

# Health Insurance Coverage of the Aged and Their Hospital Utilization in 1962: Findings of the 1963 Survey of the Aged

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MODERN medicine has improved health and prolonged life. Yet advancing age is often accompanied by declining health, and, as more persons live to old age, the special medical problems of the elderly continue to mount. The old are much more likely than the young to suffer from such chronic illnesses as arthritis, heart disease, cancer, and high blood pressure. The Nation's aged are often faced with the heavy medical costs of severe illness and disability at a time when their incomes are reduced.

At the end of 1962, about 9 million persons, or slightly more than half of all aged persons in the United States (including those in institutions), had some form of prepaid insurance against medical expenses. The other half of the aged population had no health insurance of any kind to help them meet the many costs associated with illness.

Those aged persons most in need of health insurance are the least likely to have it—persons in poor health, the very old, those not employed, and those with low incomes. Of the aged who evaluated their health condition as “good,” 3 out of 5 had health insurance, compared with slightly more than 1 out of 3 in “poor” health. One-third more of the persons aged 65–72 had health insurance coverage than of those aged 73 and over.

Although the proportion of aged persons with health insurance coverage has doubled since 1952, the number without insurance has declined by only 1.2 million to 8.5 million. From March 1952 to December 1962, the total number of persons aged 65 and over increased at such a rapid pace that the number without insurance coverage still remained high.

Today's high cost of hospital and nursing-home care presents special problems for the aged be-

cause of their large and often unexpected bills. The aged person has about 1 in 7 chances of going to a general or short-stay special hospital during the year and about 1 in 25 chances of going to a long-stay hospital or a nursing home. The aged person going to a short-stay hospital can expect to be there an average of 2½ weeks during the year. In a long-stay medical facility he would spend an average of 37 weeks.

Advancing age is associated with increased use of medical facilities. About 1 in every 8 persons aged 65–72 and 1 in every 7 persons aged 73 and over were in short-stay hospitals during the year. The increase in utilization of long-stay hospitals and nursing homes is even greater as age advances. Only about 1 out of 50 persons aged 65–72 was in a long-stay medical facility during 1962, and the rate increased to 1 out of 15 for those aged 73 and over.

Among the aged population, those drawing benefits under the old-age, survivors, and disability insurance program (OASDI) are more likely to have health insurance than nonbeneficiaries. This difference reflects the differences between the two groups in age, income, and employment status. Beneficiaries past age 65 are younger as a group than nonbeneficiaries, although the latter include some persons at the younger ages who are fully employed. Most of the nonbeneficiaries are aged 73 and over, and many of this older group have the lowest cash incomes, are totally dependent on relatives and/or public assistance or are in public institutions, and are the least likely to have health insurance coverage.

Aged persons who work are more likely to have health insurance than those who do not. The aged who are fully employed the year around generally have the same opportunities as younger workers to obtain health insurance on a group basis. And many older persons retiring from employment can convert their group policies to individual policies. About three-fourths of the

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employed aged persons not receiving OASDI benefits have health insurance coverage, compared with slightly more than half of those no longer working and receiving benefits and less than two-fifths of the nonbeneficiaries who were not working. Apparently, many aged persons permit their coverage to lapse when they stop working—perhaps because their small income makes it difficult to meet the considerably higher premium costs that follow when the employer contribution is reduced or discontinued.

Some persons are, of course, hospitalized more than once during the year. Among the 17.5 million aged persons, about 2.4 million were in short-stay hospitals during 1962. Nearly four-fifths of those hospitalized in the course of the year had one stay, 17 percent had two stays, and 4 percent had three or more stays. The 2.4 million thus accounted for almost 3 million discharges.

In terms of the individual hospital episodes, there were 171 discharges from short-stay hospitals in 1962 for every 1,000 aged persons. The average length of stay per discharge was 15 days, or an average of 2.6 days of care per aged person in the population. There are some differences in the utilization of short-stay hospital facilities between aged men and women: The men are hospitalized, for example, more frequently than the women. There is, however, little difference between the sexes in the average length of stay per discharge.

As shown in earlier studies, persons who have health insurance enter hospitals more frequently but have shorter average stays than those who are uninsured. For every 1,000 aged persons with insurance, there were 192 discharges during 1962—a rate more than one-fourth higher than that for aged persons with no hospital insurance coverage. The higher discharge rate for the insured

is offset by longer stays for the noninsured, so that the total number of days of care for the latter group is slightly greater than it is for the insured group. This fact suggests that persons without insurance tend to postpone entering a short-stay hospital until the need is critical and that they then require longer periods for recovery. Conversely, it appears that those with hospital coverage take advantage of their insurance status to obtain needed hospital care without delay and so recover faster. Aged persons with insurance are also more likely to be hospitalized for short periods for diagnostic services.

As might be expected, there is a general pattern of increase in the short-stay hospital utilization rates with advancing age. These utilization rates are based on the hospital experience of persons living at the time of the interview. If the rates for decedents could be included, even higher rates with advancing age would undoubtedly result. In general, the hospital utilization rates for OASDI beneficiaries are higher than those for nonbeneficiaries with and without hospital insurance coverage.

These are some of the findings relating to health insurance and hospital utilization from the 1963 Survey of the Aged undertaken by the Social Security Administration, with the Bureau of the Census acting as its agent in collecting and tabulating the data. A brief technical note on the source and reliability of the estimates appears on pages 26–28 of this issue.

The Survey data are based on completed interviews with some 7,500 units aged 62 and over—2,400 couples with at least one member aged 65 or over, 3,800 other persons of that age, and 1,300 units aged 62–64. Data limited to the hospitalized aged have, of course, more sampling variability than data for all the aged. As noted below, the relative sampling error is particularly significant for utilization of long-stay institutions.

This article, the fourth in the series,<sup>1</sup> presents the early findings from the 1963 Survey on health insurance coverage of the aged and the utilization of medical facilities during 1962. The first section summarizes preliminary findings on the extent of coverage; the quality or adequacy of the health insurance is not measured here. The second

TABLE 1.—HEALTH INSURANCE COVERAGE OF PERSONS AGED 65 AND OVER: Percent covered, by type of health insurance and sex, 1962

Type of insurance	Total	Men	Women
Number (in thousands):			
Total.....	17,469	7,763	9,706
Reporting health insurance status.....	17,301	7,680	9,621
Percent reporting:			
With any health insurance <sup>1</sup> .....	52	52	52
With hospital insurance.....	51	51	52
With surgical insurance.....	43	43	42

<sup>1</sup> Includes any plan that pays all or part of the hospital, surgical, and/or other medical expenses of the insured individual.

<sup>1</sup> See the *Social Security Bulletin*, March 1964, pages 3–24; June 1964, pages 3–14; and pages 3–8 of this issue.

section focuses on utilization of the short-stay hospital, and the third section reports some findings on the utilization of long-stay hospitals and nursing homes. Data are presented for all persons aged 65 and over, along with analyses of differences between beneficiaries and nonbeneficiaries, including differences by age. Data for the group aged 62-64 are presented for comparison purposes.

## HEALTH INSURANCE COVERAGE

Health insurance is defined in this study as any plan specifically designed to pay all or part of the hospital or medical expenses of the insured individual. For the purpose of the Survey, health insurance excludes the following: (1) plans limited to "dread diseases" only, such as polio or cancer; (2) insurance covering bills for accidents only; (3) insurance that pays only on the basis of the number of days that a person is sick; and (4) care given to dependents of military personnel, public welfare care, and care given to children under the program of services for crippled children or other public programs.

Respondents were asked for additional information relating to the specific services covered by their policies. Because of the variation in the services covered, it was necessary to restrict the classification of insurance to a few broad types: any health insurance, hospital insurance, and surgical insurance. Since the respondents with any form of health insurance usually had some form of hospital coverage, the two measures are almost identical. Thus, 52 percent of the aged reported

having some form of health insurance and 51 percent reported hospital insurance coverage. Some aged persons have as their only policy one that may pay all or part of the doctor's bills for nonsurgical care; such policies account for the slight difference reported between health insurance and hospital insurance coverage.

The following discussion on health insurance coverage relates in general to persons with any health insurance, although all tables also report separately on coverage for hospital insurance. Most of the tabulations relating to hospital utilization are cross-classified by hospital insurance coverage. Also reported are persons with surgical insurance, which pays all or part of the bill of the doctor or surgeon for an operation. Insurance that pays the cost of a visit to the surgeon's office for care after an operation is counted as surgical insurance.

Some aged persons carry major medical insurance that meets a set percentage of the cost of most types of medical care both in and out of the hospital after the insured person pays an initial agreed-upon amount of his medical expenses. The Survey questionnaire did not specifically request data on major medical insurance coverage; an aged person with this type of coverage is reported as having hospital and surgical insurance.<sup>2</sup>

Data on health insurance coverage of the aged were obtained for individuals—each spouse in the

<sup>2</sup> A question relating to insurance for physicians' visits in the hospital and office and for nonsurgical care was included in the Survey. Data obtained from this question are not, however, reliable, since the question did not specifically limit the reporting of such coverage to that for nonsurgical care.

TABLE 2.—HEALTH INSURANCE COVERAGE OF PERSONS AGED 65 AND OVER, BY HEALTH STATUS: Percent with health insurance, by OASDI beneficiary status and sex, 1962

Health status <sup>1</sup>	Total			Men			Women		
	Total	OASDI beneficiaries	Non-beneficiaries	Total	OASDI beneficiaries	Non-beneficiaries	Total	OASDI beneficiaries	Non-beneficiaries
Number (in thousands):									
Total.....	17,469	12,205	5,264	7,763	5,716	2,047	9,706	6,489	3,217
Reporting health status:									
Good.....	6,868	5,085	1,782	2,685	2,042	642	4,183	3,043	1,140
Fair.....	4,367	3,079	1,288	2,176	1,660	515	2,191	1,419	773
Poor.....	2,236	1,507	729	1,297	982	315	939	525	414
Percent with health insurance reporting health status:									
Good.....	61	62	56	58	58	60	62	65	54
Fair.....	53	56	45	54	55	51	52	58	41
Poor.....	37	43	25	37	42	21	37	44	27

<sup>1</sup>Based on self-evaluation.

case of a couple. Analysis in terms of individuals as well as of the Survey unit<sup>3</sup> was thus made possible. Data on income and medical costs were obtained on a unit basis. In analyzing health insurance coverage and hospital utilization in this article, each member of the couple is treated separately so that the rates are calculated in terms of individuals. The preceding article presents the first findings on health insurance and medical costs for the Survey unit; additional analyses will be presented in the future.

The Survey shows that about 9 million persons aged 65 and over had some form of health insurance during 1962. These persons constituted 52 percent of the 17.3 million aged who reported their status with respect to health insurance. The remaining 8.3 million persons had no insurance at all to protect them against the costs of hospitalization, surgery, and/or other medical care. Almost 200,000 did not report their health insurance status. Since most of this group were in institutions, it seems reasonable to infer that

<sup>3</sup> The unit consisted of a married couple, with one or both members aged 65 or over, or a nonmarried person in this age group. Generally, the Survey population was analyzed separately for units aged 65 and over and units aged 62-64. In this article and elsewhere, analyses of the data for persons aged 65 and over exclude spouses under age 65; similarly, analyses of the group aged 62-64 exclude spouses under age 62. Analyses pertaining to units, such as those in the accompanying article on medical care costs, include the younger spouses.

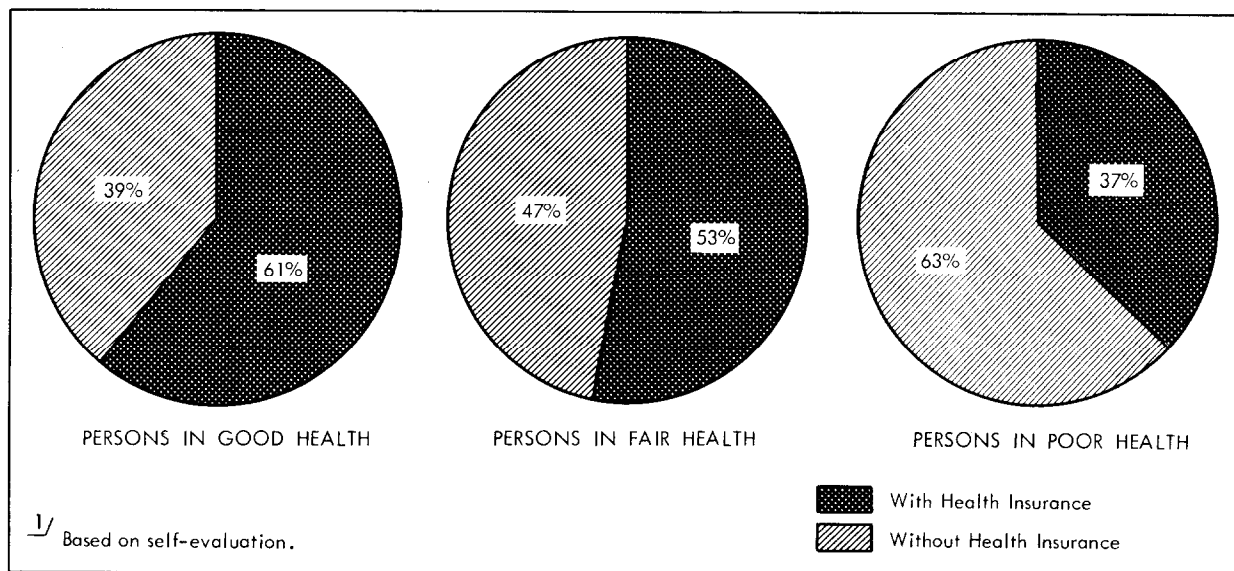
practically none of them had health insurance. The addition of this group to the number without insurance would bring the total close to 8.5 million.

Slightly more than half the aged persons (51 percent) had insurance providing hospital care benefits, and more than two-fifths (43 percent) had surgical insurance. The extent of coverage for each type of insurance was substantially the same for men and women aged 65 and over (table 1). These insurance coverage figures do not in any way reflect the adequacy of the coverage. An aged person who has hospital insurance paying \$5 a day for 30 days is counted, as well as one who has insurance that will pay all his bill in a semiprivate room for 180 days or more.

Aged persons in relatively poor health—at least by their own evaluation—are least likely to have health insurance. Respondents were asked to evaluate their health status in the following terms: good, fair, and poor. Health status of the respondents was cross-classified by health insurance status, and the results of this tabulation are shown in table 2 and chart 1. More than three-fourths of the aged reported on the question of health status. About half of those responding considered themselves in “good” health, one-third reported their health as “fair,” and the remaining sixth said they were in “poor” health.

When persons aged 65 and over who reported the condition of their health were classified by

CHART 1.—HEALTH INSURANCE COVERAGE OF PERSONS AGED 65 AND OVER, BY HEALTH STATUS,<sup>1</sup> 1962



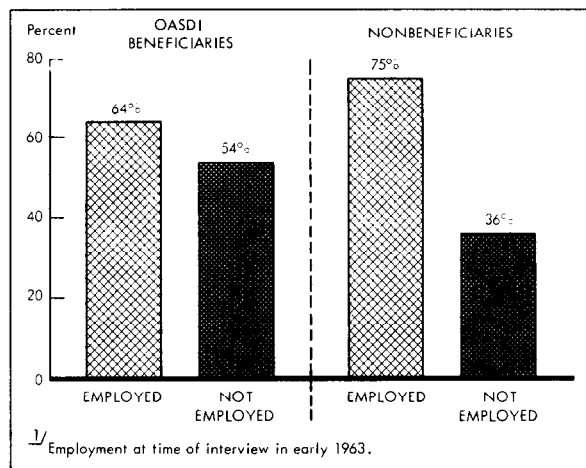
health insurance status, those in good health had far better health insurance coverage than those in poor health. Sixty-one percent of those in good health had insurance, compared with only 37 percent of those in poor health.

That health insurance coverage is associated with employment is to be expected. At the end of 1962, 43.2 million employees and 67.5 million dependents had hospital insurance coverage under collectively bargained employee-benefit plans.<sup>4</sup> Of the 2.8 million aged persons employed at the time of the interview, slightly more than two-thirds had health insurance coverage, compared with less than half of the 14.5 million aged persons not employed and reporting on health insurance (table 3 and chart 2). The employed group includes aged persons working on a part-time basis as well as those employed full-time. According to the Survey, about 1 million aged persons worked throughout 1962 at full-time jobs—35 percent of those employed at the time of the interview. The other 1.8 million workers probably were in jobs in which health insurance may not have been available to them on a group basis or the employer did not share the premium costs.

As expected, the data showed that health insurance coverage declines with age. The population aged 65 and over was classified in two broad groups—aged 65–72 and aged 73 and over—so that the sample would be adequate when it was

<sup>4</sup> Joseph Krislov, "Employee-Benefit Plans, 1954–62," *Social Security Bulletin*, April 1964.

CHART 2.—HEALTH INSURANCE COVERAGE OF OASDI BENEFICIARIES AND NONBENEFICIARIES AGED 65 AND OVER, BY EMPLOYMENT STATUS<sup>1</sup>



further cross-classified by various characteristics. This age break was used because the earnings limitation under the Social Security Act no longer applies after the beneficiary reaches age 72. Persons aged 62–64 were also included because they are eligible for OASDI benefits, although, except for widows and disabled workers, the benefit they can receive is a reduced one.

Table 4 shows that 68 percent of the persons aged 62–64 had health insurance; for those aged 65–72, the proportion is 59 percent; and among those aged 73 and over, 44 percent had coverage. The same pattern of declining coverage with advancing age is evident for those with hospital and surgical insurance.

TABLE 3.—HEALTH INSURANCE COVERAGE OF PERSONS AGED 65 AND OVER, BY EMPLOYMENT STATUS: Percent covered, by type of health insurance, OASDI beneficiary status, and sex, 1962

Employment status and type of health insurance	Total			Men			Women		
	Total	OASDI beneficiaries	Non-beneficiaries	Total	OASDI beneficiaries	Non-beneficiaries	Total	OASDI beneficiaries	Non-beneficiaries
<b>Number (in thousands):</b>									
<b>Employed:<sup>1</sup></b>									
Total.....	2,766	1,780	986	1,875	1,156	720	891	624	266
Reporting health insurance status.....	2,760	1,776	984	1,869	1,152	718	891	624	266
<b>Not employed:</b>									
Total.....	14,704	10,424	4,278	5,888	4,560	1,327	8,816	5,864	2,951
Reporting health insurance status.....	14,542	10,400	4,139	5,811	4,554	1,255	8,731	5,846	2,884
<b>Percent reporting:</b>									
<b>Employed:<sup>1</sup></b>									
With any health insurance <sup>2</sup> .....	68	64	75	68	63	77	67	66	70
With hospital insurance.....	65	62	72	66	61	74	65	64	67
With surgical insurance.....	58	54	66	59	54	68	57	56	59
<b>Not employed:</b>									
With any health insurance <sup>2</sup> .....	49	54	36	47	50	34	51	57	37
With hospital insurance.....	47	52	35	45	49	33	49	55	36
With surgical insurance.....	40	44	29	38	41	29	40	46	29

<sup>1</sup> Employed at time of interview.

<sup>2</sup> Includes any plan that pays all or part of the hospital, surgical, and/or

other medical expenses of the insured individual.

TABLE 4.—HEALTH INSURANCE COVERAGE OF PERSONS AGED 62 AND OVER, BY AGE: Percent covered, by type of health insurance and sex, 1962

Type of health insurance and age	Total	Men	Women
Number (in thousands):			
62-64:			
Total.....	4,290	2,029	2,261
Reporting insurance status.....	4,274	2,019	2,255
65-72:			
Total.....	9,487	4,342	5,145
Reporting insurance status.....	9,417	4,302	5,115
73 and over:			
Total.....	7,983	3,421	4,562
Reporting insurance status.....	7,883	3,378	4,505
Percent of total reporting:			
With any health insurance: <sup>1</sup>			
62-64.....	68	67	68
65-72.....	59	58	60
73 and over.....	44	44	43
With hospital insurance:			
62-64.....	67	66	67
65-72.....	58	58	59
73 and over.....	43	43	43
With surgical insurance:			
62-64.....	63	61	59
65-72.....	50	51	50
73 and over.....	33	34	33

<sup>1</sup> Includes any plan that pays all or part of the hospital, surgical, and/or other medical expenses of the insured individual.

### OASDI Beneficiaries and Nonbeneficiaries Compared

As a group, aged persons receiving OASDI benefits are better off in terms of health insurance coverage than the nonbeneficiaries (table 5). The difference results in large part from differences in the age and sex distribution and income level, which are, of course, interrelated. Table 6 shows the age composition of men and women in the 65-and-over group. The proportion of very old persons is relatively greater for the nonbeneficiary group than for the beneficiary group, particularly among the women. The nonbeneficiaries are an especially diverse group; they include younger persons with full-time employment throughout the year as well as a relatively large proportion of the very old who are dependent on relatives or public assistance or are receiving care in a public institution. This older group is not as well off financially as the younger group: Median incomes were substantially smaller for the couples aged 73 and over and for nonmarried men than for the nonbeneficiaries aged 65-72.<sup>5</sup> It seems likely that these older persons with low incomes find the cost of insurance beyond their means. Thus, the lower incomes of the nonbeneficiaries, who have a higher proportion of persons in the older age bracket, are reflected in their

<sup>5</sup> See the *Bulletin*, March 1964, page 17, table 10.

poorer health insurance coverage. There are also among the oldest nonbeneficiaries some persons who, when they were employed, probably did not have insurance coverage available to them (or to their spouses) through their jobs and cannot now afford to purchase nongroup policies out of current income.<sup>6</sup>

Women beneficiaries have somewhat better insurance coverage than men beneficiaries. The pattern is reversed, however, for nonbeneficiaries. In this category men have considerably better coverage than women. Again, these differences reflect the disparity in age, income, and employment status. In the nonbeneficiary group aged 65 and over, the younger men far outnumber those in the older age bracket, with 3 out of 5 aged 65-72, but only 2 out of 5 women nonbeneficiaries are in the younger age bracket. The younger nonbeneficiary men are more likely to be employed, have higher incomes, and probably have available health insurance coverage on a group basis through their place of employment. The very limited coverage of the older nonbeneficiary men tends, however, to pull down the overall average, so that the average male beneficiary aged 65 or over tends to have better

<sup>6</sup> The median subscription rate for hospital coverage under nongroup initial enrollment contracts offered by Blue Cross to persons over age 65 during the fall of 1962 and early winter of 1963 was \$112 per aged person; for surgical coverage under Blue Shield offerings the median rate charged was \$37. For combined hospital-surgical-medical coverage, the median rate was \$145 a year. See Louis S. Reed, *Blue Cross-Blue Shield Nongroup Coverage for Older People*, Division of Research and Statistics, Research Report No. 4, 1963.

TABLE 5.—HEALTH INSURANCE COVERAGE OF PERSONS AGED 65 AND OVER, BY OASDI BENEFICIARY STATUS: Percent covered, by type of health insurance and sex, 1962

Type of health insurance	Total		Men		Women	
	OASDI beneficiaries	Non-beneficiaries	OASDI beneficiaries	Non-beneficiaries	OASDI beneficiaries	Non-beneficiaries
Number (in thousands):						
Total.....	12,205	5,264	5,716	2,047	6,489	3,217
Reporting health insurance status.....	12,177	5,123	5,707	1,973	6,470	3,150
Percent reporting:						
With any health insurance <sup>1</sup> .....	56	44	53	49	58	40
With hospital insurance.....	55	43	52	49	57	39
With surgical insurance.....	45	36	44	43	47	32

<sup>1</sup> Includes any plan that pays all or part of the hospital, surgical, and/or other medical expenses of the insured individual.

insurance coverage than the male nonbeneficiary in that age group.

Among those aged 65-72, beneficiaries and nonbeneficiaries have about the same degree of coverage (table 7). It is for the older group aged 73 and over that a substantial difference in health insurance coverage appears. Fifty-one percent of the beneficiaries but only 29 percent of the nonbeneficiaries have such coverage. These differences probably reflect the disparity in employment history and income previously noted for beneficiaries and nonbeneficiaries in this age group.

Health insurance coverage by beneficiary status presents a different picture for persons aged 62-64. It is the nonbeneficiary in this age group who has much better insurance coverage; 74 percent of the nonbeneficiaries and 57 percent of the beneficiaries have health insurance. This difference, of course, reflects the widespread employment of the nonbeneficiaries. For men the disparity is even greater. Indeed, beneficiary men aged 62-64 actually are not as likely to have insurance coverage as are the men aged 65-72. More than 1 out of every 4 men aged 62-64 who are receiving OASDI benefits are severely disabled and drew benefits in 1962 because of their disability. The extension of retirement benefits to this age group at reduced rates was designed particularly for those unable to obtain substantial employment for any other reason. It is therefore not surprising that a relatively small proportion of the beneficiaries in this age group had insurance coverage (chart 3). The relatively high coverage of women beneficiaries aged 62-64 may be accounted for in part by the fact that many of them have husbands with group coverage.

TABLE 6.—PERSONS AGED 65 AND OVER, BY AGE: Number and percentage distribution, by OASDI beneficiary status and sex, 1962

Age and sex	Total		OASDI beneficiaries		Nonbeneficiaries	
	Number	Percent	Number	Percent	Number	Percent
Total	17,469	100	12,205	100	5,264	100
65-72	9,487	54	6,952	57	2,535	48
73 and over	7,983	46	5,254	43	2,730	52
Men	7,763	44	5,716	47	2,047	39
65-72	4,342	25	3,101	25	1,241	24
73 and over	3,421	20	2,616	21	806	15
Women	9,706	56	6,489	53	3,217	61
65-72	5,145	29	3,851	32	1,294	25
73 and over	4,562	26	2,638	22	1,924	37

## Growth of Health Insurance of the Aged Since 1952

The number of persons aged 65 and over with some form of health insurance coverage has increased substantially in recent years, from about 3.3 million in March 1952 to about 9.0 million at the end of 1962. Since the total number of persons in this age group has also been expanding at a rapid pace, the number without insurance coverage still remains high. A survey conducted by the Bureau of the Census for the Social Security Administration in 1952 found that 26 percent of the noninstitutional aged population had insurance coverage. It is estimated that in that year 9.7 million persons, including persons in institutions, had no health insurance coverage. At the end of 1962, about 8.5 million aged persons were without insurance (including the Survey respondents whose health insurance status was unknown). From March 1952 to December 1962, the number of aged persons with health insurance almost tripled, but the number without insurance dropped only 12 percent.

In the past, data on health insurance coverage of the aged population have been available only from surveys based on household interviews of the noninstitutional population. These surveys

TABLE 7.—HEALTH INSURANCE COVERAGE OF PERSONS AGED 62 AND OVER, BY AGE AND OASDI BENEFICIARY STATUS: Percent covered, by type of health insurance and sex, 1962

Type of health insurance and age	Total		Men		Women	
	OASDI beneficiaries	Nonbeneficiaries	OASDI beneficiaries	Nonbeneficiaries	OASDI beneficiaries	Nonbeneficiaries
Number (in thousands):						
62-64:						
Total	1,647	2,642	484	1,545	1,163	1,097
Reporting health insurance status	1,647	2,626	484	1,535	1,163	1,091
65-72:						
Total	6,952	2,535	3,101	1,241	3,851	1,294
Reporting health insurance status	6,949	2,470	3,099	1,203	3,850	1,267
73 and over:						
Total	5,254	2,730	2,616	806	2,638	1,924
Reporting health insurance status	5,230	2,654	2,608	770	2,622	1,884
Percent reporting:						
With any health insurance <sup>1</sup> :						
62-64	57	74	42	75	63	72
65-72	59	60	56	64	62	55
73 and over	51	29	49	26	53	30
With hospital insurance:						
62-64	57	73	42	74	63	72
65-72	58	59	55	64	61	54
73 and over	51	28	48	25	53	30
With surgical insurance:						
62-64	49	66	37	68	54	64
65-72	50	51	48	57	52	45
73 and over	39	22	38	21	40	23

<sup>1</sup> Includes any plan that pays all or part of the hospital, surgical, and/or other medical expenses of the insured individuals.

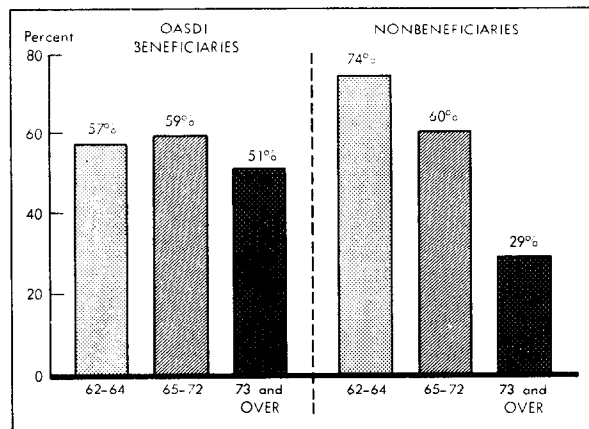
excluded aged persons in long-stay institutions, less than 10 percent of whom have coverage. The 1963 Survey of the Aged is the first nationwide survey to include the institutional population. Data on insurance coverage from the various nationwide surveys since 1952 are summarized below:

Date	Percent with insurance
<b>Noninstitutional population aged 65 and over:</b>	
March 1952 -----	26
July 1953 -----	31
September 1956 -----	37
July 1958 -----	43
July-December 1959 -----	46
July 1962-June 1963 -----	54
<b>Total population aged 65 and over,</b>	
December 1962 -----	52

Source: Surveys conducted by the Bureau of the Census for the Social Security Administration (March 1952 and December 1962) and for the Public Health Service and the Social Security Administration (September 1956); by the Health Information Foundation (July 1953 and July 1958); and by the National Center for Health Statistics (July-December 1959 and July 1962-June 1963).

Data on hospital insurance coverage of aged persons are collected in the health interview survey of the general population made by the National Center for Health Statistics. As indicated above, that survey showed that 54 percent of the noninstitutional population aged 65 and over had hospital insurance coverage during the period July 1962-June 1963. If the institutional population is assumed to be uninsured and is included in this base, the percentage with insurance drops to approximately 52 percent, or about the same proportion reported in the 1963 Survey of the Aged.

CHART 3.—HEALTH INSURANCE COVERAGE OF OASDI BENEFICIARIES AND NONBENEFICIARIES AGED 62 AND OVER, BY AGE, 1962



Part of the increase in health insurance coverage of the aged results from the fact that an increasing proportion of the persons leaving the labor force had been covered under group employee-benefit plans during their employment. More than three-fourths of the employed nonbeneficiary men aged 65 and over had insurance coverage at the end of 1962. Many will retain their insurance coverage, but many others will undoubtedly lose or drop their health insurance when they retire from the labor force, if the data from the Survey relating to the health insurance coverage of OASDI beneficiary men not employed are indicative of the trend. Only 50 percent of the men in this group had health insurance at the end of 1962 (table 3). The decline in coverage accompanying the shift from employed status to retirement suggests that the pro-

TABLE 8.—UTILIZATION OF SHORT-STAY HOSPITALS BY PERSONS AGED 65 AND OVER, BY HOSPITAL INSURANCE STATUS:<sup>1</sup> Percent receiving care in 1962 and average number of days, by OASDI beneficiary status and sex

Hospital insurance status	Total			Men			Women		
	Total	OASDI beneficiaries	Non-beneficiaries	Total	OASDI beneficiaries	Non-beneficiaries	Total	OASDI beneficiaries	Non-beneficiaries
<b>Number (in thousands):</b>									
Total <sup>2</sup> -----	17,469	12,205	5,264	7,763	5,716	2,047	9,706	6,489	3,217
With hospital insurance -----	8,884	6,690	2,195	3,930	2,974	957	4,954	3,716	1,238
Without hospital insurance -----	8,392	5,474	2,819	3,737	2,726	1,011	4,655	2,748	1,907
<b>Percent in short-stay hospitals:</b>									
Total <sup>2</sup> -----	13.6	13.9	12.8	14.2	14.7	12.9	13.1	13.2	12.8
With hospital insurance -----	14.7	14.9	14.1	15.3	16.0	13.1	14.2	14.0	14.9
Without hospital insurance -----	12.7	12.8	12.5	13.4	13.3	13.7	12.2	12.3	11.9
<b>Average number of days in 1962:</b>									
Total <sup>2</sup> -----	17.7	18.1	16.9	18.0	17.7	18.7	17.5	18.4	15.7
With hospital insurance -----	17.1	17.6	15.1	16.0	16.7	13.2	18.0	18.5	16.4
Without hospital insurance -----	18.7	19.1	18.3	20.3	19.2	23.5	17.2	18.9	15.1

<sup>1</sup> Based on experience of persons living at time of interview.

<sup>2</sup> Includes data for respondents with insurance status unknown.



portion of the total aged with insurance will continue to increase but undoubtedly at a much slower rate. Some aged persons will not be able to continue their insurance when their cash income is reduced at retirement, especially if the premium cost they must themselves pay is increased.

### UTILIZATION OF SHORT-STAY HOSPITALS

Data on utilization of short-stay hospitals were obtained for aged persons in the 1963 Survey of the Aged. Included are stays in general hospitals and short-stay special hospitals (orthopedic, osteopathic, contagious disease, and eye, ear, nose, and throat). A hospital stay is defined as a stay as a patient overnight or longer. Excluded are hospital clinic and out-patient visits. Also excluded are hospital stays of aged persons who died during the year.

Several measures of utilization of short-stay hospitals are used in this study. One significant measure is the number of discharges per 1,000 persons in a year. This rate is greater than that based on the number of persons hospitalized during the year since some persons may be hospitalized more than once. In the analysis that follows, the utilization rates based on individual hospitalized persons are expressed as the number per 100 population or as a percentage; the rates based on discharges (taking into account the number of times an individual is hospitalized) are expressed as the number per 1,000 persons.

Additional significant utilization measures used are the total number of days of care per 1,000 persons and the average length of stay per dis-

charge and per person in the year. These utilization rates are analyzed to determine the extent of variation according to age, sex, OASDI beneficiary status, and hospital insurance coverage.

Among the 17.5 million aged persons aged 65 and over, 2.4 million received care during 1962 in short-stay hospitals. They represented 13.6 percent of the total, or about 1 out of every 7 aged persons. Included are aged persons who may also have had a stay in a long-stay hospital, or nursing home during the year. Each aged person hospitalized spent an average of 2½ weeks (17.7 days) in a short-stay hospital during 1962. Aged men had slightly higher utilization rates than women: A slightly larger proportion of the men aged 65 and over were hospitalized during the year, and the men spent about one-half day more in the hospital (table 8).

Age and insurance status are two important factors in the utilization of hospitals by the aged. Advancing age is associated with greater use of hospitals. One out of 8 persons aged 65-72 were hospitalized during 1962, compared with about 1 out of 7 persons aged 73 and over (table 9). Aged persons who had health insurance were hospitalized more frequently than those without insurance, but hospital stays of persons without insurance were, in general, slightly longer. The factors affecting hospital utilization—age, hospital insurance, and beneficiary status—will be analyzed in detail in terms of rates for discharges from short-stay hospitals.

Classifying individuals in three groups according to their current cash income—the income of the couple for the married—reveals no clear pattern of differences in the utilization of short-stay hospitals: 13 percent of the persons in the lowest

TABLE 9.—UTILIZATION OF SHORT-STAY HOSPITALS BY PERSONS AGED 62 AND OVER, BY AGE:<sup>1</sup> Percent receiving care in 1962, by OASDI beneficiary status and sex

Age	Total			Men			Women		
	Total	OASDI beneficiaries	Non-beneficiaries	Total	OASDI beneficiaries	Non-beneficiaries	Total	OASDI beneficiaries	Non-beneficiaries
Number (in thousands):									
62-64.....	4,290	1,647	2,642	2,029	484	1,545	2,261	1,163	1,097
65-72.....	9,487	6,952	2,535	4,342	3,101	1,241	5,145	3,851	1,294
73 and over.....	7,983	5,254	2,730	3,421	2,616	806	4,562	2,638	1,924
Percent in short-stay hospitals:									
62-64.....	11.6	13.4	10.5	11.1	14.9	9.9	12.1	12.8	11.4
65-72.....	12.9	13.4	11.4	13.4	13.9	12.2	12.4	13.0	10.7
73 and over.....	14.4	14.6	14.1	15.2	15.6	14.0	13.8	13.6	14.2

<sup>1</sup> Based on experience of persons living at time of interview.

TABLE 10.—UTILIZATION OF SHORT-STAY HOSPITALS BY PERSONS AGED 65 AND OVER, BY INCOME GROUP:<sup>1</sup> Percent receiving care in 1962, by OASDI beneficiary status and sex

Income group <sup>2</sup>	Total			Men	Women
	Total	OASDI beneficiaries	Non-beneficiaries		
Number (in thousands):					
Total.....	17,469	12,205	5,264	7,763	9,706
Reporting on income:					
Low third.....	5,176	3,178	1,998	2,284	2,892
Middle third.....	5,079	4,049	1,030	2,270	2,809
High third.....	4,928	3,520	1,407	2,269	2,659
Percent in short-stay hospitals:					
Low third.....	13.2	14.3	11.5	13.4	13.0
Middle third.....	14.9	15.0	14.6	14.5	15.2
High third.....	13.6	13.4	14.1	12.6	14.4

<sup>1</sup> Based on experience of persons living at time of interview.

<sup>2</sup> Persons aged 65 and over classified by the income group to which the individual's unit belongs. Survey units—married couples and non-married men and women—were classified on the basis of their money income in three groups of equal size: For married couples, all units whose income was less than \$2,202 were in the low third, those with \$2,202–\$3,832 were in the middle third, and those with more than \$3,832 were in the high third. For nonmarried men, the dividing line between the low and middle thirds was \$1,023, and the line between the middle and high thirds was \$1,848. For nonmarried women, the lower dividing line was \$785 and the upper line was \$1,372.

income third, 15 percent of those in the middle group, and 14 percent in the top third received care in short-stay hospitals (table 10). Data by sex and OASDI beneficiary status show no consistent increases or decreases in utilization of hospitals that are related to income. There is an indication, however, that those who are best off financially have somewhat less need for hospital care and that some of those with the least income may not always obtain the care they need. In general, persons in lower income groups may obtain the needed care through the help of relatives, from a public hospital, from public assistance or another public program, or from a private agency.

Many aged persons seek public assistance at the time of medical need.<sup>7</sup> According to the Survey data, public assistance recipients have considerably higher hospital utilization rates than non-recipients.<sup>8</sup> Table 11 shows that 1 out of 6 public assistance recipients received care in short-stay hospitals during the year, compared with 1 out of 8 nonrecipients. As will be seen later in this

<sup>7</sup> Bureau of Family Services, Welfare Administration, *Reasons for Opening and Closing Public Assistance Cases, January–June 1963, January 1964.*

<sup>8</sup> In this comparison persons are classified as public assistance recipients if they received cash assistance, whether or not payments in their behalf were made directly to a hospital or nursing home by a public assistance agency.

article, the difference between the two groups in utilization of long-stay facilities is even greater.

The 2.4 million persons in short-stay hospitals during 1962 accounted for almost 3.0 million discharges—1.26 discharges for each person. Nearly four-fifths of those who were hospitalized in the course of the year had one stay, 17 percent had two stays, and 4 percent had three or more stays (table 12). Although elderly persons with hospital insurance are more likely to go to a short-stay hospital than those without insurance, the distribution of hospitalized persons by the number of stays shows no substantial variation among those with and without hospital insurance. For the broad age groups, a distribution of persons in short-stay hospitals in 1962 by the number of multiple admissions also shows no substantial variation among the groups (table 13).

### Factors Affecting Hospital Utilization

Differences in utilization of hospital facilities among the aged reflect differences in age, sex, hospital insurance coverage, beneficiary status, and income, which are, of course, interrelated. Three measures of utilization based on discharges are used: discharges per 1,000 persons, average length of stay per discharge, and the total number of days of hospital care per 1,000 persons.

For every 1,000 aged persons, there were 171 discharges from short-stay hospitals in 1962. The average length of stay per discharge was 15.1 days—almost 2,600 days of care for every 1,000 aged persons or an average of 2.6 days for every aged person. These Survey findings are almost

TABLE 11.—UTILIZATION OF SHORT-STAY HOSPITALS BY PERSONS AGED 65 AND OVER, BY PUBLIC ASSISTANCE STATUS:<sup>1</sup> Percent receiving care in 1962, by OASDI beneficiary status and sex

Public assistance status	Total			Men	Women
	Total	OASDI beneficiaries	Non-beneficiaries		
Number (in thousands):					
Public assistance recipients <sup>2</sup> .....	2,168	877	1,291	814	1,354
Others.....	15,301	11,327	3,973	6,949	8,352
Percent in short-stay hospitals:					
Public assistance recipients <sup>2</sup> .....	15.8	17.1	14.9	16.7	15.2
Others.....	13.3	13.7	12.2	13.9	12.8

<sup>1</sup> Based on experience of persons living at time of interview.

<sup>2</sup> Includes only those persons receiving cash payments.

TABLE 12.—STAYS IN SHORT-STAY HOSPITALS BY PERSONS AGED 65 AND OVER: <sup>1</sup>Percentage distribution by number of stays of persons hospitalized in 1962, hospital insurance status, and sex

Hospital insurance status and number of stays	Total	Men	Women
Number (in thousands):			
Total.....	17,469	7,763	9,706
Reporting hospital stays.....	2,373	1,102	1,271
With hospital insurance:			
Total.....	8,884	3,930	4,954
Reporting hospital stays.....	1,306	601	705
Without hospital insurance:			
Total.....	8,392	3,737	4,655
Reporting hospital stays.....	1,067	501	566
Percent reporting hospital stays:			
Total.....	100	100	100
1 stay.....	79	79	79
2 stays.....	17	16	17
3 or more stays.....	4	5	3
With hospital insurance:			
Total.....	100	100	100
1 stay.....	79	78	80
2 stays.....	18	18	17
3 or more stays.....	4	4	3
Without hospital insurance:			
Total.....	100	100	100
1 stay.....	80	81	79
2 stays.....	15	12	18
3 or more stays.....	5	7	3

<sup>1</sup> Based on experience of persons living at time of interview.

identical with those from the National Center for Health Statistics covering the period July 1962–June 1963 for the noninstitutional population.

There are some differences between aged men and women in the utilization of hospital facilities. Aged men are hospitalized more frequently than aged women—184 discharges per 1,000 men, compared with 161 for women. In the overall length of stay per discharge there is, however, very little difference—15.2 days for men and 15.1 for women. The total number of days of care per 1,000 aged men is 15 percent larger than it is for women—about 2,800 for men, compared with 2,400 days for women (table 14).<sup>9</sup>

The Survey, like various earlier studies, shows that aged persons having some form of hospital insurance are hospitalized more frequently than those with no insurance. For every 1,000 persons with insurance, there were 192 discharges during 1962. This rate is more than one-fourth higher than the discharge rate for aged persons with no

<sup>9</sup> The total number of days of care based on discharges in 1962 does not exactly equal the total number of days of care during the year for aged persons hospitalized in 1962. The former figure excludes days of care for those who were still in the hospital at the end of the year; the latter excludes any days of care in the preceding year for persons discharged during 1962. The differences between the two figures for similar age groups are not large.

hospital insurance coverage. The higher discharge rate for the insured is offset, however, by the longer stays for the noninsured group: an average stay of 13.5 days per discharge for the insured, but 17.5 days for the noninsured. The total number of days of care for the noninsured group is very slightly higher—2 percent—than that for the insured group as a whole. This difference suggests that persons without insurance may tend to postpone entering a hospital until the need is critical and that they then require longer periods for recovery. Conversely, it would appear that those having hospital insurance coverage obtain needed hospital care with less delay and recover faster as a consequence; they are also more likely to be hospitalized for short periods for diagnostic work-up. There is some evidence that aged persons without insurance coverage were in poorer health and had more unmet medical needs than those with coverage (table 2).

The general pattern of higher discharge rates coupled with shorter hospital stays for insured persons applies to the rates for both men and women. The noninsured aged man was discharged at a rate 14 percent lower than the rate for the insured man, but the average stay for the noninsured was almost 50 percent longer. Thus the total number of days of care per 1,000 noninsured men was more than one-fourth higher than the

TABLE 13.—STAYS IN SHORT-STAY HOSPITALS BY PERSONS AGED 62 AND OVER, BY AGE:<sup>1</sup> Percentage distribution by number of stays of persons hospitalized in 1962 and sex

Age and number of stays	Total	Men	Women
Number (in thousands):			
62-64:			
Total.....	4,290	2,029	2,261
Reporting hospital stays.....	499	225	274
65-72:			
Total.....	9,487	4,342	5,145
Reporting hospital stays.....	1,222	582	640
73 and over:			
Total.....	7,983	3,421	4,562
Reporting hospital stays.....	1,151	520	631
Percent reporting hospital stays:			
62-64:			
Total.....	100	100	100
1 stay.....	77	77	77
2 stays.....	19	19	19
3 or more stays.....	4	4	3
65-72:			
Total.....	100	100	100
1 stay.....	79	76	81
2 stays.....	16	17	16
3 or more stays.....	5	7	3
73 and over:			
Total.....	100	100	100
1 stay.....	80	82	78
2 stays.....	17	15	19
3 or more stays.....	3	3	3

<sup>1</sup> Based on experience of persons living at time of interview.

rate for the insured. The utilization pattern for women is somewhat different: Noninsured women had a discharge rate 27 percent lower than that for insured women. The average length of stay for noninsured women was 16.4 days—only 15 percent longer than that for insured women. The total number of days of care per 1,000 insured women was therefore one-fifth higher than that for the noninsured women.

As expected, the results of the Survey show that there is a consistent increase in the hospital utilization rates with advancing age. This pattern appears for men and women, as well as for those with and without hospital insurance.

The discharge rates for all aged persons increased from 145 per 1,000 persons in the youngest age group (62-64) to a rate of 175 in the oldest age group (73 and over); the average length of stay rose from 13.3 days to 17.1 days (table 15). The resulting total number of days of care per 1,000 persons amounted to 1,934 for those aged 62-64, and the rate increased to 3,000 days for those aged 73 and over—a 55-percent higher utilization rate.

It should be remembered that these utilization rates are based on the hospital experience of persons living at the time of the interview. If the rates for decedents could be included, even higher rates would undoubtedly result with advancing age.

A similar rise in the total number of days of care per 1,000 persons as age advances is shown for men and for women and for persons with and without hospital insurance, except that for women

TABLE 14.—UTILIZATION RATES FOR PERSONS AGED 65 AND OVER IN SHORT-STAY HOSPITALS, BY HOSPITAL INSURANCE STATUS:<sup>1</sup> Discharges and hospital days per 1,000 persons and average length of stay, by sex, 1962

Hospital insurance status and sex	Discharges per 1,000 persons <sup>2</sup>	Hospital days per 1,000 persons <sup>2</sup>	Average length of stay (days) <sup>2</sup>
Total <sup>3</sup> .....	171	2,594	15.1
Men.....	184	2,796	15.2
Women.....	161	2,432	15.1
With hospital insurance:			
Total.....	192	2,585	13.5
Men.....	198	2,475	12.5
Women.....	187	2,673	14.3
Without hospital insurance:			
Total.....	151	2,636	17.5
Men.....	171	3,164	18.5
Women.....	135	2,212	16.4

<sup>1</sup> Based on experience of persons living at time of interview.

<sup>2</sup> Based on live discharges in 1962 from general and short-stay special hospitals.

<sup>3</sup> Includes data for respondents with insurance status unknown.

TABLE 15.—UTILIZATION RATES FOR PERSONS AGED 62 AND OVER IN SHORT-STAY HOSPITALS, BY AGE AND HOSPITAL INSURANCE STATUS:<sup>1</sup> Discharges and hospital days per 1,000 persons and average length of stay, by sex, 1962

Hospital insurance status and age	Discharges per 1,000 persons <sup>2</sup>			Hospital days per 1,000 persons <sup>2</sup>			Average length of stay (days) <sup>2</sup>		
	Total	Men	Women	Total	Men	Women	Total	Men	Women
Total <sup>3</sup> .....	145	137	152	1,934	2,124	1,765	13.3	15.5	11.6
62-64.....	168	185	153	2,243	2,342	2,160	13.4	12.6	14.1
65-72.....	175	184	169	3,000	3,371	2,722	17.1	18.3	16.1
73 and over.....									
With hospital insurance:									
62-64.....	161	146	174	2,090	2,150	2,036	13.0	14.7	11.7
65-72.....	186	199	176	2,181	2,189	2,175	11.7	11.0	12.4
73 and over.....	201	197	204	3,257	2,951	3,486	16.2	15.0	17.1
Without hospital insurance:									
62-64.....	114	117	111	1,633	2,062	1,237	14.4	17.6	11.2
65-72.....	144	168	123	2,369	2,555	2,209	16.4	15.2	17.9
73 and over.....	156	173	144	2,855	3,471	2,190	18.2	21.6	15.2

<sup>1</sup> Based on experience of persons living at time of interview.

<sup>2</sup> Based on live discharges in 1962 from general and short-stay special hospitals.

<sup>3</sup> Includes data for respondents with insurance status unknown.

aged 73 and over without hospital insurance the number declined slightly. There are a few deviations from this trend of higher rates with increasing age both for the discharges and for the average length of stay, although these rates tend to offset each other. The average length of stay for all men aged 62-64, for example, was 15.5 days, and for those aged 65-72 it was 12.6 days. The discharge rates increased substantially, however, from 137 for the younger group to 185 for the older, and this rise more than offset the reversed trend in the reported average length of stay for these two groups.

Chart 4 shows the hospital utilization rates by age and hospital insurance status for men and women combined. The disparity in rates between the sexes is much larger for those without hospital insurance than for those with insurance. The rates for noninsured men aged 65 and over are considerably higher than those for women. This higher utilization of hospital facilities by aged men without insurance may be related to their marital status and living arrangements. Only 36 percent of the married couples have no health insurance coverage, and the nonmarried men are relatively worse off than the nonmarried women with respect to insurance coverage: 63 percent of the nonmarried men have no coverage, compared with 51 percent of the nonmarried women. These data suggest that for the couples, who have better insurance coverage, hospitaliza-

tion utilization may be lower because there is some one at home to care for the sick individual. Furthermore, the living arrangements of aged single women and widows—a relatively high proportion of whom live with children or other persons—may be such that their need for hospital care is less than that of the nonmarried men who tend to live alone and have no insurance coverage.

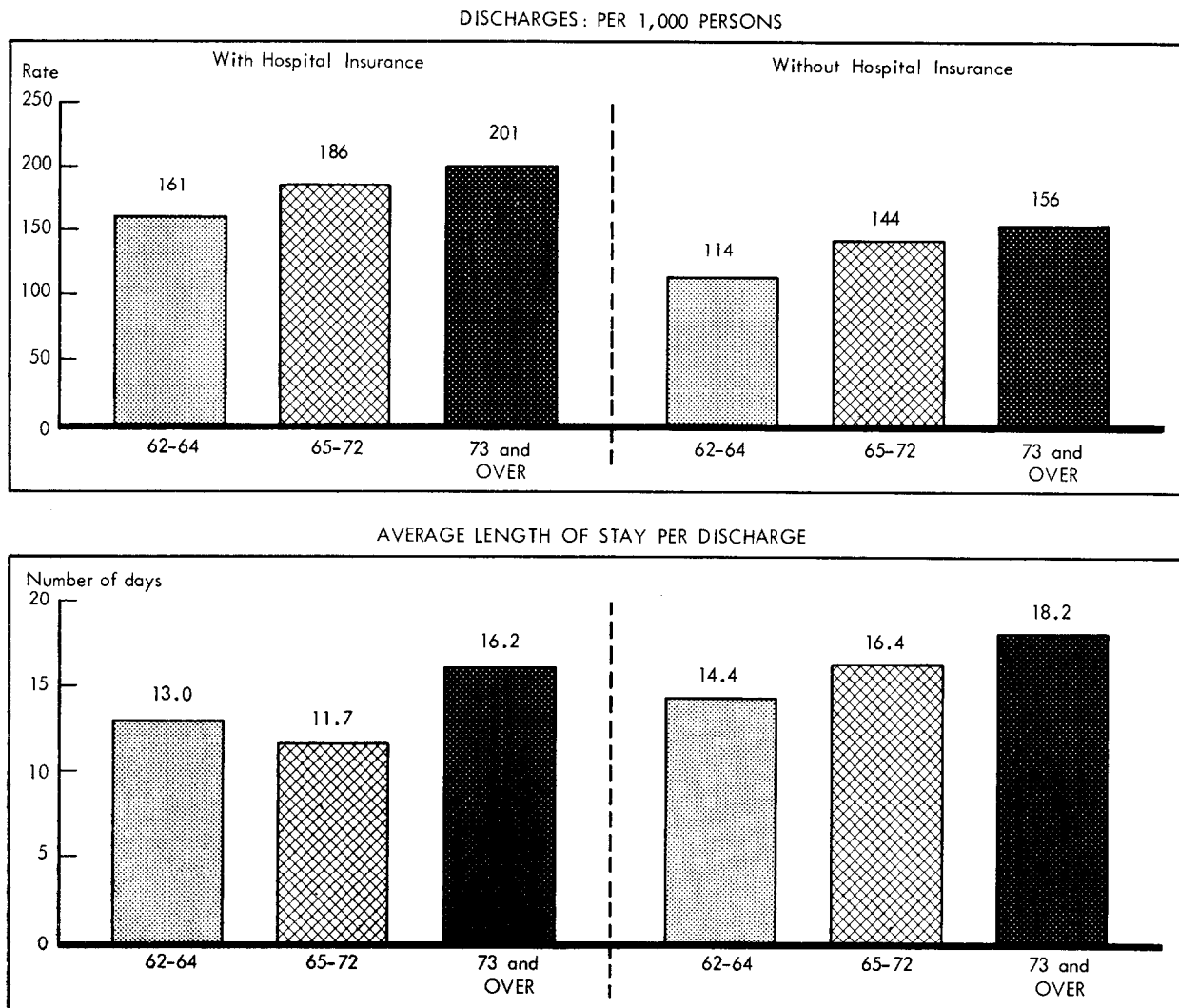
### Hospital Utilization by OASDI Beneficiaries and by Nonbeneficiaries

For persons aged 65 and over as a group, the hospital utilization rates for OASDI beneficiaries

are generally higher than those for nonbeneficiaries. The discharge rate for beneficiaries is 176 per 1,000 compared with 161 for those not receiving benefits (table 16). The average length of stay for beneficiaries discharged from general hospitals is also longer—15.6 days compared with 13.8 days for nonbeneficiaries. The resulting total number of days of care per 1,000 persons is almost one-fourth higher for beneficiaries than for nonbeneficiaries.

The same pattern of overall higher hospital utilization rates for the OASDI beneficiaries is found whether or not they have hospital insurance coverage. The immediate reason for a worker's filing for his OASDI benefits may be that he

CHART 4.—HOSPITAL UTILIZATION RATES FOR ALL PERSONS AGED 62 AND OVER, BY AGE AND HOSPITAL INSURANCE STATUS, 1962



requires hospitalization that entails cessation or curtailment of employment. This inference is borne out by comparing the discharge rates for persons who are still employed and for those who have recently left the labor force. For the men aged 65-72 who first received benefits in 1962, the discharge rate was one-third higher than for men in the same age group who were not beneficiaries and who were more than three times as likely to have full-time jobs throughout 1962.<sup>10</sup> The following tabulation compares the discharge

rates by age for nonbeneficiary men, the men who were receiving OASDI benefits throughout 1962, and the men whose benefits started in 1962.

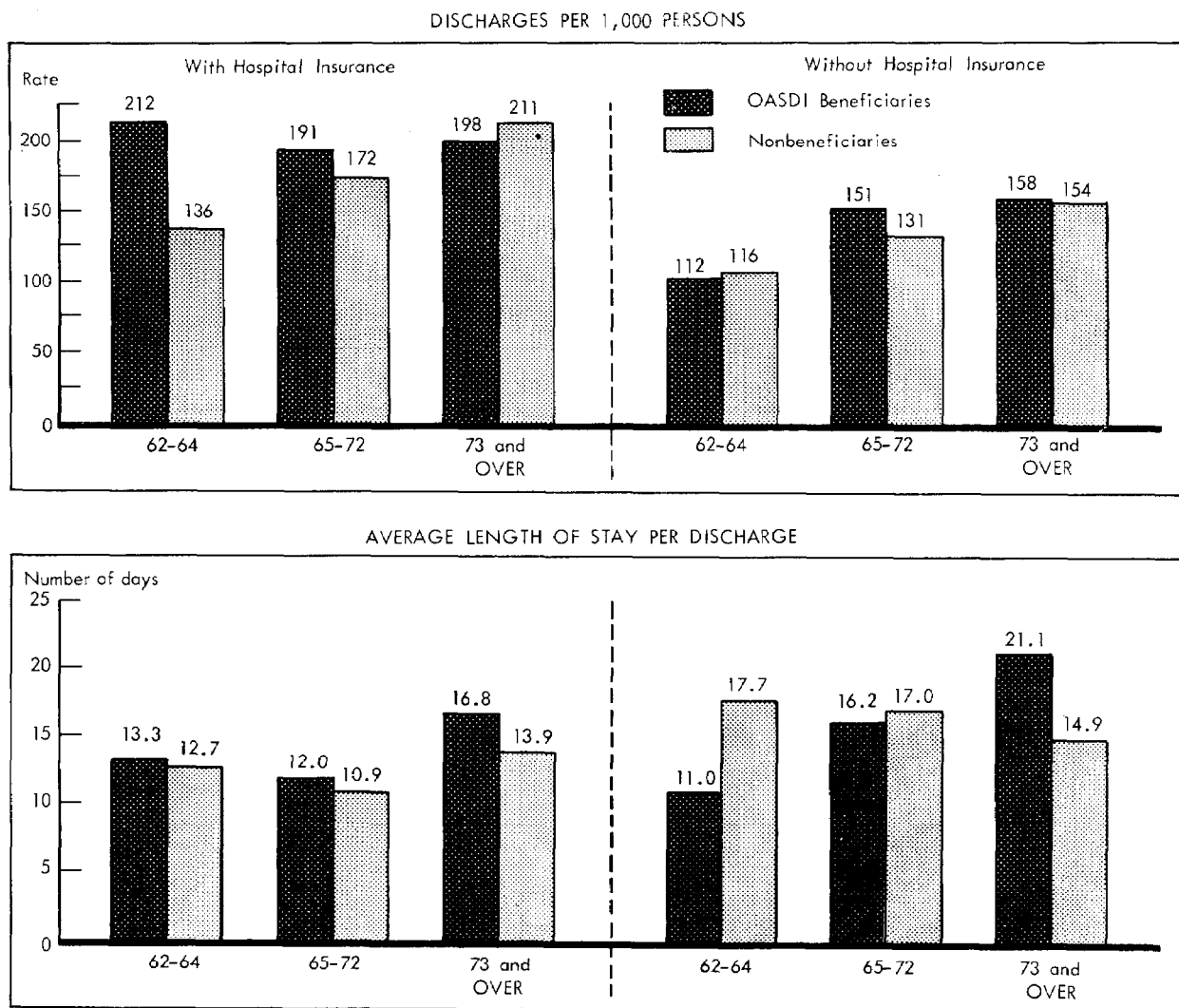
Age	Discharge rates per 1,000 men		
	OASDI beneficiaries		Nonbeneficiaries
	Full-year	With benefits starting in 1962	
62-64.....	149	266	118
65-72.....	186	216	163
73 and over.....	192	(1)	159

<sup>10</sup> See the *Bulletin*, June 1964, page 4, table 2: 44 percent of the nonbeneficiaries compared with 14 percent of the beneficiaries aged 65-72 had full-time jobs for 50-52 weeks during 1962.

<sup>1</sup> Rate not shown when based on fewer than 50,000 persons.

Table 17 and chart 5 show the total number of days of hospital care per 1,000 persons, distri-

CHART 5.—HOSPITAL UTILIZATION RATES FOR OASDI BENEFICIARIES AND NONBENEFICIARIES AGED 62 AND OVER, BY AGE AND HOSPITAL INSURANCE STATUS, 1962



buted by age and insurance status. The pattern of higher rates for beneficiaries than for the nonbeneficiaries holds for all age groups, regardless of sex and hospital insurance status, except for the group aged 62-64 without hospital insurance. In that group, nonbeneficiaries have slightly higher utilization rates than beneficiaries. Because there were relatively few persons aged 62-64 without insurance who were hospitalized during 1962, the sampling error may be high.

The highest rates were reported for men beneficiaries aged 62-64. For the insured in this category, there were 325 discharges per 1,000 persons, and their average stay of 17.3 days meant 5,626 days of care for every 1,000 persons in the group. The unusually high utilization for insured beneficiary men aged 62-64 strongly suggests that an important reason for claiming OASDI benefits is ill health that often requires hospitalization. Indeed, more than a fourth of the men in this group

TABLE 16.—UTILIZATION RATES FOR PERSONS AGED 65 AND OVER IN SHORT-STAY HOSPITALS, BY OASDI BENEFICIARY AND HOSPITAL INSURANCE STATUS:<sup>1</sup> Discharges and hospital days per 1,000 persons and average length of stay, by sex, 1962

Hospital insurance status and sex	Discharges per 1,000 persons <sup>2</sup>		Hospital days per 1,000 persons <sup>2</sup>		Average length of stay (days) <sup>2</sup>	
	OASDI beneficiaries	Non-beneficiaries	OASDI beneficiaries	Non-beneficiaries	OASDI beneficiaries	Non-beneficiaries
Total <sup>3</sup> .....	176	161	2,752	2,229	15.6	13.8
Men.....	193	161	2,933	2,418	15.2	15.0
Women.....	161	161	2,593	2,109	16.1	13.1
With hospital insurance:						
Total.....	194	186	2,706	2,272	13.9	12.2
Men.....	210	160	2,669	1,855	12.7	11.6
Women.....	181	206	2,735	2,595	15.1	12.6
Without hospital insurance:						
Total.....	153	146	2,836	2,363	18.5	16.2
Men.....	173	166	3,238	2,957	18.7	17.8
Women.....	134	135	2,437	2,048	18.2	13.9

<sup>1</sup> Based on experience of persons living at time of interview.

<sup>2</sup> Based on live discharges in 1962 from general and short-stay special hospitals.

<sup>3</sup> Includes data for respondents with insurance status unknown.

are severely disabled and draw OASDI benefits because of their disability. There is no apparent deterrent to the admission of this group of persons to a general hospital, since they are covered by their insurance against the costs of hospital care.

The average length of stay per discharge is more than 2 weeks. This average tends to obscure the variation in duration of stay for many of the hospitalized aged. The record of the total number

of days of hospital care for each discharge in 1962 from general and short-stay special hospitals provides the basis for analyzing the distribution of patients discharged in terms of the length of time spent in the hospital. For tabulation purposes, the data were grouped by 3-day intervals through the first 9 days, then by a 5-day period, followed by 15-day intervals up to 90 days. All stays of more than 90 days are grouped together (table 18).

Approximately 1 out of 6 hospital stays were for 3 days or less. In all, about one-third of the persons discharged were in and out of the hospital within a week. One out of 5 stayed 10-14 days, and another fifth stayed 15-30 days. On a cumulative basis, 71 percent of the hospital stays were for less than 15 days and 91 percent for less than 31 days. Only 1.3 percent stayed more than 91 days for an individual episode. It should be noted that multiple stays by one person during the year are counted separately.

By and large, there are no striking differences in the distributions for men and women. The distributions by age show, as expected, that relatively more of those in the oldest group had the longer stays. Eighteen percent of the discharged persons aged 65-72 had stays of 1-3 days, compared with 14 percent in the older age group—an indication that persons aged 65-72 are more apt to be hospitalized for a shorter duration than older persons. Again it should be pointed out that these data are based on the experience of persons living at the time of the interview and that the inclusion of decedents would affect the older group more than the younger.

## UTILIZATION OF LONG-STAY HOSPITALS AND NURSING HOMES

In addition to having a high rate of utilization of short-stay hospitals, aged persons are the primary users of long-stay hospitals and nursing homes. As previously noted, this is the first nationwide survey of all the aged population that includes those in long-stay institutions. This section analyzes the results of the survey relating to the utilization of the long-stay medical facilities only. Included are psychiatric, tuberculosis, chronic disease, and other long-stay hospitals and

nursing homes. Excluded are homes for the aged not providing nursing care.

Roughly 750,000 persons, or 4.3 percent of the 17.5 million persons aged 65 and over, received care in long-stay hospitals and nursing homes during 1962. Included in this count are aged persons who were in medical institutions at the time of the interview, as well as persons from the household sample who had a stay in such an institution during the year. Aged persons with a stay in a short-stay hospital followed or preceded by a stay in a long-stay medical facility are also included. The average stay in the long-term medical facilities during the year was 37 weeks.

The data in this Survey relating to utilization

TABLE 17.—UTILIZATION RATES FOR PERSONS AGED 62 AND OVER IN SHORT-STAY HOSPITALS, BY AGE AND OASDI BENEFICIARY STATUS:<sup>1</sup> Discharges and hospital days per 1,000 persons and average length of stay, by hospital insurance status and sex, 1962

Age and sex	Discharges per 1,000 persons <sup>2</sup>		Hospital days per 1,000 persons <sup>2</sup>		Average length of stay (days) <sup>2</sup>	
	OASDI beneficiaries	Non-beneficiaries	OASDI beneficiaries	Non-beneficiaries	OASDI beneficiaries	Non-beneficiaries
Total <sup>3</sup>						
Total:						
62-64	171	129	2,165	1,795	12.7	13.9
65-72	173	153	2,326	2,031	13.4	13.2
73 and over	179	168	3,322	2,384	18.6	14.3
Men:						
62-64	200	118	3,186	1,814	15.9	15.4
65-72	194	163	2,434	2,083	12.5	12.8
73 and over	192	159	3,525	2,846	18.4	18.4
Women:						
62-64	158	145	1,740	1,768	11.0	12.2
65-72	157	145	2,239	1,981	14.2	13.7
73 and over	166	172	3,121	2,186	18.8	12.7
With hospital insurance						
Total:						
62-64	212	136	2,826	1,727	13.3	12.7
65-72	191	172	2,287	1,917	12.0	10.9
73 and over	198	211	3,334	2,919	16.8	13.9
Men:						
62-64	325	114	5,626	1,532	17.3	13.4
65-72	213	164	2,369	1,790	11.1	10.9
73 and over	205	146	3,081	2,208	15.0	15.1
Women:						
62-64	181	168	2,047	2,010	11.3	12.0
65-72	174	188	2,226	2,064	12.8	11.0
73 and over	192	233	3,565	3,163	18.6	13.6
Without hospital insurance						
Total:						
62-64	112	116	1,226	2,053	11.0	17.7
65-72	151	131	2,438	2,210	16.2	17.0
73 and over	158	154	3,335	2,306	21.1	14.9
Men:						
62-64	97	132	1,229	2,665	12.7	20.2
65-72	170	163	2,560	2,455	15.1	15.0
73 and over	176	168	3,987	3,456	22.7	20.6
Women:						
62-64	121	95	1,224	1,260	10.1	13.2
65-72	133	105	2,327	2,029	17.5	19.3
73 and over	138	149	2,622	1,806	19.0	12.2

<sup>1</sup> Based on experience of persons living at time of interview.

<sup>2</sup> Based on live discharges in 1962 from general and short-stay special hospitals.

<sup>3</sup> Includes data for respondents with insurance status unknown.

TABLE 18.—LENGTH OF STAY OF PERSONS AGED 65 AND OVER IN SHORT-STAY HOSPITALS:<sup>1</sup> Percentage distribution of discharges, by age and sex, 1962

Length of stay (in days) per discharge	Total			Men			Women		
	Total	Aged 65-72	Aged 73 and over	Total	Aged 65-72	Aged 73 and over	Total	Aged 65-72	Aged 73 and over
Number of discharges (in thousands):									
Total	2,991	1,591	1,398	1,428	804	629	1,563	787	769
Discharges reporting length of stay	2,796	1,518	1,280	1,329	752	584	1,467	766	696
Percentage distribution									
Total reporting length of stay	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1-3	16.1	18.0	13.8	17.1	20.0	13.5	15.1	16.2	14.1
4-6	16.6	15.1	18.5	17.8	15.6	20.9	15.6	14.7	16.5
7-9	18.3	20.2	16.0	17.5	19.3	15.1	19.0	21.0	16.8
10-14	20.2	19.4	21.1	18.1	17.4	19.0	22.0	21.4	22.9
15-30	19.8	19.6	19.9	20.2	19.9	20.4	19.4	19.2	19.5
31-45	4.7	4.0	5.4	4.1	4.3	3.8	5.3	3.6	6.8
46-60	2.0	2.2	1.8	2.9	2.5	3.2	1.2	2.0	.6
61-75	.6	.2	1.2	.2	.7	1.0	.4	1.6	
76-90	.4	.6	.2	.5	.3	.4	.7	.1	
91 or more	1.3	.7	2.1	1.6	.5	3.1	1.0	.8	1.1
Cumulative percentage									
1-3	16.1	18.0	13.8	17.1	20.0	13.5	15.1	16.2	14.1
4-6	32.7	33.1	32.3	34.9	35.6	34.4	30.7	30.9	30.6
7-9	51.0	53.3	48.3	52.4	54.9	49.5	49.7	51.9	47.4
10-14	71.2	72.7	69.4	70.5	72.3	68.5	71.7	73.3	70.3
15-30	91.0	92.3	89.3	90.7	92.2	88.9	91.1	92.5	89.8
31-45	95.7	96.3	94.7	94.8	96.5	92.7	96.4	96.1	96.6
46-60	97.7	98.5	96.5	97.7	99.0	95.9	97.6	98.1	97.2
61-75	98.3	98.7	97.7	97.9	99.0	96.6	98.5	98.8	98.8
76-90	98.7	99.3	97.9	98.4	99.5	96.9	99.0	99.2	98.9
91 or more	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

<sup>1</sup> Based on experience of persons living at time of interview.

of long-stay medical facilities by the aged are based primarily on the sample of persons in institutions—sampled at only half the rate of persons in households. Preliminary calculations suggest that, for percentages of the magnitude found to be receiving care in long-stay medical facilities, the relative sampling error is about twice as large as for the sample of persons in the noninstitutional population. Because of this limitation, the data should be used only as general indicators rather than as precise measures of utilization.

Utilization of long-stay medical facilities is closely associated with advancing age. Only 2.3 percent of those aged 65-72 were in long-stay medical facilities; the rate almost triples to 6.6 percent for those aged 73 and over (table 19). The pattern of increased utilization of long-stay medical facilities with advancing age holds for men, women, beneficiaries, and nonbeneficiaries.

Aged women have slightly higher utilization rates than men—a reflection perhaps of the differences in age composition. There are relatively more very old women than men: men aged 73



and over represent 19 percent of the aged, and women in that age group make up 26 percent of the total (table 6). Since advancing age is an important factor in utilization of long-stay facilities, it is not surprising to find that a higher proportion of the women are in need of long-term care in medical facilities.

The distribution by beneficiary status in table 19 shows that the rates of utilization of long-stay hospitals and nursing homes for beneficiaries are lower than those for nonbeneficiaries within each age group. The greatest disparity in rates between beneficiaries and nonbeneficiaries is found in the oldest age group: 13.0 percent of the nonbeneficiaries aged 73 and over were in long-stay medical facilities, compared with only 3.4 percent of the beneficiaries. It is clear that nonbeneficiaries, who include a relatively large number of very old persons with low incomes, are those who tend to remain in the long-stay medical facilities.

Public assistance recipients have considerably higher utilization rates in long-stay medical facilities than nonrecipients. Eight percent of those receiving some cash assistance compared with about 4 percent of the nonrecipients were in long-stay hospitals or nursing homes during the year. In many cases the reason for receiving public assistance is that the individual is in ill health, unable to work, and in a medical facility. In this comparison as in the analysis of short-stay hospital utilization, persons are classified as public assistance recipients if they received cash assistance. If those in whose behalf payments for medical care were made to a hospital or nursing home had also been included, the utilization rates

of public assistance recipients would, of course, be somewhat higher.

When data for aged persons in short-stay and long-stay medical facilities in 1962 are combined, about 1 out of every 6 aged persons in the United States is found to have been in some medical facility during 1962. Among the 17.5 million aged persons aged 65 and over, 3.1 million received such care during 1962. An aged person who had stays in more than one type of medical facility during the year was only counted once. The data on utilization of all medical facilities by the aged during 1962 are summarized as follows:

Age	Percent in medical facilities in 1962		
	Total	Men	Women
65 and over, total.....	17.5	17.5	17.5
65-72.....	15.5	16.2	15.0
73 and over.....	19.8	19.2	20.2

Among persons aged 65 and over as a group, there is no difference in utilization of medical facilities by men and women. Within the age groups 65-72 and 73 and over, however, differences do occur: In the younger group, men have slightly higher rates, and the pattern is reversed in the older group. The higher utilization rates for women aged 73 and over reflect their higher rates in long-stay facilities, discussed earlier. The factors affecting utilization of short-stay medical facilities discussed above apply, of course, to the combined utilization of medical facilities.

TABLE 19.—UTILIZATION OF LONG-STAY MEDICAL FACILITIES BY PERSONS AGED 65 AND OVER: Percent of persons receiving care in long-stay hospitals and nursing homes in 1962, by OASDI beneficiary status, sex, and age

Age	Total			Men	Women
	Total	OASDI beneficiaries	Non-beneficiaries		
Number (in thousands):					
Total.....	17,469	12,205	5,264	7,763	9,706
65-72.....	9,487	6,952	2,535	4,342	5,145
73 and over.....	7,983	5,254	2,730	3,421	4,562
Percent in long-stay medical facilities: <sup>1</sup>					
Total.....	4.3	2.2	9.2	3.6	4.9
65-72.....	2.3	1.4	5.0	2.4	2.3
73 and over.....	6.6	3.4	13.0	5.2	7.8

<sup>1</sup> Includes psychiatric, tuberculosis, and chronic disease hospitals and nursing homes.

IN SUMMARY, the same factors making for more extensive use of hospital facilities among some segments of the aged population are associated also with lack of insurance protection for meeting such costs. The 8½ million persons aged 65 and over with no health insurance of any kind include disproportionate numbers of the very old—particularly women—those in poor health, and those no longer engaged in full-time employment. These groups, who in the main have the lowest incomes, also spend more days in the hospital during the year than other aged persons. Thus the greater need for medical care at a time when income tends to drop—a chronic problem for older persons generally—is most acute for those with the least resources.