RETIREMENT INCOME OF THE AGING

HEARINGS

BEFORE THE

SUBCOMMITTEE ON RETIREMENT INCOME

OF THE

SPECIAL COMMITTEE ON AGING

UNITED STATES SENATE

EIGHTY-SEVENTH CONGRESS

SECOND SESSION

Part 10.—Fort Lauderdale, Fla.

FEBRUARY 15, 1962

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NOTE.—Ten hearings on retirement income were held and they are identified as follows:

Part 1.—Washington, D.C.
Part 2.—St. Petersburg, Fla.
Parts 3 and 4.—Port Charlotte and Sarasota, Fla.
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Part 6.—St. Joseph, Mo.
Part 7.—Hannibal, Mo.
Part 8.—Cape Girardeau, Mo.
Part 9.—Daytona Beach, Fla.
Part 10.—Fort Lauderdale, Fla.

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RETIREMENT INCOME OF THE AGING

THURSDAY, FEBRUARY 15, 1962

U.S. SENATE,
SPECIAL COMMITTEE ON AGING,
Fort Lauderdale, Fla.

The U.S. Senate Special Committee on Aging met, pursuant to call, at 9:30 a.m., in the War Memorial Auditorium, Fort Lauderdale, Fla., Senator George A. Smathers presiding.

Present: Senator Jennings Randolph, West Virginia, and Senator Oren E. Long, Hawaii.

Committee staff members present: William G. Reidy, staff director; and Frank C. Frantz, Miss Dorothy McCamman, and John Guy Miller.

Senator SMATHERS. First may I state at the outset we are very happy to have all of you here, those of you who are going to testify, those of you who are going to listen.

We are particularly pleased and honored to have here with us as members of this committee the very able and distinguished Senator from the State of West Virginia, a great friend of Florida, a great friend of people everywhere, Senator Jennings Randolph of the State of West Virginia. We are delighted to have him with us here this morning.

We are also happy to have with us a very able Senator, a longtime friend from the State of Hawaii, the new State of Hawaii—who has come here to check on our weather to see whether or not it is as good—certainly he would not admit it if it were better, but I am certain that maybe he could admit that it is as good as that which he has in Hawaii—the very able Senator Oren Long of the State of Hawaii. We are delighted to have you, sir.

Senator LONG. Thank you, Senator.

Senator SMATHERS. Ladies and gentlemen, the purpose of this hearing is to take testimony. We are trying to get expressions from you people; we are trying to get expressions from the people who are involved in this problem of the elderly; we are trying to get facts and we are trying to make a record upon which sound judgments can be made as to what course the U.S. Congress should follow in trying to arrive at a solution of the problems of the elderly.

I would like to emphasize that this is not a rally. This is not a contest to see who can clap the most, who can boo the most, who can talk the loudest. This is a formal Senate hearing. We are not going to permit anything in the nature of boos. We are not going to permit any demonstrations whatever, and if anybody tries to participate in that we will invite them to leave this auditorium.

We are trying to emphasize what are the problems; whether or not there are practical solutions to those problems; we are trying to determine what course should be followed.

I would draw attention to the fact in advance that in this problem of dealing with the elderly and, of course, here in Florida we have a particular acute problem in that while our State has grown 76 percent during the past 10 years, the elderly portion, the elderly population of our State during that same time has grown 133 percent. We are rapidly becoming that State in the Union with the highest percentage of people 65 years old and older.

Thus far in these hearings which we have held on the west coast of Florida—yesterday in Daytona Beach—obviously the attention was particularly focused on the problems of health, what to do about the problems of health for the elderly.

Today it is our hope and our expectation that we are going to have viewpoints presented from both sides, that is, those who favor the so-called King-Anderson bill and those who favor the so-called Kerr-Mills approach, those even who favor some other approach.

We emphasize that we are trying to develop all sides of this question because we want to make a complete record which all the Senators who make up this committee and all the Senators who will have to vote on this matter at some future date, they can look at the record, they can get facts, and on the basis of the record which we have developed they can make, we hope, the right solution.

This is not partisan—this is not Republican nor is it Democrat. I noticed in reading this morning's Herald there was some statement that a mayor had not been invited. I would like to state publicly that we are delighted to have the mayor testify, if he cares to testify. We would like to have him and I hereby extend him an invitation. I notice that the vice mayor of Fort Lauderdale is to testify, but if the mayor wishes to come up to make an expression we would, of course, be delighted to have him do so.

As I said, there will be all sides represented here today. We want to run this meeting in an orderly fashion. I would ask you not to applaud until the end of the testimony of each witness, because if you applaud while the witness is making a statement and during the course of his statement, all you do is diminish the amount of time which is available to him.

With these rules set out and this statement having been made, I would ask my colleagues if they care to make any additional statements and then we will proceed with our first witness.

First I would like to ask Senator Jennings Randolph if he cares to make a statement.

Senator RANDOLPH. Mr. Chairman and Senator Smathers, I think you have spoken with an objectivity which will be appreciated by the citizens of the State of Florida. I could indulge in certain pleasantries, but the weather is pleasant enough, and so I will allow that to take care of a situation which we can all enjoy.

I think that it is very important, as you have indicated, that there be this approach which you have indicated. In no sense have you been critical, but you have, in essence, indicated to these people, these fine

folk of your State that we are here on a serious mission, and I congratulate you upon your leadership and I am delighted to join with you and with Senator Long, and I hope that the day will be one of productivity. Thank you.

Senator SMATHERS. Senator Long, do you care to make a statement?

Senator LONG. Thank you, Senator Smathers. It is indeed a privilege for me to bring greetings and expressions of aloha from the island people of the newest State of the Union, the Aloha State, to Florida, which I believe came in about mid-way in our history. We are only about 3 years old and Florida is about 110 years old, as I recall it, as a member of the Union. But we have a great deal in common. In a sense, of course, we are rivals for the attention, Senator, of the traveling American public, but having been 45 years in Hawaii and having had the privilege of coming to this beautiful State on different occasions I am certain that that rivalry will remain friendly.

It has been a privilege to participate in these meetings. There are no other meetings of greater importance to the 180 million people of America today, and all we want to do is the right thing by this generation and by the future.

Might I add that it is a personal privilege for me to be here with Senator Smathers whose family I have known a great many years.

Senator SMATHERS. Thank you very much, Senator. With that, ladies and gentlemen, we will now have our first witness who is the Honorable James L. Leavitt, the vice mayor of Fort Lauderdale.

Mr. Leavitt, if you will have a seat right over there we will be delighted to hear from you, sir.

STATEMENT OF HON. JAMES L. LEAVITT, VICE MAYOR OF FORT LAUDERDALE

Mr. LEAVITT. Thank you, Senator. I want to first welcome you and Senator Randolph and Senator Long, to the city of Fort Lauderdale. We hope you will come back and see us real soon.

Also I want to say good morning to the people here in the audience and welcome them to the War Memorial Auditorium and to the hearings that we are now commencing. I know that they will be instructive as well as informative.

I have the pleasant task today of representing the Honorable Mayor Burry in his absence. As I understand it, Senator, he was called out of town. Irrespective, we are not here to boycott anything.

Senator SMATHERS. May I interrupt you there, Mr. Mayor, to say that I appreciate what you had to say there and we are now in receipt of a letter from Mr. Burry which says:

> Thank you for your gracious invitation to give the welcoming address at the Fort Lauderdale meeting of the U.S. Senate Committee on Aging. Unfortunately I will be out of town. However, Vice Mayor James Leavitt will be pleased to represent me in that capacity.

So we appreciate that. Apparently there was some error in the news report that went out that the mayor had not been invited.

Mr. LEAVITT. Gentlemen, I understand this is an investigative committee hearing. I would like to give you, for what it is worth, what

the city of Fort Lauderdale does for its senior citizens. All our senior citizens' activities are sponsored by our recreation department, paid for by the city's funds obtained from our taxes and revenues. We have a senior citizens' club which meets every first and third Monday of the month, and those social activities include card games, special entertainment, et cetera, and they meet at 505 Seabreeze Avenue in our beach community center.

Joining with that senior citizens' club we have sponsored many State societies. For instance, there is the New York club, Wisconsin, Illinois, Connecticut, Massachusetts, Iowa, Indiana, Michigan, Canadian club, and the Ohio club. They pay small dues, but they use all the city facilities in connection with these clubs. We do not enter into their sponsorship—only provide the facilities and they run their individual clubs themselves.

We have what we call the Young-as-You-Feel Club and we sponsor a dance for them at the beach community center. We have what we call a tourist club and they meet the second and fourth Mondays in the women's club, and the tourist club has special events and run their own meetings.

We have a shuffleboard club. We have turned over one of our entire parks to the enjoyment of that particular activity to these senior citizens, and they practically run the whole show.

We have arts and craft and bridge and horseshoes and then one of our new activities that we have sponsored is the conditioning of senior citizens in that we sponsor what we call a 50-mile progressive swim program to aid them in their health, and to condition them we teach them to swim. We give them awards for 10, 20, 30 miles of swimming. When they reach the 50-mile quota they are given a special gold certificate and badge.

Senators, those are just about what the city of Fort Lauderdale does with respect to giving our senior citizens what they need and the activities that we think will help them in their retirement and inactive activities, so to speak.

I don't know if there is anything that you would like to ask me. If you do have any questions, I will be glad to answer them for you. I will say this: the city of Fort Lauderdale pays for most of these activities and we certainly recognize that the senior citizens need some place in our community.

Senator SMATHERS. Thank you very much, Mr. Mayor. We greatly appreciate your remarks and your welcome to us.

Our next witness is going to be Dr. Robert T. Lansdale, who is professor of social welfare at Florida State University.

STATEMENT OF ROBERT T. LANSDALE, PROFESSOR OF SOCIAL WELFARE, FLORIDA STATE UNIVERSITY, TALLAHASSEE, FLA.

Dr. LANSDALE. Mr. Chairman and members of the subcommittee, I appreciate the privilege of appearing before you. I am very much aware of the contribution that has been made in behalf of our older citizens by the Special Committee on Aging, under the leadership of Senator McNamara, and of this particular subcommittee, under the leadership of Senator Smathers.

By way of introduction, I am Robert T. Lansdale, since 1955 professor of social welfare at Florida State University. The field of aging has been a special concern of mine for the past quarter of a century. In 1936–37, I directed a national study of old-age assistance administration, sponsored by the Committee on Public Administration of the Social Science Research Council. Incidentally, I studied the Florida program at firsthand as a part of that inquiry. From 1943 to 1953, I was commissioner of social welfare in New York State. Currently, I am a trustee of the Florida Council on Aging and a member of the Committee on Aging of the American Public Welfare Association. From 1959 to 1961, I was secretary of the Citizens Advisory Committee on the Aged, a committee established by the Florida Legislature in 1959.

Mrs. Florence Gregory Walker, a second-year graduate student in social work at Florida State University, has been making a study of trends in old-age assistance and old-age benefits under old-age and survivors' insurance between 1950 and 1960 in the 67 counties in Florida under my supervision and with the aid of Dr. T. Stanton Dietrich of the sociology department at Florida State University. I may add that Mrs. Walker is on educational leave from the Florida State Department of Public Welfare and holds the rank of supervisor in that agency.

In regard to needs as well as assets of the aged, Florida is a State of marked contrasts. It is hoped that these preliminary findings from Mrs. Walker's study will be of value to the subcommittee in throwing some light on the extent and variation of income maintenance programs within the State.

While the Nation as a whole had an increase of 34.7 percent in its population 65 years of age and over from 1950 to 1960, Florida's aged population increased 132.9 percent in the intercensal period. In 1950 the aged represented 8.2 percent of Florida's total population, whereas in 1960 this group constituted 11.2 percent of the total population.

The number of old-age assistance recipients in Florida dropped from 69,251 in June 1950 to 69,106 in April 1960, a decrease of only two-tenths of 1 percent as against a national decline of 15.2 percent in the same period. The proportion of persons 65 and over receiving old-age assistance, however, dropped sharply in Florida during the period from 29.2 percent in 1950 to 12.5 percent in 1960. The national figure, by the way, was a drop from 22.6 percent in 1950 to 14.9 percent in 1960, so our recipient rate is below that of the national figure.

In contrast, the number of persons in Florida receiving old-age benefits under old-age and survivors' insurance increased from 43,536 in February 1951 to 278,944 in December 1960, an increase of 540 percent—a fivefold increase—in the interval as compared with 322 percent, or a threefold increase, in the Nation as a whole.

In December 1960 more than half—50.4 percent—of persons in Florida 65 years of age and over were receiving old-age benefits under OASDI. In February 1951 only 18.3 percent of the aged in Florida were receiving old-age benefits.

Now for some comments on intrastate trends. Within the State of Florida there are marked variations among the 67 counties in the

proportion of persons 65 years of age and over, in the proportion of the aged population receiving old-age assistance and old-age benefits under OASDI, and in the average monthly payments in each program.

The extent of these income maintenance programs in Florida counties and the trends in the period 1950–60 are shown in the accompanying maps and tables. It is regretted that time did not permit the preparation of a written analysis of these exhibits, which were completed in their present form only this week.

Dr. LANSDALE. Since the members of the committee have these maps before them I might spend the remaining few minutes just making a few comments.

The first map shows the distribution of the population 65 years of age and over in Florida by counties in 1960. You will note in the north and northeast you have the counties with the lowest proportion; in the central part of the State the counties with the highest proportion; and those in the southern part a group in between—but remember this is proportion, not numbers.

The next map shows the proportion of population 65 years of age and over receiving old age assistance in Florida counties in April 1960. Here you will notice the heavier shadings in the northern part of the State and the lighter shading in the southern part. In other words, economic dependency among the older population is more concentrated in our northern rural counties.

Then in contrast, if you will look at the next map, which is shaded for the percentage of persons 65 and over receiving old age benefits under OASDI, you will see that the reverse is true. The counties with the highest proportion of persons receiving old age benefits are in central and south Florida and in north Florida you have a much lower percentage.

Following this there are some tables that I will comment on briefly. Table I ranks the Florida counties by population 65 years of age and over, shows their rank in percentage of aged population in 1960, their rank in old age assistance recipients, rank in old age beneficiaries under OASDI, and rank in average per capita income. I may say as a general comment that on the whole the counties that have a high proportion of old age beneficiaries have a lower proportion of old age assistance recipients.

Table II shows the number and percentage of persons 65 years of age and over receiving old age assistance in Florida counties in April 1960, as compared with June 1950. I will call your attention to the fact that there are still 18 counties in Florida in which more than half of the persons 65 years of age and over are on old age assistance.

There hasn't been the decline that one might expect. Since we are in Broward County, I might point out that Broward County is next to the lowest of the 67 counties in the proportion of persons 65 and over receiving old age assistance.

Table III shows the proportion of persons 65 years of age and over in the counties receiving old age benefits under OASDI in 1960 as compared with 1951, and the rate of increase. Here in Broward County the percent increase in the number has been 1,497 percent. In other words, the number of old age beneficiaries in Broward County increased almost 15-fold in a 10-year period. Also note at the bottom of the table that at least half of the population 65 and over in Florida receive these benefits. You will also notice that only 17 counties have more than half of their aged population receiving these benefits, but these are the large counties for the most part.

Now, finally, table IV showing something about the amount of money received. This table ranks the counties in the average monthly old age assistance payments in 1960 and also gives the average old age benefits in 1960, and the county's rank in that regard. Now, I must caution you that these are money payments in old age assistance and do not include vendor payments for prescribed medicine, for hospital care, and for nursing home care. This is the only valid comparison between old age assistance grants and old age benefits under OASDI.

As you may know, we have in our Florida old age assistance program a mandatory ceiling of $66 a month for the money payment.

I would like to call your attention to the average per capita income of Calhoun County which is $747—which is less than $66 multiplied by 12 or $792. Also note Wakulla County, where the famous Wakulla Springs are located—in which the average per capita income in 1959 was $790. So this ceiling of $66, may be fairly appropriate in some of our low income counties but is far from satisfactory in this part of the State.

With reference to the size of the old age benefits, you will notice Charlotte County, which is ranked 46th in the average old age assistance payment, is the highest in the average old age benefits with an average of $84.93—that is about $1,020 a year and the average per capita income in Charlotte County is only $1,201. Since we are in Broward County I would like to comment that Broward County ranks second in the State in the average old age benefit under OASDI with a figure of $84.88.

Senator Smathers, again may I think you for the chance to appear. I hope these data will be of value to the committee in its study.

Senator SMATHERS. Thank you very much, Dr. Lansdale.

(The maps and tables referred to previously follow:)

CHART I.—PROPORTION OF POPULATION 65 YEARS OF AGE AND OVER IN FLORIDA COUNTIES, 1960

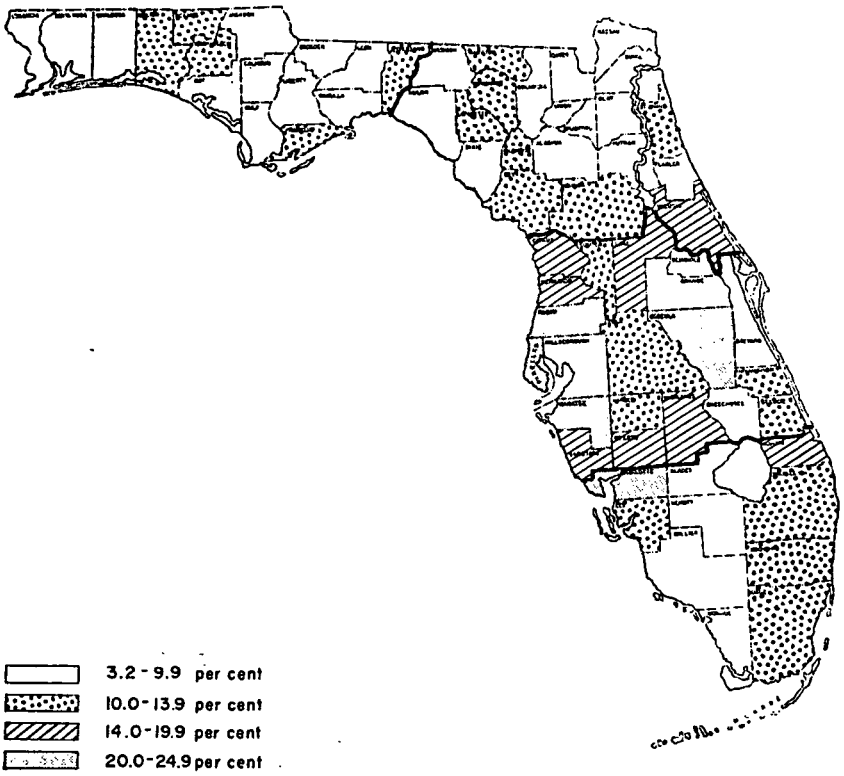

CHART II.—PROPORTION OF POPULATION 65 YEARS OF AGE AND OVER RECEIVING OLD-AGE ASSISTANCE IN FLORIDA COUNTIES, APRIL 1960

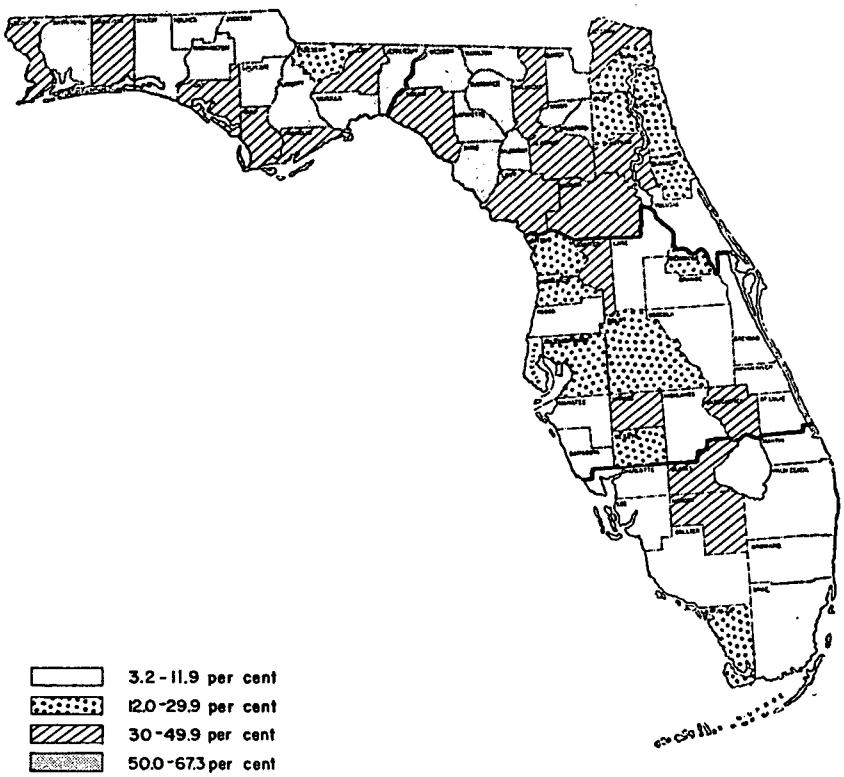

CHART III.—PROPORTION OF POPULATION 65 YEARS OF AGE AND OVER RECEIVING OLD-AGE BENEFITS UNDER OLD-AGE, SURVIVORS AND DISABILITY INSURANCE IN FLORIDA COUNTIES, DECEMBER 1960

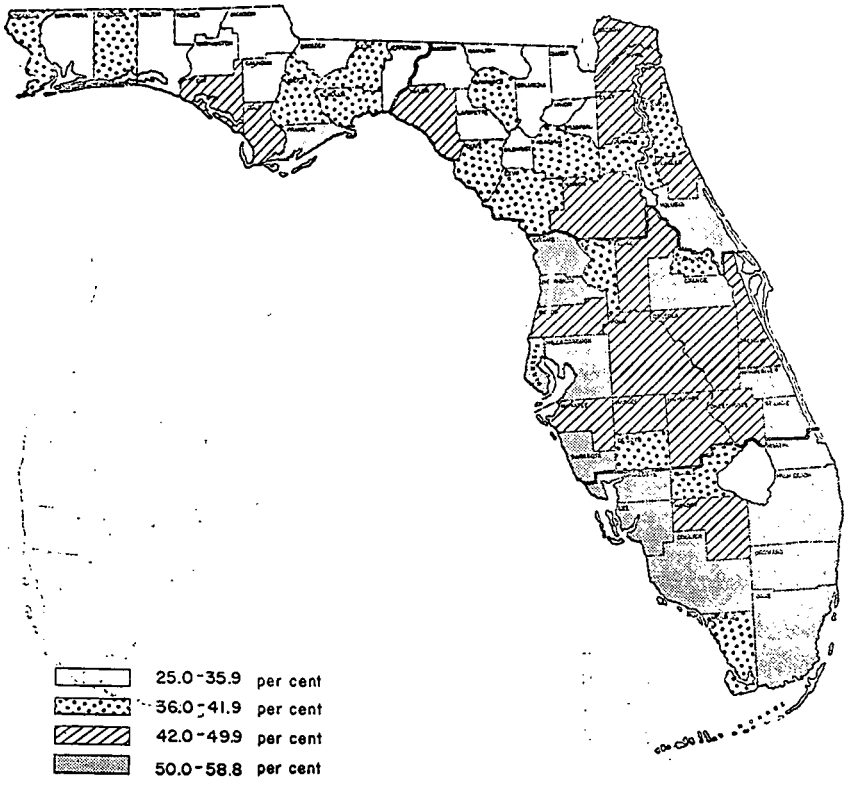

TABLE I.—*Florida counties ranked by population 65 years of age and over, showing rank in percent of aged population, rank in old-age-assistance recipients, rank in old-age beneficiaries under OASDI, and rank in average per capita income*

Population 65 and over, 1960	County	Rank in percent of aged population, 1960	Rank in percent of OAA recipients, 1960	Rank in percent of old-age beneficiaries, 1960	Rank in average per capita income, 1959
93,954	Dade	34	61	7	3
93,162	Pinellas	1	67	8	16
39,125	Hillsborough	35	47	14	15
38,197	Broward	22	66	1	20
28,911	Palm Beach	17	62	13	7
28,151	Duval	56	38	31	6
24,709	Volusia	6	60	9	26
24,648	Orange	40	52	17	4
19,807	Polk	32	46	23	11
15,192	Manatee	3	63	20	32
14,118	Sarasota	7	65	2	9
9,174	Lake	9	53	19	10
8,993	Escambia	63	30	49	14
7,342	Pasco	5	55	21	45
6,939	Lee	16	59	12	28
6,356	Brevard	60	58	24	5
5,464	Marion	28	36	30	34
4,700	Seminole	47	41	40	42
4,679	Alachua	55	25	43	29
4,338	Osceola	2	51	27	55
4,098	St. Lucie	29	50	5	30
3,961	Gadsden	39	37	62	37
3,875	Leon	64	27	47	27
3,529	Indian River	14	54	3	19
3,406	Bay	66	31	28	22
3,384	St. Johns	23	39	37	23
3,228	Highlands	11	49	25	12
3,125	Jackson	46	2	57	51
3,073	Putnam	38	28	41	33
2,681	Monroe	61	44	42	2
2,652	Martin	10	56	16	18
2,624	Charlotte	4	64	10	46
1,948	Okaloosa	64	19	46	24
1,818	Clay	41	45	22	38
1,742	Columbia	45	21	52	39
1,728	De Soto	12	48	45	31
1,672	Walton	27	17	58	64
1,629	Santa Rosa	62	12	60	54
1,603	Suwannee	26	11	48	44
1,576	Hernando	13	43	6	36
1,572	Citrus	8	42	15	53
1,366	Sumter	21	23	50	50
1,345	Madison	37	5	64	58
1,300	Holmes	19	1	65	66
1,291	Collier	49	57	11	8
1,270	Hardee	30	35	29	21
1,270	Levy	18	20	36	47
1,237	Washington	24	3	55	63
1,057	Taylor	51	22	35	41
1,048	Bradford	48	18	53	61
1,026	Jefferson	25	4	66	48
1,024	Nassau	58	29	34	35
878	Franklin	15	34	4	60
789	Hamilton	31	15	61	57
668	Calhoun	43	6	59	67
509	Gulf	65	24	26	13
498	Baker	53	14	56	62
479	Wakulla	42	8	51	65
472	Hendry	59	33	18	1
441	Flagler	36	40	33	25
417	Union	52	10	67	40
412	Okeechobee	54	26	32	56
358	Dixie	50	16	39	59
338	Lafayette	20	13	63	43
291	Gilchrist	33	9	54	49
282	Liberty	44	7	44	52
180	Glades	57	32	38	17

TABLE II.—*Number and percent of persons 65 years of age and over receiving old-age assistance in Florida counties, April 1960 and June 1950 and percent change in number of recipients in the interval (counties ranked by percent of old-age-assistance recipients, April 1960)*

Rank in percent of OAA recipients, 1960	County	April 1960		June 1950		Percent change in number, 1950–60
		Number of OAA recipients	Percent of aged population	Number of OAA recipients	Percent of aged population	
1	Holmes	875	67.3	750	73.2	16.7
2	Jackson	1,913	61.2	1,913	71.0	0
3	Washington	757	61.2	738	72.6	2.6
4	Jefferson	621	60.5	793	71.0	−21.7
5	Madison	811	60.3	895	77.1	−9.4
6	Calhoun	398	59.6	387	70.5	2.8
7	Liberty	167	59.2	202	82.5	−17.3
8	Wakulla	270	56.4	297	73.5	−9.1
9	Gilchrist	163	56.0	174	71.0	−6.3
10	Union	225	54.0	250	63.6	−10.0
11	Suwannee	850	53.0	843	63.5	.8
12	Santa Rosa	861	52.9	924	74.3	−6.8
13	Lafayette	178	52.7	189	73.5	−5.8
14	Baker	259	52.0	270	72.4	−4.1
15	Hamilton	410	52.0	448	63.7	−8.5
16	Dixie	183	51.1	205	74.3	−10.7
17	Walton	854	51.1	880	68.6	−3.0
18	Bradford	535	51.0	539	66.5	−.7
19	Okaloosa	918	46.9	784	68.7	16.5
20	Levy	588	46.3	668	66.3	−12.0
21	Columbia	795	45.6	872	63.2	−8.8
22	Taylor	480	45.2	563	67.1	−14.7
23	Sumter	596	43.6	603	66.1	−1.2
24	Gulf	212	41.7	205	59.4	3.4
25	Alachua	1,807	38.6	1,967	56.7	−8.1
26	Okeechobee	158	38.3	156	60.5	1.3
27	Leon	1,482	38.2	1,646	59.3	−10.0
28	Putnam	1,109	36.1	1,212	54.4	−8.5
29	Nassau	359	35.1	472	58.6	−23.9
30	Escambia	3,017	33.5	2,703	46.9	11.6
31	Bay	1,127	33.1	1,032	54.0	9.2
32	Glades	58	32.2	76	57.6	−23.7
33	Hendry	151	32.0	135	48.2	11.9
34	Franklin	275	31.3	495	60.8	−8.6
35	Hardee	391	30.8	476	49.4	−17.9
36	Marion	1,682	30.8	1,842	54.1	−8.7
37	Gadsden	1,064	26.9	1,138	37.8	−6.5
38	Duval	6,944	24.7	6,754	37.7	2.8
39	St. Johns	740	21.9	917	39.9	−19.3
40	Flagler	88	20.0	135	45.0	−34.8
41	Seminole	915	19.5	985	41.5	−7.1
42	Citrus	287	18.3	361	51.4	−20.5
43	Hernando	287	18.2	253	40.0	13.4
44	Monroe	473	17.6	547	37.3	−13.5
45	Clay	283	15.6	380	22.1	−25.5
46	Polk	2,899	14.6	3,416	34.1	−15.1
47	Hillsborough	5,690	14.5	5,863	29.1	−3.0
48	De Soto	233	13.5	347	36.4	−32.9
49	Highlands	373	11.6	432	31.0	−13.7
50	St. Lucie	468	11.4	347	25.5	−34.9
51	Osceola	471	10.9	617	25.1	−23.7
52	Orange	2,541	10.3	2,733	23.1	−7.0
53	Lake	885	9.6	1,070	26.3	−17.3
54	Indian River	321	9.1	318	30.4	.9
55	Pasco	667	9.1	661	26.5	.9
56	Martin	239	9.0	191	23.0	25.1
57	Collier	114	8.8	110	34.0	3.6
58	Brevard	554	8.7	694	26.0	−20.2
59	Lee	597	8.6	690	29.7	−13.5
60	Volusia	2,077	8.4	2,186	23.8	−5.0
61	Dade	6,683	7.1	4,979	13.2	34.2
62	Palm Beach	1,736	6.0	1,625	15.7	6.8
63	Manatee	908	6.0	960	20.3	−5.4
64	Charlotte	148	5.6	173	27.5	−14.5
65	Sarasota	519	3.7	422	12.3	23.0
66	Broward	1,365	3.6	908	14.3	50.3
67	Pinellas	3,007	3.2	2,740	9.2	9.7
	State total	69,106	12.5	69,251	29.2	−0.2

TABLE III.—*Number and percent of persons 65 years of age and over receiving old-age benefits under OASDI in Florida counties, December 1960 and February 1951, and percent increase in number of beneficiaries in the interval (counties ranked by percent of old-age beneficiaries, December 1960)*

Rank in percent of old-age beneficiaries	County	December 1960		February 1951		Percent increase in numbers, 1951–60
		Number of old-age beneficiaries	Percent of aged population	Number of old-age beneficiaries	Percent of aged population	
1	Broward	22,445	58.8	1,405	22.2	1,497.3
2	Sarasota	8,049	57.0	825	24.1	875.6
3	Indian River	1,958	55.5	138	13.2	1,318.8
4	Franklin	485	55.2	83	16.8	484.3
5	St. Lucie	2,246	54.8	239	17.6	839.7
6	Hernando	859	54.5	88	13.9	876.1
7	Dade	50,698	54.0	8,308	22.0	510.2
8	Pinellas	50,150	53.8	6,744	22.5	643.6
9	Volusia	13,195	53.4	1,810	19.7	629.0
10	Charlotte	1,399	53.3	114	18.1	1,127.2
11	Collier	687	53.2	55	17.0	1,149.1
12	Lee	3,645	52.5	432	18.6	743.8
13	Palm Beach	15,010	51.9	2,138	20.7	602.1
14	Hillsborough	20,149	51.5	4,595	22.8	338.5
15	Citrus	798	50.8	118	16.8	576.3
16	Martin	1,342	50.7	168	20.2	698.8
17	Orange	12,452	50.5	2,269	19.2	448.8
18	Hendry	235	49.8	60	21.4	291.7
19	Lake	4,568	49.8	587	14.4	678.2
20	Manatee	7,354	48.4	884	18.7	731.9
21	Pasco	3,541	48.2	406	16.3	772.2
22	Clay	875	48.1	214	16.9	308.9
23	Polk	9,524	48.1	1,736	17.3	448.6
24	Brevard	3,050	48.0	463	17.4	558.7
25	Highlands	1,538	47.7	267	19.2	476.0
26	Gulf	234	46.0	41	11.9	470.7
27	Osceola	1,988	45.8	394	16.0	404.6
28	Bay	1,539	45.2	374	19.6	351.6
29	Hardee	572	45.0	73	7.6	683.6
30	Marion	2,459	45.0	461	13.5	500.0
31	Duval	12,185	43.3	3,268	18.2	273.1
32	Okeechobee	178	43.2	19	7.4	836.8
33	Flagler	188	42.6	51	17.0	268.6
34	Nassau	436	42.6	92	11.4	373.9
35	Taylor	450	42.6	149	17.8	202.0
36	Levy	526	41.4	123	12.3	327.6
37	St. Johns	1,396	41.3	298	13.0	368.5
38	Glades	74	41.1	34	25.8	117.6
39	Dixie	145	40.5	52	18.8	178.8
40	Seminole	1,901	40.5	253	10.7	651.4
41	Putnam	1,240	40.4	339	15.2	265.8
42	Monroe	1,078	40.2	229	15.6	370.7
43	Alachua	1,880	40.2	338	9.7	456.2
44	Liberty	112	39.7	35	14.3	220.0
45	De Soto	659	38.1	143	15.0	360.8
46	Okaloosa	743	38.1	128	11.2	480.5
47	Leon	1,459	37.7	258	9.3	465.5
48	Suwannee	602	37.6	101	7.6	496.0
49	Escambia	3,344	37.2	817	14.2	309.3
50	Sumter	502	36.8	75	8.2	569.3
51	Wakulla	176	36.8	26	6.4	576.9
52	Columbia	624	35.8	116	8.4	437.9
53	Bradford	368	35.1	83	10.3	343.4
54	Gilchrist	101	34.7	11	4.5	818.2
55	Washington	419	33.9	84	8.3	398.8
56	Baker	168	33.7	18	4.8	833.3
57	Jackson	1,007	32.2	144	5.3	599.0
58	Walton	537	32.1	137	10.7	292.0
59	Calhoun	210	31.4	45	8.2	366.7
60	Santa Rosa	512	31.4	134	10.8	282.1
61	Hamilton	247	31.3	44	6.3	461.4
62	Gadsden	1,220	30.8	142	4.7	759.2
63	Lafayette	103	30.5	15	5.8	586.7
64	Madison	402	29.9	67	5.8	500.0
65	Holmes	371	28.5	100	9.8	271.0
66	Jefferson	282	27.5	66	5.9	327.3
67	Union	105	25.2	15	3.8	600.0
	State total	278,993	50.4	43,536	18.3	540.0

TABLE IV.—*Average monthly old-age-assistance money payment, 1960, average monthly old-age benefit under OASDI, 1960, and average annual per capita income, 1959, in Florida counties (counties ranked by average old-age assistance payment)*

County	Rank in average old-age assistance payment	Average old-age assistance payment, 1960	Rank in average old-age benefit	Average old-age benefit, 1960	Average per capita income, 1959
State (average)	----------	$50.32	----------	$76.22	$1,937
Okeechobee	1	55.23	52	62.16	1,003
Union	2	54.48	46	63.70	1,295
Gilchrist	3	54.00	32	68.40	1,133
Bradford	4	53.93	42	64.73	923
St. Lucie	5	53.71	13	77.14	1,560
Wakulla	6	53.31	51	62.45	790
Indian River	7	52.79	4	81.35	1,774
Holmes	8	52.60	67	54.09	754
Hardee	9	52.37	41	64.92	1,756
Alachua	10	52.21	45	63.89	1,587
Putnam	11	52.05	35	67.43	1,420
Marion	12	51.79	27	70.04	1,397
Liberty	13	51.74	59	58.56	1,109
Osceola	14	51.62	24	73.08	1,010
Gulf	15	51.51	40	65.23	1,865
Columbia	16	51.44	56	59.40	1,284
Pinellas	17	51.39	6	80.15	1,835
Okaloosa	18	51.26	54	60.98	1,682
Leon	19	51.25	38	66.63	1,666
Dade	20	51.12	14	76.95	2,364
Jefferson	21	51.10	57	59.37	1,164
Walton	22	51.08	43	64.37	830
Jackson	23	51.07	66	55.69	1,114
Madison	24	50.92	62	57.39	980
Santa Rosa	25	50.91	53	62.05	1,016
Palm Beach	26	50.88	8	78.61	2,169
Bay	27	50.81	30	68.58	1,709
Hendry	28	50.73	34	67.49	2,858
St. Johns	29	50.66	33	68.01	1,689
Volusia	30	50.65	11	77.98	1,668
Manatee	31	50.57	10	78.20	1,449
Glades	32	50.55	50	63.14	1,795
Pasco	33	50.46	15	76.53	1,227
Calhoun	34	50.42	61	57.83	747
Orange	35	50.22	18	75.15	2,302
Washington	36	50.18	64	56.33	913
Duval	37	50.02	28	69.06	2,246
Baker	38	49.99	55	59.67	918
Sumter	39	49.99	49	63.18	1,126
Broward	40	49.96	2	84.88	1,765
Polk	41	49.62	21	73.59	2,015
Nassau	42	49.54	37	66.88	1,397
Escambia	43	49.52	36	67.08	1,855
Martin	44	49.49	9	78.38	1,785
Levy	45	49.46	48	63.27	1,177
Charlotte	46	49.45	1	84.93	1,201
Sarasota	47	49.40	3	82.68	2,130
Seminole	48	49.30	29	68.79	1,246
Taylor	49	49.20	44	64.20	1,295
Lake	50	49.10	12	77.55	2,102
Franklin	51	49.04	22	73.54	933
Brevard	52	48.97	19	74.47	2,277
Hamilton	53	48.80	58	58.96	998
Monroe	54	48.73	25	70.75	2,512
Hillsborough	55	48.48	26	70.18	1,838
Dixie	56	48.27	47	63.32	946
Flagler	57	48.27	16	75.46	1,677
Clay	58	48.24	31	68.40	1,371
Highlands	59	48.24	17	75.21	1,966
Citrus	60	48.16	20	74.31	1,095
Suwannee	61	47.88	60	58.27	1,234
Hernando	62	47.63	23	73.18	1,385
Gadsden	63	47.39	65	55.72	1,376
Lee	64	47.26	7	78.63	1,632
Lafayette	65	47.23	63	56.70	1,240
Collier	66	47.10	5	81.09	2,136
De Soto	67	44.70	39	65.79	1,466

Senator SMATHERS. Senator Randolph, do you have any questions?

Senator RANDOLPH. No, Mr. Chairman. The information is very interesting and it is, of course, substantiated by studies. I can see that the job has been very thorough and I am certain the subcommittee and the committee will find the figures interesting and we can draw, of course, conclusions that will perhaps help us in a general way to approach a solution, at least in part, to some of these problems.

Dr. LANSDALE. Thank you, sir.

Senator SMATHERS. Senator Long, do you have any questions?

Senator LONG. No questions. I would like to thank you, Doctor, for an interesting and comprehensive report.

Dr. LANSDALE. Thank you, Senator.

Senator SMATHERS. Thank you very much, Dr. Lansdale. Our next witness will be Dr. S. D. Doff who is the director of the Bureau of Special Health Services of the Florida State Board of Health.

STATEMENT OF DR. S. D. DOFF, DIRECTOR, BUREAU OF HEALTH SERVICES OF THE FLORIDA STATE DEPARTMENT OF HEALTH

Dr. DOFF. Senator, may I say to you and the subcommittee that we appreciate this privilege of coming here and giving testimony.

My name is Dr. S. D. Doff of Jacksonville, Fla., where I am employed by the Florida State Board of Health as director of the Bureau of Special Health Services. This bureau consists of two divisions known as the Division of Chronic Diseases which has responsibility for the development of public health programs for the prevention and control of heart disease, cancer, diabetes and glaucoma, and the Division of Hospitals and Nursing Homes which is responsible for the administration of a hospital licensure and a nursing home licensure program. The division administers the program which provides hospital services for the indigent and medically indigent in the State of Florida.

I am a member of the American Medical Association, the Florida Medical Association and the Duval County Medical Association. My testimony here is given as an employee of the Florida State Board of Health. Any opinions which I may express are my own and do not necessarily represent the official opinion of the board of health.

I have a prepared statement and I would like to summarize it briefly.

Effective application of public health measures has often been praised or blamed as the case may be for the increase in population through saving of lives by prevention of disease. Florida, well known in the field of public health for the outstanding work of its board of health and county health departments in the prevention and control of communicable disease, has unquestionably made a substantial contribution to lifesaving. Nevertheless, major reasons for Florida's population change are also to be found in its climate, available space, available housing, agricultural development, urban and industrial development, road building programs which bring the rural areas closer to the cities, tax structure and other factors.

(The prepared statement of Dr. Doff follows:)

PREPARED STATEMENT OF DR. S. D. DOFF, FLORIDA STATE BOARD OF HEALTH

The 1960 Federal census disclosed that of Florida's total population of 4,951,560, there were 553,129 or 11.2 percent of the population over 65 years of age. In 1950, Florida's total population was 2,771,305 with 237,474 or 8.6 percent of the total population over 65 years of age. In 1940, Florida's total population was 1,897,414 with 131,217 or 6.9 percent over 65 years of age. When a population ages, the need for canes and wheelchairs increases and the need and even the demand for facilities and services for the chronically ill and aged increases. At the same time, public health practice as well as private health practice must expect to devote more attention to providing for the health needs of chronically ill and aged. Many more persons are now surviving to ages which in our time are characterized by a remarkably high incidence of heart disease, stroke, cancer, diabetes, arthritis, rheumatism, blindness, deafness, and asthma.

Among steps that might be taken in public health practice to meet the health problems of the chronically ill and aged, the ultimate hope is for prevention, but at present we are forced to settle for early detection of the stigmata of chronic illness by every possible means. Beyond this, every effort must be made to provide facilities and services through which disabling effects of chronic illness and aging can be minimized or delayed. Such facilities and services will need to be available alike for those who are able and want to pay for them as well as for those who are unable to pay for them. They include physician, hospital and nursing home services as major needs. They include rehabilitation for acts of daily living, home nursing and homemaker services. Finally they include those needs of human beings which are best provided by family and friends and sometimes by skillful professionals; namely, the love, friendship and understanding which we all need to some degree in order to retain or regain our sanity.

The implication of what I have described above for public health practice in Florida cannot be stated better than to recount briefly what is being done by local government, by legislative action and by the State board of health in cooperation with other State agencies as well as many voluntary and professional organizations.

Preventive services and programs for the early detection of disease are well established for heart disease, cancer, and diabetes. Plans have been completed to initiate screening programs for the early detection of conditions causing blindness. These activities are supported by release to the public of a steady stream of carefully prepared educational material which make them aware of these pitfalls of our later years. Further emphasis of the importance of chronic diseases is provided by offering workers in health professions opportunities to sharpen their professional skills in courses, scientific seminars, workshops, and through the use of audio-visual materials in profusion. The board of health cooperates with the State's universities and with voluntary health organizations to make these available.

Hospital services for the indigent sick who are not on public-assistance roles are paid for by the board of health out of matching county and State funds. Payments in 1961 totaled $4,100,926.

Hospital services for the indigent sick who are on State public-assistance roles are paid for by the board of health by agreement with the State department of public welfare out of matching State and Federal funds. Payments in 1961 totaled $3,315,790.

By special acts of legislature, the board is directed and authorized to license hospitals and nursing homes and to formulate and enforce rules, regulations, and standards for construction, maintenance, and operation to insure safe and adequate treatment of persons while they are being cared for in such facilities.

Plans have been completed which will supply nursing services for the chronically ill and aged at home. We have begun to carry out these plans in some counties of the State through their county health departments. The plan includes provisions for training large numbers of nurses in the techniques of giving bedside nursing care in the home.

The greatest single factor limiting our ability to provide the health needs of the chronically ill and aged is the short supply of personnel trained in the health professions and the short supply of teachers and facilities to train them. In our time it is tragic to hear of nurse-training programs discontinued for lack of funds.

On the subject of nursing-home facilities and services, it is my opinion that the general statements which are contained in the report of the Subcommittee

on Problems of Aged and Aging, entitled "The Condition of American Nursing Homes" apply for the most part to conditions among nursing homes in Florida.

More specifically, we can offer the subcommittee the following testimony about nursing homes in Florida.

Responsibility for licensing nursing homes operations was authorized in 1953 by an act of legislature which designated the State board of health to administer this program and to formulate rules and regulations to carry out the legislative intent. A copy of Florida's nursing home licensing law and a copy of the Nursing Home Rules and Regulations are appended herewith and marked "Exhibits Nos. 1 and 2" respectively. At the county level, a statewide network of good local health departments provide nurse-sanitarian teams which make the periodic inspections necessary to insure compliance with regulations and for the purpose of giving operators of the homes guidance in matters involving the environmental health and patient care aspects of the facility. Marginal facilities have been inspected as often as once a month in some cases. The State board of health employs a large staff of consultants who are well informed on such matters as nursing home construction, environmental sanitation, nursing care, and nutritional needs of the chronically ill and aged, accident prevention, fire safety, and the legal liability of nursing homes. The services of all of these consultants are regularly offered to operators of nursing homes for the purpose of upgrading the quality of care.

In the same connection, all plans for the construction of new nursing homes and the conversion of other buildings must be prepared by a registered architect or engineer and submitted to the State board of health for review. Hill-Burton programs are exempt, but facilities built on this program are subject to licensure. This provision is effective in preventing the addition of marginal and submarginal facilities.

To upgrade the quality of all services rendered by nursing homes, short courses in nursing home administration have been given to nursing home personnel at Florida State University and Florida A. & M. University. These courses are cosponsored and planned by the board of health with the Florida Nursing Home Association, the department of public welfare, and the State board of nursing. More ambitious plans are in the making which will create additional educational opportunities for nursing home administrators and staff through the General Extension Division of the University of Florida and its faculty this year.

I would like to consider the matter of adequacy of nursing home facilities in terms of quantity and quality separately.

On December 31, 1961, our records showed 313 licensed facilities in 40 out of our 67 counties. These included 224 nursing homes with 7,843 beds, 82 homes for the aged with 1,696 beds, and 7 homes for special services with 182 beds, making a total of 9,721 available licensed beds. Since the last annual report, we have gained but 457 beds, mainly in the home-for-the-aged category. However, this is a net gain, and tends to obscure the fact that the number of new beds added during the year were 984, while 527 beds were removed from the available pool due to voluntary and forced closure of 24 substandard nursing homes. Stated in another way, these figures suggest that Florida has a capacity to add at least 1,000 new beds per year to this pool. Now, the Florida Development Commission tells us that Florida should have 4 beds per 1,000 population or, 19,480 beds. On this basis, it would appear that we are short 9,759 beds at this moment. I must confess that I do not understand the basis for this ratio of 4 beds per 1,000 population. However, a study of occupancy is now going on in one of our counties. Over a period of 9 months, the occupancy was 97.5 percent in lower cost homes and homes serving welfare patients mainly, and 82.3 percent in higher cost homes. These figures are from a county which has almost one-fourth of its population in persons 65 years of age or older.

Study of a 60-percent sample of nursing homes in 30 counties of Florida for a single day during the month of November 1960, showed an average rate of occupancy of 84.6 percent. An examination of the individual reports discloses a lower occupancy rate in so-called marginal homes and a substantially higher rate in better quality homes.

The quality of nursing home facilities in Florida has not been systematically studied since all nursing homes are licensed on the basis of compliance with minimum standards. A quality grading system is to be developed for use as a guide. It is our impression, based on experience, that a small percentage of homes are the equal of the best which the Nation has to offer. A small percentage barely meet State minimum standards for construction and safety. The majority are reasonably safe and meet minimum standards of construction, space

and fire protection, based on earlier standards, with a little to spare. Many of these homes can be considered in a grandfather status since they could not meet current State standards for type of construction and space in all respects. No variance is permitted licensed nursing homes on other standards relating to fire safety and environmental health, including basic equipment.

Service to patients in nursing homes is significantly influenced for better or worse by the degree of adequacy or inadequacy of the physical plant but more critical factors are the quantity and quality of nursing personnel and of other employees who give personal service.

As presently required by our rules and regulations, nursing homes should be staffed to provide an average of 2.8 hours of nursing care per patient. The standard was established by skilled nurses on the basis of estimated basic nursing care needs of patients in nursing homes compared with hospitals. A survey made in 1955 showed that, in practice, 2.3 hours of nursing care per patient was being provided on the average with a low of 1.2 hours per patient in marginal nursing homes, and 3.2 hours per patient in superior nursing homes. Staffing requirements for nursing personnel in nursing homes have not been revised since this study. However, the problem is currently being restudied from information collected during 1961 by a team of nurses experienced in estimating the nursing care needs of patients in nursing homes. A preliminary hand sort of this data revealed that the average age is 80, and that women outnumber men. A high proportion are on oral or parenterol medication, are nonambulatory or need much help in locomotion, have severe limitation in ability to perform acts of daily living without assistance, are mentally confused or emotionally deprived. The records of a relatively small percentage give a reasonably adequate appraisal of the patient's condition, from the medical point of view, although there are exceptional nursing homes which make estimation of total nursing care needs somewhat difficult. Certainly, study of information which is available to us gives every indication that the quantity of provided nursing services in nursing homes is less than that which is needed.

On the quality of service to patients in our nursing homes, I believe that it is reasonable to say that deficiencies in the quantity and quality of these facilities and deficiencies in the quantity of nursing home personnel provided will result in inadequacies in the quality of services acknowledging that there are some homes where the quality of services is adequate by present standards.

Insofar as professional qualifications insure quality of service, I may say that all nurses employed as nurses in our nursing homes must be licensed. In this area, we are assisted by the Florida State Board of Nursing which checks for possible violations. We are on even more shaky ground as regards the skill of other personnel who assist in meeting the nursing care needs of patients. Up to the present time, personnel must learn on the job. No effective plan has been developed to determine the moral or intellectual qualifications of such personnel, although State law and rules and regulations does permit the board of health to make such a check. This is done in the case of all applicants for a license to operate a nursing home. Health department personnel in all our counties continually contribute to maintenance of as high a quality of service as possible by frequent visits to nursing homes under their surveillance. The poorer the quality of service, the more frequent the visits. In 1960, 4,495 such visits were made to 462 nursing homes and homes for the aged which were licensed, unlicensed, or in the process of being licensed. In 1961, the total of such visits was 5,513.

Unlike Lot's wife, we who are interested in the care of the chronically ill and the aged have nothing to fear from taking a good look back. Thirty years ago, a selected group of dedicated citizens from a large variety of the health professions reviewed the Nation's condition with respect to the availability of services for the long-term sick. The report of this conference was published by the New York Academy of Medicine in 1938 or 1939. The contents of the report indicated:

(1) That problems of the long-term sick and of the enfeebled aged were receiving little or no attention from persons in the health professions.

(2) From hospital administrators and the organized community.

(3) While there was knowledge of the fundamental nature of human disorders which resulted in disability, there was insufficient effort to disseminate and apply such knowledge.

(4) The volume of work in services needed for the management of acute illness caused attention to be focused primarily on the immediate needs of the sick and the disabled, with only passing attention to the less apparent and less dramatic needs of persons with long-term illness.

Only 25 years ago, one of the most progressive communities in our country reported that provisions hardly existed for patients who required special diets. Hospitals reported that it was almost impossible to place a cardiac patient, regardless of age. Facilities which would accept cancer patients in need of continued nursing care were nonexistent. In the orthopedic field, the greatest difficulty existed for those discharged in plaster casts or on crutches. If they were not able to move around freely or to go up and down stairs, most homes refused to accept them. An eye hospital found that patients of 50 years of age, with only small loss of vision, were difficult to place as were patients recovering from an operation for brain tumor or patients with definite organic neurological diseases.

It is of particular interest that practically all homes in one large metropolitan area surveyed in 1934 were under voluntary auspices with no nursing care facilities provided by the Government. Now, who owns and operates a nursing home and homes for the aged today? Why nearly all are privately owned and operated—91 percent. Three percent are publicly owned, and six or seven percent are operated by voluntary nonprofit groups.

From this and the foregoing testimony, it is clear that somewhere along the way, private citizens have assumed a responsibility to supply a service which was not being fully met by voluntary health groups or by government. Despite its important role in providing care for the long-term sick the proprietary nursing home of today is generally not well regarded by workers in the health field or by the public. Much of this may be ascribed in part to reports of poor personal and medical care found in nursing homes and in part to insufficient knowledge and understanding of the problems of the proprietary nursing home operation on the part of health and welfare agencies and the public.

Study of a random sample of proprietary nursing homes disclosed that 34 percent of nursing home operators are laymen, not trained in a health profession: 43 percent are registered nurses. Many entered the nursing home field in response to the burgeoning need for a variety of reasons and at a time when there were few standards to serve as guides and when the health related professions were possessed of no well-developed conception of nursing care needs of the chronically ill and aged.

We are in a period of development characterized by the passage of new legislation and steadily rising standards and live in a climate of almost frenzied interest in nursing home care on the part of social workers and social scientists, politicians, legislators, nurses, physicians, nutritionists, occupational and physical therapists, architects, voluntary and official health agencies. Paradoxically, two of the most important limiting factors needed to insure quantity and quality of facilities and services for the chronically ill and for the enfeebled aged are lacking. The most important of these has already been mentioned. That is, the critically shortage of trained professional registered nurses, licensed practical nurses, nurses aids and all of the other professional skills which are needed to make up the staff of the kind of nursing home which we all desire. The second factor is equally important but less difficult of solution. In Florida, at least 50 percent of persons in nursing homes are dependent upon the availability of State or local welfare funds to meet the reasonable charges for the care which they receive. Our records show that 50 percent of patients in nursing homes and homes for the aged pay for their care entirely from private sources.

It is small wonder then, that the nursing home image has not yet achieved a favorable aspect.

Much of the testimony which I have presented is based upon information urgently collected to meet our short-term needs in program planning. Before we can settle on some agreed upon level of care, many carefully designed studies of the health needs of the aged and of methods to meet these needs will have to be carried out. Given reliable information, local, Federal and State government can assume its proper role in meeting these needs. Similarly, the practicing and training branches of the health professions will be able to meet their responsibilities.

Condiitons in Florida's nursing homes need to be improved in respect to both quality and quantity. Insofar as quantity is concerned it is my opinion that our information concerning occupancy would appear to indicate that the need is greatest in beds for the indigent and medically indigent. However, we must face the fact that the addition of several thousand beds to the existing pool would provide no solution to the problem inasmuch as there would be no available source of nursing personnel and skilled nursing home administrators to operate these beds. Currently there is insufficient activity on the part of

hospitals and universities in the training of nurses. I believe that more hospitals could undertake training more nurses and licensed practical nurses if they can be subsidized either out of local, State or Federal tax funds. Similarly the training of the persons involved with the health care of the chronically ill and aged must be speeded up.

I am confident that private capital investment would be able to provide the needed nursing home beds with the same speed as additional personnel can be provided. It is likely that the voluntary nonprivate organizations and even local government will be serving increasing numbers of persons in large facilities. However, such facilities are likely to differ greatly in the scope of services which we now regard to be the area of responsibility of our proprietary nursing homes and homes for the aged, i.e., a midway nursing care station between the home and the hospital for persons whose medical, nursing and personnel care needs are too great for family care in a person's home and not great enough to require admission to a modern hospital whether it be for a short stay, for the treatment of acute illness or for medical, physical and vocational rehabilitation in a so-called long-term illness facility.

Senator SMATHERS. Thank you very much, Dr. Doff.

Senator Randolph, do you have any questions?

Senator RANDOLPH. No questions, Mr. Chairman.

Senator SMATHERS. Senator Long?

Senator LONG. No questions, thank you.

Senator SMATHERS. All right, sir, thank you very much. We appreciate your testimony. It has been very helpful to us in preparing our record.

Our next witness is Mr. Autha W. Forehand who is the Manager of the Hospital Construction Department, Florida Development Commission. Mr. Forehand, you may proceed, sir.

STATEMENT OF AUTHA W. FOREHAND, MANAGER OF THE HOSPITAL CONSTRUCTION DEPARTMENT, FLORIDA DEVELOPMENT COMMISSION

Mr. FOREHAND. I want to thank the committee for inviting me to appear before you. I am here representing the Florida Development Commission and I direct the hospital and medical facilities survey and construction program of Florida. I am pleased to have the opportunity to brief you on our planning theories and our overall needs as we see them in the medical facilities field in Florida. Our factors and formula that we use to determine our needs might not be a representative sampling of the overall national needs because of our factors, our growth and other factors which are unique and peculiar to the State of Florida.

The Development Commission in previous years have been planning three beds per thousand population for nursing homes and two beds for chronics, and let me again emphasize that my testimony is dealing strictly with medical facilities and the needs for beds. There has been quite a bit of interest in the field of nursing home construction in the past, but due to the lack of financing we could not encourage non-profit groups to sponsor nursing home projects. There is a reluctance, I think, of private capital to enter into this field. There has been little activity, actually, in new construction. The FHA guarantee loan program has caused a great deal of interest. In fact, there has been spontaneous generation of interest from all sections of the State after that program was announced, and especially when the guarantee was raised from 75 to 90 percent. After that we started receiving many

inquiries and we made a more comprehensive study of overall needs in Florida. We came out with a determination that we should plan for nursing homes, four beds per thousand population, and figuring that, our overall state need would be 19,480 beds of which we count 7,843 beds existing that are acceptable, leaving us a shortage of 11,573 nursing home beds. We find that even though we have over a 5 million population in Florida we have 25 counties of the 67 without one acceptable nursing home bed.

Senator RANDOLPH. You will repeat that, please.

Mr. FOREHAND. We have 25 counties that we consider have zero percent of their bed needs met. Now, may I hasten to point out that we are not charged with the responsibility of planning homes for the aged, but strictly nursing homes and chronic facilities.

Senator SMATHERS. May I ask you a question right there. The Florida Development Commission is undertaking itself as part of Florida's development to provide additional nursing homes; that is a part of your job in the State.

Mr. FOREHAND. I, in effect, am directing the Federal Public Law 725 and 482. We have no funds. We are charged with the responsibility of administering this program and the planning and surveys for existing medical facilities.

Senator SMATHERS. So all you are doing as a member of the Florida Development Commission is directing the Federal program?

Mr. FOREHAND. That is right. We have no State funds in this program whatsoever except for the cost of administration.

Senator SMATHERS. Has there been a program offered within the State legislature seeking to get funds to complement those of the Federal Government in order to build nursing homes?

Mr. FOREHAND. No, there has not. There has been some interest from various groups over the State, but so far there has been no proposed legislation introduced in the State legislature to provide those funds. I might say that in Florida and in our overall allocation of funds to the various local communities, public bodies and nonprofit organizations, we work on a variable grant which allows us to build more or as many beds as some of the other States that provide State aid into the program. We ask the local sponsor to put up a greater percentage of matching funds.

Senator SMATHERS. At the moment, then, it is safe to say that as far as nursing homes are concerned, it is limited to financing from the Federal Government on the one hand and financing by private individuals and companies on the other.

Mr. FOREHAND. That is right.

Senator RANDOLPH. Senator Smathers, I do not want to break the continuity of the witness' statement. I did wish to follow with a thought which is not critical in content or purpose. The 25 counties, it seems to me, is rather too large a percentage areawise to be without facilities. That might not be true because there could be nursing homes in one county which would be adjacent to a wide area and used by peoples in other counties.

Mr. FOREHAND. You are correct, partially. The 25 counties do include most of our rural counties and in what we call our panhandle, the western section, and there are a few facilities scattered in these areas, these various counties that we do not call acceptable because of fire hazards, et cetera. We say they should be replaced, but they are

providing limited care for these type patients; however, we do have sections and I would say almost a region within the State or maybe a couple of regions that there are no nursing home beds.

Senator RANDOLPH. You feel there is a deficiency.

Mr. FOREHAND. Oh, definitely, there is a deficiency.

Senator RANDOLPH. Thank you, sir.

Mr. FOREHAND. May I state a definition, and we accept the definition of the Surgeon General's staff, a nursing home facility must provide 24-hour nursing care for those patients who need skilled nursing care and a limited amount of medical attention, and not just a home for the aged or a place where they go when they get old but could just as well be taken care of in a home, if they had a home.

Our program is not geared to meet certain unusual activities, either, which I want to point out to you. As an example, our overall planning, whether it be hospitals, chronic nursing homes or what not, the Hill-Burton program is not geared to take care of certain impact areas that is caused by our tremendous influx of tourists in certain areas for 3 or 4 months. We have no provision for taking care of those through this program. Our migratory workers are a burden to a lot of hospitals, so to speak, and then we have such instances like our impact from Cape Canaveral. Our program is not geared just to move our money into an area like that and just stop construction in all other areas, so we have those conditions existing in the field of hospitals as well as nursing homes.

I think the FHA guarantee loan program will help a great deal with our needs for these particular type facilities, but at this time I cannot effectively evaluate the impact of this program in Florida until there has been a sufficient number of these facilities opened so that we can go in and find out if they are providing a true community need. For instance, the type of patient admitted and taking into consideration the economic standpoint of the patient also. Will these facilities care for chronics as well as nursing home patients or will they just be homes for the aged or will they just be partially occupied by patients who have no infirmity? I know there is development of these facilities on the chain basis just like Holiday Inns or Howard Johnsons and so forth. There are several chains proposing to develop a chain of these nursing homes throughout the State with the aid of FHA loan funds. Whether they will admit a reasonable number of low-income people or will they reduce per diem rates are the things that we will more accurately evaluate after we get some of them open to determine what impact it will have. It has created a great interest among public bodies as well as our hospitals and our church groups are now interested because we realize that there are many acute beds in our hospitals that are taken up by patients that could just as well be moved into a nursing home at a lower per diem cost, so we are attempting to encourage hospital boards to develop these long-term-care facilities where they can charge a reduced rate. I think that with this type of sponsor—the church groups and the nonprofit associations and your hospital boards—we might expect to take a reasonable amount of charity patients. I want to again thank the committee for giving us, the development commission, a chance to air our views.

Senator SMATHERS. Thank you very much, sir. Any questions? There are no questions. Thank you very much, sir. We appreciate your testimony. It has been very helpful.

Our next scheduled witness is the county manager of Dade County, Mr. Irwin McNayr. We have received word that Mr. McNayr will not be able to be here, so we will go on to our next scheduled witness who is Mr. Harry Stone, the vice president of Four Freedoms, Miami Beach, Fla.

STATEMENT OF HARRY STONE, VICE PRESIDENT, FOUR FREEDOMS, INC., MIAMI BEACH, FLA.

Mr. STONE. Mr. Chairman, members of the committee, the usual thanks for being invited to participate. Unfortunately I am at a disadvantage. I do not have any statistics and lacking that, I would like to tell you something about Four Freedoms which at this point I represent. Four Freedoms is a cooperative effort on the part of large and small trade unions to provide nationwide low-budget housing and retirement facilities for our senior citizens in large cities, large population areas where we feel the need is greatest.

Senator SMATHERS. Is this a nonprofit organization?

Mr. STONE. Yes, it is, sir.

Now, in our program we try to bar isolation, we try to bar segregation, we try to bar boredom, we try to promote freedom of movement, and we attempt to banish the usual fears that come with aging and which are usually associated with retirement. Ours is a flexible service organization and it is based on a theory of giving the most and taking the least. We think this is the only fair and sensible approach to trying in some way to alleviate the problems associated with aging and with retirement. Now, from my own observations I find that retirement and aging and the problems of the aged has been a subject so well covered by so many millions of words and hundreds of thousands of pages, that it is very difficult for anybody to add anything to it, statistically, anyway. I refer particularly to the last report of the Committee on Aging which is so comprehensive. I am sure that everybody here, and we are all interested in this problem, cannot possibly read everything that has been written on the subject, and whatever we have read I am sure we cannot digest properly. It is just an impossibility.

Now, I would like to tell you something about what we are trying to do practically. As our first project, which was largely experimental, we purchased a hotel in Miami Beach, the President Madison Hotel at 38th Street and Collins Avenue. The idea was to provide a working model for our ideas on how, where, and what to do about retirees. We had a simple concept: the concept was that we will provide the best of everything. We had 200 rooms. We refurnished them, we redecorated them, we provided them with radios, telephones, maid service, central air conditioning, special devices for elderly people. We put in ramps instead of steps, we put in doors without treads, we put in handrails with every bathtub, nonslip bathtubs, and windows that are easy to manipulate.

Now, we have been and are running this hotel on a par with luxury hotels at a low rate that I don't think can be matched anywhere in the country. We have pool areas and sundecks; we have card and game rooms, hobby shops, and a television theater. We have a nonprofit sundry shop, and we have trained dietitians preparing the diets for the people who reside in our hotel. We have a full-time nurse

on the premises. We have a medical plan and a surgical plan and a hospital plan all in full operation. Now, we opened the doors of this hotel 14 months ago, December 5 of 1960. I think this may be living proof that ideas do sometimes work and that we can stop talking about things and start doing things in this field. [Applause.]

I am sorry, I didn't mean to provoke that, Senator.

Senator SMATHERS. I think this might be a good opportunity for me to reiterate what I said at the outset of this meeting for the benefit of those of you who were not here at the time the meeting opened. I would like to call your attention to the fact this is an official meeting of the U.S. Subcommittee on the Problems for the Aged. We are delighted to have you people here. We have scheduled a group of witnesses, both pro and con, on the various issues that are involved. This is not a political rally. This is not a political forum. We are going to ask that it be conducted with dignity and with decorum. As a matter of fact, it will be conducted that way, or it will not be conducted.

Now, as the witnesses get more controversial, we will not permit any boos. If you do not like what they say, we will ask you to withhold your boos until you get outside. If you approve of it, of course, you may then applaud at the conclusion of the testimony of the witness, but please do not interrupt the witness, because all you do then is take his limited time so that he is not going to be permitted to finish the testimony which he wants to give. We are trying to make a record here on which valid and sensible judgments can be made as to what is the best solution to this agonizing and tremendous problem of the elderly and how best to meet that problem. I only say this again, because many of you were not here at the outset of this meeting when I made the same announcement. So you go right ahead, sir.

Mr. STONE. Going back to our operation in Miami Beach, sir, here we have garment workers, seamen, pottery makers, auto workers, electrical workers, pharmacists, doctors, a couple of retired lawyers, some musicians, some retired teachers, steelworkers, printing pressmen, and they are all enjoying first-class accommodations. They are enjoying companionship, leisure, hobbies, and above all they are enjoying this with a high regard for each individual's privacy, their dignity, and sense of independence. Now, after 14 months of this operation I would like to give some of my own observations which are strictly "off-the-cuff." First of all, of prime importance is medical treatment. I cannot conceive of a person over 65 who is in good health by our standards. There has got to be some degeneration of our organs and our faculties. Next, I think that we need a variety of good housing. I mean, really decent housing. I mean apartments built especially for the elderly. We also need apartments and rooms with communal dining and other facilities, and we need special attention to diets especially set for the elderly. Believe me, it is complex, but it is a problem that can be solved. Then I believe that these housing facilities should be right in the urban centers and not stuck away somewhere in rural areas and not put the people out to pasture. Make them part of our living, part of our political life, part of our democratic life.

Then we need recreational activities and I do not mean we should confine them to watching television or movies. I think that they need active participation in real vocational activities. I don't care what

it is, whether it is leather craft, art, or a chess club, they need participation sports and activities, not just an observation sport in the way we look at a football game. Then what we need probably more than anything else is their active participation in community affairs, such as politics, Red Cross and Community Chest. We have got to bring them and keep them in the middle of everything that is going on in this country.

Now, I really came here to pitch one thing and that is this: The urban renewal areas in this country offer the greatest opportunity to build elderly facilities, aging facilities right in the middle of the biggest cities where people want to live, where they want to stay, where they worked all their lives. With their children and their grandchildren, it should be made possible in the planning stage of these urban renewal projects. Wherever it is possible, areas should be set aside for elderly facilities right in the heart of these cities at a price so that nonprofit groups can acquire this land and build and rent these facilities and manage them at a price that these people can afford and that is commensurate with their income.

Senator SMATHERS. Mr. Stone, may I ask you a question right there. Speaking of price, you have told us about what you are doing, but what is the price, for example, in your particular hotel for the services which you offer and does that include medical care and medical attention in the ordinary sense of the word?

Mr. STONE. The price that we charge is $125 a month.

Senator SMATHERS. So a person, in order to live in your place, would have to have something other than social security.

Mr. STONE. Yes, sir. Of course we would like to see the social security rate go up. We also feel that there are savings, we also feel that there are union pensions, but for the $125, that means $4 a day, here is what they get:

They get three meals a day; they get daily maid service—everything—recreation, hobbies—everything else is paid for—movies, the entire works.

Senator SMATHERS. How about their medical expense?

Mr. STONE. Medical care costs them $3.15 a month which provides a full-time nurse on the premises and provides a daily clinic with a doctor on the premises at all times, for examinations and treatments, laboratory work, X-rays, things like that, without charge.

I am not saying that this is not a subsidized program, because it is. It is subsidized by the trade union members of Four Freedoms, but I believe in a large enough volume it can be made to pay for itself. We are limited—so we subsidize—but at least we are providing what we think people need.

Now, if I may continue, Senator. I am almost through.

Senator SMATHERS. All right. I want to ask you to sort of wind up here because we have got five other witnesses before 12:30.

Mr. STONE. I only want to say one thing. This process of urban renewal and everything—I know a lot of things are being done, but I am one of these impatient men who cannot wait for things to happen and I think that perhaps something can be done to speed up the governmental processes on a local, State and Federal level so that these things can happen a lot faster than they are happening. I know they are happening because we are right in the middle of them. Every month that we save in these processes are valuable to the people

who are now living. That is about all and I thank you very much.

Senator SMATHERS. Thank you very much. Senator Randolph, do you have any questions?

Senator RANDOLPH. Yes, Mr. Chairman. Mr. Stone, your approach is very refreshing and I am sure it will be helpful to the committee. You said that you did not come before us with statistics. Of course in this field in which we are working we realize that figures must be clothed with understanding. These must be clothed, of course, with the problems and hopes of people. It is this human element that makes this subject not only intriguing but one in which this urgency you suggest, is needed. There is a real urgency to act. The President of the United States, Members of the Senate, and people generally, I think, sense this. You have had this program in being for 14 months; is that correct?

Mr. STONE. Yes.

Senator RANDOLPH. What is your rate of occupancy?

Mr. STONE. About 130 percent.

Senator RANDOLPH. Perhaps all the hotels on Miami Beach should do what you have done.

Mr. STONE. But we are losing money. We have approximately 100 people farmed out in other hotels around the area at a rate more than we are charging, just so we don't have to turn them away.

So we are do-gooders, you know, so we lose money, and I do not suggest that private operators can lose money profitably.

Senator RANDOLPH. I thoroughly approve of your thinking in reference to placing people out to pasture. You work in terms of keeping them in the stream of life. That approach is so important. They must not see just older people, they must see younger people; isn't that true?

Mr. STONE. That is quite true.

Senator RANDOLPH. They must be kept in the stream of life. They have a reservoir of talent that is creative and resourceful—good life yet to live, right?

Mr. STONE. Otherwise they die before they die. Thank you very much, sir.

Senator SMATHERS. Senator Long.

Senator LONG. A most hopeful report. Thank you, sir. We are all watching with a great deal of interest.

Senator SMATHERS. Thank you, Mr. Stone. It is a real contribution. Now, ladies and gentlemen, if you wish to applaud Mr. Stone, you may. [Applause.]

(The prepared statement of Mr. Stone follows:)

PREPARED STATEMENT OF HARRY D. STONE, VICE PRESIDENT, FOUR FREEDOMS, INC.

It is difficult to find a subject that has been so well covered, at least verbally and in theory, as has been the problem of the aged and the aging.

Millions of words and thousands of pages have been written about the substandard conditions under which many of our aged are living—especially members of minority races and groups.

I do not think that any of us here—and we are all deeply interested in the problem—can possibly have read all that has been written or have digested all that we have read. The problem is too staggering and the field is too deep.

Conferences have been held, statistics have been compiled, legislation has been recommended and some of it passed and implemented.

I am sure that we are all agreed that we have a problem and that the problem is acute; that this problem extends not only to the needy aged but also to those

aged in the middle and upper middle income groups; that this problem involves medical care, housing, recreation, useful activity, companionship and diet.

It is difficult for me to imagine that I can add anything constructive to what has already been said and written on these subjects, except that my firsthand observations in the field may have some value to this committee.

First, I would like to tell you about Four Freedoms. It is a cooperative effort on the part of large and small trade unions to provide nationwide low-budget housing and other retirement needs for our senior citizens in large population centers where the need for such facilities are the greatest. The Four Freedoms program bars isolation, segregation, and boredom. It promotes freedom of movement and attempts to banish the usual fears associated with retirement. Four Freedoms is a flexible service organization which has been founded on the principle of giving the most and taking the least. This is the only fair and sensible approach to take in respect to workers who have contributed their working years to the building of our society.

The First Four Freedoms project was largely experimental. We purchased the President Madison Hotel, at 38th Street and Collins Avenue in Miami Beach, and opened its doors on December 5, 1960.

A working model of our ideas was needed. Our concept was simple: the best of everything. With this in mind, we had the 205 rooms redecorated and newly furnished. Radios, telephones, central air conditioning, as well as special devices for elderly people, were installed. Ramps instead of stairs, doors without treads, handrails set beside bathtubs, and windows that are easy to manipulate were also provided.

The hotel is run on a par with luxury hotels. Facilities include a spacious pool, a sun deck, card and game rooms, hobby shops, a television theater, a nonprofit cigar and sundry store—and the broad expanse of the Atlantic Ocean as a private backyard.

Trained dieticians prepare balanced diets especially suited to retired people. A full-time nurse is in attendance and a medical, surgical, and hospitalization plan is in full operation.

After 14 months of operation, here was living proof that ideas do work. Here, garmentworkers and seamen, potterymakers and autoworkers, electricalworkers, pharmacists, doctors, musicians, teachers, steelworkers and printing pressmen, all enjoying first-class accommodations, companionship and leisure, and, above all, with a high regard for each individual's privacy, dignity, and sense of independence.

My own observations after these 14 months in order of importance are these:

(1) Medical care (there is no such thing as a completely well older person).

(2) A variety of decent housing (apartments especially built for the elderly as well as apartments and rooms with communal dining facilities, with special attention to diets).

(3) Location in urban areas readily accessible to community cultural activities.

(4) Recreational activities not simply confined to watching television and movies but active participation in vocational hobbies.

(5) Active participation in community activities such as politics and fundraising drives for the Red Cross, etc.

Urban renewal areas, I think, offer the greatest opportunity for organizations such as ours to help alleviate the housing problems of our senior citizens. In these areas, it should be made possible for nonprofit groups that are dedicated to the solving of these problems to acquire land at a price which will enable them to provide housing and facilities at a cost to the aged commensurate with their income.

I know that much work has been and is being done toward this end, but the process is painfully slow. I would recommend that no urban renewal project (if at all feasible) be approved unless it includes in the planning stage, low- and/or medium-cost housing for the elderly both of the communal type and straight apartment type.

I urge that these housing projects be speeded up and that wherever possible, governmental processes necessary for approval be accelerated and that the mysterious spools of redtape that appear so consistently and have all the aspects of barbed wire, be cut and cut and cut.

I would suggest that the acuteness of the problem calls for a crash program that brooks of no delay and that local, State and Federal Governments take the necessary steps to do the job—not in the future, but right now when it is needed most.

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Senator SMATHERS. Our next witness is Mr. Earl O. Shreve, who represents the Fort Lauderdale Rotary Club.

STATEMENT OF EARL O. SHREVE, DOWNTOWN ROTARY CLUB OF FORT LAUDERDALE, FLA.

Mr. SHREVE. Mr. Chairman, Senator Smathers, Senators, ladies and gentlemen, I am Earl O. Shreve. I retired from the General Electric Co. in 1947 at the age of 65. My residence has been in Fort Lauderdale since 1949. I am speaking in behalf of the Downtown Rotary Club of Fort Lauderdale and myself.

I want to take this opportunity to thank your committee for taking the time to make this vital study of the needs peculiar to the aged. Because of the tremendous scientific advances in medical and related fields during the past 60 years, we find ourselves in the 20th century with problems concerning older people that are unique and have never before faced mankind. I understand from the insurance statisticians that a baby born today has a greater life expectancy than one born in 1900.

There is a valid argument as to just what is the proper retirement age and when retirement should be made compulsory. Age 65 has been established largely because of the social security system. It is psychologically, physiologically, sociologically, and economically unsound to say that a person can do a job one day and the next day he is incapable of doing satisfactory work. If an individual wishes to stop work at any age and can afford to do so, it is his privilege. A person's physical age does not necessarily correlate with his chronological age. Some people are old at 40, others may never be too old for their particular type of work. Some of our greatest accomplishments have been made by men who had passed the so-called retirement age of 65. Gandhi became "the architect of India's freedom" when he was 78. Benjamin Franklin put the finishing touches on our own freedom when he was in his eighties. Winston Churchill was 65 when he became England's Prime Minister. Certainly there is a need for determining just when is the proper time to retire.

Most people who have worked hard at one occupation all of their lives need to be mentally prepared for retirement. It is most difficult for them to keep themselves enjoyably occupied after being suddenly severed from the only position they have even known. Personally this has been no great problem for me. I have managed to keep active with more than enough civic and community responsibilities. However, there are too many people who do not know how to take up other activities after being in a set routine for so long. I have long been interested in the limited number of plans for preparation for retirement that have come to my attention. I have been most impressed by what is being done by Marshall Field & Co. in Chicago and recommend their experiences to this committee. Since retiring to Fort Lauderdale in 1949, I have had the opportunity of observing the activities of many, many retirees and I am appalled at the tremendous loss of God-given talents that our society is experiencing because of the inactivity of these people.

It is most difficult for an older person to sever all ties with the only business or occupation he has ever known, to be out of the activity of his trade union or professional organization. Larger industries

should be encouraged to continue its contacts with retired personnel by providing meeting rooms for them, encouraging meetings, permission to use company dining facilities, the continuance of company publications and information about the activities of the company. Surely the company would experience great benefits through such an expanded public relations program of this type. Trade unions and professional organizations should be encouraged to establish non-dues-paying categories for retired members in order to maintain their interest and allow them to enjoy the association of their younger men who are interested in the same things that they are.

Communities that encourage older citizens to retire to their areas should form local agencies for coordinating the resources and abilities of these retired people and also to provide meeting places and recreational facilities that will be enjoyed by these groups.

Senators, as you well know, many factors have a bearing on the retired citizens. To my mind the most important one of these is inflation; the continued inflation of our currency must be controlled or there will never be a successful retirement program no matter how carefully planned. Our country must be on a firm financial basis.

I have purposely left until last the highly controversial field of medical care for the aged. Because of its high emotional appeal, I am convinced that considerably more emphasis has been placed upon this subject than the problem merits. It is true that the improved scientific medical care which our citizens enjoy today may cost more in dollars, but far less in time, pain, suffering, and grief. However, the same cost problems face the person who is working hard trying to support a family as it does the retired older person. I very strongly object to the schism that some vociferous groups are trying to create between our age groups. As a younger man it was my privilege to benefit from the experiences of older people and now as an older person myself I enjoy the initiative and activity that is bestowed upon our younger people. The Downtown Rotary Club of Fort Lauderdale is opposed to the administration's plan of increasing the tax on our working people for the sole benefit of older people, the majority of whom do not need assistance with their medical costs. We are for and will always support programs for helping the needy.

Undoubtedly all of us, both young and old, have a fear of the prolonged medical expense which might wipe us out financially. Great strides have been made in the field of health insurance in the past 25 years, and even greater progress in plans for the aged during the past 4 years. The fear of financial obliteration can be greatly alleviated by any individual young or old who so desires, without turning to Government to solve the problem. I recommend the health insurance industry to this committee for help in solving the problem of fear of financial catastrophe because of medical expense both by the aged and younger groups.

Senator Smathers, you introduced a plan in the 86th Congress whereby private health insurance companies would provide coverage for senior citizens at a minimum cost. I feel that such a plan to use already established companies has great merit and should be investigated very carefully. Perhaps legislation is needed to allow companies to offer a standard plan to protect individuals both old and young, against overwhelming costs of medical care. I am very strongly opposed to the creation of another big bureau and further

centralization of government in Washington. Just because a little warmth may be needed, there is no need to burn down the house of social security by attempting to provide services whose cost not even the so-called experts can accurately estimate.

To summarize, I feel that: (1) methods for determination of the optimum retirement age should be studied; (2) plans for the proper preparation for retirement should be made; (3) maintenance of ties with companies, unions, and professional organizations should be made; (4) establishment of community agencies dealing with the retired; (5) control of inflation; (6) protection against catastrophic medical costs through existing facilities.

In conclusion I want to again thank this committee for making this study and allowing me to appear. Please continue to investigate before you legislate. Having passed my 80th birthday last October, I have now enjoyed the freedom of this great country for over 4 score years; I hope that I have contributed something worthwhile along the way. I and millions more in the so-called retirement age who may not be particularly vocal are heeding the advice of President Kennedy by asking what we can do for our country and not what our country can do for us.

Senator SMATHERS. Senator Randolph, do you have any questions?

Senator RANDOLPH. Senator Smathers, it is not my purpose to be argumentative. I feel, however, that I must draw attention to a point in the testimony of the very young and very vigorous witness. You are very mentally alert at 80 years young. I ask you to turn again to your statement on page 3. You say, "The same cost problems face the person who is working hard trying to support a family as it does the retired older person." Mr. Shreve, you recognize, I am sure, that elderly persons necessarily will have higher medical cost than younger persons; is that not true?

Mr. SHREVE. I would not accept that, no.

Senator RANDOLPH. You wouldn't accept it.

Would you not agree that the older persons have lower incomes than the younger persons?

Mr. SHREVE. Well, yes.

Senator RANDOLPH. Would you not feel that the older persons cannot get the group insurance at the rate that the younger persons can get it?

Mr. SHREVE. I would not because I have been able to get it.

Senator RANDOLPH. That is all, sir.

Senator SMATHERS. Senator Long, do you have any questions?

Senator LONG. No questions.

Senator SMATHERS. Mr. Shreve, I would only say this about the insurance program which you mentioned which I advocated 3 years ago. My regret was that having offered it, thinking that it might at least serve some partial solution to the problem, the insurance industry turned me down cold. I thought they made a mistake.

Mr. SHREVE. I thought so, too.

Senator SMATHERS. Thank you very much, sir.

Our next witness is Mr. Philip P. Gott representing the Greater Fort Lauderdale Chamber of Commerce.

STATEMENT OF PHILIP P. GOTT, GREATER FORT LAUDERDALE CHAMBER OF COMMERCE

Mr. GOTT. Senators, members of the Senate subcommittee, it is indeed a pleasure for me to appear here today. I want to compliment the members of the committee for taking aggressive action in trying to ascertain the facts with respect to this important problem.

(The prepared statement of Mr. Gott follows:)

PREPARED STATEMENT OF PHILIP P. GOTT

My name is Philip P. Gott. I am appearing here as chairman of the Social Security Subcommittee of the National, State and Local Affairs Committee of the Greater Fort Lauderdale Chamber of Commerce as a result of a resolution unanimously endorsed by the National, State, and Local Affairs Committee and subsequently approved by a majority of the board of directors of the chamber.

I have lived in Fort Lauderdale, at 2415 Middle River Drive, for about 3 years, prior to which time I was employed for nearly 20 years by the National Confectioners Association with headquarters in Chicago, Ill. If the sole qualification of a "senior citizen" is the attainment of the age of 65, then I might properly refer to myself as a "senior citizen." I am not, however, a member of any senior citizen organization and I resent the attempt by anyone to presumably speak for all senior citizens. The resolution of the National, State, and Local Affairs Committee of the Greater Fort Lauderdale Chamber of Commerce supports the principle that:

(1) The good health of the American people should be supported under the present voluntary American system.

(2) Public health activities should be the responsibility of local and State governments.

(3) Voluntary health insurance is available to and has been accepted by the great majority of the American people.

The Federal Government does not have a monopoly on the promotion of good health, nor do senior citizens have a monopoly on the desire to promote the good health of their group. It is the honest desire of all the American people to promote the good health of all peoples. It is unnecessary to submit evidence of this well-established fact at this hearing.

The question is: How can this desirable goal best be attained? Many of us, irrespective of our field of endeavor, have grown to our present state of maturity under an environment which recognized the importance of individual, family, and community responsibility.

The advancements made which have given to the people of this country high health standards, advanced educational facilities, and an unexcelled social economy are due largely to the assumption of responsibility by individuals, by parents, by communities, and by social, economic, and political organizations.

The theory that such responsibilities can or should be assumed by or transferred to the Federal Government is unsound philosophically and sociologically; it is unnecessary, and threatens the economy of our institutions and the well-being of the senior citizens for whom it is advanced.

It is my personal opinion that one of the most fallacious philosophies which has developed in the last quarter of a century is that the mythical parent called the "great white father" in Washington will fondle and feed us from the cradle to the grave, will work for us and if we do not work will pay us.

It is quite obvious that individual initiative, supported by adequate incentives, has been a strong force in promoting individual responsibility on a voluntary basis.

The King bill (H.R. 4222) represents an effort to centralize, nationalize, and federalize a function and service which should rest on the shoulders of the individual, and the community. This bill, in essence, seeks to federalize the old-age-assistance program. It would relieve the individual of his responsibilities, rob him of his opportunities, and kill his incentives, and is fraught with untold hazards to our social well-being.

What has become of those eloquent pleaders for States rights? Of those who beheld the doctrine that powers not delegated to the United States by the Constitution are reserved to the States, respectively, or to the people? Are we desirous of casting aside the principles of those who established our form of government? The members of the National, State, and Local Affairs Committee of the Greater Fort Lauderdale Chamber of Commerce do not believe the American people so desire.

GREATER FORT LAUDERDALE CHAMBER OF COMMERCE,
NATIONAL, STATE, AND LOCAL AFFAIRS COMMITTEE,
February 7, 1962.

RESOLUTION

A resolution of the National, State, and Local Affairs Committee of the Greater Fort Lauderdale Chamber of Commerce requesting that a duly appointed member of the chamber be authorized to appear before the Senate Investigating Committee on February 15, 1962, at the War Memorial Auditorium, Fort Lauderdale, Fla.

Whereas the National, State, and Local Affairs Committee, Greater Fort Lauderdale Chamber of Commerce, supports the policy declaration of the Chamber of Commerce of the United States to foster the good health of the American people through the present voluntary American system; and

Whereas it should be the responsibility of the State and local communities to care and provide for those unable to care for themselves; and

Whereas public health activities should be the responsibility of the local and State governments in matters of environmental sanitation, communicable diseases, and health education; and

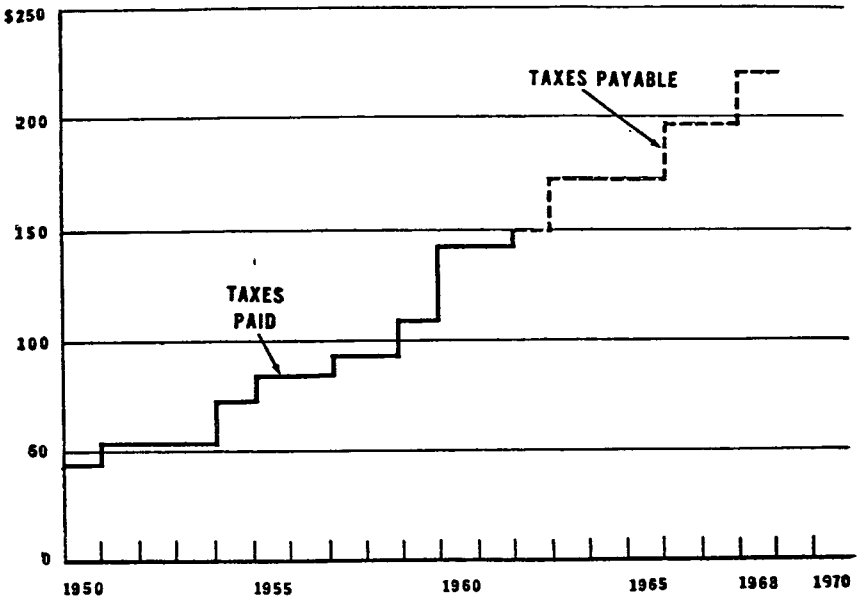
Whereas, it is an established fact that voluntary health insurance has rapidly increased and that it has been accepted by the great majority of people: Be it

Resolved, That the National, State, and Local Affairs Committee of the Greater Fort Lauderdale Chamber of Commerce authorize a duly appointed representative of the chamber to appear before the Senate Investigating Committee on the problems of the aged on February 15, 1962, in Fort Lauderdale; and that this representative shall make known the opposition of the chamber to the enactment of the King bill, H.R. 4222, health service for the aged under the social security insurance system; and that the authorization shall be valid for similar congressional investigating committees surveying the problems of the aged; be it further

Resolved, That true copies of this resolution shall be sent to the board of directors of the Greater Fort Lauderdale Chamber of Commerce, all interested parties, and individuals.

J. FRED WYNN,
Chairman, National, State, and Local Affairs Committee.
JERRY HAGERTY,
Secretary, State, National, and Local Affairs.

CHART IV.—MAXIMUM SOCIAL SECURITY TAXES, 1950–68, PAID OR PAYABLE BY EMPLOYEE AND BY HIS EMPLOYER.



Senator SMATHERS. Senator Randolph, do you have any questions?

Senator RANDOLPH. Mr. Chairman, I have felt, as I listened to the witness, that he was forthright and that he states the position of his organization in a very concise manner. I ask the witness personally would he have made such a statement in reference to the Federal social security program had he been testifying back in the middle thirties.

Mr. GOTT. Frankly, Senator, I would hesitate to say what I would have said back in 1933 or so. I think it is impossible. I think in general, my answer would be "Yes." I have always believed that the individual should assume certain responsibilities. I think that neither a State nor the Federal Government should do anything which is go-

ing to kill the initiative and the responsibilities of individuals, and I think any action by the Government which tends to stifle the individual or, let's say, assume responsibilities which properly belong to individuals is unfortunate for the future of this country.

Senator SMATHERS. Senator Long.

Senator LONG. In that connection, Mr. Chairman, I would like to ask this witness if he is familiar at all with what happened in the world of insurance following the adoption of social security when it went into effect legally July 1, 1935. I have recently studied the development of the business. The volume curve went up tremendously—there was no falling off—either in this great business, insurance, nor was there any lapse of interest in the opportunities that the old-line companies offered. It showed a tremendous increase of interest. I doubt if it ever stifles the interest of the American public.

Now, on the question, I have in my hand a clipping from the Washington Post of Tuesday, February 13. One of the most able, I think, and certainly one of the most conservative of the Republican leaders of New England, is Congressman Hastings Keith, of the Cape Cod, Mass., area. According to the ratings of Members of Congress in relation to their voting, he is the most conservative of the Massachusetts membership at the present time. He issued a statement, quite patent, on this proposal of the administration, and I want to read three statements from his "white paper." It at least represents a viewpoint, and this viewpoint doesn't come from the left, it doesn't come from the radical right. It may come from any phase of American leadership where people are really striving with the effort to improve life.

In the first place Mr. Keith says his mail has run a little better than 5 to 1 in favor of this new position of his. He makes particularly these statements in his "white paper": He is in favor of this new proposal because it would require individual responsibility because it would be financed by a tax on wages—quoting him—"A user's tax, a principle long espoused by conservatives." I think there is basis for his statement that the plan is widely supported.

His second statement: "Contributions and benefits would be equalized. This does not happen under the present Kerr-Mills program for the medical indigent which takes from the rich to give to the poor and provides benefits based upon the State in which an individual happens to live and not health care expenses."

Then this brief concluding statement: "Insurance companies"—now I might add that this American Congressman for many years spent his life in the world of insurance with headquarters in Boston. Then his concluding statement: "Insurance companies relieved of the pressure to cover unprofitable older risks could concentrate on serving the working population." Thus, "the free enterprise system can be preserved apart from governmental interference."

It is interesting that the support and the opposition for this proposal, that is so fundamental, is divided. It doesn't fall along social line or economic lines. I don't know whether the witness wished to comment on that or not.

Senator SMATHERS. Do you care to comment, Mr. Gott?

Mr. GOTT. Senator, I am not in the insurance business. I have not made a study of the insurance field. It is my opinion that insurance sales did pick up following the initiation of the social security pro-

gram. I have no objection to that or criticism of that movement nor am I speaking here for the insurance companies, but it is my understanding that there are insurance programs which are available to the so-called retired or senior citizens today.

Senator SMATHERS. Mr. Gott, let me ask you just a question. You state you are opposed to the Government taking any part in this. Does that opposition go so far that you oppose the State government taking part in helping elderly people?

Mr. GOTT. I think there is a fundamental principle that we should keep this responsibility as much localized as possible. I think that the same criticism that applies to the National Government taking it over does not apply to the State government.

Senator SMATHERS. In other words, you say you are for private individualism and private initiative and it only extends to the field of opposing Federal Government but not State government?

Mr. GOTT. I think there are several fields where the local and State governments should continue to operate and not place the responsibility on the Federal Government.

Senator SMATHERS. Do you believe that there are some instances in some cases where the State government would be justified in giving aid to elderly people because of the need?

Mr. GOTT. Yes. I think you should try to keep it on the "need" basis.

Senator SMATHERS. Now, if the State government does not do that, do you still oppose the Federal Government giving the aid?

Mr. GOTT. Senator Smathers, I do not want to answer your question by asking one but as I attempted to point out in my statement, is it wise for us to assume that governments are the only parties which have an interest in the solutions of these problems, or that the sole responsibility for dealing with this problem is vested in either the State or Federal Government?

Individuals acting independently and collectively through local social, religious, fraternal, and governmental agencies have rendered great humanitarian service. Our first task should be to ascertain ways and means through which such services and facilities can be expanded before turning to the Federal Government.

Action already taken by some such agencies, including the action taken by private insurance companies and State governments, make Federal action such as proposed in the King bill unjustified at this time.

Senator SMATHERS. Let me ask you just one other question and get your thinking on it. What do you think should be done with people who have worked 35, 40 years of their life and have set aside certain parts of their income in anticipation for retirement at 65 years of age and at that time that they begin to enter into that program they envision $150, maybe $135 would be sufficient to take care of them in their golden years, however, because of changes in their economic picture, because of inflation which we all recognize the dangers of and the evils of, they have great difficulty in surviving on $135 a month, particularly when they have medical expenses added on top of it; what do you think we should do with those people?

We have got to have order. We are going to have order. I am not trying to embarrass this witness. We are all trying to make a record as to what it is we should do; what course we should follow.

This has become a real problem with those who worked and who now find that they just dont' have it. What do we do?

All right, you answer my question, please, sir.

Mr. GOTT. Mr. Senator, that is not a stooge of mine in the audience that hollered "Halt inflation," I assure you.

Senator SMATHERS. I understand that. Their motivations are good.

Mr. GOTT. I took out insurance policies when I was in the middle thirties and forties and so forth. My dollar then was worth a dollar. Today that dollar is worth, say, 47 to 50 cents. I think the Federal Government does have the responsibility there of cutting down cost and trying to stop this inflationary spiral. I am going to be hit. Every senior citizen is going to be hit unless we can stop the inflationary spiral—that is the biggest problem we have today.

Senator SMATHERS. I completely agree with that, but do you have any recommendations to make to this committee as to what we can do with those people who are faced with inflation already having hit and, as you say, the value of their dollar being reduced by over 50 percent? What do we do with those people who have $130 a month and then have some hospital bills on top of it?

Mr. GOTT. I think the family first should assume certain responsibilities. Secondly, the local community or the county and then the State, and if all of those forces are not able to handle it I think we are in a bad way.

Senator SMATHERS. If the county couldn't do it and the State couldn't do it or didn't do it, then, as I understand it, if the need still exists you would then be willing to move to the Federal Government?

Mr. GOTT. Like other human beings I agree that good medical care should be available to the needy so-called senior citizens as well as to other members of our society. The question is, How can we develop a philosophy, a plan, or program which will make available medical care for the needy aged and which can become operative on an effective and efficient basis without destroying individual responsibility?

As previously stated, the trend to federalize, nationalize, and socialize all our problems constitutes a threat to individualism, which is essential for social well-being and the continuance of those principles of individual initiative and individual freedoms which are essential to the maintenance of our social, economic, and political welfare.

Senator SMATHERS. All right, sir. Thank you very much.

I would suggest in this modern day where we are trying intelligently to solve a problem in an American democracy where we understand people have different views that it really isn't very appropriate nor does it reflect much credit on any one of us to boo somebody merely because we disagree with them. I don't think that is the American way; I don't think that is the democratic way. I would think that it would be better that we withhold our boos even though you don't agree with the person. I would suggest that.

Dr. Russell Carson represents the Blue Shield of Florida, Inc.

STATEMENT OF DR. RUSSELL B. CARSON, REPRESENTATIVE OF BLUE SHIELD OF FLORIDA, INC.

Dr. CARSON. Senator Smathers, Senator Randolph, Senator Long, and the audience: as a senior Floridian, not a senior citizen, but a second generation Floridian, I would like to welcome a great many of you here in the audience to Florida.

I am Russell Carson, a practicing physician, in Fort Lauderdale for 22 years, and president of the Florida Blue Shield. I am also on the national board of the National Blue Shield, and a member of a commission which was established by the American Medical Association, the American Hospital Association, Blue Cross and Blue Shield organizations, for the study and promotion of prepayments particularly in this area that we are discussing today.

As of the last day of this past year, December 31, Blue Shield of Florida had 881,313 subscribers. That covers about 17 percent of the population of Florida. In addition to that our companion organization, Blue Cross, which provides for hospital care cost, there are about 65,000 more subscribers to that plan which makes a total of 945,000 here in Florida. In addition to this there are in Florida a great many who have maintained membership in both Blue Cross and Blue Shield and in private insurance when they have moved from other States.

Today we are concerned primarily with the health care needs of the senior citizens of our State of Florida. We are also concerned with these needs of the entire country. According to the 1960 census report there are more than 550,000 men and women over age 65 in Florida. The Health Insurance Institute has estimated that 53 percent of all the Nation's senior citizens have health care coverage through private insurance programs. If this percentage is applied to our State it means that about 290,000 senior citizens, including an estimated 80,000 enrolled in Florida Blue Cross-Blue Shield, have some type of health insurance. Add to these the 70,000 indigent aged who receive assistance from the Government, and you have a total of about 360,000 out of 550,000 senior citizens who have some form of health care coverage in Florida.

Taking a positive approach to the problem, and we all recognize that we have a problem, or we wouldn't be here today, of providing health care for senior citizens, the AMA and the national association of 69 Blue Shield plans recently announced a program which is the culmination of many months of research and study. This Blue Shield plan will provide basic medical and surgical coverage for senior citizens at a premium which most of our aging can afford, either individually or with assistance from their families. This, by the way, is the approach recently selected by our Federal employees when deciding upon a program of health care for themselves and their dependents.

This new AMA-Blue Shield program has been designed for the vast majority of our aging who can afford the relatively small estimated premium of $3.20 a month or $6.10 for a man and wife a month.

Now, may I just assemble some of the essentials of the provisions which this new program is going to provide. The program which at this moment is being finalized in New York by Blue Cross will in general provide the following items:

Seventy days care in an acute type hospital for a private or semiprivate room; an allowance of 85 percent of the average semiprivate room cost. The care should include bed and board, general nursing service, use of the operating room, all drugs and medicines, all dressings, ordinary splints, plaster cast services, and all services which are billed by the hospital such as laboratory examinations, X-rays, electrocardiograms, and so forth.

As to hospital outpatient emergency accident care within 72 hours, surgical procedures performed in the outpatient department and X-rays and radiation therapy as outpatient.

Nonmember hospitals will also be benefited 75 percent of the allowance of member hospitals, the maximum of $20 for outpatient care. Inpatient care in institutions other than hospitals such as nursing homes, up to 90 days of care in other than an acute general hospital following discharge from an acute general hospital, based on 2 days of chronic or rehabilitation hospital care for 1 day's stay in an acute general hospital. Three days of nursing home care for each one of general hospital and up to $10 per day in an American hospital association listed institution.

On the Blue Shield side of the program, the cost of which, as I said, is $3.20 or $6.10 per couple, will provide basic medical surgical benefits when they are billed by a physician; surgery wherever performed; anesthesia when rendered by a physician; inhospital medical care; medical care in a nursing home; radiation therapy; X-rays for hospital bed patients, for outpatients when rendered within 72 hours following an accident, laboratory examinations, psychological consultations, and so forth. The usual things that are covered in such a program.

The cornerstone of this national Blue Shield program is the provision which states that the Blue Shield plans will provide paid-in-full service benefits for all those individual senior citizens with a total annual income of $2,500 or less, or $4,000 for a family. This service benefit provision constitutes a paid-in-full program for at least 75 percent of those over age 65 in the United States. Almost all of the remaining 25 percent of the Nation's senior citizens either have another source of coverage such as governmental care or previous employment protection, or have an income sufficient to provide for their own needs.

One hundred and thirty-two million Americans can't be wrong. They constitute over 76 percent of the population, and they have already demonstrated their acceptance of either private insurance or prepayment programs as the way of taking care of themselves in matters pertaining to health. Is it not the proper function of Government to make possible the expansion of this approach, rather than the arbitrary enforcement of a method which is contrary to all previous concepts of our Government's function in society?

As far as I know, never before in the history of this Nation has Government usurped the rights of an individual through the purchase of services, whether needed or not, such as is contemplated in the King-Anderson bill. In social security itself, in unemployment insurance, in farm subsidies, in housing, and in many other similar areas, Gov-

ernment has provided financial assistance designed to maintain private enterprise.

Our trust is placed in you and the other Members of the Congress to continue to maintain and support the free enterprise American way of life.

I deeply appreciate the opportunity to appear before your committee on behalf of the 4,400 participating physicians in the Florida Blue Shield plan, and the 80,000 senior citizens now covered by our plan.

I thank you very much. If I may answer any questions, I will be glad to attempt to do so.

Senator SMATHERS. Senator Randolph, do you have a question?

Senator RANDOLPH. I noted, Dr. Carson, that you spoke of the inexpensive premium of $3 a month, or $36 a year. You indicate that this plan which is sponsored by the American Medical Association, in cooperation with the Blue Shield program, is adequate for the medical needs of our aged population.

I have a feeling personally—presumably you do not share it—that this program rather supplements than is directly competitive with what is proposed in the King-Anderson legislation. Do not stop me just at that point. Because I feel that what is being advocated by you covers only the actual surgery and the services of the physician in the hospital, but the hospital costs are not covered in such a plan. Am I correct or incorrect?

Dr. CARSON. You are quite correct, Senator Randolph. Exactly so, for the proposal which the American Medical Association and Blue Shield has made has not dealt with the problem of coverage for hospital care. The American Medical Association, of course, is interested in hospital care, but as a parallel rather than its main, direct interest, since we are physicians and not hospital people.

We recognize that in order to give adequate care which physicians desire to give, and desire be made possible for all of our citizens, seniors and others, to obtain, that it requires hospitalization quite frequently. It is also a well-recognized fact that the hospital portion of the care is more expensive. And very likely your next question will be, "How would you propose to take care of the more expensive portion of this program?" I feel that we do not have the answer to that on the legislative books as yet. Unfortunately, somebody talked our good chairman out of an excellent program at too early a date, and I wish that he would pick it up again and assist those in need by a program such as he had in mind. I think now the climate would be much better than it was 3 years ago for his program to be better considered.

The main objection that we have to the program, which I mention here by name as King-Anderson, is that it is providing a service rather than making it possible for the individual to purchase his own type of service. Now, I think, in every other field, and our discussion a little bit ago, Senator Long, had to do with the influence of social security on insurance, was it not true that the stimulus perhaps that occurred at that time was because more money was put into the hands of people to be able to buy the things they wanted to buy, one of which was insurance?

Senator LONG. Undoubtedly, Doctor, that was a factor. The only point I was making was that the adoption of social security did not actually hurt anyone; business went right ahead.

Dr. CARSON. In fact, it probably stimulated business a little bit more by putting more dollars into people's hands.

Have I answered your question, Senator?

Senator RANDOLPH. I want to make it very clear that even though we disagree, this is not a forum for debate insofar as a member of the committee goes. I feel strongly, but I also have a very sincere regard for the witness whom I have never seen or heard until now, but I feel that you, Doctor, are attempting to find an answer or answers. I feel that. I want to believe it. You have indicated that the final answer is not upon the legislative books; is that true?

Dr. CARSON. I believe that is the statement I made just a minute ago.

Senator RANDOLPH. Mr. Chairman, I thank the witness.

Senator SMATHERS. All right, sir. Senator Long, do you have any other questions?

Senator LONG. I want to ask Dr. Carson if he is familiar with the study that was carried out in Connecticut some time ago—I believe it is referred to as the Connecticut 65 Plan—where a comprehensive program of medical service was worked out by the authorities in that field, and they came up, as I recall it, with a minimum charge per month of $17.

Dr. CARSON. I believe in that program there were other things included which we had not included in our program that are rather expensive items, and when we speak of costs we must identify very definitely the items which that cost is going to cover, and in this program of which you speak, if I recall it correctly, that included major medical program which was to be underwritten by the insurance industry or rather a group of five, I believe it was, from the commercial insurance industry in and around Hartford, together with the program which was being offered as a basic program by the Connecticut medical service which is called the Blue Shield of that State.

Senator LONG. Thank you. It does emphasize the importance of it; that is, it is no small item, whether it is $17 per month or something in the neighborhood of that. I thought of it when you referred to the charge here of $3 per month which, of course, is a very small amount, one that could perhaps be carried by nearly every individual—it might be a hardship on some—but you get so precious little for it. Thank you.

Senator SMATHERS. Thank you very much, Dr. Carson.

Ladies and gentlemen, may I have your attention, because we are going to do something a little bit different. We have two very distinguished witnesses here this morning. One who has already made his views somewhat clear in favor of medical care through the social security program, and the other who has, on many occasions, made his views clear that he is opposed to it. I venture to say that each of these persons, in their own field, are as able and as eloquent spokesman for the views that they believe in as can be found anywhere in the country. One of these men is former U.S. Senator Claude Pepper [applause]; the other is Dr. Edward Annis, who speaks for the legislative committee of the American Medical Association. Both of these gentlemen wanted to go last, which is understandable to debaters. I have checked with our committee here, and we have decided the best way to determine who should go last would be by the flip of this coin which I have in my hand. If it comes up heads, Senator Pepper will go first; if it comes up tails, Dr. Annis will go first.

There is the coin. What does it say? Heads. Senator Pepper goes first.

We are delighted to have you, sir, as a witness.

Mr. PEPPER. Mr. Chairman and members of the committee. I was invited to be here this morning at 11:45 I was informed that Dr. Annis was scheduled to appear at 11:30. Of course I am always pleased to observe the pleasure of a distinguished committee of the U.S. Senate, and I have no objection whatsoever to being put in juxtaposition with the learned doctor.

I came here, Mr. Chairman, with a prepared statement and a telegram authorizing me to appear on behalf of the National Council of Senior Citizens on Health Care Through Social Security, which was addressed to me, and it says:

We authorize the Honorable Claude Pepper to speak in behalf of the senior citizens groups in the Miami area, and for the National Council of Senior Citizens at the hearings.

Signed "Blue Carstenson, Executive Secretary, National Council of Senior Citizens for Health Care Through Social Security."

I am very proud to have the privilege of speaking on behalf of that distinguished organization as well as myself, a citizen and a taxpayer.

Mr. Chairman, there are many problems confronting most of the approximately 100,000 citizens 65 years of age and over living in Dade County, making them deserve more help than they are getting. I commend this committee upon its efforts to find out what those problems are and to recommend legislation which will assist these worthy citizens in meeting these problems.

I have attached to my statement, and I think a copy of my statement has been furnished to your honorable committee, a copy of a statement I made before the resolutions subcommittee, headed by the Honorable Averell Harriman, on behalf of the National Democratic Excutive Committee and for the resolutions committee of the Democratic National Convention of 1960, and when I have concluded my opening statement, I would like, briefly, to refer to those areas.

What I want to emphasize today on behalf of the National Council of Senior Citizens—by the way, I said also, Mr. Chairman, I want to commend this committee upon its efforts to find out what these problems are and to recommend legislation which will assist these worthy citizens in meeting these problems.

What I want to emphasize today on behalf of the National Council of Senior Citizens on Health Care Through Social Security and myself is that we must get a large number of the senior citizens of Dade County off of hospital care through socialized medicine and provide them adequate hospital outpatient nursing and other services through a sound insurance program as recommended by President Kennedy in the Anderson-King bills.

For the current year, Dade County and the State of Florida are spending over $661,000 to provide through Jackson Memorial Hospital hospital care for those having acute need of such hospital care and this, of course, does not include doctors' care for medically indigent people. It is believed by those of responsibility who work in this program that at least one-half of the beneficiaries of this program are 65 years of age and over, so that approximately $330,000 of these funds are spent on citizens 65 years of age and over. This is pure socialized medicine, and I have heard some say that they are opposed

to it, because those funds come out of the pockets of the taxpayers of Dade County and Florida by compulsion.

The beneficiaries do not have a chance to choose their hospital. Approximately 75 percent of these people are currently covered in Dade County by old-age and survivor's insurance, so that three-fourths of this expenditure, or approximately $247,000 of these funds expended by Dade County and the State of Florida for socialized medicine would be lifted from the backs of the taxpayers of Dade County and Florida if the President's medical care program were in effect. These people would get hospitalization not only when there was an acute need for it under the President's program, but they would get it whenever they needed such care, as certified by their physician, and, in addition, they would get diagnostic and therapeutic services, outpatient nursing services, and home health services.

For the current year, out of State and Federal funds, $546,000 was expended for hospital care for citizens receiving old-age assistance in Dade County. It is believed by those who work in this program that approximately 80 percent of this expenditure was for the benefit of citizens of Dade County over 65 years of age, or approximately $400,000. These funds were tax funds from the citizens of Florida and the United States. These people did not have a free choice of hospitals. This was the provision of hospital care to these people by socialized medicine, and all they got was hospital care not to exceed 30 days altogether in 1 year with no diagnostic and therapeutic services and outpatient nursing services as provided by President Kennedy's medical care recommendation. Seventy-five percent of these people, or approximately $300,000 of these funds, would have been lifted from the backs of the taxpayers of Florida and the United States and out of the category of "socialized medicine" if the President's program embodied in the Anderson-King bills were in effect, because 75 percent of the citizens of Dade County over 65 years of age are drawing old-age and survivor's insurance. We all know that the number relatively will increase, because a lot of those people now 65 or over were not covered under the old provisions of the Social Security Act as they are by the extended coverage that the Congress has wisely been providing from time to time.

In addition to this sum of approximately $300,000 spent by the State and Federal Governments on senior citizens who would have been covered by the President's program, Dade County spent an additional sum of many hundreds of thousands of dollars every year providing hospital care through socialized medicine to these senior citizens who required more than 30 days' hospital care in a year which was the limit provided by State and Federal funds.

Now, Mr. Chairman, and gentlemen of the committee, if you will look to the next-to-the-last inclusion I have in my statement, headed "From Dade County Department of Hospitals," you will find there that the Dade County Department of Hospitals has given a list of the number of patients being supported by Dade County in nursing homes, homes for the aged, boarding homes, Miami Sanitorium, and in the Kendall Nursing Home, and right below there, right below that figure of $1,490 on page 2 of that statement you will see, "Of this number, 289 patients had some income from social security disability or retirement benefits." That is substantially a fifth of the total number. In the next paragraph you will notice that Dade County in the

month of December 1961, spent $77,972 caring for these people in addition to the funds that I have already referred to in my statement. Now, that means $924,000 in a year, and a fifth of that would be approximately $200,000, so if you add that $200,000 to the approximately $500,000 that I have already pointed out you get a minimum of approximately $700,000 a year that the taxpayers of America and Florida and Dade County are spending today on grossly inadequate socialized medicine for these people who get these limited benefits.

This makes a total of $247,000, as I said, spent on citizens over 65 years of age who were medically indigent in Dade County and approximately $300,000 on people who were on the welfare rolls over 65 years of age for limited hospital care or a total of $500,000 for the current year being spent to provide emergency or limited hospital service for senior citizens in Dade County through socialized medicine. And I mean by that "socialized medicine," taking money out of the public treasury provided by the compulsory payment of citizens and giving it to beneficiaries who get no choice in the personnel or the facilities which they enjoy, but they are provided for them.

Incidentally, in Jackson Memorial Hospital, the medical phase of the care that these people receive, for which the county, State, and Federal Government spent over a half-million dollars, is provided under the University of Miami, and with all the excellence of that as a medical school, I infer from the information that I get that the treatment of these people contributes to the educational progress of the students, and obviously it is somewhat on an experimental basis. In other words, it is to give experience to the young men who are in that area, maybe the young professors or the young interns and the like, and those people are there to serve them, and they don't select the doctor; they get the doctors that are on the staff or the doctors that are provided for them by the University of Miami Medical School. I am not saying that the quality of it is not good, but at least it is not a doctor chosen by the patient, based upon a confidential relationship and the confidence that the patient has in the skill of the doctor out of a former professional relationship with him.

Mr. Chairman, it is difficult to get these figures. It took me quite a while in talking to at least a half dozen different people, because strangely enough this data is not segregated in the Budget Bureau or in the hospital records. I had to talk to a half dozen people at least to get these approximate figures which I am bringing to you today. I don't know of their having been collected anywhere else—at least I couldn't find them.

By the way, when I speak about this approximately $200,000 a year being spent in these nursing homes, it is a fact that about a fifth of those people are on old age and survivor's insurance and so would be covered by the President's program, but they provide a considerable amount of care to those people, they have to provide residence for them and the like, whereas if they could get these home nursing services and this therapeutic service and the homemaker service that is provided under the President's bill, a great many of those people could stay in their own homes and be well provided for, better provided for in the love and care of a family in a family environment that is theirs, rather than being put off into the socialized atmosphere of a nursing home where they have to be provided for by the taxpayers through the charity and the bounty of the county. So I believe I am not very far wrong, Mr.

Chairman, and gentlemen of the committee, in saying that if the truth were known, if all the data were collected, that the people of the United States and of Florida and of Dade County through compulsory taxation are spending at least a million dollars a year to provide a certain amount of limited medical care to the people who can't provide their own medical and hospital care through blatant socialized medicine, and I relish an opportunity to support the farseeing program of the President, which is trying to get this on a sound basis and out of the category of socialized medicine.

These people would have received under the President's recommendation complete hospital care, all the services that the hospital usually provides to anybody enjoying the services of the hospital, and that includes the provision of all necessary drugs while they are there. I say under the President's program these people would have received complete hospital care for as much as 90 days at a time and, of course, if there is a 90-day break, they can get an additional 90 days out of the same program in the hospital. Incidentally, they can get 2 days in a nursing home for every 1 day they don't use up of that allotted time in the hospital, so they can have 90 days in a hospital or if it is the kind of patient who can adequately be cared for in a nursing home they can get 180 days with up to 240 visitations that will include all these other services that I mentioned. I say again these people would have received under the President's recommendations complete hospital care for as much as 90 days at a time, whenever needed, diagnostic and therapeutic services, when needed, with slight deductions for both and up to 180 days of outpatient nursing care, home health services for up to 240 visits a year including nursing care, therapy and part-time homemaker services, upon a sound insurance program paid for by the covered employee and his employer with nothing out of the Federal Treasury or the State treasury or the county treasury and with a complete freedom of choice as to the selection of hospitals by the covered person.

Under the President's program the maximum approximate cost to any covered worker would be $1 a month for all the benefits provided by the President's program.

I therefore earnestly hope and recommend on behalf of the National Council of Senior Citizens on Health Care through social security and myself that this honorable committee shall recommend to the Congress the enactment of the President's recommendations through the Anderson-King bills which will get the senior citizens of Dade County, Fla., and America, covered by social security, off of socialized medicine and onto a sound, self-supporting insurance program through social security.

Now, Mr. Chairman and gentlemen of the committee, I will not belabor the matter any further except to say that I relish, I welcome, the first major, and it appears to me serious, approach made by the American Medical Association, to provide through the Blue Shield program doctors' care for patients who need medical service or hospital service.

I used to sit there where you gentlemen sit, and you will be there a long time in honor and in repute—nobody in the Congress wants to invade the integrity, the sanctity of the medical profession or any other profession. I am a lawyer by profession. I don't want any-

body to invade the sanctity or the integrity of my profession, but I don't think I should quarrel too much with sensible people who are directly affected and public authority representing needy people to try to devise means by which they can pay the bill, and that is all that this program seeks to do is to provide means by which the people who need the genius of medical skill of today and the marvels, the magic of modern procedures that are available, if you have the money to pay for them, and I say no citizen today should be denied the fullest enjoyment of those skills and all those techniques and processes.

I think maybe a happy approach has come about. Let's leave the doctors completely out of it. As a matter of fact, my dear and lamented friend, Senator Murray, one of your beloved recent colleagues and I, back in 1949, and Mr. Reidy knows about it, Albert Lasker put up the money with which Senator Murray and I brought the heads of the hospital associations of America to Washington to see if we couldn't get a compromise with the medical profession, that we recommend just the kind of bill that the Anderson and King bills are and leave the doctors out of it for the obvious reason that they felt it was an encroachment upon their profession. The hospital authorities said the doctors would approach it with such animosity that they didn't feel they could acquiesce. We couldn't get any support for it and finally we had to go ahead with the whole program, but I welcome this division of function, let's put the hospital services and all those services covered by the King and Anderson bills under social security where the taxpayer pays nothing except the person covered and then let's leave the American Medical Association and all others interested in the subject a free rein to try to find some way that the doctor can be paid. He is entitled to be paid. As a matter of fact, I don't think a doctor is any more duty bound to give his services just because that is his profession than I am duty bound as a lawyer to give my services or an electrician is duty bound to give his services just because somebody might need some electrical service. I think since they are services rendered in the public's interest they ought to be paid for some way or other through those who have an interest in the public's welfare, but now let's leave it up to them to satisfy the public. Let Congress be the last to intervene. If time elapses and they fail or if this program of theirs doesn't prove to be sufficient and then they won't correct it, then it will be the appropriate time for gentlemen in your position to scrutinize the matter and see whether this provision of the King and the Anderson bill should be extended, but as the President has said and the authors of these bills have said this is not the camel getting his nose under the tent, this is not the opening of the door. The people of the Congress and the people of the country have got sense enough to know when they want to stop, when they have achieved a worthy and credible success in the objectives that they seek to attain. So to come up here and say we won't pay for this thing which is so compellingly required because somebody irresponsible might at a later time do something else is another illogical statement.

Now, Mr. Chairman, I am encroaching on your time.

I submit to this honorable committee a summary from the most excellent report of the income maintenance workshop committee filed from the workshop conference on aging held in Miami in November 1959, of which the Honorable J. Alan Cross of Coral Gables was chair-

man, showing the status and problems of the senior citizens of Dade County. That is a summary of a lengthy report prepared by Mr. Cross and his committee and I submit it for your consideration.

I also submit a statement from Mr. Elmer A. Ward, past president and chairman of the board of the Dade County Young Democratic Association, calling attention to unemployment problems of Negro citizens in Dade County, as also a statement from the Honorable Harry L. Tyson, manager of the Industrial Office of Miami, and a statement entitled, "The Older Worker in Miami's Labor Market" from the U.S. Employment Service in Miami, dealing with the problems of unemployment affecting senior citizens generally in Dade County.

I also submit a statement by the Honorable Haley Sofge, executive director of the housing authority of the city of Miami relative to housing problems and the efforts by that authority to meet such problems in Miami.

I also submit a statement by the Honorable Joseph R. Ems, director of the Dade County Welfare Department heartily endorsing the program of the Senior Citizens Division of the Welfare Planning Council respecting senior citizens.

I also offer a letter from the Dade County Department of Hospitals showing the medical services rendered by Dade County in nursing homes, homes for the aged, Miami Sanitorium, boarding houses, and in their own homes in addition to the services which I have mentioned in my earlier statement.

I submit herewith also a copy of a statement I made before the subcommittee of the Committee on Resolutions of the Democratic National Convention of 1960, meeting in Miami on June 27, 1960.

Just let me ask you to turn to the last document that I have in my compilation and I will read only the headings of the several suggestions that I made and I commend to you for your consideration affecting the larger problem of the welfare of the senior citizens of our county, our State, and our country.

In the first place, the effective extension to our senior citizens of the provisions of the Full Employment Act of 1946. That bill says that it is the duty of the U.S. Government to provide the climate, the economic conditions under which everybody ready, willing, and able to work shall have an opportunity to work and that opportunity is not today being fairly accorded to the senior citizens of our country and I say let's find some way to implement the declaration of policy of the Congress that made no discrimination in the generality of that language against the senior citizen.

Two. There must be no limitation on the amount that a senior citizen may earn as a condition of his or her receiving old-age and survivors insurance benefits.

Mr. Chairman and Senators, I was in the Senate about the time that that bill was enacted and we know the problem of unemployment we then had to face and I always felt a part of the requirement that you couldn't earn very much before you could receive your old-age and insurance benefits was the fact that they wanted to spread work. Well, Khrushchev said he is going to catch up with us by 1970 and with the challenge that our country faces from communistic aggression today we need every American who is ready, willing, and able to work doing everything he can to build a stronger America, and I think it is utterly unjust and unfair and contrary to

the public's interest to say that a man who has paid for many years into a social security program that he can't get the benefits that he is entitled to out of it without curtailing his income derived from useful employment. I hope to see the day when that limitation will be utterly removed in the old-age and survivors insurance program.

Three. A comprehensive program to help senior citizens generally find health, usefulness, and happiness in their advanced years. That is rather well embodied in another farsighted program of the President's to try to rehabilitate the senior citizens of our country who are not—while they are well able to earn enough to keep them off the relief roll—adult education, rehabilitation, teaching of new skills and the like is a way that you can not only make those people happier but more helpful to their country.

One other: Every American citizen who lives must be able to receive a minimum of $100 a month at least from all sources, public and private.

Mr. Arthur Flemming, former Secretary of Health, Education, and Welfare, testified that on the basis of the low-cost plan devised by the Department of Agriculture an income of less than $2,560 for an elderly couple is uncomfortably low. I think Mr. Flemming was uncomfortably conservative in his estimate as far as that is concerned, but at least we should supplement from public sources whatever other income the senior citizen has so that the total amount shall be a minimum of $100 a month and then you can get him into a category where he can begin to pay for decent housing and other things which are difficult to provide for when he is in a lower income category.

In Florida 75 percent of the women and 50 percent of the men 65 years of age and over have incomes of less than $1,000 a year. They are far below, therefore, that minimum of $100 a month that I think anybody has got to have to live like an American in America.

Then the medical care program with which I have already dealt.

Next, adequate care, adequate health care, must be available to all senior citizens. That is something of a covering of the same subject that I covered before, and I believe the last one—that, of course, includes something that I had the privilege of working with Senator Taft on one time. We got it through the Senate and you remember it finally died in the House. It was to provide Federal aid to medical schools to provide more doctors. I don't know what you have done about it lately. It might be included in some of the later programs, but we have got to have more doctors. I heard Senator Taft say at your committee, as a member of the board of trustees of Yale University, what a terrific burden it was for Yale University to carry its medical school, and I think that these medical schools are entitled to some public assistance.

And the last one: There must, of course, be continued support of research programs to meet the problems of the senior citizens.

Mr. Chairman, I have encroached upon your kindness and I apologize for that. I think this is one of the most vital subjects with which public authority today deals as it is one of the most vital subjects with which the private citizen 65 and above has to contend. I think great progress is being made and I commend this committee upon the effort that it is making to find a satisfactory solution of this problem that appeals to the welfare of the country as it tugs at the heartstrings of

every man who is sympathetic to the problems of his fellow man. Thank you very much.

Senator SMATHERS. Thank you very much, Senator Pepper, for the very eloquent and persuasive presentation which you made.

(The documents referred to previously follow:)

EXCERPTS FROM REPORT OF THE INCOME MAINTENANCE WORKSHOP COMMITTEE, NOVEMBER 1959

There are 80,000 persons 65 and over living in Dade County (1960 census, 93,000).

Of these 60,000 (75 percent) receive payments under the old-age and seniors insurance program.

Minimum payment for a single retired person, $33 per month.

Maximum payment for a single retired person, $116 per month.

Average (October 1959), $67: 6,400 (8 percent) received old-age assistance from State department of public welfare; 3,400 to 4,400 wholly dependent upon public assistance. Average OAA grant $50.58 (September 1959): 15,000 unknown as far as status is concerned (either extra high income or ineligible for, ignorant or unaware, or undesirous of public aid).

Budget Guide of the State Department of Welfare recognizes necessity of basic income up to $102.55 monthly for single person living alone, $146.95 for an aged couple, $177.55 for aged person with chronic disability.

Of the 6,400 who receive OAA, many are thought to need $4 additional per month to raise income to minimal subsistence level—and average fits into this category.

All but 5 to 13 percent of Dade's aged have some financial problems when serious illness occurs.

The 87 to 94 percent of the aged who are not indigent except for medical purposes constitute the group of greatest concern.

If people can be assured of adequate income to more than meet their basic maintenance needs while in retirement they might be able to afford the costs of some form of health insurance coverage in their later years. The only other alternative seemed to be the provision of some method by which paid-up health-hospital insurance protection could be achieved prior to retirement.

Cost for (them) coverage by Blue Cross-Blue Shield for those who could get such coverage, $35.05 per couple or $16.40 for a single individual per quarter.

Sixteen thousand unable to pay any medical care costs (report estimate)—and about 3,000 receive outpatient care at the county hospital each month.

Dade County Medical Association has a standing offer that if any person is unable to see a physician because of lack of funds, arrangements would be made for this person to receive medical care merely upon request. This privilege is rarely exercised. Discussion of the reasons for a small demand for such service suggested the following (1) service not generally known to be available; (2) reluctance of many aged persons to ask for "charity," and (3) reluctance of many persons to face up to the need for medical care.

At time of report, State budgeted $560,000 and county budgeted $890,000 (total, $1,450,000) for (1) subsistence pending processing of applications for State aid; (2) supplement to State aid when it is insufficient to provide a minimum standard of living; (3) supplement to State-aid patients in nursing homes. Category 4 covered those ineligible for State aid and included $890,000 budgeted entirely by the county.

DADE COUNTY YOUNG DEMOCRATIC ASSOCIATION,
Miami, Fla., February 11, 1962.

MR. MARTIN ADLEMAN,
1915 South Hibiscus Drive,
North Miami, Fla.

DEAR MR. ADLEMAN: When Senator Claude Pepper speaks to the U.S. Senate subcommittee representatives Thursday, February 15, at War Memorial Auditorium in Fort Lauderdale, Fla., on subjects pertaining to health, welfare, and education, please give him this letter for his consideration on our behalf in Dade County, Fla.

There are grave inequities in services in nursing homes for Negro citizens as compared to those provided for white citizens. I shall mention some reasons and circumstances.

The facilities are now segregated. Such facilities are businesses with fixed per-day payments from welfare funds. The Negro patients are almost all indigents whereas many of the white patients can pay more than the base minimum.

There is at present a shortage of beds for Negro patients, which means they are crowded. The facilities housing Negro patients are substandard and in many instances are firetraps. The nursing personnel is often inadequate and poorly trained. Medical supplies, proper therapy, and trained medical care are inadequate.

In the immediate future there seems to be no definite plans to correct these inequities. In this area of human need an emergency seems to exist. We are requesting an investigation and action from some source.

There is a grave situation of unemployment in the ranks of the unskilled Negro male worker. This unemployment may run as high as 20 percent. There is also a high degree of unemployment in the ranks of the Negro female worker. There was already a high degree of unemployment in south Florida 2 years ago, but the coming of our Latin neighbors in large numbers has contributed to our unemployment crisis in the Negro labor ranks. This problem seems to need Federal as well as local attention.

Respectfully yours,

ELMER A. WARD,
Past President and Chairman of the Board.

FEBRUARY 12, 1962.

CHANGES IN THE OLDER WORKER PICTURE IN THE PAST YEAR

The attached comments were prepared over a year ago.

No striking change has occurred in the situation facing the older worker in Miami's labor market during the past year. Among clerical jobs there appear to be more job openings specifically requesting the older worker, or as the employer puts it, someone retired or semiretired.

These jobs range from employers who may be trying to reduce their payroll by the use of applicants who wish to earn only a minimum amount without reducing or losing their retirement income. These employers desire an experienced and competent employee for a limited period, either part time or temporary.

In other jobs the situation is as follows:

TELEPHONE OPERATORS

In the hotel industry employers set no age limit and right now, while we have a shortage of operators, probably anyone able to handle a multiple-position board could get a job. They must, however, have this specific type of experience.

The difficulty here is that the positions open are at night or times when buses are not operating and thus require the ownership of cars. Few women over 62 can meet this requirement. The pay here for those who can make it is $8 or $9 a night, sometimes with a meal included.

DESK CLERKS

Here the male is in demand and the pay for this job ranges upward from $25 a week where additional duties are limited to handling the PBX. As these jobs occur only in the smaller hotels, the telephone switchboards are of only one position. The average pay for this kind of work is $40 and the highest is about $55, which will include doing transcript. Apparently there are no age restrictions at all here and placements have been made in the seventies where the applicant can handle the job. Applicants of this age suffer, however, when these hotels have no elevator and the desk clerk must climb flights of stairs, carrying heavy luggage. At this age, too, many applicants have a hearing loss which makes it difficult for them to hear on the telephone. Such a disability makes it impossible for them to do this kind of work. Customarily, desk clerks in small hotels must work 12 hours a night, 7 nights a week. Since the hours are long, a layoff is inevitable even among those who would like to work regularly.

BOOKKEEPERS

Greater latitude is allowed in the occupation of bookkeeper than in most clerical jobs, but this tolerance doesn't last to age 62 and above. The only jobs here that are open to this latter age group are jobs on a part-time basis. These pay $1.25 an hour and up to $2 an hour, the latter for ability verging on that of an accountant. These jobs are usually for males who are able to get around quickly, have good eyesight, and are accurate. Most of these jobs require some ability with the typewriter.

STENOS AND TYPISTS

There is more reluctance to hiring older workers among stenographers and secretaries than any other clerical occupation. Applicants over 60 are seldom hired even on part-time jobs. Typists are in the same category as far as hiring over 62.

OTHER OFFICE OCCUPATIONS

Other clerical occupations offer little for the worker over 62. Some placements are made occasionally on odd jobs and on odd hours. The pay scale for this kind of work is often low.

The Florida State Employment Service offices in Miami report the following statistics on job applicants over 65:

Total placements for Dade County during 1961	189
Total registrations, November 1961	479
Total placed during November 1961	14
Percent of placements to active applications, November 1961	2.9

THE OLDER WORKER IN MIAMI'S LABOR MARKET

The U.S. Employment Service has found that difficulty in getting jobs solely because of age starts at 45, though in many cases it may be earlier. For statistical purposes, this age has been selected to define the "older worker."

In a sort of topsy-turvy reversal, the industrial worker has an easier time getting a job than the professional, executive, or clerical applicant. This is especially true when it comes to changing occupations.

There is a tradition for certain jobs to be filled by older workers, jobs such as watchman and janitor, and the industrial worker fits into these positions easily.

As long as he is physically able, the man with a craft or skill finds little difficulty in getting employment and this is especially true if he belongs to a union. There he is given the physically easier and more highly skilled jobs as he ages, such as inside painting and carpentering.

The unskilled laborer faces another situation. He has held jobs because of his physical strength all his life, and now that he faces a physical decline his sole ability to hold jobs has been or is being lost.

Unskilled work that is within his capability pays from $1 to $1.25 an hour and these jobs often are infrequent and of short duration.

The skilled worker who, because of physical disability, must change his occupation faces the same situation and casual work is his alternative from watchman, porter, cleanup janitor or guard work.

The latter jobs pay 80 cents to $1 an hour, but may have more permanency, are less demanding physically, though often have long hours.

Elevator operators are still employed despite the increasing use of pretty girls in hotels and self-operated elevators and pay in a similar price range. A man with good appearance may be employed on the passenger elevator, without it on the freight elevator only.

Older workers above the age of 65, or in case of women, 62, usually want part-time employment in order to earn less than maximum amount permitted by the social security law without affecting his benefits.

Unfortunately, part-time jobs are hard to come by and seldom are listed by the employment service, with exceptions in the clerical group. The applicant who will have nothing but part-time work then should be prepared to look for it himself.

The lack of part-time work is to be regretted, for many of the aging population have acquired few inner resources to take the place of employment. Even more compelling many of the social security recipients get very small checks

and face a very rough time of it if their income cannot be implemented. Ill health or physical disability, too, may prevent full-time employment, even if available.

Temporary work is more plentiful than part-time work and ranges from clean-up jobs to security jobs. The latter may be both temporary and part time. Tall men are preferred on some of these jobs which consist of being guards for special occasions where jewels, expensive gifts, coats, furs, wraps, or other valuables may tempt thieves. The occasion may be garden parties, concerts, hotel banquets. Since these men must at least be able to appear healthy and able, such jobs are not possible for the obviously physically handicapped or the chronically ill. Uniforms and training, though, are provided by the employer.

The story is even less optimistic in the clerical field. It might be thought that in an occupational field where physical exertion is at a minimum the older worker would face no difficulty, but the reverse is true. Employing establishments differ, naturally, but many firms have an age limit of 30 or 35 for certain female employees and these include receptionists, stenographers, secretaries, and anyone else who is expected to meet the public. It appears that the employer wants applicants who can carry out the decor of the office and his judgment is influenced by advertisements which emphasize youth.

Other occupations feel the withering blunt of age at different levels. Bookkeepers apparently escape much of the blight until they are past 55 and with additional difficulty may reasonably hope to get work until 60. This only applies to men if they are head bookkeepers, cashier bookkeepers, or room clerks, of which more later. Women have almost displaced men in offices except in certain technical jobs and as supervisors.

Employers don't want to hire women as file clerks after 35 and give as their reason that this job is arduous due to the large amount of stooping involved.

Cashiers, that is cash register operators of a certain age, are objected to because Miami is a resort area and employees think that visitors don't want their holiday ruined by reminders of age or aging. This also applies to ticket takers and ticket sellers in places of amusement. Once inside the theater, however, a little age may lurk behind the candy counter due to the low wages paid here.

Women who want to return to the labor market after having raised a family, or other prolonged absence, face difficulty due to personality adjustments, and appearance as well as age. Frequently they need fashion counseling and brushup courses in typing and/or dictation.

Miami is primarily a small businessman's town and great difficulty in getting a clerical position may be expected if the applicant can't type in addition to being above the preferred age.

Men who have to change occupations find the clerical field well nigh barren of opportunities and this especially applies to men from out of town who want to become established in Miami. The holdout for males in the clerical field is the stockroom where stock clerks, receiving clerks, and shipping clerks are usually male.

But the older man is regarded by employers as a bad risk here because with advancing age he won't be long able to perform the harder tasks that sets off this island from females.

The employment service occasionally receives an opening for a retired man to act as mail clerk or messenger, but some of the employers are not very realistic. They ask for a retired applicant and then place a top age bracket of 50 or 55. Few employers want men above 65 for this job and there would be few takers at the usual pay of about $40 a week. The pay adds little to the retired man's income, or in case of a married man drawing top benefits from social security, it may actually be less.

The employer looks with a somewhat jaundiced eye at the retired executive, even though the executive is below 60, has a pension in no way affected by employment, and needs the added income. The employer feels the applicant is over qualified and thus hiring him is contrary to his usual practice.

The out-of-work executive about 45 (sometimes 40) faces the bleakest outlook of any. Here it is not only his age but also the practice of promoting from within or hiring on advice or recommendation of a friend.

After 50 the displaced executive is looked on by the employer as someone facing early obsolescence and therefore not worth the training and experience necessary to become fully acquainted with the establishment's policies. "He will never live to carry out the plans he must make afterward," says the employer.

The one occupation that actually welcomes the older man of good appearance and bearing is that of room clerk. But the applicant soon discovers that the field is his because of the lack of competition from other age groups.

First, he must take a training course of about 8 weeks—on his own, though the tuition in Miami is nominal—and then try out in one of the lesser hotels. Hours here are likely to be 12 a day and perhaps it's a 7-day week. The pay range starts at $40 or $50. If he is an exceptional applicant he may do better, and in any event he may aspire to one of the better hotels and an 8-hour day (but a 6-day week) and a salary of $75 a week.

The hotel industry as a whole is more tolerant of age, as is true of the whole service line, than other industries, but has little or no demand for part-time workers. The only steady demand for such applicants is in the clerical field and exists for typists and stenographers. Pay here is on an hourly basis and runs from $1 an hour to $1.50, though the latter is exceptional.

Some firms hire applicants to work in other establishments. Such work is temporary to relieve an emergency. Apparently the age restrictions in such companies are not as rigid as others in the community.

Women also are preferred for much of the sales work done in department stores, specialty shops, and variety stores. They are a must in women's garments, jewelry and cosmetics. They are often employed in men's furnishings, but not in suits or shoes. Men are also usually employed in sporting goods, hardware and paint departments, and stores.

The age range is higher here than in other jobs, especially in the clerical field, but difficulties are encountered after age 55. The picture is a little cloudy here for many able salespeople are laid off in the summer and rehired in the winter, thus making them semipermanent. They are in the application files and active in the labor market, but usually look forward to being rehired by their former employer.

Pay ranges on sales jobs range from 75 cents to $1 an hour for salesclerks in variety stores up to $64 to $125 a week for men selling men's suits. Men are also employed selling women's shoes and this job often pays well for a nimble person, but this rules out age.

Women salespersons make from 90 cents an hour plus commission to $1.50 an hour. Specialty salespeople and salesperson, women's garments, may earn more.

The outside selling field is almost entirely male and there is no objection to age if the applicant is willing to work on a commission basis. Many men seem to retire from such a heavy competitive occupation between 40 and 60, though, and it is questionable if this is actually a solution for more than a few men.

Self-employment is possible for those older workers who have some skill or special knowledge, but most, even those formerly self-employed or proprietors of businesses, show no enthusiasm for this kind of work.

One factor has not yet been mentioned. It is motivation. From all accounts applicants who have a great deal of motivation either from necessity or preference are much easier to place than the average. If they are not placed by the employment service, they find some sort of jobs for themselves. It is characteristic in these cases that the job the older worker obtains has a minimal relationship to anything else he has ever done before being trained for.

The employment service seems unable to aid these people, partly because of the very techniques that aid in the routine placement, and partly because the people who find their own jobs are either referred by friends or else apply directly. In the latter event, the hire is due to some special interest the applicant arouses by personal contact.

The outlook for the older worker is not good and as he ages from 45 to 65 it continues to become worse, but we may take grim comfort from the fact that

highly motivated individuals get jobs sooner or later even though these jobs are not at their highest skill and pay much less than they have been accustomed to earning.

THE HOUSING AUTHORITY OF THE CITY OF MIAMI, FLA.,
Miami, Fla., February 12, 1962.

Mr. MARTIN ADLEMAN,
1915 South Hibiscus Drive,
North Miami, Fla.

DEAR MR. ADLEMAN: The Miami Housing Authority is a public agency providing housing to our elderly residents under the low-rent program of the Public Housing Administration.

The Miami Housing Authority constructed the first low-cost housing for the elderly in the southeastern region of the United States in January 1961, and is known as Donn Gardens. There are sixty-four 1-story apartments, 25 efficiencies, and thirty-nine 1-bedroom apartments located at Northwest 28th Street and 18th Avenue.

The authority recently purchased 288 apartments which were constructed in 1949. These are two-story, one-bedroom apartments which will be made suitable for the elderly by the addition of grab bars in the bathrooms, handrails on the stairs, and ramps for those families who need them. There are five buildings located in the southwest section of Miami between 2d and 8th Avenues and 4th and 10th Streets.

Now under construction, and with an occupancy date around May 1, 1962, are the Abe Aronovitz Villas, containing fifty-five 2-story apartments—39 efficiencies and sixteen 1-bedroom. These apartments are located opposite Donn Gardens on Northwest 28th Street.

Also under construction are 66 apartments for the Negro elderly, known as Jollivette Plaza, with an occupancy date set for April 1, 1962. There will be thirty efficiencies and thirty-six 1-bedroom apartments.

The Authority is planing a 13-story, high-rise structure to be located on Northwest 7th Street slightly east of 14th Court, to be used in housing 320 elderly families. There has been a delay in the authority's efforts to construct this development pending city of Miami action on a waiver to permit the authority to construct efficiency units consisting of 409 square feet instead of the 550 square feet presently required by the zoning ordinance. The city commission is to consider a change in this law in its Wednesday meeting, February 21, and we hope to proceed with this development if favorable action from the city commission is forthcoming.

The authority has some 800 applications on file from elderly residents and it is believed that this application pool would be higher if we had apartments to offer.

The special 1960 U.S. Census Report for the Miami Housing Authority revealed the number of elderly families living in substandard housing. This report shows 2,723 such families to be occupying substandard living accommodations and our program is designed to assist these families in obtaining adequate living accommodations at rentals they can afford. In addition to these families, we find, in our tenant selection office, that many other elderly families are living in trailers, two-story walkups, rooming houses, etc., and these elderly families have a great need for suitable living accommodations.

I hope the above provides you with the information you requested on the program of the Miami Housing Authority and the needs of the elderly residents in this community.

Very truly yours,

HALEY SOFGE,
Executive Director.

Age and income characteristics of elderly applicants

Total elderly applications on file	800
Single persons in application file	600
Their average monthly income	$84.35
Average age of single persons	71
Couples in application pool	200
Their average monthly income	$137.48
Average age	72
Source of income:	
Old Age Assistance and Dade County grants—percent	24
Social security private retirement plans, etc.	64
Aid from relatives	3
Employment, savings, etc	9
	100

These applicants report present housing conditions substantially as follows:
In path of expressway;
No sink;
No bath or community bath;
Third floor room;
Bad plumbing;
Infestation, rats, roaches, and termites;
Sharing with relatives;
No bedroom;
Hotel room;
Old trailer;
No ventilation; and
Rent prohibitive.

The above tabulation prepared several months ago. Applications in current pool are in excess of above totals.

METROPOLITAN DADE COUNTY, FLA.,
WELFARE DEPARTMENT,
Miami, Fla., February 9, 1962.

Mr. MARTIN M. ADLEMAN,
1915 South Hibiscus Drive,
North Miami, Fla.

DEAR MR. ADLEMAN: We reiterate, and heartily endorse for implementation, these needed services for the aged as cited by the Senior Citizens Division of the Welfare Planning Council:

1. Home care programs, which may provide medical supervision for patients in their own homes, along with nursing, casework, and physical therapy services as indicated.
2. Foster home programs, wherein aged people are placed by social agencies with private families willing to assume responsibility for their care.
3. Homemaker service, which enables many aged, infirm persons to remain in their own homes.
4. Casework programs, which aim to mobilize all the resources of an aged individual within himself, within his family, and within the community, so that the most suitable plan for his care in his late years may be worked out.
5. Friendly visiting programs, which help lessen the feeling of abandonment and loneliness experienced by many elderly people. These feelings contribute to physical and emotional problems.

Sincerely,

JOSEPH R. EMS, *Director.*

STATEMENT OF CLAUDE PEPPER OF DADE COUNTY, FLA., BEFORE SUBCOMMITTEE OF THE COMMITTEE ON RESOLUTIONS OF THE DEMOCRATIC NATIONAL CONVENTION, 1960, MEETING IN MIAMI, FLA., ON JUNE 27, 1960

The Democratic Party, the party of the people, is determined to offer to the American people, and, if elected, to enact legislation assuring them of a program which will justify and adequately meet the needs of that large and growing segment of our citizenship whom we call our senior citizens. Such a program must include the following as a minimum:

(1) The effective extension to our senior citizens of the provision of the Full Employment Act of 1946, which assures to them, as well as to other citizens who are willing and able to work, a climate and economic conditions which will give them an opportunity to have decent jobs. There shall be no compulsory retirement; no discrimination against those who are able and willing to work on account of age. We must have the full productive power of this Nation to meet the economic and military challenges facing us from the Communist world today.

(2) There must be no limitation on the amount a senior citizen may earn as a condition of his or her receiving old age and survivors insurance benefits. The covered person pays his social security protection and therefore earns the right to receive it. The limitations in the social security law against a recipient earning outside income were written in a time of depression when there was a shortage of jobs and were designed to induce the retirement of the senior citizens. Now we have the Full Employment Act; now we are committed to an economy of abundance. Not onlly do the senior citizens need to work for their mental and physical health but we, as a Nation, sorely need their experience, their dedication to duty, their dependability and skill.

(3) A comprehensive program to help senior citizens generally to find health, usefulness and happiness in their advanced years. Those who do retire need help to find readjustment; they need assistance in finding new avenues of usefulness and above all to gain a feeling that they are needed and wanted.

(4) Every American senior citizen to live even near a level of decency must be able to receive a minimum of $100 a month from all sources, public and private. Arthur Flemming, Secretary of Health, Education, and Welfare, has testified that on the basis of the low-cost food plan devised by the Department of Agriculture an income of less than $2,560 for an elderly couple is probably uncomfortably low. Mr. Flemming was uncomfortably conservative.

In Florida 75 percent of the women and 50 percent of the men have incomes of less than $1,000 per year. Mr. Flemming says that in the Nation 50 percent of those over 65 years of age have less than $1,000 a year income.

The social security minimum is now $33 a month. In Florida almost 13 percent of the recipients receive this minimum. The average received in Florida is less than $75 a month.

In Florida, under our old age assistance program provided by the State and Federal Government the maximum a recipient can receive is $66 a month and the average received is just over $50 a month.

To provide these old age assistance benefits the Federal Government is contributing annually about $32 million and the State about $16 million.

We should raise the old age and survivors insurance minimum to $100 a month for those covered by that program. We should increase the Federal and State contribution so that every recipient of old age assistance should receive a sufficient amount to bridge any gap there may be between any private source of income he or she has and a decent minimum of $100 per month. In Florida I estimate that would cost the Federal Government only about an additional $32 million a year and the State of Florida only about an additional $16 million a year. Even this would not solve either the housing or the health needs of the senior citizens but it will help in the case of the single citizen to meet housing requirements and it will enable a senior couple barely to get by in satisfying minimum housing cost which may be found under $70 a month.

(5) Adequate health care must be made available to all of our senior citizens. Those who can pay for such care should, of course, do so. Those who cannot should be helped to do so. America cannot any longer carry upon its conscience the loss of lives, the loss of health and the loss of happiness which the marvels of modern medicine and medical care, now being denied to millions of our senior citizens, could provide.

The present voluntary health insurance programs, while commendable, are excessive in cost and insufficient in coverage to meet the needs of much of our senior citizens. It is well known that adequate medical care for the senior citizens is more than for other segments of the population. If it is right that social security provide some sustenance for the senior citizen in case of disability or retirement surely there should be some guaranty to make senior citizens able to obtain the health care he or she must have to be healthy or to live. We believe that a person covered by social security should not be and does not want to be an object of charity in his or her days of seniority. We believe such covered people are not only willing but want to contribute to a fund out of which the marvels of modern medicine care may be paid for in their behalf in the period of their disability or retirement.

So, it is a sound principle to include in the social security program provision for the establishment of a fund to pay for adequate health care for the disabled or retired person covered. This is not socialized medicine, and they who say it is either misrepresent the known facts or are ignorant of truth or would distort the truth with discreditable propaganda. Such a program would leave the patient, as he is under voluntary insurance, free to select his doctor, his hospital, his druggist, his nurse, or his nursing home. We Democrats would never stand for the denial of that freedom of choice to the senior citizens. We would never stand for any provision which would impair or interfere with the professional integrity and independence of the doctor, the hospital, the druggist, the nurse, or the nursing home. This program only deals with how to pay the doctor, the hospital, the druggist, the nurse, or the nursing home, for what the patient receives. That is private enterprise in the best American tradition. Such provision in the social security program would provide for many millions of our senior citizens in a reasonably adequate way. Of course, errors would have to be corrected in any program devised, and great knowledge would be gained from experience in how it might be perfected. But this is the best way to offer the most in care to the most people which has been proposed.

For the recipients of old-age assistance there will have to be Federal and State participation in payment into a fund, or for the purchase of private insurance, if suitable insurance can be found, to pay for adequate health care for that great segment of our senior citizens. But in this program, too, there must be unalterably the same freedom of choice of doctor, hospital, druggist, nurse, and nursing home that we would insist upon in respect to the funds accumulated under the social security program.

For those not covered by either social security or old-age assistance, but who are unable out of their own means to provide required health care, there must be Government assistance in providing low-cost insurance either through private insurance companies or public insurance companies operated on a nonprofit basis.

There, of course, will have to be such assistance as is needed to make available the personnel and the material and the facilities which will be required if all of our senior citizens are enabled to pay for the health care they should have.

I'll never forget working with the late Senator Taft in securing the passage in the Senate of national legislation to provide Federal aid to medical education in the colleges and universities of the country.

(6) There must, of course, be continued support of research programs to meet the problems of the senior citizens of the land.

The American people have seen they can never receive such a program as this from the Republican Party, which has always been the party of the privileged rather than the party of the people. The Democratic Party has a heart; it is concerned when the people suffer, and it always has, and it always will, extend a hand to help them up and to lead them forward.

The Democratic Party, to lead the world toward peace, must also resolve, with the American Bar Association and with the peace-loving people of this land and the world, to bring about the repeal of the ill-advised Connally amendment to our resolution of adherence to the World Court so that America will provide, as Woodrow Wilson, Franklin D. Roosevelt, and Harry Truman have so valiantly striven to do, world peace through the United Nations and through the World Court. We Americans cannot afford to set the example of lack of trust and faith in the judicial decisions of the World Court by insisting upon a veto power upon any decision we don't like. Such a principle is the denial of the very principle of the administration of justice by an impartial tribunal. Any court makes mistakes, but a system for the administration of justice with mistakes, some of grievous character, is immeasurably better than lawlessness and, in world terms, of destructive war. As the Democratic Party has led the Nation and the world in striving for peace through the United Nations, let us also lead in laboring with all our heart in hastening the time when nations, like men, shall live under God and the law.

REPORT FROM DADE COUNTY DEPARTMENT OF HOSPITALS, FEBRUARY 13, 1962

Continuing medical care for welfare patients in Dade County is provided in nursing homes, homes for the aged, Miami Sanitorium, boarding homes and in their own home, depending on the recommendation of the attending physician.

As of January 1, 1962, the patients whose care was paid in part or entirely by the county were distributed as follows:

Patients in 25 nursing homes	1,049
Patients in 9 homes for the aged	109
Patients in 7 boarding homes	69
Patients in Miami Sanitorium	153
Patients in Kendall	110
Total	1,490

Of this number, 289 patients had some income from social security disability or retirement benefits, 464 patients were receiving OAA, 121 received aid to disabled through State welfare, and 98 patients received both Federal and State funds.

The cost to Dade County was $77,972.86 for the physical care of these patients for the month of December 1961. In addition, the county provided medical care, drugs, transportation to clinics, and social work service for these patients.

All of these homes are privately owned and operated and the nursing homes and homes for the aged are licensed and inspected by the health department, while the boarding homes operate under a license issued by the State hotel and restaurant commission.

The county also owns and operates a nursing home and home for the aged at Kendall with an average census of 110 patients. There are approximately another 500–600 patients in the various homes who have sufficient income to pay for their physical care but who receive their medical care, transportation, drugs, and social work service at the expense of the Dade County taxpayers.

In 1960 the Dade County Health Department made a study of 398 welfare clients residing in these institutions. This study revealed the following statistics regarding their length of stay in the home:

	Percent		*Percent*
6 months to 1 year	16	6 to 10 years	18
1 year	22	11 to 15 years	4
2 years	17	16 to 20 years	1
3 years	9		
4 years	7	Total	100
5 years	6		

Of the 398 patients included in this study, the ages fell into the following divisions:

	Percent		*Percent*
20 to 29 years	5	60 to 69 years	58
30 to 39 years	2	70 to 79 years	106
40 to 49 years	24	80 to 89 years	118
50 to 59 years	57	90 to 99 years	28

In addition to the reasons why patients first enter a home, there are additional causes for patients remaining in homes. Nursing home placement is far from a temporary expedient. Many were long-term-stay patients and over a third had been in a nursing home 4 years or more. The question arises as to whether such long-term stays are necessary, or whether some part of a rehabilitative process might not have restored a certain number of these patients to the community. In addition, there is a need for resources to make life more meaningful and enjoyable in the home in cases where a nursing home is the only possible means of care. "Rehabilitation" was defined as any part of the process, either physical or social, utilized to restore the patient to a better functioning or a more satisfactory living situation. For purposes of this study, rehabilitation was not indicated if patient's mental condition was not always clear and no close family existed. Both the doctor and the social worker agreed that rehabilitation was indicated in 35 percent of the cases. It was not indicated in nearly half (48 percent) of the cases, and was indeterminable in 17 percent. No rehabilitation was attempted in 86 percent of the cases.

Some factors contributing to the lack of rehabilitation are the limited physicians' services received in the home and the limited leisure and recreation provided, in addition to an almost complete absence of physiotherapy services. However, the two greatest contributing factors in most cases are probably a lack of

a rehabilitative approach by personnel, coupled with a deficiency in services in the community.

Although 57 percent of the patients are not bedridden, and are in bed only to rest or sleep, both the leisure activities offered and the utilization of the few activities possible are quite limited.

In 1960 the Dade County commissioners became alarmed at the rapidly increasing welfare patient load (25-percent increase in 1 year) in the nursing homes and findings of the health department study which revealed that almost one-third of the patients in nursing homes did not require nursing care. The welfare department was authorized to employ a medical director and two medical social workers to set up a home care program. The medical director accepted the position with the idea that the departments of health and hospitals, the University of Miami School of Medicine, the Dade County Medical Association, voluntary health and welfare agencies would all cooperate in an effort to develop a continuity of medical care and rehabilitation of the chronically ill and aging population who are the responsibility of Dade County.

It soon became evident that many of the patients in the nursing homes had become institutionalized because of a lack of proper interpretation and planning with the patient, family, and nursing home staff at the onset of the illness. It was then almost impossible to work out discharge plans since the family had a tendency to think they could not provide the proper care for the patient at home and the patient had come to depend on and feel the need for the services provided in a nursing home. The crux of the problem seemed to be an almost complete lack of the rehabilitative approach in planning for the patient's future care.

The development of an adequate medical program with emphasis on rehabilitation would take time, public education, and more funds to provide ancilliary services for these patients. It was decided to seek financial help from the national level to finance a demonstration project. An application is now pending with the U.S. Public Health Service for funds to finance a cooperative project to demonstrate that continuity of medical care and the rehabilitative needs of patients with chronic disease can more adequately be met by existing community resources through advance planning and coordinated efforts. If the project is approved, funds will be available to provide a rehabilitation-oriented team of physician, physical therapist, occupational therapist, nurse, and medical social worker who will determine the medical, nursing, and rehabilitative and socioeconomic needs of each patient. Specific treatment plans will be formulated with followup evaluations as indicated.

One important purpose of this demonstration project is to foster strengthening of the less-than-adequate community resources. We believe this will be accomplished by providing adequately trained medical social workers with limited caseloads to demonstrate the value and necessity of these services. We hope to encourage more intensive services and establish the therapeutic and economic advantage of these. Rehabilitation for self-care in the home, for example, will result in obvious patient satisfaction and in material savings to the taxpayer in the cost of institutional care.

The above is forwarded as a matter of general information.

Senator SMATHERS. We would like to now ask Dr. Ed Annis, the legislative chairman of the Florida Medical Association, as spokesman for the Medical Association, to be our next witness.

STATEMENT OF DR. EDWARD R. ANNIS, CHAIRMAN, LEGISLATIVE COMMITTEE, FLORIDA MEDICAL ASSOCIATION

Dr. ANNIS. Mr. Chairman, Senator Randolph, Senator Long, members of the committee, and ladies and gentleman of the audience, I am Dr. Edward Annis, a practicing physician in Dade County, a member of the Florida State Medical Association, for whom I speak today.

For the past 23 years I have practiced in Florida, starting back as a member of the Public Health Committee of the Jaycees of Florida. I have been active in and contributed to the formulation of legislation to improve the health of the citizens of Florida, including our senior

citizens. So I speak not as one who has recently entered the field and when I speak for Florida, I speak for Dade County, recently referred to by Mr. Pepper, and I do so from personal experience. I served as chairman under former Gov. Leroy Collins of the Citizens' Medical Committee on Health where it reviewed the entire State's needs, what had been done in Florida, and to lay the foundation for what could be further performed in Florida to provide medical care to all of our citizens.

I have also served in Dade County during the last 2 years of the former administration before Dade County changed to Metro, I was a member of the Dade County Budget Commission, having been appointed by the Governor, and in this capacity surveyed and reviewed all moneys spent by the counties, and as a physician as particular consultant in the field of medical care. Since the establishment of Metro up until approximately 2 months ago, when the pressure of other duties had me resign, I served on the hospital advisory committee to the county commissioners of Dade County, so that in a few moments I will refer to the inaccuracies of former Senator Pepper's record in Dade County, and I shall refer not from something brought out of thin air, but from the official records from Dade County and the State of Florida.

One final word by way of introduction and background to the material I will comment briefly on, because of working with the American Medical Association I have within the past 8 months visited 29 different States. I find that physicians in other States, just as we have done in Florida, are doing their best to work with responsible citizens to bring adequate and good public medical care to anyone in their State who is in need.

I would like to specifically refer to Florida because this is the State where I have been very close to the development of our program. I know what is in existence today and some of its shortcomings which would be corrected, but to point out to you that citizens in Florida like citizens the Nation over are not all sick when they are over 65 and they are not all old.

Recently, the former director of the budget, referring to figures, and and 2 days ago the head of the CPA's of the country said, a very responsible and reliable man, pointed out that although 9 percent of the population of America over 65 have retired, or they constitute the people over 65, approximately 9 percent of the population, these people still receive 8 percent of the Nation's income. Again, all of the people who are over 65 are not sick nor are they poor.

Here in Florida I could be more specific. We have in Florida today, or may I say in 1950, we have approximately 250,000 citizens over 65 and at that time we had a little over 70,000 citizens who were receiving old-age assistance. Today with the population increasing over 100 percent in the last 11 years we had 550,000 and yet our old-age assistance, those who are poor and need help under our welfare program, the figure is less than it was 11 years ago—it is 69,700. These 70,000 are those who are taken care of under the first provision of the Kerr-Mills law passed by the past session of the Congress. Many have been misinformed and they have stated in Florida that there has been no implementation of Kerr-Mills. May I point out this is not true. As you gentlemen from Washington know, Kerr-Mills has two different provisions; one for old-age assistance, those on relief, and the second to

take care of the needy sick people whose income is such that they get along all right for their everyday needs, they may own their home, but if they are faced with the demands of a major illness, it puts such a strain on their budget that they need help.

We have a program in Florida now operating in its seventh year, one which was set up in 1955, after several years of research by the Florida Medical Association and in cooperation with legislators, and may I point out that this program, our medical aid for the needy sick in Florida long preceded any of this political entrance into the field of care for these people.

In Florida at the present time we have totally and completely implemented the old-age assistance portion of Kerr-Mills as is noted on page 4 of my statement that I filed with you. This is presently providing complete total medical and surgical care, including hospitalization, nursing home care and drugs for all of our 70,000 citizens who are on old-age assistance. In the fiscal year ending June 30, 1961, we gave services and provided hospital care to 14,235 of our people on this old-age assistance, for a total cost of $2,900,000. May I point out this figure indicates that in spite of the fact that for these 70,000 people in Florida for whom we provide food, clothing, shelter, and total medical care, in spite of the fact that there are 70,000, in fiscal 1961 only 14,000 required hospitalization or approximately one-fifth, which bears out what I stated earlier that all of our people over 65 are not sick and they are not all poor. Now, these 70,000 can get anything they need in Florida in the field of medicine, outpatient care, drugs, and all the rest. This is presently operable.

May I point out also that the physicians of Florida contribute their services under this program at no cost whatsoever.

Secondly, under our second portion, our hospitalization for the indigent program, when it was set up in 1955 it was designed to take care of anyone in Florida in need of acute hospitalization for medical or surgical care—not just the young, but the old as well. In the first 5 years of our program, as reported to former Governor Collins, for every 1 person over 65 who needed help, there were 3 younger people who needed help, and again we found from 5 years of surveys, reporting 370 of the 379 nursing homes in Florida and every hospital in Florida, that all of our older people are not sick, that all of them are not poor, but our estimates are that at some time during the year there are 70 to 80,000 who would fall into this category of needy sick. Their average income is good, they get along fine, but they are faced with hospital requirements or medical needs more than they can stand. These people we take care of and during the calendar year of 1961 here in Florida our hospitalization for the indigent program provided for 17,261 of our needy sick, approximately 6,000 of whom were over 65. This cost $4,100,000. Now, during this same time, however, the 67 counties of Florida spent an additional $20 million for all health services, approximately 50 percent of these or $10 million for those over 65 in addition to those on old-age assistance.

What I am pointing out is this: In these two categories those on old-age assistance for whom we provide every type of care, and those in our hospitalization for the needy sick program where we have provided acute care in the past, comprise approximately 150,000 of Florida's 550,000 citizens over 65. Now, in this other 400,000 are some of the wealthiest citizens in our State. Some have testified

here today who are in excess of that age that they are well able to provide for themselves. As we go around Florida we run into many senior citizens who say it is right and just that we should take care of people who are in need, but they would be opposed and are opposed to a program in Florida or in the Nation that because 150,000 of our people need help sometime, they are against increasing a tax program to provide for all 550,000. The 400,000 who today take care of themselves are willing and have been able and demonstrate their willingness and ability to do so.

Now we come to the remarks of the immediate speaker who preceded me, Mr. Pepper. He spoke in terms of Dade County. His figures were totally inaccurate. They were not taken from the record and I speak from the official record as a former member who had the responsibility of this record to our county commission and previously to this to the Governor of Florida, and this is from the official report of January 1, 1961, through December 31, 1961. In this record Mr. Pepper indicated that there are in excess of 100,000 citizens over 65 in Dade County and he stated further that these people get a very limited type of care with no diagnostic or outpatient care. This is totally inaccurate. These citizens who are on the old-age assistance portion get toal care in every department in Dade County today, and though Mr. Pepper referred to over 100,000, those who last year from January 1961, through December 1961—so you will admit this is up to date—of this number only 1,753 required hospitalization for a total cost to Federal, State, and local of $589,000. This is Dade County's part of the old-age assistance portion of the Kerr-Mills bill.

At the same time, however, we took care of almost twice as many under the second portion of the Kerr-Mills principle, namely, to take care of the needy sick. While we took care of just 1,700 who are on relief, welfare patients, we took care of, in Dade County, 2,700 for a total cost of $505,000. May I point out—I should have said $905,000. Now, again, Mr. Pepper misinformed this committee when he stated that these citizens have no choice of their physicians because under the hospitalization for the indigent program in Florida, where the physicians of Florida again contribute their services for nothing, these patients can go to private hospitals, they can go to their own doctor, and when they come to me they go into private hospitals in Dade Couny as well as they can go to other physicians, and of this $905,000 expended in the immediate last year in Dade County, $600,000, approximately, was spent in our large county hospital with 1,200 beds, but one-third, $300,000 was spent in our private hospitals. These patients go to their own private doctor's office, and when the patient or his family says, "Doctor, I have my little home, I have a little income, we get along fine, we are not on welfare and don't want to be, but we just can't pay this bill." All we have to do is pick up the telephone and send them to a private hospital as a private patient and we say, "We are admitting this patient because our responsibility as a physician is merely to say they must be cared for." They are admitted to the hospital and if investigation in subsequent days, and frequently they have been operated on and are ready to go home before we even hear about it, and if we find out that what they say is true, they may own their home and have some limited assets of $1,000 or $1,200 in cash, but it would be wiped out, if these people are then cared for, they are cared for in private hospitals, and I am

referring to a record of last year in Dade County, Florida, and these people are given this care and they are not forced to go through any type of demanding test to receive it, and as I indicated to those who with whom I deal and many of my associates, the portion paid by the citizens of Florida last year was in excess of $300,000 to our private hospitals. Over the State completely the amount that was spent last year on this program—I think I referred to it before—was in excess of $4,100,000.

Now, this is the program that we have. You may wonder why did not Florida implement the second portion of Kerr-Mills. This is the program we already had in operation. Why didn't we implement Kerr-Mills?

The Florida Medical Association, and I am chairman of their legislative committee, went to the legislature and we said—

> Gentlemen, we would like to implement this other and expand our hospitalization for the indigent program for the needy sick of all ages to provide for nursing home care, outpatient care, home care, drugs, cancer, and everything else.

Some of our county commissioners and some of our legislators said that if we implement this portion of Kerr-Mills, what we will do is at this time of the year when it is pleasant in Florida and sort of miserable some places in the North, and I just returned from Chicago and will agree with you that it is miserable there. The airline captain said—

> There is one thing about Chicago, no matter which direction you go, you are bound to get better weather.

and I found that was true. But our legislature said that if we implement total Kerr-Mills with a no residence requirement we will have a tremendous immigration of people from New York, Philadelphia, Chicago, Detroit, places like this in cold weather who will come down here to get their hernia fixed, their gallbladder taken out, and we will be responsible not only for their hospitalization and medical and surgical care, but also for their rehabilitation.

So the Florida legislature did go with us this far, they added to our previous program to take care of anyone old or young for acute illness, they added a provision to take care of acute mental illness and the diagnosis and treatment of cancer, because this is where very frequently our senior citizens do face a real strain on their pocketbook, so this was implemented at an additional cost of $4 million a year, but our legislature went even further, they said if the men in Washington can be induced to change your Kerr-Mills law just a little bit, that if you can write in there that a citizen who moves from one State to establish residency in a second State will be the responsibility of the first State, until their new residency has been long enough to qualify for citizenship or permanent residency, then we can use the additional monies which have been allocated in Florida to provide the total Kerr-Mills program.

We maintain that these two together, as I indicated, are approximately 150,000 of Florida's 550,000 people. The other 400,000 are among those well able to provide for themselves and are willing to do so.

There are many other things which are in my filed statement. I know it is getting near the end of the morning and you gentlemen would like to retire. I would ask you to refer to them especially when it comes to financing, but I would like to read to you and call attention,

because of some of the questions previously asked by Senator Long and I believe by Senator Randolph. It was my pleasure this last Tuesday to address the Health Insurance Association of America at their annual meeting in Chicago. I went to speak, but I went to be educated because I knew that in the health insurance industry we have made fantastic strides in the last 3 or 4 years, because when I first went to Tallahassee, and when I was first active in the Jaycees and health work 23 years ago, we didn't have sulfanilamide, we didn't have antibiotics, we didn't have heart and lung machines, we didn't have the costly medicines of today, so the need for insurance coverage has grown rapidly with the development of jet-age medicine as compared to the change from the horse-and-buggy medicine, so the insurance industry has had to feel its way along, they have had to implement and explore and always be sure that they can pay the bill, as indicated by Dr. Carson for Blue Shield.

I knew before I went to Chicago of the great strides in the insurance industry. I was surprised when Mr. Reese, the president of the health insurance industry, reported as of right now 136 million Americans, 75 percent, are providing for their own insurance. Secondly, that of those over 65 and not on relief, not on old-age assistance, 9 million or 60 percent of them are now carrying their own insurance, and the most rapid development in the insurance field in the past 3 years has been among our senior citizens over 65, and the most rapid development in the field of major medical coverage, covering up to $10,000, has been in the field of those over 65.

In the past when I have been asked: "But, Doctor, they buy insurance and then when they are ill they cancel it or if they reach 65 they cancel it."

May I say that at the end of 1957 that for every 10 women who were employed and reached the age of 65 and retired from their employment, only 3 could continue their insurance or convert it—that was at the end of 1957. At the end of 1959, 2 years later, that changed from three to seven. I don't have the accurate up-to-date figure on that, but they tell me it is more than what it was even then.

May I say, however, that this is what I did learn in Chicago, especially about our senior citizens, because the Health Insurance Association of America is doing their best to help these 400,000 citizens in Florida and others like them around the Nation to provide for their health care like they provide for their food, their clothes, their houses, their automobiles, televisions, and all the rest. We want to help those who need help, but those who can provide for themselves the health insurance industry is making great steps forward.

I learned this: Mass enrollment programs whereby guaranteed renewable coverages are offered to everyone age 65 and over regardless of present or past condition of health. Almost 1 million aged have become insured with slightly over 3 years through these programs alone, and one major company currently is holding a nationwide open enrollment—anybody over 65, renewable for life, irrespective of their health.

Secondly, many companies now offer guaranteed renewable polices for issue to persons over age 65. Benefits go as high as $10,000 and cover in and out of hospital expenses, including the cost of physicians, drugs, and private duty nurses.

Third. Persons already retired are eligible to enroll in group plans. One example is the group plan that has been issued to the American Association of Retired Persons. Federal Civil Service retirees, numbering some 400,000, also now have available to them a group plan.

Fourth. The Connecticut age 65 plan—I spoke to a number of men from Hartford Insurance and other companies in the State of Connecticut and they said the progress they have experienced has become fantastic as to what they can do. You gentlemen know that a number of companies pooled together, with State approval, in order to make a basic coverage available to all citizens over 65 and they would underwrite one another and they stated that it was under special legislation.

Two coverage levels are available—the high coverage providing a $10,000 maximum major medical enrollment is open to everybody regardless of past or present health status. The legislatures of several other States now are considering bills of a similar nature.

Highly important in consideration of coverage levels that will prevail among our future aged is the recent broad development of health care coverages that are issued during active working years, but are guaranteed renewable for life. Some of these policies will be fully paid up at age 65. Others require continuing premium payments. Our present aged did not have the opportunity, during their active working lifetime to obtain such policies. Our future aged will enjoy benefits of substantial magnitude from such policies now readily available. This rapid evolution has been brought about by the ingenuity of insurance companies in meeting public demand of a great number of our citizens, including a great number of those over 65.

Page 12 of my statement isn't here—I hope it is on yours—because they point out this: Less than 6 months ago I wrote to Mr. Orsini of the Health Insurance Company of America in order to respond to requests from senior citizens. They said, "Dr. Annis, I have heard you say I could get insurance. Where can I get it?" So I wrote to Mr. Orsini of the Health Insurance Association and I said I want to have the answer. I don't want to be in the position of picking one insurance company over another. He sent me a booklet. I received it 4 months ago. I received a letter 10 days ago, before I went to Chicago, where he said, "Doctor, please don't mail out any of those books." At that time there were over 100 companies in this country who were selling insurance to those over 65, such as I have referred to. He said, "We already have increased it over 25 percent and we will have a new booklet for you next week."

Here in Florida, and it is with 23 years of experience with the program, dealing on the health problems and with the commission that has dealt with the money in handling all of our health needs and the biggest county hospital in the largest county of the State of Florida, Dade County, my experience has been that some of our citizens need help and they should have it and I think they should have it when they need it, not after they pay $10 a day for the first 9 days. I think they should have total care, and just as last year in Dade County we gave this kind of care to 1,753 on old age assistance, one type of Kerr-Mills implementation, we gave it to 2,700 who were not on old age assistance, who were not on relief, and we did it at a cost of $905,000, but for the majority of our senior citizens in Dade County, many of them living in large homes there 6 months of the year and the rest of the time up north, some have some very beauti-

ful boats—I have had the opportunity to look at a few, but I haven't been in any—we have very many responsible citizens in our county and in our State who are well able to provide for themselves. The health insurance industry is doing a tremendous job. Nine million of those over 65 presently carry their own insurance, 175 million Americans doing the same.

I summarize merely by saying this: As a physician, as a citizen of Florida, I feel it is our just responsibility to help anybody of any age who is in need of medical care and can't afford it, old or young, but I feel that we can do this better if we use this money for those who need it and not attempt to provide for great numbers who are well able to care for themselves. In Florida for every citizen who falls in the old age assistance or the AMA type of Kerr-Mills implementation for the needy sick, we have three who are self-reliant, self-supportive, well able to provide for themselves. We think the just responsibility of Government is to see that everybody gets what they need. This we are dedicated to and proof of our dedication is that over the years under all these programs the physicians of the medical association, of which I am proud, have charged nobody one cent—neither the individual, their family or the citizens of the State of Florida.

Thank you, Mr. Chairman, and gentlemen.

(The prepared statement of Dr. Edward R. Annis follows:)

PREPARED STATEMENT OF DR. EDWARD R. ANNIS

I am Edward R. Annis, a physician member of the Dade County Medical Association and the Florida State Medical Association. I appear here today as an official representative for the Florida State Medical Association.

The Florida Medical Association and its component county societies have consistently supported the position that anyone in need of medical care should have it, whether or not they are able to afford it. Because of recent interest in the financing of medical care on the part of our senior citizens, we have seen fit to view both the national picture as it pertains to the health and financial resources of our senior citizens and also a local appraisal of similar conditions here in the State of Florida.

Though it is easy to speak in percentages, it is obvious that there are no specific facts or figures here in Florida or elsewhere in the Nation as to exactly how many citizens there are over 65 who need and want medical or hospital care and yet are unable to afford it. We have concentrated our efforts and have solicited the support of other agencies and, especially, elected governmental officials to call any such to our attention, so that as individuals and as medical societies we can make such needed medical care available.

However, in reviewing the national picture we know that there are approximately 17 million people over 65. A large proportion of these people are not sick nor are they poor and cannot be properly classified as medically indigent. National records reported by authoritative certified public accountants indicate that those over 65 years of age in this Nation account for approximately 9 percent of our total population and yet in spite of the retirement of the majority of these, they still receive 8 percent of all personal income in America. I have recently received the latest report from the Health Insurance Association of America, whose records show that approximately 9 million people over 65 today carry their own insurance. This approximates 60 percent of all people over 65 who are not covered by old-age assistance. The health insurance industry notes further that the most rapid increase in voluntary coverage has been in this older age group and major medical coverage for extensive financial need is being purchased at an ever-increasing rate by our senior citizens.

Reports coming in from around the Nation from nonmedical sources bear out the truth of our findings here in Florida from careful studies over a period of years, namely, that most of our senior citizens are healthy and require little medical attention. A great number of our citizens here in Florida have sufficient income to live in reasonable comfort, they have few problems and they enjoy the warmth of Florida's hospitality and sunshine.

We have careful statistical records here in Florida to bear out the truth of the above statements. There are approximately 550,000 citizens in the State of Florida who are over 65 years of age. This represents well over a 100-percent increase in the population of our senior citizens in the past 10 years and yet today we have less people on old-age assistance in Florida, than we had 10 years ago. In 1950 with approximately 250,000 citizens over 65 we had slightly in excess of 70,000 people on old-age assistance. Today with a senior citizens' population more than doubled to 550,000 past age 65, we have 69,700 on our old-age assistance rolls.

We have a program here in Florida now in its 7th year of operation known as the hospitalization for the indigent program. This program was initially set up to provide for the acute medical or surgical needs of any citizens in Florida who are able to maintain themselves for ordinary demands, but when faced with a serious illness, find their financial capacity strained beyond its ability. From over 6 years of experience we have found that only approximately 70,000 to 80,000 of our citizens who are over 65 would fall into this category of the needy sick and require assistance under this hospitalization for the needy sick program.

If we take the two figures of those who are on relief, our welfare patients, those receiving old-age assistance for whom we provide food, clothing, shelter, and total medical care, numbering approximately 70,000, and add these to the needy sick, who sometimes need medical care and assistance, we have a total of 150,000 citizens who justify assistance from their fellow citizens in meeting their medical needs.

This leaves approximately 400,000 citizens in Florida who are past the age of 65, who are self-sufficient; many of them pay for any medical needs out of their personal incomes, many are well to do, some are wealthy. A great number of these are among the thousands of our senior citizens who carry their own health insurance.

The doctors of Florida and the citizens of Florida who work together to establish this program were and are of the opinion that it is a legitimate use of taxpayers' money to help those in need, but because 150,000 of our citizens might need help at some time is no justification for a program to provide medical care for all 550,000 of our citizens who passed their 65th birthday.

It is important to note that on both of these programs, providing care for those of old-age assistance and under the provisions of our medical assistance to the aged program, the physicians of Florida make no charge either to the recipients or to the citizen taxpayers of Florida.

Repeatedly, the false statement has been made that the Kerr-Mills law has not been implemented in Florida. As you gentlemen well know, the Kerr-Mills law is divided into two parts, one dealing with those on relief—the old-age assistance—and the other dealing with medical assistance to the aged, the MAA program, which parallels the hospitalization for the indigent program which we have here in Florida.

Florida has totally implemented the old-age assistance portion of the Kerr-Mills bill, and is presently providing complete and total medical and surgical care including hospitalization, nursing home care, and drugs for all of our 70,000 citizens on old age assistance, if and when they require such medical care. In the fiscal year ending June 30, 1961, 124,837 days of hospital care were provided to 14,235 of our public assistance recipients at a cost of $2,920,158. As this figure indicates, in spite of the fact that total care is available to any or all who needed it among the 70,000 on public assistance, only approximately one-fifth required any such service during the year 1961. As indicated above, and I repeat for the record, the physicians of Florida provided for these 14,235 patients at no cost to the patients, to the families, nor to the taxpayers of Florida.

The second portion of the Kerr-Mills law deals with medical assistance to the aged. In presenting this then-proposed bill to the Senate, Senator Byrd of Virginia, Chairman of the Senate Finance Committee, stated in essence "This is a good bill; it will enable the States to take care of the needs of the citizens in that State, and it will assure them that the Federal Government will assist financially, in carrying out any program which they deem necessary to provide for their senior citizens."

During the last session of the Florida Legislature, there were a number of county commissioners of Florida and a number of the members of our legislature who were fearful that the no-residency requirement of the Federal bill could easily precipitate the immigration of numbers of citizens from the North, especially during winter months, who would come to Florida for their medical care. Our legislators and county commissioners argued that Florida citizens

would be taxed, not only for the medical care but also for the care required during their convalescent period. Our legislators, however, did not ignore the problem, and in addition to the already existing program to take care of anyone in need of acute medical or surgical care, they expanded the program to take care of acute mental illness and the diagnosis and treatment of cancer. In making these additions to our present program, the legislators stated that if the Federal law would be changed so that a citizen leaving one State and moving to a second State would be the responsibility of the original State until they had lived long enough to establish residency in their new home, any or all funds so provided could be used in obtaining additional Federal moneys on a matching basis as set up under the medical assistance for the aged portion of Kerr-Mills. Meanwhile, Florida has carried out its program, and is presently implementing the aim and objective of the Kerr-Mills law, namely to provide medical and/or surgical care when necessary to any of our senior citizens.

For the calendar year 1961, the Florida hospitalization for the indigent program provided 163,874 days of hospital care for 17,261 of our medically needy sick. These were those not on public assistance. Approximately one-fourth of these were over the age of 65, and the total cost of the program was $4,100,926.

During this same fiscal year, the 67 counties of Florida spent an additional $20 million providing health services of all types to the needy sick of Florida, and approximately 50 percent of these, or $10 million was expended to care for those over 65 years of age.

In a separate program administered by the State welfare board, drugs were provided our public assistance recipients at a cost of $4,530,759.

We are proud of the progress which we have made in Florida, since this program was established, by the efforts of the Florida Medical Association and the cooperation of our legislature in 1955, long before this issue of medical care for the elderly became a matter of political controversy. The doctors of Florida, as well as doctors elsewhere around the Nation, are constantly exerting every effort to see that no one in this Nation, who is in need of medical care, is denied that care because of inability to pay.

As physicians and as citizens, we are opposed to the financing of medical care for all of our elderly, rich and poor alike, by means of the social security tax mechanism. The present proposal before the Congress is not just an extension of social security. The original concept and purpose of social security was to give the elderly a "floor of protection", with cash dollars, to buy the things they want or need when their income falls below a certain level. An extension of social security for medical care would give our senior citizens more dollars with which to purchase their own insurance, pay their own hospital or drug or doctor bill. But the present administration's proposal is something drastically different, a program of services, not cash benefits. It would set up a new program to provide limited hospital and nursing home care for all of our elderly whether they need it or not, whether they can afford it or not. To us this would establish a system of governmentally dominated and controlled medicine for at least the senior citizen segment of our population. It could wreak havoc in the great insurance industry which is doing an ever better job in assisting people to provide for themselves and for their own medical care.

Many of our senior citizens here in Florida have expressed themselves violently opposed to taxing their children and their grandchildren to provide for them medical care which they are well able to provide for themselves. Many had previously been misinformed and were of the belief that only the needy sick would be cared for under the administration's program, but when the true intent and extent of the King-Anderson bill has been presented, innumerable of our self-reliant, self-sufficient, and financially able citizens have opposed this principle.

As the father of eight children, and reflecting the views of other citizens concerned with the future of their children, I am opposed to any program which will tax the working man or woman and their employers, which will multiply tax collections manifold to provide additional funds to give to those who do not need them.

A worker earning $4,800 today pays $150 a year in direct social security taxes with his employer paying an equal amount. But with the proposed new $5,200 taxable earnings base, the present social security program, with King-Anderson benefits added, would result in a worker earning $5,200 paying $286.66 by 1968. This is an 89-percent increase in the employee's taxes in the space of 6 years, and this equal amount must be matched by his employer.

Under our present social security law, employee and employer taxes combined are now scheduled to reach $444 in 1968 for every employee earning $4,800 or more. With the proposed $5,200 taxable earnings base, the addition of King-Anderson benefits, such taxes would reach at least $567 by 1968—an amount well in excess of 10 percent of the new earnings base.

I reiterate, we feel the responsibility of Government for medical care of our senior citizens should be limited to those who are in need of help. As voluntary prepayment systems have achieved public acceptance, an increasing number of our population over 65 have been availing themselves of their own health insurance at a much faster rate than that of younger people. This growth can be attributed to the improved financial position of the aged, a greater public appreciation of the value of health insurance, and rapidly developing insurance programs.

Intense efforts by all elements among the more than 1,300 voluntary health insuring organizations in this country have been exerted to provide a wide choice of economically sound coverages to our senior citizens. As proof of this, the number of aged persons with health insurance increased from 3 million in 1952 to 9 million 8 years later. This is 60 percent of our population over 65 who are not on old-age assistance.

Although this indicates remarkable progress, we recognize that there are two segments of the population who cannot be covered under the voluntary prepayment system. These are the indigent and what has been called the medically indigent as we referred to above. May I hasten to add that the King-Anderson bill also cannot meet the needs of these two groups, but that their needs are being met through assistance programs already in operation under the principle of Kerr-Mills.

Kerr-Mills implementation which requires individual State action has proceeded rapidly. At the Little White House Conference in mid-1961 a representative of the Department of Health, Education, and Welfare admitted that the implementation of this legislation has been more rapidly performed than any similar legislation in the health and welfare fields. It was further admitted by this same representative of the Department of Health, Education, and Welfare that one reason for the rapid implementation was because of the assistance and the very active participation on the part of the physicians in the several States. We feel that with full implementation and with sound evolution, it affords the soundest mechanism yet proposed to adequately meet the needs of those who are not indigent, but who face some degree of medical indigence.

Many of the advocates of the King-Anderson bill have not indicated any willingness to give Kerr-Mills an opportunity to prove its effectiveness. Some errors have undoubtedly been made in implementation in some States, but with proper changes based on experience, they can be far more easily corrected in the individual States than a similar error in a massive Federal program. I can assure you that physicians and others anxious to see these programs work, all providers of health care services, who have been such strong supporters of the Kerr-Mills principle, will be vigilant in seeking needed corrections to make the program effective.

The needs of the indigent and medically indigent are being met through existing programs here in Florida and increasingly elsewhere around the Nation. All others of our senior citizens can provide for their own health care needs through the voluntary system. As indicated above substantially more than one-half of these aged have already done so and the remainder have a wide variety of plans and programs from which to pick.

I have just returned from the annual meeting of the Health Insurance Association of America and while there I found the following indications of the active willingness on the part of these associations to help solve the problems for the medical needs of our people: Within the last 5 years insurance companies have developed several new methods to enable persons 65 and over to acquire protection at the lowest possible cost. Examples are:

(1) Mass enrollment programs whereby guaranteed renewable coverages are offered to everyone age 65 and over regardless of present or past condition of health. Almost 1 million aged have become insured with slightly over 3 years through these programs alone, and one major company currently is holding a nationwide open enrollment period.

(2) Many companies now offer guaranteed renewable policies for issue to persons over age 65. Benefits go as high as $10,000 and cover in and out of hospital expenses, including the cost of physicians, drugs, and private duty nurses.

(3) Persons already retired are eligible to enroll in group plans. One example is the group plan that has been issued to the American Association of Retired Persons. Federal civil service retirees, numbering some 400,000, also now have available to them a group plan.

(4) The Connecticut Age 65 plan issued by a group of insurance companies under special legislation actively supported by the companies. Two coverage levels are available—the high coverage providing a $10,000 maximum major medical enrollment is open to all regardless of past or present health status. The legislatures of several other States now are considering bills of a similar nature.

Highly important in consideration of coverage levels that will prevail among our future aged is the recent broad development of health care coverages that are issued during active working years, but are guaranteed renewable for life. Some of these policies are fully paid up at age 65—others require continuing premium payments. Our present aged did not have the opportunity, during their active working lifetime, to obtain such policies. Our future aged will enjoy benefits of substantial magnitude from such policies now readily available. This rapid evolution has been brought about by the ingenuity of insurance companies in meeting public demand.

Just how swiftly companies have moved in this field can be illustrated by a booklet published by the Health Insurance Institute on guaranteed lifetime health insurance for the aged and those approaching retirement. The booklet first was published last July and it showed that insurance companies provided more than 100 different guaranteed-for-life health insurance policies and plans. In the space of 6 months the booklet had been made outdated. A new edition of the booklet has just been published and the number of plans, as well as the number of companies writing them, have increased 25 percent.

Speaking for Florida there is no provable unmet need among any segment of our population which justified a Federal Government program through a plan providing benefits to all or to any whole segment of our population irrespective of need. Our goal is and has been to provide adequate programs to meet the real needs of the less fortunate members of our society. It is our belief that our present programs—Federal, State, and local—public and private—together with voluntary health insurance, constitute a sound, economical, and equitable approach to meeting all existing needs in this area.

Senator SMATHERS. Thank you very much, Dr. Annis. I am sure that these people who disagree with you have read enough in their history books to understand that the only government that there is in the world where everybody agrees with everybody else is the Communist Government; that the only place in the world where you insist that everybody think just like you do is in the Soviet Union or the satellites of the Soviet Union, and I would think that certainly any grown person would not be very proud of himself who would boo somebody merely because they disagree, because the communistic system is the only system under which they do that.

Mr. Voltaire said many years ago, "I may not agree with what you say, but I would fight unto my death your right to say it." That is the basic principle of democracy.

So, Dr. Annis, whether we agree with you or not, we think you have made a splendid witness, you have presented your case eloquently. Do you have any questions, Senator Randolph?

Senator RANDOLPH. The Attorney General of the United States, Robert Kennedy, has experienced somewhat the situation that you have experienced, so it comes on both sides; is that not true?

Dr. ANNIS. That is correct. When people are misinformed it is easier to be so violently one way or the other.

Senator RANDOLPH. But we should not perhaps feel that a surface indication really robs us of the objectivity which I think we all share; isn't that so?

Dr. ANNIS. I agree with you, Senator. I also feel that when these citizens, if they will, will reanalyze what I have said, the figures I have

taken are from the records, what I have said is true. I am not running for a political office. I think that many of them will agree with me.

Senator RANDOLPH. I can say to you that it is not the easiest job to run for public office and remain in office.

Dr. ANNIS. No. I would be very happy to do so, but I haven't figured out yet how you men can take care of eight children, and I have them to raise and educate.

Senator RANDOLPH. A lesser number of children could be an answer.

Dr. ANNIS. It is a remarkable sacrifice for anyone to run for office today and I have great respect for the Senate and for the House, because I know the tremendous pressures to which you men are subjected. I appear here as a citizen and as a physician. My records are records that will bear up under investigation. We can all differ on opinions, but, Senator Randolph, the records that I have quoted, the figures I have quoted, I can substantiate.

Senator RANDOLPH. Mr. Chairman, I want to be serious. I have said something that must not be misunderstood. You have mentioned opinion. It is important that there be less opinion and more conviction; would you agree?

Dr. ANNIS. That is correct.

Senator RANDOLPH. I am not afraid of bigness per se. In fact, I am not frightened by even big government which frightens some people and understandably in our perplexed period. We are big these days in all categories whether it be medicine or labor or education or industry, whatever it may be, there is a bigness. I am frightened, Doctor, when the individual is lost in the shuffle of bigness. The testimony you give, is testimony which you believe to be built on facts and figures and conviction. I receive it and I attempt to dissect it and I want as best I can to understand it. I said earlier this was not the forum for debate. It is a hearing. You are the witness.

In my personal experience as a Member of the Congress I was one of those who had the responsibility of drafting, in degree, and advocating with vigor, and voting affirmatively for the Social Security Act of 1935. There was a very marked difference. There was, of course, a violent disagreement at that time on that issue. One of our political parties sought a year after the enactment of the law the repeal of that measure. It has been on the statute books and has been a great aid to our economy through these years.

What is your opinion, Dr. Annis, of the validity of those who were against the passage of the bill or those who, we will say today, who have learned to live with the social security system; what is your personal comment?

Dr. ANNIS. May I say, Senator, that those, as you have expressed, have reason for their convictions and opinions. I feel that the social security system itself will still stand up under the scrutiny of time, and we will see what it will do as time goes on. As you and I both know, the taxes as are presently set up are going to increase again next year and in 1966 and 1968 so that they will be half again what they are today. The only thing I would say in comment, though, is that repeatedly as a result of the misstatement back in 1950 by another former Congressman, Mr. B. Miller, of Wisconsin, the American Medical Association has been accused of having been opposed to social security, which is not true.

I will say this: I think that an extension of social security is not what is proposed by the King-Anderson bill. Social security gives people dollars with which to buy the things they want or need, food, clothing, shelter, and an extension of social security would give them more dollars to buy their own hospitalization insurance, their own drugs, or pay their own hospital or doctor. This would be an extension of social security, but that isn't what is involved at all. What is involved is a new system whereby the Government is going to enter into contracts with certain hospitals to provide a limited amount of medical care for everyone over 65 eligible for or receiving social security. Immediately 15 million people will start benefiting who have never paid 1 nickel for their medical care, and yet 15 million would be immediately available, and I think that is why many senior citizens should begin to be concerned. I was fearful, as was Senator Byrd of Virginia, that if we use the social security financing mechanism to provide other systems we will be merely adding an additional burden that may in itself bankrupt the social security system. Many people are dependent upon social security, and I feel that the future and the future of their dependents depends upon making it financially sound, and as we put more and more programs which are going to cost more and more, and it isn't difficult for these people to realize this, that if we were to pass the King-Anderson bill tomorrow, everyone, rich or poor, over 65 eligible for it could perhaps have limited medical care provided.

Now, certainly they would not be paying an insurance policy, this would be an additional tax on those who are paying the taxes, and as Senator Byrd has pointed out this can go up and up and up. So if we are following through on the principle of social security and, Senator, I am just as convinced of its principle as you are, if we follow through with the principle of giving senior citizens in their later years more dollars with which to buy things, more dollars with which to buy the things they need and want and should have, I am with you, but one of the shortcomings frequently pointed out by senior citizens in our newspapers is that one man can be receiving $50,000 a year in investments, in investment income, and get a social security check, but if another man goes to work and makes over $1,500 they won't give it to him at all. It is inequities of that kind which violate the original principle and I agree with you in principle as I did in 1935—I was a student in college and I debated for the social security system at that time. I think its principle was sound then; I think its principle is sound now, but I think we can bankrupt it if we violate its principle by merely using this convenient way to raise dollars to provide an entirely different system. This is not an extension of social security that would give them more dollars to buy their own health care or their own insurance, this is a new system. They are merely using the social security mechanism to raise the money.

Senator RANDOLPH. Doctor, your articulate advocacy of 1935 as a student could be transferred to 1962 as you serve the profession of medicine. I think a hearing like this is helpful in determination. You are not an expert, are you? None of us really are in this area of change and challenge. We are learning, aren't we?

Dr. ANNIS. That is correct.

Senator RANDOLPH. The expert is the person who is seldom right but is never in doubt. You have some doubts—I have some doubts—at times.

I compliment Senator Smathers, of this State, for the fair manner in which he has conducted this hearing. I believe that what has been done has been carried forward in objectivity, fairness, and in justice and under the American system of calm discussion.

Senator SMATHERS. Ladies and gentlemen, we still have three regularly scheduled witnesses which we have not been able to hear thus far this morning. We are going to hear them first off this afternoon, Mr. Loren A. Hicks, representing North Broward County Senior Citizens Club; Mr. William T. Krowarz, who is the president of the Ocean Breeze Park Chapter; and then the president of the Broward County Medical Association, and then we will go into at least an hour of what we call a "town meeting of the air" where we will ask you citizens who might wish to have an opportunity in a very brief moment to express your own individual views. We will give you an opportunity to say that which you would like to say. Now, those of you who would like to be a part of the town meeting program and express briefly that which you have to say, we would ask you to gather over here on my right side of the auditorium or your left side of the auditorium and talk to Mr. Joseph Weil and the other members of the staff. We will now recess until 2:30.

(Whereupon, at 1 p.m., the hearing was recessed, to reconvene at 2:30 p.m. of the same day.)

AFTERNOON SESSION

Senator SMATHER. Now, ladies and gentlemen, this afternoon before we get into the town meeting of the air type of thing we are going to finish with the witnesses who were scheduled this morning but because of length of the testimony and some other witnesses, they were not able then to appear. Our first witness this afternoon is Mr. Loren Hicks.

STATEMENT OF LOREN A. HICKS, REPRESENTING NORTH BROWARD COUNTY SENIOR CITIZENS CLUB

Mr. HICKS. Senator Smathers, members of the staff, ladies and gentlemen, my name is Loren A. Hicks. I am the founder of five Broward County Senior Citizens Clubs. These clubs, founded less than 10 months ago, now number over 3,500 members. Senior clubs are springing up all over the country, not for the purpose of playing a friendly game of checkers, but for the purpose of organizing support for the King-Anderson bill. Our patience has been exhausted by the feeble attempts to alleviate the problems of the aged, particularly prohibitive hospital costs for retired people on a small, fixed income.

During my visits to the various clubs, the greatest concern has been the unbearably high costs of hospital care, doctors' services and drugs, with small mention of retirement income or housing. Although there are housing problems, the real need is convalescent housing, with proper care and moderate costs, which do not now exist. Retirement income should be examined periodically with cost-of-living adjustments made. Low social security benefits should be upgraded, especially those of widows. There is also need for periodic physical examinations at a reasonable figure scaled to our income. There is a need for facilities for meeting places for senior citizens, where they can discuss

their problems without the regimentation by recreation departments which is so common. Unless you conform to their ideas, you are excluded. Senior citizens should be able to meet new friends and enjoy wholesome recreation. It is a well-known fact that senior citizen clubs of this kind contribute to the good physical and mental health of aging people. Large cities as a rule are most negligent in providing facilities for housing senior citizen groups. Fort Lauderdale is a good example of this.

The problem of health care for the aged has been discussed for many years. Lacking any acceptable solution by the American Medical Association or a reasonable insurance coverage to fit the means of retired people, senior citizens have no other recourse but the enactment of the King-Anderson bill. Compared to other proposals, this is an extremely conservative measure. To talk of "watering it down" is to "water down" something that has been diluted to the *n*th degree. The maximum deduction of $10 per day for the first 10 days eliminates the overutilization of hospital care for minor ailments. The elimination of doctor fees should quiet the cry of the AMA regarding the regulation of the medical profession. This measure is not all inclusive but would be a great barrier to the pauperization of elderly people.

The principal opponent of health care for the aged under social security is the AMA. Their deliberate false and distorted pronouncements have been taken to task in a recent issue of the Saturday Evening Post, a very conservative publication. For example, to quote the Post:

> There is a rising clamor against the impersonality of medical care, coupled with a mounting indignation over the increased cost of medical services. It has a public relations problem, and you can prove it by looking at two sets of figures: the vast increase in the number of suits against doctors for medical malpractice, and the sharp decrease in the number of applicants for medical education. Lamentably the AMA has done precious little in our lifetimes to make us patients feel that medicine is on our side.
>
> The AMA, for example, opposed hospitalization insurance. Similarly, the AMA opposed all kinds of group practice. The doctors as a group have, in essence, been against everything that America is for. The irony of this is that, so far as we know, there is no support anywhere in America for anything resembling socialized medicine. Once again, the AMA has sounded the too familiar alarm. If medical care for the elderly is through extension of the social security system, says the AMA, we are headed down the broad highway toward socialized medicine. To us this seems the rankest sort of nonsense. Anyhow, the AMA's forecasts of disaster have seldom been right in the past; why should we have confidence in their warning now?

It is my considered opinion that the AMA is not as much concerned over socialism as their possible loss of the control of medical care and hospital facilities for purely business purposes and reasons. Listen to the testimony of an expert in the field, Dr. Basil MacLean, former president of National Blue Cross Association, and former president of the American Hospital Association:

> I want to add my voice in support of the bill now before you which would provide health benefits to aged persons under the social security mechanism.

Our opponents began by insisting that no problem existed. Driven from that position by the sheer force of fact, they produced at the 11th hour the Kerr-Mills Act of 1960. This was to be the final and complete answer to the Nation's needs. Kerr-Mills is a complete failure in the first State to implement it, West Virginia. It was wrecked by

the very people who claimed it to be the final solution to the problem to the medical doctor. I now quote from Newsweek, another conservative publication:

> For the first 14 months of AMA in West Virginia, the medical care costs came to $3,674,363. The total does not include $1.5 million in unpaid bills (State share, $445,200) or administration costs of $350,000 (State share, $210,000). Hospitals with financial troubles and vacant beds somehow found it "necessary" to keep patients for 30 days (the limit) at $35 a day. Doctors were found to be going into the drug dispensing business (one collected $1,300 a month for drugs alone). Because of the $10 fee for specialized treatment, many, if not most, doctors became "specialists."

Last December 1 West Virginia was forced to impose stiffer eligibility requirements, cutting the load in half. Doctor and hospital fees were cut with the result that the number of participating hospitals dropped from 108 to 23, and from the State's 1,800 doctors only 132 now participate. Where is the free choice of doctors? They state that Kerr-Mills is moving ahead with surprising swiftness—yes, surprising swiftness in bankrupting State treasuries.

The Broward County Medical Association recently went on record endorsing the AMA–Blue Cross proposal without knowing what it is all about. The comprehensive policy covering doctor and hospital bills is estimated to be $360 per year for an aged couple. How many can afford this insurance? There are many Blue Cross affiliates, each having different premiums and benefits, so nothing yet has been resolved.

With hospital costs now rising 7 percent each year, the figures which will be quoted must be raised each year. This is another 11th hour "final solution" to the previous final solution that is also doomed to failure before it begins.

For these and many other reasons, into which it would take entirely too much time to go, we, the senior citizens of the groups which I represent, wish to go on record as being wholeheartedly in support of the King-Anderson bill.

Senator SMATHERS. Thank you very much, Mr. Hicks. Any questions? No questions.

Our next witness is Mr. Speck, who is pinch-hitting for Mr. William T. Krowarz, the president of the Ocean Breeze Park Chapter of the American Association of Retired Persons.

(The prepared statement of William T. Krowarz as read by Mr. Speck follows:)

PREPARED STATEMENT OF WILLIAM T. KROWARZ, PRESIDENT, OCEAN BREEZE PARK CHAPTER, JENSEN BEACH, FLA., AMERICAN ASSOCIATION OF RETIRED PERSONS

I live in a community of almost 100 percent retired persons and believe I can speak with authority on the viewpoint of a large majority of those who are doing their best to meet the problems that confront them. In order to best convey to you the facts, it will be necessary to carry this story back to the time this present generation of persons of 65 years of age and over were born.

This period covers the time from just before the Civil War until just before the turn of the century. A large majority of us were born in a home that had no furnace for heat, no bathroom, no running water because the water would freeze during the cold weather. We had a wood or coal stove and kerosene lamps for light. It was during this period that iceboxes became a luxury for some who were near an iceplant or pond where ice was cut in the wintertime.

With that kind of a beginning, with wages being a dollar a day from sunup to dark or a minimum of 10 hours and 6 days a week, that it was with determination and austerity, improvements in the standard of living were achieved.

Only the fortunate ones were able to get a full elementary school education and the very well to do were able to get to high school and the quite rich to college.

During the winter, the only vegetables we had were what could be stored in the cellar and be kept from freezing. We were limited to potatoes, cabbage, carrots, turnips, etc. Panics came and went regularly with the hard times connected with them, along with hunger on account of no work and no wages.

Out of this background came the constant improvements until our generation and the generation following overcame problem after problem; leaving a legacy of high standards of living and an economy that was not ever dreamed of in our times. This sounds like a success story, and it is for all except those of us who carried the ball through the dreariest part of the struggle.

According to the Congressional Record, 74 percent of our generation of 65 and over have an average income of less than $1,000 from all sources and only 15 percent have incomes of more than $2,000 per year. This situation has been brought about through no fault of our own.

The specter of inflation has been the ever-increasing tragedy of our lives. What has been the cause? In the past 15 years wages have increased 150 percent. Could this be the major factor of this vicious spiral? Has any attempt been made to halt it? There have been no signs that a champion has stepped forward to halt it.

According to the standards of our generation, which received a day's pay for a day's work, the present day generation is getting 3 day's pay for a half day's work, plus coffee breaks, vacations with pay and countless fringe benefits. We are happy to see these come about but what is the result in its effect to our struggle to live a dignified mode of living at the end of our days?

Can you picture the thoughts of the present retiree when he or she passes a schoolhouse with the parking lot full of cars, most of which belong to the students and while at the same time imagine the excuses from one of these youngsters in refusing the offer of a short job we occasionally would like to have done. Or can you imagine the thoughts of a retiree looking over the proposed Federal budget of $92.5 billion and finds great difficulty figuring where he or she is included in this vast sum of money.

There is the $60 billion total of moneys that we have helped to build up for pensions in large various funds for others. There is the possibility that one of us will be confronted with a $500 illness which will take about all of the savings of the average retiree. This amount would hardly be sufficient for the purchase of some hearing aids.

We know exactly how it feels to be the "forgotten man" or how it feels to be a stepchild in the face of all these circumstances. We commence to wonder if all of our statesmen are "politicians." It is for this reason that we have been spending some time in organizing the same as other groups who seem to have done pretty well for themselves and have left us behind to help pay for their unearned gratuities.

Fortunately, there is hope for us. Our total group in the elder age brackets have close to 20 million individuals, at least enough to comprise 20 percent of the voters. There is no other group which exceeds us in numbers.

We are mostly in agreement with our President who wants us to decide what we can do for our Government, but on the other hand, we do strenuously object to other factions and interests running off with favoritism they have not earned and are reacting to our distinct disadvantage.

It is in the hands of your distinguished committee, in a large degree, to determine if we oldsters will end our last days in the same frugal manner in which our days started long ago, or whether we shall be granted the fruits of our labor which has been largely accountable for the many blessings that have been bequeathed to our descendants.

Senator SMATHERS. Thank you very much, Mr. Speck. Obviously we would not be holding these hearings if we did not believe that some good could come out of it, that we can learn something which will help us to devise a better way to help those who now need and who are without help. We appreciate what Mr. Speck had to say.

We now come to the portion of the program and I must say that this subcommittee is going to have to leave here in order to meet plane schedules and things within just about an hour and 10 minutes, so we

are going to have to limit the statements of the people, Joe, rather stringently, and we will now go down to the floor to Joe Weil. Are you ready to go with your first witness?

Mr. WEIL. Yes, we are, Senator. The first witness, who had been scheduled and then gave up his time to other speakers, as I understand, is Dr. Dotson Wells of the Broward Medical Association.

STATEMENT OF DR. W. DOTSON WELLS, PRESIDENT OF THE BROWARD COUNTY MEDICAL ASSOCIATION

Dr. WEIL. Senator Smathers, as president of the Broward County Medical Association, I want to publicly express in behalf of the physicians of Broward County, our sincere appreciation for the opportunity to submit this prepared statement for the record of your subcommittee. There are 330 members of our association practicing in the communities in Broward County, from Hallandale to Deerfield Beach, with all of the medical specialties represented.

Our purpose in this presentation, is to report to your subcommittee certain activities of the Broward County Medical Association as concerns our sincere desire to maintain the highest level of medical care possible for the people of our community. To accomplish this, our association seeks continual advancement of medical science and medical practices by requiring our members to have adequate educational and professional training, and by encourging them to keep abreast of new methods of treatment and therapy. As physicians, and in keeping with our moral and ethical obligations, we serve the people of our community by gratuitously lending our professional talents in aiding local public health officials, as well as education and welfare administrators. In providing the medical staffs for our general hospitals, we provide necessary physician services to the medically indigent of all ages without charge. The same is true for the Broward County Tumor Clinic which our association has sponsored for the past 10 years. We have repeatedly made public pronouncements, that it is our firm belief and desire, that no person in any of the Broward County communities should suffer from lack of medical care because of their inability to pay for it.

As recently as December 31, 1961, I again made the previous statement over a local radio station and I am pleased to report that to date, not one single call has been received at the office of the Broward County Medical Association. To further emphasize our conviction as physicians, we would again like to issue public notice to all here that if you know of anyone in need of medical care and unable to obtain that care, or has not sought care because of lack of funds, would they please contact the Broward County Medical Association, at 2200 South Andrews Avenue, telephone Jackson 3-7942. As traditionally done, we will make every effort to see that necessary medical care is provided.

Permit me to go on record as stating that in nearly 15 years of practice in this community, I have never known of an instance where one of my patients in need of hospital care was refused needed care because of lack of funds or lack of evidence that their hospital bill would be paid. The only time admission to the hospital has been denied my patients, has been when there were no beds available. I might further add that Mr. Arnold Hanson, director of the Broward County Welfare Department, advises me that his department continues to receive excellent cooperation on the part of the physicians of Broward County

in assuring that needed physician services are provided indigent persons. Again, may I call attention to the fact that physician services are made available without charge to indigent persons of all ages.

Another area of major concern in which the Broward County Medical Association actively participates, is the vast growth and accomplishments of the voluntary health insurance and prepayment plans. In this regard, I am pleased to report that during the past year, our association established a committee to review voluntary health insurance problems of patients, physicians, hospitals, and insurance companies. This committee has been resourceful in resolving claims where misunderstandings have resulted from lack of sufficient and proper information. In addition to the activities of our voluntary health insurance review committee, our association has a mediation committee which reviews problems of patients and physicians. This committee is composed of five past presidents of the association and they make every effort to resolve problems on an impartial basis according to the facts presented by patients and physicians.

There are other specific activities designed to benefit the health of the people of our community without any restriction regarding age limitations. For these among many factors, the physicians of Broward County remain unalterably opposed to the King-Anderson bill as presently pending in the Congress of the United States and any similar type national legislation that would ultimately prove to be a detriment in diminishing our initiative and desire to continue in our efforts to make the best medical care possible.

In closing, may we ask that if you know of anyone, or if it is called to your attention that anyone in this community is in need of medical care, we would welcome the opportunity to be of service.

Senator SMATHERS. Thank you, Dr. Wells. Joe, let's have your next witness.

Mr. WEIL. This is Mrs. Lena Ray from Miami who will be our next witness.

STATEMENT OF MRS. LENA RAY

Mrs. RAY. Honorable Senator Smathers and members of your committee, my name is Lena Ray. I am a registered voter of Miami Beach. I represent the Florida Senior Citizens' Club, Inc., of Greater Miami which has 625 members.

In our recent survey of all our members we found that 93 percent are in constant fear of being hosiptalized and not being able to meet the terrific cost of medical care. At present the only people who do not fear hospital bills are the very poor or the very rich.

In 1946 the average per-day hospitalization cost was $9.39 and with the Federal Government assistance today under the Hill-Burton fund, the hospital cost per day in 1960 went up to $32.23. We have several of our members who have been ill and have lost their small reserve and have been reduced to paupers due to the excessive cost of hospital and medical care.

The ground swell of public opinion for health benefits through social security for America's aged should not be ignored in this session of Congress.

In all recent senior citizens surveys it has been demonstrated at the Senate hearing recently held by Senator Smathers on the southwest coast of Florida found that 98 percent were in favor of medical care

under the social security law. Even the spokesman for the AMA (Dr. Annis) admitted in his October 9, 1961, issue of Medical Economics, that in two recent surveys by a Senator and a Congressman they found that 60 percent of their constituents requested and demanded medical care through social security.

Dr. Caldwell Esseltyn, president of the Group Health Association of America and a practicing surgeon testifying before the House Ways and Means Committee said:

I am here unofficially representing the increasing and substantial number of independent and conscientious doctors throughout the country who have reached the conclusion that the social security mechanism for medical care of the aged should and must be enacted at once. This situation has come about due to the nondemocratic procedure of the AMA.

The entire country of 17 million senior citizens will benefit from the King-Anderson bill No. 4222 through social security. The cost of the King-Anderson bill—to the young and old—will be approximately the price of a pack of cigarettes a week.

We all know that older people have many more sick days, yet have less income and private insurance.

We have enjoyed 25 years of social security and everyone knows that it has been a lifesaver for all senior citizens.

The AMA definitely has proven its lack of leadership and has sorely failed in its duty to our country and our senior citizens.

Senator SMATHERS. Thank you very much, Mrs. Ray.

Mr. WEIL. Senator, over on this microphone we have Mr. Freidman.

STATEMENT OF MORRIS FREIDMAN

Mr. FREIDMAN. Honorable Chairman, my statement is that I am a candidate myself every day to go to the hospital. I got a knowledge about the doctors. You go to a doctor the first time and they tell you that you should bring $50 and then they doing for you all kinds of work. My knowledge is that they don't know what they are doing. The only thing what they are doing, they want to make a $50 bill on you. That is my statement.

Senator SMATHERS. Thank you very much.

Mr. WEIL. Senator, over here we have Mrs. Rose Berek.

STATEMENT OF MRS. ROSE BEREK, VICE CHAIRLADY OF GOLDEN RING CLUB NO. 2, MIAMI BEACH

Mrs. BEREK. I am vice chairlady of Golden Ring Club No. 2 of Miami Beach; also vice chairlady of the Council of Golden Rings which are five clubs in itself on Miami Beach alone. I find that most of the people that are getting social security are not getting enough money to be able to pay the cost of medical care. The amount of money they get is hardly enough to keep body and soul together, and that is why I urge our Senator Smathers and the committee to please try and bring out, to urge their colleagues in the Ways and Means Committee to get the King-Anderson bill out on the floor of the Senate and the Congress this session. It is very important. I am sure that social security has a certain meaning. It means that people should be able to live in dignity, but there is something missing there. What is missing is the security of people when they get older to take care of their health. By taking care of their health, if we were not in

fear of getting sick, I am sure that the older citizen would have less sickness. In order to do that I again appeal to the committee, to our Senators, to our Congress people, to kindly see that this is needed very urgently by everyone who is in the reach of my voice here besides all the people in the length and breadth of our country. I am sure that all of our older citizens have worked with the sweat of their brow to make our wonderful country, our glorious country, what it is today, and we feel that now we have come to a point where we have to ask our Congressmen and our Senators to do something for us. Thank you very much.

Mr. WEIL. Senator, over here we have Mrs. Bertha Rottner of North Miami.

STATEMENT OF MRS. BERTHA ROTTNER, OF MIAMI BEACH

Mrs. ROTTNER. I am Mrs. Bertha Rottner. My husband, now deceased, fell when he was insured by a private insurance company. He fell and injured his back. Well, the insurance company paid for the care. Then they sent for a rider to be attached to the policy. He was fine, got along well, there was no trouble. I went up to the insurance company and asked them to please remove the rider as he is in perfect condition. They said "No." Then he became ill and inside of about 3 years we had to sell our home, took every cent that we had, between $25,000 and $35,000, including money that the insurance company paid, and he passed away.

Two weeks before he passed away he fell again and as happens, if you have a sore toe you stub it, he injured that same part of his back again. That was about 10 years after the first injury. The insurance company refused to pay anything. After his death I received a letter from the insurance company that I should come down to their office. I did. I was in a state of shock. And they gave me $50 and told me to sign a release or get nothing at all. I signed the release and they said they gave me $50 because my husband was a client of theirs for so many years.

Senator SMATHERS. Thank you very much. This is a sad and an interesting story.

Mr. WEIL. Senator, over here we have Mr. Joseph Rieger.

STATEMENT OF JOSEPH RIEGER

Mr. RIEGER. Honorable Senator and staff, my name is Joseph Rieger and I am a member of the council of all the Golden Ring Clubs of Greater Miami consisting of about 1,200 members and 1,200 registered voters. It has been my belief and experience that where I lived for a good many years, that the King-Anderson bill backed by President Kennedy will help all the older citizens of Florida in need of medical care through social security. Thank you.

Mr. WEIL. Senator, over here Mr. Block.

STATEMENT OF LOUIS J. BLOCK

Mr. BLOCK. Senator Smathers, members of the staff here, ladies, and gentlemen, I am not going to tell you anything about myself, but I will say one thing that a couple of years ago, another case of election year, we had Senator McNamara in Miami, and most of you have

heard me there that I said, "Where were you last year, not election year?" I told him then that he would do nothing. All he did was lift our hopes up and let us down in despair. This year comes another election year and again we come to the crossroads of "what are we going to do for you?" What are they going to do for us? I tell you what you should do for yourself: Get out and go out and work. You have got the vote, you are the people that can put men in office that will vote for our medical aid bill instead of keeping it for a year in the Ways and Means Committee and it still isn't out. You will not get anywhere in your life unless you get out in unison—remember unity. I don't care how many clubs you belong to, I don't care how many associations you have, I don't care if you are 80 or if you are 50. The 50-year-old man today is the senior citizen of tomorrow and he is going to benefit by the medical aid bill the same as we are. They have told you a lot of things here today. What are they going to do? We are going to benefit before we pay in a nickel? That isn't so. Don't believe it. Social security was passed and it didn't take very long before it was opened up for benefits. We don't say pass a bill today and give us medical aid tomorrow; we say pass the bill today and we will worry about when the medical aid will be given to us.

I don't think I have much time, but I am going to tell you ladies and gentlemen one thing: Remember, you have an election coming—the American Medical Association has the money, but you have the power of the vote, and that amounts to more money than they have. Get out and vote. I am sorry I haven't got any more time, but just one word. We have a big rally on the 25th day of this month in Miami. It will pay every one of you to come and see us over there because I intend to tell you a lot more. I thank you.

Senator SMATHERS. I think in fairness to Senator McNamara—I don't believe anybody would want to go out of here under a misapprehension and a lack of information and thereby come to a wrong conclusion. Mr. Block—undoubtedly his motivations are good, but he is completely and totally inaccurate with respect to the statement he had to make about Senator McNamara. There is no more interested or enthusiastic supporter of the King-Anderson bill in the U.S. Senate than Senator McNamara. It was totally unfair for Mr. Block to get up and talk about this being an election year—he can take his votes as far as Mr. McNamara and the rest of us are concerned, if that is the way they want to do it. We don't worry, we don't get frightened by that kind of talk, we are not particularly impressed with it. Certainly as far as Mr. McNamara is concerned, his record is absolutely 100 percent behind the King-Anderson bill and he does not deserve to have said about him the untrue and unkind things Mr. Block has said.

Senator RANDOLPH. I wish to add to what Senator Smathers has properly said in this regard. Senator Pat McNamara, of Michigan, has no jurisdiction in the U.S. House of Representatives. He cannot dislodge a bill from the House Ways and Means Committee. It is wrong for the impression to be left by any person here that there is, let's say, a reluctance on the part of Senator McNamara to do what he cannot do. He cannot move from the Senate of the United States into the House of Representatives. He cannot be active in the deter-

mination of a matter pending in the other body. Senator McNamara has worked in the Senate to aid the aged.

Senator LONG. I just wish to emphasize that among the 100 men and women who constitute the present membership of the U.S. Senate there is no other that is more devoted, early and late, than Senator McNamara to this concept of more adequate health service for the aged. Thank you.

Senator SMATHERS. Thank you. We will now take it back down to the floor.

Mr. WEIL. Senator, over here we have a retired doctor who wanted specifically to say he is retired and wasn't looking for patients, Dr. Carlton Deederer, of Fort Lauderdale.

STATEMENT OF DR. CARLTON DEEDERER, OF FORT LAUDERDALE

Dr. DEEDERER. Honorable Senator Smathers, Senator Long, Senator Randolph, and other members of the subcommittee of the Senate, I wish to state here that Senator Kefauver has put in a bill of some interest to us that is affecting drugs. He has put in a bill in Congress to limit the duration of patents on drugs to 3 years. This I recommended in a report to Congress last March and I am glad to see that it has taken effect to that extent. In that report I had gone very fully into many of the aspects and cases of living in general, because the problem of the aged is what you were at 3, 21, and 60 and 70—all through your life—and what I want to do right here and now is to recommend to the public that you start and find a way to learn the correct rules of proper health, and then when old age eventually catches up then there won't be all these chronic diseases because I want to tell you that over 50 percent of all chronic diseases are diseases of wrong living, a sensuous and riotous life—over 50 percent at least. In fact, I want to tell you, to substantiate this, there was a Dr. Wardman, of Ann Arbor, Mich., and he examined the hearts of every individual that went through the hospital there for any cause whatsoever and he found syphilis in 58 percent. I am short now on my time to be heard because there are many others that want to be heard here and time is quite limited. Thank you.

Mr. WEIL. Over here, Senator, we have Mrs. Rose Perkins who is president of the Southwest Broward Senior Citizens. Mrs. Perkins is speaking on behalf of Mr. Guy Stovall of West Hollywood who has a voice impediment and cannot speak for himself.

STATEMENT OF MRS. ROSE PERKINS

Mrs. PERKINS. Honorable Senators, guests, and all senior citizens, we in the Southwest Broward Club are striving to help the morale of our citizens through love, care, happiness, and therefore health is our foremost concern. We love our citizens and we want to help. Please join your nearest club, senior citizens, for strength is might, and I will say this: I have been at Senator Smathers' office—he doesn't remember me. I have been in Senator Randolph's office—he doesn't remember me. But I have been a legislative director of another organization and therefore it has been my great pleasure and real privilege to know

these men, and I am positive that if there is any possible way for these men to get that bill out of the committee, they are going to do it. Thank you very much.

Mr. WEIL. Senator, over here we have Mr. Norman Lombard.

STATEMENT OF NORMAN LOMBARD

Mr. LOMBARD. Mr. Chairman and gentlemen of the committee, first I would like to say I think we have seen demonstrated here today the functioning of a man who could well succeed another Floridian as chairman of the Democratic Convention in 1964.

Senator SMATHERS. You are very generous, but that is a job I certainly would not want. Thank you.

Mr. LOMBARD. I think you would perform it very effectively if you did.

I am opposed to the enactment of this measure, Mr. Chairman, and gentlemen, on four basic grounds. The economic, sociological, political or governmental, and the moral or ethical. Obviously in the short time at my disposal I cannot cover all of these points. I would like to point out one thing, however, Senator: You may have gotten the impression from the demonstrations here today that there is overwhelming sentiment in favor of this measure. There are about 300,000 people in Broward County, residents of Broward County. About 40,000 of them are 65 years of age or over. As Mr. Hicks has told us today he has 3,500 members of his senior citizens clubs and there has been strenuous effort to get membership for those clubs, providing them with free places of assembly, low fees, other entertainments and so forth, and they have been frankly in favor of the medicare measures, and yet they have been able to gather out of these 40,000 people only 3,500 members. We can well assume that the balance of the 40,000 are opposed to the measure. Out of the 3,500 members, with free buses provided and free transportation with deductions in the cost of the gasoline necessary to bring them here, free dances, free lunches and so forth, how many have we here today? Bear in mind further, gentlemen, that the senior citizens who are here are mostly unemployed—their time is their own. Many of the people who are opposed to this measure are employed, they have their places of business and they do not have the time to come and attend meetings such as this.

Mr. WEIL. Senator, over here we have Mr. Samuel Leiderman, who is with an insurance company in Miami.

STATEMENT OF SAMUEL LEIDERMAN

Mr. LEIDERMAN. Senator Smathers, Washington committee, I want to thank you in advance very much for appearing here to see you face to face and person to person. I have a statement to make to you gentlemen. I put in over 35 years as an insurance man. I am here in Miami in my fourth year as a retirement man. There are a lot of people who stop me and talk to me and they ask me questions: "I was insured and I was compelled to drop my policy because I didn't have money enough to pay for it." The cancellation, Senator Smathers, gentlemen, is so big that they cannot go through any more medical care, so, I will say again and again, what can I talk to them?

It is a God's blessing for me to be here today to see you in person, Senator Smathers. You remember me at the time of your campaign for that brilliant President Kennedy what we have today in the world. Here is a statement what I want to make to you gentlemen: I therefore appeal and speak of the medical problem involved—when you will go back to Washington, D.C., and you will see your friends and my friends, the Congressmen and Senators, the main important thing is when you are there—and I want to give you one good word—when you go there—take your 10th commandment, "Love your neighbor," and you will be successful. Thank you very much.

Mr. WEIL. Senator, I have got Miles J. Bielek who wanted it noted that he is speaking as a private citizen rather than a physician. Dr. Bielek.

STATEMENT OF MILES J. BIELEK, M.D.

Dr. BIELEK. Mr. Chairman and members of the committee, and interested spectators, I again wish to emphasize that I am speaking as a private citizen rather than as a physician. I have listened with interest this morning and this afternoon and I merely wish to emphasize one point that has not been emphasized heretofore, the fact that we as a group of citizens are demeaned morally when we shift our responsibility to the Government, whereas as children they should take care of their parents and parents should take care of their children. We are denying this responsibility and in so doing are creating a lack of initiative among the public. Thank you.

Mr. WEIL. Over on this microphone we have Dr. Scheffel H. Wright who is a neighbor of yours in the Dupont Building in Miami.

STATEMENT BY SCHEFFEL H. WRIGHT, M.D.

Dr. WRIGHT. Gentlemen of the subcommittee, ladies and gentlemen, I came with a prepared statement as president of the Florida Society of Internal Medicine.

(The prepared statement of Dr. Scheffel H. Wright follows:)

PREPARED STATEMENT OF DR. SCHEFFEL H. WRIGHT

As president of the Florida Society of Internal Medicine I represent the opinion of the internists of Florida. For those uninformed, an internist is a physician who is a specialist in the treatment of diseases which particularly affect the aged; i.e., heart, lungs, stomach, and arthritis, but he does no surgery. He particularly understands the problems of the over-65 group as they compose 25 percent of his practice and those over 45—75 percent.

I therefore feel we are particularly qualified to speak of the medical problems involved.

The Society of Internal Medicine is an organized group of internists primarily interested in the scientific, social, and economic aspects of medicine and recognize that the quality of medical care and economics are inseparable. We want to make quality medical care available and see continued progress in the improvement of health, and the facilities which make it possible. We are opposed to the proposed legislation (King-Anderson bill) upon the following principles:

(1) It is un-American: This country was built upon freedom of speech, worship, work, and the right to choose your own doctor. This legislation denies this right not in words but in administration.

(2) It is socialized medicine: "Whoever pays the fiddler calls the tune." The Federal Government will pay the participating hospitals.

(3) It will stifle progress in health through regimentation and encouraging mediocrity. There are now insufficient doctors and it will become progressively

worse. There is inadequate incentive today for the young person to study medicine.

(4) It will not meet the needs of those over 65 not covered by social security, some estimated 2,500,000.

(5) There is adequate provision through Kerr-Mills to care for hospitalization of the really needy. Aid should be based upon need. Give our present legislation a chance.

(6) Implementation through social security taxation penalizes youth and industriousness by providing hospitalization for 85 percent of those over 65 who do not need it or want it.

(7) It is a further step down the road to socialism and the welfare state which will eventually bankrupt this Nation and make us an easy prey for communism without ever a shot having been fired.

(8) It will not provide medical or surgical care by the physician or surgeon of the individual's choice, only hospitalization and care by the hospital-designated physician or surgeon. It is claimed by many that everyone wants prepaid care—medical, surgical, and hospitalization.

(9) This legislation will wreck the time-honored tradition of democracy that the individual should provide for his own welfare and that of his less fortunate brother—not the State.

(10) It will provide only hospital and nursing home care. These are notoriously the most expensive forms of health care.

What we do favor? We acknowledge that there are some people who need health care and we believe this can be provided through implementation of existing legislation (Kerr-Mills). This care has always been provided by physicians on the basis of the individual's ability to pay plus help from the community in the support of hospitals. This is on the local level and preserves freedom of choice and does not jeopardize the tradition and necessary doctor-patient relationship which is a prerogative to good medical care.

We favor insurance programs with deductible clauses which provide hospital and convalescent home care as well as care in the physician's office where it is rendered most efficient and economically. We would like these policies written by privately operated and nonprofit companies in the true American tradition of free enterprise. For the 15 percent of those over age 65 unable to provide for their personal health needs we recommend Blue Cross and Blue Shield plans now being perfected, with assistance to these plans by funds available through the existing Kerr-Mills legislation.

It must always be remembered that Blue Cross and Blue Shield plans were the first ventures into health and hospital insurance. These were originated and sponsored by physicians. They are service contracts, meaning that if any individual's or family's income is below a certain level the participating physician or surgeon agrees to provide the services needed at much less than his usual fee. This constitutes his contribution and should be recognized as such. I know of no other such guaranteed agreement in any other profession or business.

In summary, we believe that we have sufficient existing legislation which will provide for the medical care needs of those over age 65 economically and efficiently. The integrity of the individual will be preserved. The freedom of choice of physician and its resultant patient-doctor relationship remain intact. Quality medical care will be provided and improved. Personal responsibility, philanthrophy, and Christian principles will be encouraged. Our youth may see the opportunities offered in the practice of medicine and be inspired to join us. We will not penalize the coming generation by intolerable and frustrating taxation to correct our mistakes.

Mr. WEIL. Over here, Senator, we have Bradford Harrison III, of Fort Lauderdale.

STATEMENT OF BRADFORD HARRISON III

Mr. HARRISON. Honorable Senators and members of the committee. I am a young man and I am here as an individual, but also as a member of Young Americans for Freedom, which is a nationwide organization of those who are seeking to preserve conservative ideas. I am

very frightened, and that is a word I have not used very regularly—I am frightened not because something can be shouted down, for it is very easy for them to shout it down, but we have before us as examples Denmark, Norway, Sweden, each of which have passed its laws and then gone to complete medical care. I beg you, Senators, to consider before you do this that this may be a very dangerous kind of legislation, legislation for weakening the moral fibers of our young people who will have to pay for this for decades. Thank you.

Mr. WEIL. Over here we have a lady who is one of our outstanding Floridians—I am only sorry she can't have more than 2 minutes—Mrs. Margaret Cuyler, who is with the Florida Nursing Home Association.

STATEMENT OF MRS. MARGARET K. CUYLER ON BEHALF OF THE FLORIDA NURSING HOME ASSOCIATION

Mrs. CUYLER. Senator Smathers, I have a prepared statement.

Senator SMATHERS. Thank you very much, Mrs. Margaret Cuyler.

(The prepared statement of Mrs. Margaret K. Cuyler follows:)

PREPARED STATEMENT OF MRS. MARGARET K. CUYLER

I am Margaret K. Cuyler. I am speaking for the Florida Nursing Home Association, its 125 members. The bed capacity of these 125 members totals about 5,000 beds.

We, like our President Kennedy, feel we have arrived at a "new frontier" in the nursing home profession. A new image is being created by the nursing homes, now accepted as an integral part in the care of the aging.

One had no knowledge or plans when he arrived on this earth. But each has a knowledge and feeling about his departure. Only sudden and accidental death precludes illness before death. The nursing home is evolving to supply the needs of the aging with homes for terminal illnesses, homes away from home, homes for retirement, homes for the long term and chronically ill, and some good old-fashioned front-porch boarding homes.

One need not question the care received in the licensed homes in Florida. Increased bed capacity has kept pace with the increase in population. Good accommodations for the individual in the type of home of his choice is assured by State law with its rules and regulations carried out by our State board of health. Good nursing care is assured by the "new frontier" nursing home administrators. The present day administrator may be a business or professional person. The product of the home is good care—care that meets the individual patient's needs in that home.

Today's nursing home administrator is seeking professional status. This by way of education and accepting the responsibilities of the nursing home in the community. Day work shops, extension courses, annual short courses at Florida universities, and a great portion of our annual convention is devoted to educational pursuits. The American Nursing Home Association is using grant money to train administrators in accounting so that true figures of cost of care may be determined.

Our administrators are active in civic and professional organizations. We use our nursing homes to teach aids, thereby contributing to the general good of the community. Our nurses take training in geriatrics so that specialized care may be given our patients. Plans for degrees in the field of nursing are offered in some universities and Florida will be developing their own degrees within the schools of business administration. The American Nursing Home Association is developing its own program of accreditation and Florida will be in that program.

A frontier faces somewhere. So with the homes of the Florida Nursing Home Association. We are facing new horizons. As we met the challenges of the past and progressed, we meet the challenges of the future.

Mr. WEIL. Over here, Senator, we have Lena Mimtzes.

STATEMENT OF LENA MIMTZES

Mrs. MIMTZES. My name is Lena Mimtzes. I organized the Senior Citizens Association of Miami Beach. We have over 900 members—900 voters. I also organized a citizens club in which I have over 600 voters. I appeal to this committee not to overlook the small businessman that didn't secure his old-age social security, people who were in the shops that they didn't get social security—they must have social security, they must have hospitalization. I am a volunteer for 28 years on Miami Beach. We must have hospitalization and increase the old-age pension. I appeal to our Congressmen, to the entire committee. Thank you.

Mr. WEIL. We have Dr. William O. Shumpert, who is representing the Florida State Dental Society.

STATEMENT OF WILLIAM O. SHUMPERT, D.D.S., OF THE FLORIDA STATE DENTAL SOCIETY

Dr. SHUMPERT. Senator Smathers, members of the committee, my name is William Shumpert, representing the Florida State Dental Society, serving in the capacity as coordinator for the Council of Dental Health of the Florida State Dental Society. We recognize that there is a definite and tremendous need in this field of medicare for the aged, and with that in view we held a 3-day workshop meeting in Tampa in December. There we had representatives of the Florida Department of Education, the State welfare department, department of public health, U.S. Public Health, American Dental Association, and we sat there and labored about this problem and we came up with these conclusions, that if we are going to maintain a proper and correct patient relationship and to serve and fill that great need which we know is needed at present, we would like to emphasize the need and implementation in our own State of the Kerr-Mills bill. We want to help those people who need the help. We think they are entitled to it, but we would like to restrict it to those who do need it. I thank you for this opportunity.

Senator SMATHERS. Thank you very much, Doctor.

Mr. WEIL. Senator, over here we have Mr. Fred L. Wilson, and his subject is "The Problem of Solving Our Problem." Mr. Wilson was a schoolteacher in Indiana for many years.

STATEMENT OF FRED L. WILSON

Mr. WILSON. Senators, gentlemen, as you heard, my subject was "The Problem of Solving Our Problem." At the very minimum limit of time it would take 20 minutes. I have been told that all here would only talk 2 minutes, so I suppose now I have consumed my time and that is all I can do.

Senator SMATHERS. Well, you have solved that problem.

Mr. WILSON. I tell you what, all I want to do is have the same treatment as a dog. If I get sick, there goes my property and I am in the doghouse.

(The prepared statement of Fred L. Wilson follows:)

PREPARED STATEMENT OF FRED L. WILSON

Today we have the privilege of presenting the problems of the aged.

(1) The tragic plight of the elderly—relative to the devastating hospital and medical costs.

(2) The AMA financial social order rolls its wheels mercilessly over the elderly, the sick, and the helpless people.

To learn more about the common problems of the elderly, I decided to contact each person individually.

The elderly were not contacted in or near large hotels, fabulous motels or by attending any of the elite dinner clubs. This group is not representative of the great cross-section of the retired people.

My policy was that of down to earth—to be one of the group—to approach them as one of their kind.

You may readily see that the group was unorganized by the following places where contacts were made.

Barber shop
Bank parking lot
Filling stations
Fishing pier
Drift boat
Parking lot of supermarket
My neighbors
Shoe repair shop
Street benches in Hollywood

The notes taken and the information compiled was due to the retirees actions, reactions, thoughts, ideas, beliefs, attitudes, suggestions, and criticisms.

In all fairness to the aged, I believe that their problems are real. Also, that they are extremely sincere in what they say.

Let us listen to what this group had to say.

(1) We know about the social security agency. If they have a medical plan that is the one I want.

(2) Require the doctors to stick to doctoring and quit meddling in the insurance business.

(3) We trust the AMA too much. Not all engineering graduates make good. Did you ever hear of a medical graduate not making good?

(4) The medical men in the past have taken it, at present are taking it, and in the future will continue to take social security money away from the elderly. This money generally goes for food, shelter, and clothing.

(5) There are four types of medical bills, or we could say plans. Why so many? The main intent and reason is to confuse, delay, and obstruct the passing of the social security medical plan.

(6) Doctors aren't to blame. A few brass hats at the top in the AMA make, develop and dream up a set of rules. These rules become their policy. If the AMA says thumbs down to the social security medical plan, then all doctors are supposed to and will conform to their idea.

(7) The social security medical plan would do the following:

(*a*) Add to the well-being and to the health of a person due to the feeling of health cost security.

(*b*) The hospitals would discontinue the practice of a required downpayment before a patient is officially taken in.

(*c*) Prescription sales would increase at the drugstores.

(*d*) The low cost patent medicine would show a sharp decline.

(*e*) The elderly people would not stay home and suffer. They would make more trips to the doctor. (NOTE.—This adds up to more money for the drugstore and the doctor.)

(8) Don't deny our children and grandchildren of the opportunity which was not ours to be had. The opportunity is not a case of spending money or is it to be considered a cost, but as an investment. The investment made to the social security medical plan would be paid in small amounts each month, stretched out over a lifetime of work. The most humane method I know of.

(9) I believe that the social security is the only agency to deal with. I want the same treatment as a dog. The vet never takes the dog's doghouse from him. At present if I am sick—there goes my home. You know, some of that ability-to-pay stuff.

(10) Why oppose the doctor? Don't you know that they have the strongest union in the world?

(11) I can't attend the meeting for the aged. My doctor might find out. If he did he wouldn't like it. I might encounter some type of reprisal later on.

(12) One elderly gent said. Don't you know that the AMA is scared to death of socialized medicine? They developed a watered down plan and if the truth were known the other two plans are byproducts of the AMA. The AMA has fought and will continue to fight any and all plans developed by the agency of the social security.

The interviews were successful. However, I couldn't persuade one of the group to attend this meeting for the aged. The group seem to be beaten, tired, disgusted, and outranked. In other words, their attitude of being unimportant, unattached, unemployed, unadvised, and unprotected.

The two thoughts uppermost in their minds are:

(*a*) The social security medical plan is their friend.

(*b*) All other medical plans are not acceptable and cannot compare with the social security medical plan.

During the year 1961 I read an article, not lengthy but to the point. It deals with records, facts, figures, and reports. Sidney J. Harris is the author and was printed in the Miami Herald. His subject, and I quote:

THE AMA LABORS MIGHTILY—FOR ITSELF

Which group do you imagine was the biggest lobbyist in Washington during the first half of 1961. Which group spent the most money as a means of influencing legislation in the Congress of the United States? It was none other than our old friend the American Medical Association. For the first 6 months of 1961, a congressional quarterly study of spending reports shows the AMA topped the 274 lobby organizations with half-year expenditures of $146,894. This was nearly $80,000 more than the second running group in the listings, the AFL and CIO. Most of the money was spent in opposing the administration's proposals for medical care for the aged through social security.

Now there is no doubt that the AMA has a right to do this. Indeed, has a duty to do this if it believes such a program is against the best national interest. But what are some of the other bills that the AMA lobbied against, and effectively during the year? It opposed: social security benefits for physicians, liberalized social security disability benefits, creation of a U.S. commission on aging and several proposals for expanding medical treatment under the Veterans' Administration.

What did the AMA lend its support to? Bills to provide construction grants to medical schools. To give doctors and other professional people a tax-break on income set aside for retirement and to grant deductions for lobbying expenses. In addition, the AMA said it was submitting this lobbying information "under protest", because it did not consider itself subject to the Federal law regulating lobbies.

The bills the AMA supported would take money away from the U.S. Treasury, but the doctors are most zealous that no money be taken away by other segments of the population, where medical care is concerned. Now the AMA has a legal right to do this, to ask as much for itself as it can get and to oppose the milking of the Treasury by other groups. The AMA has no right to put itself on a pedestal and resent criticism of itself as a trade association. For this is what the record shows it to be, a group no better and no worse than the labor unions, the farm interest, the truckers, the steamship companies or the post office clerks. Devotion to the public and the sacred duty of medicine have little to do with the case. It is time the AMA stopped posing as a friend to anyone except itself. (End of quote)

Let us face it. The feeling runs high that there is a roadblock, with the intent to confuse, obstruct, defy, and sidetrack any movement sponsoring the development or the expansion of the social security program. The AMA roadblock is controlled in each State of the United States by one efficient solid front. A well-organized group with plenty of unlimited amount of lobby money plus all members holding one or two college degrees with a fabulous yearly income.

The retirees are a composite cross section of the people living in the United States. I understand that at present there are about 17 million people over 65 years of age.

The records show that during the election years of 1964 and 1968 that the retired group will control 20 percent or more of the votes cast. This does not include the sympathy votes cast by their children and friends.

In conclusion: The records, facts, figures, and problems have been established. We know that the Forand bill's goal is to provide health care through social security. The subject is:

THE PROBLEM OF SOLVING OUR PROBLEMS

The solution is simple. Just two items. (*a*) Join the forces of the Forand bill. (*b*) Vote the right candidates in and the wrong candidiates out of office.

Where does the voting power exist? (*a*) 17 million people over 65 years old could control 20 percent of all votes cast in 1964 and 1968. (*b*) All men and women in their sixties or close to it are potential prospects. Their thoughts have turned or can easily be turned in the direction of their retirement security. Again the power of voting candidates in, and others out of office would be in force. (*c*) All children and friends of the retired group are not to be overlooked as the source of increased votes for the elders' favorite candidate. (*d*) Organizations, clubs, lodges, churches, and meeting places of other endeavors of the elderly are key points for the organization of votes which give the elderly an even break. (*e*) The consensus of opinion is that we elders have the same problem, with this in mind, we vote as a group for the same candidates. The candidates' record must speak for itself in order to justify our support. (*f*) Many votes will come from an organized group made up of people with light skin, white skin, dark skin, black skin, brown skin, or red skin. One for all and all for one.

The vote power contained in (*a*), (*b*), (*c*), (*d*), (*e*), and (*f*) is the answer to our problem.

I wish to thank the excellent group of retired people for their efforts and patience. This group made it possible for me to suggest the probable solution to each of their problems.

Mr. WEIL. Senator, over here we have Mr. Morris Rohinsky.

STATEMENT OF MORRIS ROHINSKY

Mr. ROHINSKY. Honorable Senator Smathers and members of this committee. I have no records, I don't represent anybody. I represent my wife and myself and millions like me. I would like to ask the members of the medical society whether they had ever stood up before a welfare committee or a social worker. Did you? I did. In a year when we were promised a chicken in every pot and a car in every garage. I had five children and no work and I visited the welfare. It took months. I lost my dignity. I didn't think I was human. What do you want us to do? To follow this again? In our prosperous country today you want us to be beggars? I have lived a dignified life, I worked with my hands, I earned a living for my family and for myself. I want to finish up this way. I have a few more years. A gentleman says we have time on our hands. Yes, we have, because people don't want to hire us people over 65—as a matter of fact, over 50. Your trouble is you throw us out on the streets. So what do you expect us to do, gentlemen? I receive $152.70 a month. Out of this money my wife pays her doctor $25 and for medications $32.16 a month. I own a home that I saved up for in all my years of labor as an ordinary house painter. What do you want me to do? To come before this committee and they will tell me to dispose of my home and when I am a pauper we will take care of you?

Gentlemen of Congress and gentlemen of the medical profession, understand us, we are Americans, we have lived in dignity, we have

worked our lives, let us finish our way and our Government is to help us with this. Thank you.

Mr. WEIL. Senator, over here we have Mr. Harry A. Leventhal.

STATEMENT OF HARRY A. LEVENTHAL

Mr. LEVENTHAL. Honorable Senators, members of the committee, I do not have a prepared statement, but I have joted down a few of the remarks that have been made by the previous speakers. Due to the lateness of the hour I will be brief. I must contradict the good doctor who stated that there are a few members in the senior citizen groups. I am a member of just one senior citizen group with approximately 4,000 members. That is just one group. The name is the American Federation of Senior Citizens. There has been a good deal of oratory and statistics. Suffice it to say the senior citizens of the south Florida area are definitely for medical aid care under social security, and if you want an expression of opinion I am sure the citizens of Dade and Broward Counties would fill the Orange Bowl. We urge you to get the King-Anderson bill through Congress this year. Thank you.

Mr. WEIL. Senator, over here we have Mr. Marvin Schreiber who is with the senior day centers in Miami and he has brought two of the members of that group here to speak for a minute apiece. Mr. Schreiber, I will let you introduce your folks.

STATEMENT OF MARVIN SCHREIBER

Mr. SCHREIBER. Senators, I have filed with you a respectful request that the committee act in favor of Federal support of senior day centers. Speaking on behalf of the members of the day centers is Mrs. Emily Lyons, membership president, and Mr. Julius Justin.

Mrs. LYONS. Senator Smathers and committee, fellow senior citizens, I am president of the membership of the first day center in Florida and it has something to do with our mental health and our appreciation of our golden years. You realize that there are millions of people senior citizens, in this world that are lonely, more or less alone, and if you have a place of this kind to go to, they can have companionship and it will help in their mental health. We also have a health program, we have an entertainment program, we have a luncheon program, and we carry on various kinds of activities, so we hope that the committee could back us and build some more centers. Of course we are just bursting out at the seams right now. We have 200 members and every time we have a meeting we overflow. Thank you.

Mr. JUSTIN. I am Julius Justin and I live in Miami. I am just a plain member of the Miami Day Center and I am happy to see a large crowd here and most of them seem to have the same feeling I have, and I am not talking about the medical program which, of course, concerns us all. I want to tell you that my wife and I have gone to the Miami Day Center and life has looked up, life begins at 40, and I think that our U.S. Senators should be kind enough and put a favorable consideration in for Federal support for building more day centers. It adds to the health of the aging citizen. Thank you.

Mr. WEIL. Over here, Senator, we have Mr. Charles Daughetry. Mr. Daughetry is a request of Mr. Miller. I wanted to have him on a little earlier but Mr. Daughetry consented to wait.

STATEMENT OF CHARLES DAUGHETRY

Mr. DAUGHETRY. Senators, members of the committee, for the sake of peace and quiet I want to say that I am not the kind of doctor they have been talking about here all morning. I happen to be an engineer and accountant and sometimes practice as a machinist. More recently a business executive. I should qualify myself by saying that I am 67 years of age. I was retired at an age of 63 due to a visual disability which made it impossible for me to do my work. I asked for your recognition before this committee principally for one reason. I have been reading in the papers that an organization represented The Senior Citizens—that "The" makes it a big all inclusive—and I wish to be emphatic in saying that they do not represent me. There is no one here that represents me that I can see except Senator Smathers. I believe it is also probably quite true that there are many thousands of other people in this community who are not represented by the minority which in this morning's meeting were both vocal and vociferous. I am not going to get myself involved in any statistics. You gentlemen have a staff and investigators and I am sure that there is no need in my belaboring that point. I wish to say in a very specific way that I do not favor medical care being under social security. I say that because we should get away from this ever-increasing spiral of inflation, and I ask those who take these words so offensively to please read Lenin's early doctrine in which he said the way to beat a capitalist country is to attack its bank. Thank you very much.

Mr. WEIL. Senator, over here we have Mr. Douglas Bohres who is a member of the same American Legion Post as yourself, but he is here speaking as a private citizen.

STATEMENT OF DOUGLAS BOHRES

Mr. BOHRES. I did not request that part of the introduction. Gentlemen, first of all, I would like to ask you to put into the record a reprint of an article which appeared in the Reader's Digest in October 1961, entitled "America—Beware of the Welfare State." If it is agreeable, I am hopeful that someone would put that into this Congressional Record.

As an American I believe personal freedom cannot exist without individual responsibility. I believe that the Federal Government should not try to manage my personal affairs. Therefore I oppose Government guaranteed and compulsory security. I submit that I am losing my American heritage, I have been contributing to the losing of our own revolution of 1776 through my own weakness. In the past I have voted for candidates who have promised me special privileges, Government pensions, and subsidies, and who have handled our foreign policy in an unbroken chain of miserable defeats. I intend to do what I can to get people elected to office in our Government who will support the integrity of the individuals as opposed to the welfare state.

(The article from the Reader's Digest follows:)

[The debate on Government financing of medical care for the aged makes this article important reading for every thinking American. Your doctor urges you to read it carefully.]

[From the Reader's Digest of October 1961]

AMERICA—BEWARE OF THE WELFARE STATE:

A leading British economist charts the pitfalls that lie in wait for any nation tempted to follow Britain's experiment in cradle-to-grave planning

By Graham Hutton

Thirty years ago, when I was one of the young assistants to Sir William Beveridge at the London School of Economics. He had already begun to evolve some of the cradle-to-grave principles on which Britain's welfare state was to be built. Early in World War II, Sir William—later Lord Beveridge—became chairman of a cabinet-appointed committee which, in 1942, published the Beveridge Report, the blueprint for that welfare state. In those days we were enthusiastically hopeful for what we believed could be accomplished by compulsory social insurance managed by the state. Today, after 13 years of actually living under the politicians' welfare state, I regretfully conclude that the experiment has not been successful.

Our welfare state has been shockingly costly. It has had a debilitating effect on individual initiative. It has been extremely unfair to large sections of the population. And it has been used unashamedly by politicians to "buy votes." I suggest that this unfortunate experience may serve today as an object lesson to the United States or any other nation that may be tempted to go and do likewise.

Lord Beveridge originally intended his drastic plan to be a weapon to fight "the five giants of Want, Disease, Ignorance, Squalor and Idleness." Compulsory health and accident insurance was to defeat want and disease. Education was to erase ignorance. Housing subsidies would eliminate squalor. Unemployment insurance was to do away with idleness. No one, under the new dispensation, was to be hungry, sick and untended, cold or homeless. The welfare state would provide a compulsory floor standard of life below which no one need ever sink.

On the other hand, it was not meant to provide a ceiling standard above which no one could rise. The author of the plan said, "Social security must be achieved by cooperation between the state and the individual. The state should not stifle incentive, opportunity, responsibility. The plan is foremost one of insurance—of giving, in return for contributions, benefits up to subsistence level."

Both of Britain's political parties abandoned Beveridge's principles. They decided to hand out welfare-state largess at once to all claimants, whether or not they had made enough contributions. Since the health service and pension funds lacked sufficient money from contributions to take care of everybody, successive governments raided the taxpayer's pocketbook to meet the torrent of claims. How that torrent became a flood can be seen in the figures for the National Health Service alone. Its cost in 1950 was $1,324 million; the 1961 bill is estimated at $2,520 million—most of the benefits being taken out of the taxpayer's money.

"The British of today," someone has said, "simply can't be that sick." And indeed, they are not. Such squandering of money is an inevitable characteristic of the welfare state.

After the introduction of the health service by the postwar Socialist government, the social services ran away with 46 percent of the national budget in 1948. (In contrast, national defense took only 19 percent.) The budget soared from $12 billion in 1950 to an all-time high of $18 billion in April 1961. Two-fifths of this greatly increased sum now goes to the welfare state. And this is over and above local taxes for such social services as education, subsidized housing, care of the aged and young, etc.

To put it another way, the welfare state (including state education) costs Britain one-half of all taxes and compulsory contributions added together, or one-sixth of the nation's entire output. This is more than double Britain's heavy defense budget, which is proportionately as large as that of the United States. If the United States ever got into the same situation, the welfare state would cost—in Federal, State and local taxes—well over $100 billion a year.

The object lessons of the welfare state have at last become clear in Britain:

The first blunder we made was to depart from Beveridge's "contributory principle." The party in power should never be allowed to raid the taxpayers to increase insurance benefits, and so "buy votes." This blunder built in a host of rising costs in Britain at great expense to employers, and it added greatly to the cost of Britain's exports.

2. "Cases of need" should have been treated as such. Instead, we taxed everyone at flat rates to give everyone the same flat benefits. We should have subsidized only that portion of the population which needed to be brought up to a minimum standard—in education, health, accident, unemployment insurance, housing, etc. That portion is no larger than 15 to 20 percent of the whole in Britain.

3. The great majority of people in a prosperous society such as Britain ought to require welfare-state services less and less, not more and more. If any nation is really dynamic, the majority of better off citizens are competent to choose and pay for their own social services. They should be encouraged by a sound tax program to do so.

4. This individual independence will raise standards in the professions by voluntary, cooperative and personal effort. Instead of a nation of security-obsessed followers of "vote-buying" politicos, it will build virile, enterprising citizens of varied skills, outlooks, energies. The 13-year British experience, in the health service and in state education alone, has diluted, lowered, and then evened out professional and training standards and methods.

5. More and more citizens are seeking independence from welfare-state agencies—and are willing to pay for it. After paying the highest contributions and taxes in the free world for their welfare-state services, growing numbers of them are voluntarily abandoning or supplementing those services and paying for private health, educational, pension and other social services for themselves and their families. They want better services than those the state provides. The professions involved are also anxiously striving to untangle the web of the state network, in order to reestablish and raise standards.

The welfare state—like Santa Claus—is still popular with the majority of the people. The best calculations shows that two-thirds to three-quarters of British families get "free" maternity, sickness, accident, dental and ophthalmic treatment; unemployment insurance; retirement pensions; national assistance relief on proof of need, and burial grants.

One-third of all rented houses are at artificially low, controlled rentals. Landlords and taxpayers pay the difference. This paradox of cheap rents at other taxpayers' expense enables certain tenants to enjoy cars, TV, and many other luxuries that their neighbors—who are paying market rentals, plus taxes to subsidize the lower rentals for the lucky one-third—cannot afford. In a mature society, with more jobs than there are people to fill them, this is not only economic nonsense, but, as Jeremy Bentham said, "nonsense on stilts."

All of this goes to fill a pretty kettle of fish. The British people spend nearly half as much again on tobacco and alcoholic drink as they do for rent. They spend more on smoking alone than on the National Health Service, plus all private health services. They spend more on entertainment, games and betting than on all education, including state and private. This is hardly the picture of a needy people who cannot afford to pay their own health and other welfare expenses.

The proper function of the welfare state is to raise the health, educational and performance standards of the less gifted, less healthy, less able one-third of the people. Once that is done, the citizens themselves should take over these responsibilities from the state.

More and more thoughtful people in Britain are coming to realize this. They are asking why taxpayers should be mulcted of vast and growing contributions that penalize enterprise and initiative, merely to offer everybody in the nation the same flat standards of education and medical treatment. If the nation is to get richer, more dynamic, it must offer bigger material rewards to the creative, enterprising, skilled, and technical minorities. If you tax them heavily and give the proceeds to the lowest-paid one-third, the nation never will become dynamic. The wholesale turning-away of the middle-of-the-road electorate from the Socialist Party these 10 years past indicates that this lesson is being learned.

Experience is making many Britons think again about their questionable welfare state, and about the even more questionable tax-disincentives system with which it has fettered them. If it's making the British think again, it ought to make Americans think twice about encouraging anything resembling it. Far from making a dynamic society more dynamic, a top-heavy welfare state could paralyze a mature industrial society like the United States.

Mr. WEIL. This is the last speaker on our schedule, Dr. Tobias Funk, of Fort Lauderdale.

STATEMENT OF DR. TOBIAS FUNK

Dr. FUNK. Senator Smathers, members of the committee, ladies and gentlemen. I have had in the past an opportunity to speak to many of you in your own groups. I know exactly how you feel. There is one thing we have always agreed upon that what some of our citizens need, because they cannot afford it, is medicare. This, I am sure, everybody seems to agree on. The question that these gentlemen are trying to solve is how is this to be accomplished? What is the best way? Now, we have talked about the King-Anderson bill at great length here. We have said something about the Kerr-Mills law which your Congress and the President a few years ago thought was the answer.

Now, I would like to give you, because of limited time, one report of many from the States where the Kerr-Mills law is in operation. We have not talked about what it has done or what it can do and I think you are entitled to know about the Kerr-Mills law in these States where I have sent inquiries. I have a letter here directly from the Governor of the State of Oklahoma in which he outlines just exactly what was done for people 65 and over who could not meet their medical bills. As you know, under the Kerr-Mills law you are allowed to keep your income below $2,500 and that generally is what is done in all areas and briefly in this letter and many others—West Virginia at one time was an exception, but I think they have improved their law now. This was the result of a 10-month study of all the people who applied in the entire State of Oklahoma. There are only 2,414 who needed medical care and could not provide for themselves. These people received full care—not only their hospital bed like the King-Anderson bill expects to give you—but their doctor care and all the drugs, including your latest drugs. This is what they did in Oklahoma and you can duplicate this in many others of the 30 States where they now have the Kerr-Mills law in operation. This is what we need for our senior citizens. We do not need an increased tax.

Senator Smathers, may I ask you to make some effort to show these people that this will help them? We need this in the State of Florida. Thank you.

Senator SMATHERS. Thank you very much, ladies and gentlemen, for being with us today.

I know that many more people here might have spoken if there had been more time. The staff has placed stationery and envelopes on tables by the doors. If you wish to write your views and send them to us we will insert them in the record at this point.

(The prepared statements and letters from various individuals follow:)

1637 TYLER STREET, *Hollywood, Fla.*

Senator G. SMATHERS,
Care of Senate Committee,
Fort Lauderdale, Fla.

DEAR SIR: Sorry I cannot attend the hearing on February 15. However, after reading the article in the Hollywood Tattler for the aging I would like to make my case known, hoping to help others from this vicious circle.

Due to an accident, I had to see a doctor in Hollywood. From there I was sent from one doctor to another, charging from $25 to $100 an office visit. I was in hope of relief of pain. I told of the accident. Nothing was done. After spending $1,000, I had to stop seeing doctors and suffer pain.

I wrote the Broward Medical Association. They were not courteous enough to answer my letter, leading me to believe a doctor or two must have been on the board.

While at the lawyer's office of Mr. A. J. Ryan in regard to property, I mentioned going North and hope to find a doctor to help me, due to an accident. Mr. Ryan suggested he make a note of same in case I need a lawyer. On my return Mr. Ryan told me he had another lawyer from Dade County and I was to see him. Mr. Ryan asked for $25 so he could still be my lawyer. So I had to pay two lawyers.

The day before the case was to be in court the Dade County lawyer called me and said if I did not take the insurance company's offer he would withdraw from the case and collect his money from any other lawyer that I got. I had no alternative after seeing a lawyer that afternoon in Hollywood. This lawyer named all the doctors I was sent to and said I am not the first in this circle.

I have the doctor's depositions and paid bills. When the lawyer got the insurance money he sent me my money back.

I would be very happy to show and tell the doctor's name if anyone is interested.

I belong to many clubs and have a good many people interested in this case.

In the North we have a name for this ambulance chasing.

Yours truly,

Mrs. Lillian Rosenstiel.

Remarks for February 15, 1962, hearing.

Miramas, West Hollywood, Fla.,
February 2, 1962.

Senate Committee,
Social Security Office,
Fort Lauderdale, Fla.:

I am a World War I veteran at the age of 76. I am a retired disabled railroadman and I collect two pensions—VA $78.75 and railroad $134.10 and as a World War I veteran and the forgotten soldier who in order to get Veterans' Administration hospitalization or medical treatment the law forces me as a wartime veteran to take a pauper's oath. I feel I am the victim of a law that discriminates.

I know the Spanish War veteran of 153 days receives a $100 veteran's pension and is given hospitalization and medical treatment regardless of the amount of money he may have coming in as salary or otherwise.

I believe the old-age assistance of medical care through social security is a correct endeavor. No senior citizen should be forced to take a pauper's oath for medical care or help and especially a war veteran. The AMA has at no time made known objections to Congressmen, Senators, or other bigwigs of our Government of receiving free hospitalization or medical care, but the forgotten World War I veteran who sold apples on the street corners to buy food were forced to take pauper's oath for VA medical care or treatment.

I believe this social security health endeavor is very good legislation and I do hope this administration will be successful in helping the senior citizen and especially the forgotten soldier of World War I.

Very truly,

M. J. Cullen.

February 6, 1962.

Senate Committee on Social Security,
Fort Lauderdale, Fla.
To Whom It May Concern:

I am enclosing an article that certainly should concern all good Americans—these old people had to kill themselves because there was no food or fuel.

I have been working to help widows that are in need. Have bought groceries from my money as I couldn't bear to know these women were hungry. I am a widow—my husband was a cancer victim—Doctor and hospital bill over $10,000; savings gone. I had to go to work.

I was half-starved. I lived on one meal a day for 1 year—results stomach shrank—now severe case of ulcers. There are thousands of women that are just as bad off. We oldsters made this country what it is today. But we sure did not intend for our Government to send millions of our money to foreign countries. Charity begins at our own door.

I am compelled to give up my home and live with friends as I am going on 67 years and can't go on as there is not enough money for medical care and enough proper food. I need special food as with ulcers, need special diet and poor people cannot afford it.

Our Government has many large ships in moth balls so to ease our suffering and starving gather us up, put us on one of the oldest boats, take us out, far out in the ocean, and sink the boat so the Government will have more money for Europe. I have called all the old folks that I know and so many of them are so depressed and worrying about a slow starving death, and here in America the land of plenty.

Thank you.

Respectfully,

ROBERTA DIER,
Hollywood, Fla.

P.S.—Am sending under separate cover a newspaper article (photostat) that should concern all Americans. I truly hope something can be done. I think the Russians would be delighted to get their hands on this article. I think too, we Americans should hang our heads in shame when something like this happens in our country. I hear more about the senior citizen problems than the average person, because I make it my business to contact any widow that I hear of and try to help them get light work or a live-in job just for company for a widow that is financially well off. It has come to the point now, that I just can't carry on, that's why I am writing this. I intend taking a copy of this newspaper article to the President as something has got to be done. Only yesterday a widow told me she wished she had the nerve to take the pill that would end it all. I hear those heartbreaking stories almost every day. So I am at the breaking point as I can no longer help these unfortunates, our fellowmen.

R. D.

[From the Hollywood (Fla.) Sun-Tattler of June 9, 1959]

NOBODY CARES—ELDERLY COUPLE LEAVES PLEA FOR AGED AND SICK, THEN DIE

ST. LOUIS.—An elderly man and his wife were found dead in bed in their second floor apartment Sunday. They left behind a message of despair.

The way in which Joseph M. Palmisano, 65, and his wife, Sabina, 63, died was a mystery. No marks of violence were found. Several bottles of medicine found near them were being analyzed.

PRICE TOO HIGH

A note written by Mrs. Palmisano indicated they had not been able to afford moving into a home for the aged.

"This is a coward's way out, but better this way than to be a burden," it read in part.

"We tried to get in a home, $4,800 a year. When we heard the cost we knew there was no other out.

"What are people like Joe and I to do?"

NO RELATIVES

"Why don't you think of the sick and aged? I do not have a single relation and no one cares what becomes of us. Please, for God's sake, try and help the sick and aged."

She mentioned the family doctor, her husband's brother, Thomas Palmisano, 58, and a man identified only as John E. Smith as the only ones who had treated them kindly.

"I pray God will forgive us for taking this way out," the note ended.

HOLLYWOOD, FLA.

To Whom It May Concern:

I am happy for the opportunity to express my feelings as to the way we senior citizens have been and are so sadly neglected, we need financial help now, not a year or 6 years from now. I am in my seventies and badly in need of medical care. There is no money, not even for two good substantial meals a day, let alone three meals a day.

I must put my small home up for sale and then where to go? Florida has more widows than any other State and I feel it would be cheaper for the Government to build one-bedroom homes for we, the unfortunate poverty-stricken people, so our last days could be a little easier. We definitely need help but where? to whom to turn?

Respectfully,

MRS. A. E. ROGERSON.

I, Roberta Dier, wrote this letter for Mrs. Rogerson as she is too ill to write and begged me to do this for her.

I thank you,

ROBERTA DIER.

My name is Jacobus Weeteling, 2588 Northwest 61st Avenue, North Margate, age 74.

Medical care for the aged is a Federal question and desire, for elderly citizens in the low-income bracket. Public housing for the aged in the low-income bracket is also a very important factor.

In various large cities in the United States, buildings especially for the elderly citizens have been erected in Cleveland, Ohio, and San Antonio, Tex., for example.

Would you support and assist a group of about 200 or 250 elderly citizens to get a building erected in the Fort Lauderdale area with financial assistance of the public housing authority in Atlanta, Ga., of which Florida is part of that office district?

A duplicate of the San Antonio, Tex., building would be very much appreciated by the group for a start.

HOLLYWOOD, FLA., *February 12, 1962.*

DEAR SENATOR SMATHERS: The undersigned is a retired railroad employee living in Hollywood and will be 75 years old come May 12. I lost my wife of 46 years shortly after arriving in Hollywood which greatly reduced my retirement annuity.

Before coming to Florida I used to get satisfactory health checkups at $5 per. When I continued the checkups down here the fee went to $25. At the third such annual checkup I was importuned to spend an additional $10 for a chest X-ray. I didn't feel I needed it so did not indulge. When I was billed for this checkup $10 had been added for I don't know what. So I decided medical checkups down here were too much of a luxury for people of my means.

When it came time for my next annual checkup I was advised by phone that I'd better come in before the fee was raised to $50. That was enough for me. I've kept shy of the medical profession now for 2 years and I thank God in heaven for the ability to do so. This is just a voice in the wilderness but I thank the Democratic administration for at least throwing a scare into the medical profession as exemplified by some of its adherents.

Sincerely,

ROY A. MCCOWEN.

HOLLYWOOD, FLA., *February 2, 1962.*

Hon. Senator GEORGE A. SMATHERS,
Committee on Aging,
U.S. Senate.

DEAR SIR: Ever since I cast my first vote 35 years ago the problem of old age has taken many views and not much has been done about it, by that I mean a fair retirement income of the aged. But with social security there seems to be no doubt to settle this problem once and for all time. May I suggest that social security be raised to 3½ percent or even to 4 percent and retire all who wish to collect at the age of 60 and make payments of $200 a month for the husband and $100 for the wife on condition that they cannot work at all but to enjoy retirement as should be enjoyed. Also that they will be covered for sickness fully 100 percent? I am sure this will be a big relief for unemployment especially here in Florida where many retirees are working for $1 an hour to supplement the social security income.

Thanking you for your interest in the vital matter and wishing you every success in the vital issue.

I remain,

Sincerely yours,

GUY MANNING.

P.S.—I am not of retiring age yet.

FORT LAUDERDALE, FLA., *February 15, 1962.*

Senator GEORGE SMATHERS,
War Memorial Auditorium,
Fort Lauderdale, Fla.

DEAR SENATOR SMATHERS: I sincerely hope that you will find time to read and comment on the following sometime during this meeting today:

(1) People born in 1896 and before are now 65, a compulsory retirement age for all except management.

(2) Social security board set up in 1937.

(3) In 1950 the Government took over all moneys paid into the social security treasury.

(4) 1951, a new law was set up which controls the retiree's social security check.

(5) The social security check of 95 percent of the senior citizens is wholly inadequate. This can be proven by statistics put out showing the cost of living in different sections of the Nation, and all were very limited.

I feel that most citizens, both senior and younger, do not want a welfare state. We prefer to stand on our own two feet, to be the kind of individual that helped to build these United States.

Now to do this, only two things are required. First, the amount of money a person can earn, without losing any portion of their social security check, should be increased to bring their total income in line with the cost of living today.

This will do two things. Increase the senior citizen's potential income, and it would give the employer a better chance, for he would feel that the person hired would not resign when he reached the very low limit now allowed a retired person to make. Give the employers some tangible reason for hiring the senior citizen.

Sincerely,

CLIFFORD C. SPENCE.

PREPARED STATEMENT OF SENIOR DAY CENTERS, INC., J. MARK STANLEY, JR., PRESIDENT, AND MARVIN S. SCHREIBER, EXECUTIVE DIRECTOR

Senior Day Centers, Inc., is developing centers for senior citizens throughout Dade County. The first center, the Malcolm Ross Day Center, provides a social group work, counseling, educational, health maintenance, crafts therapy, community service, luncheon and recreational program daily. Senior citizen membership committees plan all center activities, with the guidance of professional social workers. Center services and membership are open to all senior citizens in Dade County.

The board of directors of Senior Day Centers, Inc., have concluded that further growth and development of day centers in Dade County, and throughout the Nation, is contingent on Federal Government provision of funds for new construction, and expansion and modification of present facilities. Direct Federal grants to day centers are needed for demonstration programs and research projects.

The board of directors of Senior Day Centers, Inc., respectfully request the committee to recommend action on these urgent needs.

J. MARK STANLEY, Jr., *President.*

SENIOR DAY CENTERS, INC.

Senior Day Centers was incorporated on May 22, 1959, after a very careful survey of the need for a daily program of social group activities for senior citizens in Dade County, by a committee of the senior citizens division of the welfare planning council. S.D.C. was admitted to the fund in 1960. The Miami Housing Authority, when constructing the low rental apartments for senior citizens on Northwest 28th Street, built a day center facility valued at $100,000, and turned this center over to S.D.C., Inc., at no cost, to operate for the benefit of all senior citizens in the community.

The basic goals for a senior day center are to combat loneliness, so destructive to the lives of the elderly, by creating opportunities for productive use of leisure time, help the older person, to do for themselves and others, opportunities to be and feel useful, informal education, and balanced meals through a luncheon program.

Within 6 months of beginning its service at the Malcolm Ross Day Center, S.D.C., Inc., was serving upward of 200 senior citizens in a broad program in which they themselves, through their membership committees, planned and achieved the day-to-day activities at the center. For example, in community service, members packaged 90,000 donor tags for the United Fund; are presently designing and making hundreds of toys for foster home children, for Christmas distribution, in cooperation with the Florida State D.P.W.

Community's acceptance and support of the program has been shown by individual and organizational contributions, enabling us to furnish and equip the center, provide a balanced lunch for the center's more than 250 members, and initiate a health maintenance program, the first of its kind in the United States.

The Miami Housing Authority has expressed its confidence in S.D.C. by agreeing to cooperate in expanding the Ross Center to accommodate the 400 members expected to use the facility in 1962, and by building a second day center to serve the Negro elderly, to be ready for occupancy January 1962. A third day center, with facilities to serve up to 1,000 senior citizens, will be constructed in southwest Miami by mid-1962. Plans have been developed for a comparable day center in an area housing thousands of elderly, across from the Orange Bowl, early in 1963.

The board of directors of Senior Day Centers, Inc., and its committees, have been working to develop day centers providing the highest standards of service under the direction of competent professional staff. The center facilities made available by the M.H.A. represent a saving to the community of many hundreds of thousands of dollars in capital investment for physical plants and equipment. To date fully half of the older adult participants in the program come from throughout all parts of Dade County; the others from the nearby low rental housing. Our community is therefore asked only to meet the operating needs of Senior Day Centers, Inc.

FLORIDA STATE DENTAL SOCIETY,
Tampa, Fla., February 28, 1962.

Mr. WILLIAM G. REIDY,
Staff Director, U.S. Senate, Special Committee on Aging,
Senate Office Building, Washington, D.C.

DEAR MR. REIDY: In approving a recommendation by this society's 1961 dental health workshop, the executive council of the Florida State Dental Society has favorably endorsed the implementation of Public Law 86–778, known also as the Kerr-Mills medical aid for the aged law. The basic philosophy of this legislation is quite sound and very much in keeping with our free enterprise system.

By the same token, this same executive council, representing over 1,700 Florida dentists, is opposed to the enactment of H.R. 4222, also known as the King-Anderson bill. The membership of this society, through its executive council, strongly opposes the health care of Florida's aged under the social security system, which smacks strongly of socialized dentistry.

We sincerely hope and trust that your committee will take this society's stand on these matters under advisement and assure its inclusion in the Congressional Record.

Sincerely,

G. J. PERDIGON, D.D.S.,
President.
R. B. HUGHLETT, D.D.S.,
Chairman, Legislative Committee.

BROWARD COUNTY DENTAL SOCIETY,
Fort Lauderdale, Fla., February 22, 1962.

Senator GEORGE SMATHERS,
Chairman, Senate Special Committee on Aging,
Senate Office Building, Washington, D.C.

DEAR SENATOR: At the February 19 meeting of the Broward County Dental Society a resolution was unanimously passed which expressed the society's opposition to the King-Anderson bill.

Placing medical care under social security would eventually lead to full socialized medicine, for the fact remains, that Federal aid means Federal control, and as a result, the quality of health care in the United States would decrease as it has done in every country which has adopted it. Medical care under social security would lead to an end of voluntary health insurance programs which now cover 7 out of 10 persons in the United States. It is further realized that this program would be controlled by bureaucrats in Washington and the freedom to choose your doctor, a constitutional right, would be destroyed.

The Broward County Dental Society, composed of 165 members, believe in and support a medical aid program for the aged who cannot afford it. We strongly oppose any program which provides medical aid to any special group without regard to need. Therefore, we endorse the Kerr-Mills law which provides Federal grants to be administered by individual States for medical care for the needy aged. This fulfills the function in a nondiscriminatory manner, regardless of whether the beneficiary is receiving social security or not.

We regret that we did not have the opportunity to testify as a principal witness at the recent hearing in Fort Lauderdale. Therefore would you kindly enter this statement in the subcommittee's permanent records.

Respectfully yours,

FRED J. ACKEL, D.D.S.,
Secretary-Treasurer.

AMERICAN ASSOCIATION OF RETIRED PERSONS,
Fort Lauderdale, February 14, 1962.

HON. GEORGE SMATHERS,
U.S. Senate Subcommittee, Care of Social Security Office,
Fort Lauderdale, Fla.

DEAR SENATOR SMATHERS: The Fort Lauderdale Chapter of the American Association of Retired Persons wishes to record its disapproval of including medical care for the aged in the social security system. We feel that the majority of senior citizens are already adequately covered by the fine hospital insurance plan offered members of the AARP, and many other good economical policies for senior citizens not yet enrolled in the more than 500,000 membership of AARP.

Speaking personally, as president of the Fort Lauderdale chapter, I fear that including medical care for the aged would encumber the social security system with problems and expense which rightfully belong to the Department of Welfare and Old-Age Assistance. As I understand social security, it is an entirely independent fund established by and for those who have, and still are contributing to it. Social security recipients are not welfare cases.

Thank you.

Yours very truly,

ISABEL UNKLES, *President.*

PREPARED STATEMENT OF RUSSELL B. CARSON, M.D., FORT LAUDERDALE, FLA.

I am Russell Carson, a practicing physician in Fort Lauderdale, and president of Blue Shield of Florida, a nonprofit organization established to serve as an agency for the prepayment of medical and surgical expenses incurred by subscribers to the Blue Shield plan.

As of December 1961, 881,313 residents of Florida were subscribers of Blue Shield for their physician services. This means that about 17 percent of the people in Florida are Blue Shield subscribers. These 881,000 and another 65,000 (for a total of 945,000) are subscribers of the Florida Blue Cross hospitalization plan. In addition to these I know there are many thousands of semipermanent residents who retain membership in other Blue Cross-Blue Shield plans.

From other available sources we understand that another 40 percent of Florida's population has protection for health care through 300 insurance companies licensed to do business in Florida. Together Blue Shield-Blue Cross and the commercial insurance companies cover a total of 57 to 60 percent of Florida's population for their health care needs.

Today we are concerned primarily with the health care needs of the senior citizens of Florida. According to the 1960 census report we know there are more than 550,000 men and women over age 65 in Florida. The Health Insurance Institute has estimated that 53 percent of all the Nation's senior citizens have health care coverage through private insurance programs. If this per-

centage is applied to Florida, it means that about 290,000 senior citizens (including an estimated 80,000 enrolled in Florida Blue Cross-Blue Shield) have some type of health insurance. Add to these the 70,000 indigent aged who receive assistance from the Government and you have a total of about 360,000 out of 550,000 senior citizens who have some form of health care coverage in Florida.

As a native born Floridian and a firm believer in free enterprise, may I urge this committee to recommend to Congress our tried and proven American way of solving problems by individual initiative and within the framework of the free enterprise system.

Taking a positive approach to the problem of providing health care for senior citizens, the American Medical Association and the National Association of 69 Blue Shield plans recently announced a program which is the culmination of many months of research and study. This Blue Shield plan will provide basic medical and surgical coverage for senior citizens at a premium which most of our aging can afford, either individually or with assistance from their families. This, by the way, is the approach recently selected by our Federal employees when deciding upon a program of health care for themselves and their dependents.

This new American Medical Association-Blue Shield program has been designed for the vast majority of our aging who can easily pay the relatively small estimated premium of $3 a month, or $36 a year. This, to my way of thinking, is a remarkably inexpensive premium for covering medical needs.

As a practicing physician and as president of Florida Blue Shield I can find no evidence to support the contention that there is a need for a compulsory health care program for the aged, whether this be paid through social security or through any other governmentally controlled agency.

May I now list the essential provisions of this AMA-Blue Shield program for senior citizens:

(1) A uniform scope of benefits.
(2) Surgery—wherever performed.
(3) Inhospital medical care.
(4) Medical service to subscribers confined in a licensed nursing home.
(5) The program will cover all usual ancillary services when rendered by a physician.

Gentlemen, this program can succeed and will succeed because it has the support of the medical profession. It can and will succeed because it is backed by the full resoures of the 69 Blue Shield plans which today cover the medical and surgical needs of 46,000,000 Americans.

The cornerstone of this national Blue Shield program is the provision which states that the Blue Shield plans will provide paid-in-full service benefits for all those individual senior citizens with a total annual income of $2,500 or less, or $4,000 for a family. This service benefit provision constitutes a paid-in-full program for at least 75 percent of those over age 65 in the United States. Almost all of the remaining 25 percent of the Nation's senior citizens either have another source of coverage such as governmental care or previous employment protection, or have an income sufficient to provide for their own needs.

We in Blue Shield are not trying to establish the only plan for covering the health care needs of the aging. We are not seeking monopoly of this coverage.

One hundred and thirty-two million Americans can't be wrong. They constitute over 76 percent of the population, and they have already demonstrated their acceptance of either private insurance or prepayment programs as the way of taking care of themselves in matters pertaining to health. Is it not the proper function of government to make possible the expansion of this approach, rather than the arbitrary enforcement of a method which is contrary to all previous concepts of our Government's function in society?

As far as I know, never before in the history of this Nation has Government usurped the rights of an individual through the purchase of services, whether needed or not, such as is contemplated in the King-Anderson bill. In social security itself, in unemployment insurance, in farm subsidies, in housing, and in many other similar areas, Government has provided financial assistance designed to maintain private enterprise.

Our trust is placed in you and other Members of the Congress—to continue to maintain and support the free enterprise American way of life.

I deeply appreciate the opportunity to appear before your committee on behalf of the 4,400 participating physicians in the Florida Blue Shield plan, and the 80,000 senior citizens now covered by our plan.

If I may answer any questions, I will be happy to attempt to comply.

FORT LAUDERDALE JUNIOR CHAMBER OF COMMERCE RESOLUTION

Whereas the provision of medical care for those unable to provide it for themselves is a responsibility primarily of the States and local communities, and,

Whereas legislation designed to supplement voluntary welfare efforts for such persons should preserve the principles of local participation and determination; and,

Whereas it is an established fact that voluntary health insurance has rapidly increased and that it has been accepted by the great majority of people: Therefore be it

Resolved, That the Fort Lauderdale Junior Chamber of Commerce authorize a duly appointed representative of the junior chamber to appear before the Senate Investigating Committee on the Problems of the Aged on February 15, 1962, in Fort Lauderdale, Fla.; and be it further

Resolved, That this representative shall make known the opposition of the junior chamber to the enactment of the King bill, H.R. 4222, "Health service for the aged under the social security insurance system," or any medicare legislation tied to the social security system.

There being a quorum present, the motion to adopt this resolution was passed with six members voting against the motion.

Respectfully submitted.

LORY JOHNSTON, *President.*

PREPARED STATEMENT OF H. J. HOFFMAN, JR., BROWARD COUNTY PHARMACEUTICAL ASSOCIATION

Mr. Chairman, what qualifications I possess in talking to you about the drug business, relative to your problems as a senior citizen, can only be stated that all my life has been spent in some form of the drug business. Having been on both sides of the business, the manufacturing side in sales and management for almost 24 years, and the retail side, meeting you folks the balance of the time, might permit me to present, not from the senior citizen's standpoint alone, but from the manufacturing and retail end of the drug business as well, many of the facts which might concern you.

The fact that drug prices might appear high to you, there are other factors which might also be taken into consideration. Notwithstanding the economics of the senior citizens, we must all take into consideration the extreme advance that has been made in the field of medicine and pharmaceuticals, which have increased that cost.

It is not too long ago, that drugs, while they alleviated many of the ills of both young and old, were far from being as efficacious as they are today. For example, we now have the antibiotics, we now have the diuretics, we now have the new drugs in the field of heart medicine. We have new methods of treating the sick. As a result, there are probably millions of people today who would not be living had it not been for this great advance in medicine.

Naturally, with this advance in medicine, lives are saved, and as a result, there are more people to become senior citizens. If we would digress 20-25 years into the past, we would see that the drugs of that time have no comparison whatsoever with the lifesaving drugs of today. These drugs of today could have only been brought about by research, and this research is not an inexpensive thing to perform. It could be that out of research on a hundred drugs maybe one might be satisfactory for use on a human being. After months and years of research of use of a drug, it may be found to be effective against various organisms which cause sickness and death, but when used in the human body, it has no usefulness because that particular drug, on which a lot of time and money was spent, was more toxic in the human than it was against the organism itself and hence must be discarded.

Being in the business of pharmacy, and not on the manufacturing level, it is difficult for me to say that these drug products are high priced for the jobs that they actually do. It is also unfortunate, like in many other lines of business, that when something is introduced, there are others who have spent nothing for research, nothing for development, nothing for introduction, endeavor to duplicate this same merchandise at a lower cost. Naturally, without the expenditures for this introduction, research, etc., it is reasonable to assume that they could make merchandise at a "like" type for less money. I don't think I have to tell you that when merchandise is sold on price alone, it is likewise reasonable to assume that something might be left out. When sickness presents itself, nothing can be

left out. The drugs that you use must be rapid in response and allow the patient to get well in a hurry. It is extremely important, because in today's economy, hours of idleness are very expensive, notwithstanding the costs of medication and medical care.

It is entirely possible that a drug purchased from a national house, one who has done the original work and research, will cost you more than one from one who has spent nothing to make a better product. The uniform control in manufacture, so that each tablet that you would take or each teaspoon of medicine that you would use, would be the same as the last tablet or last teaspoonful you would take of that same medicine. This is particularly true in the chronic diseases where drugs must be taken over a long period of time. It is possible that lower-priced merchandise may have some value. It may be as good as the nationally known, higher priced product, but where your health is concerned and illness prevails, you cannot afford to take that chance.

There are other factors, which may be taken into consideration regarding the price of drugs. It is unfortunate that in many of the recent drug investigations of drug manufacturers, that a great deal of truths were omitted, truths that some of you possibly in your desire for lower priced drugs, products, lower priced prescriptions, must have been able to note, and probably the most important being our economic situation in the United States as compared to foreign lands. No one will doubt that the standard of living in the United States far surpasses anything anywhere in the world.

There was a time in the life of most of you when a salary of $25 a week was an excellent salary, a salary which would support you and your family, and buy the many things of that time. Today, $25 a day is not a tremendous income in many instances. That type of income is probably more prevalent than not, today. However, we cannot base that $25 a week of 25 or 30 years ago with the $25 a day as of this time.

By comparison, consider the $25 of today. It is not the same $25 of 20, 25, or 30 years ago. Consider your grocery bill today with what you purchased at that time. Consider the tax rate that you paid at that time with what you pay today. Compare your housing costs of that time with that which you pay today.

A very good example is that those of you who may have annuities dating back to that time, had the cost of living, had the economics of this country stayed identical, you would be living extremely well. In fact, that was your intention at that time, as it should have been. Likewise, speaking of these salaries, if comparison can be made of what a drug costs here in the United States. and a mere amount, a fraction of what it costs here, from a foreign country, we must take into consideration the economics of that land in which it was made, because their dollar is not our dollar. Their standard of living is not our standard of living, their knowledge of the fine things of life is not our knowledge of the fine things in life. Hence, you can see, if salaries which today represent probably the largest cost of operation in a business are a fraction of our cost of doing business, it doesn't take a mathematical mind to find why products made in foreign countries would naturally cost less than they do in the United States. It would be a wonderful thing if we had the economy or rather the incomes of today in yesterday's economy. But consider, How could that happen? Where would the money come from if we were operating at the high salaries on the low income to manufacturer of years back? He simply could not afford to pay the salary of today out of his income at that time.

I am not maintaining that we are leading a better way of life than you experienced in the years gone by. I do maintain, however, that a circumstance exists that prevents us in this day and age, an ever-increasing cost of living to maintain our economy on anything less than the higher salaries, notwithstanding higher prices of all merchandise. Illness is the unfortunate circumstance which will surround all of us sometime in our life on earth. Nobody likes illness, nobody likes to see their loved ones be sick; yet it is inevitable, and since it is inevitable, progress in the field of medicine, progress in pharmaceuticals must continue to progress. Being in contact with sick people week in, week out, year in, year out, I am cognizant of their many problems, not from the standpoint of their anatomy, but from the standpoint of their personal incomes and ability to pay for the drugs of today.

There are so many factors involving the cost, the prescription costs of today. If the image of a pharmacist to you is one of profiteering, I would like to enlighten you and try to erase that image from your mind.

Today, the average pharmacist must complete 5 years of college training to receive his degree. During that 5 years he has had a great outlay of money and his income is nil. Your pharmacist of today works many, many hours. Your pharmacist of today is ever ready day and night to help you alleviate the sickness which may come to your family. If you would go back 20–30 years ago, at that time the average medication was such that it would be difficult to do harm to a patient. Today, medication is entirely different. The drugs that are prescribed today, many of them are toxic drugs and therefore must be given with caution under a physician's direct supervision. Today, the drugs are in the amounts of milligrams rather than grams or ounces, so that extreme care must be used in the filling of a prescription and only the knowledge that a pharmacist possesses and the experience of that pharmacist can guarantee you that the drug that you are taking, the amount that you are taking them in, as prescribed by the physician, is safe for you to take.

The pharmacist's job is an exacting task. You may say, "All you do is pour from one bottle to another." In many instances, that is true, but at the same time it requires a knowledge of that drug which is being "poured from one bottle to another." It requires the knowledge of the dosage of that pharmaceutical. It requires that it is be administered to you exactly as the physician prescribed it to be administered to you.

Let us take another economical phase of a pharmacy. In the average apothecary, I would estimate that probably 75 percent of all the drugs in it are drugs which cannot be administered to you unless a prescription is forthcoming from the physician. They are labeled "Federal Caution; may not be dispensed without a prescription from a physician." The money necessary to carry the inventory to cover all phases of illness in the various sizes and dosages is tremendous. Stop to think of this, that your pharmacist is not a merchant actually—these many thousands of dollars in drug products that he carries on his shelves he cannot sell unless he gets a prescription from the physician, yet he must have them ready for your use should you need it. By and large, most of these drugs are wholly stable drugs, and age does not bring about deterioration. So when he buys these drugs for various illnesses he cannot sell them, as I said, without a prescription. He cannot reduce the inventory of his pharmacy as he would reduce the inventory of applicances, of clothing, of food, whereby all he would have to do is reduce them to such a point that it would be a bargain to the customer. He cannot do that. He must wait until he has a prescription for those drugs. It may be a year, it may be 2 years, it may be an indefinite time, and then, after an indefinite time the drugs in many instances must be taken from the shelves and destroyed. That means they are a total loss to that pharmacy. It means an investment that cannot be recovered. Can you name one other business which is confronted with a problem identical with this?

Let us take the position of salaries of a pharmacist, and compare it with those in various trades of today. Take a trade such as television, or plumbing or electricity. When the man calls on your house he immediately assesses you for a service charge. If any of you have had a television repaired in the past 3 or 4 years, I'm sure you know what I mean. The fees that they charge are substantial. I received a bill for parts of $1.84, my service charge was $8.75. Time involved in installation, 35 minutes, but since this brought about a condition where I can enjoy my television, I was not too perturbed. Possibly, if I had had illness and I had had to pay the $5 for an office call to the physician, $3 or $4 for the medicine, I might be perturbed, only because I was sick. Overlooking the fact that nothing is more important than my health, I should have been more perturbed about my television than I should have been over my health. Now a pharmacist wage is nothing compared with the plumber, the television man, and the electrician. The rate is much lower, but let us assume that a pharmacist fills your prescription and it takes him 10 minutes to fill. Let us assume that he costs a pharmacy $4 per hour, as a wage. Now a pharmacist is not filling prescriptions every minute of the hour. Let us assume the 50 percent of his time he is filling a prescription. This means, actually, that it is on the basis of $8 an hour of actual work performed. Ten minutes represents one-sixth of an hour. One-sixth of $8 is $1.30, approximately. This means that when you hand a prescription to your pharmacist, it is going to cost without any profit, without any drugs, it is going to cost a minimum of $1.30 because that is the amount of outlay which must go to the pharmacist to fill that prescription—and remember, he is not overpaid in today's economy.

The cost of the drug must be considered. If they are antibiotics, they are fairly expensive. If they are any of the barbiturates, or any of the other com-

mon drugs, they might be relatively inexpensive. Let us say that the medication, in itself, only costs 80 cents, 80 cents plus $1.30 is $2.10, which might or might not contain the container, labels, etc., now this $2.10 represents the absolute cost, and you know that is impossible for a man to stay in business without making a profit. We have not mentioned the taxes, the rent, the light, and the equipment, and the tremendous amount of inventory which must be carried on the shelves, which those same number of dollars invested in a bank of savings and loans would produce. We have taken the cost of the pharmacist into consideration. The largest amount of cost in operation, without questioning the balance of cost, would be approximately 10 percent of sales, because the average store today requires minimum of 30 percent cost of doing business. Now if we add 10 percent to the already $2.10 that we have, we have $2.45. Money in the bank today is worth 4½ percent, invested more wisely might bring as high as 6 percent or an even greater percentage. So let us take the average 6 percent. I may add that the average drugstore made a profit of 5.75 percent last year, so when we add 10 percent operation cost, plus 20 percent salary cost which it actually amounts to, and add a minimum of 6 percent to it, we have a prescription in the vicinity of approximately $2.75, and how many times have you had prescriptions, and I am sure there are many time, which were less than that figure. Of course, there are times when it has been in excess of that figure because the cost of the ingredient itself was higher, but the cost of operation, the profit derived, the cost of time, the fee for filling that prescription remained the same. So, as you can readily see, nobody in the drugstore actually get rich—and your image, whatever it may be, should be based along these lines and not one of profiteering. Also, remember that as the pharmacist fills your prescription, he is helping to improve your health, and the money that you spend is possibly going to help you enjoy a better life. That $2.75 to $3, which might be the average prescription today, might be compared with another phase of our life. Once a month, as a rule, we take our car to have the oil changed, once a week we stop to have gasoline for transportation. Every day of every week there is depreciation on the car itself, these are costly things in our economy, but because we get enjoyment from them we do not mind spending money. However, because when we get sick, we are not enjoying ourselves, we abhor the idea of spending one dime in the betterment of our health.

There is another phase that might come to your attention. That is the fact that the pharmacist, interested in your health, mainains a service from he store to your house. Interested in the fact that money might not be available at the time of illness, he is willing, in many instances, to charge the prescription to your account. As you know from the operation of your own car, that it is a costly operation, but that is not included as a rule in the cost of your prescription, because it is delivered free. The carrying of money on the books for a period of 30 days is an expensive operation too, because in that same period of time it could be earning money in other investments. It may appear to you that a pharmacist likes to have illness surrounding his neighborhood, but such is not the case actually, and, I am sure, that your pharmacist would rather see you well and healthy. However, he knows as we stated before, that sickness is inevitable and being inevitable, he is at your beck and call to deliver to you, with all the skill that is required, with all the knowledge that is necessary, with all the equipment that is required by law to place in your hands those drugs which are essential to good health and happiness.

Your pharmacist does not demand that you put him on a pedestal, he does not demand that you hold him in reverence for what he does for you and the services rendered by him to you certainly should give him the image of stature and strength in your minds.

Let us look at this phase also. In the United States, where free enterprise has developed the foremost country in the world, competition is very strong. Where competition exists, there is always those who would try to sell for less, where in selling for less they would use merchandise of questionable quality to induce the customer to buy from them at a lower price. On the other hand, they may advertise as some of you have probably seen in the newspaper, known drugs in extremely large quantities at special prices. On the face, this looks like a very substantial savings to you. However, it isn't always necessary that the patient have 100 tablets to correct their illness when a dozen or even two dozens may suffice. So what is the advantage to the patient to have 100 tablets because they are offered at a special price. That is truly money wasted. If you have had illnesses in your family, look in your medicine cabinet and see how many tablets you might have left over from that illness. That would be like saying

why not buy a full 100-pound sack of potatoes because it would be less per pound than 10 pounds or a full crate of eggs because it would be less per egg than the dozen eggs that you might need.

I am sure that there are many things that the average layman might not consider when he sees the ad. Certainly, if the physician wished for you to have 100 to 200 tablets, he would prescribe them in that quantity. There are even times when medication may not agree with a particular patient. In that event, all the purchase of that drug is lost, because the law states that drugs may not be returned once the package has been opened. The desire of the discounter actually is to get you in his place of business. It costs him money to operate as well, and he doesn't make a profit from the drugs he sells to support his business. His desire is for you to buy the other things he has in his various departments, long-profit merchandise to keep him in business. Think about this the next time you have a prescription to be filled. These facts are not stated to have you feel sympathetic to your pharmacy, but, instead are stated, in fairness to the pharmacy whose one desire is to keep you supplied with medication for the improvement of your health.

To sum this all up, let me tell you of a quote that "you, too, may own a pharmacy, if you will invest in years of training." It generally takes 5 years to obtain a degree from an accredited college of pharmacy. Then, to satisfy your State's licensing requirements, you must complete an apprenticeship and pass the State board examination (an exhaustive test of your theoretical and practical pharmaceutical knowledge). Then, to really learn the business, you may spend 2 to 5 years working for some other registered pharmacist. If you can arrange to finance it, national surveys have shown that you should be prepared to spend $11,000 for the fixtures and technical equipment, you must have in the "average drugstore," and invest $20,000 in a permanent inventory of the best possible variety of available drugs. Several hundred new drugs appear yearly. Then, in order to cover initial operating expenses, you must have $2,500 in cash on hand. You must further expect to spend $2,400 for a year's rent and $9,000 annually on other expenses, including 12 types of personal and casualty insurance to compensate for accidental injuries to people on your premises, fire, theft, even for misinterpretations of patrons' instructions. Finally, figure on a weekly payroll for clerks and messengers, just less that $200 and, in addition, of course, be sure to include your own salary.

If you can wait for slow returns on a continuing investment, besides your training and financing, your greatest investment will be in time; the long hours you will spend working in the pharmacy; the time you must devote in your continuous professional education; the time it will take to establish yourself in the community. Once physicians, dentists, nurses and their patients know they can rely on you, you will have the great satisfaction and responsibility of being of vital service to your community. Only hard work and time will help you develop your community standing so that eventually you have the average drugstore. Then you will find that the returns on your financial investment are both slow and small. The average pharmacy shows a profit of 5 to 6 percent. A profit, incidentally, you might obtain without any special knowledge and effort from many other good investments.

Overwhelmed? If not, now discouraged, join the more than 100,000 dedicated men who are America's licensed pharmacists rendering their unique and vital services in the communities.

These are unalterable facts and are worthy of consideration when you draw your image of your pharmacist.

In closing might I add this one thought? Your neighborhood pharmacist is actually a fine fellow, kind and even soft-hearted, in most instances, he is a family man with the usual family problems, let us suggest that you contact him and, if you are a senior citizen prove that you are. If you are financially embarassed, prove that also. If you need help in your sick needs, explain it to him. He will listen, I am sure. He will also endeavor to lighten your burden as to drug costs.

It is not necessary, in all instances, for Federal Government or State support, when your local pharmacist can render that aid. President Kennedy states it this way, "It is not what the Government can do for you. It is what you can do for the Government." You are the Government and you should want to keep it just that way.

WEST HOLLYWOOD, FLA., *February 9, 1962.*

Senator GEORGE SMATHERS.

DEAR SIR: Am writing you in regard to the committee hearing on medical care for the aged. I cannot attend this meeting February 15 at armory. Am 70 years old, in need of both medical and hospital treatment which I cannot afford. Just stand near any prescription counter and see the oldsters having to pay exhorbitant prices for the necessary remedies to alleviate their pain.

There is widespread opinion throughout this section that something could and should be done, regardless of the AMA cry of socialized medicine. Is the AMA greater than the U.S. Government?

Trusting you will do all in your power to give support to where it is needed most.

Respectfully,

EDWIN BRINKLEY.

DEAR SENATOR SMATHERS: 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 80 years old; all alone and sick, and a very small income. My children can't help me much. Whatever I saved in 50 years the doctor takes most of it and the drugstore takes the rest.

You know the situation. So if you can't help us old folks, who will?

Mrs. TASSLER.

FORT LAUDERDALE, FLA.

DEAR SENATOR SMATHERS: 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 most anxious to see the social security medical aid bill pass as this will enable every senior citizen to get medical aid with dignity instead of charity.

Ninety percent of our aged have to get along on their insurance checks for food and rent and when sickness strikes with a major operation the doctor and hospital soon deplete whatever a man has scrimped and saved all his lifetime. Therefore, I will be most grateful to you if you will help to pass this bill.

Yours truly,

CHARLES JUST.

FORT LAUDERDALE, FLA.

DEAR SENATOR SMATHERS: 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:

MEDICARE

1. Wage earners are struggling to support their families now.
2. Take a few dollars off each item of foreign aid and you have ample.
3. Why have high socialism the same as Russia.
4. Medicare does not cover everyone who really needs it.
5. Doctor's offices are crowded now. I know of 200 senior citizens who would go to doctor immediately.
6. Let the doctors lower their fees for over 65. Keep the Government out of free enterprise.

———, ———.

FORT LAUDERDALE, FLA., *February 15, 1962.*

DEAR SENATOR SMATHERS: 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:

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Ninety of our aged have to get along on their insurance check for food and rent and when sickness strikes with a major operation and the doctors and hospitals soon deplete whatever a man has scrimped and saved a lifetime, therefore I will be forever most grateful to you if you will help to pass this bill.

Yours truly,

SAMUEL KANE.

FORT LAUDERDALE, FLA., *February 15, 1962.*

DEAR SENATOR SMATHERS: 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 believe in the American way of life, where everyone makes his own way. Anything I'm going to have in my life, I am going to bring about by my own efforts. I am just a plain workingman, but I believe this to such an extent that my insurance program costs me $140 per month. This includes life, income protection, and health insurance. On top of this I have income tax, social security, and retirement coming out of my pay every week. I don't mean that we should put old folks out in the street if they're sick, but if they had sent some money on ahead when they were younger, they would have it now. While I'm young and healthy enough to work, I'm making a sacrifice now so my retirement days will be worry-free. This is a retirement area, and 50 percent of the people in the area own Cadillac cars and some two. This is an outrage that these people campaign for health care through social security. My taxes are high enough now so that I have to deny my family some of the basic necessities. If social security continues to go up I have no recourse but to start canceling my insurance program and go on welfare. I hear, around town, many people say they don't carry health insurance because the Government will take care of them. If the Government is going to do this for them, we might as well give the Russians the key to the country and let them take over without a shot being fired. We will have a real socialistic government and, as you know, socialism is the bedfellow of communism. Mr. Ribicoff wants to impose a 10 percent social security tax on the first $9,000 of income. Well, this is equal to income tax that I pay. Where will it ever stop? Don't punish me because some few didn't plan for this retirement. I don't want my two boys punished either, to support me. I have no rich relatives to leave me anything. What I accomplish, I do myself and what's in the future, I will do for myself. I don't want to be dependent on the Government to support me, care for me, etc. I believe we should all revaluate what we stand for and if we're going to walk through life with our heads held high and independent. I am against any form of Government takeover of health insurance.

Sincerely,

GUSTAVE E. HEYDT.

FEBRUARY, 1962.

DEAR SENATOR SMATHERS: 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:

About 15 nations, Australia, New Zealand, Britain, Austria, Holland, Belgium, Germany, Denmark, Sweden, Norway, Iceland, Finland, and 2 or 3 countries in Africa, have some form of medicare. Some a full cradle to grave and the above are all free-enterprise democracies.

Just because they have good social reforms, give human life a square and fair opportunity to live longer, without worry, without the sword of huge medical and hospital bills bankrupting them. These countries are then called socialistic. How ridiculous, how unfair to call unregimented, free countries like the above socialistic.

Give us the same medicare as the above countries. We are way behind the times; way behind in social reforms. Why must we? Do not God's people come first; of course. So please, Sir, vote for us.

J. J. DUBRAVEC,
5256 Northeast 18th Terrace,
Fort Lauderdale, Fla.

FEBRUARY, 1962.

DEAR SENATOR SMATHERS: 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:

The fact that so many people turned out to the hearing proves how vitally it is important to millions of senior citizens to pass the King-Anderson bill.

Not only will we be assured of being taken care of when we are sick, but it will give us a feeling of security and freedom from fear of getting sick that haunts us now—the fear of medical bills that we cannot pay.

We hope Senator Smathers, that you will vote for the bill.

BEULAH STEINBERG,
950 Second Street,
Miami Beach, Fla.

DEAR SENATOR SMATHERS: 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 50 years in this country and worked all the time, and last year I got sick, spent all my savings on hospitals, and doctors, and drugs. I am all alone, no insurance of any kind. I could not pay for it. Six days in the hospital cost me $212. My eyes cost $800. I am too old to work; 53 years of hard labor. Can I expect a little help in my old age? Will you please think of it, Mr. Senator Smathers?

MRS. SOPHIE SIEGEL.

DEAR SENATOR SMATHERS: 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 lived and worked in this country these 49 years. I have made my contribution to my country by helping to enrich the land, by working honestly, and earnestly to the very best of my strength and ability.

Today, at age 62, I was forced to retire due to ill health.

My social security is all of $74 a month. You may figure out my earnings and the possibility of savings for old age. You may draw conclusions. How am I to exist, how am I to pay doctor bills that come with age and illness?

Is it a just cause that I urge you to take up, or is it not?

Yours truly, at judgment day, when votes become a factor.

PAULINE GOLDSTEIN,
328 Euclid Avenue,
Miami Beach.

FEBRUARY 15, 1962.

DEAR SENATOR SMATHERS: 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:

We want socialized medicine on Social Security Act, as some of us did not make enough when younger to save up for good medical aid.

CELIA WEISBAUER,
1211 Euclid Avenue, Fort Lauderdale.

FEBRUARY 22, 1962.

DEAR SENATOR SMATHERS: 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 sure that unless any of you have reached this so-called retirement age and found yourself at the end of the trail of life; old, ill, and unwanted because of need of young and healthy workers that can produce a good day's work and not experience, then we feel something must be done to offset this awful deliberation on the part of our Senators to really do to others as you would want them to do to you when your turn comes around after age 70. Need I say more?

Yours very truly,

Mr. and Mrs. DANIEL J. LUTZ,
3700 Jackson Boulevard, Fort Lauderdale, Fla.

FEBRUARY 15, 1962.

DEAR SENATOR SMATHERS: 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 was one of the senior citizens attending the hearing at Fort Lauderdale. I greatly appreciate your conducting the hearing and I appeal to you to help bring the King-Anderson bill out of committee and onto the floor, and to help us get medical and hospital care under social security.

NATHAN MILLER,
135 3d Street, Miami Beach.

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533 MERIDIAN AVENUE,
Miami Beach, Fla., February 24, 1962.

HON. GEORGE A. SMATHERS: I wish to let you know what I would have said, if I had been a witness at the hearing held in the War Memorial at Fort Lauderdale.

I am a senior citizen age 75 at my next birthday in March.

I want medicaid while I am still living and not when I am dead.

I am ashamed, that my country America is one of the last in the world that thinks so little of her aged and provides so niggardly to them that when I think of the preamble to the Constitution that says, "To promote the general welfare" etc. I wonder if our representatives at Washington have forgotten what their duty is.

There are many more facts that I could state but will conclude my letter, with the request that you use your influence in behalf of President J. F. Kennedy's promise to the senior citizens, for medical aid through social security.

Most truly yours,

Mr. and Mrs. J. A. FINKEL.

FEBRUARY 15, 1962.

DEAR SENATOR SMATHERS: 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 want socialized medicine under the Social Security Act.

CLARA HOCHBERG,
1219 Euclid Avenue, Miami Beach, Fla.

FEBRUARY 21, 1962.

DEAR SENATOR SMATHERS: 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 want you to use your influence to help to pass the medical aid bill for the senior citizen through social security proposed by the President. I am a voting citizen of Dade County.

MAX LEOF,
1100 Ocean Drive, Miami Beach.

FEBRUARY 15, 1962.

DEAR SENATOR SMATHERS: 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 have been working since 1913. Upon my husband's death in 1954, whose illness had taken most of our life savings and since then I have been seriously ill myself.

I have only my social security as income, as I have no children to depend on.

I desperately need socialized medicine in order to help me live as a decent human being.

Mrs. LENA JAFFE,
1475 Collins Avenue, Miami Beach, Fla.

FEBRUARY 21, 1962.

DEAR SENATOR SMATHERS: 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 want you to use your influence to pass the medical aid for senior citizens through the social security bill proposed by the President. I am a Florida citizen.

TESSIE DWOR,
1100 Ocean Drive, Miami Beach.

DEAR SENATOR SMATHERS: 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:

What I have to say is plenty. It is very urgent to raise the checks of the social security, as we senior citizens do not work any more.

We cannot budget ourselves on this high cost of living.

Younger people can work and get good salaries and raises and can get along, but we seniors have to make such a small budget we deprive ourselves on the food. That is why so many of us are undernourished, and that is the cause of so many illnesses.

When we go to a doctor their prices are too high so we cannot afford to go to a doctor.

Therefore this matter should be taken care of. Also we are fighting for the medical assistance, which I hope goes through.

Thanking you.

ETHEL ALPER.

FEBRUARY 21, 1962.

DEAR SENATOR SMATHERS: 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 want you to use your influence to help to pass the medical aid bill for the senior citizens through social security proposed by the President of the United States. I am a voting citizen of Dade County.

JEHIEL OZER.

DEAR SENATOR SMATHERS: 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 was at a meeting of the senior citizens and the subject was medical care for the aged. I've been hearing about this for a year. How long do we have to wait to get our medicine for prices that we can afford?

How about raising our checks as we cannot get along on the social security check? We are getting older and need nourishing food and cannot do this on the social security check.

Widows got a raise, but it did not apply to everyone. I am a widow but was not entitled to the raise because I was above the amount and at the cost of living I can't get along on my social security. I am 73 years old, living in a retired home and my whole check goes for food. Where is my living and medical aid?

Sometimes I wonder why I am still living and for what when you have to struggle.

LANA STERN.

FORT LAUDERDALE, *February 21, 1962.*

DEAR SENATOR SMATHERS: Here is what I would said at the hearing of your subcommittee of the Special Committee on Aging if there had been time for everyone to speak: We want socialized medicine on the Social Security Act.

Mr. and Mrs. SAM KAHAN,
1219 Euclid Avenue, Fort Lauderdale.

DEAR SENATOR SMATHERS: 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:

Taking in consideration that you, Senator Smathers, are a very near friend of our beloved President J. Kennedy, will you do your share of helping along with the Special Committee on Aging to put through medical aid for every citizen in United States over 60 years of age.

MICHAEL MEERSON,
326 SW. 24 Terrace, Fort Lauderdale, Fla.

FORT LAUDERDALE, *February 15, 1962.*

DEAR SENATOR SMATHERS: 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.

We are in favor of the King-Anderson bill. We want this bill out of committee and put up for a vote. We want a vote for this bill, not for a substitute bill. We are tired of excuses, camouflaged Blue Shield-AMA proposals to avoid the issues, etc.

We receive social security monthly payments. This is not socialism; neither are the proposals of the King-Anderson bill socialism.

We will watch with interest the votes of our Congressmen on this issue.

Thanks.

W. G. LADD,
417 SW. 15 Street, Fort Lauderdale, Fla.

February 15, 1962.

DEAR SENATOR SMATHERS: 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:

Congratulations, kind sir, for the fine and capable way in which you presided over the well-planned hearing today in the War Memorial Auditorium. To your distinguished colleagues, Senator Oren E. Long and Senator Jennings Randolph, a bouquet of success and good wishes for their unbiased and gentlemanly interrogation of the witnesses.

I, a tourist and a "golden ager" from Philadelphia, Pa., with a voluminous number of friends living in your tropical paradise, was present as an observer. I was very much impressed, however disappointed, that our mutual friend, the Honorable Joseph S. Clark, the distinguished Senator from Pennsylvania, was not occupying one of the seats on the rostrum.

The arguments, as presented by the sponsors, were handled with dignity and utmost respect for the gentlemen of the U.S. Senate.

I honestly believe these hearings, under your purview, will result in favorable consideration and ultimately successful action in eliminating the adverse problems of the aged and give medicare for those entitled.

Thank you for this opportunity to forward the foregoing.

NATHANIEL E. JAFFE,
6715 Wyncote Avenue, Philadelphia, Pa.

February 15, 1962.

DEAR SENATOR SMATHERS: 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:

Being a receiver of social security, I feel that if it were raised to the value it should be today because of inflation or raising all single persons to $150 per month and $250 to a married couple one could then keep up our own hospitalization and medical and surgical insurances. Also grant all those who had to accept social security at 62 be granted the raise to what it should be at 65 if they in turn had 10 or more years of coverage.

I talked to several people at this meeting from Michigan, Indiana, Illinois, Connecticut and New York. They felt as I do. It is not easy to figure how much would be needed to take care of people under the King-Anderson bill and we feel it would bankrupt the social security funds very soon. There would be a great many who would take advantage of it have hidden assets but anything for nothing would tempt them to accept it. I am sure you could sense this from the meeting.

This is a personal experience. We who are American born cannot get help as readily as those of other countries. A great many come to this country to work and then after accumulating a certain amount of money go back to their homelands and live off the "fat of the land." I know some of these people. It is not easy to have worked for your country through wars and then when medical and medication bills as well as hospital bills take your savings you are left in the lurch because being an American you should not get into a position of need. We send our boys, money, food, etc., abroad for those in charge

in these various places to abuse them and us. We have been handing out great sums of money, etc., so these countries could get on their feet, but have they? Yet this country can't take the proper care of its own.

It is not a good feeling to have to need charity and most of us will not ask for it, we would rather die, but if social security gave us what we should have as we all worked for and due to inflation is worth less than half now. Figure it out yourself; $80 20 years ago would be double its value today.

Think these things over carefully before passing any bill. Furthermore, why always the raise for widows; are we single persons not to live, eat, and breathe?

Sincerely,

IDA M. ZIMMER,
808 NE. Fifth Avenue, Fort Lauderdale, Fla.

NORTH CENTRAL BROWARD SENIOR CITIZENS CLUB,
Fort Lauderdale Fla., February 16, 1962.

DEAR SENATOR SMATHERS: 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:

Knowing you and committee sought facts on problems of the aged, many senior citizens are more or less concerned about the lack of opportunity given to you to gather "facts."

Unfortunately many senior citizens in this area found it physically inconvenient to arrange to attend. These, nevertheless, do manage to get to their community meetings. Moreover, the community meeting attendance in many cases is restricted only by lack of capacity facilities for the gatherings.

Doctors, dentists, pharmacists, optometrists and insurance men, however, did manage to attend this meeting at the auditorium on order of directors of their respective trade associations. The local chamber of commerce and Rotary, controlled by the patronage of these groups, also left their traditional field to display a complete disregard of human and community needs.

These professions and agencies in the past have enjoyed unrestrained confidence and respect of the citizenry. The obvious distortion now of the facts in this issue, leaves many in doubt about the inflexibility or their integrity. The enclosed medical newsgram by the Broward County AMA is but one example. It's for the public and on table in waiting room of most doctors' offices here.

Every senior citizen who has been on a payroll, or had the responsibility of making up one during the years of employment, knows this is a shameful distortion of the facts on costs and self-supporting features of the operation of our social security system. One can hardly assumed the purpose and design of this "newsgram" is due to ignorance of learned men while the truth and "facts" is the common knowledge of laymen.

As for their indulgence with patients unable to pay and what they do for them and are ready to do, let me assure you these are the exceptions. Actually, patients are noiselessly screened on ability to pay. Those considered to be poor risks just find they are unable to get an appointment or are directed elsewhere. Those in a position to pay must in any case adhere strictly to doctors office hours; ofttimes wait for that break in MD's busy social routine. Home and emergency service is now almost nonexistent.

Ambulance to hospital is the necessary alternative. There, as is practiced in many cities throughout the United States, your sponsor is required to see cashier before you are admitted.

As for the facts concerning the number of seniors in Broward County, it occurs to me the information is perhaps available to you through social security disbursements. It doubtless won't surprise you to find it is many times the 3,500 the good doctors said live here. Of actual total, it can be assumed about 5 percent will not need supplementary assistance and will not look for it. Moreover, earnings limitations for eligibility under social security would automatically remove them from the aid category. As for the remainder, let me assure you they won't rush to fill the hospitals, as the doctor says. In considering seniors likes and dislikes, you are entirely safe in believing the hospital is just one place seniors do not want to patronize.

Finally, men serving as officers for senior citizens groups consist largely of men who have served their time in industry; have no ax to grind, and few in

need of supplementary aid. Motivated entirely by what they see in the plight of those in need, they serve unselfishly, hoping they can assist in alleviating and feeling that "Now is the time to come to the aid of their brothers."

Respectfully,

J. W. MITSON.

FEBRUARY 16, 1962.

DEAR SENATOR SMATHERS: 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 one of many World War I veterans, asking for a chance to live in this beautiful State of Florida. I came to Fort Lauderdale in 1956 in hope to find health, happiness, and better living, I then was age 65 years. I am now 70 years, in poor health, searching for some way out in our declining few years.

I have a service-connected disability and am forced to travel to Coral Gables Veterans' Administration Hospital to get any help or treatment. It takes me about 2 hours for a distance of 38 miles one way and when I get there all tired out from the trip, it is first come, first served. I have been traveling back and forth since April 18, 1961, up to now February 8, 1962. I do appreciate what they have done so far.

I lost about 31 pounds, get dizzy and almost black out at times, get painful gas, need teeth and glasses. Had a fistula operation by a local doctor in Fort Lauderdale, because the VA doctor didn't recognize the infection when examined April 18, 1961. I was forced to cancel my insurance policy to pay for the operation and the many bills.

I most urgently ask that some measure be taken to give us oldsters a breather, also please take some action so that we veterans in Fort Lauderdale get local outpatient service or increase their compensation so we could afford a doctor in town.

Very sincerely yours,

DANIEL J. LUTZ,
Fort Lauderdale.

FEBRUARY 16, 1962.

DEAR SENATOR SMATHERS: 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:

No Speak—fact. In 1960 I closed my savings account. In 1961 I sold my house. It cost $12,000. I sold it for $8,000 to pay 1-week hospital expense, $300.35. Doctor bills and medicines cost $724.35.

Now I pay $100 per month rent. My check for both of us is $105. That is all.

Yours truly,

LEO KORAL,
Miami Beach, Fla.

FEBRUARY 15, 1962.

DEAR SENATOR SMATHERS: 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:

(1) You cannot save a good program without the support of the medical profession.

(2) Medicare is only the extension of Fabian socialism in the United States.

(3) Socialized medicine will discourage good students from studying medicine and the quality of medical care will deteriorate.

(4) Three months after medicare is started there will be a critical shortage of hospital beds. The "free-riders" will be taking advantage of that 3 months medical care for $90. It is hard to beat $1 a day for your care. When this happens you will have plenty of complaints from those under 65 years. Don't expect the medical profession to help you then.

F. D. PIERCE,
Fort Lauderdale, Fla.

FEBRUARY 15, 1962.

DEAR SENATOR SMATHERS: 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 do not favor social security to provide medical care for the aged, because it will not benefit many who are aged, but do not receive social security, and it is a form of socialism.

However, I am in favor of medical help for all persons over 65 that are retired and need help. One way this could be done is for doctors and hospitals charging one-half their regular fee and allowing them to deduct the 50 percent lost from their Federal income tax. Most doctors are in the 50-percent bracket, so this would not change their retained income.

I am 67 years of age and retired in 1953 because of a heart condition. I moved to Florida in 1956. My income has declined during that period, but my doctor has increased his office fee from $4 to $10. If he would charge me one-half his fee or $5, then the charge would be about the same as in 1956.

Yours very truly,

WM. D. LYDECKER,
713 Southeast Eighth Street, Fort Lauderdale, Fla.

Senator SMATHERS. We feel that you have made a good record and we feel that we have all learned something. Certainly these Senators have learned something and I hope that you people have. Obviously we recognize there is a need, but what we are desperately endeavoring to do is to bring about the right solution. May God bless you, and thank you.

(Whereupon, at 4 p.m., the hearing was adjourned.)

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