Curran follow:)

PREPARED STATEMENT OF WILLIAM M. KITCHEN, M.D., CHAIRMAN, PUBLIC HEALTH AND EDUCATION COMMITTEE, CHAMBER OF COMMERCE OF KANSAS CITY, MO.

Mr. Chairman and members of the committee, I am William M. Kitchen, doctor of medicine and chairman of the public health committee of the Chamber of Commerce of Kansas City, Mo. I reside and practice my profession in Kansas City.

This hearing is designated to receive information about State and Federal relationships within the scope of the general purpose of the committee. The programs of the State of Missouri have been implemented to establish those areas of assistance that have been available from matching funds of the U.S. Government. Their extent of achievement has been limited by the State appropriations and the failure of the last general assembly to enact legislation that would have implemented the additional benefits that are provided under the Kerr-Mills law of the 86th Congress. An interim committee of the general assembly is conducting an investigation in order that its report may be given consideration by the 1963 general assembly.

Old age assistance, aid to hospital construction, vocational rehabilitation and the vendor programs are in operation. Many elderly persons have benefited through and by the cooperative activities. Likewise, this State has also provided for more liberal benefits as they have become available through the provisions of the old age assistance program. This chamber of commerce has a consistent record of supporting programs that are in the interest of aged and less fortunate persons. Also, it has participated in research investigations and sponsored local programs that have been in the best interest of public health and preventive medicine.

However, we have also reserved the right to express our opposition whenever we believed that it was in the best interest of our community and its economy.

We believe that the State of Missouri should enact legislation that would enable it to implement the additional financial assistance program for elderly or aged people under the Federal law known as the Kerr-Mills law of the 86th Congress. This act provides for additional benefits in health services for those persons who are receiving old age assistance. And in addition, it makes available to the State funds on a matching basis, that can provide financial assistance for health services for those elderly persons with limited resources who are not beneficiaries under the assistance program. The implementation of the original program to add funds for health services to recipients of old age assistance has been supported and the experience in the past 2 years has demonstrated that wisdom. It is evident that additional support is needed for the care of these people and we recommend that the expanded program under the provisions of the Kerr-Mills law be enacted in Missouri. Since this is applicable also to persons without income and the additional funds would provide needed additional services for this group, we support early enactment of the legislation that will enable the Department of Public Health and Welfare to revise and expand its program for these people in Missouri.

There are aged persons who need assistance. We recognize this and are supporting local and State programs to provide this. There are studies that have demonstrated there are differences of opinions concerning the extent of this need. We believe that it is minimal and that implementation of existing and available aid programs will meet this need or provide the information from which reasonable and practical revisions can be made. The expense of health services is

usually offered as the cause of destitute economic circumstances; however, it must be considered that every person needs and uses many other commodities in his daily life. All of these require funds, as do health services, and should be given equal consideration in determining assistance to elderly persons.

We favor enactment of the legislation that will provide for establishing the benefit program for persons over 65 who may need financial help to pay for health services as available to all States under the Kerr-Mills law. This legislation has been supported by many and has had only 1 year since its enactment for consideration by the several States and enactment into State programs. Some States like Missouri may be delayed a short time; however, that may be wisdom and provide for the enactment of the best laws to establish the program. Many people over 65 do not need the additional assistance. To those who do, it is reasonable to ascertain eligibility for the assistance under the same principle that is used to determine eligibility for old-age assistance, veterans medical care, and disability benefits and in determination of eligibility for any other financial aid program. Each State has the privilege of determining its own program, and this element provides for local autonomy within each State. Nationwide regulations can be inequitable in various States because of the unequal economic circumstances. Therefore, we believe that this program should be implemented and experience gained before establishing an inequitable program that is limited in its benefits to a certain class of citizens and provides no benefits for others who may be over 65 years old. Therefore, a program that is available to all who may qualify is more desirable than one that may be limited to a specific group.

Under Missouri statutes, medical care, health and welfare services are designated a responsibility of the county court. This is applicable to unfortunate persons who are citizens of the county. Several sections of the statutes provide the authority and means to obtain the required funds. To some extent, these resources are used to their full capacity while in others they are not. When used to the extent of need, there is a program that will take care of those who are receiving old-age assistance. Thus, this program, with the combined Federal and State assistance, can achieve maximum results when the maximum available programs are enacted and implemented.

Supplementing these Federal, State, and county programs is that of the city of Kansas City through its city hospitals. While its health care services are limited to the citizens of Kansas City, it does reduce the potential responsibility that is an obligation of the county court of Jackson County. Eligibility for outpatient, inpatient, or ambulance service is determined upon the individual economic circumstances of the person with the exception of emergencies. The professional services are under the direction of 250 physicians who are also in private practice in Jackson County. Under their direction and supervision are 65 residents and interns. The quality of professional services is equal to or better than that which is available to persons who have more personal resources.

There is extensive coverage of the citizens of this area through the Blue Cross and Blue Shield plans and the group coverages that are provided for many industry and business employees. These contracts may vary; however, the studies indicate that many can be continued after employment is terminated and are applicable beyond age of 65. The revisions of these programs as experience is being ascertained, has permitted many liberalizations notwithstanding that there have been increased costs that are attributable to increased costs in all business operations for which these programs are one segment of today's economy pattern of labor-management relations. It seems reasonable to predict that these programs will diminish the future number of elderly persons who may be without a health service program and improved retirement programs needed to meet their living costs and health services. Under these programs and under the plan of the Kerr-Mills law, the people choose who will serve them when there is a need for health services. This, we believe, is the American way and should be preserved in preference to any program that would regiment the people and choose for them who shall administer to their health service needs.

We believe that the need to enact further Federal legislation for the health care services of the aged has not been sufficiently documented to warrant its consideration until existing laws have been implemented by the several States and their experience determined. Taxes have been increased to attempt to fulfill existing social security legislation and even these increases have not been sufficient in the past few years, to provide for the disbursements. Another benefit program would increase the expenditures and the proposed additional tax provisions have not been determined from experience but are estimates that

can be challenged by actuary authorities to the extent that their reliability is extremely doubtful. The evaluation of the economic soundness of any proposal should be its primary criteria if it is proposed as a Government program. It should also be determined that its objective is not and cannot be provided by the people under voluntary efforts of free enterprise.

In summation, I present these facts that there are available Federal programs that have not been implemented in Missouri, that old age assistance in Missouri is limited only by the funds made available by the general assembly in considerations of the economic resources of the State, that each county of this State has statutory authority to provide for its less fortunate citizens, that city governments have also established programs and that through voluntary means and industrial benefits, many persons have provided for their retirement and health service needs through community and insurance companies' health service programs. Therefore, in our opinion, full implementation of existing available programs should be made by this State and other States, to the extent of their resources and the needs of their citizens, prior to enactment of Federal legislation that will increase social security taxes and establish a program that cannot deliver the professional services of physicians without establishing a program of hospitals practicing medicine, which is incompatible with existing laws and court decisions in many States.

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PREPARED STATEMENT OF CHARLES E. CURRAN OF KANSAS CITY ASSOCIATION OF TRUSTS AND FOUNDATIONS

Mr. Chairman, gentlemen, Mr. Wadsworth has asked that I convey his regrets. His longstanding out-of-town commitments were such that he could not appear here personally.

The focus on problems of the aged is a most timely matter and a subject of increasing attention in the Kansas City area. I hope that the perspectives and insights that we—as but one of many agencies involved—have developed will be of some assistance to the committee in its deliberations.

By way of reference and for the sake of background, I should like to describe briefly the role of the Association of Trusts and Foundations in the community.

The association is the administrator and adviser for five independent, collaborating trusts. Broadly, the program interests of the association are threefold:

(1) The support on a continuing basis of a program of social research that seeks to provide to all citizens a thorough and objective factual record of the community's social and cultural needs and the services organized to meet these needs;

(2) The investment of funds in experimental or demonstration programs, through new or established agencies, to test the validity of research findings in the various fields; and

(3) The encouragement, in a great variety of ways, of sound principles of community planning—principles which are directed toward efficient and adequately coordinated public and private services organized to meet human needs.

These policies have proven a useful guide over the 13 years of the association's life. They have led the trustees to regard their function as that of supporting effort to seek new knowledge, and to finding appropriate ways to apply knowledge in useful ways. They have encouraged a research point of view on community problems. They have made possible a useful distinction between the role of a foundation and that of a United Fund agency or a unit of government. They have also assisted in creating a network of useful relationships with those persons who carry heavy responsibilities for operating our community enterprises in education and social welfare, for it is upon their advice and counsel that we must frequently depend in our search for creative ways to use what we have come to think of as community venture capital.

From our experience, the prime matter I would bring to your attention is the urgent need to broaden the base (both as to scope and available financing) of research in the whole field of related social studies—health, welfare, education and, with it, the realm of intergovernmental relationships. If we are to approach community and regional problems realistically and economically, we desperately need better answers—answers not only to current problems but to the host of concerns that we can visualize will come with the rapid acceleration of changing conditions and growth. Many of these solutions or answers, we believe, can be developed through a greater basic research effort. The role of the Federal Government in supporting and expanding these interests is both obvious and critical.

By way of example, let us look specifically at the field of aging.

"The need for constructive and cumulative social research on aging seems abundantly evident. Aging is one of the most pressing domestic social problems of our time with extensive ramifications extending into nearly every facet of the social system. Never before has a society been confronted with such a large proportion of its population living to an advanced age. Few societies are more uncertain concerning the role of older people. At the present time there are no clearcut solutions to a wide variety of social, psychological, economic, and health problems which have become more extensive in the last two decades and, in most instances, promise to intensify."

What are some of the specific problems that we feel need exploration?

The Midwest Council for Social Research in Aging notes, among others, the following:

1. Measurement of trends in the ecological distribution of the aged in American cities during the past year and isolation of factors related to the ecology of the aged;
2. Gaining a better understanding of the patterns of status relationship of older people both within their own peer groups and in the community at large;
3. Establishment of community services for the aged on a coherent and rational basis;
4. The problems of special housing for the aged;
5. Ascertaining what kinds of older participate, spontaneously or with encouragement, in group work programs;
6. Understanding the problems of aging among minority groups in the community;
7. Determining the methods of communications which are most likely to reach and influence older citizens.

Incidentally, the Midwest Council consists of personnel from a number of regional universities, and its organization was sponsored by an initiating grant from the association. Given a broader base of Federal support, regional and local research agencies can, we believe, make a substantial contribution toward developing the answers to these and other fundamental questions.

The second matter I would mention follows logically. That is, the development of research and the implementation of research findings are centrally dependent upon facilitating the means for interrelating and coordinating the supportive efforts of governmental agencies at all levels with one another and with quasi-public agencies such as hospitals, foundations, welfare institutions, and the like. We are increasingly aware today that successful efforts—be they research or implementative programing—can rarely be executed by a single agency unilaterally.

What is needed is increasing consideration by all parties of ways to improve communications and to permit broader flexibility in relationships. With this goes an attitude conducive to experimenting in new consultative and partnership arrangements.

Thank you.

Senator LONG. Now, Prof. Donald Cowgill, chairman, Department of Sociology, University of Wichita. Doctor, could I ask you to expedite your statement to us as much as possible.

Professor COWGILL. I shall certainly do so, Senator Long. I appreciate your courtesy in hearing from me.

#### **STATEMENT OF PROF. DONALD COWGILL, CHAIRMAN, DEPARTMENT OF SOCIOLOGY, UNIVERSITY OF WICHITA**

Professor COWGILL. I have been asked just to present an informative statement about a rather unusual research organization that has been established during the last year. I will just call attention to its major features and let the details be borne out in my general statement.

This was something that grew out of the White House Conference and grew out of the Midwest. Five of the States in the Midwest region conducted statewide surveys to determine the characteristics, the conditions, the needs, the problems of their senior citizens. These



surveys were so nearly parallel that to a very real degree this might be considered a survey of the Midwest.

At any rate, the people that were involved in this survey thought that eventually it should be put together in that form and they are now in the process of doing so as a followup to the White House Conference, and as a byproduct of that, a group of 30 social scientists throughout the 7 States—of region VI of HEW—have joined together in what is called the Midwest Council for Social Research in Aging.

Senator LONG. May I interrupt just a moment. Dr. Dwyer is wanted on the phone in the lobby. Is Dr. Dwyer in the audience? I can't tell what age the doctor is. We hope it's none of our golden age circle. Thank you, sir. Go ahead.

Professor COWGILL. The Midwest Council is devoting itself to the development of a long-range program of social research in the Midwest. We believe that social research is most important here in view of the findings that many of the problems of senior citizens stem from their lack of a useful and honored role in the community.

We think that the Midwest is an appropriate place to launch such a venture because of the high proportion of older citizens in this area, and especially because of some unique features of the population of the Midwest, one in particular, I might mention, that is the heavy concentration of older citizens in some of our small towns, which are becoming almost retirement communities without anybody planning it that way.

We are having some difficulties in launching this program. Chiefly financial, because of its very uniqueness. One, it is a program rather than a specific research project, and many of the financial sponsors would rather have minute little projects rather than long-range programs, and secondly, because it is not confined to one institution, one person, or even one State. It covers seven States.

We have had some difficulties, specifically with some of the Federal agencies who have funds to grant for such projects because although some of them have in the past contributed to programs of research they are no longer doing so. So we are just now getting underway, Senator, and we thought this unique organization might have some value for your committee.

Senator LONG. Doctor, I am sure it will, and we appreciate your appearance here and the committee and staff certainly will give serious consideration to your statement, it will be very helpful to us. Thank you so much.

Professor COWGILL. Thank you.

(The prepared statement of Dr. Cowgill follows:)

PREPARED STATEMENT BY DR. DONALD O. COWGILL

The Midwest Council for Social Research in Aging grew out of the White House Conference on Aging. In the course of preparing for that conference, five of the States in the Midwest region—Missouri, Iowa, Minnesota, North Dakota, and South Dakota—conducted statewide surveys to determine the characteristics, the conditions of life, the problems and the needs of their older citizens. While there were some differences between these surveys, in the main they followed the same pattern, the pattern first developed in Minnesota and borrowed and adapted by the other States. In a sense, then, this became almost a regional research project.

It goes without saying that such coordinated effort did not just happen; it was brought about by the urging and stimulation of a very able, conscientious and imaginative Government employee. I think it is only fair to name that person and give her part of the credit which is her due; she is Miss Amelia Wahl, Regional Representative on Aging, Region VI, Department of Health, Education, and Welfare.

Now it happened that all of the people who directed the five State surveys were sociologists at the respective State universities. Since all of these men are members of the Midwest Sociological Society which holds its annual conference in April, again at Miss Wahl's instigation, they got together along with representatives of Kansas and Nebraska during the conference of the Midwest Sociological Society in April 1960. At this meeting, two possibilities were discussed: (1) the possibility of putting the five State surveys together into an integrated regional report, and (2) the possibility at that late date only 8 months prior to the White House Conference of bringing the other two States of Region VI, Kansas and Nebraska, into the survey so that it would become, in fact, a survey of this entire region. The pressure of time prevented the achievement of either of these objectives prior to the White House Conference, but the possibility of collation of the five reports was not lost sight of.

Continued interest in this possibility led to a series of meetings of this same group at the time of the White House Conference and there the decision was made to form the Midwest Council for Social Research on Aging, and an executive committee was appointed with Dr. Marvin J. Taves of the University of Minnesota as chairman. At this time, they set as their objectives: (1) the collation of the data from the five State surveys, and (2) the formulation of long-range plans for research in aging. The executive committee immediately developed plans for the collation of the five studies and obtained funds to carry out these plans from Kansas City Association of Trusts and Foundations with Community Studies, Inc., a nonprofit social research organization in Kansas City as the host institution.

In March 1961, the executive committee met to discuss ways of developing long-range research plans. This eventuated in a second request to the Kansas City Association of Trusts and Foundations for funds to provide fellowships for attendance at a seminar to be held during the summer of 1961 for the purpose of developing such long-range research plans.

With these two projects already underway, the executive committee turned its attention to ways of broadening its base and of formalizing its structure. It convened a meeting of all interested persons who were attending the Midwest Sociological Society in April 1961. More than 30 social scientists attended this meeting and formally established the Midwest Council for Social Research in Aging.

During the summer, seven members of the council were awarded fellowships to participate in the research-planning seminar. They held two extended sessions in St. Paul and Kansas City and ultimately hammered out an ambitious research program including 14 different specific projects as well as plans for the initiation of new projects within a continuing framework, for training teachers and researchers in the field, and for dissemination and implementation of the results. The specific topics on which research is now planned include such items as the distribution of the aged population in the region, the role and adjustment of the aged in small towns, migration patterns, residential distribution within our larger cities, social status of aged and retired people, adjustments of older Negroes, community programs for the aging, social aspects of housing, reasons for participation or nonparticipation in recreation programs, degree of group-consciousness and political consciousness on the part of senior citizens, radio and TV-viewing interests of old people, the social psychological consequences of the lack of a culturally sanctioned role in society, the cultural values of the aged and the extent of development of what might be termed a "subculture" of the aged, and further study of personal and social adjustment including the invention of better means of measurement of such adjustment. This whole program is all ready to be launched. The overall philosophy and plan of the program as well as the designs for the 14 specific projects are contained in a 138-page prospectus entitled "A Program of Research on Aging in the Midwest." All that is lacking is the money to carry it out. The program has been submitted to several foundations and while some have informally stated that they would be willing to pay part of the cost, none has yet made an unconditional grant and we do not yet have the funds to proceed. Apparently the ambitiousness and unconventionality of the proposal is handicapping the

council in securing funds for its implementation. On the one hand, it is a research program, not a specific project, and while such agencies as the National Institutes of Health have in the past made large program grants they are no longer doing so. In the second place, it appears that the various agencies with research funds are so accustomed to making grants to individuals or specific institutions, that a request which presently involves five universities in as many States and makes provision for later inclusion of other universities in other States, is so out of the ordinary that they scarcely know how to handle it.

While the council believes that this regional and interuniversity approach is justified and will be productive of more long-range results than will a piecemeal individual approach, it may be that we shall have to break the program up into individual projects and require the various individuals and universities involved to apply separately for funds. However, if no encouragement is to such regional and interuniversity efforts, the council feels that much will be lost in the way of interstimulation and criticism that proved so valuable in formulating the present program.

Meanwhile, the original job of collating the five-State reports is practically complete and I understand the complete report is about to be published.

Finally, let me say a word as to why this group of sociologists think there is a rational for this kind of research. First, they think that research on the social aspects is important, because such research as has been done, including that in the five-State reports, indicated that the basic reason why aging has become a "problem" in America is the lack of social role, the feeling of being unwanted, of being alienated (or disengaged) from the life of the community. Second, they see the Midwest as an appropriate place for such research both because of the high proportion of old folks in the population of the Midwestern States, all of which are well above the national average, and because of some peculiarly mid-western patterns of adjustment, such as the very high proportions of the populations of some of our small towns which are made up of people over 65. This is happening on such a scale that in a very real sense many small towns in this region are becoming retirement villages or communities for the aged without anyone having planned it that way. We believe that this phenomenon should be studied thoroughly. Third, we have a group of competent sociologists in the region who are interested in the phenomena of aging; we would like to encourage this interest, and utilize their research skills to further our knowledge. And finally, we feel that such knowledge would be immediately useful. Most of the members of the council are not "ivory tower" scholars; they are not only competent scientists, but they are also in the thick of planning and implementation of community programs. Such knowledge would be applied at the grassroots because that is where these men are working week in and week out.

Senator LONG. Now, Mrs. Winship Chick. That is such an unusual name, I hoped the lady would be here so I could get to meet her, but in her place I am told we have Dr. E. Frank Ellis, chairman of the Committee on Aging, M.A.S.W., and director of outpatient clinics at General Hospital. Doctor, may I suggest to you the same as I have the others, make the operation as short as possible.

Dr. ELLIS. Thank you.

Senator LONG. Doctor, we thank you for being here and we have the prepared statement of Mrs. Chick.

(The prepared statements of Mrs. Chick and Dr. Ellis follow:)

PREPARED STATEMENT OF MRS. WINSHIP CHICK, MISSOURI ASSOCIATION FOR SOCIAL WELFARE

Senator Long and members of the committee, the 1960 census indicated that 89 of Missouri's 115 counties (including St. Louis City) lost population during the decade of the 1950's.

In general, it may be said that a loss of population reflects a decrease in the ability of the economy of the area to support the population. Many young people move to areas where they can get jobs more nearly commensurate with their ability. The older people who remain make an ever-increasing proportion of the population in the county. In some Missouri counties one of every five persons is over 65 years of age.

The Missouri Association for Social Welfare is a nonsectarian, nonpartisan, nonprofit organization of citizens interested in the improvement of health and welfare services for all Missourians who need them. More than 3,000 individuals in addition to some 300 organizations make up this volunteer research, planning, and citizen education association. The members from all walks of life and from every county in the State are concerned with the aging, with children and youth, with corrections, health, human rights, and public assistance.

The association is concerned that the increasing proportion of older persons and the resultant increased demand for services is occurring in so many of Missouri's counties where there are practically no organized resources to meet the needs.

Longer life is a joy to many people, but for large numbers of older people, these added years are less enjoyable.

Retirement from work usually means reduced income and curtailed activities. Enforced idleness invites a feeling of worthlessness. Women usually live longer than men. Children grow up and move away. The husband dies. Loss of husband and family to care for can mean loss of status and decrease usefulness. The specter of loneliness and worthlessness becomes real to these people. In very few rural communities are there recreation facilities, special employment opportunities, or other program to combat the loneliness and the feeling of uselessness.

Aging has no specific disease entity, but older people have a disposition toward more frequent illnesses, which are of longer duration. Thus, more medical treatment, and more hospital and nursing home care is necessary. These facilities tend to be more numerous in large centers or are frequently only in the county seat.

The aged person living alone is not able to properly care for the big family home with its stairs, old-fashioned heating plant, and similar features. Yet the smaller housing unit is not available in the rural area so that he must go to a nursing home or the county home for shelter when he cannot manage in the large house. He often takes up space in such facilities which he does not need and which could be better used by another.

In short, the rural counties have the highest proportion of the aged but have fewer of the services needed to cope with the resultant needs. This is not to imply that the cities have enough of the recreation, employment, health, housing, and other facilities that the old people need. We do point out that there are none or very few of these services in the outstate counties where the need is great.

We recognize, of course, that a high proportion of the population in a rural county may not represent nearly as many people as a lower proportion in an urban area. It is estimated that 68,000 people in Jackson County are 65 years of age and over. This is 10.9 percent of the population. In nearby Caldwell County, 20.6 percent—nearly double that in Jackson County—are over 65 yet this means 1,811 people.

No matter how many there are, these older citizens have earned their livings, raised their families, paid their taxes, and otherwise contributed to the community. They have earned the right to services and facilities wherever they live in the State.

In areas where there have been few health and welfare services the establishment of a nursing home, a clinic, a recreation center, or similar facilities may seem a horrendous task. But the people in every community possess the potential to solve their problems. The desire to meet their needs and the ability to plan and develop the necessary program can be stimulated.

As the community begins to see the needs, as it begins to ponder the seemingly horrendous task of providing services that are so badly needed, it may need the help of a person who can bring the experience of other communities, the sources of the latest information, and who can put them in touch with experts in specific aspects of aging problems. A consultant who can render this kind of help and without attempting to tell the community what to do can bring the coordinated, cooperative approach necessary to assure that communitywide aging needs are met.

Because of these factors, the Missouri Association for Social Welfare submits the following recommendation to the committee:

In addition to programs for direct services such as nursing home construction, increased public assistance, medical care, and others sponsored by the Federal Government or jointly by Federal and State Governments we recommend that there be provision for demonstration projects and staff development plans for

voluntary and public agencies to develop consultative services to rural communities to the end that local leadership will be developed, public interest stimulated, and group efforts coordinated to help communities develop better services for the aging.

The association wishes also to thank the committee for the opportunity to meet with you to present this statement.

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**STATEMENT OF DR. E. FRANK ELLIS, CHAIRMAN OF THE COMMITTEE ON AGING, MISSOURI ASSOCIATION OF SOCIAL WELFARE, AND DIRECTOR OF OUTPATIENT CLINICS AT GENERAL HOSPITAL**

We are very grateful to you and your committee for granting the Missouri Association of Social Welfare the opportunity of presenting our statement. Mrs. Chick, president of the Missouri Association of Social Welfare had planned to make this presentation but was forced to leave because of previous commitments.

I am chairman of the Committee on Aging for the Missouri Association of Social Welfare and reside in Kansas City, Mo. I am also the director of the outpatient clinics and emergency service of Kansas City General Hospital.

The Missouri Association of Social Welfare is an organization composed of lay and professional citizens of the State of Missouri. Its composition embodies persons from all walks of life, who volunteer their services to conduct planning programs and educational projects on aging, children and youth correction, health, human relations, and public assistance. I would like to further state that the membership has reached approximately 3,000 members.

Dr. Cowgill has mentioned something which I would like to reemphasize because the Missouri Association of Social Welfare also feels it is especially important. I refer to his statement regarding the declining population of the rural areas of the State of Missouri. This population decline becomes especially significant in relation to the aging because we note the remaining population in many rural areas shows a rapidly increasing concentration of the older citizens, above age 65. It is in this regard that we would like to submit the following recommendation.

In addition to programs for direct services such as nursing homes construction, increased public assistance, medical care, and others sponsored by the Federal Government or jointly by Federal and State Governments, we recommend that there be provision for demonstration projects and staff development plans for voluntary and public agencies to develop consultative services to rural communities to the end that local leadership will be developed, public interest stimulated, and group efforts coordinated to help these communities help themselves develop better services for the aging.

On behalf of the association I would like to thank you again for allowing me to present this statement to you and the committee.

Senator LONG. Miss Winifred Lippman, educational director, International Ladies' Garment Workers' Union of Kansas City, Joint Board.

I have 7 minutes.

Miss LIPPMAN. I will be fast.

**STATEMENT OF MISS WINIFRED LIPPMAN, EDUCATIONAL DIRECTOR, INTERNATIONAL LADIES' GARMENT WORKERS' UNION, KANSAS CITY, JOINT BOARD**

Miss LIPPMAN. Senator Long and members of the committee, I am deeply pleased that I have the privilege of appearing before you, Senator Long, and I hope that you will be able to do something about the following remarks that I am going to make.

Our group, the International Ladies' Garment Workers' Union, has to date retired 106 members in the Kansas City area. They each

receive a pension from retirement funds of \$50 a month over and above their social security, and they also have access to our health center which treats them by preventive medicine.

The following problem, the relative responsibility clause, is not strictly confined to our group. I feel that it should be eliminated as a condition of payment for old-age assistance. I will say that the State of Missouri doesn't have what we want to call a strictly relative responsibility law, but of the 17 States that do not have that law, we find that the percentage is no higher than in those States that have the relative responsibility law, under the old-age assistance, and in my opinion this takes the right away from the senior citizens to live and die with dignity. The problem of better housing for our senior citizens who are on a limited budget, and in some cases even though the budget may not be limited, they have a big home and they do not like to live by themselves. When these projects will be built (we hope to see them started in the near future), they should include good transportation, shopping, medical, hospital facilities, churches, and cultural outlets, also to bear in mind that old people, our senior citizens, don't always like to remain just with their age group, they may not like the children to live in the same home with them, or in the same apartment building with them, but they like to look out the window and see children playing. So I hope there will be some consideration in the development of a housing project for them.

I also feel there should be State and Federal control over the cancellation of hospitalization policies to our senior citizens. We have recently had some difficulty with the Blue Cross and Blue Shield. When we signed our contract 2 years ago they felt that our welfare program would be paying the members dual coverage, and consequently, about 8 or 10 of our retired members are not covered by any kind of a hospitalization policy, and last and not least, on behalf of the Retired Members Club and myself, we heartily endorse the adoption of the medical program for the senior citizens in conjunction with the Social Security Act and I thank you, Senator Long and the committee for the privilege of letting me appear before you.

Senator LONG. Thank you very much. You are running right on schedule.

(The prepared statement of Miss Lippman follows:)

My name is Winnie Lippman. The organization I represent is the International Ladies Garment Workers Union. Our union has pioneered in the pension plan and the members receive \$50 a month over and above their social security payments. Where there is a health center available in the area, they are welcome to the services (preventive medicine).

In order to be eligible, they have to have at least 20 years in the industry and reach the age of 65. Many are not eligible for the pension and receive only the minimum social security payment. Their income is supplemented by old-age assistance.

The State of Missouri's relative responsibility clause only applies when old-age recipient lives with son or daughter or an immediate member of the family, and is one of the 17 States that does not have a relative responsibility clause that is enforced. The remaining States abide by the relative responsibility clause as a condition of payment of OAA and go as far as the court for action.

The percentage of those receiving OAA in the 17 States is no higher than in the remaining States, and this clause should be eliminated as a condition of payment. In my opinion the right to live and die with dignity is abused.

Our senior citizens, who retire with a pension, are a proud group, but they live on a limited budget, in a sense, and living quarters for those who do not own their own home, prove a hardship they feel, and so do I, as director of the Retired Members Club, feel that better housing is needed, and the planning and development of such a project should include good transportation, shopping, medical and hospital facilities, churches, cultural outlets, and congenial neighbors, where young folks are around. Perhaps it may not be feasible for the younger generation to be in the same buildings with the senior citizens but when they go outside they can see them around and not feel they are secluded with older people all the time.

There should be more State and Federal control over the cancellation of the hospitalization policies to our senior citizens.

On behalf of the Retired Members Club and myself, we heartily endorse the adoption of the medical care program for the senior citizens in conjunction with the Social Security Act.

Senator LONG. Now, I have just 3 minutes and I want to introduce a man—I don't want him to make a talk right now—but one of my distinguished colleagues from the House of Representatives who represents the Fourth District here, of which Kansas City and Jackson County are a part, one of the very able Members of the Congress; a man who is interested in all the problems of all the people in our State. No one works harder and more diligently at it than Congressman Bill Randall.

Congressman RANDALL. Thank you very much. I couldn't get this stand. I admire Senator Carlson very much and one of the staff members turned it around and I was very curious. I simply wanted to say, Senator, that we would very much like to have a copy of the transcript of these hearings. We have to go down into another county this afternoon, but I am sure you are developing some testimony here that will be of some great value in the 2d session of the 87th Congress. If I remember it right, the House Ways and Means Committee have that on their agenda and it is sort of at a stalemate at the time being.

Senator LONG. We will see that you get a copy and appreciate you coming by. Senator Carlson is a good friend of mine. One is he is from Kansas and you can guess what the other one is. He is my good friend, I can say that.

Now, Mrs. Vivian Shepherd, director of Rehabilitation Institute of Kansas City. I took a minute of your time, you have now about 2 minutes. We are sorry we have had to hurry.

**STATEMENT OF MRS. VIVIAN SHEPHERD, DIRECTOR,  
REHABILITATION INSTITUTE, KANSAS CITY**

Mrs. SHEPHERD. Senator Long and the committee, my only plea is that when you consider all the services for the aged you don't put rehabilitation services in the position I am in today—that they occupy the position they need to have. Just to point up one or two things: That is, the value and the worth, inherent in rehabilitation for aged people. If it is done properly and carried out as it should be, many of them will not have to be in nursing homes and hospitals, or become excessive burdens to their families.

I have prepared a statement for you. It is brief, because I was out of the city. I will be glad to substantiate that. I represent a voluntary agency which serves a community area including the western half of Missouri and the eastern half of Kansas, providing treatment

and other rehabilitation services on an outpatient basis. From this experience, I know firsthand what can be accomplished through rehabilitation services.

You have before you in the Congress, both in the House and in the Senate, a bill which we term the independent living bill, which will do much to help the situation for our older people. The present Public Law 565 rules out the very severely disabled and the aged. We hope that you will study this legislative proposal carefully for we feel that what is needed is a tremendous joint effort, public and voluntary, to solve this problem. The concept of rehabilitation is helping people help themselves and the whole program has great worth. In this moment which you have given me, I just want to urge that rehabilitation is included in any legislation and that we continue to go forward. You have done a lot and I compliment the Congress in what has been accomplished for rehabilitation. However, there is much more to be done to serve this group of people over 65. Thank you a lot, Senator.

Senator LONG. Thank you, Mrs. Shepherd. I am sure our committee realizes that rehabilitation is one of the problems and that is one of the matters we are happy to hear about, because there is no group of people more happy to help themselves and be in a position to help themselves than the senior citizens that we are concerned about here today.

(The prepared statement of Mrs. Shepherd follows:)

PREPARED STATEMENT OF MRS. VIVIAN SHEPHERD, EXECUTIVE DIRECTOR, THE REHABILITATION INSTITUTE, KANSAS CITY, MO.

I would like to thank the committee for the privilege of presenting my views on the need for and provision of rehabilitation services for the aged.

My own opinion can best be expressed from three points of view. First, as one who has served as an officer in three national organizations concerned with the rehabilitation of the disabled including the aged: the National Rehabilitation Association, the Association of Rehabilitation Centers, and the National Association of Sheltered Workshops and Homebound Programs. Second, as the executive director of a community sponsored, voluntary agency, the Rehabilitation Institute, a comprehensive rehabilitation center and workshop serving in this past year 1,256 persons with serious and multiple handicaps ranging in age from 6 months to 90 years. And, third, as a private citizen, concerned about the welfare of the ever-increasing number of severely handicapped, aged, and chronically ill in our population and the ways and means we must develop to lessen the impact on our economy of support of these large numbers of persons. The humanitarian aspects of rehabilitation are easily understood, but we have not fully grasped the economic impact of disability coupled with aging, and the worth and necessity of providing dynamic programs of rehabilitation for this group.

Medical advances and rise in the standard of living in this country have caused changes not only in the lifespan but in the growth and age composition of our population. These factors enable people to live longer than in the past, but we are seeing increasing numbers of aged, chronically ill, and severely handicapped persons creating present-day problems we must learn to handle.

What is the size of the problem we must face? And why should we be concerned about providing rehabilitation services for these persons?

In the United States in 1956 there were 49½ million over 45 years; by 1965, there will be 75 million.

In 1956, there were 15 million over 65 years; by 1965, there will be 25 million.

In Missouri, the 1960 census showed 503,411 over 65 years; by 1970, there will be 531,000.

In the main, many of these older persons have chronic illnesses associated with aging and many are in need of definitive rehabilitation services to increase their functional ability, or activities of daily living, which may allow them to



remain in their own homes where otherwise they would deteriorate to the point of needing continued hospital or nursing home care or become an impossible burden to their families.

Rehabilitation may be described as the process by which disabled persons are assisted to attain the highest level of functioning in physical, emotional, social, and vocational spheres. Its services encompass:

1. Evaluation or diagnostic procedures of problems and potentials for rehabilitation and should include medical, social, psychological, and vocational evaluations.

2. Rehabilitation treatment.

(a) Functional retraining: physical therapy, occupational therapy, speech therapy.

(b) Social: psychological, including casework and counseling.

(c) Vocational, including work evaluation, counseling, establishment of work levels, adjustable devices, placement in employment—competitive or sheltered workshop.

Congressional action has in the past 15 years made possible many increases in opportunities for the disabled but primarily in the age group who might be expected to work. At the community level, rehabilitation centers and workshops have been organized which are proving the efficacy of rehabilitation procedures even for the older person. However, more and more disabled people are demanding a chance and the demands upon our rehabilitation resources today, in both public and voluntary programs amounts to a clamor we cannot satisfy. There is little doubt that we do not have today or in the immediate future sufficient funds, facilities, or personnel to meet the problem. While there is strong leadership being evidenced by individuals and by public and voluntary agencies and organizations, a need and a program of the size and scope now before us will necessitate some further congressional action in order to be achieved.

For some 2 years the Congress has had proposed legislation usually called the independent living bill under consideration which could offer assistance to the problem of the older disabled persons. Under title II of that bill, it would seem that the services offered under this title are but a logical extension of the vocational rehabilitation services now sponsored by Federal-State Governments. At the present time, in order for a person to be accepted, under the law, for rehabilitation services, there must be a reasonable expectation of employment upon completion of services. This has ruled against the aged and the severely disabled. It is felt that because of the extensive advances in knowledge and skills in the field of rehabilitation, many persons, who at the beginning would have to be classified as having no objective at the employment level, might actually with early evaluation and rehabilitation services and with the other services available through vocational rehabilitation, be brought to the point of active employment. For those, though, who even with the most advanced rehabilitation techniques, could not be brought to the point of employment, they could, and this is based upon a great deal of experience in rehabilitation facilities, be brought to the point of self-care, thus relieving institutional, family, or private care. This, we believe, would result, not only in great economic gains, but also very real social gains for the disabled, aged, and for society.

### *Title III. Workshops and rehabilitation facilities*

We have seen under the Hospital Construction Act amendments increased efforts to expand medical rehabilitation facilities such as are found in hospitals or are closely allied to hospitals. However, the expansion of programs with emphasis on psychological, social, and vocational development has not been as great. Greater emphasis needs to be placed on the integration of these services into all current and proposed programs. Despite the values we attach to work in our culture, there are many individuals in this country who are denied the opportunity to work. Chief among them are disabled and aged persons. When these people are not able to find work which they are able to do, it is demoralizing to them and results in profound social and economic loss to society. Rehabilitation is the process through which society helps the handicapped individual achieve a useful and more personally satisfying life, and useful work is an essential element in this achievement.

Development of workshops is one way to meet this need. Working with severely disabled persons requires highly qualified staff, from disciplines not usually found in an industrial setting. Such staff and skills can only be found in adequately financed centers and workshops and are necessary if these per-

sons are to be prepared either to support or partially support themselves. Tremendous concern and interest is brought about by the advancing age of many of our people and the recurring chronic illnesses associated with aging, so that we are faced with how to maintain these people if they cannot be continued in or placed in competitive industry. Many workshops are achieving this today for a small segment of such persons needing sheltered employment and other services.

Development of facilities, both rehabilitation centers and workshops, with a strong vocational, psychological, and social emphasis must be greatly expanded over what we have today. There are far too few resources for such treatment, training, and experience because of the lack of nationwide effort and the inability of local communities to support entirely these facilities requiring highly qualified and imaginative staff and modern physical plants. I do not suggest that Government do all but believe it will require additional legislation and financing combined with community efforts to meet these needs.

#### *Title IV. Rehabilitation evaluation services*

This section of the act deals with perhaps the most important phase of the proposed legislation. At the present time, there is no organized unified method by which all disabled people may procure a total assessment of their potential for rehabilitation. Consideration must be given to the fact that the provision of such a program would be very costly if the initial cost is considered alone. However, if a long-range view can be taken, the cost of providing these services would be little if compared with the return brought about by the reduction of cost of care of handicapped, particularly aged handicapped persons, who under present day programs cannot be made self-sufficient or self-supporting.

#### *Section 5*

The proposal in the legislation to eliminate the mandatory requirements for the grantee to provide a portion of the funds used for research under Public Law 565 would be a marked improvement over the present situation. It is only through such research that methods, techniques, knowledge, and skills can be improved; and through such development and such improvement, rehabilitation can be made more successful in the future.

We feel that rehabilitation facilities, such as comprehensive centers and workshops, can contribute much to the development of better rehabilitation techniques. The difficulty that most of us face in voluntary organizations is the financing of programs to keep up with the knowledge and skills we already have and to develop others we feel might be successful. It is felt that mandatory grantee provision of a part of the funds for research is a deterrent to many centers and workshops adopting such programs; and this, of course, reduces the availability of resources for developing and enlarging the scope and rate of progress of rehabilitation services.

#### *Summary*

Legislation is needed which will assist the States in providing for their handicapped citizens by improved programs for the evaluation of rehabilitation potential, rehabilitation services for severely handicapped persons who could profit from such services but who may not be able to achieve vocational rehabilitation, and increased facilities wherein evaluation and rehabilitation services may be provided.

For the rehabilitation of our aged disabled then it would seem that we need facilitywise:

Comprehensive rehabilitation centers.

Comprehensive sheltered workshops.

Emphasis on rehabilitation services in nursing homes.

Emphasis on rehabilitation services in chronic illness hospitals.

These need the undergirding of Federal-State support, but should be a joint effort with voluntary facilities and organizations within the local and area communities.

In closing, may I say again how much I appreciate the opportunity you have accorded me to participate in these public hearings before your committee. With increased joint effort on the part of public and voluntary organizations, I feel that tremendous gains can be made for the severely disabled and aged; and there can be no greater achievement than the salvation of the individual, the restoration of his worth, his dignity, his sense of accomplishment. This is the concept underlying rehabilitation and is a concept worthy of our support and untiring efforts.

Senator LONG. I am sorry we have had to rush along. This has been a fine hearing, it's a great thing in America where we can sit down where there are many divergent views. We all have different ways of approaching it, but it is great to be in America where we can sit down and discuss those views and come up with something we hope that is of benefit to everyone, it may not be what everyone wants. If you would have been over in East Berlin where I was a few weeks ago, those people don't have a right to get together there and express their views, you would appreciate more than ever what it is like to be here in this type of country.

This afternoon at 2 o'clock will be the townhall meeting, which will be turned over to the senior citizens, turned over to the extent that we will hear their views. I am still going to run the show, but you people will have the opportunity to talk, make your statements. We are going to try to make them 2 minutes so everybody can talk. We want to be as orderly as possible and we want everyone to have fellowship and friendship. We are all in this problem together, and we do want you to present your views; because as I have said before, there is no one more concerned about this problem than you senior citizens, there is no one that has thought about it and worked at it more than you have. We are anxious to hear from you and consider your problems and suggestions for the ways to handle them. So, until 2 o'clock this afternoon the committee will stand in recess.

(Whereupon, at 12:10 p.m., the committee adjourned.)

#### AFTERNOON SESSION

(Whereupon, the hearing was resumed, pursuant to the taking of the recess, at 2 p.m.)

Senator LONG. The committee will come to order. As I announced this morning, this afternoon's program will be devoted to the townhall meeting for the aged with but very few exceptions. Our presentations must be limited to about 2 minutes. I want to suggest to you ladies and gentlemen in the audience that it is nice to applaud these people that speak, but remember, you are doing that on your time. We will be here until 4 o'clock and too much of that cuts out the opportunity to hear other people. I know you are enthused about it and you can do that if you want to, but prolonging the applause uses up the time of the other senior citizens who do desire to be heard.

There are two or three people that I want to call on at this time and then after that members of the staff will be down and they will take your names and bring them to me and I will call you in order as they are received by the staff.

Mrs. Melton, Mrs. Marjorie Melton is one of the ladies I wanted to call on this morning. I think she had written our committee that she desired to be heard and there was some misunderstanding and we assumed she would want to be heard this afternoon with the golden age citizens and not this morning, so we will give Mrs. Melton her opportunity to be heard now. Mrs. Melton.

**STATEMENT OF MRS. MARJORIE MELTON**

Mrs. MELTON. Senator Long, committee. See, I brought my own cheering group with me. These are nearly all senior citizens with very, very few exceptions indeed, who are members of our Golden Age Clubs of Kansas City.

We have a membership of 5,000—27 clubs—and we are very happy to work with them. I am a senior citizen myself, as you can see by my face. I just want to—

Senator LONG. Mrs. Melton, I think you are downgrading yourself, I wouldn't guess that.

Mrs. MELTON. You are very kind. I want to say that our great desire is to have a commission or a committee or something whereby we can give greater service to our senior citizens. At the present time we are limited to recreation. We are so interested in so many things that will benefit our senior citizens, like social security, medical aid, building—housing, and specifically we are interested in part-time employment and volunteer services. Those things, of course, do not come under recreation, and as I say, we are limited.

We very much desire a commission so that we can expand and be of assistance to our older people and to any other agency or commission that can use our services. That is our greatest desire. Thank you.

Senator LONG. Thank you, Mrs. Melton. There is another gentleman that has prepared a formal statement for us, that has been presented to the committee and will become part of the permanent record, and he would like to be heard for a couple minutes. We will be glad to call him at this time, Mr. William J. Burns, which sounds to me like a detective agency. He is the Kansas District representative of the American Association of Retired Persons.

**STATEMENT OF WILLIAM J. BURNS, KANSAS DISTRICT REPRESENTATIVE, AMERICAN ASSOCIATION OF RETIRED PERSONS**

Mr. BURNS. You have my prepared statement and I am only going to take just a very few minutes to bring out some of the highlights of our statement.

The 1960 census showed that Kansas had 90,555 persons who were 75 years of age or over; we think that that poses a problem and that this problem is going to increase. We think we have solved a part of this problem by the formation of the American Association of Retired Persons, which will continue to grow as it has in the past few years, and certainly is meeting a great need in the country through insurance and drug buying and travel bureau and their research department.

I would like to take just a minute or two to tell you what our association favors. The establishment of properly supervised, adequate community nursing homes, whose facilities will be available to those who need them on the basis of the individual's ability to pay. A health care program that will make medical assistance available on a dignified and independent basis; education and assistance in the fields of hearing, vision, and other disabilities, to avoid excessive costs, misrepresentation, and fraudulent claims. A campaign of education and the hiring and retiring practices of industry in the development of

programs that recognize the lengthening lifespan and offer job opportunities and employment based on skill and ability to perform. Adequate housing for the elderly; a program of public education, which will reveal the older residents to be an asset socially and an economic stabilizer to the community.

There are several others that I won't mention but I would like to mention just a few of the things that we don't favor. Attempts to withhold income tax payments on interest and dividends so much needed by those living on small fixed incomes. Attempts to organize older persons into political pressure groups. Any failure in working out solutions to the problems of older peoples which fails to take into account the ability of older persons and their willingness to accept their full share of responsibility. Legislation that would make it illegal to deny employment on the basis of the age. The enforcement of such legislation would be doubtful, it would challenge the integrity of employers. The downgrading and other zoning restrictions against the kind of housing adequate for living, the denial of opportunities for individuals to purchase existing homes or apartments they can afford because they are too old. Thank you.

Senator LONG. Thank you, Mr. Burns. Your full statement will be made a part of the record and I appreciate your expediting the hearing by summarizing it for us.

(The prepared statement of Mr. Burns follows:)

PREPARED STATEMENT OF WILLIAM J. BURNS, KANSAS DISTRICT REPRESENTATIVE OF THE AMERICAN ASSOCIATION OF RETIRED PERSONS

The State of Kansas, at the time of the 1960 census, had 240,269 persons, living within its borders, who were 65 years of age or over. Of this number 157,960 were 70 years of age or over and of the 157,960, there were 90,555 who were 75 years of age or over. Not all of these persons are retired or retired with limited means. It goes without saying, that there are a sufficient number of such persons with limited or fixed incomes that these figures pose a problem and that problem, already a matter of concern, will grow in importance with the passing of the years.

One of the "Patterns for Progress in Aging," which came out of the White House Conference on Aging, was the evidenced benefit of an association of senior citizens. That challenge had been well met by the organization of the American Association of Retired Persons, in 1958, under the experienced and capable leadership of Dr. Ethel Percy Andrus. Incidentally, Dr. Andrus served on the National Advisory Committee of the White House Conference on Aging.

The American Association of Retired Persons pioneered in the field of health insurance for those 65 years of age or over and was a crusader for drugs at reasonable prices. An oversea travel service at reasonable cost, has enabled many to realize a lifelong ambition. A magazine, *Modern Maturity*, has been an eloquent spokesman for the association and has provided stimulating and inspiring stories and information which keep the members well informed. Local chapters are now being organized, which will enhance the value of membership in the association, in many ways, not the least of which will be the companionship and fellowship with those of like interests. These services will be expanded and improved and others will be added, as it is known they are needed.

The White House Conference On Aging, disclosed many of the needs of our older citizens, but few of these needs have been translated into action.

Our association favors—

1. The establishment of properly supervised and adequate community nursing homes, whose facilities will be available to those who need them, on the basis of the individual's ability to pay.
2. A health care program that will make medical assistance available on a dignified and independent basis.
3. Education and assistance in the fields of hearing, vision and other disabilities, to avoid excessive costs, misrepresentation and fraudulent claims.

4. A campaign of education in the hiring and retiring practices of industry, in the development of programs that recognize the lengthening lifespan and offer jobs opportunities and employment based on skill and ability to perform.

5. Adequate housing for the elderly.

6. A program of public education, which will reveal the older resident to be an asset socially and an economic stabilizer to the community.

7. The use of our universities as planning centers for aging and courses that offer degrees in advanced study on gerontology and research.

8. Education for responsible senior citizenship.

9. Education and preparation for retirement.

Our association looks with disfavor upon—

(a) Attempts to withhold income tax payments on interest and dividends, so much needed by those living on small, fixed, incomes.

(b) Attempts to organize older persons into political pressure groups.

(c) Any failure, in working out solutions to the problems of older people, which fails to take into account, the abilities of older persons and their willingness to accept their full share of responsibility.

(d) Legislation that would make it illegal to deny employment on the basis of age. The enforcement of such legislation would be doubtful. It would challenge the integrity of employers.

(e) The downgrading and underpayment of older workers.

(f) Zoning restrictions against the kind of housing adequate for retirement living.

(g) The denial of opportunities to individuals to rent or purchase existing homes or apartments they can afford, because they are "too old."

Three million dollars was spent on the White House Conference on Aging. Unless specific action comes out of the recommendations of that conference, it will be as Congressman Fogarty stated, before the Appropriations Committee:

"One of the cruelest hoaxes ever perpetuated against the senior citizens of our Nation."

The time for careful, deliberate and intelligent action is here.

Senator LONG. The next gentleman is Mr. Albert V. Amet, A-m-e-t, of Kansas City, who is with the Association of Retired Persons. Mr. Amet, perhaps I mispronounced your name, but I hope you will forgive me.

Mr. AMET. I just came in, Senator.

Senator LONG. Would you care to comment briefly on your statement? We have your prepared statement here which will be a part of the record and considered by the full committee.

Mr. AMET. I think that is the main thing, I haven't anything further.

Senator LONG. Thank you, sir. I can assure you that your statement will become part of the record and be gone over carefully by the staff and full committee. Thank you very much.

(The prepared statement of Albert V. Amet follows:)

#### PREPARED STATEMENT OF ALBERT V. AMET

This is a statement by Albert V. Amet, a citizen of Kansas City, Mo., on retirement conditions, himself considered as well as others observed. I began drawing social security account checks in July 1959 having paid into my account since this began in 1936, as an employee of Dr. Salsbury's. Prior to my retirement from active business I observed, studied, and contemplated my own situation compared to friends who had previously retired from the company I was connected with for nearly 30 years and others I encountered, looking forward to my own dismissal at the time I reached 65. For over a year I have served as the first president of the Greater Kansas City Chapter, AARP Inc. a nonprofit corporation associated with the American Association of Retired Persons of Washington, D.C. Our group was the fifth to be organized and the first in the State of Missouri. I had dealings with several hundred local members as well as many others not members. For going on 2 years I have represented the Retirement Council of Stamford, Conn., a service to the larger corporations, to assist their older employees face retirement more favor-

ably and am in weekly contact with personnel having to do with the problems connected with employees reaching retirement age.

The Honorable Abraham A. Ribicoff said in a speech quoted in the *Kansas City Times* Monday December 3 that people were in favor of universal medical care for older citizens under social security account increased payments. The article quoted him further as saying "While I recognize that the Nation's survival and defense must come first I can't imagine a cheaper victory for the Soviet Union than during times such as these to forget the great domestic problems that must be solved in this country." Then he went on to mention that the opposition of 180,000 doctors will not frustrate the will of 180 million Americans.

It is my opinion, and I can also say that a number of members of the Greater Kansas City Chapter, AARP Inc. also agree with me, that most older persons over 65 years of age do not want to see universal medical care provided by the Government that we have to pay for over and over out of our own pockets. We wish to reserve freedom to look after ourselves in our own ways. However, charity cases should be provided for by the Government or State government. There is nothing wrong with looking after those who are unable to look after themselves. If this would be brought before the public with a general election to decide the matter I am sure a majority of the people would vote along with the 180,000 doctors. Private business can provide this service for those who can pay for it themselves. They should be allowed to continue to do so.

If it came to voting on the matter I would vote "No" and urge others to defeat such a measure.

The big thing that Congress can do for people over 65 is to allow them to spend more of their own money in ways they wish to spend it.

Here are ways that would be of immediate help to people over 65 :

1. Increase the amount of earnings that would be allowed without prejudicing social security pension checks. The present \$1,500 a year should be increased considerably without waiting until age 70 years, when there is no maximum limits in incomes earned personally.

2. Increase the \$1,200 income without applying Federal income taxes to at least a minimum of \$3,000. Now, everyone is allowed a deduction of \$600 and doubled for people over 65 years of age in computing income taxes.

3. Do not do away with the \$50 per person exemption on dividends and interest, especially the extra 4 percent deduction, but increase these if the minimum \$3,000 income can't be arranged. Many people over 65 live on income from interest and dividends. This would be a real step in the right direction to help compensate the older person where the dollar of income is being eaten away by inflation everywhere in the land.

With income declining in total value and purchasing power and no one to aid us in obtaining added income through increase in cost of living the least we can expect is something to enable us to spend more of our own income in ways we wish to spend it.

Let me read you a resolution :

#### RESOLUTION

*Resolved by the executive committee of the Greater Kansas City Chapter of the American Association of Retired Persons Inc., That we respectfully petition the Health, Education, and Welfare Committee of the U.S. Senate for Federal income tax exemption of \$3,000 gross income per year received by retired persons who have reached the age of 65 and over. As these retired persons grow older the costs of necessary health, welfare and medical needs increase. This tax exemption would be a small but important assistance to many of our older citizens. This resolution was unanimously adopted at a special meeting of the executive committee at 7 p.m., November 27, 1961, in the home of the secretary, 4121 Warwick Boulevard, Kansas City, Mo.*

*ALBERT V. AMET, President.*

*KATHERINE MESSERSCHMIDT, Secretary.*

Senator LONG. Now, from here on, we are going to call you in the order that the staff takes your names and brings them up here, and we are going to rather strictly enforce the 2-minute rule and the staff member here to my right, he has a memorandum that he hands me that the time is up. He is the timekeeper, and I will hate to break in on you at that time but I am sure you can understand that in considera-

tion of the other people who do wish to testify it will be natural that we break off and have someone else take the microphone.

Do you have your first person, members of the staff, do you have someone now that—may we have your list. Who is the first on your list? Any of you people that want to be heard, now is your opportunity. If you will give your name to the lady there and she in turn—just give her your name and take your seat and we will call you.

Madam, will you give us your name, please?

Mrs. LAMPHERE. Yes, I am Mrs. R. T. Lamphere of Independence, Mo.

Senator LONG. You may proceed.

#### STATEMENT OF MRS. R. T. LAMPHERE

Mrs. LAMPHERE. And when you told me, Senator Long, that I just had 2 minutes, I tried to think, well, what should I say first. I am sure there isn't much I can say in just 2 minutes time, but I would like to say this: That my husband and I had been in the hospital. I have been in twice this past year, 1961, he has been in once, and besides that I have had a bad fall and didn't go in the hospital. We have had a hospitalization company cancel two of my policies because of the doctor's report. I have two policies that Blue Cross and the A.A.R.P., that are wonderful, they don't cancel, they send you your check and we feel secure, but what are we going to do? We pay out \$360 to \$400 a year for hospitalization, we have nothing to do, nothing to pay when we go to the hospital, I mean go to the doctor's office, for an office call, as I did when I fell, now, then, then they cancelled on you, and \$360 or \$400 a year, of course, you know, doesn't pay for the medicine, doesn't pay but very little. I had \$135 worth of X-rays when I was in the hospital, no hospitalization policy paying anything on that, Blue Cross or nothing.

Senator LONG. Do you have social security?

Mrs. LAMPHERE. We have social security, \$132 a month. We have to pay the same price for drugs and they are very high, and my husband also has an eye condition that requires—before I forget I do want to say this: The way the hospital rates have gone up, I will say this, in favor of the doctors, they have not, their fees are not as high in proportion to the other things we have to pay for. Our dollar, our money now, our dollar is worth, I think around 46 cents, if I am not mistaken, and—but we have to pay just the same as the person that has a good income. But the thing that worries us is what are we going to do for this hospital care, they cancel on us, we can't take out new hospitalization policies, they won't take us on account of our age and our medical report, except for these two policies—and that won't pay our expenses. What are we going to do?

Senator LONG. Thank you so much. Your time is up. That is one of the problems that the committee is studying and we hope that sooner or later that the Governor—

UNIDENTIFIED VOICE. Mr. Chairman, point of information, please. Did the lady say they canceled the Blue Cross and the A.A.R.P. for her?

Senator LONG. No, she said those were the ones not canceled. She said she did draw \$132 a month, those cost her between \$300 or \$400 a year.



**STATEMENT OF C. R. MOONEY**

Mr. MOONEY. My name is C. R., Clarence R. Mooney, M-o-o-n-e-y, Kansas City. We just heard our good friend from Kansas deplore efforts to organize senior citizens for political action or some such phrase. The Honorable Richard Bolling, Dick Bolling, Representative from one of our good districts here in Kansas City, had a recent meeting and was asked what should be done to get action for this medical care or whatever term we choose to use; he said it had been blocked in the House, been pigeonholed by the House Ways and Means Committee and the way to get it out of there was for us who are interested in getting action on that proposition to let our Congressman know and our Senators, but this relates to the House, let them know by letters and those letters could be used as good citizen argument to the House Ways and Means Committee or whatever.

I don't see how to avoid making it a proposition for political action as long as acts in Congress are used to block this proposition; therefore I recommend and I hope we can get recommendations elsewhere that come the next session of Congress and that is just next month, we who are interested in trying to get medical care for the aged will take our pens in hand or our typewriters in lap and go to work on letters to our Congressman. My Congressman happens to be William J. Randall; both men, Randall and Bolling, stand on record as in favor of this proposition. Nevertheless they should receive letters from us to use in passing along to the committees and other Representatives who have some voice in how this measure proceeds on the floor. I thank you and my appreciation.

Senator LONG. Mrs. Arthur Flyms, F-l-y-m-s. You people understand, do you not, that these statements are being made part of the record and will also be considered part of the record of the committee and the staff. Mrs. Arthur Flyms.

**STATEMENT OF MRS. ARTHUR FLYMS**

Mrs. FLYMS. My question is in regard to railroad retirement. I feel that an employee should be allowed to plan ahead for some part-time employment when he retires. This you cannot do on the railroad, even with salary limitation, if you have any part-time employment when you retire it must be given up. I think this should be amended in that if a man is healthy enough to have any type of part-time employment I think he should be able to keep it. Thank you.

Senator LONG. Mrs. Dolly Mann.

**STATEMENT OF MRS. DOLLY MANN**

Mrs. MANN. I feel this, that people who are over 65 and want to do work should be given a chance to work for others, not for money and for doctor bills; let the Government take care of that like it has been taken care of, for food and shelter. Though I cannot live on the right side of the track, unless I call on a little reserve which I earned and not inherited, and as for doctor bills and for doctors, unless they have the call to be a doctor and not think of how much they can send in a bill, why, they should not be doctors. Let's have less of them and

more quality like the doctors that were in my family, and that's all I have to say.

Senator LONG. Mrs. Gertrude Wallace.

#### STATEMENT OF MRS. GERTRUDE WALLACE

Mrs. WALLACE. Well, I am here today and I would like to say that I have never been a patient in a hospital in my life and I think that is wonderful, but I have had many people go to the hospital and many of my fellow workers that have gone to the hospital, and when they came out, as a rule they had \$500 to a \$1,000 bill to pay with their salary when they come back to work, and when they have come to the age where they must retire, I feel as though they should have something done for them to pay some of those bills. I don't know whether it should be taxed to social security or how you should do it, but it should be for the Golden Age people and the retired members.

Senator LONG. Now Mrs. Meadow.

#### STATEMENT OF MRS. ARLETTA MEADOW

Mrs. MEADOW. I am a member of the retired workers of the garment industry and I certainly think we need medical aid. With our retirement and social security we manage to get along as long as we have our health. I know myself and thousands of others if we had to be hospitalized over long periods of time we couldn't make it, that is all. We have some savings, naturally, we worked long enough to be retired, but you know with the expense of hospitals today, that would be melted away in a very short time. We feel we should have medical aid. We have a lot of other problems, but that isn't what is being discussed today. We are going to work for that as we have in the past and we hope our Congress will soften up their hearts and do something about it.

Senator LONG. Mrs. Rena Coffman.

#### STATEMENT OF MRS. RENA COFFMAN

Mrs. COFFMAN. I am a retired garment worker and I have worked the biggest part of my life, and I am in favor of the medical aid bill under the social security and I only have social security and I—if I should get ill and be ill any length of time, with only a few dollars to go on, I would be greatly in favor of the medical aid bill to take care of me. Thank you.

Senator LONG. Mrs. Catherine White.

#### STATEMENT OF MRS. CATHERINE WHITE

Mrs. WHITE. I am a retired garment worker and I am out on social security and I am very proud of it and I think it has been a wonderful thing for us to have our social security, but I find that as we age, we need drugs continually, mine run me from \$15 to \$20 a month, so that I can enjoy my living, and I am asking that we put our medical aid on our social security so we can spend it on the drugs that we need most.

Senator LONG. Mrs. Anna Herring.

**STATEMENT OF MRS. ANNA HERRING**

Mrs. HERRING. I am a retired garment worker, I worked for 35 years in the garment industry and we didn't make too much, not enough that you could raise a family on and save any money. I have a little bit saved, sure, and I got along very nicely, but if anything happened and I had to go to the hospital for a certain length of time, I don't know where I would be. So I am in favor of this medical aid through social security for the retired members.

Senator LONG. Mrs. Herring, would you say that one of the real problems as an aged person is your apprehension of not being able to take care of your hospital and medical bills?

Mrs. HERRING. No, not now. I had all my operations while I was in the hospital, but I say if I did have to have some now I don't know what I would do because I don't have money enough to take care of it now.

Senator LONG. I say that is one of the things you are very apprehensive about?

Mrs. HERRING. That's right.

Senator LONG. Would you say that is one of the problems of most of the people 65 years or older?

Mrs. HERRING. Yes, I would.

Senator LONG. Rev. H. P. Veith, V-e-i-t-h.

**STATEMENT OF REV. H. P. VEITH**

Reverend VEITH. I am Reverend Veith of Blue Springs, Mo., retired now, but 52 years in the active ministry, 15 of them as promotional secretary of the Evangelical and Reformed Church.

Now, here are my reasons for not believing that the King bill or other Federal legislation is the best way to have medical care for the aged. First of those is it leaves out, considering all those that are now not under social security, and can't be under social security, and to my estimation, those are the ones that need it most. The second, since the estimated cost of the program cannot possibly be paid out of income, the program would add to our national debt, which is already out of balance and greater than it ought to be. Third, it will destroy the sense of personal responsibility which has played so great a part in the shaping of our national character, and with it, the sense of responsibility of the churches and other organizations that could and should do more than they are doing now to solve this problem. By doing all this the bill will take away another bit of our personal freedom and move us closer to the welfare state which is merely a thinly built form of socialism, for whenever you let anybody else do for you what you could do and should do yourself, you have, whether you want it or not, a form of socialism, and so it destroys and distorts the image which we present to the world and thus it becomes ever more difficult for the people in the world to see the difference between our American way of life and the way of life in the Soviet Union. We are playing their game for them.

Senator LONG. Reverend Veith, your time is up. I believe you are finished. Thank you so much.

Two things I want—Reverend Veith, two things I wanted to ask you. I understood you to raise some question about the people who

were not in the social security program and would not be receiving the benefits. Studies indicate that there would be between 90 and 95 percent of the people covered by social security in a short time. If that would be true, would that affect your views some?

Reverend VEITH. Not to a great degree, Senator Long, because you still have the additional burden of the national debt. I think the care should be exercised but I think there are better ways and more excellent ways of doing this than through Federal legislation.

Senator LONG. Reverend Veith, if the present bill pending before the Congress, as I understand, is tied to the social security system, half of which is paid by the workers and half by the employers and would not affect the national debt in any way, now, if that would be true, would that affect your views on this matter?

Reverend VEITH. Well, if that can be proven, yes, it might change my views a little bit, but not a great deal. I still think there is a more excellent way of doing this. My sincere conviction is that we should cultivate the personal sense of responsibility, we are not doing nearly what we ought to do. When our forefathers conquered the West they had no promise of anything but the right to work; that's the only right they took with them.

Senator LONG. Reverend, the reason I raise those two points to you, I thought perhaps you had some misinformation because social security doesn't come out of the general revenue and is paid for by the employers and employees and in no way affects our national debt, that is the reason I felt sure you didn't have that information.

Dolly Mann, M-a-n-n.

#### STATEMENT OF DOLLY MANN

Mrs. MANN. I did speak, but I agree with all the workers like in my generation, that our social security, thank God, is enough to let you live with food and shelter, but on the wrong side of the track, but we can still make the wrong side of the track the right side of the track if we have the time and not have to think about paying the doctors. By the way, the plumbers are getting in on the deal too, they are charging \$6 for a job and \$6 for diagnosis.

Senator LONG. I would like to point out to you that we can only take you on the second 2 minutes after everyone else has spoken and desires to.

Senator LONG. Mrs. Marie Talley.

#### STATEMENT OF MRS. MARIE TALLEY

Mrs. TALLEY. Mr. Senator, I am going to say that I am not speaking for any organized group, but I think I will speak for a good many of my friends and many people who have self-respect enough that want to take care of themselves during their old age. In regards to the House bill, H.R. 4222, three twos, the King-Anderson bill, for people over 65 years of age, I believe that it is supposed to give some hospital care, nursing home and home nursing. The Socialist Party said this bill is socialism, the New America, the Socialist Party news-

paper, December 1, 1960, said that approximately as follows: Once this is passed we will have the means to spread socialized medicine to every man, woman, and child in America, and I would like to know, are the taxpayers paying for these hearings all around over the United States?

Senator LONG. Are you asking?

Mrs. TALLEY. Or is the Democratic Party? I consider that a vital question.

Senator LONG. I am happy to answer your question, although I don't want to get in the position of you conducting the hearing. Although I will tell you frankly this type of program was arranged with the founder of the program, Alexander Hamilton, back in 1798, and as a result of his program that was set up at that time where part of the salaries of people were put into a fund to take care of them for their hospital and medical care, the Marine Hospital was organized and as a result the U.S. Health Department originated from that. But let me point this out to you, that this isn't a political question, I don't want politics brought into it; I wouldn't have mentioned it unless you did. I don't want to be involved in a Democratic or Republican controversy here, because the Republican gets old just as well as the Democrat. We are dealing solely with the problems of the aged, we are not discussing it from a political standpoint, and I don't want to become involved in that.

To answer your question, specifically, there are charges made that it is socialism or it is not. That is not for us to argue here; you give us your testimony and we will consider it.

Mrs. TALLEY. Usually doesn't a Senator want his own constituent to back him? Here is an editorial under the heading, "Federal Medical Care Plan Wrong." Such is the heading of an editorial which the Missouri Farm News reprinted from the Louisiana Press Journal. The editorial reads that we cannot agree with our Senator Edward V. Long and others, in Washington, including the administration, on their assistance for the Federal medical care program for the aged.

Senator LONG. You might be interested to know, too, if you don't, that two doctors in Louisiana own that paper. Now, I must point out to you, I don't want to continue, because your time is up, you have had more than your 2 minutes.

Mrs. TALLEY. Well, you have talked quite a bit during the 2 minutes. Well, I want to—

Senator LONG. Just a minute, your time is up, lady. I don't want to be discourteous; I have tried to be patient with you.

Mrs. TALLEY. Thank you. I feel you took up a good part of it.

Senator LONG. Yes, but you have had more than your 2 minutes.  
Mr. C. J. Schmid, Jr.

#### STATEMENT OF C. J. SCHMID, JR.

Mr. SCHMID. Senator, my name is C. J. Schmid, Jr., I live at 3024 Jackson Avenue, Kansas City, Mo. I am not a retired citizen as you can plainly see, but I come here with something that I think is of interest to this committee. I come here realizing that we are faced

with a very serious problem, and a question of what to do for the aging citizens who have reached the point in life where they can no longer receive medical care for themselves and yet they are just too young to die.

I have here a hospital bill dated November 25, 1961, to bring out some of the cost in this bill, it shows in dollars and cents the seriousness of the situation that we are faced with. With room rent at \$18 a day, pharmacy bills that when I checked them at the hospital and was unable to get a copy of those bills, showed very clearly that Empirin compound at 30 to 40 cents a dose, for a total bill of \$412.15 from the hospital alone, without operating or X-ray room charges, and those charges from the doctor in the X-ray amount to near \$200, for a total bill of \$600 for a back injury, and in view of these expenses, how are we going to give our retired citizens the medical care that they deserve?

What must the people around the world think of this Nation that claims to be the richest and most powerful nation in the world, with our medical profession claiming massive modern achievements to prolong our life, only to find out that these miracles or medical aid are only available through a welfare plan for aged people?

Senator LONG. I am sorry, your time is up.

Mr. SCHMID. I am through, Senator. I have just one point I would like to have made.

Senator LONG. If you will make it just briefly.

Mr. SCHMID. I will do so as quickly as possible.

Senator LONG. As quickly as possible.

Mr. SCHMID. I am concerned that these people have been denied two of their rights from freedom of want and freedom from fear. They want medical care and they fear the day that they will become too old to receive that care and can't possibly afford it. I think that the only answer is to ask the Nation's working people to again come to our help as we have asked many times in war situations and others and ask them again to attach this bill—medical bill, onto social security and I am sure the working people, without a question will answer that call.

Senator LONG. Mr. Virgil McCormick, I believe. Mr. McCormick.

#### STATEMENT OF VIRGIL MCCORMICK

Mr. MCCORMICK. Mr. Chairman, when I participate in this kind of a program, I am amazed at the number of things that I learn by listening carefully to the speaker. This morning I heard our aging, more than half of them, has less than a thousand dollars for a year to live on. I will not forget those words very easily, that this should happen in the world's richest country is almost unbelievable. I don't think it is over dramatic to say it is one of the ways to judge the morality of the country, the manner in which it is treating its youngest and its eldest citizens. I think we compare favorably in the manner we treat our children, but I would hate to have the United States judged in the manner we treat our older people. I am not sure I understood the doctor's medical care for the aged, so I will simply state again the position briefly. We favor a national health insurance program for the aged, utilizing the present social security system financed to increase social security contributions. We are seeking

insurance, not public assistance. I truly think we are on our way in this insurance matter; fewer and fewer people are taking positions against it. The current argument seems to center on how rather than if we do it. The medical profession is almost alone, in its hostility to special medical care for the aged. The AFL-CIO supports House bill 4222, the King-Anderson bill, which provides expanding social security to the extent that our aged would be provided with protection because of increased age, poor physical condition, or lack of necessary finances which would otherwise be denied them. Thank you.

Senator LONG. Mrs. Austin Paul. Is Mrs. Austin Paul here? I believe she has with her two senior citizens that she wants us to hear.

#### STATEMENT OF MRS. AUSTIN PAUL

Mrs. PAUL. I represent a group of citizens of Kansas City that help people. We are of service to people, homebound people, we give no financial aid but we do give services to people that have nobody to help them, and I have Mrs. LeRoy here and I would like to have her use up our time to tell you what we do.

#### STATEMENT OF MRS. LeROY

Mrs. LeROY. Committee and people, it is nice to see so many people here. I am going to digress a moment, however, from the medical aid and take up a bit of our mental aid that we need so badly. I was retired because of disability, then at the loss of my husband left a big problem, how to leave me alone in an apartment. I couldn't take care of myself. I was transported to Kansas City and had the blessing of my son and his family; these are the people I am so interested in, to take care of. I am here alone and was lonesome. My family were wonderful to me and I contacted, through a little article in your Kansas City Star, Mrs. Paul, of the Service Corp. It would take me much more than 2 minutes, but only let me say, let our Government never forget us, we need companionship, we need people to talk to, our own age, our own problems. This is very, very close to my heart and I am sure to many people right here. We no longer can look at Whistler's Mother sitting in a rocking chair, we are there. Sometimes we don't like it and it is before we have really become a senior citizen, but I do think our Government will eventually find some way to work this out, too. I am a retired Government employee and regardless of party, I think it is a wonderful, wonderful Government, they will take care of us. Thank you.

Senator LONG. Dr. Bernard Mullins.

#### STATEMENT OF DR. BERNARD MULLINS

Dr. MULLINS. Senator, I am Dr. Mullins. I am in general practice over in North Kansas City and for the last 5 years I have been chairman of the indigent committee over in Clay County. I wanted to speak here to kind of give you an idea in regard to our plan over there. Basically I feel that the Federal Government is not in a position yet where it needs to step into something like this, because I think that private sources and the present State of Missouri are able to take care of indigent and the people who are not qualified for indigent care or wel-

fare care. Over there we have a fund that is voted by the county court each year, it is administered by a group of men, at the present time several doctors are included on it. We met with the county court this morning to discuss the program for the following year. This is something, actually, that covers people who are not covered by welfare. It would include people under social security at the same time. I mentioned private sources. I think the Ladies Garment Union is a typical example of how the union is taking over the burden of helping to supply this. I have several patients who are garment workers, as a matter of fact, one of them, a dear friend whom I am having up for Christmas. This is a part of the private sources that I feel is—are necessary and are being developed. I don't think the Government has given private sources a chance to develop. As far as it being insurance, it is not insurance. I think you realize that too, sir.

The Internal Revenue Department has already stated that social security is a tax, not insurance, and I feel that the State of Missouri and Clay County can take care of the indigent and the people over 65 who are medically indigent. Last year, for example, we spent \$27,000 in the county, the doctors donated their services, and for anybody who is medically indigent, the doctors of Clay County, for example, are on record as not going to charge them at all. Now, I think that in spite of what the woman said over here, there are many, many doctors who shave their fees for the older people, who never charge them above a certain amount, give them medicines, this to me is common practice and it hurts me to hear that something like the other side of the question is getting the full treatment.

Senator LONG. Doctor, your time is up. Thank you so much. Dr. C. Sandy, S-a-n-d-y.

Mrs. DOLLY MANN. Senator Long, this woman would like to answer just once.

Senator LONG. Just a minute, you have had your time. Dr. C. Sandy, Dr. Sandy. Are you Dr. Sandy?

Dr. SANDY. Dr. Sandy is the name I answer to.

#### STATEMENT OF DR. C. SANDY

Dr. SANDY. Senator Long and committee, I am glad you have taken up the subject of old age or age of the old age. Long ago I was told that brevity was the spice of life, so I try to adhere to that. Now, this morning I was interested in a statement that about 80 percent or something of that order, had hospital insurance.

What's going to happen to them after they retire? And so I have put in 52 years in the practice of medicine in Greater Kansas City, and in that time I have decided that from a physician's point of view, work was the necessary and most important answer. Work, w-o-r-k, and in order to bring that about, the State—possibly a number of the States—has passed a law or what do you call it, procedure, limiting the hours or years of work, to 65, as compulsory. So I think that the answer is voluntary retirement. Thank you.

Senator LONG. Thank you, Doctor. Mr. Robert Eisler, Jr. Mr. Eisler.



**STATEMENT OF ROBERT EISLER, JR.**

Mr. EISLER. Senator Long, gentlemen, I am obviously not a senior citizen. I am the business representative for Building Service and Employees Union Local 96. A large percentage, far better than half of our organization, is made up of people who are 65 years of age or who are rapidly approaching the time when they will be retiring under the social security program. Our primary responsibility with these people is in the economic field and this seems to be where our biggest problems lie. We have had many, many sad experiences with people who are retired, coming into the office to seek advice and assistance when they are in trouble after they retire. One of the biggest problems, of course, is this problem of how they are going to pay their medical expenses.

Most of these people, working people, are responsible citizens and have been all of their lives and they have met their responsibilities; they have spent all of their money in supporting families, paying their taxes, and doing the things that a good citizen does. As a result they haven't been able to lay aside enough money to take care of themselves in their old age. When sickness strikes, obviously, even if they are working, they couldn't meet the expense; they find the hospitalization they have is not adequate to take care of the situation, if they have it; if they don't have it, many times they can't get it or the cost is prohibitive; therefore, it seems the only solution for them during their working years is to lay aside money to take care of their situation in their old age. Social security is the only way that has been devised to do this, and we would respectfully urge that you do everything that you can in the next session of Congress to set up some sort of an adequate medical care program for the aged under the Social Security Act. We feel this is a legitimate field for the Federal Government to enter, because it is quite obvious in the fact that the problem grows greater year in and year out, that the local and private agencies are not and have not been in a position to cope with the situation, and under these circumstances this is a legitimate field for the Federal Government to enter, in our opinion. Thank you.

Senator LONG. Thank you. Mr. W. L. Barrett.

**STATEMENT OF W. L. BARRETT**

Mr. BARRETT. I am W. L. Barrett. I retired a year ago last June. I want to add my voice to those who favor financing a health program under social security. Everybody seems to be in favor of that except the doctors. I have one other thing that I would like to call your attention to. I agree with this physician over here, that work is the best medicine for we elderly citizens. I went to work the day after for another company, the day after I retired. I am still working, I want to work, but I resent the fact that I am only—that my employer is only permitted to pay me \$100 a month. He knows that I am worth more than that and he would be delighted to pay me more, but he cannot, he cannot do that. I think that is a very unjust thing. Now, the Congress has raised their own salaries several times since that \$100-a-month maximum was set on we elderly citizens.

But you gentlemen of the Congress are not contributing any part of that increase to the Government; isn't that right, Senator?

Senator LONG. Mr. Barrett, unfortunately they haven't raised it since I have been there.

Mr. BARRETT. Thank you very much. One other point I would like to mention. There is another little injustice that does not apply to me. I am a veteran of World War I; I was in there more than 90 days, and I am entitled to all the rights of a veteran of World War I, but there are some other men who were in there only 89 days and, because of that fact, have none of those rights nor privileges. I think that is unfair and I think that law should be changed to permit anyone who was called up in World War I to have all the rights and privileges that I have. Thank you.

Senator LONG. Thank you, Mr. Barrett. Mr. Barrett, the problem of increasing the \$1,200 limitation that you mentioned is one that is being considered, and that is one of the reasons for these hearings over the State. Perhaps there will be recommendations made on that particular point. Miss Lydia Provost.

#### STATEMENT OF MISS LYDIA PROVOST

Miss PROVOST. I am obviously not a golden ager, but I wanted to speak for the people that are going to have too much pride to speak for themselves. I am secretary to Mrs. Melton who runs the Golden Age Club in Kansas City. I have seen some very wonderful things and I have seen some very pitiful things. You have people in the Golden Age Clubs that the last week or the end of the month before the next check comes, there is a little bit of refreshments that are served; they come in and all that food disappears in little sacks; they take it home to have enough food to last until the next check comes in. These people have enough pride not to ask for aid or to go to the welfare agency and these people are the ones that you have to do something about.

Senator LONG. Of course, Miss Provost, that is another problem the committee is considering. As I pointed out to you this morning, technically the medical bill is not before this committee; it is before the Finance Committee in the Senate and the Ways and Means Committee in the House, but the size of pensions compared with the living conditions and so on is a matter that is before the committee and certainly that will be given consideration.

Miss PROVOST. I am one of the younger people that has a family to support. I would be willing to have it taken out for social security to take care of them and I feel most of the people feel the same way.

Senator LONG. Thank you. Mr. Howard Haines.

#### STATEMENT OF HOWARD HAINES

Mr. HAINES. Senator Long, my question has just been asked a while ago, but I would like to ask you, why some of the members of the Congress are against having men that are able to work that are on social security and earning more than \$1,200 a year; why do they assume that attitude?

Senator LONG. Well, that's an answer, of course, that I can't give you. I can only speak for myself and I am not against it.

Mr. HAINES. Thank you, Senator.

Senator LONG. Whether or not that should be eliminated or the maximum increased, does pose a problem as your question indicates and you may feel sure that the committee will give it every consideration.

Mr. HAINES Thank you.

Senator LONG. Mr. Stanley W. Simpson, S-i-m-p-s-o-n.

#### STATEMENT OF STANLEY W. SIMPSON

Mr. SIMPSON. In regard to this man just on the floor, this hundred dollar deal, capital gain, you can make all you want, if he is a millionaire, you can draw social security, but let him get a few dollars over a hundred dollars they will cut your throat. There is one thing I want to bring up, that is the result of taxation. We work along many years and get our home paid for, which is a very hard thing, then after we get it paid for we live on this limited income, we find that our taxes exceeds considerably over \$200 a month, now the greater part of that is school tax. Now, when we find we are paying \$20 a month or more for the privilege of living in our home, we have run one bunch of children through schools, should we run another bunch?

Senator LONG. Mr. Simpson, you said \$200 a month, do you mean a month or year?

Mr. SIMPSON. I mean \$200 a year on our taxation. It's a little over. It runs about \$250 and it will run about 90 percent school tax.

Senator LONG. But that is per year?

Mr. SIMPSON. That is per year, yes, about 90 percent of that is for school tax. The question of it is, I am a Catholic, they wouldn't even pick my child up on the side of the street they are on, they pick the one up on the other side, but yet I still pay this \$20 a month to maintain a public school.

Senator LONG. Mrs. C. H. Hill.

#### STATEMENT OF MRS. C. H. HILL

Mrs. HILL. I think that probably most of us in this group who are older people, have spent many of the best years of our lives in rearing and educating young folks. Today those young folks are middle-aged and we have grandchildren, most of us, and they are paying social security. If the present bill goes in as I understand it, there will be a percent, a fraction of a percent raise in social security, there will also be a raise from \$4,800 to \$5,200, and I heard different figures, but I believe it means that these young folks are going to be paying between 16 and 17 percent more out of their salaries. They have responsibilities, they have heavy responsibilities, and I don't believe it's particularly dignified for us older people to feel that we are a ball and chain around their necks as we would be to that extent if this medical care goes through social security. There seems to be very little doubt that there is need for medical care for the aged, and I think the question is shall it be the problem of the social security people or of the people as a whole.

Senator LONG. Thank you, Mrs. Hill. Well, I am not sure of this, Mrs. Della—it looks like Winkle, but I am not sure. Is that correct?

Mrs. WINKLE. Winkle.

**STATEMENT OF MRS. DELLA WINKLE**

Mrs. WINKLE. Well, I think President Kennedy's proposal to attach this bill to the social security is the most logical that we have had for the care of the aged, because there is certainly a lot of demands and care for the aged people. It is pitiful to go in some of the homes where they receive not adequate care and I would be for that program to attach it, because it means so little to the young people who are working for large salaries, the salaries that they earn now days.

Senator LONG. They will be old some day, too.

Mrs. WINKLE. Yes, they will, and they will be earning that same amount when they get old, they will then realize what they have done, they have earned it. And my social security, when I retired, I retired on account of ill health, I had high blood pressure and I couldn't work at this work any longer, that of being a fitter in a store, so I retired, but I didn't receive very much social security and they told me when I did begin, when I drew it, I wasn't 65, when I came to that point, but they reduced it, took some back, instead of paying me the right amount, so it doesn't even pay my doctor bill and it doesn't pay half of my medical bill. My doctor bill is, well, it is about \$12 a month, \$12 to \$18 a month, and my medical bills here amount to \$18 every two weeks, and I think that is an outrageous price to pay for medicine and I think it is a must in this rich country of ours that that should be raised by the Government, by all the people. If you took the peoples vote, I think it would be raised by the people of this country.

Senator LONG. Mrs. Winkle, your time is up.

Mrs. WINKLE. Thank you.

Senator LONG. I might point out to you the question about the drugs is being considered by another committee of the Senate and an investigation is being made of that.

Mrs. WINKLE. Thank you very much.

Senator LONG. Mrs. Katherine Summerson.

**STATEMENT OF MRS. KATHERINE SUMMERSON**

Mrs. SUMMERSON. Senator Long and associates, I am very grateful for social security. Never have we received such a big return for the amount paid in. Let us not kill the goose that has laid this golden egg. To add medical care to social security would further burden business which may have a hard time because of the Common Market in Europe which is starting to make greater competition. Furthermore, we senior citizens would not be taxed for this, but the young people growing up will have this burden for years and years. I hope some other solution will be found.

Senator LONG. Thank you, Mrs. Summerson. Mr. R. A. Riepon.

**STATEMENT OF R. A. RIEPON**

Mr. RIEPON. My name is Ralph A. Riepon. One thing I would like to see very much. My wife has been under a doctor's care for a period of 8 years, but yet you cannot find out anything. You go to his office and, oh, yes, I have high blood pressure, very high, but how high is it, doctor, I am not going to tell you, because it is too high. You can't find out anything. Go down town and have a cardiogram

and you pay \$5.50 to the lab, you pay the lab \$3 to interpret that to the doctor and you call up the doctor in 2 or 3 days to find out what it said, well, I won't tell you, you come to my office, which is another \$5 call. I think that there should be legislation made that we can find out a few of these things without paying \$15 to \$20 just to find out what is wrong with us, and who is more entitled to know what is wrong with us than us ourselves. We are the ones that pay the bill and not the doctor. I think we are the ones that should know when we call the doctor to find out what is the matter with us; what is the matter that they cannot tell us? Who has a better right to know and who has a better right to tell us than the doctor. Now, here is another thing. We are putting billions of dollars across the seas to nations that we will never get a dime back. Why cannot we here have some use of that money, because we will never get a dime back nor a penny's worth of help from those nations. Thank you.

Senator LONG. Thank you, Mr. Riepon. Mr. Asa Powell.

#### STATEMENT OF ASA POWELL

Mr. POWELL. I would appreciate being relieved of the pain of looking into those lights, if you please.

Senator LONG. The gentleman has trouble seeing with the lights.

Mr. POWELL. And I would appreciate very much if the cameraman takes a vacation also.

First I want to mention the social security setup which was sabotaged at the beginning by limiting the amount a man can pay in when he was working, which gives him a short social security at the time when inflation has overtaken us. I believe the law should be changed drastically to let the man pay in while he is earning. The older people don't want a dole, and that's all the social security check is now, the way they have handled it. He wants a way to hold up his head after he reaches 65. The honorable doctor who spoke over there a minute ago mentioned work as being so good for people. I am a skilled machinist and I can go back in the shop today and do as good a day's work as I ever could when I was 70 years old, and the way the social security deal was handled, I am forced back into industry as cheap labor, a thing that I resent very deeply. I was offered a job a while back by a contractor here in town in his office, he wanted to pay me in cash so there wouldn't be anything on his books to convict him, because he wanted me to work for about 25 cents an hour. Give us work or let us live respectably. That is all the senior citizen asks, and as far as these concerns having a program to employ the senior citizen, it's just all hokey. They won't hire you, any age past 60 years old, there is no place for you any more.

Senator LONG. Mr. John C. Boller.

#### STATEMENT OF JOHN C. BOLLER

Mr. BOLLER. We have filed our statement, Senator Long, with you folks and all I wanted to do was to make just a few comments that will bear out what we said here today. Our organization, of course, is opposed to the proposal where it would be tied to an increase of social security rates and I believe I want to explain why. We represent farm

people and, of course, farmers as a group are probably the oldest age group as a whole combined; in other words, these folks, many of these folks are 70, 80 years old working for a living. Time and again at a meeting just a couple weeks ago, farm folks, they are pretty smart people, too, these farmers are, they realize the seriousness of inflation; and I think you older folks here, I have a 75-year-old father, I think I know a little bit about the feelings you folks have.

Senator, you said something about the greatest fear they have was being—of medical bills and things like this. I think there is one, I know it is of my own father, that is of not being accepted or being wanted and feel like they are a productive part of society. This is from many statements what I can find out is the greatest fear they have, at least on my father's part. Going back to inflation, we think this is tied to social security which the scheduled rate by 1969 is just one part of this thing, and we think this cost is going to be absorbed by the employee or employer, actually, that is going to be absorbed by one person, and that is by the person who buys the goods, you folks again. This inflationary spiral, social security, it is not going to be absorbed by the employer, it is going to be transferred to the individual, you older folks. Inflation hurts. You and the farmers are the people damaged by this inflation. We have had a lot of inflation. Your drugs and things. I don't think you are going to benefit by this type of measure. I think this is a real problem. I think it's retraining and all this measure here. I think we have to get going. I will put my medical bills up against anybody, with a newborn baby and a diabetic wife, I have just been released from the doctor. Thank God I can pay them. Our poorest people live like kings compared to any other people in the world. All I think you folks want is an opportunity to be productive and take care of yourself. Thank you.

(The prepared statement of Mr. Boller follows:)

PREPARED STATEMENT OF JOHN C. BOLLER, DIRECTOR OF EDUCATION AND ACQUISITION, MISSOURI FARM BUREAU FEDERATION

The voting delegates of the Missouri Farm Bureau Federation on November 14, 1961, adopted the following resolution:

"Social security: Social security programs should still be designed to supplement rather than replace individual thrift and responsibility.

"We, therefore, oppose the practice of continued liberalization of social security benefits which will make it a financial burden.

"We believe that private insurance programs should be used to provide medical insurance rather than through any Government agency."

From this resolution you can see that the Missouri Farm Bureau Federation is opposed to the Health Insurance Benefits Act of 1961, H.R. 4222. The basic reasons are as follows:

1. It transfers the responsibility for medical care from the individual and family to Government. This would lead to Federal control of medical care. The Supreme Court has clearly established the principle that if the Federal Government subsidizes a program, it should have the right to regulate and control.

2. H.R. 4222 would lead to a decline, if not the end, of private health insurance which has made great strides in recent years. Competition between health insurance companies has helped get the maximum dollar care for the least dollars invested on the part of the individual.

3. American taxpayers are becoming alarmed at the continued increased burden of income and social security taxes, and many of us younger taxpayers are beginning to wonder just what the future has in store for us. We are wondering whether it pays to try to save, be thrifty, be wise in how we spend our dollars, as we see an encroachment on our way of life and our pocketbooks,

through more and more Government control because of an enormous Government spending program.

4. Social security taxes are already scheduled to reach 9 percent of payroll by 1969. This measure would increase them further. No one can accurately determine how much; but, if experience is as bad in this field as it is in many other programs taken over by the Government, heaven help the taxpayer.

5. Financing medical care for the aged through the mechanism of social security would not provide "prepaid insurance" in the usual meaning of the term. Instead, this is a bill to compel workers, employers, and the self-employed to pay taxes to enable the Federal Government to purchase health care benefits currently for millions of participants over 65 years of age whether they are financially in need or not.

6. I question the wisdom of any society, government, or any group of individuals trying to determine the age of retirement or the age of special benefits at any arbitrary age. Back in 1936, when the social security law was enacted, it was assumed that 65 should be the retirement age. At that time the average life expectancy of a man in the United States was approximately 65. Whereas, in 1960 the average life expectancy was approximately 76. The present theory is, whether it be in private business, government, or whatever, an employee should be turned out to pasture at age 65, when often times this person is still highly productive and should be allowed to continue his or her employment. If you really want to make a person sick, force them into retirement against their wishes. Put them on the shelf where they feel unwanted by society, and you will have a sick individual. H.R. 4222 is another step toward forcing people to accept the fact that they are no longer productive and that society no longer needs them in helping to build a better America.

In closing, I feel there would be no gain to the large group of those individuals 65 years or over who have been preparing in the last few years to take care of their medical expenses.

I can see nothing but increased redtape, increased social security taxes, increased hospitalization costs through increased usage, and an increased loss of responsibility of the individual to provide for himself which is one of the foundation stones that has made the United States the most abundant country on the face of the earth.

Senator LONG. Mrs. Frederick E. Wade.

#### STATEMENT OF MRS. FREDERICK E. WADE

Mrs. WADE. Thank you, Senator. Why, I heard our doctors taken to task here this afternoon by some of our senior citizens. Now, I am a doctor's wife and I can well appreciate their concern and their desire to correct the inadequacies that we have in our present system, and I don't think that anyone is more aware of the problems that are facing them than ours. Now, the cause of this is that in Missouri our old age assistance grant in September averaged \$59.74 a month and the average social security grant in Missouri was \$72 a month. Now, from our Bureau of Labor Standards, we know that for a couple of aged persons to live in Kansas City, not in need of medical care, but just for their actual living, that it requires a budget of \$3,034 a year, the same couple it costs them \$3,099 a year in St. Louis, so their basic needs are not being met, they have a real problem. And perhaps if our—we can meet these needs of adequate food, clothing, and shelter, they won't be so illness prone, because we know that illness does come from lack of necessities of life and I also think that a cruel deception is being perpetrated upon some of our good senior citizens here who are so concerned. I think they should be concerned. I understand they are worried about paying doctor bills, but our King-Anderson bill does not include payment of medical bills. They are also concerned with the high cost of medicine. This is of real concern. This one woman stated it cost \$18 a month for pills, or a week. Now,

they understand it's not included under the King-Anderson bill. These good people who are here today, are not in the hospital, they would not be, under their present circumstances, receiving benefits under this present extension that is considered of social security, and I want them to know that our doctors are deeply concerned about their problems, and we will do all that we can to help them. Thank you.

Senator LONG. Thank you, Mrs. Wade. Mr. Fred Sachen.

#### STATEMENT OF FRED SACHEN

Mr. SACHEN. Senator Long, I am here because I know about the Federal Government and if it wouldn't be for the social security program we have today, me and my wife wouldn't be able to live, because I am disabled, so is my wife, and the only one man we got to thank for it and that is Franklin Delano Roosevelt when he put that in, and everybody said, oh, it's socialized medicine. I am so sick and tired of these doctors calling it socialized medicine. This doctor said I will challenge anybody, every doctor will give you medicine, shots, day in and day out for nothing, and give his services free of charge. He can't do it if he wants to be truthful and honest with himself, because I have been under a doctor continuously and my doctor willingly does it because I have to pay him, because my drug bills are between \$40 and \$50 a month and any doctor would tell you, any people would tell you, all under socialized security; socialized medicine, there is nothing better that could happen. Now, then, these people talking about the State of Missouri do something and not put under social security, why haven't they passed the Kerr-Mills bill and all these people are still talking about socialized medicine. Why don't they say let's get the Kerr-Mills through and let's get something done for the older people without putting in social security. They will not do that, they will not come to the front. The reason why, the AMA. Same as when Blue Cross and Red Cross went into effect. Socialized, socialized, everything, and today there is Blue Cross and medical, you can not keep it. Me and my wife, we couldn't keep that, because of their premiums, it's so high. We only have a minimum of \$200 a month.

Senator LONG. Mrs. R. T. Lamphere would like to have 1 more minute.

#### FURTHER STATEMENT OF MRS. R. T. LAMPHERE

Mrs. LAMPHERE. I was the first speaker. There are some things that have been said since I had my first little say-so that I would like to answer. The reverend, I have forgotten his name, he has left, I forgot his name. He said if we had socialized medicine—I don't mean socialized medicine, I mean social security, that we would lack a feeling of responsibility. That is not true. I doubt that one person in this hall today that doesn't feel a deep sense of responsibility and the problems of the older people. We are not asking for charity, we don't want charity, we just want to be able to get along without using our savings until we get down to where we don't have anything to rely on. And then the younger people, they say, oh, look what that would add to our tax on social security tax, but do they know how



much tax they are paying on a pack of cigarettes? No. Do you, Senator Long?

Senator LONG. I don't smoke, ma'am.

Mrs. LAMPHERE. Well, do they know how much tax they are paying on a fifth of whisky?

Senator LONG. I don't drink either.

Mrs. LAMPHERE. I didn't ask you, I am asking these young people that object to the social security. I am not for the social security help, the way it is now. I think it would do a great deal of good if it was modified. I think it could be modified and be used successfully, and that is the only way it should be used, but so many young people will say, oh, just think what we will have to pay out, more social security tax, I am already paying this, but that young person, as I have already said, they don't know what they are paying out on a package of cigarettes. I don't smoke but I can tell them, your package of cigarettes I think is worth 6 cents and the rest of it is tax, and to a good purpose, all your tax is to a good purpose. I don't see how the United States runs as good as it does on the small amount of taxes it takes in. We have no idea how the Veterans' hospital runs and all the other organizations run and the State, too.

Senator LONG. Thank you so much for your contribution. Now, does anyone else desire to be heard?

#### STATEMENT OF MRS. HENRY O. WINTERS

Mrs. WINTERS. I am Mrs. Henry O. Winters, and I am of Independence, and now—but I was formerly of—one of Mrs. Melton's Golden Age Clubs in the city. My husband and I were instrumental in getting a Golden Age Club started in Independence and we have a wonderful group there. Last Thursday over a hundred of them signed a letter that I wrote to Congressman Wilbur Mills, praising medical care connected with social security, and at the end of it I stated we who are in our declining years sense what a great benefit this would be to the older people to know that there homes and nest eggs were secure and not likely to disappear through high costing hospital and medical bills. We think posterity will benefit by the bill. I am especially interested because I have been in the hospital twice during the last 2 years and I have a great doctor bill and also medicine to buy all the time, and that young doctor who spoke and said that social security was simply a tax, but it may be simply a tax, but it results in an insurance because it does insure a great many old people of at least food and a living, and I thank you.

Senator LONG. Thank you. This lady over here to the left.

#### STATEMENT OF MISS GRACE NELSON

Miss NELSON. I am Grace Nelson. I live here in Kansas City and I work. I am a senior citizen and I take care of senior citizens, and in the first church that was organized in this world, there was seven men appointed to see after the poor and the sick and I think that's what each church should do; they should have a committee to take care of their poor and sick in the churches and they should see that their own poor and sick are taken care of before they go to see about people in

faraway countries. It always has been that way in America, people have just died like flies here in America while they were feeding the poor and starving in foreign countries. They don't pay any attention to their own on their own doorstep, and I think that each person that is on social security and any person in the whole world, should have a garden and raise their own vegetables and try to support themselves. If they don't know how to make a garden they can send to their Senator and get some Government bulletins and know how to raise vegetables anyway, whether they can farm or not. They ought to do something to make their own living, not very many but what could have a garden somewhere. There was one couple that didn't have any garden where they lived and they went out to the edge of town to their nephews and put in a garden and they were addressing envelopes and they were managing an apartment house for their rent. There is lots of ways if they just find the ways.

Senator LONG. Thank you so much.

#### STATEMENT OF J. V. QUIGLEY

Mr. QUIGLEY. My name is Quigley. I guess my name got lost in the shuffle up there when I sent it in. I was one of those who was fortunate to be on the delegation on the White House Conference. I am a retired businessman, I worked with the welfare agencies for about 35 years here. Past president of the Kansas City Association of them, but what I want to say is my personal idea. I went to Washington, I have been here, I hope that you will sooner or later get this medical question settled and get down to all the things that we worked on on these committees and to talk about something else, and I am very thankful to hear some people here today talking about the need of removing these restrictions that were put on for workers spreading back in the depression days so that we will do something else to preserve the dignity of the individual and let him who wants to take care of himself a little bit more and add a little bit more to his social security to be able to do it.

We covered housing problems, we covered all kinds of other things, including this idea which is mistaken, it seems now, that you can charge something to anywhere, to accomplish, without the buyer of the goods paying the bill, which raises the price of everything that we retired people have, along with our medical bills. Thank you.

Senator LONG. Thank you, Mr. Quigley. Mr. Quigley, you know I have pointed out to this committee, this group, that actually the medical matter is not before this committee, we heard this testimony, heard it this morning, primarily that is before the legislative committees of the Congress. This is a factfinding committee and the other problems such as Mr. Quigley suggested, as housing and others, those matters are before another committee.

#### STATEMENT OF MRS. AGNES LENNON

Mrs. LENNON. Senator Long, I am 100 percent for the medical bill on social security. I haven't been in the hospital, I don't need a doctor, I take exercises all the time, but I did break my arm, fell on the ice and broke my arm, and the doctor charged me—not the

doctor, but the hospital, charged me \$32 just to sit in the waiting room until the doctor came.

Senator LONG. Are you Mrs. Weber?

Mrs. LENNON. Pardon?

Senator LONG. What is your name, you didn't give us your name.

Mrs. LENNON. Agnes Lennon. They have it here.

Senator LONG. We have her. Thank you.

Mrs. LENNON. And I am very much for the social security and thank you so much.

Senator LONG. Thank you very much. The next lady.

#### STATEMENT OF MRS. FLORENCE W. WEBER

Mrs. WEBER. I am Florence W. Weber, and I am a retired employee. I am a retired employee and when I left my company I was allowed to take my group insurance with me. I had a very severe heart attack, which, when I took this insurance with me, it did not reinstate, and I was sick so long, it used up most of that insurance. Well, I applied for Blue Cross, which I get, but they eliminate my heart, I do not have any coverage on that, and social security is not sufficient to allow you to lay aside any for hospitalization or anything else, I would have to go to the General Hospital, and with social security I don't think they would accept me.

Senator LONG. Excuse me. Did I understand you that Blue Cross eliminated—do you have Blue Cross?

Mrs. WEBER. Yes.

Senator LONG. They eliminated coverage?

Mrs. WEBER. On my heart. There is a rider on my policy that will not cover my heart, because I had a heart attack and yet I may live longer than anybody in this group, you know, and social security is not sufficient to pay your bills. Now, like the plumbing bill or if I had a chair break down, I don't know what I could do, I can just barely buy my food, and the tax we have to pay, the school tax on the children. I have paid for my son and why should I continue to pay for all the others?

Senator LONG. Thank you very much. Your time is up.

Mrs. WEBER. OK.

Senator LONG. Now, do we have someone else?

UNIDENTIFIED VOICE. Could I ask a question?

Senator LONG. Let's hear these other witnesses first. Mr. Siebenlist.

#### STATEMENT OF W. R. SIEBENLIST

Mr. SIEBENLIST. Senator Long, members of the committee, ladies, and gentlemen, I think that after hearing everything today, that one of the prime things that we must do is join forces together rather than individuals fighting against their doctors. I think each of us, when we are flat on our back, we look toward our family doctor as one of the best friends we have. I think most doctors in turn, have as a major purpose to prolong our useful life. I think that working together that a great deal more can be done. Something a little over 20 years ago the citizens of Missouri and their doctors and their associations gathered together, established a cancer commission and from this came

the Ellis-Fischel Hospital in Columbia, and from this over 30,000 people have gone through the Ellis-Fischel Cancer Hospital, almost without exception, referred by their family doctor. Over 10,000 are still actively being checked on by the hospital; and cancer, along with arteriosclerosis and diabetes are the three major killers of the aged. Cancer, in turn, is not a respecter of age. There are cases of babies of 14 months, but primarily the older people are attacked by cancer, and at the present time the State cancer commission is doing a study and trying as far as possible to expand these facilities that are available to the citizens of the State, and I am sure that it will be through the efforts of you, as individuals, and the efforts of your family doctor, that more and more can be provided for the people in Missouri.

Senator LONG. Thank you, sir. Mr. Kimbrell.

Mr. KIMBRELL. Kimbrell's my name.

Senator LONG. Mr. R. B. Kimbrell is the next man on the list.

#### STATEMENT OF REV. R. B. KIMBRELL

Reverend KIMBRELL. I am 68 years old, I have preached for 51 years. I am the pastor of the Westport Methodist Church. I was brought into this world by a doctor who swam a creek to a log cabin to get me, and everyone of you who dies, if you propose to do so, will have to have a doctor sign the statement that you are dead before you can be buried.

Senator LONG. Thank you, Reverend Kimbrell. Mrs. Inez Plummer.

#### STATEMENT OF MRS. INEZ PLUMMER

Mrs. PLUMMER. If the gentleman of the panel please. I am Mrs. Inez Plummer, and I would like to speak on social security. I am a retired laundry—union laundry worker. I retired in 1945, in December, the first day of December, I was 67 years old the September before that in 1945, I am now 83, and I feel as if they would let us women, some of us who are able and feel able physically to get out on some kind of a job that we could do, say 4 or 5 hours a day, like maybe a cafeteria, but you sign those contracts, you sign those blanks and you put your age on there and that settles it right there, you can't go. And if they would let us get out and do something that we can do, that we feel we can do, it would give us more vitality, more energy. We get up in the morning and have nothing to do all day but watch TV and look out the window. I think the best thing to do, if you have the authority, to fix us so we can work.

Senator LONG. Thank you. Mr. John Van Hook.

#### STATEMENT OF JOHN VAN HOOK

Mr. VAN HOOK. Mr. Senator, I am a firm believer in life, liberty, and the pursuit of happiness. I have listened here to this argument on medical care and so forth, and it seems to me or I know that we are making some of our citizens, who have slight nest eggs put away, we are making them in the indigent class to where we have to take care of them. Most of them would like to take care of themselves. It seems to me from a medical care standpoint, we all know that our cost is

very high, as they are in everyday living, seems to me like we have a very intelligent Government and I think the AMA is very intelligent, and it seems to me like they could get together on a compromise plan that would be satisfactory to all, and yet come up with some cheap means of medical care as far as our aged are concerned. I am director of recreation and parks in the city of Independence and we have some 234 members in our golden age club there and it seems that there are three primary things that they are very much concerned about. They all three have been mentioned here today. One is the medical care and the other is the aids for drugs and the third is additional supplemental income. Thank you.

Senator LONG. John, thank you for your observations. Mr. Ray Sterrett.

#### STATEMENT OF RAY STERRETT

Mr. STERRETT. Senator Long, I have noticed that most of the remarks here have been made in regard to medical care and such. I don't think that that solves all of the problems of the oldsters. I feel that basically the problem is largely financial due to reduced income in many cases, and instead of trying to suggest the panacea, I would like to submit for your consideration, benefit to one group of oldsters. As the gentlemen ahead of me suggested some time ago, there is a group of oldsters that have been forgotten; that is, the World War I veterans, who served less than 90 days. Any veteran who has 90 days' service is entitled to a pension; if a veteran served only 89 days he is denied that help. I think that the group has been reduced to a very small number now and if some action in that regard could be taken it would give considerable help to quite a few oldsters. Thank you.

Senator LONG. Is there anyone else now that desires to be heard that we have not heard?

#### STATEMENT OF JOSEPH SAWINSKI

Mr. SAWINSKI. Mr. Senator. Joseph Sawinski. I am a First World War veteran and I have been working extra in the post office at Christmas time but now they cut me off because I am of old age. Now, is that fair or not? They say the veterans got a preference, but they cut me off. I worked there five times, but the last 3 years they cut me off. Now is that fair or—I am too old; I am doing the best I can; I am able to work; but they said the age got me down. Now, the same way with the veterans hospital. I went over there and they said the age has got you down, I can't put you to work. Now, what is a man going to do.

Senator LONG. That is one of the problems that the committee has been considering, Mr. Sawinski.

Mr. SAWINSKI. I am able to work, but give your age, I got social security, give me your social security, your age, we can't hire you. Thank you.

Senator LONG. Thank you, sir. I judge everyone has appeared now. There is a Mrs. Frederick Wade who has asked for a minute.

## FURTHER STATEMENT OF MRS. FREDERICK WADE

Mrs. WADE. Thank you. I would just like to clarify some of the confusion. The Missouri State Medical Association and its auxiliary, of which I happen to be president, is on record in favor of the Kerr-Mills bill, which would take care of our—of people on old age assistance as well as on social security, and we wish that our senior citizens would join with us in urging our State legislature to implement this bill, because we know how desperately you need this legislation. Can we afford this? Missouri ranks 21st per capita in income per State; Missouri ranks 24th per capita in tax collections. We can afford it. Let's all get back of it.

Senator LONG. I believe now we have heard from everyone that desired to speak, and our time is drawing to a close. If there is anyone who did not have the opportunity to speak, we would like for them to write their views and send them to the committee. If you will see one of the members of the staff here at the table, they will give you a paper and an envelope to mail back to the committee, and it will be filed in the permanent record and be considered by the members of the staff and the full committee.

May I express to all of you our appreciation for your kindness here. As I said this morning, it is a great thing to live in a land with divergent views where we can sit down and discuss them to try to work out something together that is for the benefit of all the members of our State.

There will be a hearing in St. Louis on this coming Friday on some of these same problems. If there is nothing further, the committee will be adjourned at this time.

(Whereupon, at 3:50 p.m., the committee adjourned.)

## APPENDIX

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PREPARED STATEMENT OF THE SENIOR CITIZENS OF AMERICA BY JOHN E. RINKEN-  
BAUGH, 560 CRESCENT

The Senior Citizens of America look at social welfare for our senior citizens as a realistic and humanitarian thing to do. You know, all of our senior citizens were young not so long ago, but they are the senior citizens of today. The senior citizens of today have done their part in raising and educating their children who are the young and middle-aged citizens of today. Likewise, the senior citizens of today have done their part in government and their community to build this country into a great country. Also, these were the humanitarian things to do, and the senior citizens of today are proud of what they have done. Likewise, these things are, and always will be, and rightfully should be done in order to keep this a great progressive country.

The young and middle-aged people in the past, and especially before social security, have taken care of their mothers and fathers in their homes in their lonesome and declining years. These kind of arrangements today would be going back to the horse-and-buggy days because of the increased leisure hours that people are entitled to today such as shorter working days, more vacations, and more social activities. Today, we have the automobile, the radio, the television, lakes and resorts for boating and fishing, hunting, and many other outdoor sports that the senior citizens do not take an active part in. These things are mostly for the young and middle-aged people. These young and middle-aged people of today should have the time to enjoy themselves. All of these pleasures have been built into our economy, most generally speaking, for the young and middle-aged. However, if the young and middle-aged had to care for their mothers and fathers in their homes like we did in the horse-and-buggy days, then they would not have the time to enjoy these pleasures.

If this is true, and I am sure we all believe it is true, then we must build into our economy more social welfare for our senior citizens so that they too can live in dignity. Then we, the Senior Citizens of America, believe we can build into our economy the things that are needed such as medical care, home nursing, and cheaper travel by bus, rail, and air. Also, some relief can be had by the elimination of the gas tax for car travel and the elimination of the sales tax on food and other necessities of life. We probably could do something to dispose of some of our overproduction and surplus food through our senior citizens. If we could put our surplus food into this program, this likewise would help the former as we go along.

Our Government is run by politics, usually by two parties. These things can only be had by legislation. Therefore, the senior citizens of our country have in their hands the tools to help do the job for themselves by talking to candidates and checking the voting records of these candidates on social legislation in both State and Federal offices in both parties. If the senior citizens would check the voting records, they could ascertain if the candidates' voting records are favorable on social legislation. If the candidates do not have a voting record, then the senior citizens should talk with the candidates individually as to their position on social legislation that would give him or her adequate income and care in their declining years. The Senior Citizens of America do not want this to be construed as a portentous threat. It is a suggestion of the good job of political housekeeping in Government. If the senior citizens apply this suggestion by going to the polls and voting, then we, the Senior Citizens of America, believe that results will be had on some of the suggestions that are made herein.

REORGANIZED SCHOOL DISTRICT R-III,  
 Everton, Mo., December 19, 1961.

Senator EDWARD V. LONG,  
 Senate of the United States,  
 Washington, D.C.

DEAR SENATOR LONG: I am enclosing a document which you might have time to read, though I know it isn't easy.

Constantine Panunzio, retired professor at the University of California, by his devoted efforts, caused the regents of that university to change its whole retirement plan and adopt one of the most enlightened pension plans in any of our colleges.

He then set out to organize retired professors and get an insurance plan for them. That is where the Emeriti organization came from, and I have been a little active in it for 3 or 4 years. C. Insurance Co. offered a plan for these people. I have been paying about \$200 a year for it, no claims as yet. I have had occasion to turn in claims but have not. Just a very slight indication of what this company did to this plan and the old people involved is shown by Panunzio's first report. Too many of us know it fully for him to go into it too far.

He had to get away from these highbinders. So he went in with a Denver company that he thought was reliable. The second report shows what this organization did to him and to us. Now he is trying the plan which he describes in his third part.

The inference to me is that the insurance companies, all varieties of them, accident, life, health, are among the worst racketeers in our land. A Kefauver sort of investigation needs to be made of these people. This might stir up enough stink to help us in our next attempt to pass a social security health bill. The tragedies at the present time are unbelievable to one who has not seen them. Social security is insurance, not socialism. We need it, as you know.

Sincerely yours,

E. H. CRISWELL,  
 P.O. Box 24451, Los Angeles, Calif.

THE EMERITI MUTUAL AID HEALTH PLAN OF THE NATIONAL COMMITTEE ON THE  
 EMERITI, INC., LOS ANGELES, CALIF.

An Invitation for You To Join in an Endeavor of Utmost Importance to Emeriti, Higher Education, and the Country

Beloved and esteemed colleagues, all over the land:

"The time has come," the Walrus said,  
 To talk of many things;  
 Of shoes—of ships—and sealing wax—  
 Of cabbages—and kings—  
 And why the sea is boiling hot—  
 And whether pigs have wings."—Carroll.

*The clue that sticks*

1. We take our clue from a really great board of regents and what they did a few years ago: Instead of their continuing to buy annuities on the open market and giving their retired faculty a starvation pension, they used their business acumen, and set up a direct payment system. That was all.

1.1. But what an "all" that was. They were able to increase the annuities by 35 percent; raised the pensions of those already retired from an average of \$211 to one of \$419 a month.

1.2. And, they established a new retirement system which, in time, trebled the original pensions. The last average was \$685.58. That looks big, but remember average service was 34 years; and remember that one half of most pensions is paid for by those who receive them, and the other half (i.e., what the regents or other employer contribute) is treated by law as deferred wages.

*Our dear, dear dollar and the drainpipe*

2. We older academic Emeriti are in a bad way: We are retired, the country over, on a median of \$166 a month and no social security. We are desperately in need of protection against the inevitabilities of advanced-age sickness and



accident. But with retirement income so small, many of our colleagues literally cannot afford to buy even the minimum of health protection.

2.1. And what is worse is that we have to pay very dearly for what little protection we do get. Here is the account our first carrier handed us for the first 2 years:

*Cost of operating the Emeriti Group Health Plan, Sept. 1, 1958, to Sept. 1, 1960*

Total premium we paid company-----	\$211,232.00
Company charged us for carrying the plan-----	75,560.60
Company put aside for "reserves"-----	31,900.00
	<hr/>
Total carrying charges-----	107,460.60

That is, Company charged us, for carrying the plan 51 percent of premium we paid in, when we were doing about 90 percent of all the work.

And company paid in claims----- 143,806.17

That shows a "deficit," but consider the "carrying" charges.

2.2. As if that were not enough, just after Christmas 1960, company gave us sudden notice that our premium would go up by 50 percent or to \$12 a month. We protested. So on Good Friday, March 31, company sent us another ultimatum: "It will be necessary to increase the monthly premium for each insured person by 25 percent effective May 1, 1961" or else.

2.3. Or else? Company now demanded that we hand over our plan to them, body and soul. What would they do with it? Solicit our people for more and more costly plans?

2.4. We severed.

*The frying pan and the fire*

3. We took every possible precaution with the second carrier, still believing that, somehow, good would prevail in our dealing with Mr. Insurance, but—

3.1. But what a but that was. Previous company had doggedly prevented us from circularizing our people; while they circularized 16 times they permitted us to recruit new people only 3 times. But new company would not deliver even the main brochure before nearly 3 months had passed. We had heard that there is a continental supergovernment of insurance; was this part of it?

3.1. And the master policy, on which the new structure was to rest, did not reach us until the end of the first week in October. It took that long for the Insurance Commissioner to clear it. On studying it we discovered a number of items that needed correction; we called for and held a conference, at which several corrections were verbally promised; but when we asked for written confirmation another month passed, another monthly premium was paid, and we only had evasive answers.

3.2. Meanwhile, colleagues all over the land, and some from abroad, kept crying to high heaven or to low inferno for the certificate of insurance and identification card to which they were entitled.

3.3. Some claims were being paid. And some were not. In an important case, involving a most distinguished president emeritus of a notable university, the claim was "short changed"; in another important case, the claim was partly denied on a technicality. And by October, when leaves were turning gold and falling, this was the picture.

By October 31, 1961 we had disbursed to the company-----	42,561.00
Company had paid claims amounting to-----	6,575.84

The ratio of claims to premiums was 15 percent.

Company held 15 unpaid claims, amounting to-----	4,395.59
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3.4. "Intolerable," cried our chief, to the Emeriti Executive Committee. "I cannot go on acting as intermediary, collecting, in the name of Emeriti, large sums from our stranded colleagues, disbursing them to company, without assurance of claim payment \* \* \*."

3.5. That cry somehow got to company, and in November, company paid all unpaid claims accumulated by that time amounting to \$11,103.30. But even then, all claims paid by the end of November amounted only to 35 percent of

premiums paid to company. Accumulation of claims gives impression that they are all for one method.

When desperate ills demand a speedy cure,  
Distrust is cowardice, and prudence folly.

—*Samuel Johnson.*

4. Our remedy? We take our cue from the regents of article 1 above, and aim to set up a mutual aid direct payment system. Expert legal opinion states we can do this.

4.1. We already have the Health Plan Trust Fund in the oldest, and most conservative and reliable bank in our region. We shall rename it:

THE EMERITI MUTUAL AID HEALTH TRUST FUND

Deposit your premiums as they arrive into that fund; disburse for claims and other obligations on the signatures of the bank officer and the president of Emeriti.

4.2. You will pay the same premiums (\$10 a month, per person), and draw the identical benefits you now draw, according to the same schedule; and if experience is good, as we expect it will be, we shall improve the coverage, to the extent the fund permits, just as an insurance would. Only we shall have 25 percent more to draw on.

4.3. We shall issue our own brochure, identification card, certificate of guaranteed coverage, mailing envelopes, and we shall do all this ourselves, directly, and not be at the mercy of others.

4.4. Your claims, as now, will come to us; but they will be processed directly by our own expert; and will be paid, once a week, from our own Emeriti Mutual Aid Health Trust Fund, on the joint order of the bank officer and the president of Emeriti. And payments sent to you promptly.

4.5. Every person connected with these operations will be bonded. We have not missed a penny, nor failed a single person in the least, these past 3½ years, and we shall not do so in the future.

4.6. Our directors are persons of the greatest integrity; they can be trusted at the very least as much as any bank or insurance trustees; most of them have had or now have financial responsibilities running into the millions, if not into hundreds of millions (e.g., former president of Carnegie Endowment, the executive manager of Insured Accounts Fund, Inc., the director of Hughes Research Laboratories, the assistant manager of the oldest bank in the region of our headquarters) or the deputy city attorney of a large metropolitan area). These persons can be relied on to the full to guide our mutual aid health plan, as they do all phases of Emeriti, with utmost integrity, and not turn us to the mercy of others, over whom we cannot exercise direct control.

*Advantages of mutual aid plan*

5. First, it will save us good money. The first carrier charged us 51 percent for operating our plan, though we were doing nearly all the "operating"; the second carrier charges about the same—all evidence we have examined shows that commercial companies manage to take about that much by open and hidden charges. We can keep operating costs (including manager) down to 20 percent of gross or less.

5.1. All premium money, deposited at once in our mutual aid trust fund, will draw daily interest, which will amount to considerable sum over period of years; and will help greatly in operating and improving our plan.

5.2. With such savings and earnings, we shall increase coverage, after a year or so of experience: possibly add "home hospitalization" or nursing care, help toward funeral expenses, etc.—without added premium.

5.3. We shall pay, we repeat, all claims directly and promptly from our office, on double signature; and, no mean advantage, we shall possess all records of claims, which will enable us to discover at which points to improve coverage.

5.4. Our plan will be unique and have strong appeal, the country over, among our colleagues, young and old, and enable us to serve a much larger number—perhaps 4,000, 5,000, or more, as we planned from the first, had not companies literally blocked us.

5.5. We will be able to secure donations for our mutual aid plan from private individuals (one distinguished lady physician in 1 year alone contributed \$1,420) and grants from benevolent foundations and industrial firms—especially when they learn that we are not paying handsome profit to insurance companies from the small money of our people; and that we ourselves are rigidly nonprofit.

5.6. With such a mutual aid health plan, in all probability we shall be able to secure some contributions from educational institutions themselves toward the health protection of their own faculty and staff people; thereby deepening the loyalty of faculty, staff, friends, and alumni, and the prestige of institutions.

5.7. In all probability also, we shall be able to get some consideration from physicians and even hospitals, when they learn that we are mostly retired teachers, wives, and widows, retired on next to nothing and no social security; and that we are carrying out our health burden and that it is not some rich insurance company paying the bills.

Former Congressman Jerry Voorhis, executive of Cooperative Health Federation of America, since 1947, who has had wide experience in such matters, assures us that physicians at least will give us such consideration. He suggests that a simple, beautiful card provided to each of our subscribers, telling of the nature of our group and of our mutual aid plan, and shown to physicians, will produce results.

And but two ways are offered to our will  
Toil with rare triumph, ease with safe disgrace.

—J. R. Lowell

6. This is one of the greatest acts you will ever perform in all your life: One that will benefit hundreds of thousands now and in the years to come.

6.1. The choice is yours, since you, colleagues, are the ultimate owners of this plan. Public school teachers all over the country have taken similar actions and are very much better off than we academic people. One group of them raised about \$1 million and formed a company of their own, called Educators. Ours can be known as Emeriti, Inc. It is up to you to vote whether or not you wish to be included as a charter member. (In time we can send you a charter member certificate.)

6.2. When we asked you, in April 1961, to vote on whether we should set up a group of our own, 402, or 41 percent of those who voted on that question, voted in favor of a group plan of our own. Now that the plan is thoroughly formulated and we are all surer of our ground, we will undoubtedly get more nearly the 93 percent we got on your last vote to go along with Emeriti and its recommendations. You can be sure that we have only one thing in mind and that is your interest and a thorough protection in regard to your health coverage, as in other ways.

6.3. One thing you must have clearly in mind: In our plan, as in all health plans, premiums are paid and coverage is for 1 month at a time; you pay premiums from month to month, but there is no accumulation of your payment. As in fire or automobile insurance, you pay premiums, but you collect in the event of a fire in your house or in an automobile mishap. You may have paid \$10 or \$1,000. Your claim is met whenever it comes in according to the schedule and not on the basis of the amounts you have paid in. It is the formula or the schedule that matters and not the dollars you have paid in.

We shall follow the identical method we have followed thus far in this matter. Our main difference is that we shall carry the plan ourselves, save considerable money, which would otherwise go to some insurance company, and pay claims as far as our trust fund permits us to do so.

Faithfully yours,

CONSTANTINE PANUNZIO, *President.*

3669 MADISON.

KANSAS CITY, MO., *December 8, 1961.*

Senator EDWARD V. LONG,  
*Washington, D.C.*

DEAR MR. LONG: As I was unable to attend the meeting held at Little Theater in Kansas City, I shall write my views on social security and care of the aging.

First, I favor raising work or earnings allowance by work to \$2,400 per year instead of \$1,200 as it now stands.

Second, I favor medical care for aged in way of hospitalization after the bill goes over a limit, say, 1 week or \$400. I favor this coming under social security.

Now my reasons for these two proposals—

First, I am 64 years of age, average health, agile, alert, efficient. Yet, I have to retire from my present work in another year. Allow me to earn \$200 per month plus my social security and I'll have enough income to live normally—buy, donate, mingle, and be one of the citizens of the community.

One hundred dollars per month and social security will cause me to have to lower my standards of living and drop some major activities in area where I live.

Second reason is the difficulty of finding employment that will allow one to work about 6 months and then relinquish the job to someone else because you have earned your \$1,200. I saw this happen twice here where I work and they (the firm) became annoyed that they had to go out and hire another man every 6 months, so they changed to young men (students). On \$200 per month you can work steady all year.

On the next proposal, allow me to say that the doctors have abused the privilege and hospitalized many people who did not need to be hospitalized. Anyone can stand a \$400 or \$500 hospital bill. But recently I had a \$1,600 bill and that size bill does hurt. However I had insurance but after age 65 I will not have good insurance. They cut us down at age 65. So if we had an insurance, under social security, that would pick up the tab after \$400 or \$500 it would be the kind of protection that would eliminate large bills that deplete your savings rapidly.

Many of my friends in my age bracket feel as I do. Personally I prefer the privilege to work and earn \$2,400 per year and buy my own insurance.

Look this letter over and then ask yourself how many young men today can put up a better letter? More legible handwriting? Yet I am forced to retire, losing 5 years out of my most valuable years due to experience, learning, and ability plus average health.

Please read this and then let Mr. Johnson read it also. I think he is a solid, substantial, statesman.

Respectfully,

MACK R. FRITTS.

HILLSBORO, MO., ROUTE 1, December 12, 1961.

Senator EDWARD V. LONG,  
State of Missouri,  
Washington, D.C.

DEAR SENATOR: With reference to the old age benefits, will say that I am going on 71 years of age, and from my experience it is hard to get along with the increase of everything one buys. Sales tax, property tax, and many other charges that one does not get anything out of, in the way of subsistence.

My suggestions are follows:

Increase the amount of earnings from \$1,200 to \$1,500 per year up to 69 years of age. And set no amount of earnings from 70 years on, instead of the 72 years now in effect.

The States should exempt retired people of 65 years and over of taxes on their homesteads up to the assessed value of \$3,000. Any assessment above this should be paid.

Medical expenses should be a part of the benefits and instead of the health and accident insurance companies becoming so numerous and also so prosperous, make a small charge or deduction from the benefits to take care of this. The Red Cross charge \$22 per quarter or \$88 per year for two people over 65, for hospital care of \$7 per day.

I find it hard for a person past 65 to get additional work and then you are temporarily employed at the lowest possible rate of pay, regardless of experience, or skill.

The aged do not have any representation, except for a few Senators like yourself who understands their plight or problems, but as time goes on they will organize and realize their potential.

Very truly yours,

W. L. PRACK.

NUBBIN RIDGE RANCH,  
December 11, 1961.

Senator EDWARD V. LONG,  
Washington, D.C.

Dear SENATOR: The enclosed article appeared in our Sunday papers. Being a senior citizen of 70 years of age, and one interested, I am writing you, since I and 99 out of 100 other senior citizens will be unable to attend these meetings, nor be heard if we were there.

My wife and I are retired funeral directors, who have taken hundreds of patients to and picked up the dead in many of the rest homes of the past. And certainly know of the condition of some of these places and admit they do need regulations, but not to the elaborate extent that the cost will be out of reach of the majority of the aged people who have to use them, as is the case with the memorial hospitals now built under Government supervision.

My wife and I draw the sum of \$60 per month social security, of which we are not very proud, since it is becoming a burden upon our children and their children to support.

We also draw an annuity of \$100 per month which we bought with savings after we had paid income tax on them. Now being taxed again. We also have a small income from some common stock, on which the Government has already taken 52 percent of the company's earnings, and which we must again pay tax on. If you desire to help the aged stop this double taxation on their small earnings. I say small because most of we senior citizens had to accumulate our savings from much smaller income than those of the present generation.

We here, live in the largest town in the largest county of Missouri. There are five other towns in our county: rest homes that pass inspection in the county seat cannot get approval in any of the other towns. Rest homes set up on the order of the memorial hospitals will become another county seat, small politics racket. Old people don't like to have to go to another town when they have to go to a rest home. They prefer to stay where their friends can come to see them. They also desire to be near their family doctor who has treated them for many years.

My wife and I do not expect to have to use any public owned rest home. However, we are aware of what many of our old friends desire, after 40 years in the funeral business in Texas County, so hence our ideas as pertaining to them.

Stop double taxation on their small earnings, and make rest homes available in their hometowns, near their families, friends, and doctors whom they know, with health and fire protection but within reach financially of these old folk. Set them up for the aged and not for politicians.

Very truly yours,

GAYLORD V. ELLIOTT.

6840 OAK TERRACE, December 8, 1961.

Senator EDWARD V. LONG,  
Chairman, Subcommittee on Aging,

DEAR SIR: As I cannot attend today's meeting at the municipal auditorium I would like permission to submit the following:

One of the points of objection raised by those interests fighting the medical care for the aged program of President Kennedy is that those older citizens now receiving social security would not have contributed, by payroll deductions, any part toward obtaining these benefits.

(1) I would point out that such older citizens who retired 6 or 7 or more years ago were given benefits based on a maximum of \$3,000 yearly, hence receive a smaller amount than do those of today.

(2) What is morally wrong in asking the younger generation (sons and daughters and other younger citizens) to contribute to help the older citizens as was the custom in our country long before the days of social security?

Respectfully submitted,

THOMAS McMEKAN, Kansas City, Mo.

3126 E. 12TH, December 9, 1961.

DEAR SENATOR LONG: As a matter of fact I despise the whole social security program and am ashamed that I have to accept it: one's choice is to live within one's environment or not to live.

It is a unilateral arrangement: Congress sets it up and Congress can knock it down; such arrangements are anathema to freemen. As evidenced by this meeting we must beg for the royal favor to correct even the most obvious injustices.

Probably the most outrageous and the one that gives the lie to the glib explanation: This is not charity; you paid for it, is the restriction upon extra-curricular earnings of retired persons. Loan sharks are more considerate.

I have no personal complaint to offer. I have not done any research but I am quite sure the Bureau of Labor Statistics will tell you that a single man cannot live decently in this city on my allowance.

G. E. JOHNSON, Kansas City, Mo.

4607 JEFFERSON STREET, *December 6, 1961.*

DEAR SENATOR LONG: When thinking of illness among the aged, when you put a person on the shelf, or in a rocking chair, you cause more illness. Work is the best tonic any one can have. When you say to a person, "you cannot work because you are 65" you are taking away his right of citizenship unless, in some way, you replace what you have taken away from him. Of course the unions were pleased because the oldsters were put aside in order to give the jobs to their group. However, workers are being imported from Puerto Rico and other places while many of those who built up this country are pushed aside. Idleness causes illness, and the pittance given will not take care of the \$18-a-day hospital rooms and the \$10 and \$20 an hour charged by the M.D.'s, plus the outrageous profits charged for medicine.

If a department of health could instruct the whole population how to keep themselves well instead of curing them after they get sick, I believe we would have a healthier country.

LARRY MCHALE, *Kansas City, Mo.*

3125 ENGLEWOOD TERRACE, *December 11, 1961.*

DEAR SENATOR LONG: Because of the limited time I couldn't say all I was thinking.

You, Senator, seem to have the right facts in the case and the sensible attitude toward it.

My husband and I founded the first golden age club in Independence, Mo., backed by the recreation department and the Kiwanians. This old town has a concentration of elderly people. We love them.

Besides the 240 members now in our club, another club was started 2 months ago with 160 members. We started with 10.

Henry and I sent for Blue Cross literature several years ago thinking we might take out insurance. The cost of it at our age was too much.

One of my daughters, who lives in Tulsa, and is 43 years old, worked for years with the telephone company and paid much into Blue Cross and Blue Shield. When she quit several months ago the rate was so high she dropped it. Now she has none.

The one woman in Kansas City \* \* \* who spoke against the bill, saying, "Let's not kill the goose that lays the golden egg," is a maiden lady. I've known her for years. She hasn't great-grandchildren, such as Henry and I have, to consider. We want them to live and enjoy their old age.

The doctors, it seemed to me, did a good commercial for Blue Cross and Blue Shield. It should help these private concerns make much money. I apologize for booging. I assure you I feel strongly about the subject.

I know how terribly costly my recent short stays at the hospital were. I was thankful that credit was extended to us by the Independence Hospital.

My medicine, which I must never be without, and visits to Drs. \_\_\_\_\_ and \_\_\_\_\_ also come high. But I am thankful for the great help they have been to me.

Now, the fear of a prolonged stay in the hospital is (as you say) greater than death itself.

I've been a teacher, but am not able to work now, even if I was allowed to do so. I think most of these old people would find the spirit willing but the flesh weak.

Thank you for this opportunity of expressing myself.

Yours respectfully,

LOUISE V. WINTERS, *Independence, Mo.*

DECEMBER 7, 1961.

U.S. Senator EDWARD LONG.

DEAR SIR: I am a retired carpenter. I retired when I reached 65 years old June 28, 1956, and came to Blue Springs, Mo., bought a lot, and built us a house. I had \$6,000 and I put it in our home here. Then on July 30, 1959, I suffered a stroke and since I have not been able to work. My wife is all crippled up with arthritis. Her hands are drawn so she can hardly do anything. Since I retired the cost of living has been climbing, and our doctor bills has also been climbing. We have been trying to sell out, but because we want the money, no one will even look at our home. We draw 166.40 per month social security. Our doctor bills-

and drug bills are now close to \$100 and our taxes are \$144.20. I see in some of medical doctors offices a great stack of pamphlets with a lot of things condemning the medical social security bill. Now I notice the doctors that are opposed to this bill are very wealthy. Seems like there is something they don't want and I believe it is they are afraid they can't rob the Government like they can us senior citizens. I went to a doctor and he gave me a prescription and I had it filled and went back and got it refilled and it seemed to not do me any good, so I went to another doctor and he gave me the same thing and it cost me a dollar more and I went back and got a refill and took both bottles and asked the druggist what the difference and he said the same and I asked him why the difference in price the same amount and the same thing. That he did not answer. The doctor that his medicine cost the most and is very wealthy had in his office a stack of pamphlets condemning social security medical care bill. Now there is another problem confronting senior citizens and that is taxes. Our taxes have been higher every year and at the same time there are lots of people who pay very little school taxes, who make a lot of money. Why unload on senior citizens who own only a home? Is it because we have grandchildren and great-grandchildren? Please work for justice to all is all I ask of you, while you are a public servant.

Respectfully,

JOSEPH C. LAKEY.

P.S.—I wish this be read to all U.S. Senators.

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423 WEST 34TH TERRACE, December 12, 1961.

*Hospitalization coverage*

DEAR SENATOR LONG: I am a retired employee. When I left my company they permitted me to take the group hospitalization along. After you retire the hospitalization does not reinstate. It was good for just so much and when that is used up you don't have any more insurance. This happened to me as I had a heart attack and the hospitalization was exhausted because of the huge doctor bills and the huge hospital bills.

There I was without hospitalization so I applied to the Blue Cross. They would take me, for otherwise I was 100 percent, but they did put a rider on my policy eliminating my heart. So I have no coverage on my heart. Now, I pay the same premium as my neighbor for the same coverage that will have coverage on the heart.

Why don't they reduce the premium if they are limiting the coverage?

This is where I think the Government should step in and permit me to have hospitalization for my heart by subsidizing the Blue Cross in the event I do have another attack. I may never have another.

*Taxes*

I have reared and educated my son so why should I continue to pay school taxes for all the legitimate and illegitimate children being brought into the world.

Why should a little savings account be taxed? Why should dividends be taxed when we worked and skimmed in our younger days for our old age?

*Social security*

It is a very wonderful thing but it is not sufficient to buy the necessities of life much less pay huge medical bills. It should be increased.

*Medical bill*

This bill should be passed but not limited so that its purpose is defeated. If should be paid for by social security tax as it would cost our sons and daughters much more if they had to take us in their home. And life wouldn't be worth living for them nor their parents.

Mrs. FLORENCE W. WEBER, *Kansas City, Mo.*

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912 EUCLID AVENUE, *December 12, 1961.*

DEAR SENATOR LONG AND COMMITTEE ON AGING: I have been on social security about 10 years and I was under doctor's care when I applied for my social security and I am going to general hospital for medicine.

I am for the King-Anderson bill.

CHARLES E. NORMAN, *Kansas City, Mo.*

PHILADELPHIA, Mo., December 6, 1961.

Senator EDWARD V. LONG,  
Washington, D.C.

DEAR SENATOR LONG: Our Senators are elected to represent the people—how can they unless they know our needs.

We are weary reading of broadening the Social Security Act and insisting upon those 62 years and over coming in to sign up and receive information on the latest social security changes. Apparently they are to be paid quite liberally and in addition to that they will be allowed to earn more than many present time annuitants are receiving. Many of them are able and willing to work yet are willing to accept Federal money when pushed upon them.

Once and once only have we seen it in the newspaper that "Most retired social security people have other means of support."—how absurd.

We social security people, after a number of years, received an increase of 7 percent and were required to wait 3 months to begin drawing it while the postal clerks received 10 percent retroactive for 6 months.

I am a retired social security annuitant—definitely we are the forgotten people.  
Most respectfully,

LEONA HAYCROFT,

4320 NORTH COLORADO, December 6, 1961.

Senator EDWARD V. LONG,  
Care of Committee on Problems of the Aged,  
Washington, D.C.

DEAR SIR: I wish to take this opportunity to bring my protest to your attention. The brazen way the medical profession is soaking the public in general and our senior citizens in particular, is atrocious and certainly no credit to our system of free enterprise. I could sit here all day and list case after case of which I am personally acquainted. I would be only too happy to forward this information upon request.

Respectfully yours,

DONALD C. GOEBEL

DEAR SENATOR LONG: In our civilization, we accept the responsibility of caring for the real needs of those unable to care for themselves. Some form of efficiently administered welfare should handle this. I strongly oppose putting this public burden into the social security insurance program, because:

(1) Social security insurance has been sold to the U.S. public as "insurance," to be purchased with money, as is any other insurance; the benefits to go to the purchaser in older years. How can it be right to twist this insurance into a welfare mold? No one, buying an auto, wants to have a motorcycle delivered to him instead. Those of us who have earned and paid for social security insurance should not now be forced to accept a welfare program in its place. Nor it is too pertinent to say that the employer pays half. True employers nowadays pay many fringe benefits. Some have pension plans; some pay for hospitalization insurance, in the whole or in part; many furnish comfortable lunchrooms, restrooms, etc. Employers look for the right kind of employees to reap these benefits: if an employee does not truly earn a right to these things, he soon becomes an ex-employee.

(2) The social security way would be tremendously expensive. Our Government managers should be more businesslike. Why hand to Mr. and Mrs. X, well to do owners of social security insurance, the unearned means to pay their medical bills? Why not put this money into a welfare program, available to Mr. and Mrs. Y, both crippled, owning no property, and with huge medical bills?

(3) If the proposed King-Anderson bill becomes law, the majority of our middle-aged and younger people, now paying social security taxes, will face an increase of around 16 to 17 percent. If, for instance, a middle-aged person could be allowed to save that 16 to 17 percent, to invest it in insurance or otherwise, he would be able to care for himself adequately, in old age. It seems most un-American for each generation to be forced to care for the preceding generation. Let's stop this vicious circle; let's free the oncoming generations to move ahead to more progress than is possible, if they are overburdened with excessive social security taxes. I submit that there are thousands of older folk, truly aware of their own innate dignity and self-respect, who do not want that



dignity and self respect sullied by being party to inhibiting the lives of those now paying social security taxes.

Puzzled query: Why should it be more dignified to accept money from a pocket marked "Social security insurance" than from a pocket marked "Welfare" or "Charity"? The Bible seems to consider "charity" a wholesome and good word. Our worthy aged citizens should be able to manage the matter of dignity properly. That is, it should not be necessary, when Mr. Jones needs \$5, that we hand out \$5 bills at each door on the block, to propitiate Mr. Jones' dignity.

(4) The Kerr-Mills bill was enacted to help needy older folk. Our Missouri Legislature did not adopt it. Hence, we don't know how much help it might give. Our city can do much to better some welfare matters. Nursing homes, boarding homes, convalescent homes can be improved. Our health and welfare officials say needs can be met by improving and expanding the work of organizations we now have.

(5) This problem affects all people and is not a political matter. Unfortunately, some do persist in counting probable votes resulting from using social security for aged relief purposes. Obviously, many attending the committee hearing would vote for any method of getting "free" funds. What of the ensuing weakening of American moral fiber? Others attending the committee hearing would not so vote; definitely. And there are people—how many million—unable to attend such hearings, because they are busy, working and paying social security insurance taxes. How loud will they talk—and vote—when they realize the inroads made on their pocketbooks and on their lives, should such a bill go through?

Sincerely,

Mrs. G. H. HILL.

DEAR SENATOR LONG: I have read articles on monthly payments that are paid, at the present, to our old-age pensioners.

I have also read the cost of medical insurance, and I feel at the present time, with the cost of living as it is today, it is practically impossible for our old-age pensioners to carry medical insurance. Something will have to be done to help these people.

I have studied the reports of the amount paid by both the State of Missouri and the Federal Government in 1958 and 1960.

Last year this was one of my subjects while I was on the ticket for State legislature, eighth district, here in Missouri.

Another subject I covered was State withholding tax. In this it was my opinion our State revenue department would be able to collect taxes actually due. Maybe this would help our old-age pensioners, plan our schools. It was my understanding all of these State income taxes were not being paid at that time.

I am also interested in educational problems.

Going back to aid to our old-age pensioners. I worked for quite some time to get the Republican Party to get them to O.K. our 2-cent gas tax increase which later Mr. Crowley, national committeeman, I understand, also O.K.'d this tax increase.

At present I am working trying to help to get a weight increase for interstate carriers. In my opinion after talking to Mr. Heinemann of the Highway Truckers Association I understand with a weight increase this would increase licensing of trucks from \$300 to \$350 per truck, multiply this by over 4,000 interstate carriers, you can see how much additional revenue we would have to help our old-age pensioners.

I am interested in highway development plans, also defense highway programs. This, in my opinion, helps our unemployment problems. Putting these people back on jobs, carrying six unions, where these people are employed. they are also paying into our social security fund, this in turn helping our old-age pensioners.

In my opinion where the Federal Government, as I understand it, borrows money from our social security fund on short-term loans, I would suggest the interest rates should be the same as if this money was borrowed elsewhere. This I would think would also help our social security fund in turn helping our old-age pensioners.

At the present time I am interested in a development program for the Marlborough district here in Kansas City. In my opinion this would help our unemployment in this part of the city. Also helping in our social security fund.

I thought I would try and contact public service to see what their opinions are for transportation in this area. Later petitioning business places out south to see how many would like a better transportation system.

If something of this type could be done it would appear to me as though it might be possible for a shopping center in the Marlborough district. If so this would undoubtedly start building of new homes in this district, all in turn by putting these people back to work, paying social security into our social security fund.

It is my intention to contact city hall asking their help as some of the people in this area are very interested.

Sincerely,

MAX G. MARCHANT,  
1814 East 84th Street, Kansas City, Mo.

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2921 HOLMES, December 12, 1961.

DEAR SENATOR LONG: If we aging on low salaries might be allowed to draw more wages than the \$1,200 allowed we might be allowed to hold our jobs and get the social security or if we could make about the same amount, as is the amount cut back. We can't pay rent, food, clothing, let alone doctor bills for medicine.

What I'd like to see is a setup where the one needing medicine and so much along that line might have a place set up and means to pay for it. Some need nursing care, not just hospital care but care in homes.

I think a plan for the aging along this line could bring much relief to a great many.

THERESA LOGSDON, Kansas City, Mo.

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Senator EDWARD V. LONG,  
Jefferson City, Mo.

KIDDER, Mo., December 7, 1961.

DEAR SENATOR: It is so nice of you to take an interest in the elderly people in Missouri. I feel sure we all appreciate it a lot. Please don't forget, we the old people on old age pension. It seems like we are the ones that have been forgotten, especially we widows that are in very poor health and living alone.

Every one seems to be getting a raise in salary (because of the high cost of living) but the old age pension check is still very very small according to the price of everything else. I am a widow 75 years of age. My husband was a farmer, and passed away just a short time before the farmers were entitled to social security. We both worked hard and lived in Missouri all of our lives. Bought 120-acre farm and always paid our taxes, had this farm almost paid for when my husband took sick. He was sick and unable to work several years before his death. After his death I had to sell the farm to pay hospital and doctor bills and funeral expenses besides a number of bills that had collected during his illness. I bought, with my children's help, a small second-hand trailer for my home. I then went to work caring for elderly people in their homes. I loved this work for I felt like I was helping others as well as myself. But alas, I only got to work about 1 year until I had a very serious illness and because of this terrible illness I have almost lost the use of one of my arms and hand. I am still under a doctor's care all the time, also have to take several kinds of very high priced medicine all the time. This gives me very little to live on and as my trailer is not insulated my fuel bill is rather high in the winter.

My trailer is getting old and there is so many things that needs replaced or repaired but as I do not have the money I just have to do without.

I would much rather be working than living on this pension. Of course, I have a few hobbies to keep me busy, but nothing to bring any money. I do know I am sorry I had to be on old-age pension, for I feel like it is almost a disgrace, but as my three children are all married and have families of their own, it was all I could do.

I do hope, Senator Long, that you can do something soon, to see that we old age pensioners get an increase in our pension check. If not there is going to be a lot of us suffer the last few years of our lives.

Medical care for the aged through social security would not help the old age pensioner, but many would receive the care that had plenty of money to pay their own expenses. I hope, Senator Long, I have not tired you with my lengthy letter.

Words could not express how much I would appreciate your help. In a year or two a lot of us will not be here.

Yours very truly,

Mrs. BESSIE HOSMAN.

2840 FOREST, *January 2, 1962.*

DEAR SENATOR LONG: Here is what I would have said at the hearing of your Subcommittee of the Special Committee on Aging if there had been time for everyone to speak: I am in favor of medical care under social security law. Because which Congress passed the Kerr-Mills bill, passed in October of 1960, and the State of Missouri has not done a thing about it. They don't intend to do anything about it until 1963 election year. They have emergencies now, but it must be death or life before they will put you in the hospital. That does not help the old people. My wife and I are under a doctor's care. We both have a bad heart condition. Our income isn't big enough to pay for medicine bill, doctor, and rent. I receive \$70 a month from social security. We also receive from the State for disabled \$65 each.

That makes all total \$200 a month. Now you can see why we can't pay for doctor or medicine.

What I would like to see the President and Congress to adopt a law and pass it to put all women under the social security benefits. With that they could get half of their husband benefit at the age of 52 years. That is where they both are disabled. That would help to take care of the doctor's bills, and drugstore bills. I am 100 percent in favor of a bill like that.

FREDDIE SACHEN, *Kansas City, Mo.*

10124 EAST 68TH STREET.

DEAR SENATOR LONG: Here is what I would have said at the hearing of your Subcommittee of the Special Committee on Aging if there had been time for everyone to speak: I think we need hospitalization and medical aid for the golden agers very badly as we do not get increases in our income as others do and our pensions are none too high either, so hope you will work for this bill when it comes up in the Senate.

Thank you.

Yours truly,

L. W. PEAK, *Raytown, Mo.*

138 SOUTH GLENWOOD.

DEAR SENATOR LONG: I am E. Paul Davis. I am past 65. I belong to the Transit Workers Golden Age Club Retired Workers. We have nearly 200 members now and there are 28 golden age clubs in Kansas City, they tell me. Over 5,000 members, they tell me, and the most of these old people are under-insured. I have watched them pretty close. They get along pretty nice till they get sick. Most old people, when they quit work, they lose the group insurance. They don't have the hospitalization and if they go to a hospital, they are broke flat in no time. Hospital and doctors and medicine are sky high. Over the years I have lived, I never would have thought that doctors and medicine would have reached this high level.

I think there should be something done to help these old people before they die. Practically every one of these old people will need hospital and doctor and medicine before they pass away. So please sit in and help us at your next chance. We all vote and we appreciate you.

Yours truly,

E. PAUL DAVIS, *Independence, Mo.*

5341 OLIVE STREET.

DEAR SENATOR LONG: I would have asked for medical benefit for the aging. Also increase of social security.

H. H. TRASPER, *Kansas City, Mo.*

10 MORNINGSIDE DRIVE, KANSAS CITY, MO.,  
December 12, 1961.

Senator JENNINGS RANDOLPH,  
Special Committee on Aging,  
Washington, D.C.

DEAR SENATOR RANDOLPH: At the public hearing of the subcommittee, Senate Special Committee on Aging, held at Kansas City December 6 and presided over by Senator Long, chairman, it was gratifying to learn of the intimate concern of your committee in the problems and welfare of the aging. It reflects the high degree of justice and responsibility held by Government toward the individual.

I attended the hearing and the town hall session. In the discussion of aging problems I was especially impressed by the remarks of one speaker who called our attention to a group of oldsters who have been discriminated against unfairly.

He referred to veterans of World War I who had served less than 90 days and pointed out that they are denied pension and other benefits granted veterans of 90 days or more.

In this great country of benevolence and equality and in light of the present work of your committee, it would be compassionate indeed, of you would institute a review of this matter.

Surely there is no logic nor basis to presume that a man who served his country for 90 days was more loyal, dedicated, or willing to make the supreme sacrifice than the man who served 89 days or less. To my knowledge, no similar discrimination has been assessed veterans of later wars and it would seem the present efforts of your committee to aid the aging offers an appropriate opportunity to explore and exemplify this long overdue correction.

I would therefore plead for some sort of restitution for this worthy group of Americans, most of whom are now past the retirement age. With many, it would supplant welfare or other aging benefits.

If you would be inspired to champion the cause of this forgotten group, you would be looked upon, with love and appreciation, as a great benefactor.

With sincere personal regards and respect,

Cordially yours,

R. M. STERBETT.

P.O. Box 6657, NE. STATION.

DEAR SENATOR LONG: I am the one who spoke about churches seeing after their poor and sick as they did in the first church organized. America always has sent all they could raise for foreign countries and let their own die like flies of starvation. In the days of depression, there was no money in any banks or Treasury because of the millions sent overseas. It was in the 1940's that farmers got electricity; the farms should have been wired first, that is where it was needed most. Those who invested in power and light stock died first while waiting for the company to promote. I could have talked indefinitely about those who make money from alcoholic beverages. "Woe unto him that giveth his neighbor drink." John Ruskin wrote: "The encouragement of drunkenness for the sake of profit on drink is certainly one of the most criminal methods of assassination for money hitherto adopted by the bravos of any age or country."

George Washington said "Drink is the source of all evil and it ruins half the workmen of this country." He also warned about having entangling alliances with countries overseas. My ancestors fought with his army to free our country.

Statistics show that 80 million persons here are not members of any church. Many who are members do not contribute their tithes or help or attend. One movie of a mission town overseas showed a large liquor sign hanging over the sidewalk just like they are here. In 1932 they promised there would never be ads or urge to drink. Of what use is missionary work when such conditions exist and those kind are elected to Government offices and sent as our representatives overseas. The best way to teach is by example. Those soldiers in our armies drinking and gambling with their spending money never sending a penny back to the church or saving for their future; never helping those missionaries. The rulers of those countries overseas and here too gain wealth at the expense of the poor, never think working people should have good comfortable homes. That is for parasites who gain money by dishonest business or high taxes. There should be taxes enough levied to pay all expenses and keep a surplus in Treasury instead of paying interest on bonds and laying up debts for future generations to pay. Benjamin Franklin advised: "Never go into debt." No real Christian will vote to license anything to be sold that they know is harmful to the health and will keep the soul out of heaven. No drunkard will enter heaven though

the ones who make money off that business will certainly get the worst punishment, that includes the voters. Pro means forward; hi: hasten; bi: twice; tion: act of prohibition: Act of hastening forward twice as fast as any other way.

I also mentioned that golden agers should have gardens and other work to provide their living. The fresh air, exercise, and fresh vegetables would make them healthier. My mother marked off a square of her garden for each of us children as soon as we could walk and helped us tend it till we could help with large garden and truck patches and farm. Also had to help with all housework and cooking and chickens, ducks, geese, and livestock.

I am a senior citizen and care for other seniors and have no intentions of retiring as long as I am able to work. One colored lady in her eighties told me she had worked for the same family five generations. She was doing cleaning 4 days a week then, had started washing dishes when 10 years old.

All children should earn all spending money and should be taught all kinds of work and any normal child is considered self-supporting at the age of 16 years. The public schools are to blame for most conditions though most children do not take advantage of their chance to learn. If the schools taught as they should there would not be any alcoholic beverages sold or tobacco, drugs, or other harmful things. If someone was selling stockmen anything harmful to livestock they would be punished.

All persons engaged in the liquor and drug business should be put to death and persons who spend money on such as that should never be on the taxpayers burden to care for, curing alcoholics. "Early to bed, early to rise, makes a man healthy, wealthy, and wise." (Another saying of Benjamin Franklin.)

GRACE E. WILSON, *Kansas City, Mo.*

6111 PASEO.

DEAR SENATOR LONG: Here is what I would have said at the hearing of your subcommittee of the Special Committee on Aging if there had been time for everyone to speak:

I think that medical care for old folks is a wonderful thing and the social security system is the best way to pay for it.

NOAH A. WILLIAMS,  
*Kansas City, Mo.*

5722 AGNES.

DEAR SENATOR LONG: Here is what I would have said at the hearing of your Subcommittee of the Special Committee on Aging if there had been time for everyone to speak: I would have asked for medical benefits for the aging. Also increase of social security.

RUTH L. TERRILL, *Kansas City, Mo.*

825 JACKSON STREET, JEFFERSON CITY, MO.,  
December 28, 1961.

Hon. EDWARD V. LONG,  
*Member of Congress,*  
*U. S. Senate Office Building, Washington, D.C.*

DEAR SIR: I am very much impressed with your interest in the welfare of the aged. I am in that group at the age of 69. Although I am not actually in need of financial aid at this time, I do have a problem that I should like to discuss with you and feel it should be corrected. This is not just a personal problem because it affects several million veterans of the First World War.

I am receiving retirement pay from the State highway department, also social security benefits. I have also been receiving a disability pension from the Veterans' Administration for the past 2 years, because my total income has been less than \$2,700 per annum. The highway department retirement benefit has been increased recently, so next year I will receive an income slightly over \$2,700. Therefore I will lose my VA pension. I feel that the social security benefits should not be counted as income in figuring the VA pension. I would appreciate very much if you would use your influence in having the social security deleted entirely as income or raise the limit of income to \$3,700 per annum. I feel that any veteran having an annual income of \$3,700 will not need the VA pension.

This raise in income should apply to both single and married veterans, as you well know that a single veteran at 65, if ill or disabled, cannot survive on \$1,400 a year.

Your cooperation in this matter will not only be appreciated by me, but by millions of World War I veterans (the forgotten man).

Sincerely yours,

HAROLD J. BAKER.

4231 VIRGINIA.

DEAR SENATOR LONG: Here is what I would have said at the hearing of your subcommittee of the Special Committee on Aging if there had been time for everyone to speak:

On December 1, 1961, I sat in on the afternoon session of the Subcommittee on Federal and State Activities of the Senate Special Committee on Aging. This was in the Little Theater in Kansas City, Mo.

I heard about the very high cost of hospitalization, medicine, and doctors' fees. The cost of convalescent and rest homes, that is the good ones, are prohibitive for the lower income bracket.

I also heard both men and women 62 years old and over, who are ready, able, and willing to work but cannot find employment.

There are elderly persons both male and female living alone having no relatives. The class I am especially interested in live in their own homes on which they have paid taxes and upkeep over a period of years. Many of these need companions or home helpers. If they have been hospitalized they need care upon returning to their own homes; for this they can afford to pay a moderate sum. It is the finding of suitable persons. This is where a State commission would be of great value to find companions or home helpers for a need.

Babysitters have agencies and are screened and placed. Welfare agencies would be a fertile field to look for companions or home helpers. A person, or couple, receiving welfare assistance could be made comfortable in an established home.

To start this plan, I suggest the person or persons to receive this aid be owners of clear property; that the companion or helpers—

1. Receive compensation in some manner from the homeowner.
2. Have their own room.
3. Radio.
4. Use television if it doesn't interfere with owner.
5. Use of telephone and newspaper.
6. No washing or ironing except personal articles.
7. Visiting nurse once a week when necessary.
8. One day a week off duty. When need requires, a sitter should be found among neighbors, neighborhood churches, friends, American Association of Retired Persons and golden age groups who might be glad to donate their services. On the other hand if such people needed a little extra money this would give them an opportunity to earn it.

If this could be worked out in cooperation with a welfare department, it would reduce the amount of welfare funds paid out.

There was an article in the Kansas City Star several months ago saying doctors advocate keeping people in their own homes. It is a crying shame for the aged to be uprooted from homes which they established and paid upkeep and taxes for the greater part of their lives, when they can afford the comforts of their own homes in their declining years.

I thank you.

Miss H. N. McLEES, *Kansas City, Mo.*

6657 CHERRY STREET, *January 2, 1962.*

DEAR SENATOR LONG: Here is what I would have said at the hearing of your Subcommittee of the Special Committee on Aging if there had been time for everyone to speak: My name is Wilbur Duer. I live at 6657 Cherry Street, Kansas City, Mo., and I am licensed to practice law in the State of Missouri.

I must comment on the hearing which was held, for I feel that you, as chairman of this subcommittee, allowed the speakers to spend 95 percent of this committee's time on a subject which was not assigned to your committee. I cannot help but feel that your dignity and integrity were lowered by this hearing. I know that the people got a chance to express themselves on something that the majority of

them did not know too much about, and had actually not spent too much time thinking about; they may have worried some about it, but as far as actual constructive thinking, I would warrant that this was in the minority.

You had a splendid opportunity for some of the reports that were limited to 2 minutes undoubtedly would have dealt with problems which had some bearing on retirement income for the aged. The Rehabilitation Institute, the raising of the amount that one could earn after he begins to draw social security, and last but certainly least you missed an opportunity to tell these people some of the things that they could do for the Government instead of having them tell you what the Government can do for them.

Missouri does have an extremely large percentage of its population in a high age bracket, and, therefore, its problems are certainly bound to be more severe. Yet, a State which ranks 21st in income and ranks 42d in amount of money expended for welfare, looking at it from a realistic viewpoint, doesn't seem to require much help from the Federal Government. It seems as though some of the other governing bodies, including the State, can do something to aid our people. While I feel quite sure that my comments are not greatly desired, I do want you to know that I am over 45 and that I have several physical handicaps which are quite severe; and yet, in spite of that, due to the encouragement of my friends and associates, the understanding of my problems by my employers, I am enabled to work my regular workweek. I am raising a family, supporting it, buying a home, and with the exception of some athletic endeavors, lead a fairly well-rounded life. If I had given up or if I had allowed the Federal Government to give me a handout or a disability allowance—call it what you want to—I feel that I would have missed those things which I have enumerated in this paragraph; namely, my friends, my associates, the joy of working, the joy of family life, and I cannot help but feel that the individual endeavoring to help himself with, if necessary, some assistance is much, much better off than the individual who sits on his haunches and has things brought to him.

If this letter is read, I would appreciate being placed on your mailing list to receive any information that you might have available on this vast problem which you and the rest of us will probably have to live with and endeavor to solve in a good many years to come.

WILBUR DUER, *Kansas City, Mo.*

1915 LAKE DRIVE, *December 20, 1961.*

DEAR SENATOR LONG: Here is what I would have said at the hearing of your Subcommittee of the Special Committee on Aging if there had been time for everyone to speak:

I am a radiologist. One of the four categories of doctors who would be controlled and compensated should the King-Anderson bill become law.

I would like to suggest five points which should be considered by the Committee on Aging. These for the genuine benefit of the aged rather than using their problems for political profit.

- (1) Full tax reduction for all medical costs for those over age 65.
- (2) Freedom to earn a more reasonable income as \$2,400 for the single person and \$3,200 for a couple without losing social security benefits.
- (3) Freedom for the self-employed to accumulate a retirement fund with deferred income tax on the fund. This would permit the aged to plan and provide for themselves and really retain their dignity.
- (4) Stop the terrible inflation caused by irresponsible Government spending which destroys the value of the savings and fixed income of the retired person.
- (5) Exert half as much time, energy and money as is being used to sell compulsory medical care under social security, to encourage the States to implement the Kerr-Mills law. This will provide complete medical care for those aged who need help. Has the Department of Health, Education and Welfare published any literature to encourage implementation of the Kerr-Mills law? If so I would like to know what and where it can be obtained.

Freedom is the right to do something. There can never be freedom from something.

Sincerely yours,

WAYNE K. TICE, M.D., *Independence, Mo.*

