

# **ECONOMICS OF AGING: TOWARD A FULL SHARE IN ABUNDANCE**

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## **HEARINGS** BEFORE THE **SPECIAL COMMITTEE ON AGING** **UNITED STATES SENATE** NINETY-FIRST CONGRESS FIRST SESSION

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### **PART 6—RETIREMENT COMMUNITY** CAPE MAY, N.J.

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AUGUST 15, 1969



Printed for the use of the Special Committee on Aging

U.S. GOVERNMENT PRINTING OFFICE

32-346 O

WASHINGTON : 1970

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Washington, D.C. 20402 - Price 30 cents

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# ECONOMICS OF AGING: TOWARD A FULL SHARE IN ABUNDANCE

Retirement Community

FRIDAY, AUGUST 15, 1969

U.S. SENATE,  
SPECIAL COMMITTEE ON AGING,  
*Cape May, N.J.*

The special committee met at 10:15 a.m., pursuant to call, in the City Hall Auditorium, Cape May, N.J., Senator Harrison A. Williams, Jr., presiding.

Present: Senator Williams.

Also Present: Representative Sandman.

Staff members present: William E. Oriol, staff director, and John Guy Miller, minority staff director.

## OPENING STATEMENT BY THE CHAIRMAN

Senator WILLIAMS. I would like to say in opening that the U.S. Senate Special Committee on Aging is here in Cape May today for the ninth day of hearings this year on the subject of the "Economics of Aging: Toward a Full Share in Abundance."

Our purpose is to learn firsthand about the pressures upon the elderly in a community and county in which large numbers of persons have come for retirement and want to stay here. In fact, I understand that approximately 18 percent of the population in this county is aged 65 or over, and that there is every reason to believe that the percentage, and the total number, will continue to increase significantly. It is clear, then, that the population of retired persons will play a significant role in the economy and the future of this part of New Jersey. I would also venture to say that many regions of the Atlantic shore will be similarly attractive for the elderly as more Americans spend more years in retirement.

What happens in such regions if the retirement income crisis in this Nation worsens, as committee studies indicate that it will?

What happens in such regions if the cost of health services continues its dramatic and inflationary rise? The committee has heard in Washington that medicare, essential as it is, pays less than 50 percent of the medical costs for the elderly. And we know that the elderly pay for nearly three times the amount of health care than younger people, including large outlays for prescription drugs.

And what happens if property taxes go much higher? Many older homeowners are already desperate; they cut down on all other expenses, even food, but there is not much they can do about the tax bill.

The committee has already received much testimony about all the problems listed above. We have even received suggestions for Federal action intended to assist States in providing tax relief.

We are in the field today because the Senate Committee on Aging discovered a long time ago that the best and most practical testimony comes from the people directly affected by Government policy and actions. We have already heard much in Washington about the problems of low-income elderly persons in central urban areas.

Yesterday we were in Bergen County to find out what happens to older persons who have lived all or a great part of their lives in a suburban community, only to find in retirement that the cost of living may be too much for them there.

Today we are in a county where many persons have come from elsewhere to retire. They planned carefully for their later years, they tried to look down the road and be ready for all that comes. But even the most careful plans can be disrupted by change and rising costs.

We want to hear from you, so I will begin. Without further delay I will call upon our first witness, Mayor Gauvry.

#### **STATEMENT OF HON. FRANK GAUVRY, MAYOR, CITY OF CAPE MAY**

Mayor GAUVRY. Thank you, Senator Williams.

We are particularly honored in Cape May today not only that so many of our own senior citizens are here but that so many of you have come from other places. I think today is probably going to be one of the most important sessions that we at Cape May have had the privilege to attend for a long time. The committee that Senator Williams is mentioning has quite a few distinguished Senators on that committee with Senator Williams being the chairman.

The Government that has the facilities and the know-how and the spirit and the pride to send men to the moon also realizes that there are problems of those of us who have to remain on this planet. It is particularly commendable that the Government thinks enough of those who have gone into retirement to want to study their problems.

Today you will have an opportunity to mention things that you have been concerned about and probably get some answers about what the future holds.

On behalf of the city council we wish to welcome these committee members. At this point I would ask for a word from our Congressman who is also concerned over the problems that beset all of us.

Congressman Sandman.

#### **STATEMENT OF HON. CHARLES W. SANDMAN, JR., A REPRESENTATIVE IN CONGRESS FROM THE STATE OF NEW JERSEY**

Representative SANDMAN. Senator Williams and ladies and gentlemen, I have lived here all of my life and I think I know a good deal of your problems. I am very interested in reading the transcript of this report today so that I can learn more because no doubt Senator Williams' committee will make some strong recommendations to the U.S. Senate and in turn will be referred to the U.S. House of Representatives where I have a vote.

One of the outstanding things that I think that you will find here today, Senator, is that the great bulk of people that are here are people who have been gainfully employed all of their lives. If any of them have become subject to poverty, it would only be after they reach retirement age. Of course one of the outstanding problems that you are going to find, which no doubt that you have found elsewhere, is that under our present system of social security we practically have legislative power to state the amount that a person is able to earn in addition to his social security which is too small and it can no longer keep people over the age of 65 in the station of life that they are used to and certainly not in the station of life that they should be in.

This little town, as you have already seen, has tried its very best to imitate many of the hardships that they have. This little town has supplied a minibus that you saw outside—it is not the answer but it is one little step along the way to a good many other things that you will find about Cape May and Cape May County.

We are delighted that you have brought your committee here and we know that your work is going to be very important insofar as the future of all of these people are concerned. I want to congratulate you on having your hearings here in Cape May, N.J.

Senator WILLIAMS. Thank you very much, Congressman Sandman. It is encouraging for those of us in the Senate to know that we have such a strong ally as you are in the House of Representatives. Thank you again, Charlie.

We will get underway with the panel of residents of this community. Mr. Walter Measday, Mr. Herb Peters, Mr. Albert Morgan, Mr. John Edmonds, and Mrs. Katherine Gysel. I understand Mrs. Anne Zahora, executive director of the Cape May Office on Aging, is with the panel.

Introduce your friends, Mrs. Zahora.

Mrs. ZAHORA. Yes; I would like to very much.

**STATEMENTS OF WALTER MEASDAY, HERBERT PETERS, ALBERT MORGAN, JOHN EDMONDS, AND KATHERINE GYSEL; ACCOMPANIED BY ANNE ZAHORA, EXECUTIVE DIRECTOR, CAPE MAY OFFICE ON AGING**

Mrs. ZAHORA. I want to extend a warm welcome to you and to the Committee on Aging on behalf of all of the older residents of Cape May. Very glad to have you with us.

Our panel is assembled now and ready to testify, if I may introduce them individually.

Mr. Walter Measday who is the chairman of the mayor's advisory council and also the chairman of the city planning board.

Mr. Measday.

**STATEMENT OF WALTER MEASDAY, CHAIRMAN, MAYOR'S ADVISORY COUNCIL; AND CHAIRMAN, CITY PLANNING BOARD**

Mr. MEASDAY. Senator Williams and Anne, when I saw this opening panel which is listed as consisting of elderly citizens I was wondering whether I should rent a wheelchair to get here. When I saw those

two lovely ladies there on the end also listed as elderly, Anne Zahora and Katherine Gysel, then I knew this was another example of a computer breakdown.

Supplementing what Senator Williams said about the trend in Cape May City and Cape May County shore, there is a definite increase in the number of retired persons. The increase in total population in a 10-year period between the 1950 census and the 1960 census was 30.8 percent for the county and about 17 percent for the city of Cape May. However, the number of persons 65 years or over, so-called elderly, increased 64 percent in this 10-year period for the county, and 41 percent for the city. The net result was that in 1960 the older persons constituted 16.8 percent, or one-sixth, of the total population of the county, and 17.4 percent here in the city.

These figures are of interest because they are approximately twice the proportion of senior citizens in the State as a whole in 1960, which was 9 percent. Now these data, of course, come from the national census and is accurate. From 1960 to date, the growth we get from what we read in the papers, which are purely estimates, is anybody's guess. However, when we were planning our master plan we did project some estimates based on what we thought at the time. I would say—and this is purely once again a personal estimate—that since 1960 our population here in Cape May City has gone up about 600 persons of which I personally think about 400 or two-thirds are retired people and that therefore the retired people now constitute about 25 percent of the permanent population of Cape May City.

I would point out one thing. When you are reading population figures of the city, from the U.S. census you have to eliminate a certain portion. For instance, they show 4,500 people in 1960 as residents of Cape May City, but it included, as is the custom of the Census Bureau, approximately 1,300 young men who were at that time in training at the Coast Guard base. So if you eliminate those, you will come down to a figure around 3,200. You have to have this in mind when you are thinking of our population here or any other community which includes a military installation.

#### ADVANTAGES OF SEASIDE LIVING

It seems to me that these statistics show that many people like myself think that there are definite advantages in settling in a seashore community if you happen to like the seashore. These advantages I think are as follows:

1. A seashore community such as Cape May has a relatively moderate climate because it is modulated by the Atlantic Ocean and the Delaware Bay. The summers are therefore cooler and the winters less severe than they are back on the mainland. Fuel bills I think are therefore more stable which is one economic advantage.

2. The clothing we wear down here as we all know even on a year-around basis is much more informal and I would think one's clothing is less expensive than it would be in a suburban community, for example.

3. If you like salt-water bathing, fishing, boating, or if you like gardening or bird watching, you have them here right at your door-steps.

4. Even in a period of high building costs you can build or buy a home for less cost than it would cost you for a comparable building on comparable property in a metropolitan area.

5. Even in a period of high real estate taxes.—Now we complain down here, too, about high real estate taxes—our taxes are still lower than they would be in metropolitan areas.

6. You can be a sufficient distance from your children and from their families—and this is a thing that we retired people with children and grandchildren are interested in—for them to let you live your lives at your pace which admittedly is a slower pace than theirs and they can go along at this faster pace—yet be close enough to them when they need you for any reason or you need them.

7. Now we are, as the Senator pointed out, a seashore economy which means that we are limited basically to 2 months, July and August, of active economic activity through our motels, hotels, and summer resort business. Most of the jobs therefore are temporary, and they are available as we know in many instances to older persons who feel they must supplement their retirement income.

8. While it is true that jobs are fairly limited in the nonsummer months, there are opportunities at least on a part-time basis if you have certain skills. Anyone who has had to wait 2 or 3 months for an electrician, a carpenter, a refrigerator repairman, and so forth, will welcome the influx of older persons with these and similar skills, particularly for small repair jobs and every one of us knows friends of ours who are doing that sort of thing to supplement their incomes.

I know, for example, it is impossible to get a typing job done unless you find some retired women who will do it for you. I know of only one public stenographer in the whole county.

Now by the same token this last point indicates the first of several disadvantages:

1. Permanent year-around employment is admittedly limited and if a full-time, year-around job is necessary to supplement social security payments or other retirement income, your opportunities are definitely limited.

2. If you are unable to own or drive an automobile, you are going to be limited in your shopping choices. Merchandise, including foodstuffs, is certainly not as varied in choices as in the metropolitan areas. You may have to do your Christmas shopping, as we do, in Philadelphia or at least Cherry Hill, Searstown or Atlantic City. Now I don't mean that you cannot shop in Cape May or nearby. Of course you can. My point is that you are going to be limited in your choices.

3. If you are dependent upon the theater, the concert hall or even the movies for your amusement, you will have to go to Philadelphia at least for the theater or concert. For movies, Atlantic City or Millville are nearer if you want to see the better current movies. Locally, and that includes Cape May City and nearby Cape May, you have to settle for the grade of pictures that you might just as well stay home and see on your TV set on the late show, because that is what you get.

Now by this time I hope you have realized that I am straining my brain very hard for disadvantages. You see, I am satisfied. The advantages of living in a seashore community like Cape May are overwhelming, but maybe that is because I am chairman of the planning board and I am pretty much indoctrinated.



I will close with one more economic advantage. You will add a few years to your life, I think, and at least postpone your funeral expenses. [Applause.]

Senator WILLIAMS. Very good. Thank you very much.

Mrs. ZAHORA. Our next panelist is Mr. Herbert Peters who is president of the Cape May Citizens Association.

Mr. Peters.

#### STATEMENT OF HERBERT PETERS, PRESIDENT, CAPE MAY CITIZENS ASSOCIATION

Mr. PETERS. Senator, Congressman, our Honorable Mayor and Mr. Armstrong, this is a bigger thing than I anticipated and it is wonderful. I am supposed to talk about the elderly real estate taxes. Well, taxes are a wonderful thing; if we did not have taxes, we would not have anything. Now we can go overboard. For instance, our President moved the White House out to California for the summer and maybe permanent, I don't know. That is an unnecessary tax in my estimation, but that is up to them. But we pay for it.

Senator WILLIAMS. I did not quite hear that, Mr. Peters. What was that?

Mr. PETERS. I say for the President to move the White House to California for the summer or whenever, it is unnecessary expense in my estimation and we pay it in taxes and there is no alternative.

Now when John Doe throws a paper in the street, it raises our tax. Everything we pay for. I heard the remark we got this nice minibus out here for people to ride, which few ride. They say it does not cost us; it sure does. Who does pay for it other than we? The Government does not have a nickel. The city has nothing here except what we pay for, what we give it. That includes everything.

Now I cannot get the facts from older people who are up against the wall, their farm or house will be sold if they do not pay their taxes, but that is the truth of the thing because they just won't tell you the truth. When the dollar value is about 45 cents now, and in this morning's paper Secretary Kennedy says that in 10 years, 11 years, 1980, it will be worth 50 cents—maybe it will be worth nothing, I don't know—it looks like we are heading for the German mark condition years ago.

Now what can you do? I don't know. It is up to our taxpayers' representatives in Washington to fix the remedy for that which is not easy to do. The dollar value—we just have to go through a depression—there is no alternative in my estimation. I don't know whether you went through the other depression but I did and it was pretty tough. That is what you call the wringer, when your prices are getting to the condition they are now where you have to pay \$10, \$12 for a licensed union plumber. If the same scale continues it will be \$25, \$50 in a few years. So you have to go through the wringer so the guy will do it for \$2.50.

I will not take any more time. Thank you very much. [Applause.]

Senator WILLIAMS. Thank you very much, Mr. Peters.

Mrs. ZAHORA. Next we have Mr. Al Morgan who has retired to Cape May from Pennsylvania. He was the host on our office's television program last fall.

Mr. Morgan.

**STATEMENT OF ALBERT MORGAN, CAPE MAY, N.J.**

Mr. MORGAN. Thank you.

Honorable Senator, I would like to make a statement concerning one specific problem of a retired person. I would like to know why the limitations on veterans' pensions cannot be reduced or eliminated. There were no strings attached to the Spanish-American War veteran's pension and there are many times when a veteran could earn a few dollars and help defray his expenses but the limitations are so that for every \$100 he earns his pension is reduced.

For example, a veteran getting \$90 a month, if he earns \$800 in a year, he's cut to \$58 per month. Using myself as an example, I had to turn down a position as host on the Department of Aging TV program this year because the remuneration would cut my veteran's pension to the extent that it would not pay me, and there are many others under the same circumstances.

Even the social security limitations are more liberal. This problem poses a question of why the establishment or Government is so reluctant to pass the wage and price control bills, as it has proven to be successful during a crisis such as a war and with the constant rise in prices on everything, it seems like the only solution to hold prices down. Naturally as wages go up, so do commodities.

And we, the senior citizens, with fixed incomes are stuck. As you know, we pay the same prices as a man making \$25,000 a year. Is it because the politicians do not want to tramp on the toes of labor hoping to get their vote, or why are they fumbling around letting the prices get out of hand? Even the 7-percent increase in social security which we are supposed to get has been eaten up with taxation and rising prices.

Thank you.

Mrs. ZAHORA. Our next speaker is Mr. John Edmonds, a lifetime resident of Cape May and a member of the Advisory Board on Aging.

Mr. Edmonds.

**STATEMENT OF JOHN EDMONDS, MEMBER, ADVISORY BOARD ON AGING**

Mr. EDMONDS. To our chairman, Senator Williams, Congressman Sandman, our illustrious Mayor Gauvry, to the panel present this morning we are indeed very gracious for this privilege. We have been asked to be on this panel this morning. The purpose of this meeting this morning is to conduct a hearing on the economics of aging toward a full share in abundance.

Here in Cape May we are concerned with the relationship of a growing retirement population to the overall development of the region. I have been asked to pinpoint my remarks to the need for part-time employment and the need for more low-cost housing.

I have given much thought to the terminology of the overall study, particularly the word "economics." The dictionary defines economics as a science that deals with the capital, labor, wages, prices, tariff, taxes, and so forth. That is the problem of these and the material welfare of mankind. I shall try to confine my discussion to the subject

assigned to me. However, I would like to make this general statement.

The aged here in Cape May face the same problems that puzzled a certain young lady who received a gift from her brother who had not seen her for 15 years. When he left home she was 2 years old. His conscience worried him that he was living in abundance while the rest of the family was struggling, trying to make ends meet in the rural area of the Deep South. As an act of atonement he sent a package of beautiful clothing to fit the little 2-year-old sister he had left behind. How can this 17-year-old young lady adjust herself to fit into these beautiful clothes designed to fit a 2-year-old child?

How can the aged with an income fixed to low-cost living adjust themselves in an era of inflation?

When our cities seek to keep pace with other cities in the area and when our schools strive to meet the requirement of the State board, and we are not opposed to such progress, it becomes necessary to increase the taxes, and as a result the aged must pay his share. Many of the senior citizens are living in houses that were built in the early part of the century. At that time, you will recall, houses were not insulated, the ceilings are high, and consequently the cost of heating them is tremendous. Moreover, because they are old, they are in constant need of repair. The occupants are past the do-it-yourself age. If there is a leak in the roof, it means hiring a first-class roofer. Can this be done out of the fixed income received the first of the month?

Health needs and rising medical costs must be considered beyond the provisions of medicare or medicaid. Medical needs and the cost of meeting them rise with declining health. We senior citizens do not desire to be a fashion plate but there is still that something within us that makes us want to look nice when we appear in public. We would like to be comfortable in our homes. We still would like to take an occasional trip, at least out of Cape May County.

We are not beggars, neither do we want to feel that we are a burden on our children. As long as we are able to work, we would like to be engaged in some part-time employment to furnish these extras. Low-cost housing would eliminate the worries of high fuel bills and constant repairs, and our lives would be more carefree and, consequently, longer.

Old age should be more than a period when people decline and die. Life has been hard for many of us. We have made many sacrifices, and yet the margin of saving has been small. Nevertheless, we have made worthwhile contributions to society and we would like to enjoy the remaining short years we have to live. In short, we would like to be happy, but happiness is not something one can buy, it is not something that can be given us. To us for whom life is dear, it cannot be found by making adventurous explorations in space. To the average aged citizen happiness is a state of mind that results from a sense of well-being based on our own independence, and independence we can maintain if given an opportunity of part-time employment.

Thank you. [Applause.]

Mrs. ZAHORA. Now may I present Mrs. Katherine Gysel who is the transportation director of our minibus.

Mrs. Gysel.

**STATEMENT OF KATHERINE GYSEL, TRANSPORTATION DIRECTOR,  
CAPE MAY OFFICE OF AGING**

Mrs. GYSEL. Thank you.

Honorable Senator, Congressman, because of the great need for low-cost transportation—there being no other intracity bus service—for our senior citizens in Cape May City, Cape May Point and West Cape May, we tried to fill this requirement by purchasing a nine-passenger Volkswagen minibus in August 1968; by employing two dependable, courteous drivers who are both retired veterans; and by operating the minibus on three routes daily through the various streets of the city and outlying areas—17 round trips daily—daily average of 125 miles.

In addition, we take patients and visitors to Burdette-Tomlin Memorial Hospital Clinic and Crest Haven Rehabilitation Centre in Cape May Court House—two round trips each Tuesday and Thursday mornings at a low fare of 50 cents.

We also transport passengers to our terminal where it is possible for them to make connections with public service buses to and from Atlantic City, Philadelphia, and Wildwood, as well as New York City.

As Mr. Edmonds mentioned, he can get out of Cape May if he wants to.

Our minibus serves as a means for our retired residents to do their marketing in our local supermarket, to take care of their banking needs, and to go to their local doctors and pharmacists at a fare of 20 cents.

Our senior citizens have the opportunity, also, of purchasing a book of five tickets for 95 cents, another 5-cent saving.

While some of our senior citizens do not remain in Cape May during the winter months, there are still many who are year-round residents. And, there is a development in Cape May City called Village Greene with quad and twin homes, being mainly sold to those of retirement age. Thus, as more and more of these homes are occupied, the need for low-cost transportation will increase.

Here are some statistics of our village transit authority project, August 1968 through July 1969:

TOTAL PASSENGERS

20 cents, senior citizens	25 cents, regular	50 cents, hospital	95 cents, 5-trip commutation	Total
821.....	3, 198	1 233	2 31	4, 283

<sup>1</sup> Senior citizens, and indigent persons.

<sup>2</sup> Senior citizens.

Total fares received, \$1,096.55.

Costs accrued, \$12,124.75.

Federal grant received, \$7,806.

Non-Federal resources, \$5,053.80.

It is our fervent desire to continue to serve our senior and indigent residents by providing safe, dependable transportation at an inexpensive fare.

However, to do this, we need Federal, State, and municipal financial assistance as the need for minibus transportation is steadily increasing which causes expenses to rise in proportion.

Thank you very much. [Applause.]

Senator WILLIAMS. Thank you very much, Mrs. Gysel.

Mrs. Zahora, I wonder if I could ask the panel just one question. It would be interesting for us, and I am sure for the people gathered here today, to know a little bit briefly of the background of our panelists who have contributed greatly to our knowledge of lives of older people. Would you each tell us a little of the background of your employment—you are all in retirement, I gather—and what brought you here?

Mr. Measday.

Mr. MEASDAY. Senator, I am a retired district manager of the Bell System up in New York City. What brought me here is very definitely a couple of things. No. 1, up in Bergen County, where you have just come from with your last hearing, I was very active in many things like Scout work and many of my friends who are on the executive board of the Scout council there were gradually retiring and it got a little bit awkward for them because every once in a while you had to put your hand in your pocket to meet certain deficits of the Scout council. It was embarrassing to these fellows who were on half or less of the income they had when they were on full time.

So I felt that living in a metropolitan area like the New York City area, or the Philadelphia area for that matter, would be a little bit too expensive. I like the seashore. I want a place where my grandchildren would be willing to come down because there is something to do of interest and not merely a duty call on grandpa and grandma. They can fish, boat, and swim, and in the 9 years we have been down here these have been done.

Now I recognize that I am a little bit better off financially than many retirement people but I have gotten into their problems, too, because we have had to think about it in connection with our planning.

That is my background, Senator.

Senator WILLIAMS. Thank you.

Mr. Peters.

Mr. PETERS. My background is sort of odd. I am the least educated person here in this audience without a doubt, and I will make a good bet on that regardless of how dumb they are. All my life I have worked for myself. I worked 6 weeks in a factory; I worked 7 weeks on a railroad, and I spent a year and 9 months in naval aviation. I learned to fly and I have been in the flying business ever since. I retired. I started out from zero and I had not a nickel except three babies. I retired in 1958 and I came here because I was very conscious of the weather and this is the nicest climate within a radius of 100 miles of 50 million people. That is the reason I retired here and that is my condition right now.

Senator WILLIAMS. Very good. Where did you live before you came here, Mr. Peters?

Mr. PETERS. I was born in Atlantic Highlands, N.J., but I lived in Ithaca, N.Y., all my life.

Mr. MEASDAY. If you go back and remember "The Perils of Pauline" with Pauline White, those sequences were taken over many months

in Ithaca, N.Y. There was a lot of stunt flying in that picture. Herb Peters did the stunt flying. [Applause.]

Senator WILLIAMS. Very good. I am glad I asked the question of you all.

Mr. MORGAN. Senator, I am from Pennsylvania, the coal region. After the First War, when I came back I got in the automobile business. I had a Studebaker agency for many years. As the oil started to enter the coal region and the coal business got bad, I was forced out of business. Then I went into the coal business myself on a small siding but that was not very successful. Then I was in the insurance business for a while and moved to Cape May to retire.

Senator WILLIAMS. Thank you. The coal industry came back, you know.

Mr. MORGAN. Not the heating, though.

Senator WILLIAMS. Not as heating.

Mr. MORGAN. No, not for heating. The hard coal region where I come from, right there sitting on top of the coal bank nearly all the residents were putting in oil, they have converted to oil right in the coal region. When I went into the coal business I went in the washry business. For instance, I had the New Jersey zinc. I could sell them all the barley coal we could mine but it was hard to sell the buckwheat and the rice; otherwise, sell some rice to laundries, and so forth. You could not sell the buck and rice which was fluctuating.

Senator WILLIAMS. Very interesting. As chairman of the Senate Labor Subcommittee, I have been concerned and still am and will be with the mining aspects of coal and the health and safety of the miners.

Mr. MORGAN. The coal region has a certain market that it has been able to retain. For instance, they have their Canadian market but their local market and the market such as the larger cities here, municipal buildings, hospitals, and so forth, they have lost that entirely to oil.

Senator WILLIAMS. Thank you, Mr. Morgan.

Mr. Edmonds.

Mr. EDMONDS. As for my background, my mother and father thought it would be very wise for me to be born in Cape May, so I was born in Cape May and I lived here practically all of my life. I am a graduate of Cape May High School in 1917. I have worked throughout various jobs in Cape May. The most of my years were put in in the grocery business. People have died long ago but I have worked in the store for about 20 years. I worked at the base and I was with the county when I retired for 21 years, so here I am.

Senator WILLIAMS. You worked where, at the base?

Mr. EDMONDS. I worked at the Cape May Naval Base also and in the latter years I worked for Cape May County, the Roads Department, for 21 years as the foreman of roads.

Senator WILLIAMS. Were you out at the base in the early forties?

Mr. EDMONDS. Yes.

Senator WILLIAMS. Well, we were colleagues. I was out there.

Mr. EDMONDS. I was there in 1945.

Senator WILLIAMS. Mrs. Gysel, when you retire are you going to stay here in Cape May?

Mrs. GYSEL. Senator Williams, it is a great pleasure to be living in Cape May. My husband and I retired to Cape May. That is, I

thought I retired, but because of my great love for people, especially older people, and their problems, I am very active, and it is a privilege and a pleasure. I was born in Massachusetts and have worked as an executive secretary and accountant in New York City and, also, in Bergen County, N.J., before moving to Cape May last August 1968. Thank you.

Senator WILLIAMS. You did describe the aging administration's minibus which meets one of the fundamentals of transportation for older people who probably most of them do not have their own automobile, I would guess.

Mrs. GYSEL. Or at times it is rather difficult to park because of the limited parking space and the minibus serves in that way, also, to save them from the annoyance of parking and having money for the parking meters and running out of the theaters or the stores to see if they have enough money in the meters.

Senator WILLIAMS. There was a lot of testimony yesterday, for example, up in Bergen County that transportation for older people was one of the real hard problems. Certainly your approach here makes a great deal of sense and it sounds as though you are reaching a great number of retired people.

Mrs. GYSEL. It is increasing, too.

Senator WILLIAMS. Good.

Mrs. GYSEL. Thank you.

Senator WILLIAMS. Now we later today will be stopping by at Woodbine and there we will see what is a fine program. We will see it in operation.

The foster grandparent program is designed to do three things basically. It does supplement to some degree the income of retired people, it is meeting a public need that might well not be met otherwise and it is keeping older people excited about living, something significant and productive to do.

We will have later in the morning. We have another group of men who are doing exactly the same thing in a sense, the green thumb men who are doing work here in Cape May County. Am I right, gentlemen?

Mr. GEYER. Yes.

Senator WILLIAMS. They are in nine or 10 other counties in New Jersey and they operate in 15 States of our Nation right now, same thing. This provides supplementary income for older people but even more important for them it is significant productive work—beautification, rehabilitation of historic sites and things that would not be done otherwise probably if this program were not available to them.

Are there any other activities, Anne, that your aging group is doing that we might hear about here briefly today?

#### FUNCTIONS OF COUNTY OFFICE ON AGING

Mrs. ZAHORA. Well, it probably will have to be briefly, Senator, because we have just started our third year of existence so we have had 2 full years of getting to know what the problems of the older people are in this county. One of the things that I think has been significant is our discount card. With the cooperation of the chamber

of commerce and 28 participating merchants we have provided people who are living on limited incomes with a discount.

I say we. All we have done is give out the cards, it is the merchants who are actually doing this for the people. The drugstores, of course, are giving this discount and the people—at least everyone I have talked with about it—find it very helpful. Even though it may be only a matter of 40 or 20 cents on one prescription, when you consider the number of prescriptions and the constancy of the prescriptions, every little savings helps. We recognize that this is not a final solution but it is a temporary help to these people.

Our office publishes a monthly newsletter and through that we try to bring all of the necessary information perhaps in a newspaper, it is a more personal way to reach the people who are retired. We try to get them all of the information that is pertinent to them out to them each month. We have also had a great program going, I think, so far as volunteers are concerned.

There are many people, perhaps people like Mr. Measday, who are not especially interested in part-time employment but are interested in part-time activities or something to fill in a few moments of their spare time and in a worthwhile cause. In doing this we are recognizing this as a possible need for some people. The city has an information booth of which we are very, very proud. Our senior citizens staff this booth on a volunteer basis. We started this last summer and it has been continued this summer. Prior to the year before this it was not manned officially at all. So we feel that our senior citizens are making a tremendous contribution to the city. I think everyone who is there appreciates it, they feel that they are contributing something worthwhile toward the betterment of the city.

Offhand, these are the things that strike me: I wish I had something. I thought we were going to discuss economics and I did not really think that we would have a discussion of what our office was doing. I can send it to you in writing, however.

Senator WILLIAMS. If you would, although you did strike a very responsive chord on economics when you described the cooperation had from the commercial business community and discount prices at some of the stores. Now that is very significant, particularly I gather at the drug store where prescription items are such a big problem.

Mrs. ZAHORA. Yes, that seems like a very worth while program, it truly does.

Senator WILLIAMS. Just one final question and observation. You mentioned a television program.

Mrs. ZAHORA. Oh, yes. Now I should not have ignored that at all, should I, Al?

Our office in cooperation with our model cities effort locally has set up a television program. We also had joint sponsorship last year by the Cape May Rotary Club. It is a weekly program, it is a half hour show. In fact, in reading your earlier reports I guess about 2 years ago you had testimony from a gentleman in Hershey. I thought this looked like a great idea and I had hoped we would develop it locally, which we were fortunately able to do. It is a half hour, it is on the local television station WCMC which reaches those people in Cape May County and a little bit of Atlantic County.



We bring in guests. Most of the people who are testifying today have been a guest on our television program at one time or another. It is to bring timely topics and agency representatives who have something to say so far as older people are concerned. We also have guests who are older people retired and who are doing something, who at the age of retirement have taken up a hobby or an interest or an occupation. If our viewers—and we hope there are a few at any rate—if our viewers can look and see that they say, Well, gee, he can do that; he is retired, this fills in his spare time. I am sitting around doing nothing, perhaps I could do it, too.

This is one of the reasons that we have the television program. We think it is great, and Al last year did a fine job as host. We are looking forward to a new host this year.

If I may go on for another minute. The other part of our office is an information and referral service which is quite effective. There is really no place in many communities, I suppose in most communities, where people can call with any problem at all. You know, if you have a tax problem you go to the tax collector but if you have some kind of a general problem as you are older, what do you do about it? Where do you go to find an answer if you do not have relatives or close friends living nearby?

Our office provides this service. In this letter we tell everybody, and we mean it sincerely, whatever your problem is, it does not make any difference, call. We do not claim to know all the answers but we certainly try to get to the right resource and provide the proper answer as quickly as we possibly can. I think this has been an advantage to the community.

Senator WILLIAMS. All of these activities come out of the nerve center which is your office. Is that here in this building?

Mrs. ZAHORA. It is not right here in this building but it is here in the city, yes.

Senator WILLIAMS. The television facility, is that in Wildwood?

Mrs. ZAHORA. That is in Wildwood, yes.

Senator WILLIAMS. And this is a regular commercial private enterprise television which gives public service time?

Mrs. ZAHORA. Yes, that is right. Thank you very much, Senator.

Senator WILLIAMS. Very good. Well, this has been excellent, and your prepared statement will be inserted in the record at this point.

(The statement referred to follows:)

PREPARED STATEMENT OF MRS. ANNE ZAHORA, EXECUTIVE DIRECTOR OF CAPE MAY CITY OFFICE ON AGING, CAPE MAY, N.J.

Mr. Chairman: As Executive Director, I am submitting this statement in answer to your request concerning the activities of the Cape May City Office on Aging.

The program at this Office was initiated on July 17, 1967 with a two-fold purpose in mind: 1. to establish a heretofore non-existent information and referral service; and, 2. to serve the needs of the older residents of the community through planning and assisting agencies and organizations to recognize, consider, and help solve these needs.

During the first six months of operation, this Office handled 252 inquiries. In the year 1968 there were 651 inquiries, and for the first half of 1969 there were 559. These inquiries covered a wide range of subjects including housing, financial aid, employment, health services, leisure activities, volunteer services, and transportation. Many of these requests were successfully referred to the proper agency, while others were seeking information only.

In order to assist people with an information service this Office has just completed the publication of a County Directory of Services.

I would appreciate taking this opportunity to outline some of the programs developed by the Cape May City Office on Aging in addition to the Information and Referral service.

1. A monthly newsletter is published and mailed to residents to keep them abreast of new information, opportunities, and services available.
2. A swimming program has been established in conjunction with a local elementary school during after-school hours. This has proved valuable to stroke and arthritic patients during their recuperative period.
3. The local library is now utilizing the availability of Senior Citizens as volunteer library aides.
4. Assistance has been given to the formation of and the program planning for a Senior Citizen's club.
5. Since Cape May City does not have its own Social Security office, a "Social Security Day in Cape May" was conducted to alert the residents to the amendments to the law and provide time for a question and answer period.
6. Work has been done with the New Jersey Commission for the Blind so far as the teaching of Braille in the community is concerned.
7. Arrangement for Senior Citizen staffing of a Salvation Army Canteen truck has been successfully completed.
8. In cooperation with the Chamber of Commerce, a discount program has been established whereby Senior Citizens receive a card from this Office which entitles them to receive a percentage discount from participating merchants within the community.
9. This Office has served as coordinator between The Boy Scouts, a local college, and one of the churches and special projects they have conducted for Senior Citizens.
10. The Cape May County Vocational-Technical School has cooperated in extending an invitation to Senior Citizens to take advantage of the at-cost prices of its Beauty Culture Department.
11. A weekly half-hour television program, "New Horizons", has been established with a Senior Citizen as its host. Pertinent topics of interest to retirees have been discussed, such as: public health, prevention of vandalism, landscaping and lawn care, Social Security and Medicare, creative Christmas suggestions, public housing, floral arrangements, large print books, Food Stamps, fish and game, and photography as a hobby.
12. Recognizing the transportation needs within the City, this Office, through the New Jersey State Division on Aging, has established a Village Transit Authority which operates a Mini-Bus at very inexpensive rates for Senior Citizens. This bus provides convenient transportation to doctor's offices, churches, shopping areas, recreational facilities, and nearby hospitals.
13. Trained volunteers provide assistance with Medicare questions on a weekly basis.
14. Evenings of music, travelogues, and hobby discussions have been held.
15. Senior Citizens of the community serve as a volunteer staff for the City's Information Booth. This is a tremendous asset in a resort area, and this service has gained the respect of the entire community for those older residents who give so generously of their time and efforts.
16. The County Home Economist has cooperated in providing programs on nutrition for the elderly.
17. A general meeting was held under the sponsorship of this Office to acquaint the public with the Food Stamp program, and arrangements were made to have a program representative in the City on a monthly basis.
18. City Council has cooperated with the purchase of rocking chairs and bench facilities for older residents and tourists.
19. Thirty-two adults received Certificates of completion of a Driver Refresher Course co-sponsored by the Office on Aging, the Police Department, and the Recreation Commission, and conducted by the New Jersey State Department of Motor Vehicles.
20. A list of elderly who need assistance during a natural disaster has been compiled and forwarded to the Civil Defense authority.
21. A two-day Arts and Crafts Festival was successfully conducted with older residents assisting with the planning and arrangements.

22. The compilation of a Community Resource File has been completed with volunteer assistance. The file serves to show the interests, needs, and abilities of the Senior Citizens within the community. It has been utilized for employment purposes, and in conjunction with the school system in that the older person brings his experiences into the classroom.

23. Through the cooperation of the Ministerium and the City Nurse a phone-in reassurance program has been established.

24. Awards to outstanding Senior Citizens have been effected by this Office and presented by such groups as the City Council, the Women's Community Club, and the Boy Scouts.

25. This Office has become involved with all local and county agencies and their plans involving Senior Citizens; i.e. Model Cities, Social Security, Food Stamps, Health Department, Welfare Department, Home Economist, Homemakers, etc.

26. A Professional Medicare training Session was sponsored by this Office, conducted by the area's Medicare representative, and attended by fifty County professional people.

These activities have taken place during a two year time period. In the future the Cape May City Office on Aging is anticipating the continuance of the worthwhile programs and the development of additional benefits for the older residents of the community through planning and the ever-increasing concern on all levels of the problems of retired people.

Mr. Chairman, thank you for the opportunity to submit this statement.

Senator WILLIAMS. We will now have a panel of government officials in various capacities. Mr. Jack Needles, city manager, Cape May; Mr. David Heacock, director, Cape May Urban Renewal; Mr. Richard Grover, director, Cape May County Planning Board; and Mr. Jack Buchanan, director, Cape May County food stamp program.

**STATEMENTS OF JACK NEEDLES, CITY MANAGER, CAPE MAY;  
DAVID HEACOCK, DIRECTOR, CAPE MAY URBAN RENEWAL; AND  
JACK BUCHANAN, DIRECTOR, CAPE MAY COUNTY FOOD STAMP  
PROGRAM**

As you are gathering, I would like to introduce to you our staff people that work with the Special Committee on Aging. Bill Oriol, who is the staff director and from New Jersey. We have minority counsel John Guy Miller, who for some reason or other—why is it the minority always is missing when you need them the most?

Mr. MILLER. I am here in the balcony checking the house, Senator.

Senator WILLIAMS. What an entrance! That one I will remember, John Guy.

I will say that these two gentlemen are most typical of the dedication to public service that we have on the staff of our committees which are right at the center of our activity in the Congress.

We will not be able to hear everybody who might want to help us with observations, experience, and so forth. We have left letterheads on the table there by the door. Anybody who would like to write down any observations for our use, use the letterheads at that table and give them to us or take them and mail them to the Senate Special Committee on Aging in Washington. We would appreciate it. You will see it is a letterhead which indicates also all the members of the Special Committee on Aging.

Now we are honored to have Mr. Jack Needles, city manager of Cape May.

## STATEMENT OF JACK NEEDLES

Mr. NEEDLES. Senator Williams, thank you kindly.

I would like to introduce the two gentlemen who will serve on this particular panel. On my left is Mr. Jack Buchanan, director of the Cape May County food stamp program and on my right is Mr. David Heacock who is director of urban renewal for the City of Cape May.

I was very interested in listening to the comments of the first panel because it only bears out some of my thoughts in that the retiree certainly brings to the city of Cape May and to the county of Cape May, for that matter, a great deal of talent. With the increase in the number of retired persons certain advantages, economic and social, accrue to any community. It has been our experience that these people bring with them a great deal of talent, vitality, and clearness of thought in the approach, especially in the area in which I am concerned, and that is in the area of municipal matters.

Locally, many of our boards are populated by senior citizens. The list of these committees on which these people serve would be rather long to enumerate at this point. However, I do feel that most people would be interested in knowing some of these on which they serve.

The Historic District Commission which regulates the activities in the building construction, both of new construction and renovation within our urban renewal Victorian Village project.

The planning board; you heard testimony from Mr. Measday. Mr. Measday is the pillar of the planning board and the chairman.

The mayor's advisory committee which is an essential part of the operation we feel in this city. A brief explanation of that board might indicate to you, sir, that the mayor calls on the talents of many individuals to advise him in matters of all natures. The members of this advisory board are people in the main who are senior citizens. We draw on their knowledge and we feel that we are being guided in the right direction.

I say this, I am sure, for the mayor: Our recreation committee is staffed by senior citizens and many volunteers. This is as Mrs. Zahora explained about our information booth.

## EXPERIENCE PUT TO USE

Experience and knowledge lead to more comprehensive planning and insight by the senior members of these committees. We feel that we are young and energetic, we have a young governing body. We feel that sometimes we might lose sight of the fact that we are moving ahead perhaps too rapidly and we deeply draw on the advice that we generate by the senior citizen.

Please note that when I speak of these people who do serve on these boards these are all voluntary services that they are performing. All of these people involved have a general concern for the well-being of the community that, indeed, helps us achieve a high level of living which we are, indeed, seeking, and they do add greatly to the smooth operation of this municipality.

The influx of these people brings certain economic advantages to the community. Although the purchasing power in some cases is limited, it

does indeed add to the overall economic life of the community. Now here I think is a very interesting thing. Many people as they come to Cape May, rather than rent they do buy their own properties and they buy these properties in which to live out their retirement years. I think that that bears out the fact that retirees as well as senior citizens of any category of any community possess a feeling of independence and would prefer to manage and operate their own affairs, however limited their resources may be, by owning their own homes.

I think that this general statement brings us many thoughts other than owning their own homes, it is this great feeling of independence that is sometimes lost by the inability to participate in the economic and social life of any community.

Owner retirees are in the main very prompt with their governmental obligations. Prompt payment of taxes and water and sewer charges is normal. We find a great deal of difference between the retiree who recognizes and has recognized his obligations through the years continues to recognize them and faces his responsibilities, I would be inclined to say rather quickly, rather more decisively than do the middle-aged groups.

There also seems to be a great deal of civic pride exhibited by the older resident. Maintenance of the home is a classic example. Whether because of the time available or for whatever reason, it can be noted that greater care and concern is given to the appearance of all the residences which these people do own and which in some cases sometimes they do rent which does then lead to a better community image.

I think important to note at this time is a very tangible asset of the retired family. In all instances these people populate the community either as a single person or as a couple. The economic burden of supporting children in the school system does not accompany their arrival. With the high cost of education and the ever increasing cost, this is a very definite asset to this community and contributes greatly to our community life.

I think it is also worthy of note that one of the most important groups is the citizens association. You heard from Mr. Herb Peters who was president of the citizens association and it is peopled in the main by senior citizens. In fact, I feel safe in saying that all the executive members of that organization are probably senior citizens or retirees, whichever the case. I feel, and I am sure that I bear out the feeling of the mayor and council, that these people have been most advantageous to us in the guidance that they do provide. This is not a critical board, this is a board which does its best to advise in matters that they feel pertain particularly to them and the overall general economic life.

#### ECONOMIC DISADVANTAGES

All of the foregoing has given an indication of the advantages to the community of receiving among its residents the retired person. However, there are certain economic disadvantages which do accompany their presence.

Concerned legislators a few years ago allowed an \$80 per year exemption for senior citizens where the total gross income does not exceed \$5,000. At this particular time there are 143 exemptions of this na-

ture in the city. This represents in dollars and cents \$11,440 which does not accrue to the city coffers but which is exempted by virtue of the fact that these people are indeed senior citizens and whose income, I think it is important to note, does not exceed in a gross more than \$5,000. It can be readily seen that this loss of revenue must be borne by the total community in the form of additional tax moneys to be raised.

Although this \$80 deduction may be seen as an aid to the senior citizen, it is indeed inadequate to provide any special relief to that person whose total gross income is only \$5,000. It can also be seen, and I think this is important, that there are a great many more persons in this community whose income is greater than \$5,000 but whose income is indeed less than \$8,000 and these people indeed receive no assistance.

Moreover, because of the structure of the law, as a senior citizen comes to a different municipality—and we are now talking of retirees moving from one area to another, the residency period must be satisfied. So for a period of time, and I am sure it is at the minimum of a year, during this time lapse there is no assistance whatsoever regardless of the stature of the income. So therefore no financial aid or assistance in any form.

It is our belief that the present legislation is inadequate, presents an economic burden on the senior citizen and especially on the municipality as a whole. In summation, it is felt that more embracing legislation on a Federal and State level should be instituted to support a more economically feasible existence for the senior citizens and allow for an ability of the municipality to provide the services to sustain such a life without economic burden to the entire municipality.

In addition to this concern over taxes on the part of the community and the senior citizens, and keeping in mind the aforementioned social price and respectability, we truly believe that an increase in purchasing power—now these comments that I am making, Senator, are all suggestions. I offer no particular solution but I do implore you to keep in mind these two particular points. An increase in purchasing power would add greatly to the overall cultural, social and economic benefits that the senior citizen brings with him to any community.

Now all that has been noted can be summed up by saying that the balance of age groups in this community or any community is absolutely necessary. By the same token, unless adequate provision is made to insure that these older persons continue to integrate themselves into the community life by providing the economic ability to participate, then the harmony which is needed to support the general community life will deteriorate.

Senator Williams, I thank you, sir. [Applause.]

Senator WILLIAMS. Thank you very much, Mr. Needles.

We are pleased to have Mrs. Pauline Hill, executive director of the Atlantic City Housing and Urban Renewal Authority join the panel. Thank you very much.

There will be a couple of questions, Mr. Needles, but let us finish hearing directly from the panel first.

Mr. NEEDLES. Thank you.

Senator, at this time I would like to introduce Mr. David Heacock who is the director of our Cape May urban renewal project, Victorian Village.

**STATEMENT OF DAVID HEACOCK**

Mr. HEACOCK. Thank you.

The title "America's Oldest Seashore Resort" has many implications. One of the most severe problems, housing, stems from its historical background. The older homes, making up a large part of the city, have followed a sociological cycle of decline. Perhaps this problem is not unique to other municipalities as well.

Wealthy families from New York, Baltimore and Philadelphia journeyed to Cape May in the summer and built large, expensive homes to live in. As time passed, these homes fell into the hands of families with moderate income. Not being able to properly maintain these large homes, they again changed hands. The new owners, searching for ways to maintain these homes, subdivided them into apartments or rooming-houses. Constant hard use by renters continued to deteriorate the once stately mansions and, with the advent of the motel, these older homes are becoming nothing more than white elephants.

Yet, older residents prefer to live in homes they own, even though the repairs on these homes become more than they can handle. The rationale is that they take care of what they can, when they can—this in preference to congregate modes of modern living.

In the Victorian Village urban renewal area, over 50 homes out of 280 are owned by senior citizens; 30 of these have been divided into apartments or rooming houses.

Until recently, homes containing more than four dwelling units in urban renewal areas were not eligible for Federal rehabilitation grants or loans because they were considered mixed-use buildings.

A municipality participating in Federal assistance programs, such as urban renewal, FHA mortgage insured housing or public housing, must have a comprehensive plan of community improvement to upgrade general living standards and to combat blight in deteriorating neighborhoods.

Part of this program forces property owners to bring their properties into compliance with modern-day building and housing code standards. As a result, people living on fixed incomes then become victims of the very programs that are extended to help them. These citizens must either go into debt to repair their homes or sell their homes and move into apartment living.

In urban renewal areas, residents have recourse to Federal low-interest loans or grants.

Very few senior citizens have participated in these Federal programs because they are fearful of strings that "could be" attached. One 70-year-old woman, living on less than \$2,000 per year, told us recently that "you lose power" when you accept this kind of assistance. In this instance, the total cost of repair work to her home was approximately \$2,500, which could have been completely covered by a Federal section 115 grant.

Others, forced into costly repairs or general high living costs, give up the "extras" such as, in one instance, a well-balanced diet—substituting dry cereal for meat.

Over recent months, apartment developers have proposed as many as 5,000 dwelling units to be built for senior citizens in the Cape May

area. One proposal suggests a high-rise apartment building while another plans single-story apartments.

A major problem, other than finding financial resources for these projects, is locating the buildings near convenient shopping areas within easy reach of senior citizens. Land near business areas has inherent potential for large tax ratables and, consequently, low- to moderate-income apartment development is sometimes discouraged. The senior citizen then either must walk some distance to essential services or must pay expensive transportation costs to his destination.

One remedy is to supply services within the development itself, either in the high-rise apartment building or in a centralized location in the project area. A second is to provide a subsidized transportation system with reduced senior citizen fares.

### MIXED USE FOR HOUSING

A preliminary application was made by a developer to the Federal Housing Administration for construction of a structure in Cape May utilizing the mixed-use principle. However, the proposal was turned down due to economic unfeasibility caused by high rentals. The developer's contention is, however, that the rents charged the retail shops could adequately ease the apartment charges.

A 60-unit housing project, developed by a nonprofit sponsor under the Federal section 236 housing program, was planned, which would include 30 one-bedroom units that would have provided additional housing for senior citizens. Estimates of rent were \$109 for a one-bedroom unit, including utilities. Rent relief was sought in the form of Federal and State rent supplement payments.

We also investigated the public housing lease guarantee program. Current Federal legislation, however, prevents any more than 20 percent of the total units to have these subsidies so that the lease guarantee program and the rent supplement program combined cannot assist more than 12 families in a 60-unit project.

Some local attitudes, especially those concerned with rising school costs, welcome housing developments catering to senior citizens because they do not bring children to be educated in municipal school systems. This view is not shared by businessmen who believe the buying power of the retiree, living on fixed incomes, is more limited than that of a medium-sized family.

The local public housing authority in Cape May is just completing work on its first project which includes 50 senior citizen units and 35 family units. Current waiting lists number 103 senior citizens (for the most part family couples) that have asked for units, over and above the 50 units that are now being supplied. An application has been prepared that includes 60 more units for senior citizens, but before this can be submitted the first project must be physically filled.

The housing director advises that a couple eligible for public housing can be allowed up to \$10,000 in assets, providing they are invested and the interest on the investment is declared part of their income. This provides senior citizens, owning their homes, a chance to get out from under high housing costs by selling their homes and yet retain reasonable assets for future needs.



## RECOMMENDATIONS

My agency is going to recommend to the panel here the following items. We recommend that:

1. In municipalities that are required to have a workable program for community improvement, senior citizens as well as others, providing they meet age or income requirements, should be allowed to make use of section 312 loan or section 115 grant programs.

2. The 20-percent restriction for participation in both the public housing lease guarantee program and rent supplement program should be removed so that senior citizens and others can be offered decent housing on a more equitable basis.

3. Encouragement of the mixed-use principle for senior citizens housing development in projects not adjacent to shopping areas.

4. State or regional agencies should be created to assist local governments lacking expertise in developing housing projects for the elderly. These can be similar to the housing finance agency of the State of New Jersey. Yet, these agencies should be created to actively seek concentrated areas of senior citizens residency and encourage use of assisted housing programs in these areas.

Thank you very much.

Senator WILLIAMS. Thank you.

(The chairman, in a letter written shortly after the hearing, addressed the following questions to the witness:)

1. Specifically, what should be done at the Federal level for "encouragement of the mixed-use principle for senior citizens housing development in projects not adjacent to developing areas?"

2. Is additional legislation required to development of State or regional agencies that—as you recommend—"should be created to assist local governments lacking expertise in developing housing projects for the elderly". What help is now provided by the Housing Finance Agency of New Jersey?

(The following was received:)

CITY OF CAPE MAY,  
*Cape May, N.J., September 15, 1969.*

DEAR SENATOR WILLIAMS: Thank you for your letter of September 3rd. I appreciate your very kind remarks concerning my testimony on August 15th, and I am answering the questions that you have called to my attention, below:

1. The 1968 Housing Act of the Department of Housing and Urban Development permits "related facilities" such as dining, work, recreation and health facilities (Title II, Rental Housing for Lower Income Families).

Elderly people also need marketing facilities (neighborhood grocery shops, etc.). If a development could attract businesses of this kind, the rents from these businesses could help defray mortgage costs, reducing rents accordingly.

While the facilities that are currently authorized, under existing legislation, provide needed social services, they do not or cannot offer any financial relief.

This proposal is most necessary both in meeting additional needs and in reducing mortgage costs in this time of sky-rocketing prices.

2. The Housing Finance Agency of the State of New Jersey provided "seed money" to builders and sponsors to cover FHA application costs as well as initial costs for architects and housing consultants. This aid may be in the form of grants of loans, depending on need.

Other activity also includes the actual financing of a housing project. A more detailed synopsis can be found in the enclosed brochure.\*

As I noted in my testimony, the need is to create an agency to *seek* concentrated areas of Senior Citizens and helping them to gain standard housing resources at the cheapest rate. This agency would be an action rather than reaction agency.

\*See appendix A, item 2, p. 1014.

Many people from areas throughout the State and country have taken a great interest in our local housing project and the most common question is: "How do we get one?"

I know, from my experience, the need is there. I just hope it is met.

Thank you, again, for permitting my testimony and for taking an interest in our recommendations.

Sincerely,

DAVID R. HEACOCK,  
*Executive Director, Victorian Village, Urban Renewal Project.*

Mr. NEEDLES. I would like to present Mr. Jack Buchanan who is director of the Cape May food stamp program.

### STATEMENT OF JACK BUCHANAN

Mr. BUCHANAN. Senator Williams, distinguished guests, ladies and gentlemen, thank you very much for your invitation to speak of this program.

Just briefly, for those who are not familiar with the food stamp program, it is a Department of Agriculture program that has one purpose in mind, to increase the food buying power of low-income families. Now with that in mind, this report is to show the relationship of this program to the senior citizens of our country.

The U.S. Department of Agriculture's food stamp program, now a year and a half old in Cape May County, has proven to be a highly worthwhile, helpful program, particularly to the senior citizens of our country. In Cape May County where nearly one of every five residents is retired with a stable income, senior citizens constitute nearly 60 percent of the food stamp recipients.

A sampling of some 200 households of elderly persons using the program showed that their average income per month to be \$137.25. Since the food stamp program deducts all payments made for medical expenses, necessary loans for necessities, and certain other hardships, the average net monthly income to these same 200 households, was only \$98. Seventy percent of these households are property owners, well above the State average of 64 percent, which brings additional expenses such as taxes, home repairs, et cetera.

Specific problems of the elderly in Cape May County are lack of adequate transportation facilities to purchase and to spend food stamps. The principal mode of transportation in rural Cape May County is private car, an added expense for the aged, for which no allowance is made in regard to expenses for the food stamp program.

### FOOD STAMP RECOMMENDATIONS

Suggestions to better this program are:

1. The average gain for a single person using the food stamp program is \$6 a month, which to many individuals seems hardly worth while because of the problems and expense of getting to a participating bank to buy them and to a participating store to spend them. The minimum gain to a single person should be \$10 a month and should be adjusted periodically to keep up with the cost-of-living rise.

2. The shelter cost adjustment should be liberalized for households of persons age 65 or older, particularly those who own homes.

3. For one and two person households there is a spread of \$100 of net monthly income without a change of purchase amounts or bonus. It does not seem reasonable that a couple with \$140 a month income should spend the same amount as a couple with \$240 a month income. Purchase and bonus figures should be graduated every \$20 as they are at lower income figures.

A recent Department of Agriculture report shows that cost of food at home for a family of two would spend approximately \$57 a month on a low-cost plan. This is supposedly a minimum amount for food and many recipients have told us they are not able to spend this much.

Conclusions. The food stamp program is definitely benefiting our senior citizens; however, many more eligible persons are not using the program because of: transportation problems, the humiliation of receiving "something for nothing" attitude of many, and the minimal gain or bonus when purchasing food stamps.

Thank you very much for the opportunity to speak here. [Applause.]

Senator WILLIAMS. I wonder if we could start coming back up the line with you, Mr. Buchanan. On this food stamp program, do you estimate the percentage of people who would be eligible for the food stamp program who are retired, who are in fact using it in the county? You have the whole county, right?

Mr. BUCHANAN. Yes, sir.

Senator WILLIAMS. Do you have that?

Mr. BUCHANAN. No, sir; I do not have a figure. I would say there would be at least 10,000, 11,000 senior citizens. We have approximately 300 households comprising senior citizens. Those would be the only figures that I have. I could not say exactly how many. I would say we have got at least another 400 persons who have used the program at one time or another that have either dropped off or for one reason or another just did not bother to use their food stamps, and from what I could gain these are the reasons. Some people have told me it is the aggravation at the stores.

Senator WILLIAMS. That 400 figure, are those elderly people?

Mr. BUCHANAN. Yes, sir.

Senator WILLIAMS. I see. Now where is your bank, by the way?

Mr. BUCHANAN. We have five banks in the county that participate. However, three of those sell the stamps 5 days a week 9 to 3. They would be in Wildwood, Cape May Courthouse, and Ocean City. Cape May City has a problem. Cape May County National Bank in Cape May City sells the stamps 1 day a week. This proves to be a problem. We have lost quite a few households on account of this.

There is nothing much we can do. The banks do this on a voluntary basis as a courtesy to us. The return that the bank gets for it is 35 cents per transaction, so we do not have much bargaining power to argue with them.

One other area is the Villas area which probably has the highest percentage of elderly in the county. Their bank sells them 1 day per month which presents a problem.

Senator WILLIAMS. I should know but I am not sure I fully understand the bonus aspects that you are talking about here. Bonus and purchasing bonus figures should be graduated every \$20 as they are at lower income figures. Could you make that a little clearer to me?

Mr. BUCHANAN. Yes, sir. The limit for a single person to be eligible for the program is \$180 per month. They can have that amount of income or less and qualify. From \$180 to \$100 they would spend \$20 at the bank and receive back \$26. So their bonus or gain would be \$6.

From \$100 down—this is their net income—this would be allowing deductions such as high medical costs and so forth which would bring their income down to a figure less than \$100. Under \$100 it is graduated. Every \$20 they would spend less and receive more. If their income got to between zero and \$20, they would spend 50 cents and in return get \$18.

From \$20 to \$40 it does to, I believe, \$2 or \$4 and get back \$18. At \$40 to \$50 they would spend \$10 and receive \$20 back.

Senator WILLIAMS. That clarifies it. I believe that in the legislative process we are dealing with a better return for the lower income people on their food stamp investment.

Mr. BUCHANAN. Yes, sir.

(See app. A, p. 1013, for additional material.)

Senator WILLIAMS. Now shall we go to Mrs. Hill?

Mr. NEEDLES. Yes.

Senator, it gives me a special privilege and honor to present to you Mrs. Pauline Hill, who is the executive director of the Atlantic City Housing and Urban Renewal Authority.

Mrs. Hill is our neighbor to the north. Mrs. Hill competes for the same sort of market that we do. Mrs. Hill is engaged in some of the same activities that we are and we relate very well; in fact, we take some of the guidance from Atlantic City.

Indeed it is a privilege to introduce to you this morning Mrs. Pauline Hill.

Senator WILLIAMS. Thank you very much. Mrs. Hill is a good friend of ours.

#### **STATEMENT OF PAULINE HILL, EXECUTIVE DIRECTOR, ATLANTIC CITY HOUSING AND URBAN RENEWAL AUTHORITY**

Mrs. HILL. Thank you, Senator Williams.

It is definitely a privilege to appear before the Special Committee on Aging in connection with the "Economics on Aging." A review of the working paper prepared by a task force for your committee indicates that the problems encountered by the aging are fairly universal; we find them coming up in city after city in our own work.

It is reported that Atlantic City is second highest in the country in ratio of elderly to population. We have given this some thought, and it seems to me that it is becoming increasingly evident that retirees are finding the south Jersey shore communities particularly appealing for their relocation. This may be due to the fact that these shore communities provide an excellent temperate climate combined with accessibility for visitation by friends and relatives.

This location also provides acceptable mobility for short-term travel by the aging to visit their former communities and relatives. Atlantic City is within 500 miles of one-third of the population of this Nation. Perhaps there has been some feeling of loneliness suffered by retirees who originally sought the mild climates of California and Florida but

found that they were too far removed from their friends and relatives. Therefore, it seems to me that the south Jersey area can expect acceleration in the residency of retirees.

This, of course, presents many problems to the communities and to the retirees, and it behooves us now to carefully evaluate the problems and seek solutions.

Our experience in Atlantic City would seem to indicate that unless there is escalation in pension benefits keyed to the cost-of-living index the aging face impossible economic insecurity. This may be related to the new approaches involving minimum income standards. This also may be related to the new approaches which may provide part-time employment opportunity.

I was interested to see the green hats in the room today who provided special services in our urban renewal program as part of a site-improvement effort. We tried to establish a temporary park, and in our budget for site improvement this was not necessarily an allowable feature, but through the County Board of Freeholders and the Green Thumb gentlemen, we were able to get 200 trees which immediately became a visible improvement in the heart of Atlantic City at the old city hall site.

Thank you, gentlemen. I have not had a chance to thank you before.

So to us it seems wasteful of important talent and unique experience if we do not make greater efforts to involve our aging citizens more directly in the economy, both for the benefits to be derived by the economy and for the benefits to the aging inherent in such involvement in the mainstream.

We certainly must recognize the fact that older persons have special interests and needs in general, even though as individuals they had widely disparate interests during their younger years. A large percentage of the aging face sharply reduced income placing them suddenly below middle income and into lower income and poverty levels. Of course, there is a certain percentage of high income retirees, but I would assume that this percentage is relatively small.

In connection with shared interests and needs, perhaps thought should be given to the possibility of enlarging mass purchasing approaches, supplemental pension sources, and certainly expanded housing resources.

#### ASPECTS OF HOUSING NEEDS

In connection with the housing needs, many aspects are involved. Certainly our changing family patterns do not seem to provide acceptance on the part of the younger families, or the aging of a family unit incorporating the aging as part of the total family occupancy structure. The aging now feel a strong need for independent living and this would appear to be the residential pattern we must accommodate. However, related to such independent living there is a need for provision of special services.

The aging seem to resist the terminal connotation ascribed by them to nursing home accommodations until it seems to them to be the last bitter moment. Therefore, in an effort to assist the aging to live independently some thought must be given to home care services as increasing debilitation lessens their ability to fully care for themselves and their homes.

This independent living also will require development of methods to assure greater security and safety as the aging are developing into natural prey for assault and robbery, exploitation through highly specialized confidence rackets geared to the insecurity, and sometimes gullibility, of the aging. The funds involved are becoming impressive to the confidence rackets. It seems that even the low-income elderly, motivated by insecurity, lack of interest in themselves, desire to leave some kind of estate, very often hoard funds and are thus fair game which we consider to be an important area.

Although the aging are first individuals and then members of an age group, their similarity of interests and problems offers great opportunity to afford special services to them. The establishment of multipurpose centers for the aging can provide meaningful involvement in the community, relieve the fairly common problem of loneliness, and assure the aging that their interests will be a matter of primary concern. Such a center also offers a source of reliable information and referral, as well as offering a trusted source of honest advice and counsel.

I may note that we have just concluded with the New Jersey Department of Aging a 3-year contract where the State will fund a multipurpose center. The housing authority will provide the space and services. This is located and is now being organized within one of the senior citizen housing developments and is a demonstration program. We hope that this pilot program will prove of such benefit that it will become a part of low-income housing operations and community operations because we think the value of these centers are of tremendous importance to the elderly.

#### THE AGING, SINGLE MALE

There seems to be little concern with the special problems of the aging single person male. There seems to be more concern with the plight of the aging single person female. However, in my experience, I am beginning to question the validity of this. I have found that the single person female is better able to cope with the domestic problems involved in independent living, is more gregarious, and has a happier adjustment to retirement. I think it most important that more attention and consideration be given to the special problems of the aging single person male. They are generally considered not desirable tenants, and their problems are singularly acute. It seems we must explore this area more carefully, particularly with relation to home-care services.

It is suggested that special safety precautions, particularly fire safety measures, be considered in residential structures housing elderly. There is evidently an increasing trend of elderly occupancy in old guest houses and hotels. This may be unique to old seashore communities although I don't think that is so. These are frequently old wooden structures, without elevators, and the physical impairment which frequently accompanies aging makes this a particularly serious problem. I do not know how extensive such occupancy may be, but I am inclined to believe that it is large enough to require careful consideration.

As the aging face decreasing mobility there seems to be a considerable portion of their time spent in viewing television. It is suggested

that perhaps educational television might consider programing of specific material covering nutrition, budgeting, consumer information, health information and other such informative material, including encouragement to wise expenditures of their funds to meet their needs to offset the tendency toward hoarding such funds, often at the expense of their health and well being, as well as travel features to directly appeal to this audience.

Encouragement should be given to volunteer private welfare organizations to display greater interest and effort involving problems and needs of the aging. These organizations are capable of performing very important services, but their interests presently do not seem to be directed toward these needs of the aged. There are the Boy Scout programs, the Girl Scout programs, but there are very few programs for the aged.

Apparently our present concept of hospital facilities will require further exploration. Regular hospital facilities are now bearing an increasing ratio of elderly patients where confinement is of a longer period than is experienced in other age groups and where greatly increased staff will be required because of the inability of the elderly patients to perform self-care functions. The particular problems related to these patients involve a much higher degree of surveillance and service, and the entire hospital system may require further analysis with consideration given to specialized hospital facilities for elderly patients.

Certainly in connection with all of the above, consideration must be given to the need for community balance, economically and socially. It seems that a heavy preponderance of occupancy by the aging in a community can create long-term problems which could have psychologically adverse effects on the aging in the community, as well as seriously undermining the economic and social requirements of the community. Colonization of the aging seems to accelerate the aging process. Housing for the aged located within reasonable accessibility to churches, shopping, recreation, cultural and the usual aspects of community life seems to offer added vitality to the aging.

The need for appropriate housing for the aging is clear. Our authority has recently completed two developments providing 346 dwelling units in two developments under the Housing Assistance Administration low-income program. These developments incorporate extensive safety and security features, provide special conveniences and amenities, and are located in close proximity to community resources. However, the sites are large enough to assure a feeling of beauty and serenity, as well as an invitation to outdoor living.

The overwhelming happiness and appreciation expressed by the elderly tenants is a pathetic indictment, as it clearly demonstrates how desperately the housing is needed, how much it means, and evidences the completely unsatisfactory housing available to the low-income aging. It is obvious that to be elderly in our society is difficult at best, but life can be unbearable for the poor and elderly.

#### MIDDLE-INCOME HOUSING

There are other housing tools which are also of great importance under the HUD programs for moderate and middle income housing,

and increased funding to meet the housing needs of the aging is recommended for your consideration, Senator. Good housing is basic to the attainment of security and human dignity and provides the physical foundation essential to the assurance of social improvement. It is very difficult to achieve a sense of human dignity in a substandard and impoverished environment.

We must consider the funding required to provide adequate and good housing for our aging, a moral and absolute obligation in view of their great contributions to our society. We must recognize the needs and the problems, and relate appropriate housing programs to meet such needs. And, again, these housing programs should be provided in communities throughout this country to avoid the undesirable impact of age group concentration.

I submit the above presentation for consideration to this committee as we must show greater interest and involvement in the ramifications involving our elderly population. This is not only a community obligation, but also a personal one. Because, if we are lucky, our time will come and we hope to have achieved a vastly improved opportunity for well being and human dignity.

We have done little for the aging in extending the average life span some 5 to 10 years if those additional years are barren and unhappy.

Thank you, Senator. [Applause.]

Senator WILLIAMS. Thank you very much.

(The chairman, in a letter written shortly after the hearing, addressed the following questions to the witness:)

1. You mentioned that the problem of the single elderly male occupant is intensifying. What is the number of such occupants in Atlantic City? What kind of quarters do they have.
2. How many persons of age 65 and up are living in Atlantic City? How many are in publicly-supported housing of one kind or another? How many more such units are required?
3. You described "an increasing trend of elderly occupancy in old guest houses and hotels." What is the extent of such residency in Atlantic City? What, if any, additional regulatory action is needed?
4. What additional recommendations do you have for changes in Federal policy or legislation that will increase housing for the elderly?

(The following reply was received:)

HOUSING AUTHORITY AND URBAN REDEVELOPMENT AGENCY,

*Atlantic City, N.J., September 12, 1969.*

DEAR SENATOR WILLIAMS: In reply to your letter of September 3, 1969 may I again thank you for the opportunity of presenting a statement before the Special Committee on Aging.

In reply to your questions may I offer the following, which is necessarily brief in view of the time limit imposed.

1. We have no way of ascertaining the number of single elderly males in Atlantic City, but we note an increase in this group and it is my assumption this reflects the added years noted in our over-all elderly population. It is hoped that the 1970 census will seek such group statistics. It has been our experience that single elderly male occupants now reside in small hotels, guest houses, rooms in apartments and small boarding houses. However, the low-income members of this group are to a great extent living under very poor conditions.

2. Again, we do not have statistics as to how many persons of age 65 or up are living in Atlantic City, but newspaper reports advise that Atlantic City is second highest in the nation in ratio of elderly to population. At the present time there are 346 public housing senior citizen dwelling units under our program, and additional elderly occupancy is permitted in our family program of 900 dwelling



units. Further, several hotels have been converted to senior citizen residences, and there are several moderate income 202 senior citizen developments offering an additional 312 dwelling units. We will have a more practical estimate of how many such units are required in the low-income market following total occupancy of our 190 dwelling unit public housing senior citizen development which is now in initial occupancy.

3. The increased trend of elderly occupancy in old guest houses and hotels reflects the comments in Item 1 above. Actually, some of the rooming house—guest house accommodations are a bare step removed from nursing homes, but they are not subject to registration and controls. It would seem to me that some exploration should be made to assure adequate fire protection and sanitary facilities.

4. By way of recommendation, may I submit the following: Consideration of a program to provide rent supplement payments to qualify registered boarding house type housing where meals and housekeeping could be afforded to the elderly occupant. It seems to me that these should be of small and manageable size to afford a family living atmosphere. It is my opinion that such accommodations would be particularly specific to the needs of the single elderly male.

There seems to be a wide no man's land between senior citizen housing and the nursing home accommodations. As the senior citizen becomes more frail, but not ill there is a need for personal care homes which will provide an essential residential rather than an essentially medical atmosphere. The occupants would be ambulatory and staff could be provided to see to their needs. This would cover and area now neglected, particularly for the low-income elderly, and could to a great extent eliminate pre-mature nursing home occupancy.

All of the above requires considerable study and further thought. However, it seems to me that we should start to take some steps in this direction. As a matter of fact, with the present trend toward early retirement, perhaps it would be well to consider lowering age limits for eligibility for senior citizen housing as this would provide for a need which is now beginning to be apparent. Such a lowering of age limits also might serve to offer a more youthful environment, and a resource of younger women who could help to provide some assistance for the older tenant and who would have longer tenure in residence.

We were very impressed with the work of the Committee and with Senator Williams deep interest and knowledge of the problems of the aged. We are convinced that these problems are acute and vitally important and we are very glad to be of an assistance in this matter.

Sincerely yours,

(Mrs.) PAULINE G. HILL,  
*Executive Director.*

Mr. NEEDLES. Senator, I would like to apologize for Mr. Richard Grover who was unable to attend this morning.

Senator WILLIAMS. Thank you.

I would like to talk further through many of the constructive ideas you have given us but I recognize that time has now become a problem. I want to extend the committee's appreciation to all of you who know all of the practical day-in, day-out aspects of the areas that you work in that we want to work with you on. We appreciate your help.

Mrs. HILL. Thank you.

Senator WILLIAMS. I have mentioned and I believe others have mentioned the presence here today with us of members from the Green Thumb program. They are conspicuous by some of their attire, they stand out in a crowd—and for many reasons, not only their helmets. We have three members of Green Thumb who have been scheduled to talk with us here this morning: Mr. Otto Geyer, of Dorothy, N.J.; Mr. Hazen E. Ball, of Cumberland; and Mr. Orlando Brown, of Vineland.

Gentlemen, are you ready to go?

They are sitting there very retired, Joe. Normally they are the first to come forward.

The Director of the operation is Joe Kenny.

Joe, would you sign in and identify yourself and then will you introduce your friends.

**STATEMENTS OF JOSEPH KENNY, DIRECTOR, GREEN THUMB, OTTO GEYER, HAZEN E. BALL, AND ORLANDO BROWN**

Mr. KENNY. Thank you, Senator.

Senator Williams, guests, I would like to introduce to you our Green Thumb workers in this area. I would like to give a little background on Green Thumb. Green Thumb is a federally sponsored program. Money is allocated through OEO and then it is sent to the Department of Labor who administers the program in 14 States. In New Jersey we have 10 counties with Green Thumb programs, 14 members in each county. So we have a total of 143 men in the State of New Jersey.

The average age of these men is 72 years plus 3 months. Our older man is 86 years of age in New Jersey. I might say our oldest man in this country is about 95 and he is in Virginia.

I would like to introduce the men I have here, and as I call for them to say something I will introduce them at that time. The first man I would like to call on is Mr. Orlando Brown. Mr. Brown is 73 years of age. He works in Vineland, N.J., in the Green Thumb crew working in the local parks under the direction of Mr. Dewey Pogust who is in charge of public grounds and buildings in Vineland.

Orlando, before you came on Green Thumb you were receiving relief payments, were you not?

Mr. BROWN. Yes.

Mr. KENNY. Since he has been on Green Thumb, Mr. Brown is able to earn \$1,500 a year. He can work 117 days a year on the Green Thumb project at \$1.60 an hour.

Orlando, will you tell the people here your experiences and what Green Thumb has done in helping you in the final years of your life?

**STATEMENT OF ORLANDO BROWN, VINELAND, N.J.**

Mr. BROWN. Well, I can say to the Senator and all the rest that since I have been with the Green Thumb, this is my second year and before that I was actually out of work 5 years after I retired before this Green Thumb. I tried to get jobs in several places but the age was against me, they claim.

So when this Green Thumb came along, one of my neighbors, a friend of mine, asked me did I think I could do this work. I said, "I don't know but I will try." So she got me in contact with Mr. Kenny here and I told him the same thing, I would try, and if I thought I could not do it I would stop but thank the Lord I was able to continue on up to this present time.

Thank you. [Applause.]

Mr. KENNY. Our next man is Mr. Otto Geyer. Mr. Geyer was forced off his poultry farm in the middle fifties. Being forced off his farm before 57, Mr. Geyer receives no social security payments. He turned his farm over to Old Age Assistance from which he receives \$87 a month. Out of this \$87 a month he has to live and also pay the taxes on the farm.

This is his second year. He organized in July of last year in Cape May County.

Otto, you are 80 years of age?

Mr. GEYER. Eighty-one.

Mr. KENNY. 81 years of age. Before you came on Green Thumb, as to your diet how often a month were you able to buy meat?

Mr. GEYER. Well, I could not buy any.

Senator WILLIAMS. Tell us what it is all about.

#### STATEMENT OF OTTO GEYER, DOROTHY, N.J.

Mr. GEYER. I never bought any because my allowance, what I had, would not permit me to buy any fresh meat. I had to get along with what I had, everything was budgeted. I was allowed so much for this, so much for that, and I squeezed through with it but it was not very easy.

Then along came this Green Thumb, they got organized over there. I am from Atlantic County. Some of the men came around and asked me if I would be interested, and I said, "Yes, I am interested." So I was one of the first ones to sign up in Green Thumb: I think it has done a wonderful thing for me, it has put me on my feet. I don't have no worries now and I like the work. I think we are doing a pretty good job and I would like to see more men supplied to us if they could take this thing up. It is certainly a big help.

The work we do, we trim out country roads. We have a nursery there, we take care of the nursery, growing shade trees and shrubs and stuff. They keep us busy. So I certainly would like to see it continue because I think it is a well worthwhile project.

Senator WILLIAMS. Very good. What are you working on now, Mr. Geyer? Where are you working?

Mr. GEYER. We are working at the nursery now.

Mr. KENNY. I might say that Otto Geyer was working with two crews in Atlantic County that planted something like 150,000 trees this year in the Atlantic County shade tree work plus working in their nursery and developing parks. Under the shade tree program in Atlantic County there is a long-range program where these men will be used for developing parks and also restoring one of the historical sites in Atlantic County as soon as we can get to it which is the oldest window glassworks in America.

Our next man is Mr. Hazen Ball. Mr. Ball is the foreman of the Bridgeton crew and they are working in the parks and recreation department of Bridgeton.

I would like to say one thing about Green Thumb: We don't create work, the work is there. We find the men that need the work and the help and they do the job. I think if I went over this crew I would find out since they have been on we have had 100 percent attendance of these men at work every day.

Mr. Hazen Ball told me that shortly after he got on Green Thumb it made him think of going up in the attic and picking up an old vase and dusting it off and putting it to use again.

Mr. Ball, you are 70?

Mr. BALL. Yes.

Mr. KENNY. He will tell you an experience that he had when his first check from Green Thumb came along.

## STATEMENT OF HAZEN E. BALL, CUMBERLAND, N.J.

Mr. BALL. Well, it was a big help as far as money was concerned because social security was not much, especially when you own your own home and have a lot of repairs to be done and then partly crippled with arthritis. By getting out there in the open and moving around and working, painting, and repairing park tables and everything that could be expected in a recreation center, it seems as though it just loosened me right up completely and I feel a whole lot better all the way around. I think it is a wonderful thing; there really should be more of them, more groups. That is all I can say.

Senator WILLIAMS. Mr. Ball, what is your occupational background?

Mr. BALL. Well, painting and general repair work, carpenter work.

Senator WILLIAMS. Where was that, where was home?

Mr. BALL. Bridgeton. I am sort of a jack-of-all-trades and master-of-none. I have also done quite a bit of farming and stuff like that, planting trees, shrubbery and fruit trees. I have done a little bit of everything.

Senator WILLIAMS. Very good.

I think these men made a fine presentation. I was going to say while the lights were still on we would ask you to take off your helmets and let us see what you look like out of uniform. [Applause.]

Mr. KENNY. At this time, Senator, I would like to mention one lady here in the audience. When we came down to Cape May County I told her we had room for two crews and we had one jobsite where I definitely was going to put a crew and another jobsite we could possibly put a crew. She said it would be nice if we had the two crews on those two sites. I said, "I will make a deal with you:

If you will find me 14 eligible men for this Green Thumb project, we will start with the two crews."

That was on a Tuesday. On Thursday I received a telephone call in Trenton, "When can you come down to Cape May to interview the men?" I had to be in Washington the following week and I said the following week. She said, "I have got men who want to go to work right away." So we made a date.

I came down on a Saturday morning, she had 17 men. We have put 14 of them to work. They have some backlog of additional applications. In 2 weeks time we had 14 men going because this lady went out and visited men that she knew needed help.

I would like to introduce to you at this time Mrs. Beatrice Cohen of the Woodbine Service Center in Woodbine, N.J. [Applause.]

Senator WILLIAMS. I would like to say only briefly here in conclusion that as I recall it the whole concept of Green Thumb was created by a great national organization, the Farmers Union.

Mr. KENNY. Yes.

Senator WILLIAMS. They had the idea and created the program and the wisdom of it was seen by the Federal Government and now it has been brought into the Office of Economic Opportunity and is now administered by the Department of Labor.

Mr. KENNY. Yes. I want to thank Senator Williams, and I know all the green thumbs in New Jersey do, for the effort that he has given in getting this program to New Jersey because without Senator Williams I do not think we would have been one of the four original States that the project was started in.

Senator WILLIAMS. I appreciate that, Joe. There is one thing missing. This is obviously a magnificent program. This is a program for men. You know, the obvious partner to the program would be a program similar to it for women. Is there anything happening there?

Mr. KENNY. Yes. At the present we have just started to organize the green light program for women 55 years of age and over who are head of the household. At present there is going to be a special project in New Jersey, which will be up at Ringwood to start off with, where these ladies will be trained to do certain light housekeeping chores in the historic site of the mansion, and will also act as guides through the mansion, which goes back to the days of George Washington, which was the birthplace of the steel industry in this country. And it is being done in other States, too. It is experimental today, but we hope as soon as we can, we will be able to expand that program right down into every county in the State of New Jersey.

Thank you very much.

Senator WILLIAMS. Thank you very much, gentlemen.

I would just say for myself I would pledge all efforts to see that these programs are not lost in any recently announced plans for change in reorganization. You have succeeded and we want your success to continue.

Mr. KENNY. Thank you, Senator. [Applause.]

I would like for some of the men in the back who are our Green Thumb people in this area, to stand up. We have our Green Thumb crews from Cumberland, Cape May, and Atlantic counties here, and one man came down from Gloucester County to be here today. These other men—we have six crews all together.

Senator WILLIAMS. Joe, we are surrounded, even from the balcony. Very good, gentlemen.

Mr. KENNY. Thank you. [Applause.]

Senator WILLIAMS. We have a panel now to discuss social security and medicare coverage. Mr. Ruben Blane, district manager of the Social Security Administration is with us. Mrs. Ann Magee, executive director of the Cape May County Homemaker Service; Mrs. Hazel MacLane, a Cape May City nurse; and Mrs. Maude Samson, director of nurses from Cresthaven.

While this panel is organizing I will say that we will hope to hear from Mr. Richard Greeves representing the director of that activity.

**STATEMENTS OF RUBEN R. BLANE, DISTRICT MANAGER, SOCIAL SECURITY ADMINISTRATION; ANN MAGEE, EXECUTIVE DIRECTOR, CAPE MAY COUNTY HOMEMAKER SERVICE; HAZEL MacLANE, CAPE MAY CITY NURSE; AND MAUDE SAMSON, DIRECTOR OF NURSES, CRESTHAVEN**

Mr. BLANE. Mr. Chairman, I am aware that you have received testimony of a national scope from our commissioner, Robert M. Ball, during your hearings in Washington. Therefore, to contribute to your session today, I have tried to gather together pertinent data concerning the social security and medicare programs as they affect the residents of Cape May County and Atlantic County.

As it was designed to do, the social security program does play a very vital role in the total economy of Cape May and Atlantic Coun-

ties and a very crucial and direct role affecting the personal lives of an overwhelming number of our residents. Both counties have similar atypical characteristics that lead to this result.

First of all, these are resort areas with a seasonal economy and high unemployment during other periods. The State lists them as surplus labor areas during postseason with unemployment rates in 1968 of 10 percent and 5.5 percent as compared with a State average of 4.4 percent.

Pertinent also is data from the 1960 U.S. census report concerning family income. In New Jersey as a whole, 11.4 percent had incomes under \$3,000. Cape May and Atlantic Counties, however, ranked first and second highest among all the counties in the State with 26 percent and 23 percent of families having incomes under \$3,000.

Another characteristic influencing the vital role of social security is the high percentage of elderly residents. They have come to retire here probably because of the temperate climate, improved health conditions, and more relaxed living, and this was confirmed by our speakers earlier today.

According to the 1960 U.S. census, the number of persons 65 and over nationally represented 9.3 percent of the population. In Cape May County, it was 16.8 percent; and, in Atlantic County, 14.1 percent. They ranked first and second highest among all the counties in the State.

It seems to me that the proportion of aged in Cape May County has increased since 1960, even with a rising total population. The State department of conservation and economic development estimates that Cape May County has a population of 54,840 as of July 1, 1968. We are paying social security benefits to 9,981 residents who are at least 65 years of age, or 18.2 percent of the new population figure. Accordingly, the percentage of aged must be at least that high, 18.2 percent of the Cape May County population.

As of the end of 1968, monthly benefits at the rate of \$14,388,000 a year were being paid to residents of Cape May County, while to those in Atlantic County they added up to a rate of \$34,908,000 a year. It is recognized that in each one of these counties the social security program is the second highest source of income, being surpassed only by earnings from the resort industry.

Of even more striking interest is the high proportion of residents receiving benefits. Nationally, one out of every eight persons is a beneficiary. However, in Cape May County one out of every four—21.9 percent—and in Atlantic County one out of every six—17.6 percent—residents receive social security checks on the 3d day of each month.

Greater detail concerning number and amount of benefits paid are shown in attached tables 1 to 4\* that I have added to the statement.

That was with regard to the cash benefits provisions under social security.

Now for medicare. Like other parts of the social security program, medicare has become an accepted part of American life, contributing greatly to the health and security of our 35,000 older citizens in Cape May and Atlantic Counties.

It came into being in response to the basic dilemma that faced older people and private insurers in attempting to provide protection against

\*See pp. 993-94.

the cost of medical care in later life. The fundamental dilemma was that older people have a need for much more medical care than the average younger person. Yet on the average, because most older folks are retired, their incomes are much lower. Consequently, they could not afford in old age to pay a premium high enough to cover the cost of care.

The solution as far as the most expensive part of medical care is concerned has been to set up a hospital insurance program under medicare on a prepayment basis—paid for while one is still employed.

This plan is joined by a supplementary voluntary system primarily to cover physicians' fees, a plan toward which the beneficiary and the Government share the premium.

#### ALTERNATIVES TO HOSPITALIZATION

In order to make it possible for the physician to choose the level of care most appropriate for his patient, a wide variety of quality but less expensive services is covered under the medicare program. This includes, in addition to inpatient hospital care, extended care for people who can leave the hospital but still need full-time skilled nursing care, and home health care for those who can be serviced in their own homes but are homebound and need skilled nursing care on an intermittent basis, or need physical or speech therapy. Before medicare, most insurance companies considered the payment of hospital charges and doctor fees the ultimate in coverage.

Outpatient hospital care is covered under the supplementary medical plan as are physicians' services wherever performed—at home, in the doctor's office, a hospital, or a nursing home.

We believe the accomplishments to date are well recognized. First of all, our older people are getting about 20 percent more hospital care than they received before medicare. This has not only extended lives but added quality to them.

Moreover, they receive medical care under conditions consistent with their self-respect and dignity. They go to hospitals as patients of their own personal physicians. The concept of charity care in a hospital or in a doctor's office hardly exists now for our older citizens.

Then, too, all the hospitals, extended-care facilities, and other institutions and agencies that participate in medicare must meet standards of quality. This benefits everyone in the community, not just older people.

And elderly folks now have some sense of security in knowing that the possibility of a very expensive illness wiping out their life-long savings has been somewhat removed. This also relieves young people from the need to finance these costs for elderly parents.

Here in Cape May and Atlantic Counties we have six hospitals participating under the medicare program with 2,159 beds, six extended-care facilities with 753 beds, and three home health agencies participating in our program. (See table 5.)

To this group must be added about 45 physicians in Cape May County and about 200 in Atlantic County. Medicare depends for its success upon the understanding and cooperation of large numbers of people and a variety of institutions, both inside government and outside government.

Practically all our 35,000 older people are covered automatically under the hospital-care portion of the program. Of these, more than

96 percent have also signed up for the voluntary part to get coverage for physicians' bills.

During a recent 12-month period, our hospitals cared for 8,088 medicare beneficiaries with an average stay of 13 days. Our extended-care facilities serviced 1,568 beneficiaries with an average stay of 38 days. Then also, our home health agencies treated 916 senior citizens during this 12-month period furnishing an average of 14 to 20 visits in each case.

Although there are six extended-care facilities in our service area, there is a short supply in Cape May County. Only one is located here and with a capacity of 62 beds. This causes inconvenience for the patient and his family, although placement is usually made in neighboring Atlantic County.

During the fiscal year ending June 1968, medicare paid \$1,457,715 in hospital insurance benefits and \$701,070 in medical insurance benefits in Cape May County, and \$4,494,623 and \$2,588,567, respectively, in Atlantic County.

With regard to statewide doctor bills processed by the intermediary during June 1969, 56 percent were assignments to physicians. In July 1969, 55 percent were assignment cases. So that is keeping level.

During the 3 years medicare has been in operation, it has made great progress. However, there are some problems that still confront us. The most important one is that of the increasing costs of medical care. We share this problem with all other health insurance companies and in fact with all purchasers of medical care. This problem is receiving our primary attention.

The attached tables furnish more detailed information on the subjects covered in this presentation.

Now I will be glad to answer any questions you may wish to present.

(The tables referred to follow :)

TABLE 1.—NUMBER OF BENEFICIARIES AS OF DEC. 31, 1968, BY AGE GROUPS AND BY SEX

	Cape May County		Atlantic County		United States (percent)
	Number	(Percent)	Number	(Percent)	
Total all ages.....	13,010		32,797		
Total under age 60.....	1,619	12	4,755	14	22
Under 22.....	931		2,924		
22 to 59.....	688		1,831		
Total 60 to 64.....	1,410	11	3,057	10	10
60 to 61.....	131		442		
62 to 64.....	1,279		2,615		
Total 65 and over.....	9,981	77	24,985	76	68
65 to 71.....	4,375		10,169		
72 and over.....	5,606		14,816		
NUMBER OF BENEFICIARIES BY SEX					
Men age 60 and over.....	4,711	41	10,923	39	41
Women age 60 and over.....	6,680	59	17,119	61	59

It is estimated that in these counties, at least 96 percent of all aged are receiving benefits.



TABLE 2.—GROWTH IN NUMBER OF BENEFICIARIES

	Atlantic County			Cape May County		
	Total beneficiaries	Age 60 and over		Total beneficiaries	Age 60 and over	
		Number	Percent of increase		Number	Percent of increase
As of:						
Dec. 31, 1965.....	28,518	24,424	3.6	11,116	9,806	4.5
Dec. 31, 1966.....	30,786	26,317	7.8	11,989	10,523	7.3
Feb. 28, 1968.....	32,102	27,255	3.6	12,538	10,957	4.1
Dec. 31, 1968.....	32,797	28,042	2.9	13,010	11,391	4.0

TABLE 3.—BENEFITS-IN-FORCE AS OF DEC. 31, 1968 (NUMBER, AMOUNT AND AVERAGE BENEFIT)

	Cape May County	Atlantic County	United States
Total number receiving benefits.....	13,010	32,797	-----
Total monthly amount paid.....	\$1,199,000	\$2,909,000	-----
Average benefit.....	\$92.16	\$88.70	\$83.98
Number of retired workers (at least age 62).....	7,799	19,667	-----
Total monthly amount paid.....	\$813,000	\$1,964,000	-----
Average benefit.....	\$104.24	\$99.86	99.00
Number of disabled workers.....	438	1,408	-----
Total monthly amount paid.....	\$53,000	\$154,000	-----
Average benefit.....	\$121.01	\$109.38	111.86
All other beneficiaries (dependents, survivors, and special age 72 beneficiaries).....	24,773	311,722	-----
Total monthly amount paid.....	\$333,000	\$791,000	-----
Average benefit <sup>1</sup> .....	\$69.77	\$67.48	63.51

<sup>1</sup> Reflects \$40 flat rate paid to special single age 72 beneficiaries and \$60 flat rate to such couples.

<sup>2</sup> Includes 296 special age 72 beneficiaries.

<sup>3</sup> Includes 940 special age 72 beneficiaries.

TABLE 4.—TREND IN AVERAGE BENEFIT AMOUNT BY SELECTED CATEGORIES OF AGED

	Retired workers			Wives			Aged widows		
	Cape May County	Atlantic County	United States	Cape May County	Atlantic County	United States	Cape May County	Atlantic County	United States
Dec. 31, 1965.....	\$89	\$84	\$84	\$48	\$47	\$43	\$77	\$76	\$74
Dec. 31, 1966.....	87	83	84	48	47	44	78	77	74
Feb. 28, 1968.....	101	96	85	56	54	44	90	89	75
Dec. 31, 1968.....	104	100	99	60	62	51	98	89	86

TABLE 5.—Medicare providers in service area

	Bed capacity
<i>Cape May County</i>	
Hospital:	
Burdett Tomlin Memorial Hospital, Cape May Courthouse <sup>1</sup> .....	119
Mercy Hospital, Sea Isle City.....	31
ECF: Lutheran Home, Ocean View.....	62
HHA: Cape May County Department of Health, Cape May Courthouse.....	-----
<i>Atlantic County</i>	
Hospital:	
Atlantic City Hospital, Atlantic City.....	301
Shore Memorial Hospital, Somers Point.....	192
Kessler Memorial Hospital, Hammonton.....	82
Ancora State Hospital, Hammonton.....	1,434
ECF:	
Golden Crest Nursing Home, Atlantic City.....	65
Senator Convalescent Center, Atlantic City.....	320
Beachview Nursing Home, Atlantic City.....	100
Linwood Convalescent Center, Linwood.....	102
Our Lady's Residence, Pleasantville.....	104
HHA:	
Visiting Nurse Association, Atlantic City.....	-----
Atlantic County Health Department, Mays Landing.....	-----

<sup>1</sup> See subsequent letter of Sept. 19, 1969, p. 995.

TABLE 6.—SELECTED MEDICARE DATA: UTILIZATION AND UNIT CHARGES (DURING RECENT 12-MONTH PERIOD)

Number in area	Total bed capacity	Per diem charge	Number of medicare admissions	Average length of stay (days)
6 hospitals.....	2, 159	\$43-57	8, 088	13
6 extended care facilities.....	753	<sup>1</sup> 14-15 <sup>2</sup> 19-25	1, 568	38
		Number of cases	Average visits per case	Charge per visit
3 home health agencies.....	916		14-20	\$7-9

<sup>1</sup> Nonprofit.  
<sup>2</sup> Proprietary.

TABLE 7.—SELECTED MEDICARE DATA: PAYMENTS ON CLAIMS PROCESSED

	Hospital insurance (pt. a)		Medical insurance (pt. b)	
	July 1966 to June 1967	July 1967 to June 1968	July 1966 to June 1967	July 1967 to June 1968
Cape May County.....	939, 804	1, 457, 715	365, 755	701, 070
Atlantic County.....	2, 897, 729	4, 494, 623	1, 350, 480	2, 588, 567

SELECTED MEDICARE DATA—AMOUNT PER REIMBURSED BILL FOR SERVICES UNDER HOSPITAL INSURANCE

	Inpatient hospital		Amount of bill		
	Charge per day	Days per stay	Total	Extended care facility	Home health agency
1966.....	\$43	12.9	\$551		\$61
1967.....	48	13.7	661	\$306	66
1968.....	55	13.3	740	304	73

(National data is shown above since local statistics are not available.)

TABLE 8.—TREND IN CONSUMER PRICE INDEXES (1957-59=100; YEARLY DATA ARE ANNUAL AVERAGES)

	All items	Total medical care	Hospital daily service charges	Physicians' fees	Prescriptions and drugs
1965.....	109.9	122.3	153.3	121.5	98.1
1966.....	113.1	127.7	168.0	128.5	98.4
1967.....	116.3	136.7	200.1	137.6	97.9
1968.....	121.2	145.0	226.6	145.3	98.1
1969 (through April).....	125.2	151.9	247.5	151.7	98.8

(National data is shown above since local statistics are not available.)

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE,  
SOCIAL SECURITY ADMINISTRATION,

September 19, 1969.

DEAR SENATOR WILLIAMS:

\* \* \* \* \*

I have been unable to obtain any information concerning the costs of medical care that is more current than the data in the testimony.

There has been a recent unfortunate development however in the medical facilities available in Cape May County. As noted in Table 5 that was attached to my statement, there are two hospitals in this area. We have just received word that one of the hospitals—Mercy Hospital in Sea Isle City will close its doors on October 15. The hospital administrator has declared that "rising costs of quality health care" has forced this action.

This will leave only one hospital in this county: the Burdett Tomlin Memorial Hospital at Cape May Court House with 119 beds.

This development coupled with the fact that the Lutheran Home at Ocean View is the only extended care facility in Cape May County—a county of 55,000 persons of whom more than 18% are at least 65 years old—points up the urgent need for more medical facilities in the area.

\* \* \* \* \*

Again, allow me to express my deep appreciation for the opportunity to participate in your hearing on subject that is of such urgent and vital concern to an overwhelming number of residents in Cape May and Atlantic Counties.

Sincerely yours,

RUBEN R. BLANE, *District Manager.*

[Enclosure]

#### HIGH OPERATING COSTS—MERCY HOSPITAL FORCED TO CLOSE DOORS ON OCTOBER 15

Mercy Hospital, which has served the Sea Isle City area since 1953, will close October 15, it was announced by the hospital's administrator. Sister M. Adrian cited rising costs of health care at the 33-bed hospital as the underlying reason for the decision to phase out the health facility.

"It is with deep regret that we are forced to phase out Mercy Hospital. Our decision was reached only after long and careful consideration of the needs of the community, our obligations to our employees and rising costs of quality health care," Sister M. Adrian said.

Approximately 50 employees of the hospital, which is operated by the Sisters of Mercy, will be affected by the closing. This includes six Sisters who work in various professional, technical and administrative capacities.

Sister M. Adrian continued, "We are offering employment at the Fitzgerald Mercy and Misericordia Divisions of the Mercy Catholic Medical Center in Philadelphia to those who would like to relocate in that area. We hope to be able to place all of our employees in new positions prior to the hospital's closing."

She explained that under the present plan "we will phase out our services as of October 1 so that business of the hospital can be completed by October 15."

The physicians serving on the medical staff of Mercy Hospital have been notified by letter of plans to phase out the services of the hospital. Most members of the medical staff are also on the staff of other South Jersey hospitals and will handle their regular patients through these facilities.

#### STATEMENT OF MRS. ANN MAGEE

Mrs. MAGEE. I am Mrs. Ann Magee, executive director of the Home-maker Service which provides homemaker and home health care service for the 15 municipalities in Cape May County.

To quote Dr. Kandle, Commissioner of Health of the State of New Jersey, "homemaker-home health aide services continue to prove that they provide essential, valued services. They are a vital, unique part of the services provided to people in their homes, as part of the system of community health services which try to have the right service, in the right place, at the right time."

Medicare has created many changes in interpretation, administration, and the total concept in our basic service but on the whole we have kept abroad with the trends and needs of all age levels, and for all types of families.

In Cape May County the aging individual and family has been our greatest concern. How to best help the person living alone or with an aged mate has been an ever-present challenge.

#### RESTRICTIONS ON MEDICARE USE

Under the present medicare law many of the restrictions actually keep the most needy persons from receiving aid when they most need it. For example:

1. The need for open lines of communication between the physician and the home health agency, as no care can be given before the physician requests the care and submits a plan of treatment.

2. The limited amount of skilled nursing care that is needed makes the patient ineligible for a home health aide, even though he cannot ambulate, prepare a meal or care for his personal needs.

3. The lengthy time it takes to receive orders from the physician and and visit from the public health nurse has used up valuable days after discharge from the hospital, voiding their plan A benefits, and not rendering care at the time it is most needed.

4. An attitude by some professional persons that if a patient appears successful, or has been affluent in the past that he should pay for care instead of using his medicare benefits.

5. A policy that necessary trips to the doctor, dentist, podiatrist, hairdresser or barber eliminates the patient from being homebound.

6. The involved procedures cause frustration and confuses the already ill patient.

7. Although a patient is entitled to 100 visits on plan A and/or plan B care is discontinued many times before adequate recovery or rehabilitation.

8. Discontinuing coverage with 1 or 2 days notice, not permitting the patient time to adjust to going it alone or make other plans for care.

9. Care discontinued for patient without the physicians approval.

10. Cases discontinued as custodial, in one instance the patient was in reality worse, in fact, expired 3 days after care discontinued.

Even though home health aide care is the most inexpensive it has been the first to be cut. It also does the most to rehabilitate the patient for activities of daily living. Not to say that the physician, therapist and nurse are not important, their orders for plan of treatment must be given first for us to function, but their time with the patient can be from 5 minutes to half hour weekly, biweekly or even monthly. We are seeing, helping and encouraging this patient for several hours two to five times per week.

One of the greatest needs is to help the person diagnosed as a custodial patient, one who is going to need limited to increased care for a long period of time. This is when the financial strain to the family becomes too much to bear. Either through community planning or some provision in the medicare program, help must be made available to this person.

The present bill, H.R. 10296, which is in the Ways and Means Committee of the House of Representatives may, if it is passed, help to some degree.

#### "MALNUTRITION . . . IS PREVALENT"

Malnutrition is very prevalent with the aged person or couple. Many of them depending on coffee and sweet rolls for the major part of their diet. Within a short time they are too weak to prepare a meal or forget to eat and eventually admitted to the hospital in a serious condition due to malnutrition.

Even though their food allowance is meager, we have had many of these cases where careful marketing, planning and preparing a simple,

nutritious meals have greatly improved not only their physical health but they are more alert mentally.

The cost of drugs is another rising cost for the senior citizen. We find people having to spend one-half to two-thirds of their total income for necessary medication. The cost of renting appliances for a long time instead of being permitted to buy them outright costs many times their value.

The increasing cost of our own service is of no small consequence for these people. Since the advent of medicare our fees have increased 80 percent. This is due to several things. Increased services means increased administrative and office staff costs. The need for more streamlined and detailed records and equipment to function at this level has added costs. Increased rates for social security and workmen's compensation, competition in the labor market has made it necessary to continually raise our wage scale in order to keep our staff and entice additional staff.

Thus medicare has caused charges to rise, and in the past year limited the service the patient can expect to receive. They are now in a position of high cost and no service, not being able to afford care on a fee-paying basis.

There is continued effort to provide care where it is needed, irrelevant to whether the family can afford to pay. We have fund drives, and projects. Eleven out of 15 municipalities pay us a small amount to help in these cases, regretfully there is always more who need help than funds to supply it. We must also keep in mind that some of these funds must be held in reserve for the struggling younger family who also needs help.

#### EXAMPLES OF PLIGHT

In closing, may I cite just a few of the plights of local senior citizens:

(a) Mr. F., 78 years, confined to bed for 7 years with stroke. Unable to move or feed himself. Wife fell downstairs and broke her hip while caring for him. Medicare provided care for wife after hospitalization and for him for a limited time. After he was termed custodial, his condition became worse and he expired. Even though he was in a worsened condition it was not determined serious enough to change diagnosis or prognosis. Care was not available to the family through medicare during this difficult period.

(b) Mrs. R., age 88, lives alone and very senile. Not capable of planning or preparing proper meals. Not aware when necessary for bath or clothes changed. Very deaf, has difficulty on telephone.

(c) Mrs. R., 69 years, returned to home after surgery. Diagnosis carcinoma, prognosis, poor. No care available through medicare until proper orders from physician and nursing plan made. This patient was without help for 2 weeks before plans were activated.

(d) Mrs. B., 74 years, lives alone, has arthritis and wears a back brace, can ambulate with help of walker. Medicare covered for a limited time, but discontinued after patient improved to point she could put on her brace. Still needing help with bath, meals, changing the bed, and some household duties.

(e) Mrs. M., 89 years, lives alone, totally blind. Not eligible for medicare because blindness not covered. Needs limited help for meals, bath, and household duties.

(f) Mrs. S., 82 years, completely senile, incontinent and very withdrawn, completely dependent on husband, 84, who finds it almost impossible to lift her when she falls. Has a constant fear that something will happen to him and she will be even unable to call for help.

(g) Mr. T., 84 years, living alone and needs help planning and preparing meals. Has never qualified for any medicare coverage for home health care, even though he is under physician's care.

(h) Mrs. A., 81 years, suffering from Parkinson's disease, completely dependent on daughter. Daughter cannot even get out of her home for marketing and errands.

There are many more, similar and different in one way or another, but each a very real need. There must be provisions made to care for these people, today in a country where there is abundance of everything. We cannot forget this older person in his illness and need. There must be ceilings on prices charged or increased payments and coverage. How can we not hear this call of need in a country where initiative and inventiveness have been our key to success.

Senator WILLIAMS. The examples that you gave here of extreme hardship, Mrs. Magee, these were people who needed a great deal of home health care?

Mrs. MAGEE. Bath, changing the bed, preparation of meals, seeing that their room was kept tidy and in a cheerful condition, perhaps helping them to ambulate, helping with toileting, this type of service.

Senator WILLIAMS. And your homemaker service is the kind of service they need?

Mrs. MAGEE. Right.

Senator WILLIAMS. Not once in a while; it is just about every day.

Mrs. MAGEE. Well, from two to five times a week. We have found with preparing the patient for days we are absent, we can take a day off. If we prepare a stew, we make enough for 2 days. This means that if they have a gas stove, perhaps if they cannot put it on top of the stove, they can put it in an oven and heat it. We have prepared lunches and coffee or tea in Thermoses so that they can have a meal after we have gone.

Senator WILLIAMS. Have you described here the nature of the Homemaker Service, Inc., and its funding?

Mrs. MAGEE. Yes.

Senator WILLIAMS. How do you operate?

Mrs. MAGEE. It is funded through payments, through fund drives, projects, medicare payments, persons who engage us on their own. As I stated, 11 out of 15 municipalities do pay us from \$50 to \$500 a year to help care for the people in their area.

Senator WILLIAMS. Is your service covered under medicare?

Mrs. MAGEE. Yes. We have a contract with the Home Health Agency in Cape May County.

Senator WILLIAMS. And for people to qualify under medicare for the homemakers service they have to first have a period of hospitalization?

Mrs. MAGEE. Or under plan B, if the physician requests this service and there is still nursing care needed, they can apply under plan B, with client paying 20 percent of the coverage, just as their physician's fees are covered.

Senator WILLIAMS. But some of these individuals that you describe here did not have coverage, is that right?

Mrs. MAGEE. They have coverage but due to lines of communication, due to their reaching a certain level, after they reach the level termed "custodial patient"—one who is not going to improve—after he has reached this level of rehabilitation he no longer qualifies under the present law.

Senator WILLIAMS. You know, medicare was described by one of our witnesses yesterday as like an umbrella that you carry for a long time and then you open it up and the rain comes through the holes that you didn't know were there.

Mrs. MAGEE. Right.

Mr. BLANE. Senator, I think it is important to note that medicare does not provide primarily for custodial care although that is very important to the patients: In order for custodial care to be covered under medicare it must be supported to needed nursing care wherever these cases. Apparently we are on a lower level. They do not require skilled nursing care and therefore alone they do not come under the medicare program.

Mrs. MAGEE. This is where a person does not need professional skilled nursing care but needs help in their home to keep them in their home instead of having to put them in the county home, nursing homes, or this type of extended-care facility.

Senator WILLIAMS. Now let me get this straight. I thought you were telling us earlier that plan B did cover it without the skilled nursing.

Mrs. MAGEE. No, not without skilled nursing.

Senator WILLIAMS. Now obviously the need is here for the home-makers services, and a lot of these people if they are not getting it at home would have to go into a nursing home, is that right?

Mrs. MAGEE. Yes, and this is far more expensive.

Senator WILLIAMS. That is what my next question was. How do the costs compare?

Mrs. MAGEE. The costs for part-time home health care are much lower. Our rate at the present time is \$2.38 an hour. Our average amount of service per week is 15 hours or \$35.70 compared to extended facilities at \$100-plus per week.

Senator WILLIAMS. Thank you very much, Mrs. Magee.

Mrs. MacLane is our next panelist.

#### STATEMENT OF HAZEL MacLANE

Mrs. MacLANE. I am Mrs. MacLane, public health nurse for the city of Cape May.

Senator Williams, senior citizens are in dire need of complete proper medical care which includes a well-rounded program of services of physicians, diagnostic workup, specialist facilities available in an area accessible to all, nursing care at home by registered nurse and home health aide, good qualified nursing home if necessary.

One of the major problems I have encountered is that most of the senior citizens have a markedly limited income and therefore have difficulties meeting their first \$50 deductible in the beginning of the year. I find a majority of the senior citizens do not meet their \$50 before August or September. I also find these people do not seek

medical assistance as readily because of lack of funds and not having met their \$50 deductible. If this \$50 deductible was abolished, I think the people would look for medical help more readily and take care of minor problems before they develop into major problems.

I feel that the clause "they must have an illness which shows progression with care" is not good for some of the patients. Example: If you have an arthritic or a Parkinson patient where there is no improvement toward complete self-care, they would not be approved by medicare for meals and assistance with personal health habits such as baths, and so forth. Presently they must require nursing services in order to be approved under medicare. I feel these people need help desperately along with those patients that we can rehabilitate.

Another problem I find are those between the age of 62 and 65 years old that have had to retire or those people who are on social security disability which are not eligible to sign up for medicare or receive medicare benefits. These people who have had to retire due to illness of some sort cannot afford to obtain the proper care. I feel if the age limit was lowered to 62, which is the new retirement age, and include those out on permanent disability it would provide for a more healthy community.

I also have found that a majority of the patients need assistance on bills to have an ophthalmologist examine their eyes. As we all know, glaucoma and cataracts are very predominant in this age group and with proper checkups these people can be helped sooner.

Dental care is another big expense for these people and a majority of times these people will do without teeth and have an improper diet rather than to have that added expense of new dentures or having their teeth taken care of. Along with ophthalmologic and dental care I feel medicare should consider broadening its law to also include a podiatrist which could help the elderly with proper care of their feet. Example: Just a little thing like keeping their toenails properly trimmed which is one of the most important things. This is something which they are not permitted to do. This is quite an important thing.

Senior citizens have quite a large amount of drug bills to pay and with the present medicare picture they obtain no assistance with these bills. I find a lot of these people will pay all their bills for drugs, and so forth, and take away from their well-balanced diet to pay these bills.

Other cases that are desperately needed for medicare patients which at the present time are not approved under medicare or are termed as luxury or convenient items are Chux which is a disposable pad that is placed under an incontinent person. This assists the family in keeping the invalid clean without having to change the patient's complete bed, or another item found very useful are the Alnight Pampers, which is a diaper which is highly absorbable. These items help prevent bed sores from developing.

The patient lifter is another item which might be considered a convenience or luxury item and yet with a stroke patient or severe Parkinsonian patient it would be a great deal of help in getting patients out of bed in order to help their circulation, preventing bedsores and also help prevent pneumonia from developing by being able to change the patient's position more frequently.



If they amended and broadened the rulings on drugs and supplies, I think it would help the senior citizen and/or their family to be able to afford these supplies and care for the patient in a well rounded, healthy atmosphere.

### THE 3-DAY REQUIREMENT

Another problem I have found to be a problem financially to medicare patients is the 3-day hospital stay law. The way the law reads now a patient must be admitted to the hospital for at least 3 days in order to be on plan A and to obtain the services of a nurse and home health aid free for 100 days, or admission to a qualified nursing home with 20 days free and then a small fee per day for the next 80 days. An example of this is a person with a fractured arm who needs assistance with a bath for cleanliness and also someone to help prepare meals.

For approximately the first week they need skilled nursing care along with a home health aide to observe the cost and advise the patient if a problem arises. After this time the patient still needs the care of a home health aide to assist with a bath and also prepare the meals. These people at this time still need the registered nurse for reassurance and psychological support. A lot of our senior citizens throughout the country will seek reassurance from the registered nurse and to talk to from time to time and answer their questions which might seem trivial to some but important to them at that time.

There is one problem with our senior citizens that is not covered at all and that is for custodial care and maintenance care. We have a lot of people who would like to be independent and live by themselves and not have to go to a nursing home for the rest of their life. Eventually these people must do this because they find they have no means to pay the high bills to have someone in their home just to cook meals and do housekeeping for them.

The people I am talking about are not the senior citizens that can do all this for themselves but, for example, the blind, either totally or partially; cardiacs that could very easily live in their own home but are not strong enough to care for a home and to fix a well balanced meal. Some other examples are people who are crippled, have any type of cancer and yet not in the terminal stage. Couldn't there be some way to help these people by having some sort of a housekeeping, home-making, extended-care service provided with the supervision of a doctor and nurse to assure that full care is given to these people at all times?

Another problem we have in this county, and I'm sure in many other areas, too, is a means of transportation for these people to their private physician, the specific specialist the patient needs, various clinics and laboratories which are available. Of course, in our city we do have the minibus but I know in quite a few communities throughout the country this is quite a big problem to them.

Although up to now I have been giving all the problems I have found with medicare, in spite of its limitations medicare has helped our senior citizens a great deal but possibly by broadening its laws to meet the various problems might be able to even give more rounded out assistance to our senior citizens.

Thank you.

Senator WILLIAMS. Thank you very much, Mrs. MacLane.

I will say that I personally agree, as a matter of fact the members of this committee agree—I am sure after we have reviewed your statement here today we will find a great deal to agree with already. We have indicated our support for saying some of the things you have suggested, particularly the elimination of the 3-day hospitalization as the prerequisite for later care.

Thank you very much.

Mrs. Samson.

#### STATEMENT OF MRS. MAUDE SAMSON

Mrs. SAMSON. Senator Williams, ladies and gentlemen, Crest Haven Nursing Home is under the auspices of county welfare of Cape May County. The citizens in the county whose economic standard is exhausted, indigent, and need care, their needs are met by such a valuable home, Crest Haven—the recognition, the dignity of the individual human being, no matter what his age, his status or his ability, treated like Mr. and Mrs., no longer like grandpaw and grandmaw.

The census in Crest Haven is 136 beds, more women than men. The ratio is 2 to 1.

The Cape May County Welfare Department, with its dedicated professional personnel, does the interview by a social caseworker who recognizes the importance and the need for welfare of each individual on their valuable reports which are brought to the county physician and the decision and acceptance are made.

Crest Haven, a nonprofit, nonsectarian nursing home, serving persons who are suffering from acute or chronic illness or injury, crippled, convalescent or infirm, who are in need of medical nursing care. And also auto accident. We have given them all nursing care.

Crest Haven was founded in 1952. The original name implies that the founders, as well as today's board of chosen freeholders of Cape May County, believed they should not only provide a home but also a program of services for the patients.

For the patients who are no longer able to look after their own needs safely and require protection and care. You have about six apartments that take care of themselves. They go to the dining room and they are under supervision. They need their medication and they go about in the vicinity and down shopping, but they feel also at home. Very good home.

Today when you talk about the older people, I think it is very hard to say a man is old when he is 65 because he is actually not. Many of the patients are 72. Some of the patients are 88 and you can go on up to 102. They read, they write. We have new books that come out on the market and they are writing which are delightful. One of the ladies asked me the other day, she said, "Please try to get me a good love story the next time you go down."

I think when you go around the people and you really see their activity—I think it is industry and the Government that help to retire people when they are 65. The number on the paper does not mean anything. There are very active people in their eighties.

There is 24-hour continued nursing care to the patients. We have very skilled nursing care and we train our own aide in the way we want the service to be done for the patient.

We are working in the nursing home. Over a period of time we have become like a family and I think you can feel it between the patient and the nurse. Not only the skill, but they give of themselves and this is the most important.

I do know that many people bring their family to Crest Haven. They come to me and say, "Oh, we would like to take them out for a day but what we are going to tell them when we bring them back to the home?" I said, "Don't tell them anything." One lady said, "Oh, you have to take me back; the program is going on and we have a club and we have to see to that." After a few days they meet people their own age who share their interests and they can talk the same language which is very important.

Besides the treatment today we have a most valuable department in Crest Haven and that is the department of physical rehabilitation. I think many outpatients are also seen on the regular program. We also have speech therapy and we are hoping for an occupational department.

#### THE GAP BETWEEN CONCEPTS AND PRACTICE

I think despite the changes in philosophy there is still a wide gap between the newer thinking and its expression in actual practice in many homes for the aged. Perhaps this is to be expected since there is usually a time lag between the crystallization of social concepts and social practice. However, efforts to close this gap must be unremitting.

Then we refer again to the individual. I do have some certain things I would like to add to the citizens and so on. I would like to call on the pastors, the priests, the fathers, the rabbis, and every person who has to do with the churches and the organizations in the city because they can do so much for us. They have the right place, they can preach from the pulpit, they can tell the audience what is really going on.

They know the people from their small areas through baptism, confirmation—they marry them and they bury them. No person knows anybody better. If they were to reach out to the laymen and also to the businessmen and work together, I think we in this city could go a long way.

We always depend on the city's fathers. They have a job to do, a great responsibility, but there is only so much they can do. They are close to the government and so on, and we all sit here and wait to see what is coming next. I don't think this is the way to accept money. We do have a responsibility, each and every one of us in the city. Together we could if we have the will. I think we are seeing it today with the program that the man is being helped. It is the will; if you are willing to do something, you can do it. There is not anything that is impossible.

I think it is broken down in the city. Therefore, sometimes it does happen. The citizens do ask questions. We do not always get the answers. So if you could build up the communication line and each one of us take the time to build it, I think we can do quite a lot of things.

Senator WILLIAMS. Thank you very much, Mrs. Samson. Let's do it.

I want to express our appreciation to all of you for helping us with our deliberations. Very good. Thank you.

Now to close our morning's deliberations we have Mr. William Kayes of Clementon, president of the New Jersey Council of Senior Citizens.

Would Mr. Richard Greeves come forward, too, so that we are almost finished.

#### **STATEMENT OF WILLIAM KAYES, PRESIDENT, NEW JERSEY COUNCIL ON SENIOR CITIZENS**

Senator Williams, ladies and gentlemen, my name, as you just heard, is William E. Kayes. I am the president of the New Jersey Council of Senior Citizens. My organization is grateful for the opportunity to present its views on the question of the economics of aging.

Now a lot of things I was going to say have already been said and if I were to say them again it would be just superfluous. So I would like to tell you, Senator Williams, and you, ladies and gentlemen, in particular what we are trying to do for you.

We have in this country a National Council of Senior Citizens with headquarters in Washington. We have in the vicinity of 3,000 clubs representing about 3 million people. We have in almost each State about 46,050 representations. Each State in turn has their own council—as the New Jersey council and the rest of them—affiliated with the national council.

We have been trying our best to raise the standard of living for the seniors throughout the country and throughout the State. We all know that the major source of income for most of our senior citizens is among the cash benefit paid through the Social Security Act. The 13-percent general increase in benefits which became effective February 1, 1968, has been eroded through inflation and other regressive measures that raise costs for seniors such as the New Jersey sales tax.

The passage of, and implementation of, title 18 of the Social Security Act, medicare, is a milestone in the history of the United States. Medicare has brought new dignity and security to millions of older Americans. However, medicare in its present form falls far short of providing the comprehensive program. Medicare covered only 35 percent of the health costs of the aged in 1967.

The average health care in fiscal year 1967 was nearly 15 percent more than in the fiscal year 1966. Unless progressive action is taken, the economic position of our senior citizens will continue its rapid decline.

Homeownership is a most important aspect of the elderly as you have heard here many times this morning. Taxes and other rising costs increase the cost of home maintenance and threaten the living standards of our senior citizens. We are caught in a bind of the mounting taxes, upkeep, cost of living, and all the rest. We are in a bad way.

The numerous letters, post cards, and phone calls I receive constantly remind me of this. Time does not permit my reading them here but I have a lot of them. The New Jersey Council of Senior Citizens proposes; therefore, that legislation be enacted to amend the present statute to provide greater benefits in the following :

Social Security. The existing Social Security benefits are wholly inadequate to meet the needs of our senior Americans.

Spiraling taxes are causing economic hardships in the ranks of the elderly. We voice our unqualified opposition to the administration's token improvements in benefits.

The New Jersey Council of Senior Citizens reaffirms its previously stated goal of minimum monthly benefits of \$150 for an individual, and \$250 for a married couple. This is much better than what you are getting now, isn't it?

A first step toward the goal would be to raise from the present \$55 to \$100 during the next 24-month period and that widows be entitled to 100 percent of the deceased spouse's benefit without reduction at age 60, or at any age if the widow is disabled, and that the general revenue funds be utilized in financing such improvements.

And that those working under the Railroad Retirement Act, those receiving veterans' pensions—you have heard some of them talk about that this morning—and recipients of public assistance shall not be subjected to reduction in such benefits as the result of the increase in social security benefits.

Now right here in New Jersey if you are receiving public assistance and you get an increase in your social security benefits as we have in the past—7 percent, 13 percent—the State of New Jersey takes that amount off your assistance so you are right back where you started. There are eight States in the Nation that don't do that, I am told. I would like to see New Jersey become the ninth, and all the rest of the 49 also.

Medicare and medicaid. Titles 18 and 19 of the Social Security Act of 1965, that is medicare and medicaid, have brought to the Nation's senior citizens a basic health insurance program and for poor older persons extensive premedical care. These two landmark programs have had enormous impact. However, there is a great need to correct inequities, eliminate deficiencies, and conform aspects within them and between the two programs.

#### DISCRIMINATION AGAINST WIDOWS

Widows and the disabled are discriminated against under medicare. The elderly still are faced with substantial outlays for medical care frequently beyond their needs. I am sure some of you know or have friends that are permanently disabled. They could be quite young, they could go out and get hit with an automobile or get disabled at work, maybe 22 years old, 25—they are not covered by medicare. They are permanently disabled. They can get social security but they cannot be covered by section B of medicare until they are 65. Something ought to be done about it.

That is why we say that all persons entitled to social security benefits should be included under the medicare program. All deductible and coinsurance under medicare should be eliminated. Medical fees should be set and doctors' bills should be paid by the assignment; that is, payment to the doctor by agency or carrier, not by the patient. Some of the doctors ask that. Do the patients pay it? We say that it should be paid by the carrier or the agency.

Hospital stays under medicare should be extended from 90 to 365 days. That nurse that we just heard here covered everything very well. That was one of the items I think that she mentioned.

They should be covered. When you come out of the hospital you go into a nursing home you go in there for 90 days or 100 days. That should be 365 days. It does not seem to be long enough.

Benefits under medicare should be expanded to include prescription drugs, all eye care, dental care, hearing aids, and foot care.

One of the big items today for our seniors are the prescription drugs. You go to your doctor and he gives you a prescription, you go to the drugstore and get it filled. You pay them and that is it, not medicare. You are not covered. Why? Remember, we would like to see them covered. That is what we are trying to get.

Medicare should include a planned program of multifaceted screening—that is, preventive-care programs, checkups.

The cutbacks in Federal support of medicare in the 1967 amendments should be restored. Fees and payments under medicare and medicaid should conform in order that there is no discrimination among different classes or recipients. Federal and State agencies should exercise their statutory authority to set and enforce minimum standards for medicare and for medical institutions supported by Federal or State funds.

The Federal Government should offer expanded programs and improved incentives to meet the needs. The health of the people is not bad compared to that of the other western countries. If it is to be improved, the national health insurance plan is necessary. I should say that the health of American people is bad.

The Federal Government must assume its full responsibilities for meeting critical health needs still unmet despite medical care, voluntary plans, and collective-bargaining programs. Present fragmented, costly, inefficient, and inadequate health-care arrangements must be replaced by a federally sponsored, comprehensive national program to insure all Americans, regardless of income or status, equal access to the high-quality health services which this Nation is capable of providing, and to which all American people have a right.

The Government provides complete health care for all men and women in the Armed Forces and their immediate families, Members of the Senate, the House of Representatives, the President's Cabinet and their families. The President and ex-Presidents have prepaid health insurance at the expense of the taxpayer. Why not the elderly?

#### NATIONAL HEALTH INSURANCE

There is a dire need for the national health insurance plan financed and sponsored by the Federal Government. One of the first items on the agenda of the new administration in Washington should be a comprehensive health-care plan for the Nation.

The New Jersey council is concerned about the millions of elderly poor Americans being ignored through shocking misdirection of our national priorities. We are spending billions of dollars on the anti-ballistic missile. The needless war in Vietnam is sapping our national resources. We deplore the wastage of human lives on the battlefield and the loss in population from millions here at home.

We therefore call on President Nixon and the U.S. Congress to redirect our national goals so that priority attention can be given to building new homes in America, not destroying them in Vietnam; to removing hunger and want from the face of America and helping to eradicate want in other nations; to insuring every American, young and old, the best education in the world; to improving access for all Americans to the best and most comprehensive health care for all citizens.

The present administration has to date failed to reach the practical objective in poverty and social unrest, substandard educational facilities and substandard housing and their impact on the public health and welfare and the existing programs relating to these problems.

The New Jersey Council of Senior Citizens proposes a complete overhaul of our Federal taxing policies by elimination of all the existing loopholes and tax-exempt privileges which deprive the Federal Government of in excess of \$40 billion annually since it is now established that 50 percent of taxable income in the United States is presently exempt.

Eliminate the tax exempt status of some 30,000 private foundations representing over \$20 billion in assets.

Eliminate the tax-exempt status of municipal bonds, the exemption privileges accorded to capital gain profits.

Eliminate the 27.5 percent oil depletion allowance.

Discontinue the tax-exempt privileges of profitmaking enterprises, investments which provide them with an unjust competitive advantage over privately owned enterprises and investments. That is under fire right now down in Washington as you have been reading in the papers. I hope they come through with something real good.

Eliminate real estate tax on low- and middle-income housing. Exempt individuals whose annual income is less than \$3,500 and married couples who annual income is less than \$5,000.

Enact legislation which will guarantee equality and justice in taxation on ability to pay.

Now the question often asked is. "How is the Government going to pay for all this?" Here is one way. Around 10 million acres of U.S. land largely in the public domain is underlaid with oil shale. Now, rock formation impregnated with organic matter yields many forms of oil and byproducts. The land is thought by experts to be worth at least two and a half to three trillion dollars—not billion, trillion.

Only 380,000 acres of shale land are private owned, and this acreage is largely controlled by major oil companies engaged in developing it. The major oil companies have exerted great pressure on the legislature for the purpose of gaining control of the oil shale land. This was introduced in the Senate in 1966. This bill, had it passed, would have authorized the backing of the private oil industry for \$2.50 an acre. They would make a little money on that, wouldn't they?

The New Jersey Council of Senior Citizens insists that this tremendous resource be used for the Federal Government to meet the economic and social needs of our people and to reduce the national debt rather than be turned over to private units which already enjoy a favored position that deprived the Federal treasury of approximately \$1 billion a year in taxes under the unfair and unreasonable oil depletion of the revenue law.

Accordingly, the National Council of Senior Citizens and the New Jersey council asks that the Government retain control over all federally owned oil whereby the aggregate be placed in a special Treasury account for the purpose of eliminating the causes of poverty in the United States.

Dealing more effectively with U.S. oil and water pollution, improving substandard education facilities and programs, upgrading the U.S. health-care system, making available to those on low incomes modern housing within their means, acting more vigorously to remove other social ills and injustice, reducing the national debt to a level commensurate with the town's monetary system.

Some of the things I heard this morning which we are doing up through the middle and northern part of the State are: the foster grandparents, meals on wheels which is going over very good in Jersey City.

I am a member of the board of the OEO in Camden County. Two years ago the OEO ran a check survey and they discovered something—they have done it again and there is quite a lot of commotion about it in Camden County. I am sure that the ladies here are well aware of this.

The supermarkets on the first of every month raise their prices just before you get your social security check. Do you notice that? It is true.

#### INCREASES IN FEES

Doctors, since the advent of medicare, have increased their fees in some cases 100 percent. I have one man in particular that comes to mind, an Italian living in South Camden, worked on the RCA with me. He had cataracts on both eyes. A couple of months before medicare came into being he had a cataract removed from one eye and it cost him \$250 which was paid for by the Travelers Insurance Co., which RCA carried for him.

Six months later he went back to have the other cataract removed; the same doctor, the same operation. Now he has to pay the first \$50. The doctor charged \$500 and he has to pay the remaining 20 percent. Same operation, same doctor. This in about 10 months; \$250 for one, \$500 for the other.

One of the things that we are doing or trying to do for the people of New Jersey right here in the State is to get a greater tax deduction for property owners. Last year Senator Joseph Morasetti from Morris County—that is up around Trenton—introduced a bill to give us \$160 instead of the \$80 that we now receive. Nothing happened.

I contacted the senator and he told me he was going to reintroduce the bill this year, and he did. But this year it is known as the Dumont bill because he had Senator Wayne Dumont to head it up and he and Senator Hedgton cosponsored it.

That is still in the Republican caucus in Trenton. They would not let it come on the floor for a vote. Now they could not give you that tax right off, it had to go through the constitutional amendment and be voted on in a number of elections, but it is still in the caucus up there.

We also asked for a 50-percent reduction in busfares during the off hours, say 9 in the morning until 3:30 or so in the afternoon. Assem-



blyman Lee Lascum in Camden County asked for that. Nothing happened.

Senator WILLIAMS. Bill, all we can do from here is express our sympathy but we do not have jurisdiction over the matters that face the State legislature. You are going to have to tell that to a different forum, I am afraid.

Mr. KAYES. All right, Senator. I stand corrected. I was just trying to tell them what we were doing for them.

Senator WILLIAMS. We appreciate that.

Thank you very much.

Mr. KAYES. Yes, sir.

Senator WILLIAMS. And thank you very much. Identify yourself for the record, if you will.

Mr. GRIEVES. I am Richard W. Grieves of the State Office of Consumer Protection. I am a deputy attorney general assigned as cocounsel to that office.

Senator WILLIAMS. I just wanted to say, Mr. Grieves, we have worked out for your statement to be included in the record. I do know that you have a fine statement. That makes it public. If you could give your findings here, your conclusions, to the press, we would appreciate it. Your statement will be in the record.

(The statement referred to follows:)

**PREPARED STATEMENT OF RICHARD W. GRIEVES, DEPUTY ATTORNEY GENERAL,  
OFFICE OF CONSUMER PROTECTION, CAPE MAY, N.J.**

Senator Williams, ladies and gentlemen, on behalf of Mr. Paul J. Krebs, Executive Director of the New Jersey Office of Consumer Protection, I wish to thank you for allowing us the opportunity to appear before this committee today. While the scope of our operation includes the handling of consumer fraud complaints from every segment of our state's population, problems encountered by our senior citizens are particularly distressing since these people are very often the least able to sustain a financial loss and are too frequently unaware of how to engage assistance in protecting their rights.

In May of this year, Mr. Krebs was contacted by residents of Village Greene, a private Cape May retirement development, regarding certain problems they were experiencing with the management. These problems were in part, related to a Home Owners Association which the residents were expected to join and support financially.

In order to evaluate properly the nature of the complaints, Mr. Krebs scheduled a meeting with the residents of Village Greene. The meeting was held on June 6, 1969 on the mall at Village Greene and was attended by about twenty senior citizens, all residents of the development, and by Mr. Krebs and two staff members of the Office of Consumer Protection. Each of the residents was given an opportunity to voice his or her complaint and it was readily apparent that there was much dissatisfaction with the management of Village Greene.

Of paramount concern to these elderly people was the fact that their deeds appeared to make it impossible for them to sell their property unless the new buyer agreed to membership in the Home Owners Association as described in a corporate declaration on file with the County Clerk. Furthermore, the declaration contained language allowing the management to change or modify any of the provisions of this declaration without the consent of the homeowners. This arbitrary and totally one-sided provision was completely unacceptable to the homeowners involved, many of whom said they had no knowledge of this aspect of their relationship with the developer until after they had purchased their homes.

Numerous complaints about misrepresentations and false promises were also aired by the Village Greene inhabitants. They told of receiving little or no service whatsoever from the so-called Home Owners Association which was to take care of such necessities as garbage collection and grass cutting. In desper-

ation, the residents withdrew their financial support (\$7.50 per month) from the management-controlled Home Owners Association and contracted individually for the services needed.

Serious problems developed this spring when the present management attempted to enforce the provisions of the agreement concerning the Home Owners Association over the reluctance of the residents. Numerous confrontations involving the right of individual homeowners to provide for their own services resulted in the institution of a private civil action supported by approximately three quarters of the homeowners in Village Greene.

The Office of Consumer Protection has attempted to mediate this dispute and has made repeated efforts to enlist the co-operation of the management of Village Greene. Assurances have been given to representatives of this office that a fair and amicable resolution of this matter would be achieved. To date, this matter remains unsettled.

This matter has been brought to the attention of the Special Committee on Aging because the Office of Consumer Protection feels that the incidents referred to in this testimony reflect problems all too frequently encountered by senior citizens who attempt to conduct their affairs in a trusting and unquestioning manner. Lest we give the impression that the Village Greene incident is an isolated case, let me cite others which are typical of senior citizen complaints.

Mrs. Wilson lives on her social security check of \$87 per month. Her son, Robert, pays her rent and medical bills. She has cataracts on both eyes and will soon undergo surgery. Recently, a door-to-door salesman demonstrated a vacuum cleaner to her. Mrs. Wilson politely told him that she didn't need and couldn't afford a new vacuum. Before the young salesman left, Mrs. Wilson obligingly signed a paper that the salesman claimed was simply a note to his boss confirming his attempt to make a sale. What Mrs. Wilson actually signed was a contract obliging her to pay \$483 over a two year period for the machine.

Mr. Harris found it increasingly hard to hear. First, he blamed it on the telephone company. Their phones didn't work right. Later, he accused family and friends of mumbling on purpose. Finally, he had to admit that he needed a hearing aid. He went to a store that advertised in-the-ear aids that could hardly be detected. After a quick hearing test, he was fitted with an aid. The cost? \$350! The hearing aid couldn't be detected but neither could Mr. Harris hear any better with it. In-the-ear aids work on the principle of bone conduction and are no help to a person whose hearing loss comes from nerve impairment. Preying on Mr. Harris's vanity, the dealer had charged him \$350 for an aid that was worthless to him.

Mrs. Rogers lived alone in the house that she and her husband had built 40 years ago. One day, a uniformed man rang her bell and told her he was the municipal furnace inspector. Judging from the smoke coming from her chimney, he believed her furnace was malfunctioning. Twenty minutes later, he re-emerged from her cellar. Claiming that the furnace had been ready to explode, he told Mrs. Rogers that he had dismantled it and would have to write a Summons for the violations he'd found. Noting Mrs. Rogers' very real fear, he offered to forget the Summons if she made repairs immediately. He offered to call a friend in the business. Together, these swindlers charged her \$2,200 for a new furnace she didn't need. When she complained that the furnace didn't work properly, they convinced her to spend another \$1,400 for new electrical wiring. Mrs. Rogers was literally frightened into spending \$3,600 unnecessary dollars.

Although the names have been changed, these are three very genuine case histories from the files of the Office of Consumer Protection. In each case, the victims were over 65.

This age group has special problems not shared by many of us. They frequently live alone and have no one to counsel or guide them, no family to fall back on. For obvious reasons, they are, therefore, frequently lonely and insecure. All but the most self-sufficient of us are easily frightened when we are alone.

They have special health problems due simply to increasing age. Faculties such as hearing and eyesight begin to fail. Mobility becomes a problem and they seek special housing with near-by facilities and no stairs to climb. Many of those who are now 65 or older come to this country from other lands. Although most can speak English, many cannot read the English language and, therefore, can be tricked into signing papers they don't understand. Having come to maturity in gentler, less complicated times, they have a tendency to trust others and believe in the spoken word.

Each of our three victims was targeted by swindlers for at least one of these reasons. Mrs. Wilson lived alone and could not see. Mr. Harris had a special health problem. Mrs. Rogers was lonely and insecure and was frightened into spreading money needlessly.

Obviously, government must take steps to both provide needed legal aid and correct the special situations which make the elderly a frequent victim of fraud.

Senator WILLIAMS. I just would like to say that over the years we have been working with emphasis from this committee on consumer problems of older people with a tremendous assist from the State government, your department. We appreciate it.

Mr. GRIEVES. Thank you, Senator.

Senator WILLIAMS. Mrs. Frances E. Goetz was scheduled to be a witness. Frances, I was advised you could not be here and you are here. We are delighted that you are here. Did you have a statement?

Mrs. FRANCES E. GOETZ. No, Senator. I understand that you have put our material in your record. We certainly thank you and hope that it will be of some help to you.

Mr. Marks was going on in my place because I could not be here. I know you are running behind time and we bow to your schedule.

Senator WILLIAMS. Well, we appreciate the statement from the Atlantic Human Resources, Inc., group and it will be part of the record.

(The material referred to appears in appendix B, p. 1016.)

Senator WILLIAMS. In conclusion, I just want to say this has been an inspiring hearing. We have made a record for the Special Committee on Aging which will be very valuable to all the members.

Thank you again.

I want to thank everybody that had anything to do with making the arrangements here.

(Whereupon, at 1:40 p.m., the committee adjourned.)

# APPENDIXES

## Appendix A

### ADDITIONAL MATERIAL FROM WITNESSES

ITEM 1. LETTER FROM JACK BUCHANAN, SUPERVISOR, CAPE MAY COUNTY FOOD STAMP CERTIFICATION OFFICE TO SENATOR WILLIAMS, DATED SEPTEMBER 12, 1969

CAPE MAY COUNTY,  
FOOD STAMP CERTIFICATION OFFICE,  
*Cape May Court House, N.J., September 12, 1969.*

DEAR SENATOR:

\* \* \* \* \*  
Your suggestion of selling Food Stamps at local Post Offices is excellent and would be a big help, particularly in rural areas where transportation is a problem. This would also greatly increase the number of outlets for the Stamps.

I believe the method of paying by check and having Stamps mailed in return is already being used in some States where no other means for obtaining the Stamps is available. However, I do not believe it is done anywhere in New Jersey since all participation Counties have obtained outlets thru the Banks. Again, however, I think in some outlying areas where no Banks are available, or only sell Stamps one day a month this method would be beneficial.

Thank you very much for your letter and your interest and suggestions for the Food Stamp Program, which I feel is one of the best Federal Government Programs.

Sincerely,

JACK BUCHANAN, *Supervisor.*

[Enclosure]

AUGUST 15, 1969.

#### EXHIBIT 1. A REPORT ON THE RELIANCE OF THE CAPE MAY COUNTY FOOD STAMP PROGRAM TO THE SENIOR CITIZENS OF CAPE MAY COUNTY

The U.S. Dept. of Agriculture's Food Stamp Program, now a year and a half old in Cape May Co. has proven to be a highly worthwhile, helpful program, particularly to the Senior Citizens of our County. In Cape May County where nearly one (1) of every five (5) residents is retired with a stable income, Senior Citizens constitute nearly 60% of the Food Stamp recipients.

A sampling of some 200 households of elderly persons using the program showed that their average income per month to be \$137.25. Since the Food Stamp Program deducts all payments made for medical expenses, necessary loans for necessities, and certain other hardships, the average NET monthly income to these same 200 households was only \$98.00. Seventy (70%) percent of these households are property owners, well above the State average of 64%, which brings additional expenses such as taxes, home repairs, etc.

SPECIFIC PROBLEMS of the elderly in Cape May Co. are lack of adequate transportation facilities to purchase and to spend Food Stamps. The principal mode of transportation in rural Cape May Co. is private car, an added expense for the Aged, for which no allowance is made in regard to expenses for the Food Stamp Program.

#### SUGGESTIONS

(1) The average gain for a single person using the Food Stamp Program is \$6.00 a month, which to many individuals seems hardly worthwhile, because of the problems and expense of getting to a participating Bank and to a participating

store. The minimum gain to a single person should be \$10.00 a month and should be adjusted periodically to keep up with the cost of living rise.

(2) The shelter cost adjustment should be liberalized for households of persons age 65 or older, particularly those who own homes.

(3) For one and two person households there is a spread of \$100.00 of net monthly income without a change of purchase amounts or bonus. It does not seem reasonable that a couple with \$140.00 a month income should spend the same amount as a couple with \$240.00 a month income. Purchase and bonus figures should be graduated every \$20.00 as they are at lower income figures.

A recent Dept. of Agri. Report shows that cost of food at home for a family of two would spend approximately \$57.00 a month on a low-cost plan. This is supposedly a minimum amount for food and many Senior Citizens are not able to spend this much.

#### CONCLUSIONS

The Food Stamp Program is definitely benefitting our Senior Citizens, however, many more eligible persons are not using the Program because of: transportation problems, the humiliation of receiving "something for nothing" attitude of many, and the minimal gain or bonus, when purchasing Food Stamps.

JACK BUCHANAN, *Supervisor.*

#### ITEM 2. NEW JERSEY HOUSING FINANCE AGENCY, BROCHURE, SUBMITTED BY DAVID HEACOCK, DIRECTOR, MAY CAPE URBAN RENEWAL

The New Jersey Housing Finance Agency makes low-interest mortgage loans to qualified developers and sponsors to help finance the construction or rehabilitation of housing for rental or cooperative ownership by moderate-income families.

Loans made by the NJHFA can cover both construction and permanent financing of housing developments and related facilities. There is no limit to the size or number of developments the NJHFA can finance. Both limited-dividend and non-profit sponsors are eligible to receive loans.

By the end of 1968, after having been in operation for little more than a year, the NJHFA had made loans to finance 1,134 dwelling units which were under construction, and another 102 units under rehabilitation, in two cities, with a like number under commitment in four cities. The total amount of loans made by NJHFA was \$19,287,000.

The first units, in Newark, were occupied in November, 1968.

Who is served: The NJHFA was created to meet the housing needs of New Jersey's moderate-income families—families which cannot afford to pay full market rents for decent housing. Families headed by teachers, policemen and middle-management factory and office employees usually fall into this category. Families with an income of less than \$10,000 annually are the primary group served by NJHFA-financed housing, but those with an income of up to \$15,000 annually can be accommodated in some cases. First priority for admission to a development must be given to families and individuals who have been displaced from their dwelling as a result of public actions such as urban renewal and highway construction.

The need: One-fifth of all housing units in the state—421,000 units—occupied by moderate and low income families are substandard, according to a study completed in 1968 for the State Department of Community Affairs.

Terms: The NJHFA makes mortgage loans for up to 50 years to limited-dividend and non-profit housing sponsors. This money is raised by sale of NJHFA revenue bonds to private investors and institutions. Because the interest from these bonds is not subject to federal income taxes, the NJHFA can lend mortgage money at interest rates 2 to 2.5 per cent below prevailing market rates.

Repayment: The NJHFA is repaid the mortgage loans wholly from the rental or carrying charges collected on the housing. The NJHFA then retires the bonds. The faith and credit of the State of New Jersey is not involved.

Agency fees: A fee of about 1 per cent which is collected at the mortgage loan closing, and an annual service charge of about  $\frac{2}{3}$  of 1 per cent, both paid by the housing sponsor, provide the NJHFA with its operating expenses. In addition, a financing charge of about 1.5 per cent collected at the closing pays for the sale of NJHFA notes and bonds. Beyond a one-time \$50,000 start-up appropriation from the State Legislature, the NJHFA is completely self-supporting.

**Who can borrow:** Private developers and builders, church groups, well-established civic associations, and labor unions are among those eligible for NJHFA mortgage loans. Non-profit groups can borrow up to 100 per cent of project costs. Limited-dividend sponsors can borrow up to 90 per cent of projects costs and are permitted to earn eight per cent per year on their equity as a cash return.

**Starting a development:** Non-profit and limited-dividend sponsors who have what they believe is a suitable site for an NJHFA-financed housing development are invited to file preliminary applications. The NJHFA will then inspect the site within 2 weeks and reach a speedy decision on whether to proceed with processing of the development.

**Planning loans:** Non-profit groups are eligible for pre-construction development loans from the New Jersey Community Affairs Department's Housing Development and Demonstration Grant Fund, which the NJHFA administers. Such loans can include money for land options.

**Building types:** All types of structures will be considered. The NJHFA stresses outstanding design and imaginative site planning.

**Other facilities:** Besides housing, the NJHFA can finance construction of schools, stores, community meeting facilities, day-care centers, and other facilities to serve tenants of the housing. The NJHFA is eager to work with any municipality, large or small, to provide, a complete community improvement package.

**Processing applications:** In addition to inspecting sites suggested by prospective sponsors, the NJHFA considers several other factors before making a loan. The ability of the development to pay for itself is a prime consideration, since each development must be financially self-sustaining. Other aspects of review include plans and specifications, budgets, and information about the sponsor and proposed professional personnel and firms. With the cooperation of the sponsor and its staff, the NJHFA can hold a mortgage loan closing within six months after an application is filed.

**Other considerations:** The NJHFA places high priority on financing developments which will make a major contribution towards improving the area and community in which they are to be constructed. Generally, small or isolated developments will not qualify in this regard.

**Role of local government:** Prospective sponsors should seek the cooperation of local government in the early stages of their planning. A resolution of need for moderate-income housing must be approved by the local governing body before the NJHFA can proceed with processing an application. In addition, the local municipality will in most cases be asked to accept annual payments in-lieu-of taxes, based on 15% of gross shelter rents, in order to make a development financially feasible.

**Special assistance:** Under the 1968 Federal Housing and Urban Development Act and the Housing Assistance Bond Issue approved by New Jersey voters in 1968, projects financed by the NJHFA are eligible for rent-reduction payments to assist low and moderate-income families who cannot meet the entire cost of housing. Sponsors interested in these payments should notify the NJHFA upon initial application, and such special assistance funds will be sought by the NJHFA from federal and state sources.

For further information and applications: Contact the Office of Public Information, New Jersey Housing Finance Agency, P.O. Box 2768, Trenton, New Jersey 08625. Telephone (609) 292-6117.

The NJHFA is an independent corporate body "in, but not of, the Department of Community Affairs." It was created under the New Jersey Public Laws of 1967, Chapter 81.

## Appendix B

### MATERIAL SUBMITTED BY MRS. FRANCES E. GOETZ

ATLANTIC HUMAN RESOURCES, INC.,  
FOSTER GRANDPARENT PROGRAM,  
*Woodbine Colony, Woodbine, N.J., August 8, 1969.*

#### REPORT OF THE FOSTER GRANDPARENT PROGRAM, WOODBINE STATE COLONY

The Foster Grandparent Program at the Woodbine State Colony, Woodbine, New Jersey, is under the local direction of Cape-Atlantic Human Resources, Inc. The Foster Grandparent Program recruits, trains, and employs low-income persons: \$1,600 per year—Single, and \$2,100—Married, over sixty years of age, to serve the severely and profoundly retarded (IQ-0-17), giving these boys who are on this program love, understanding, and a sense of belonging; to create new employment opportunities for older persons; to provide new roles and functions for older people with low incomes, thus enabling them to maintain a sense of dignity and usefulness; to give emotionally deprived children the affection and attention more fortunate children enjoy in their daily relationships with loved ones; to stimulate innovations in the field of child care because of a one-to-one ratio; to demonstrate through the employment of Senior Citizens with low incomes a major resource of responsible workers for communities and social agencies.

I can attest to an excellent attendance record. As a result of the increased income now available, the Foster Grandparents take more pride in their personal appearances.

The daily association with other Grandparents, Colony, and Staff is another influencing factor. Each seeks better physical care because they realize a responsibility, not only to the residents in their care, but to their fellow workers and themselves. The responsibilities realized by a Foster Grandparent gives a definite feeling of being needed. "Now I know someone loves me" are the words of our Foster Grandparents. Because of this employment, Senior Citizens again feel like first class citizens. Many of them are now very active in community affairs. They also have learned that to help someone who is less fortunate than themselves is a great satisfaction. What a wonderful feeling it is to be independent of ones own children's welfare or other local aid!

So much for the benefits of Senior Citizen Foster Grandparents, what has all this brought for someone else; the resident who has a Foster Grandparent? Because of a one-to-one ratio we are able to give mixed with love, patience, understanding, and the strong will to accomplish and prove that while age has overtaken them, they can still be productive.

ATLANTIC HUMAN RESOURCES, INC.,  
FOSTER GRANDPARENT PROGRAM,  
*Woodbine Colony, Woodbine, N.J.*

The following are several accomplishments:

a. A blind boy, who the Head Therapist said because of his handicap would never walk, is now able to get up by himself and take steps unassisted. This same boy is now beginning to learn some sounds.

b. Another blind boy is able to feed himself and assist in dressing himself. He is about eight years old and never talked, and he now has a vocabulary of about a dozen words.

Many behavior patterns have changed for the better. Quite a few are responding to handicraft, music, and the painting of plastic molds. Many more can put simple puzzles together. Some have even learned colors from automobiles while out walking with their Foster Grandparent. An amazing amount of the residents on this program have improved on the basic skills, feeding, toileting, and dressing, and how to get along with someone else.

Let me for a minute take you way back to your early childhood and remind you how wonderful your grandparents were. They were the smartest of all people; they knew all the answers. Well, these are those wonderful people who still have the gift to do all and are able to cure all things by love and kindness. This office has at various times set up interviews with other Senior Citizen groups to try and find employment in outside industry. We are at the present trying to enroll Senior Citizens to avail themselves of full coverage of Medicare.

Respectfully submitted.

Mr. OTTO GRIESMANN, *Project Supervisor.*



## Appendix C

### STATEMENTS SUBMITTED BY THE HEARINGS AUDIENCE

(During the course of the hearing a form was made available by the chairman to those attending who wished to make suggestions and recommendations but were unable to testify because of time limitations. The form read as follows:)

"If there had been time for everyone to speak at the Committee hearing in Cape May, New Jersey, on the subject of 'Economics of Aging: Toward a Full Share in Abundance', I would have said:"

(The following replies were received:)

JOHN H. ANDRUS II, CAPE MAY, N.J.

It is my hypothesis that we (as individuals and government) are segregating society into age categories which is both financially and psychologically detrimental.

We cannot wait until a man is 65 before asking him: "What can we do for you?" or "How can we help?"

We should not be attempting to solve the problems of aging; rather the problems of poverty and all its related syndromes—malnutrition, illiteracy, crime, etc.

As a society we must change our attitudes and perspectives with regard to the aging process.

We must realize that our retired citizens are one of our most important assets because of what they can offer their communities and nation through years of observation and experience and hopefully knowledge and wisdom.

Our entire educational outlook and process should be geared toward this end—that the retirement years can and should be the most fulfilling in a person's life.

The retiree retires from a vocation (or at least its regimentation) but NOT from life and living.

It is during the retirement years when men and women are free from the family-raising responsibility that they can best assign their time and talent to benefit society and their fellow man.

(The preceding is a preface to the attached "Tides Out" column which I wrote for the 14 August 1969 *Star and Wave*. It represents my personal thoughts with regard to aging.)

[Enclosure]

[From the Cape May Star and Wave, Aug. 14, 1969]

(By John H. Andrus, News Editor, Cape May Star and Wave)

The tide is out—exposing all upon the beach.

(The views expressed herein are not necessarily those of the Star and Wave.)

#### AGING BEGINS AT BIRTH

There is nothing wrong with old age, despite the fact that many people consider growing old a horrible experience.

Certainly old age has its pitfalls, but like other aspects of life and living what is lost on one hand is gained in the other; the elderly lost dexterity and gain experience.

Because the elderly do lose certain abilities with age there is a tendency among the aged to consider themselves poor—both in spirit and financially.

If a person maintains his health, his later years can be the most fruitful and meaningful to both himself and to society. The infirmities which often plague the elderly are those brought on earlier in life; age only aggravates them.

As far as finances are concerned, many think that an old person is automatically a poor person. Many of the elderly are poor, but many more of the elderly who think they are poor are far better off than many younger Americans.

So many elderly persons complain about the cost of living that for them old age and poverty have become synonymous.

It is indeed sad to be poor, but it is far more sad to be poor and young than to be poor and old.

This is not only because of the opportunities so often afforded the elderly today by society and government but mainly because it is the young, not the old who can produce more young and poor. The young and poor also have longer to endure the pangs of poverty.

This is not to say that every old person is a wealthy person; far from it. But it is to say that there are undoubtedly more young who are poor than there are old who are poor if for no other reason than because of the larger number of younger people alive today.

Here in Cape May County the cry is often heard that the elderly are feeling the rising cost of living. Certainly they are, but what about the young person trying to get on his feet; the fellow who has never had the chance to stand erect let alone remain in that position.

The cost of living in Cape May County is higher than in other areas of the state because of its location (at the end of the line). With this the case, why then do more and more retired persons move into this county while more and more young residents move out?

An area does not have to offer economic opportunities to be a suitable place to live (although it would be less expensive all around if this were the case). It is for this reason that the retired—those who don't have to work for an income—can afford to live here while those who are just starting on the road to economic independence cannot.

At the same time it is very evident that an elderly couple or individual cannot exist outside the poverty level merely on each month's Social Security and/or pension check.

Since so many elderly persons in Cape May County do exist far above that level of economy, for this reason alone it is evident that there are many elderly who have become residents of this county who are far from poor.

What is frightening to the elderly (indeed, to anyone) is that fixed incomes keep dwindling as inflation continues to mount.

Perhaps it is this constant fear which causes many of our elderly citizens to bemoan their existence—a time of life which should be more, not less, fulfilling to the individual.

How would these elderly feel however, if they were younger and did not have a nest egg? The nest egg is sorely missed by the young; especially when the head of the household must work long hours just to be able to meet the needs of his brood; not to save, just to keep ahead.

If these postulates are correct, then it would appear that the most economical and propitious government policy or program to deal with the economics of aging should begin with the onset of the aging process itself.

Aging is a biological process which is greatly influenced by the psychological aspects and vagaries of living. To wait until the individual is molded by biological time and psychological influences before beginning the administration of corrective measures is both wasteful and hopeless.

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J. S. AND M. G. BARNER, EGG HARBOR CITY, N.J.

This will probably never be read—But here goes.

Aged are limited to Social Security of which the maximum payment would not be enough. Why not give elderly a living Social Security.

Money means nothing. We have a White House in Washington, What does the President do?

Much more could be said.

MR. ALFRED COLE, DOROTHY, N.J.

Without the Green Thumb Project, I do not know what we would have done. It provided money to buy a hot water heater, a new well water pump overhauled, it paid for blankets we needed, and heavy underwear and winter clothes. We need a Duro Therm heater, a gas range, and a washer.

MISS GRACE COLLINS, MAPLE SHADE, N.J.

I attended this meeting with Miss Stokes. I, too, am a retired teacher; I have given my life to educate and help build character in young people in an impoverished section of a large city. I feel very strongly the fact that no consideration is given to those of us in the middle income range, who have not received one penny of help in getting our educations—to which I devoted many summers of my life so that I would be better able to serve in my life profession.

Why must our income from retirement be taxed? Why cannot we use our income to sustain a decent standard of living? Why must the spectre of a fixed income and constantly spiraling living costs be taxed?

We have given much in the way of heavy tax burdens during our working years. Why cannot we, at least, count on meeting our living costs with an untaxed retirement income, which sadly to say is a fixed income?

J. LES CURRIER, CAPE MAY, N.J.

Consideration should be given to a modified form of relief for the retired and pensioned senior citizens, based on the following formula:

A senior citizen living mainly or solely on a modest pension of \$250 or less, plus social security should be granted a deduction of \$1,500 of the pension as not being taxable income. A great segment of senior citizens came within this bracket of low income.

Your most interesting talk here in Cape May was very well received, and I have been able to present a condition as affects a large segment of senior citizens, most of whom could not express their plight as I here do for them.

Again thanking you, I am sincerely.

HARRY S. KLEIN, BRIDGETON, N.J.

After I was forced to retire from the New York Ship Building Corporation, Camden, New Jersey, no one would even talk to me at my age in reference to a job. I lost all interest in everything. I felt as though I was turning into a vegetable. When the Green Thumb came along and offered me a job, I really felt wanted. I now have a new lease on life. Thanks to the Green Thumb. There is one improvement that can be made that I know of, to be allowed to *earn* \$2400 instead of \$1680.

MRS. EVELYN PURDY (WIDOW), CAPE MAY, N.J.

I enjoyed your meeting held with the Senior Citizens. I intended to write sooner but have been ill. There are two things which I think would help us oldsters a lot. I am a widow on Social Security. I receive \$118.90 a month. I receive about \$100 from other securities. My husband was always a high salaried employee and paid high into Social Security. He had to retire at 62 because he became ill and died from cancer.

I am now paying \$20 to \$30 dollars a month for drugs. This has been going on for nearly three years for my own health. Drugs on medicare would help a lot.

Another help would be if the older people didn't have to pay school taxes. My husband and I have always had our own home and we have helped build so many schools that I think its about time that something is done for us not paying school tax. If I had the money I wouldn't mind, but it is all I can do to obtain my own home and not be a burden on my children.

B. FRANK RELYEA, VINELAND, N.J.

I had been doing the office work at the Ice and cold storage plant here in Vineland, N.J. for 25 years. On Friday, September 1, 1967, one of the head men from the Philadelphia office of the American Consumer Corp. who owned the plant came down and brought with him a young fellow who was to take my place. The boss informed me that this was my last day at the plant. They had no pension plan.

About a month before that my landlord raised my rent from \$75 to \$90. When I was informed that I was no longer employed I didn't know what I was going to do. I couldn't pay any such rent as that on Social Security. So I was advised to apply for one of the Senior Citizens apartments, here in Vineland. I applied and was accepted, my rent to be \$52 per month. I was then asked if I was willing to work and if so to apply at the employment office for work with the Green Thumb Project. On Wednesday, February 7, 1968 we started work and as soon as I started work my rent was raised to \$75, an increase of \$23.

I am now 77 years of age and still working with the Green Thumb. If I had not had the Green Thumb I don't know what I would have done.

When we finished work last winter my rent was reduced and this year it is not so high.

The work is harder than I was used to, but we all enjoy it and are proud of the work we do. Thanks to Green Thumb.

Yours truly,

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MRS. JEAN STEWART, CAPE MAY, N.J.

It was nice meeting you in person, I had correspondence with your office previously and you were kind enough to answer. In view of the meeting, I was a little disappointed that some of the elderly not in public life did not have their "day in court" so to speak. Although Mr. Morgan did put forth a point that has concerned us all and that we have contended all along, that our Congressman and leaders have neglected shamefully. That is—"Why has there not been a ceiling put on wages and prices" to help combat the rising strikes and prices; that is the worst thing we oldsters face. On Social Security our income stays at one level and yet we were denied, even a small raise even though from our President on down you men were all quick to take thousands in salary increases but when it come to Social Security there wasn't enough revenue even for so small an increase that it was to be, to be forthcoming.

When you think, you men who are supposed to represent the people, took these increases without fighting or rooting for help for the aged, but Mr. Nixon catered to the Welfare program, and you all went along on that. I don't see how Mr. Dirksen and you men in office can live with your conscience. My sister is 81 years old and gets \$69 a month and gives me \$25 to help with groceries as I am trying to maintain a home for both of us on \$89 Social Security so that is to pay taxes, fire insurance, water and sewer, etc., all things that go into keeping a home so that we don't have to go on Welfare, but I think with what Nixon is proposing we would be better off. Imagine over \$3 to each child in a family and you take some of these colored mothers or white if you will, with three or four illegitimate children and also homes with five and six children and Father and Mother both working but still on welfare and picture what income they are getting, and then the elderly on less than \$200 a month, it isn't any wonder there is unrest, revolution tendencies and what not going around. The old people as a whole should remember these things when they go to the poles this next election.

Also while I am writing this may I mention this other thought, it was touched on briefly at the meeting—Why couldn't there be some kind of legislation to relieve the aged from school taxes when they are trying to maintain a home. We paid school taxes all our lives while our children were going to school and also years beyond, so why should we be taxed now, to help pay for those young people who are earning large salaries and want large families to help them on exemptions on income taxes, also they are always wanting fancier schools (which we never had) but why burden us who are on small Social Security payments to help pay for them. They should "holler about discrimination." But there should definitely be a Wage and price control law enacted to stop this spiraling of prices, most everyone you talk to agrees. These unions strike one after another when their contracts run out, always higher wages and before they get their first paychecks everything goes up accordingly, but you law makers

set the examples and they feel they should get theirs also. If there was a ceiling put on all things there would be no need for strikes as it would avail them nothing. You law makers are asleep at the switch to allow this to go on.

Our President isn't any better to allow this to continue, but of course, he has to see that "Pat has more than one brown coat now." There should be more of that given to the people, who you men were put in office to serve, than there has been. The same with Religion. What hold does that Madeline Murray have on our judges and legislators that she can get God's words taken from our schools and decide whether the astronauts can use God's words or not. Someone better soon do something with those Supreme Court Judges for our Country is going down the drain fast. When you take God's Word and the Bible out of our schools and childrens lives, you are striking at the very fundamental teachings our Republic was founded on. I sincerely hope you read this as quite a few of the elderly people are perturbed.

I buried my husband last spring and even one year has made a big difference on circumstances, as his pension went with his death and I don't get half of what he got. After years of trying to plan to be independent we wind up with these laws and men like Mr. Dirksen who think only of themselves, of course he isn't the only one, but I single him out because with all he has, he made a comment on TV that the Senators needed the raise. How do you men think the majority of the elderly get along on the Social Security payments they are receiving now. Even a \$10 raise would have looked like a \$100 to most of them. Thank you very much for your continued efforts in our behalf.

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MISS KATHRYN D. STOKES, PHILADELPHIA, PA.

I was disappointed that nothing in any report made was with any concern for the MIDDLE INCOME AGED. I am a teacher, now retired, after 42 years of service, of supporting myself, of being a law-respecting citizen. Now, my income is fixed. I want to go on supporting myself, I want to contribute and be involved with American life, citizenship, with its responsibilities. However, I am worried—TAXES, SURTAXES are making terrific inroads on the retirement income, that I have worked for so long, an income that I have because of many years of self denial.

It isn't fair!

I should be able to enjoy the monetary security, that I have worked for, planned for.

I feel that I am one of the workers, who has contributed to this great nation.

Don't destroy me, and my age group—for if it is done, not only I, but the nation suffers.

---

MR. JAMES UCCIFERRI, VINELAND, N.J.

We the people on Social Security are a forgotten People on the little money we receive we must compete with some people earning a large wage. Taxes take a big slice. Medical attention and drugs are another hardship. Age is an employment barrier. We have no tax exempt. If I didn't have employment with the Green Thumb Program to supplement Social Security I would have to give my home up and go on welfare which is the very last resort for me. It is very gratifying to know people like you are at least trying to bring the old folks plight into the public eye.

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JOSEPH WORTHINGTON OF FRANKLIN TOWNSHIP COUNTY OF GLOUCESTER

Mr. Chairman and Members of the Senate Sub-Committee on Aging. I represent the National Council of Senior Citizens Inc., a member of the Executive Comm. N.J. State Council of Senior Citizens and Senior Citizen representative on the Board of Trustees of SCOPE (Southwestern Corp. of Poverty Elimination.)

I would like to go back a few years after Medicare had been approved and certain programs of a National nature publicized. There were Medicare Alert, Find, and others. These programs were supposed to find the Elderly who needed assistance. These programs proved to be not what was expected but nothing

more than a pilot program, These programs have furnished very little purpose as they are so meager in nature and poorly financed that in total would not in any one major State furnish a full program as anticipated.

Our State of New Jersey has been poorly represented in these programs and I would like to read into this meeting conditions that are prevailing in this State.

In a recent letter to the Editor of the Philadelphia Inquirer the letter stated that this couple were being mauled by the Tax appraiser, Real Estate Brokers and Builders because they stood for their rights and refused to have their home taken from them.

This item was covered by the same paper the next week and exposed a flagrant violation of personal property. (Photostats of these articles attached.)

Since the publication of these articles many additional complaints have been received from Cumberland, Salem and Burlington Counties and the list is growing.

The SCOPE programs in Gloucester, Cumberland and Salem Counties have been funded in an amount exceeding two Million dollars with an Administration payroll of over two hundred Thousand dollars.

There has not been a single dollar funded for any program that would benefit Senior Citizens.

The before mentioned News item was turned over to the Executive Director of SCOPE for investigation and correction on June twenty fourth and as of August fourteenth no report has been submitted to me for presentation to this committee.

The last two letters of SCOPE stand for "poverty elimination" but they apparently can find no time for any thing pertaining to the Older Americans.

The funded programs funded in our area cover Head Start, Migrant problems including education, child care and health.

For the teen age On the Job Training, Advance Education, Recreation, Food Problems and Education of the Spanish Speaking.

Yes every thing would be just wonderful if we retirees could comfortably turn our lives back forty years.

These are the problems prevailing in South Jersey and the need is pitiful.

In our Tri-County Area a large percentage of those retired in the early sixties planned their retirement at the prevailing dollar value at that time.

These people were employed in small shops, sales personnel, laborers or self employed.

The earning power was small and in very few cases were supplement pensions available and the Social Security payment in most cases less than eighteen hundred dollars per year, per couple.

There are many in worse cases than these with the widows taking a severe beating.

Our members of the House seem to believe that seven per-cent should be the ceiling and in their letters to home state that they are in favor of a cost in living index being added to the checks.

What is required by the average OLDER AMERICAN is a nominal increase of not less than *twenty percent*, and an across the board addition for widows and disabled.

Medicine is also a problem with those who are under the care of doctors and these prescription drugs should be added to Medicare in line with the pending bills of Senator Montoya.

Many of the heads of O.E.O. speak of taking care of the population from the Cradle to the Grave. It would be very helpful if they would shorten their line and take care of those who have paid Taxes all their life and are now suffering because of the unstable dollar.

This is just a birds eye report on a small portion of our great Country, with an area of 1400 square miles and a population of 300,000 people, but we feel there are many more spots where the Older Citizens are forgotten.

With kindest regards and the hope of positive Legislation in the future.