

FUTURE DIRECTIONS IN SOCIAL SECURITY

HEARING
BEFORE THE
SPECIAL COMMITTEE ON AGING
UNITED STATES SENATE
NINETY-FOURTH CONGRESS
FIRST SESSION

PART 17—TOMS RIVER, N.J.
Impact of High Cost of Living

SEPTEMBER 8, 1975



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- Part 1. Washington, D.C., January 15, 1973.
- Part 2. Washington, D.C., January 22, 1973.
- Part 3. Washington, D.C., January 23, 1973.
- Part 4. Washington, D.C., July 25, 1973.
- Part 5. Washington, D.C., July 26, 1973.
- Part 6. Twin Falls, Idaho, May 16, 1974.
- Part 7. Washington, D.C., July 15, 1974.
- Part 8. Washington, D.C., July 16, 1974.
- Part 9. Washington, D.C., March 18, 1975.
- Part 10. Washington, D.C., March 19, 1975.
- Part 11. Washington, D.C., March 20, 1975.
- Part 12. Washington, D.C., May 1, 1975.
- Part 13. San Francisco, Calif., May 15, 1975.
- Part 14. Los Angeles, Calif., May 16, 1975.
- Part 15. Des Moines, Iowa, May 19, 1975.
- Part 16. Newark, N.J., June 30, 1975.
- Part 17. Toms River, N.J., September 8, 1975.
- Part 18. Washington, D.C., October 22, 1975.
- Part 19. Washington, D.C., October 23, 1975.
- Part 20. Portland, Oreg., November 24, 1975.
- Part 21. Portland, Oreg., November 25, 1975.
- Part 22. Nashville, Tenn., December 6, 1975.
- Part 23. Boston, Mass., December 19, 1975.
- Part 24. Providence, R.I., January 26, 1976.
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FUTURE DIRECTIONS IN SOCIAL SECURITY

MONDAY, SEPTEMBER 8, 1975

U.S. SENATE,
SPECIAL COMMITTEE ON AGING,
Toms River, N.J.

The committee met at 10 a.m., in the Fine Arts Building Auditorium, Ocean City College, Senator Harrison A. Williams, Jr., presiding.

Present: Senator Harrison A. Williams, Jr.

Also present: William E. Oriol, staff director; George Cronin, professional staff member, John Guy Miller, minority staff director; Patricia Oriol, chief clerk; and Kathryn Dann, assistant chief clerk.

OPENING STATEMENT BY SENATOR HARRISON A. WILLIAMS, JR., PRESIDING

Senator WILLIAMS. Good morning. I think this is the most inspiring auditorium the Senate Committee on Aging has ever been in.

Bill Oriol is a New Jerseyite. When I first ran for the Senate in 1958, he was a reporter for one of our newspapers, the *Bergen Record*. One of his articles appeared to be rather critical of me. I have learned one thing in life: If you cannot beat him, join him. So I sort of applied that.

I said, "Bill, how about joining me?" So Bill has been aboard since 1958, and he is the director of the operations of the Senate Special Committee on Aging. I will tell you, of all the committees that I have observed, and I have observed them all, this is the most sensitive to human needs that I have seen, and he is the most sensitive and able director that anybody could want in important work such as the work of our Senate Committee on Aging.

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

Senator WILLIAMS. We will begin in a moment with an opening statement of witnesses and from the senator from Ocean County, Senator John Russo. I just left him in Point Pleasant, and he is a generous fellow. He lent me the police car to make sure I got here on time, and so I was here on time, although a lot of Green Thumb friends had to say hello out front. But he is late. That is generosity.

So it is good to be here, and we recall we were scheduled to be here at the college a few years back but had to repair to a larger auditorium in the area.

John, I was just explaining the generosity of your letting me have the police car that got me here on time. We have a wealth of knowledge that is going to be presented here by our witnesses, and because of the number and the importance, we are all going to have to be limited; I will be limited, too, in my opening statement.

Certainly, I am most happy to be with you here this morning. I have been here on other occasions to consult with people of this community on matters of concern to older Americans.

The elderly, after all, are the best experts on aging. That is why we will hear from many today, and because we have a large number of witnesses, we are going to be limited, each of us in our time, and I will follow that edict myself.

So today our Senate Committee on Aging continues its hearings on "Future Directions in Social Security: Impact of the Cost of Living on the Elderly." We have had testimony in Washington, D.C., and in three States so far. A few weeks ago I conducted a hearing on that subject in Newark and received firsthand testimony on the desperate situation faced by many elderly in that densely crowded part of the State.

Here in Ocean County, the population pattern is different. Most of the elderly here are newcomers. I understand from your county planning board that the population of people 65 and over has increased almost 58 percent in the last 5 years alone. Ocean County now has the highest percentage of people in that age group of any county in New Jersey.

INFLATION SHOOTS DOWN SATISFACTORY RETIREMENT

Here in this beautiful setting—and it certainly is strikingly beautiful—it would be pleasant to think that older persons in Ocean County have no money problems. But they most certainly do. Many who thought that they had planned for a satisfactory retirement find that inflation is especially more severe in housing and utilities, transportation, health care, and food costs. Items for which the elderly pay far more of their budgets than do other age groups.

We will hear from witnesses on these subjects today. But I think a letter I received from a Lakewood woman a few days ago sums up a situation which many elderly persons in this area face. She wrote:

I live on my social security, which is the only income I have. I pay my rent and purchase my food stamps, which helps a little on food, but leaves very little for other expenses. I don't have any extra money for shoe repairing, paper goods, toiletries, and soaps and washing material. If I did not have the outreach bus to take me, I could not go to the nutrition center. That is the only transportation I have. Also, the bus takes me to the doctor, but only one way. If I have to get home, I have to call a taxi and that is too expensive. Transportation is very important and is needed desperately in this county.

Yes, here in Ocean County, as in so many other parts of New Jersey and the Nation, our elders are often doing without essentials because their social security goes only so far in the face of today's prices.

And yet earlier this year, President Ford said that an 8-percent cost-of-living increase due in July should be limited to 5 percent. He gave no really good arguments for his proposal, and the Congress would have none of it. We insisted on the full 8 percent due under law. And we will keep on telling the administration that we won't stand for any action that will make older Americans the scapegoats in the fight against inflation.

After all, even with the full 8 percent, we're not talking about lavish social security benefits. The average monthly payment for a retired worker now stands at \$200. For a retired couple, the average is now \$341; and for a widow it is only \$193. This simply is not enough. And so I am sponsoring legislation to improve the cost-of-living adjustment mechanism for social security and for the supplementary security income—or SSI—program. I've also introduced a bill to keep increases in social security from affecting SSI payments and medicaid eligibility. I believe we'll hear more about those and other issues today. Meanwhile, I'll stop here and invite our first witnesses to come forward.

And so, without any further introductory statements on my part, I want to turn to our host, Senator John Russo.

STATEMENT OF JOHN R. RUSSO, NEW JERSEY STATE SENATOR

Mr. Russo. Good morning, ladies and gentlemen. I want to enter a sincere word of thanks from all of us in the county to Senator Williams and your committee. Not only for your efforts to seek out and try to understand the problems that face the elderly of our Nation, but particularly for taking the time and effort to bring your committee here to Ocean County, an area where we all know has probably a higher proportion of elderly retired people than perhaps any other. And we are very grateful to you for taking the time to come to Ocean County and allow our people the opportunity to hear from the witnesses. And more particularly to perhaps offer their own thoughts and suggestions regarding what is certainly a difficult problem, and perhaps even an insoluble problem.

We in Ocean County who represent the people in State government—namely, myself as State senator in Ocean County, Senator Dan Dilban and John Doyle, who are not with us because the assembly is in session this morning—have a particular awareness of these problems that your committee deals with because of what I mentioned earlier, that Ocean County has a higher proportionate number of elderly people than perhaps any other legislative district in New Jersey.

So we have got to be concerned if we are going to properly represent these people with the problems that they have. We are also, however, mindful of the fact—and I hope my remarks, like perhaps avoiding any suggestions of paraceia, will indicate—that perhaps next to the cruel burden of inflation that has hit people on fixed incomes whose retirement incomes were established many years ago before anyone ever dreamed of an 11, 12, and 13 percent inflationary rate, probably the next thing, or the more cruel thing than that imposition of inflation on them is holding out the promise of false hope. We think that this is what has been too often done over the years by politicians of both parties, by representatives of both parties.

It sounds great for the moment, and you are the hero of the day, but it is cruel when someone in desperate need of help and in trouble is given false hope, only to have it snatched away from him when the light of day comes—the realization. So this is the approach that we take.

That is why I say we deal with a problem that is not only difficult, but maybe is insoluble, I don't know. Any solutions to this problem that would create greater hardships upon the nonelderly population

is something realistically, we have got to understand, could not be imposed and probably is not favored by even most of those in the category of retired people.

So we approach the problem as one that has no easy solution, but hopefully by focusing the spotlight on the problems that so many of you people are going through, perhaps we can come up with some solution that we have thus far missed, and hopefully Senator Williams and your committee will do it.

EASY ANSWERS DO NOT EXIST

We do not offer any easy answers. We don't think they exist. We do think by focusing on the problems of the elderly and spotlighting them, perhaps we can still the cruelties such as increased gasoline prices, which are under Federal control, or increases in the taxes that you people have to pay for everything you buy—other than those things exempted regardless of your income.

By focusing on your problem, maybe we will have more of an awareness of the dangers that these kinds of things have upon you.

Senator, I thought of illustrating what I understand to be the concern of the retired people of Ocean County, and the things in a way were so similar to what you just said, you sort of stole my thunder.

I thought perhaps the appropriate way would be to share with you some excerpts from just one of the many letters I have received in recent months. Although it is not the same letter, nevertheless I will still refer to it because I think it spotlights the problem so very well. In a most poignant way it calls us to the task outlined by the Special Committee on Aging, that of reviewing future directions in social security and the impact of the cost of living upon the elderly.

Senator, I wish to submit as part of my testimony the very real testimony relayed to me by a woman in Brick Town, whose name I am sure everyone will understand as a matter of dignity best be left anonymous. This woman wrote:

DEAR MR. RUSSO: Until July 3 my total disability social security check was \$202.10. The July increase of \$16.20 resulted in loss of my medicaid benefits.

During this past year, medicare/medicaid was a "God send." Hospitalized four times—two of these for surgery—the double coverage paid both hospital and physician's fees.

My present prescription drugs at medicaid prices are \$33.10 per month. Under medicaid I have not been responsible for these costs. One of my illnesses is Addison's disease—controlled by daily cortisone, as essential as insulin to a diabetic. I see four physicians regularly.

Mr. Russo, composing a legible letter is, for me, an arduous task. Please extend your efforts in behalf of those who have been hurt by this unique social security increase.

She then proceeded to itemize for me her monthly expenses: rent, phone, food stamps, and the like. Of the \$218.30 this woman now receives, \$153.40 represents fixed monthly expenditures. Leaving a balance of just \$64.90 to cope with rising utility costs, increased food prices, doctor and medical costs, transportation, and household goods.

While this example I have cited in many respects may specifically deal with New Jersey's fixed income allowances for family and individuals receiving public assistances, it does, I believe, serve to draw our attention to the plight of many of our elderly citizens and the subject of this hearing today.

I think we can all agree that is best demonstrated by this all too typical example—of which I can attest we receive many—neither our system nor our attitude were ever conditioned to accept the human consequences of double-digit inflation—a national Consumer Price Index which increased 12.2 percent in 1974 alone.

As one member of the State legislature fortunate enough to have had the opportunity to sponsor numerous bills affecting the welfare of our elderly citizens, I cannot in good conscience say we have begun to do enough to solve the unique problems which our unstable national economy has forced upon those who now seek a dignified contentment in their remaining years.

As part of a State legislative effort to reemphasize our responsibilities in creating programs suited to the specific economic problems now faced by our older citizens—I speak particularly of the recent elevation of the State office on aging to a division within the department of community affairs—I must wonder if we acted soon enough in responding to that portion of our citizenry who has called for our help.

Is \$50 MILLION IN AID ENOUGH?

Even in these times, when our State has been affected by the very same economic dilemmas of rising costs and declining revenues, New Jersey itself has committed through its various departments approximately \$50 million in aid to the elderly in the form of property tax exemption, transportation subsidies, health clinics, prescription assistance, and other programs. But is it enough?

Presently, the newly constituted State division on aging administers nearly \$8 million in Federal funds to nutrition programs for the elderly and corresponding outreach and counseling services. But can we say this is enough? Or is the fact that we must provide these funds evidence enough that there is no design in our economy for our people's years of contentment.

Can we begin to say that we are doing enough when the consequence might very well be the abandonment of a generation of Americans who have struggled to keep this Nation strong through depression, and war, to preserve the opportunity to seek the American dream for all of us?

I have little doubt as a result of our hearing today, and the hearings held by Senator Williams of the committee, something will be done if it is humanly possible. I share that hope, because one need only look to the record during the years that Senator Williams has represented the people of the State of New Jersey, and how he has become, or has become to me, commonly known as the one voice in Washington most particularly concerned about the problems of the aged.

This is not just talk. This is a matter of the record, and because of those accomplishments during the past, I am hopeful and I am confident that under Senator Williams' direction we will see some solutions to the serious problems facing our elderly.

And, Senator Williams, we ask you to keep up the work you are doing. We are confident in the result.

Senator WILLIAMS. Thank you very much, Senator Russo. Your statement will be a significant part of our record, and for the members of this committee—who so earnestly are trying to improve programs that we have and to correct some difficulties that are before us in social security.

Now, if I could just take one moment of your time and ask you about the transportation program in Ocean County—I know you have been a leader in meeting this need. First, to have a capsule conclusion of the importance of transportation and how you are meeting it, tell us what has been the response from the Department of Transportation, national Department of Transportation.

TRANSPORTATION PROBLEM CRITICAL

Mr. Russo. I think, Senator, transportation, insofar as it particularly affects the senior citizens of Ocean County, is probably one of our most critical areas and is getting more critical because of the rising cost of gasoline. The simple matter is, we are a rather sprawling suburban-type area. We have little mass transit.

There are transportation facilities provided by some of the senior citizen communities themselves. However, recently we were proud to work in conjunction with the Ocean County Board of Freeholders in an effort to get a countywide bus transportation system off the ground.

The freeholders initiated the program. They needed some special legislation which we needed to get through, and hopefully that will come to pass and there will be some help in that regard. But we see transportation as one of our most serious considerations today and far more in the future as the price of gasoline rises, because until we get the system off the ground, there is no way to get around Ocean County without your own vehicle.

Unfortunately, because of the problems of funds, we have not been able to get too much help from the State, and unless State revenues bounce back as a result of the recession straightening out, we hope, we are in serious difficulty with transportation in Ocean County. And it could become a far more serious problem in the next few years.

Senator WILLIAMS. I know that you have submitted applications to the national Department of Transportation.

Mr. Russo. Yes; the board of freeholders have been proceeding with that.

Senator WILLIAMS. Thank you very much, Senator Russo, for an excellent contribution.

We will now turn to the Honorable Stanley Seaman, freeholder of Ocean County. I will say that all important people elected to office in their county have been invited to be a part today, and because of the reasons of conflict, could not, Ernest Bauer, Warren Wolf, Joseph Flynn, Robert Gasser, from the county government wanted to be here, but they just had pressing demands elsewhere; Assemblyman Newman and John Doyle had to be elsewhere, too. And although I just left them, I know their heart is here, even though they are on their way to Trenton.

So, Freeholder Seaman is here.

STATEMENT OF STANLEY SEAMAN, FREEHOLDER, OCEAN COUNTY, N.J.

Mr. SEAMAN. Senator Williams, on behalf of the Board of Freeholders of Ocean County, we welcome you and your staff, and wish to take this opportunity to welcome you for your entire effort to bring about a better life for the older Americans.

My office has been in contact with your staff and yourself on innumerable occasions. You have never let us down. You have been most cooperative and in charge of the office on aging. We are both striving for the same objectives, independent and better lives for our senior citizens.

This can be accomplished if we all work together.

Senator WILLIAMS. Mr. Anthony DiLea is here representing Congressman Ed Forsythe. I just had a meeting with Congressman Bill Hughes, and he is right now on his way to Washington where an energy bill is in the House of Representatives to open at noon, and it will take him all of that time to get there, and I know he has a very important amendment, particularly important to the residents of New Jersey, dealing with natural gas. He wanted to be here, but he had to be in Washington.

Now, we will have the opportunity of hearing from the director of the Division on Aging, Mr. James J. Pennestri. I have looked forward to this very much, James. The floor is yours.

STATEMENT OF JAMES J. PENNESTRI, DIRECTOR, NEW JERSEY STATE DIVISION ON AGING

Mr. PENNESTRI. Again I thank you, Senator.

I know the schedule we have set up for this week with the State division on aging calls for a number of other hearings, but I did want to take time out to be here today.

Again, I want to thank you for all of your efforts on behalf of the elderly, not only of New Jersey, but of the entire country. It is depressing to consider that 40 years after the Social Security Act was enacted, 17 years after the New Jersey Division on Aging was created, and 10 years after the Older Americans Act became law, we have to meet and study the deteriorating financial condition of New Jersey's older residents.

Yet there is no doubt that such study has become necessary. The 1970 census told us that in our State there were 221,000 households in the 65-and-older category with annual incomes under \$5,000—116,000 homeowners and 105,000 renters.

It is a virtual certainty that these numbers have increased in the 5 years since the census was taken. And we don't have to respond that they and thousands more have been dealt a cruel and punishing blow by inflation—we know that to be a fact.

To those of us who work in the field of aging, it is extremely difficult to understand some people who maintain that legislated increases in social security benefits should be reduced or eliminated on the grounds that granting them would contribute to the inflationary spiral. Obviously, this attitude is tantamount to placing our elderly residents in double jeopardy—victimized on the one hand by inflation, and denied adequate assistance because of inflation.

Who could sustain a position against social security increases in, for instance, northeast New Jersey? In that area, hypothetical family budgets for retired couples at three different levels of living have been drawn up by the Bureau of Labor Statistics, as has been the impact of inflation on those budgets.

LOWEST BUDGET EXCEEDS NATIONAL AVERAGE

The lowest level budget is \$4,220, and the rise in the cost of living in that category in 1973 exceeded the national average by 12 percent; the intermediate budget is \$6,353, and the cost of living exceeded the national average by 17 percent; for the higher level budget of \$9,557, the excess was 19 percent.

Fortunately, the situation was not as bad in the southern part of the State, but the impact there too has been pronounced.

In the division's annual report now being prepared, we will say something to this effect:

The number of people in the older population increased during fiscal 1975; more people who thought they had planned well for their later years found themselves unable to manage on incomes that had suddenly become inadequate; fuel costs, food prices, rents, and property taxes presented insolvable problems; voluntarism dropped because of associated costs, notably gasoline and public transit; programs designed to serve x number had to serve x plus y when original budgets could not meet changing conditions and could not be enlarged.

Obviously, solving financial problems involves the expenditure of money, and there does not appear to be any sound reason to pin all our hopes on social security benefits. An alternative approach, then, lies in the supplemental security income program. If strengthened and broadened, SSI could do what many renowned experts in the field of aging have advocated for many years—permit our retirees to continue to share the growing wealth of our Nation through a support system—entirely separate from social security—financed out of general revenue funds.

As I said at the start, it is depressing to see that all that has been done is not enough. In the parlance that has become so familiar in Washington during this unprecedented time of recession—inflation, to solve the problem of inadequate income for the elderly, we will simply have to "bite the bullet."

Thank you very much, Senator, for this opportunity to testify.

Senator WILLIAMS. Thank you very much, Mr. Pennestri. We appreciate greatly your being here today and your role in the beginning of this hearing. We are grateful for your work as director of the New Jersey State Division on Aging. I don't know how long you can stay with us, but if you can be here part of today, it would be appreciated.

Mr. PENNESTRI. I will probably be here for awhile, Senator, but not too long. I have to get back.

Senator WILLIAMS. You are the wisest counsel we could have in our legislative efforts in this area.

Mr. PENNESTRI. Thank you very much.

Senator WILLIAMS. We count on it.

Mr. PENNESTRI. Thank you very much.

Senator WILLIAMS. Now, Mr. Philip Rubenstein, executive director, Ocean County Office on Aging.

STATEMENT OF PHILIP RUBENSTEIN, EXECUTIVE DIRECTOR, OCEAN COUNTY OFFICE ON AGING

Mr. RUBENSTEIN. Senator, we have a long list of testifying witnesses, and I know we are running behind schedule. However, we must get on with it.

I speak for all the 21 county directors in the State of New Jersey working with the Older Americans Act. Everyday tasks are difficult and very, very challenging, but if we succeed in making some of our older Americans' lives a little bit brighter, our rewards are most satisfying. We realize your tasks, and the entire Special Committee on Aging, are much more difficult, but we have faith that the men and the women of the Congress understand the plight of the elderly. We sincerely hope you achieve your objectives to revise the inadequate social security payment structure and amend part B medicare aspects of the act, with inclusion probably of prescriptions.

We thank you for choosing the fastest growing county and the largest, and we hope with the continued effort of the Special Committee on Aging, and in the entire legislative body, you succeed to better the lives of our senior citizens so that they can live in dignity and independence.

We are submitting six reports* and statistical information to the staff of the Special Committee on Aging on the present population of elders in our county, and interpretation of the meaning of the statistical reports. We are also submitting reports on the impact of our large senior citizen population upon the county health budget, and the health resources, present and future, particularly in the health counseling project; a summary of the efforts on meeting the transportation needs of the elderly, and the others in the county; a summary of the county office on aging's goals and dealing with the problems which, if left unresolved, would add a further burden upon the limited budget of the elderly.

We are submitting a report on the county manpower program and special attention to the elderly, and finally, the background of consumer affairs. We wish to take this opportunity to vanguard the department heads of the county of Ocean who have worked very hard to submit these reports to you, Senator. They give you a world of knowledge, and I respectfully request that you accept the reports and include them in the hearing record.

Senator WILLIAMS. Thank you very much. I know the creative and energetic work you are doing, and I know how helpful you have been to all of our staff in getting in the preparation of these hearings today. There are some things we could talk about in our limitation of time, I know a lot of questions I have probably are answered right in this memorandum that you have given for our records, and I will read them. I know they will be helpful.

I wonder if you could give us a feeling of how the health counseling project, that you are central to, developed and is progressing, and what the need for this approach is in better health services.

HEALTH COUNSELING SERVICE

Mr. RUBENSTEIN. The health counseling service, Senator, is working very, very well. They actually provide health guidance, parent education, and they arrange home visits through the health department. They are doing an excellent job in three nutrition sites we now have in Ocean County, and we work them out in more or less 2-hour sessions twice a week in these nutritional sites.

*See appendix 1, p. 1633, for material provided by Ocean County agencies.

They are meeting the specific needs regarding one aspect only, health guidance and health counseling, referrals to physicians, clinics, and so forth, but they are not the overall objectives that we are trying to reach, so that our senior citizens can have a better health program. We are working very, very hard toward that goal, and we sincerely hope we will succeed.

The senior health counseling is just the first step toward reaching that goal. We expect to enlarge that program in the 1976 area plan we are going to submit next week.

Senator WILLIAMS. Who do you rely on for support? Certainly the county. Is there State support? Is there any national support for this program?

Mr. RUBENSTEIN. Well, we get our funds through the Older Americans Act and, of course, the county; some of them are project grantees through the title III program, and our senior health counseling project is one of them, Senator. Thank God we have the Older Americans Act in the title III and title VII aspects. Without that, we are dead.

Senator WILLIAMS. Thank you. We will proceed around panels on subject headings. The first one is the health panel, and we would be pleased if Frank J. Malta, Lena F. Edwards, Jessie Nairn, and Julius Hallow would begin. Nice to see you again.

PANEL ON HEALTH

STATEMENT OF DR. FRANK J. MALTA, TOMS RIVER, N.J.

Dr. MALTA. Senator Williams, members of the Senate Committee on Aging, members of the panel, my name is Frank J. Malta.

I feel it a privilege to be able to speak this morning to this committee regarding "Future Directions in Social Security: Impact of the Cost of Living Upon the Elderly." To be able to anticipate the needs and trends for the senior citizen for the next 25 years, one needs to make an assessment of today's needs and then to multiply them manifold. The ways and means will depend on the priority and will of our legislators. The different factors to evaluate are the variables: population rise, shifts from one area to another, the inflationary trends, the changes in the ways and means of the delivery of the services needed. The solutions of the needs of our senior citizens today and in the future must be flexible and adaptable to the different socioeconomic situations of the area and communities. The senior citizens' needs in the city vary from the needs in the suburb. The needs of one part of the country may be different for other parts. The senior citizen living in a densely populated city or suburb may require the same needs as one living in a rural area, but the ways to administer the delivery of the needs must be flexible and not fixed and hamstrung with rigid regulations.

Ocean County, by virtue of its central location to two large urban areas to the northeast, New York City, and to the southwest, Philadelphia, have experienced a phenomenal growth with population shifts in the past 15 years, and the end is not yet in sight. Our senior citizen population is approximately 25 percent of the population at large. The rapid growth has developed the needs for transportation, new roads, shopping areas, professional services, homes, hospitals,

nursing home facilities, and other needs. The problems and needs for the senior citizen, in general, center basically around food, shelter, transportation, and health. The paramount being in the area of health.

SOCIAL SECURITY IS "THEIR PENSION"

The philosophy behind social security is well meaning, but the delivery of the intent falls short. For many, social security is "their pension" which is at the poverty level. Social security cannot try to meet the needs of a pension plan. If it is to do so, then it should be integrated with a pension plan; and if no pension plan exists for the individual, a greater adjustment in benefits should be allowed to meet the basic needs for food, shelter, and health needs.

The inability of our Government to appreciate the population growth of our senior citizens and to underestimate the effects of inflation has not been of comfort to the golden years. The senior citizen is seeking retirement as a time of peace, tranquillity, enjoyment of their accomplishments with rest and pleasure, and not to be a burden to anyone. They are not seeking a handout but a helping hand of understanding. During their productive years, they have worked hard, each to a different capacity, and then to be turned out to green pastures on a monthly check that diminishes each month by rampant inflation. Not all senior citizens are experiencing poverty, and therefore needs less help. But for many, they are scarcely getting by each month.

The future of social security must be in the direction of providing a base which provides for minimal food and shelter that is above the poverty level, adjustable from month to month with current inflation rate, and a comprehensive health insurance program that will cover 100 percent of those in need and 80 percent for those who could afford the difference with supplemental insurance coverage.

MEDICARE HOSPITAL COVERAGE SHOULD BE 100 PERCENT

In the area of hospital coverage, the part that is not covered by medicare should be covered 100 percent for those in actual need. By and large, part A of medicare appears to have been successful in meeting hospital coverage. However, there should be liberalization of outpatient services that will avoid the need for hospitalization which could be treated either on ambulatory basis or in an extended care facility, without the prior need for the initial 3-day hospitalization. The discretion will have to remain with the physician who would determine where appropriate treatment could be rendered. Any review of care in a hospital or extended care facility should be on a basis of concurrent review and not retrospective in order that retroactive denials be eliminated.

There should be more liberalization of extended care facility treatment in order to keep the costs of care at a lower level than a higher cost in a hospital setting.

Under part B—medicare—senior citizens are experiencing more and more out-of-pocket expense to the point individuals are not being covered 80 percent but more like 50 to 60 percent of actual fees. The allowable charges should reflect the actual prevailing charges of the community where the service is being rendered, and not based on

computations of charges that might reflect lower than prevailing charges of the area. There should be coverage for medical service that are not only for treatment but for health evaluation examinations in order that conditions might be detected early and thereby avoid complications that would lead to more costly treatments. Such important measures as cervical pap smears and influenza vaccines are not presently covered on a routine basis.

There needs to be further expansion of homemaker services and visiting health nurses, not only to cover skilled services. Many individuals who live alone or who may be homebound for reasons of health or inability to travel, may require services of personal needs that if they are not provided, eventually lead to hospitalization or nursing home because of deterioration of their health or home, become depressed, eat poorly, and lack proper maintenance of their residences. Consequently, many are institutionalized when it could have been avoided. Every effort should be made to provide services at home where it is needed, and would result in less cost than to be boarded in a nursing home.

DRUGS MORE COSTLY THAN FOOD

Drug expense has become costly items more so than food costs. No individual can budget for drugs of varying expense and for unknown periods of time. Some means of easing the out-of-pocket expense seems direly needed.

For the past several years, Ocean County has experienced a difficult problem in hospital expansion for critically needed beds because of regulations on a Federal level which control certificate needs. The individuals living in a community are aware of the critical bed shortage, but they are denied the beds because of population censuses that are not current and which reflect population shifts. It is apparent in Ocean County that beds are needed, and a means of cutting redtape to fit the situation is of a high priority. From the time a critical bed shortage is becoming apparent to the time of obtaining certificate of need and completion of the expansion, 4 to 5 years elapse. During this period of time, needed care is provided with hardship and a burden.

DON'T PENALIZE THOSE WHO NEED NOT RETIRE AT 65

There are senior citizens who need to retire at age 65, and there are those who should not retire except for reasons of health. A change in social security is needed in order not to penalize them. Many instances of retirement depression can be prevented by continuation of employment beyond an arbitrary age.

There are other areas of transportation and food which I will leave for others to comment on today.

In closing, the future of social security and the problems of inflation require the establishing of the needs and the determination of the ways and means to best accomplish the end with flexibility of regulations that make exceptions to population shifts, inflation, and by promoting services in less costly facilities or in a home setting.

Thank you very much.

Senator WILLIAMS. Thank you, Dr. Malta. Can you stay through the hearing?

Dr. MALTA. Yes.

Senator WILLIAMS. Through the panel?

Dr. MALTA. Yes.

Senator WILLIAMS. Fine. Then we will get into questions after everybody has made their statements.

Dr. Edwards.

STATEMENT OF DR. LENA EDWARDS, LAKEWOOD, N.J.

Dr. EDWARDS. Senator Williams and other members of the panel, good morning. I am Dr. Lena Edwards; I am 75 years old, and have been practicing medicine since 1925. I feel the entire medicare program needs to be revised by a committee made up of doctors, patients, hospitals, and insurance representatives.

Senior citizens pay for their social security medicare. They are not welfare people. There should be no deductible amount in prepaid medicine. Many senior citizens do not need \$60 or \$80 or \$100 worth of medical care a year. Many of them do not go to a doctor since they have to pay the doctor for that care in advance.

If a patient could get an annual physical in a doctor's office, even some minor thing like minor surgery, and medicare would pay the doctor, fewer senior citizens would be hospitalized. The examinations are often not paid for by prepaid insurance.

In the past year, I have retired, but I don't know how to sit down, so I went to the housing authority to get permission to check up the low-income senior citizens to lend an ear and check blood pressure for senior citizens. I have seen over 100 or so, and I have given 6 hours a week. I will not treat them because of malpractice, so I will see them and do what I can for them and listen to them.

NOBODY LISTENS OR EXPLAINS

Nobody listens and nobody explains, and they don't know what the heck it is all about, so that is what I have done. I saw a patient who had been ill with a virus infection and advised her to go to her doctor because she was feeling quite badly. She may have had hepatitis, and I wanted to make sure she had a thorough examination. She had to pay the doctor \$115. She was reimbursed for less than 50 percent of that amount, even though she had already paid her deductible of \$60 or \$80, because she had been seeing her doctor regularly.

Another patient, a menopausal woman with a small tumor, was sent to a gynecologist to see if surgery was needed. She went to a real good gynecologist. She got a complete physical which included examination of her head, breasts, lungs, heart, abdomen, uterus, ovaries, and rectum. Besides these tests, a pap, urine, endometrial biopsy, blood chemistry, and others were done, and the fee was less than \$50, the patient could go home. She was not imprisoned someplace in a hospital.

The average M.D., because patients have to pay for office visits, would have sent the patient to a hospital; she would have had 2 days of hospitalization and anesthesia for that little biopsy, and her fee would have cost 4 to 5 times as much, and I am told now, probably 10 times as much.

Too many citizens are hospitalized and sent to nursing homes because it is the easiest way. Patients would rather be treated on an

outpatient basis in their home, and where needed, be assisted by visiting homemakers. I have always believed that to reach the poor, the aged, and the shy, mobile units should be stationed in various neighborhoods at periodic times so that the people could just come downstairs and, if necessary, somebody from the unit go up and see them. These people are terribly neglected.

This procedure would cost much less than hospital and nursing home care. I was in the hospital because of this rheumatoid arthritis that has me laid up for the last 4 months, and running a temperature for a long time, so I had tests made, and I was supposed to go just for the tests.

I was advised to stay there for about a month, but after the tests were made, I threatened to sign myself out, because I was just being tested and I had no cause to stay. Medicare and Blue Cross took care of the bill and were charged for things that were never done.

One of the patients who came to the housing authority was a man who had a prostatectomy a year before. And in spite of the fact he had medicare, Blue Cross, and Blue Shield, he was still getting bills for \$1,000 for that same medical care.

He asked me what to do. I felt like telling him to tear them up and send them back, but I could not, so I told him to call his insurance company. You have to be decent.

We do not need more hospitals. We need active paramedical outpatient care so that people can stay in their homes and not be imprisoned in hospitals and nursing homes for convenience.

HUGE EXPENSES WATER DOWN APPROPRIATIONS

The Federal Government is financing with millions of your tax dollars and mine programs for the aged, and other people—programs on eight different parts of the body. There are eight different bureaucratic programs with huge expenses. By the time they get to the part that is supposed to be looked at, most of the appropriation has been spent.

It is time to put the whole body back together again, and have one unit to cover, as you notice back there, you could run to the doctor, and I named all those different things to let you know it can be done at one time without the problem of transportation and frustration on the part of the patient. And, above all, the Federal bureaucracies that take most of the funds.

Senator WILLIAMS. Thank you, Dr. Edwards, and we will be back to you for questions.

Mrs. Nairn, please proceed.

STATEMENT OF JESSIE NAIRN, HARVEY CEDARS, N.J.

Mrs. NAIRN. I am Jessie Nairn. I am a 76-year-old widow. My husband died in August 1974, after a long, long illness. Part of that time I tried to nurse him at home, but I had a complete collapse and have been under the doctor's care ever since.

When my husband was alive we got two social securities and his pension, and when he died, of course, the pension and one social security stopped. I could not possibly manage on only one. So I applied for, and got, medicaid and SSI. The thing of it is, I need medicaid so badly, it was just a blessing. I have to take eight medicines a day—of

prescriptions. I have had many tests: blood tests and X-rays. I had a slight stroke a month ago. I had to go for a brain scan. So having no other transportation, St. Francis has been marvelous. They saw to it I got to the hospital, even a 165-mile trip to the Mount Holly-Burlington Hospital, and as my doctor wanted me to get out with people, they have taken me down to the center for lunch.

They have been marvelous. Anyway, in July 1975, I was notified because of that raise we got, mine came to around \$15, I would no longer get SSI, or medicaid. So at first, I could not believe it. I thought there must be some error. So I called the Social Security office in Atlantic City.

One morning the girl told me: "Yes, that was so. They were both off as far as I was concerned." So I still wanted to be absolutely sure, I called them back in the afternoon, and the second girl told me: "No, the SSI will be dropped, but your medicaid is still good."

Well, naturally, I did not know which way to turn, so the center took me up to an office in Manahawkin, the Social Security office that is open 1 day a week, the man said the first girl was right. They were both gone. I had to believe it then, so I kind of wailed at him, "I am afraid. What shall I do?"

"I NEED HELP NOW"

So he said: "Well, there is one thing you can do. Write to your Congressman and urge that a bill be passed to correct this."

Well, that sounds fine, but I am not 46; I am 76; and I don't have all that time. I need help now. So because the raise in social security was \$1 more than the SSI, I could understand that cancellation, but I could not understand, and I don't know how I ever can, the stopping of medicaid. I don't know. I thought that by stopping the medicaid I was losing about \$70 or \$80 a month.

My pharmacist, the other day when I met him, said no, I am low. It is nearer \$100 a month, so just because of that \$1 difference, I don't know what it is all about.

I am sure I never in my life asked for charity, and to do so now would be unbearable.

Well, thank you for letting me speak my piece. I thought maybe in this way, I could make the powers that be see how extremely difficult it is for some old people to cope.

Senator WILLIAMS. Thank you very much, Mrs. Nairn. You had quite a journey to be with us.

Mrs. NAIRN. Yes, I thank the Senator.

Senator WILLIAMS. It is a fine contribution you are making.

Mrs. NAIRN. Well, it is the only one. They do so much good, and I often thought if I only could do something for somebody, but I thought by telling all my private business, it might help a little.

Senator WILLIAMS. I know it is not easy for you, and it will be significant in our efforts to correct some mistakes, and one is this penalty that follows on the social security increase which eliminates people from certain other coverage.

Mrs. NAIRN. I mean it is ridiculous. Nobody stops and figures. I don't know what kind of thinking goes into this.

Senator WILLIAMS. I know what our thinking is—it is essential for the House and Senate to correct the awful inequities. And what you

have to say here will be reported back there. It will be the vibrant personal testimony that will help.

Now, Mr. Hallow.

STATEMENT OF JULIUS HALLOW, LAKEWOOD, N.J.

Mr. HALLOW. My name is Julius Hallow. I am 83 years old. Gentlemen, you have listened to many complaints from Mrs. Nairn, Dr. Edwards, and Dr. Malta who covered our field eloquently. If I were to go on, I would only sound repetitious. Therefore, with your permission, I would like to take but a few moments to say a few words about the needs of our elderly.

It is indeed gratifying to have this occasion to express a few thoughts by the elderly citizens of our country. The shameful abuses we get from certain segments in our society are, for example: Many resthomes for the elderly are in the hands of people who get protection in order to conceal the evidence of mistreatment of our elderly; medicare from which we are supposed to get back 80 percent according to enacted law has now dropped to a low 37 percent—this is a reliable statistic. Much of our medical system is being abused, with promise of investigations to correct these shameful abuses, but still we the elderly remain in dire need of help. How can we possibly defend such injustice?

The only good break we the elderly get is from the housing authority system. Indeed, if not for the reasonable rent many of us would have to look for charity. Surely it is tough to get along on a social security check when you have no other income or savings, but due to the rent we manage to survive and are able to keep our pride and dignity which is the most precious commodity in life.

We are also being accommodated by housing with transportation for shopping which is of great help to the elderly, and sometimes we are paid personal visits to our home to find out what our immediate needs are. While our naked eyes can see the end of the road, it is these heartening things that give us an incentive and desire to go on with life. There is a staggering amount of poverty among the elderly. Why should this be? Didn't we render many years of service to this great country of ours with sweat and blood?

GOVERNMENT'S MORAL OBLIGATION

Didn't we contribute to its immense wealth? It is a moral obligation of our Government to help with our pressing problems and our needs. We are too old for violence; the only weapon we have is the ballot and with your help we can educate the 22 million people to elect those people who care for the millions of our elderly who are laboring under great stress.

We must help them. For years all we got was promises. How long can we wait? We are growing old and tired of waiting. It is extremely difficult to understand why there is not one country in the whole of Europe who can come even close to our productivity, our know-how, our wealth, our great scientific accomplishments; yet they have total national health care—we can't even take care of our elderly. Something rotten in Denmark?

No, even a poor country like Denmark takes care of its old people with total national health care, but, sadly, there is something wrong

with our own country. Some segments of our society are of the opinion that the old people are senile and useless.

I, for one, differ with them. On the contrary, we have wisdom, intelligence, and the ability to fight for our rights. We don't have to apologize to anyone for our existence. We deserve respect, and we are entitled to a place in the sun. We shall appeal to our younger people to get involved. Spend some time with the old folks—help them. I assure you that you will acquire knowledge and experience and your future will be much easier and brighter for it. [Applause.]

Senator WILLIAMS. Now, you see, you and Mrs. Nairn were equally appreciated, and certainly appreciated by our committee.

Mr. HALLOW. Thank you very much.

Mrs. NAIRN. You know we are old, and we deserve your help.

Senator WILLIAMS. You are examples of people of retirement years who have made it all possible for this country to be as strong and as great as it is, and that certainly should not be forgotten when you reach retirement years.

What we have to do is mobilize efforts around these ideas—home health services. You know we do have a provision in law, it is in a health revenue sharing bill. Health services broadly included is home health service, but, remarkably and tragically, it was vetoed.

But this is one of the most dramatic corrections of a mistake that I have even seen. The bill was vetoed Saturday morning during the summer, and within 2 hours, we in the Senate had overridden the veto, and that program stayed alive, because the House came back on Monday and did the same thing.

MUCH DEPENDS ON PROFESSIONALLY TRAINED PERSONNEL

But this is just what we need, how to take your conclusions that are wise indeed, how to take your conclusions and make them work. A lot depends on professionally trained health delivery people, not only doctors, but nurses and the paramedicals, as you mentioned.

We have a struggle to keep, and Congress is with the effort to keep broad and broaden medical education. We are short of trained people, I am sure. But the home service, the home delivery of health care, the periodic health review to catch things when they are small before they get big, these are all things which are so essential.

And ideas. I once had a legislative for mobile units for this kind of health service, and personal examination of review. Where it is, it works in a limited way. I know up in Jersey City, a doctor has a mobile unit, and his mission is quite limited, but it deals with hypertension—blood pressure.

Now, as a doctor, blood pressure tells you a lot, does it not?

Dr. MALTA. Yes.

Senator WILLIAMS. If you have low blood pressure does that tell you anything?

Dr. MALTA. The patient is in "good health" so far as his blood pressure is concerned and that one would not have to worry about developing hypertension in the older age group.

° Senator WILLIAMS. Well, I wonder, if again, there is such a wealth of opportunity for our committee to have you here, and I would like to comment. Let me just say, mindful of all of the others to be heard today, are there one or two specifics we can get further enlightened on?

There has been a survey of health needs in Ocean County. It says that some figures here have a quota of medicaid patients they will accept. Is that so? And how do you feel about it?

Dr. MALTA. This may be a comment that may be picked up from conversation with doctors' offices. But I don't necessarily know if this is truth in fact. I think by and large, most physicians are very, very busy in their offices, and this medicaid does go into an area that creates problems at the State level, administration wise, and reimbursements, et cetera. I think it is very unfortunate that on the State level perhaps the promises of the medicaid program are not being fulfilled so that doctors can see patients in the office at a more than break-even point.

The doctor does have an overhead expense—the reimbursement factor sometimes is about cost, or even below it, so that means the private patients really essentially pick up the difference. I don't know of any organized attempt of doctors to exclude patients to be seen in their offices.

I know many, many doctors continue to see medicaid patients. They certainly may not see all of the large number that will call their offices. So they may say on that basis that they cannot see anymore patients, and that may be true of the practice at large.

Senator WILLIAMS. I have a list of optional services that are available in New Jersey. Now, under medicaid there certainly are mandated and those optional. The New Jersey optional list is probably as big as any in the country. It even includes podiatrists, optometrists, or many other things, chiropractors, and I don't know, if you would be pleased or not.

MEDICAID NOT MEETING COSTS

Dr. MALTA. Well, perhaps they do render some services, but the medicaid problem is coming to a head in New Jersey, in that the State has cut down the physicians and pharmacists, 10 percent below the base fee, and instead of going up 10 percent with inflation, they have gone down 10 percent. So getting back to the fact that they are not paying costs in the doctors' offices, that means the private patient is really picking up the tab and subsidizing the level of reimbursement on the medicaid level, but to say how many they can see, how many they may have to turn away—they also turn away private patients.

I have that problem in my office. I would like to see everyone that calls my office, medicaid and private, but it reaches the point I cannot service everyone that calls. I keep running all the time, and this is true of many doctors.

Senator WILLIAMS. Has there been a successful move for restoration of the cut?

Dr. MALTA. There has been some negotiation in hearings, but as far as I know, it has not been changed.

Senator WILLIAMS. Bill tells me there has been a postponement on two key cutbacks.

Dr. Edwards, in this area, do you have any specific comment?

Dr. EDWARDS. I have some ideas, I feel if we are going to serve the neglected people of this country—you know, when I finished school 50 years ago, the United States of America was No. 1 or 2 in health in the world, and now we are 13th in the world.

And with all our might and means, I cannot understand it. I think one of the things, when you are dealing with groups of people that

are probably, you need to do it in group work, and if we could get together in teams of medical—M.D., nursing, and paramedical—this can be done.

PARAMEDICS CAN EASE LOAD

There is an enormous amount of work that paramedicals can do, and they are doing it in certain areas, and that will help us to see so many more people than just the patient going into the doctor's office that is in that very low income group.

Senator WILLIAMS. You mentioned one thing that limits your usefulness to people, and that is in the interdiction of law, the malpractice area of law.

Now, how does that work, does that have any overlay?

Dr. EDWARDS. When I came to this neighborhood and saw the conditions of the people, I would stop to talk to them in the supermarkets and on the street. Only one thing I wanted to do, I wanted to go down there and rent a place and open the door, and treat anybody that comes in, and if I did, I would be crucified.

Senator WILLIAMS. You say you would be crucified?

Dr. EDWARDS. Yes.

Senator WILLIAMS. By whom?

Dr. EDWARDS. The people I want to serve, the public, and the profession.

Senator WILLIAMS. I do not think you used the right word. You would just feel you would put yourself in a position where you would be open to a lawsuit against you, if you did this in anything, if anyone did not get well?

Dr. EDWARDS. That is the big thing, but you would be surprised, if you do not have a huge office, and the doctor will bear me out, and do not drive a Cadillac, the people sitting out there do not think you are any good.

DOCTOR-PATIENT RELATIONSHIP IN DANGER

This philosophy of a relationship of the doctor to the patient is gone, and if we do not bring it back and put that body back together again, we are going to be worse off than we are now.

Mrs. NAIRN. And they do something about it.

Dr. EDWARDS. Plus the pressures that are coming up in medicine now, that person is a rare bird. She said she could go to the office and take her children and grandchildren, but it is rare now, where every person is in his corner, and it is a protective thing that makes the doctor specialize, it is not that they do not want to see people, or do not want to see families. It is the way the whole business has been set up.

Senator WILLIAMS. Dr. Malta, you have indicated you would like to get into the discussion.

Dr. MALTA. Dr. Edwards' comments are appropriate, but I would have to say thank God for our senior citizens. I think they are less apt to sue than any other segment of our society, they are very appreciative of the services they get, they want kindness, they want the services rendered, and I much rather, in our malpractice era, take care of our senior citizens, and they are not ready to turn around and sue, because of the poor result that was never a part of the treat-

ment or complication of the problem, and I think this is probably held up by statistics that the malpractice problems have not been from the senior citizen population.

It has been from the other segment of our society. I would like to say that Dr. Edwards, all you need is one case of \$1 million judgment against you, or a threat of a suit against you, it scares many doctors out of practice prematurely. This is unfortunate, because many of our retired doctors have a whole lot to contribute, but yet they are put on the sidelines because of the malpractice threat, and I think Dr. Edwards' point is good.

Senator WILLIAMS. I think we are still in the development of principles of malpractice. It is very new. Twenty years ago, there was no successful suit against a doctor, for even aggravated negligence in malpractice, but it has all come on in rather recent times.

This will be straightened out, I am sure, and I just hope it can be in such a way, that somebody who has been mistreated by a doctor, will certainly be compensated, but also, the people like you can be in a position to be encouraged to be of service rather than discouraged, because I will tell you, I would like to have you take a position in the society right now, Doctor.

MEDICAL EXPERTISE GOING TO WASTE

Dr. EDWARDS. I would like to say one thing, and then I will be still.

If we could take these doctors, like for a short while I did OD, I was covered. If we could take these old timers like me, who are still kind of bad in the legs, because we have arthritis—but we are pretty good in the head—and set up some type of centers in the communities where they could be utilized, and their insurance would be covered, just like any other Federal position, or whatever you want to call it, so you are covered and they cannot sue you as an individual, then you would be able to take care of a lot of people, both the old and the young people, too.

We are wasting medicine, and it bothers me.

Senator WILLIAMS. That is an excellent point.

Mrs. Nairn, Mr. Hallow, we would be benefited more of the discussion with you, so would you have anything final to say?

Mrs. NAIRN. Don't encourage me. I would not stop until 6 tonight.

Mr. HALLOW. Senator, I could write a book about things I know of medical professionals, with all respect of the lady and the gentleman, but I had my say, and I have nothing to add.

Senator WILLIAMS. I used to go to more ground breakings and dedications of federally supported housing in the Lakewood area than anywhere, and how are things over there in housing?

Mr. HALLOW. Oh, it is wonderful. They certainly treat us all right.

Senator WILLIAMS. I am glad to hear that. I have been part of it for almost 20 years. Thank you all.

Now, Mr. Dayes, where are you?

Mr. Dayes has a nickname. What is your name?

Mr. DAYES. Happy.

Senator WILLIAMS. Happy Dayes is a good friend of this committee. It is good to see you.

As a matter of fact, if anybody else—Bill Oriol has prepared a form here; it is a blue sheet and will be at the back of the room. These are very useful to us at our hearings, because we cannot hear everybody.

The forms come back to us, and they are very helpful as we do our legislative business.

We also include a very comprehensive report, and this will be moving in that direction too.

Now, we have the housing and property tax panel, Joseph A. Aragona, president, Ocean County Senior Coordinating Council, Mr. Howard Goldberg, Lakewood Housing Authority, and Jane Maloney, Brant Beach, N.J.

PANEL ON HOUSING AND PROPERTY TAXES

STATEMENT OF JOSEPH A. ARAGONA, PRESIDENT, OCEAN COUNTY SENIOR COORDINATING COUNCIL

Mr. ARAGONA. My name is Joseph A. Aragona, president, Ocean County Senior Coordinating Council with a membership of 80 senior citizens organizations representing 80,000 seniors age 55 and over. I am also a founder, past president, and now a trustee of the Regional Congress of Senior Citizens, representing four counties; namely, Burlington, Camden, Monmouth, and Ocean County, with an additional 108 senior citizens organizations and a membership of 125,000 senior citizen members. Also, I am a member of the New Jersey Commission on Aging.

Senator Williams, in my presentation today, I shall attempt to provide a comprehensive view of the property tax situation here in Ocean County.

Today, many of our senior citizens throughout our land are living under conditions that hurt the body, soul, and pocketbook.

We say, thank God for social security and the medicare program; but we have many shortcomings in this important aspect of life. You have heard or will hear testimony on the high cost of living, impact on food, utility rates, medical, and transportation, but I would like to briefly bring forth the plight we have on tax problems of the elderly.

Each year we get a notice our property tax rates are going up. Many, in the ages of 60 years and over, you would think would have reached the plateau of security, not to have the worry of losing our homes because we will never be able to pay these rates or, if we do meet this mandatory expense, we must deprive ourselves of food, clothes, or not going to a doctor when we should be going.

Where can we turn? Where do we go?

If you appeal your tax rate to the township, you will go through the motions, but your appeal will be denied. This may be a local problem, Senator, but it affects us in other aspects of life.

Our tax rates have increased by close to 100 percent in the last 10 years, and it will continue to rise.

Our Congress must take all things into consideration in dealing with people who are past the working years and now have to face the problems. What are we to do tomorrow?

REAL ESTATE TAXES THREATEN SENIOR HOMEOWNERS

Real estate taxes have been rising at a rate that threatens the very existence of senior citizens both as homeowners having been forced to dispose of their homes or as tenants in housing projects.

Taxes, assessed against real estate, are based by our county supposedly on a true-value basis. Nothing could be further from the truth.

The values often collated are often greater than the real value since people often pay much more due to the lack of available homes. There are many values applied to real estate. To name a few: true value, market value, fair value, cash value, local tax value, insurable, liquidating and forced sales value, et cetera.

I have the figures of total amount of real property exempt from taxation in Ocean County which I will submit for the record.

[The breakdown follows:]

Exempt Real Properties in Ocean County, N.J.

Public schools.....	\$137, 866, 285
Other school property.....	18, 484, 050
Other public (Federal, State, county, municipal).....	164, 782, 910
Church and charitable.....	47, 678, 980
Cemeteries and graveyards.....	1, 565, 570
Other exemptions not included in foregoing classifications.....	169, 694, 054
Total.....	540, 071, 849

Breakdown in Communities Densely populated by Senior Citizens (Retirement Communities)

Dover Township.....	\$96, 689, 700
Manchester Township.....	36, 076, 100
Berkeley Township.....	89, 863, 350
Brick Township.....	44, 599, 350
Jackson Township.....	46, 359, 650
Lakewood Township.....	51, 772, 000
Total.....	365, 360, 150

Our Dover Township values are known as assessed values predicated in a revaluation a few years past.

Our tax rate for 1975 is arrived as follows:

County.....	\$0. 67
Local school (regional).....	2. 94
Local tax (municipal).....	. 46
Social security and veterans' exemption.....	. 07
Fire district No. 2.....	. 10
Total (per \$100 assessed valuation).....	4. 24

Mr. ARAGONA. It will be noted that the school tax is 69.4 percent of the total tax. A service not required by senior families.

One can readily say the encroachment of school activities, sports, and so forth, a costly venture, some relief for seniors is long overdue.

We know Congress cannot tell Dover Township or any other township: "Don't raise the property tax to people age 65 or over," but Congress can help to alleviate the stress of the high cost of living in other consumer and health items.

We look to you, our leaders, to find the solution. Without dynamic leadership today, you will fail in the local, State, and National levels. When we do that, Senator, we have lost the dream we were brought up to believe in.

SENIORS' FUTURE IS NOW

The future of the senior citizens depends upon what Congress will do. The time for action is now. Don't let us down.

Now, Senator, I have a full report of my discussion together with a copy of the Ocean County elderly population estimate. The population of 55-plus and 65-plus, and in the last category of 65-plus, there were over 50,000 elderly Americans in Ocean County; 32,065 in the 55 to 64 category.

I have it documented from the Ocean County Planning Board through the Office of Aging; it was asked for, and I have a copy for you.*

Also to substantiate the tax figures, I have the abstract rate tables of Ocean County for 1975,** produced by the Ocean County Board of Taxation, so I would like to submit this as evidence to the committee.

Senator WILLIAMS. Thank you very much. Some of the material has already been made a part of the record. It is a very forceful statement. We appreciate it.

Mr. ARAGONA. Thank you.

Senator WILLIAMS. All right. We will now hear from Mr. Howard Goldberg, Lakewood Housing Authority.

STATEMENT OF HOWARD GOLDBERG, EXECUTIVE DIRECTOR, LAKEWOOD HOUSING AUTHORITY

Mr. GOLDBERG. To begin, I would like to give a brief background of the Lakewood Housing Authority. The authority was established in 1960, and to date has built and operates three housing projects, housing 268 families. Of our 268 tenants, 202 are elderly and 62 are families with children.

Our first project was completed for occupancy in January 1974, and our last in March 1972.

I use the word "last" project instead of "latest" because the outlook for public housing has been very glum for the past 3 years and the future does not look very bright.

In January 1973, the Federal Administration instituted a moratorium on all public housing which held until July 1975, at which time the Department of HUD came out with a new housing program called section 8.

Now, those of us who were in the service have heard the term "section 8" before. However, the Government version of section 8 housing is to rent units on the private market and subsidize the rent the tenant can afford to pay, which is no more than 25 percent of his income, with the subsidy making up the difference between what the tenant pays and the market rent charged.

For over a year, I have attended many housing conferences where the section 8 housing was discussed without hearing one good word about it. However, the Lakewood Housing Authority is considering such a program.

POOR NEED "SECTION 8" HOUSING

If we want to help the economically poor obtain decent housing at rents they can afford, it is section 8 housing or no housing; and believe me the need for housing is quite evident.

*See appendix 1, item 2, p. 1633.

**Retained in Committee files.

The Lakewood Housing Authority has approximately 150 elderly applications for housing in its files and about the same number of applicants for family housing.

The 1974 census figure for Lakewood alone indicates there are 373 substandard units in the township, and the township in its community development program application to HUD has indicated the need for a total of 432 units of housing, 282 for families and 150 for the elderly.

In respect to the cost of housing authority operations, we have had an extremely sharp increase in the cost of operations especially in utility costs; although the increase in rents to our tenants has been minimal.

For example, the housing authority's operating budget for 1972 called for a monthly rental income of \$47 per unit with expenses of \$53 per unit. This meant that the housing authority expected to lose \$6 per unit per month in its operation for the year.

By the way, our utility expense for 1972 was \$21 per unit per month. For 1976, we estimate our rental income will be \$62 per unit per month, an increase of \$15 per month. However, our estimated expenses are \$86 per unit per month, an increase from 1972 of \$33 per month. Or to put it in simple terms, in 4 years our cost of operation exceeds the increase in rents by over 100 percent.

The major factors in our increased cost of operation is due to the increased utility cost which for 1976 are estimated at \$39 per unit per month, an \$18 per unit increase in the cost of utilities in just 4 years.

While the Department of HUD does subsidize our authority to help offset the difference between income and expenditures, the subsidy has never been the full amount of loss, thereby reducing the housing authority's reserve from a maximum allowable of \$138,000 to \$22,500.

With 2 high rise buildings and 18 one- and two-story buildings which includes five separate heating plants, \$22,500 is hardly enough to have on reserve to cover any emergencies that may occur.

DRASTIC CUTBACK ON SERVICES

What does all this mean? It means that the Lakewood Housing Authority as most housing authorities across the country have had to cut back on tenant services and maintenance.

Fortunately, with our oldest project only 10 years old, we have not had to do a great deal of extraordinary maintenance, but who knows what the future brings?

In summary, the present public housing situation is this: a limited supply of units available to our senior citizens and for those fortunate to live in public housing a strong possibility of cutbacks in the maintenance and services supplied to them.

Senator, additionally, I have a tape recording of a conversation that I had which I will play for you at this time. I hope it gives you some insight as to some of our problems.

[The following is the tape recording:]

Mr. GOLDBERG. Give your full name.

Mr. MYERS. Edward J. Myers.

Mr. GOLDBERG. And tell us how long you have been living at the Lakewood Housing Authority project and where you lived before.

Mr. MYERS. I moved in here in September 1970, and before that I lived at 700 Clifton Avenue in Lakewood, and I paid \$170 a month rent.

Mr. GOLDBERG. On what income?

Mr. MYERS. On my social security income.

Mr. GOLDBERG. Which was approximately how much at that time?

Mr. MYERS. I was getting \$210 a month.

Mr. GOLDBERG. In other words, you were left with about \$10 a week to live on?

Mr. MYERS. That is correct.

Mr. GOLDBERG. How were the other conditions of the housing?

Mr. MYERS. The conditions were very bad. They never took care of anything, and there were a lot of undesirables that moved in there, and at one point there was a shooting right outside my door. You were just afraid, that was all—you just could not live there, and I could not live and exist because I had no money or anything to live on.

Mr. GOLDBERG. And now what do you pay to the housing authority?

Mr. MYERS. I pay here \$45 a month plus the amount for the air conditioning.

Mr. GOLDBERG. In other words, you have now sufficient money left over in your check to enjoy a decent and normal life?

Mr. MYERS. That is correct.

Mr. GOLDBERG. Thank you, Mr. Myers.

Mrs. Jones, could you give me your full name and give us some background of conditions of housing before you moved into the housing authority project, and how you feel about living conditions now?

Mrs. JONES. Yes, I will.

I was living with Mrs. Janie Porter. I was paying too much rent in a way, because it was very steep. It was \$125 a month.

Mr. GOLDBERG. For what size apartment?

Mrs. JONES. Three rooms, but the rooms were very small.

Mr. GOLDBERG. What was your income at the time you were paying \$125 a month rent?

Were you receiving social security at that time?

Mrs. JONES. Yes, I was.

Mr. GOLDBERG. What was your monthly check?

Mrs. JONES. The monthly check was, he was getting social security, and the monthly check was \$60 for social security.

Mr. GOLDBERG. That was for Mr. Jones?

Mrs. JONES. That was for Mr. Jones. And I was getting \$205—\$220, for I was supplemented by welfare.

Mr. GOLDBERG. So in other words, you were left with about \$25 a week after rent to pay for all you needed?

Mrs. JONES. Right.

Mr. GOLDBERG. When did you move into the John Curry Apartments?

Mrs. JONES. I moved into the John Curry Apartments in 1962—

Mr. GOLDBERG. 1972?

Mrs. JONES. 1972; right.

Mr. GOLDBERG. Now, what rent do you pay to the housing authority for your apartment?

Mrs. JONES. I was paying \$51, so they raised me up to \$72, but it is so much better for me to pay that, because I have some money left over to go out and to be comfortable in my home.

Mr. GOLDBERG. Now, the raises you got since 1972 was due because of increases in your monthly benefit checks, is that correct?

Mrs. JONES. The raises he got in his social security.

Mr. GOLDBERG. That affected your raises to the housing authority?

Mrs. JONES. Right.

Mr. GOLDBERG. OK. Thank you, Mrs. Jones.

[End of tape.]

OUTLOOK FOR LOW-COST HOUSING IS GLOOMY

Mr. GOLDBERG. Senator, that is just two of many cases that I have taped. I have taped others, but for the sake of time, I am not running them. I will give you the tape, but I can only emphasize that Congress has to do something in the area of public housing, because the need is there. The administration has been totally lacking in meeting these needs, and as I mentioned earlier, we have a very gloomy outlook as far as being able to provide low-cost housing for senior citizens.

Senator WILLIAMS. I appreciate that. I know it is true, and, believe me, we are doing our level best, and I think you put your finger on it.

The executive side does not seem to have the same appreciation that we do, and we have to battle every step of the way.

There is a shortfall between expenses and what you get for maintenance and service. You have got to fill the gap; I agree with you. You have got some exclusive senior housing.

Mr. GOLDBERG. That is correct.

Senator WILLIAMS. And, you know, there has never been a failure in that kind of housing.

Mr. GOLDBERG. No; I think we have some of the nicest housing in all of Ocean County.

Senator WILLIAMS. You are absolutely right, and it is true throughout the State.

I recall a week ago Saturday, I stopped by in the morning at Cape May, the Victorian Towers. It is just for older people only, and we had to struggle to get the housing, but there it is. They just so much appreciate living there, and as was said, they live in peace and dignity. They do have economic pressures, even though they have good housing.

We will now go on to Ms. Jane Maloney of Brant Beach, N.J.

STATEMENT OF JANE MALONEY, BRANT BEACH, N.J.

Ms. MALONEY. My name is Jane Maloney, and I am the social worker for the outreach program at St. Francis Center on Long Beach Island.

The outreach program was instituted at St. Francis on February 1, 1975. The program provides for trained outreach aides to make visits to seniors to help determine their needs in the following areas: Recreation, nutrition, transportation, health services, telephone reassurance, volunteer opportunities, social security, supplementary security income, food stamps, and State and county senior programs.

The housing problem on Long Beach Island is a unique one. Many senior citizens are homeowners. Their problem results from the fact that property assessments have risen dramatically in recent years. A house that was purchased for approximately \$12,000 in 1965 is now valued at about \$35,000. Because Island properties are close to the ocean or bay, usually the lot value is as high as the building value. Senior citizens are finding it increasingly difficult to afford to maintain their homes. Utilities and taxes are burdensome, and many times their cost depletes most of a senior citizen's income.

The homeowner cannot afford to sell the house due to the capital gains tax, and the cost of renting an apartment is high because there is no public housing in southern Ocean County.

REAL ESTATE TAX REDUCTIONS AVAILABLE TO SOME

In the six Island municipalities, there are currently 630 seniors receiving senior citizen real estate tax reduction which is available to homeowners 65 years and older who receive income under \$5,000 per year.

There are also people whom we have visited whose income is under \$5,000 per year, but are in the 60- to 64-year age bracket, and,

therefore, are ineligible for the real estate tax reductions because of age.

The reduction is not available to those people who have become physically disabled and are coerced into early retirement due to their physical condition.

I would like to present a few cases that we have encountered in our outreach visitations.

Example No. 1: Client is a 73-year-old female whose annual income is \$4,000 per year. She owns a one-story house on a 50-by-100-foot lot. The land is assessed at \$17,000 and the house is assessed at \$19,400; the total assessment is \$36,400. The taxes for 1975-76 are \$731.64, less the senior citizen tax reduction of \$160. Her electric bills average \$50 per month—the house is total electric; the water bill is \$54 per year. Client spends \$1,225.64 annually on taxes and utilities. This figures does not include moneys spent for fire and flood insurance and normal repairs and maintenance on the house. The client spends so much of her income on maintaining her house that she has difficulty fulfilling her other needs. She no longer takes vitamins because she cannot afford them.

Example No. 2: Client is a 90-year-old male who receives \$117.80 social security per month. He lives in a dilapidated bayfront property. The property is assessed at over \$26,000, even though the house has no heating system.

The client uses a kerosene stove during the winter months. Several applications for supplementary security income have been initiated for the client, but the applications have been rejected because the client's property is assessed at over \$26,000. Because all of the client's income is used for housing, St. Francis Center has been providing home-delivered meals—client is too debilitated to come to a congregate site—to help alleviate one of his many problems.

Unless the supplementary security income property assessment requirements are adjusted, there does not appear to be any solution to this client's desperate situation.

Example No. 3: Client is an 84-year-old female who rents an apartment. Her total income is social security of \$184.20 per month. Her housing expenses, which include rent and utilities, are \$175 per month. Client's total assets are savings in the amount of \$1,100. Her savings, which were \$3,000 in May 1975, have decreased to \$1,100 in August 1975 because she uses her savings to buy medicine and food.

At this rate, her savings will probably be gone by December. An application for supplementary security income has been initiated for this woman and, hopefully, she will be eligible for financial assistance.

Long Beach Island is a seashore community and a beautiful place to live. At first glance, it is hard to believe there could be a senior citizen housing problem.

Many seniors own their homes; the problem is that they cannot eat them. The costs of housing many times deplete funds designated for food, medical care, and limited recreation.

HOUSING LEGISLATION URGENTLY NEEDED

Legislation is urgently needed to assure the elderly of decent housing they can afford. An increase in the senior citizen real estate tax reduction would help greatly.

The income and resource exclusion amounts, especially property assessments, for the supplementary security income test should be liberalized and thereafter increased automatically to reflect cost of living.

With a little assistance from the Government, many of our senior citizens could continue to live in their own homes with pride and dignity.

Thank you.

Senator WILLIAMS. I appreciate the details of the specific cases.

You know, you mentioned one of the clients, 90 years old, with an income of \$117 per month. Is he on SSI?

Ms. MALONEY. No. He has been rejected because his property is assessed over \$26,000.

Senator WILLIAMS. What is a permitted amount of savings in property an individual can have?

Ms. MALONEY. I think a property assessment has to be \$25,000 or under that you own. His property is assessed over \$26,000 simply because it is a bayfront property and the land is valuable. The house is nothing.

Senator WILLIAMS. That excludes him from SSI?

Ms. MALONEY. He has been rejected about three times.

Senator WILLIAMS. Well, what are the other income exclusions now under the present law that excludes you from SSI?

Ms. MALONEY. I think the income exclusion from the savings that you are allowed is \$3,000 for a married couple, and \$1,500 for a single person. The third example, the woman did have \$3,000 at one time, but by the time she gets around to receiving SSI she will have nothing, because she has been using it to buy food and drugs.

Senator WILLIAMS. Well, thank you very much. You are appreciated. You are friends in long standing.

Mr. GOLDBERG. Senator, as you know, we met a year ago last May in your office with a delegation from the Ocean County Coordinating Council.

AMPLE AID TO FOREIGN NATIONS, BUT LITTLE FOR AGED

Why is it that we have money to give all foreign nations aid, for oil [applause], and other endeavors, and when it comes to our own people, the elderly, we get very little?

Maybe we are not dying off so quickly as they expected us to die. I could give you cases where they came before our council—where our people are substituting animal food to subsidize the regular food. I think, Senator, it is about time our Congress—we look up to you, our elected officials. But every time we see something in the papers—milk is one of the essential things for our growing children and for our elderly.

Now, milk is up to \$1.27 a half gallon. We cannot even afford to drink milk anymore. It would be cheaper to drink beer than to drink milk; so I appeal to you, Senator, it is about time that the Congress takes care of its own first. Charity begins at home.

Senator WILLIAMS. To put it another way, our strength as a Nation begins right here, with the strength of our own people. I agree with you.

Thank you ever so much.

Mr. GOLDBERG. Thank you, Senator.

Senator WILLIAMS. We will now hear from our next panel, made up of Henry Rall, Brick Town, N.J., and Mr. Louis Schafer, Collingswood, N.J.

Henry, we have been looking forward to this discussion. You are a friend of many years standing.

STATEMENT OF HENRY RALL, BOARD MEMBER, NATIONAL COUNCIL OF SENIOR CITIZENS

Mr. RALL. Mr. Chairman, my name is Henry Rall. I am a member of the board of directors of the National Council of Senior Citizens, and an officer of the New Jersey State Council of Senior Citizens, which represents over 20,000 New Jersey seniors. My home is in Brick Town, N.J.

I have come here today to tell you, and the members of the committee, of the great concern senior citizens feel about the lack of understanding—or even care—about the plight of America's elders within the executive branch of Government.

All of us who have learned even the most basic lessons of how our Government works know that there must be a coordinated effort between all three branches of Government if crises facing segments of the American populace are to be dealt with.

You, as a member of the legislative branch, Mr. Chairman, have your responsibilities. On occasion, the courts are called upon to deal with the proper way of solving problems through passage of legislation or administration of law so that the solutions to individual problems do not conflict with the basic tenets of our Constitution.

But a grave responsibility rests with the President of the United States—and through him the officers of the Cabinet and members of the various Federal agencies—to provide leadership in developing new legislation and administering existing laws to help whenever a crisis arises.

THE "BLIND SPOT" TOWARD AGING

It is for this reason that senior citizens in New Jersey—and indeed across the Nation—are concerned about the apparent "blind spot" in the vision of President Ford toward the problems of older people.

For if the President of the United States is either unable or unwilling to see the misery which is today attached to being old in America, then senior citizens are in serious trouble.

I believe that President Ford does have a blind spot concerning the problems of the elderly. Either that, or he is terribly calloused about what he does see and hear about the problems of the elderly.

What other possible explanations can we attribute to many actions taken by President Ford against the elderly since he took office a little more than 1 year ago?

Within weeks of the time he took office, President Ford began a deliberate attack on programs designed to assist the elderly.

Although he reluctantly included leaders of senior citizens groups in his famous "economic summit meeting," I have been told by the National Council of Senior Citizens president, Nelson H. Cruikshank, who was included in that meeting, that the President seemed uninterested in hearing of the economic plight of the elderly.

Certainly, the President's actions since that meeting would indicate that he either failed to hear, or failed to care about what was told him then.

Why else would President Ford launch a two-pronged attack against the economic interests of the elderly in his first state of the Union message just a few months later?

If President Ford knew and cared about the burden that runaway inflation was—and still is—placing upon the backs of elderly Americans living on fixed incomes, would he recommend a false "lid" on social security benefits due to us in July of 1975?

We were told at the time that all must suffer a little in order to cut Government spending and thus "Whip Inflation Now."

Surely, in this move, the President displayed his woeful ignorance about the very nature of the single-most important program for the elderly in America—the social security system.

The President must have been ignorant of the fact that funds paid out under social security come from social security trust funds which are protected by congressional mandate from expenditure for any other purpose.

Therefore, his proposal to put a lid on benefit increases rightfully due the elderly would in no real sense release funds for the Government to use to spur the economy or to spend on any other budget item.

Senior citizens all over this land should be grateful that you and other congressional leaders in both the House and Senate both knew more about the workings of social security and cared more for the plight of the elderly than did the President. For it was Congress that blocked this ill-advised lid on benefit increases.

But, while this direct attack from the White House against the economic interests of older Americans might be put down to ignorance of the provisions in law, there is a proposal now before Congress which would reduce any future chances for misunderstanding or confusion regarding the nature of social security.

S. 388—AN INDEPENDENT SSA

The chairman of the Committee on Aging has introduced, and you have cosponsored, a bill—S. 388.

This legislation would provide for the removal of the Social Security Administration from the potentially political atmosphere of the Department of Health, Education, and Welfare and create an independent social security agency governed by three individuals serving staggered terms.

This legislation would also prohibit the inclusion of the moneys of the social security trust funds from being counted by the President—on paper—as part of the so-called unified Federal budget. Such a change is only logical as these moneys are indeed protected from the rest of the Federal budget expenditures.

Moreover, the current sad lack of understanding of this fact within the White House serves to demonstrate clearly the urgent need for passage of legislation with this provision as soon as possible.

I urge you, Mr. Chairman, to work for and help enact S. 388 as soon as possible so that we may forestall a recurrence of proposals to deprive social security recipients of promised and earned benefits.

There are, though, two other major instances of economic discrimination against the elderly by the White House which cannot be explained away by citing ignorance of the law.

First, why would President Ford further burden the poorest of the poor elderly by attempting to rewrite the food stamp eligibility requirements to eliminate eligibility for many elderly—and make those remaining pay more to get less—if the President either took the trouble to find out, or cared about the economic plight of the elderly?

Although, again the elderly have Congress to thank for putting a halt to this folly, the food stamp issue has taken a sinister twist which I heartily recommend that this committee investigate.

As I am sure you are aware, Mr. Chairman, spokesmen for President Ford have continued throughout this year to attack the food stamp program.

The President's Treasury Secretary recently called it a "haven for rip-off artists and chisellers." Other officials from the Department of Agriculture have testified before congressional committees that the food stamp program was out of control and could easily involve nearly half the American people in the next few years.

Yet, as has been uncovered by Senator George McGovern and his Select Committee on Nutrition, the President's own economic advisors in the Office of Management and Budget had been suppressing, for at least 4 months, an Agriculture Department report which clearly demonstrates that participation in the food stamp program is either at or near its peak and should begin to decline in the next 5 years.

"SUPPRESSION OF EVIDENCE"

The suppression of this evidence—as it affects the participation of the elderly in the food stamp program—should be of direct concern to this committee. The entire episode smacks too much of the political and administrative practices of President Ford's immediate predecessor.

The second instance of concern to New Jersey's elderly—and the elderly across the country—about the President's willingness or capability to provide leadership concerns housing for the elderly. This is an area, I know, in which you, Mr. Chairman, are directly involved.

I will not take the time to recite the facts concerning the attempts by the Department of Housing and Urban Development to rewrite the law contained in the Housing and Community Development Act of 1974 as it concerns section 202 housing for the elderly.

I will merely reiterate what has become apparent to all the elderly—the Ford administration has attempted to rewrite the clear intent of Congress with regard to section 202 so that the program is run for the benefit of huge profitmaking corporations rather than for the one-third of this country's seniors that are ill housed.

In this instance, as in others in the past—and, I fear, yet to come—the leadership for a solution to this crisis in housing must come not from the President of the United States and his appointees, but from Congress, and possibly the courts.

But, all this talk of a blind spot in the President's view of America and the problems of its citizens is not conclusive. We do not know

beyond a shadow of a doubt whether the President has acted against the elderly out of ignorance or out of malice.

But, what all seniors do know is that we are not going to receive leadership and assistance from the Ford White House for whatever reason.

Therefore, Mr. Chairman, the burden which rests upon you and other members of the legislative branch becomes heavier. It is, Mr. Chairman, up to you and other Members of the House and Senate to provide the leadership and inspiration yourselves in efforts to help the elderly.

It is up to the legislative branch of government to pick up the duty so callously disregarded by the President and strive to rectify a situation which finds some one-third of the elderly of the wealthiest of nations ill housed, ill clothed, and ill fed.

I thank you for this opportunity to discuss the problems of the elderly. I hope that my comments will be of some help to you and your colleagues.

Senator WILLIAMS. This certainly will be most helpful to me, as you have been in the past, and will be in the future. It is helpful to our deliberations in the Congress, and it is part of the wave of opinion that we hope will just keep rising, and reach the White House, and the President will get the message.

I for the life of me cannot understand how these aspects of life get such a negative response, and as you have indicated, that we have to keep rising, and we do have intense feelings there, and I do know the Congress knows what it is all about.

We do our best to do the right thing, and we can always do better, and that is what we are working on now, but it has to ultimately get through to the Chief Executive, the President, or we are faced with these overrides, which is very difficult and painful in our process of government. We just cannot have a veto as the center of life.

Constructive cooperation, that is what we need, and you are going to help a lot, believe me.

[Applause.]

We will now hear from Mr. Louis Schafer, of the American Association of Retired Persons.

STATEMENT OF LOUIS SCHAFFER, STATE DIRECTOR, AMERICAN ASSOCIATION OF RETIRED PERSONS

Mr. SCHAFFER. I am Mr. Louis Schafer, the State director for the American Association of Retired Persons in New Jersey.

This association and its affiliate, the National Retired Teachers Association, represent a combined membership of 360,000 statewide and 8.3 million nationally.

I am here to reiterate our association's support for S. 1992, the Social Security Cost-of-Living Improvement Act which you and Senator Church have cosponsored.

By allowing more frequent adjustments, the bill would better preserve the purchasing power of social security benefits; it would also provide a more accurate standard with which to determine the extent to which benefit levels should be increased.

In view of the extent to which the increasing property tax burden tends to frustrate efforts to improve the income security of the aged, our associations believe that the Federal Government should provide financial incentives to encourage the States to enact and implement property tax relief programs.

LIMITED MEANS AVAILABLE TO THE AGED

During inflationary periods, the poor and the fixed-income aged have great difficulty sustaining purchasing power and living standards.

Businesses can pass on to consumers higher production costs through higher prices. Governmental entities can pass on to taxpayers the higher costs of providing services through increased taxes.

Active workers, through collective bargaining or job changes, can generally obtain wage increases sufficient to offset increased prices.

The aged are largely retired, although often unwillingly. Even in the best of times, they encounter a formidable combination of barriers to employment.

With inflation and recession occurring simultaneously and with an increasing number of workers competing for a diminished number of jobs, the employment alternative, as a means of increasing income and sustaining purchasing power is, for most of them, out of the question.

Under these circumstances the aged are highly dependent upon the cost-of-living escalators which have been introduced into most of the major retirement systems such as social security.

However, the escalators provide no protection against inflation's erosion of the purchasing power of other forms of retirement income and cannot, by themselves, prevent a net reduction in living standards. While the escalators help, they are an inadequate substitute for the economic remedies needed to treat those factors which cause inflation.

CPI MAKES NO DISTINCTION AMONG SUBGROUPS

To understand why the aged are hurt more by inflation than other groups, it is not enough to know the rates of inflation with respect to the different items that enter into the computation of the present Consumer Price Index. The index makes no distinction among subgroups, assuming that all consumers, rich and poor, young and old, consume the same marketbasket of goods and services.

This is obviously not the case, for the rich, by choice, spend a higher proportion of their income on luxuries, while the poor have no choice but to spend a higher proportion of their income on necessities.

Since the aged tend to be low income, they tend to concentrate their spending on necessities. This accounts for their relatively different spending pattern. Since inflation with respect to necessities has been appreciably higher in recent years, the aged have indeed suffered more than other groups.

Despite the fact that the existing CPI is based on the expenditure patterns of the wage earner, rather than the older person, it is nevertheless used to measure the extent to which social security, railroad retirement, SSI, and other retirement and welfare benefits are to be adjusted to take account of increased living costs.

Our associations have repeatedly asserted that the use of the existing index for these programs is resulting in a statistically significant understatement of the amount of benefit increases which the aged should receive.

We believe that the Bureau of Labor Statistics should be required by the Congress to determine the need for a separate aged index by constructing such an index and testing it. The index should be based on a survey of prices in retail stores where the aged shop and are concentrated.

The price weights should be based upon expenditure patterns which take into account the aged's disproportionately high income expenditure percentages for necessities.

We welcome the directive contained in S. 992 to the Secretaries of Labor and HEW to undertake to develop a separate CPI for the elderly.

THE ADMINISTRATION'S EXPENDITURE CUTS

In view of the degree to which the aged are dependent upon the escalators in the income support programs for at least some relief from inflation, we view proposals to cap cost-of-living increases such as that advanced by the administration earlier this year as particularly callous and ill conceived.

The administration attempted to justify its proposed 5-percent cap and other spending cutbacks for aging programs on the grounds that too much Federal spending would cause a demand-pull type of inflation—the type of inflation which results from too much public and private spending in an economy producing at or near capacity.

Moreover, the administration cited the dramatic increase in recent years in spending for income security programs and argued that if the trend continued, income support would consume an ever larger percentage of the budget.

Our associations agree that inflation is a serious threat. But with an 8-percent unemployment rate, weak private spending, and substantial excess capacity in the economy, the threat of a demand-pull type of inflation in the near future seems remote.

If there is a new inflationary surge, and we think one is beginning, it will likely be the result of foreign and domestic oil price increases, food shortages, inflationary expectations on the part of management and workers, and the power possessed by some domestic industries, such as steel and aluminum, to boost prices to levels unjustified on the basis of market conditions.

With respect to the argument that income support will consume an ever-increasing slice of the budget pie, we would point out that the increased Federal spending that has occurred was necessary to reduce the percentage of the aged living in poverty from one-third in 1966 to 15.7 percent last year.

The proportion of the budget devoted to income security should stabilize in the future.

The aged, who are less able than other groups to offset inflation's erosion of purchasing power through increased income from other sources such as active employment, are dependent upon automatic cost-of-living adjustments to maintain the purchasing power of the recent real benefit increases.

If an arbitrary ceiling were imposed and the inflation rate exceeded the ceiling, the number of aged in the subpoverty group would once again begin to rise, thus reversing the progress that has been made.

This administration would resort to budget cuts and spending limits which would affect primarily older persons to restrain a type of inflation the threat of which is remote compared with other types, and would embark simultaneously upon an energy policy that would be highly inflationary.

Not only are the administration's policies ill conceived, but it has demonstrated repeatedly its willingness to sacrifice the interests of the elderly, the poor, consumers, and workers in order to accommodate the interests of the oil companies, big corporations, and the high income.

Our associations wish to commend you, Senator Williams, and the other members of the special committee who sponsored the amendment to the Council on Wage and Price Stability Act Amendments of 1975 that expressed the Senate's opposition to arbitrary ceilings.

PROPERTY TAXES AND THE AGED

Like the inflated cost of medical care and housing, property taxes have burdened the aged. The impact of inflation on the cost of providing State and local services percolates through this regressive revenue-raising mechanism to magnify the burden.

In view of the extent to which the property tax tends to undermine the goal of providing adequate income security for the poor and the aged, our associations believe that Federal financial incentives should be provided to encourage the States to enact and implement property tax relief programs.

In 1973, our associations endorsed the Federal aid program of title III of S. 1255, the Property Tax Relief and Reform Act, as a reasonably acceptable means of effecting the dual objectives of property tax relief and administrative and assessment reform.

An amendment to the Internal Revenue Code to provide a credit against Federal income tax liability, or in the absence of such liability, a refund for property taxes paid, would also provide relief, and in the absence of a preferable legislative alternative, would enjoy our support.

In conclusion, Mr. Chairman, our associations wish to commend you and Senator Church for introducing the Social Security Cost-of-Living Improvement Act and for your continued vigilance and action on their behalf.

Senator WILLIAMS. Thank you very much, Mr. Schafer, for an excellent statement.

I am with you on this business of having a cost-of-living index that reflects the facts of what the elderly's living expenses really are, rather than the regular general cost index.

Could you just put a little flesh on that, the bones of that statement, and just give me some of the things that would be larger if this were done in a way to more clearly represent the needs?

You are talking about in terms of the index as it reflects social security benefits?

Mr. SCHAFFER. Senator, I would like to refer that question to Mr. Jim Hacking of our legislative staff, who has more of the details in that matter, and who could talk further on it.

Senator WILLIAMS. Do you want to just give us an incisive judgment here on exactly what should be included under this?

Mr. HACKING. The expenditures necessary that would be larger in the index, and I am talking here about cost of housing, and medical care, fuel, and food, and since the rate of inflation with respect to these items have been relatively higher, the index that records the increase in benefits would be high also.

Senator WILLIAMS. So when you talk about the Consumer Price Index, we would be looking at the consumer particularly, rather than this consumer with all other consumers?

SEPARATE CPI WOULD AID AGED

Mr. HACKING. That is right. You would have a separate index that is used to deal with programs that provides things to certain segments of the population, in this case the aged.

Senator WILLIAMS. Thank you very much. We are very, very appreciative.

I know our members of the committee in Washington will be, too, for your illumination here, the way you give us what we need to work with constructively the legislation.

Mr. Schafer, I spent a happy day in and around your community on Saturday. I am thinking of starting an office there, for the population is increasing in the southern part of our State so much so that we are looking for an office space over there, and we were very happy Saturday traveling through Camden County, and we had a lot of ceremonials, and the Democrats had more picnics on Saturday, and we had a great time.

Mr. SCHAFER. Senator, if you are in the vicinity of Collingswood, we are holding a Bicentennial celebration, and we would be happy to have you there just to be seen, and to experience the festivities. That is this Saturday.

Senator WILLIAMS. This coming Saturday?

Mr. SCHAFER. That is right; 12 noon.

Senator WILLIAMS. Any final words, Henry, that would be helpful to us?

Mr. RALL. I only hope, Senator, in this social security system, that we do get our Government to do what they are supposed to do in reference to our increases in social security, to bring them up to date to the standard of living, and not only 9 months or every year when we get the increase.

Senator WILLIAMS. Certainly we will not let it deteriorate. We will see that the present law is honored and effective. What we are doing now is trying to improve the law in terms of the consumer price index, in terms of the shorter period for looking at the price index and some other ways, but we in the Congress will not let this deteriorate under law, when the cost-of-living says this, under the present law, it will be that.

Thank you very much.

We will now take a short recess.

[Whereupon, at 12:30 p.m., the committee was in short recess.]

AFTER RECESS

Senator WILLIAMS. Now to our consumers' panel, Hazel Gluck, director, consumer affairs; Andy Visotsky and James Muldoon, Toms River, N.J.

We will start with you, Ms. Gluck.

PANEL ON CONSUMERS

STATEMENT OF HAZEL GLUCK, DIRECTOR, OCEAN COUNTY
CONSUMER AFFAIRS

Ms. GLUCK. Thank you, Mr. Chairman.

I am here today to add my voice to that of other individuals who called attention to the plight of the senior citizen in Ocean County.

What deeply concerns me is the fact that many of the problems facing the senior citizens are those facing all citizens, not just in Ocean County and New Jersey, but throughout our Nation.

It is my observation that we notice them first as senior problems because this one segment of our population is extremely sensitive to inflationary spirals and acutely affected by them.

What is tolerable to someone whose income eventually reflects a cost-of-living index may be unconscionable to a senior citizen on a fixed income with little hope of being able to increment his or her finances.

Two areas of concern that have come to my attention through complaints in our office involve utilities and food.

These areas are particularly critical because they represent basic necessities.

First, utilities. Electricity has been a focal point because of recent and proposed increases. Jersey Central Power & Light Co. has requested a \$139 million rate hike, which would raise the average electric bill by \$9.80 a month; this despite the fact that effective June 17 they increased their rates \$23.7 million, which had the effect of increasing the average bill \$3.47 during the summer and \$2.07 the rest of the year. The \$139 million, if granted, would represent the sixth such increase in the past 5 years.

The neighboring Atlantic Electric Co., which services the southern portion of Ocean County, is requesting rate increases, too. An interesting part of the rate increase picture that seems to be little understood or known by the general public is that when a rate increase is granted, 48 percent goes directly to the Federal Government in corporate income taxes and approximately 6 percent goes to the State in gross receipts and franchise taxes. This means when a senior citizen or anyone pays an estimated increase of \$9.80, more than half—54 percent—of it is paid directly to Government in the form of taxes.

QUESTIONS BEING ASKED BY SENIORS

I do not possess the expertise to provide the answers, but I now ask the same questions the senior citizens of Ocean County have asked of me.

Recognizing the concern of Government for senior citizens, doesn't it seem peculiar that 54 percent of any rate increase goes to Government in the form of taxes. What checks and balances exist in autonomous bodies which authorize these rate increases? Why isn't there consumer representation on these bodies?

Why do people, and especially the elderly, who wish to testify before these regulatory agencies have to travel 120 miles round trip—without the advantages of public transportation—in order to exercise their right to testify in an area that drastically affects their budgets?

How legitimate are the energy adjustment charges being made and who monitors them?

Do utilities shop around for their fuel or take what comes along, knowing that the consumer bears the brunt of these passthrough costs?

In times when conservation of energy is called for by the Federal Government, should the larger users of energy receive the lowest rates?

Another energy source which has created a cost-of-living boost is propane gas. Many consumers, including senior citizens, use propane gas as a heating source. With the moratorium on natural gas, propane became the major heating source for some county seniors.

Our department, as a result of complaints, investigated price and disclosure practices of the industry. To our amazement, we found in a 12-month period, 1974-75, propane prices had risen approximately 125 percent and by now, perhaps more.

For the elderly who use this heating source, these price increases are more than burdensome, they are overpowering. The propane suppliers tell us these were approved Federal Energy Administration passthroughs from the major oil companies.

There is another situation that exists with the apparent blessing of the Federal Energy Administration. In some senior developments, fuel or propane is delivered to a development by the supplier into a large tank owned by the developer. The developer then acts as a middleman and supplies the homeowners with the heating source but adds an extra charge for his services, sometimes from 9 cents to 11 cents per gallon or weight. This is above and beyond what a supplier would charge for direct service.

A virtual monopoly exists where the people cannot shop for the lowest price and the end result, in some instances, is they pay a higher price than their neighbor who lives outside the development.

At last but not least, Mr. Alvin Applegate, chairman of the Ocean County Energy Council and a fuel supplier himself, has informed me that:

All fuel merchants association members in Ocean County have endorsed a program within their membership not to pressure any senior citizen for payment of their oil deliveries. It must be noted that the major supplier has reduced the credit terms to the fuel distributor in Ocean County, while the Ocean County distributor has extended credit terms to his customer.

Another great area of concern is food. Our department conducts a monthly shopping basket. In the central part of this county, we found that in May of 1975, 26 of the shopped items cost \$21.01 and in July of 1975 the same items cost \$24.25; a rise of approximately 15 percent.

A representative of the food industry told me that food costs rose 12 percent this year and the Department of Labor and Industry says the cost of living rose 9.7 percent.

Meat is higher in price today than it was during the boycott last year. It has been observed that when farm prices go down, food prices, do not decrease. Our question is "Why not?" Representatives of the food industry advise us that it is because such an impact takes time to take effect.

This sounds logical; yet recently, when it was reported that there would be a shortage in coffee due to crop failure, shelf prices immediately soared upward.

RIPPING OFF THE CONSUMER

The question is who is taking advantage of the consumer? The farmer claims distress, the supermarket claims less than 1 cent profit out of every dollar and further states that coffee, as an example, was higher in cost to them.

Who's making the money? Is it the middleman?

I read that Senator Proxmire headed a congressional study committee that had serious doubts as to the competitiveness in the food industry. What happened to those investigative results? Are they valid?

Multiple pricing was of great concern to our senior population. This was or is the practice of repricing a shelf item by putting sticker upon sticker on an item. I found some with 9 and 11 repricing stickers on them.

One item I personally purchased had been originally marked at 21 cents and remarked nine times until it reached 79 cents.

This unconscionable practice, due to the pressure of possible State and Federal legislation outlawing same and consumer irateness, has been voluntarily stopped by the supermarket industry.

However, the cost of this upward spiral has been very dear and has given rise to rumors of seniors buying and using animal foods for their own diets.

One elderly couple, in particular, who live on a small fixed income told me one day in my office that they had paid their own way all their lives. They had put aside what they thought would be adequate for their retirement years, and now because of the high cost of living they couldn't make ends meet at all. They had to put their pride in their pocket and apply for food stamps. They asked me if I could understand what that meant to them psychologically and emotionally.

Naturally, I have but touched the surface of these topics in my allotted time. It is a privilege to participate in this hearing and the seniors of this country and State know by your presence here that you care.

However, actions must be translated into tangible deeds before the cost of aging becomes a luxury many of our citizens can no longer afford.

Drugs.—The area of prescription drugs is a particularly critical one for senior citizens. Because of their age and frailty of health, a disproportionate amount of their budget is spent in this area, so it is extremely important to seniors.

DRUG ADVERTISING COULD SAVE CONSUMER \$130 MILLION

There are two readily foreseeable options available to alleviate this problem. The first is national legislation to permit the advertising

of drug prices. In a survey it was found that drug prices may vary by 200 percent in the same community, but how can a consumer know this fact if the pharmacists are not permitted to advertise their prices? How can the senior citizen, who already has little money, afford to travel around Ocean County, which has virtually no public transportation, to find the best buy? The Federal Trade Commission has estimated that competitive prescription drug advertising could save consumers \$130 million a year and logically the lion's share of this savings would go to our older Americans.

Another savings could accrue to seniors through the common use of generic drugs, when possible. A problem arises in this area because there are times when a generic should not be used; but the simple truth is that in many instances, the cheaper drug is equally effective and can create a considerable savings for the consumer. Certainly every effort should be made to make seniors aware of their right to ask their physician to prescribe drugs by their generic names whenever possible; and the American Medical Association should be strongly encouraged to suggest that physicians prescribe in this manner whenever possible, particularly for those on limited or fixed incomes.

Thank you.

Senator WILLIAMS. Thank you very much. Ms. Gluck, that is an outstanding statement, and I have been told before we arrived here even, that you were representative of high quality service that is seen here in Ocean County, the people that are in public service.

I wondered whether you had an opportunity to be here, or considered the Commissioner Joel Jacobson's observation at the hearing in Toms River.

Ms. GLUCK. In respect to giving seniors some sort of discount?

Senator WILLIAMS. Yes.

Ms. GLUCK. No, I did not attend that session. There was an illness in my family, but I must say that I think that that action should be seriously considered.

We have many desperate calls from senior citizens, just not able to live any more.

It is just that they are suffering, and if they could have a discount on energy rates, that would be a step in the right direction. Certainly these people have the right to be able to live in dignity. That is the very least we can expect.

Senator WILLIAMS. You did mention the regulatory agencies that had to go to hearings 120 miles away.

Evidently the Commission came to Toms River.

Ms. GLUCK. Yes, they came here, and I understand, they gave us a date for a particular rate increase hearing in Ocean County.

That was due to the efforts of the board of freeholders that asked that they come here.

We thought that was the least they could do.

Senator WILLIAMS. You were certainly very persuasive on the need, you have certainly analyzed what happened with the kind of rate increases and the taxes that come back to the government.

That is a very worthy point. Thank you very much.

Ms. GLUCK. Thank you.

Senator WILLIAMS. We will now hear from Mr. Andy Visotsky, Toms River, N.J.

STATEMENT OF ANDY VISOTSKY, TOMS RIVER, N.J.

Mr. VISOTSKY. Thank you, Senator, friends and neighbors, ladies and gentlemen.

The subject matter I would like to discuss is the exorbitant price of propane gas which is our source of energy for heating, cooking, and hot water in our homes here in the Gardens of Pleasant Plains, Toms River.

With inflation still running havoc, what are we social security recipients expected to exist on?

Keeping in line with our Bicentennial, 1776 to 1976, the senior citizens living in the Gardens of Pleasant Plains, users of propane gas, are getting ready for the usual winter battle of Valley Forge with our propane gas company, with the cold weather bringing only further increased prices and quota gimmicks.

The Gardens of Pleasant Plains is a retirement community for senior citizens. There are approximately 450 homes in this development. Due to a Federal mandate a moratorium was declared on the further use of natural gas and approximately 125 out of 450 homes now must use an alternate fuel, which is propane gas.

The cost in 1973 when I purchased my home was approximately \$190 per year, based on a price of 32 cents per gallon.

The last delivery of propane gas to my home was in July of 1975 and the price per gallon was 54.5 cents, an increase of 11 cents since July of 1974.

The increases in propane gas have taken place since October of 1973 and have been going up at a rate of 1 cent to 7 cents per gallon on each delivery.

In 1974 the yearly bill for propane users was approximately \$500 to \$600. Enclosed find exhibit A, which is my supplier's price quota, effective date November 26, 1974, which is self-explanatory.

[The price quota referred to follows:]

EXHIBIT A

PYROFAX GAS PRICE QUOTAS, PHASE 4.-43-20181

Effective date: November 26, 1974.

Location: Farmingdale (Wall Township, N.J.)

Nonmetered bulk service (applicable where company owns the system tank)

Gallons delivered during calendar year:	Price per gallon
0 to 24.....	\$0. 940
25 to 75.....	. 882
76 to 150.....	. 702
151 to 400.....	. 682
401 to 700.....	. 642
701 to 900.....	. 512
901 to 1,200.....	. 482
1,201 to 1,250.....	. 441
1,251 to 1,500.....	. 421
1,501 to 1,750.....	. 411
1,751 to 2,000.....	. 401
2,001 to 3,000.....	. 391
3,001 to 4,000.....	. 381

NOTE.—Dollar price as of August 1975; add 3 cents and a fraction to all categories.

Prices do not include excise or sales taxes. Price per gallon is based on the quantity of gas delivered during the previous calendar year, subject to the conditions

stated below. Consumers established for less than 12 months will be billed at a rate based on the quantity of gas which Pyrofax Gas Corporation estimates will be purchased during the first 12 months.

Mr. VISOTSKY. Why are there different spreads between gallonages?

Example, using current prices: 900 gallons, you pay 54 cents per gallon, which for the year would be \$846; 1,200 gallons, you pay 51 cents per gallon, which for the year would be \$612; 1,251 gallons, you pay 45 cents per gallon, which for the year would be \$562.95.

My question is: Why is the person who uses 1,251 gallons paying \$49.05 less than the person who uses 1,200 gallons?

He gets a \$49.05 break in price and gets 50 gallons more. And yet the Federal Government tells us to conserve fuel. Where is the logic?

PROMISES—BUT NO REDUCTIONS

On June 19, 1974, the FEA informed a number of the residents here in the Gardens of Pleasant Plains that a reduction of 8.8 cents per gallon was coming, with further reductions expected. Here it is 1975 and we have never had a reduction but a steady increase as the months went by.

In an article in the *Consumers Digest* it was reported that the State of Arkansas had taken their problem of the high cost of propane gas to the FEA.

In a hearing before the FEA some sort of a ruling came out to the effect that propane prices would be rolled back to May 15, 1973.

The FEA has been in touch with a number of the residents by telephone here in the Gardens of Pleasant Plains concerning propane gas pricing.

Our particular gripe, in fact we consider it a plain ripoff, is an arbitrary quota system that our supplier uses to bill us. The price to us per gallon is based on what we consumed in the prior year.

The Federal Government tells us to conserve fuel, yet by this gimmick of a quota system, the more you use, the cheaper the price per gallon.

Calling your attention, again, to the Federal Energy edict in which they have used a rollback date of May 15, 1973, we here in the Gardens of Pleasant Plains did not have, nor ever heard of a quota system.

We all paid the same rate per gallon. Basically, propane gas was known as the poor man's fuel. Its price per gallon was comparable to fuel oil, since both of these fossil energies are used for heating and cooking.

"IS THIS QUOTA SYSTEM LEGAL?"

Why should propane gas have quota systems and prices ranging from 43 cents to 66 cents per gallon, whereas fuel oil is being sold between 32 cents and 36 cents per gallon?

We always ask the question, "Is this quota system legal?" And in talking with the Federal Energy and our Senators, no one has given us a direct answer.

In the delivery of fuel oil, there is a fixed price per gallon. In the delivery of propane gas there can be four different prices per gallon on four different deliveries from the same truck.

In questioning the different price per gallon we are informed that the price you pay on each delivery is based on what you consumed in the previous year.

There are two alternate suggestions which we offer for your consideration in solving this propane problem.

First, since 325 homes already do have natural gas, why not make natural gas available for the other 125, as a replacement for the homes which had natural gas and have been demolished or removed because of the turnpike spur adjacent to our community, and no replacements have been made.

Second, a fuel stamp program be initiated to subsidize propane gas users.

In conclusion, it behooves me at this time to bring to your attention that our Members of both Houses of Congress should start to practice the old adage of "Charity begins at home" and not with the giveaways abroad.

Thank you very much.

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

You made several points that must be pursued, and one is these pricing practices, in where the Federal Trade Commission—I get the impression that the Federal Trade Commission is becoming more aggressive in terms of the needs of the consumer, and this might be a horrible example that will really shake them up—these variety of prices—and pricing practices that run contrary to our essential basic policy these days of conservation.

It is an excellent statement, and all staff are alerted to this. We will follow up.

Mr. VISOTSKY. Senator, if I may, I would give you a current example of what I was talking about.

The propane company as such has what is known as a budget plan, and they analyze what you will be paying per year; they break it down on a monthly basis.

I have a neighbor who lives three doors away from me, Mr. and Mrs. Dominick, and they received a delivery of propane gas in March of 1975; they received the budget in which they said that their plan calls for you to be spending \$300 a year.

Now in March, when this person did receive a delivery of gas per se, this person's bill came out to \$309 for this one delivery alone, so I cannot see where this budget form is factual if they are going to get two or three more deliveries during the course of this year, and I bring to your attention this matter.

Senator WILLIAMS. I appreciate that.

Mr. VISOTSKY. Thank you.

Senator WILLIAMS. We will now hear from Mr. James Muldoon, Toms River, N.J.

STATEMENT OF JAMES MULDOON, TOMS RIVER, N.J.

Mr. MULDOON. Thank you, Senator.

I am here today as a private citizen to testify to the impact that the high cost of living, particularly as it relates to fuel oil, has had on the lives of my friends and acquaintances who are senior citizens.

I have here two bills. One is dated May 31, 1973, and shows the price of fuel oil to be \$0.1890 per gallon. The second bill is dated

August 25, 1975—\$0.3758 per gallon. As you can see, this is double the price of fuel oil in a period of 2 years and 3 months.

Because of this tremendous increase in price, we find that many seniors have had to reduce their standard of living. They must necessarily deprive themselves of the basics of life.

A number of these people are widows. Because they are trying to keep up with the payment of their oil bills, they must cut down on their food budget, their doctor visits, and their prescriptions.

Other senior citizens attempt to solve the problem by lowering their thermostats to 50 degrees because they cannot afford the luxury of oil. This means that they must wear jackets inside their own homes or bundle up in blankets or use hot water bottles for warmth.

Many of these older citizens are not in the best of health to begin with, and living under these poor conditions, they become sick at a time when they can least afford it.

Most of these families sold their homes or moved from apartments in New York and northern New Jersey. When they come to Ocean County to live, their income was decreased, usually by about 50 percent.

Normally these people could have lived on their income, but the combination of the reduced income and the cost of inflation had radically changed their lifestyle. In order to conserve, they must deprive themselves of the necessities of life.

I am sure you have all heard the stories of senior citizens who have been forced to eat animal food. While I have never personally witnessed this, I have seen people who do not have pets buying animal food in our local supermarkets.

RIGHT TO LIVE AS HUMAN BEINGS

Something must be done by the Senate and the Congress. I feel they should consider helping these people with ration stamps for oil or by increasing social security payments so that these people can live as human beings.

Gentlemen, I would like to add to that. I also attended a meeting last Friday of the public utility commission, and I was amazed that there is no guarantee that only one hearing will be held in Ocean County on the New Jersey Central Power & Light Co.

We have had the experience here within the last 3 months, of having people go up to the public utility commission in Newark. When we got there with 160 people, we found no place to be heard, no seating space, no room to fit into, and nobody to make any accommodation for us.

I think it is about time that the public utility commission did come down and listen to the people, not only in Ocean County, but Atlantic County, and the other counties that are involved, and while I am talking to you about this, I have in front of me an article taken out of a Passaic paper, advertising the cost of fuel at 34 cents a gallon with 200 gallon deliveries.

We have 15,000-gallon deliveries, and we pay 38 cents a gallon for it. This I think is something that should be looked into also. Why a situation like that exists, I don't know.

Thank you.

Senator WILLIAMS. Thank you very much.

I gather that this is within our State, the difficulty of accommodating the people in hearings in Newark has now been recognized, and that is why the commission is regionalizing their hearings.

Mr. MULDOON. Only lately, I have received a letter from Mr. Caprio, the secretary of the commission, and he said they had no way of changing their programs. I do hope it will change.

Incidentally, also I would like to say this: While the price of the \$0.34 is here, the same date ours was increased by the public utilities commission, \$0.3790 per gallon. They decreased another development by 3 cents less, which does not make any commonsense at all.

Now, this was brought to the attention of the public utilities commission, but we have not been able to get to first base with it.

Thank you.

Senator WILLIAMS. Thank you very much. Did you have something to add to that?

COMPARISON SHOPPING FOR PRESCRIPTIONS

Ms. GLUCK. There is one thing that nobody has discussed, and that is drugs, prescriptions. We do not have advertising of drugs in the State of New Jersey. There was a bill in the State legislature that got nowhere.

I am thinking that perhaps there should be some sort of national bill that allows advertising of drugs throughout the different States in the country, if possible.

It has been said in a survey, that those States that do not allow advertising, the price of drugs is 200 percent more than the areas where advertising is allowed. If this is the case, that means the consumer has no way of knowing where they can get drugs cheaper.

In Ocean County, where people have no public transportation, it is tough to tell them to comparison shop. It is difficult to get this pricing information. There is no place where it is displayed, and it does not have to be displayed.

I think the Federal Trade Commission stated that competitive advertising could save \$130 million a year for consumers.

These savings would be reflected mostly to senior citizens. One would have to assume that they proportionately spend more money on drugs and prescriptions than the rest of the population.

The other point is that physicians might be prescribing by generic name rather than brand. This has been somewhat of a controversy, but it has been said there are generic drugs being made of the same quality as the brand names, and I believe certainly the medical society, the AMA, ought to encourage physicians to prescribe generic drugs.

This is a tremendous area where the citizenry should be able to make gain on their expenses.

Mr. MULDOON. May I add to this situation. I had occasion to go to a doctor, and he ordered prescription drugs for myself which cost \$6.60. I took a renewal of that to a supermarket in town, and they gave me a package for \$5.50.

They said, if you'll have your doctor put on the prescription that the generic drug could be used, we can sell them to you, the same prescription for \$2.70. Now, the difference between \$6.60 and \$2.70 is a very important situation for the senior citizen.

I went to the doctor, and not only did I go to one doctor, but I went to three doctors, and they absolutely refused to use the word "generic" on the drug prescription.

I think this is something the Medical Association should look into, but it seems they will not do it, and I think it is important. I certainly recommend what Ms. Gluck said. Thank you.

Mr. ORIOL. Ms. Gluck, I wonder if you had the opportunity to read the Federal Trade Commission regulations opposing drug prices?

Ms. GLUCK. Yes.

FTC REGULATIONS

Mr. ORIOL. I wonder if you could, for the record, give us your analysis to these Federal Trade Commission regulations, and in particular, there was one that did not become a recommendation, even though staff seemed to be in favor of requesting pharmacists to give prices over the telephone, and I wonder if you think that would be a useful service to older people?

Ms. GLUCK. To be honest with you, Bill, I am of the philosophy, when we are paying for something, we should be entitled to disclosure, and if you can get a price over the telephone, why not.

I do not remember point for point what the Federal Trade Commission's proposals were, I can certainly see that the pharmacy should be allowed to advertise, I think they should have a sign posted of the most used prescriptions and prices, and certainly in this county where transportation is a tremendous problem, prices over the telephone would be of great assistance.

I think we have to recognize that this would bring competition, this advertising, and perhaps some of the services would be cut down, such as delivery.

Perhaps some pharmacies could not do that, but then it becomes my choice as a consumer, if I wish to have delivery, then I would call the pharmacy which gives me that service, and then if I do not wish to have it, I could call the one that is cheaper. That should be my option.

Mr. ORIOL. If you wish to comment further, the record will be open for 30 days.

Senator WILLIAMS. We thank you very much.

Mr. MULDOON. Thank you.

Senator WILLIAMS. We will now go to the panel on nutrition and food.

The panel is made up of Harry Zane, project director, Ocean County St. Andrews Methodist Church, Toms River, N.J.; Shirley Schaul, Lakewood, N.J.; Ray Taintor, Food Co-op, Brick Town, N.J.; Donna Serber, Lakewood, N.J.

Mr. Zane, we will start off with you.

PANEL ON NUTRITION AND FOOD

STATEMENT OF HARRY ZANE, PROJECT DIRECTOR, OCEAN COUNTY ST. ANDREWS METHODIST CHURCH, TOMS RIVER, N.J.

Mr. ZANE. Senator Williams, and gentlemen, I did hand a typed copy of my comments to Mr. Cronin. I see that somebody did not put my name on it. It says "Ocean County Nutrition Report."

Senator WILLIAMS. I see. I had a report earlier on some of the great work you are doing, on the numbers of people you are reaching. I am looking forward to this testimony.

Mr. ZANE. As project director, I will make a somewhat meaningful report, but I think a little bit later on, Mrs. Shirley Schaul, as a participant, will be more meticulous than I about the benefit of the program.

The program is associated with the St. Andrews Methodist Church; they are the grantee.

HOT LOW-COST MEALS

The Ocean County nutrition project is serving 300 hot, nutritious, low-cost meals a day, 5 days a week, at three sites in Ocean County to persons 60 years and older. The program includes supportive social services including transportation, information and referral, health and welfare counseling, nutrition education, shopping assistance, personal escort service, recreation, and home-delivered meals to those qualifying.

The project is part of a nationwide nutrition project for the elderly funded under title VII of the Older Americans Act of 1965, as amended.

Funding of the Ocean County project includes 78-percent Federal funding. The remaining 22 percent is provided by the Ocean County Board of Chosen Freeholders, the Township of Dover, and several private nonprofit agencies.

We hope soon to be able to serve additional meals and services under title XX of the Social Security Act. Next year with increased funding we hope to be able to open another site.

I believe—parenthetically, I am the New Jersey title VII project director, and I have a pretty good idea of what is happening to a lot of the other projects of the State of New Jersey.

I believe it is becoming a significant factor in helping older persons cope with the problems that are associated with aging in our society.

A hot, nutritious, low-cost meal at a congregate site helps improve physical health, has some financial benefits, is frequently socially and psychologically enhancing to the elderly; especially to the lonely and withdrawn.

More frequent smiles, livelier conversation, and concern with personal appearance are evidence of self-esteem and awareness of and respect for others. When our participants begin checking on absentees we suspect a new dimension of caring.

The wisdom of the Congress in mandating congregate settings at strategically located sites with supportive social services is being confirmed.

Where a site may average 100 meals a day, over a year it may serve 4 to 7 times that many persons. This large number of contacts gives opportunity to surface other needs and provide the service, information, or referral to help alleviate the situation.

These possibilities are enhanced because of the confidence and good will engendered through participation in the luncheon, especially since sites are small enough to enable site personnel to know most participants quite well.

I believe title VII sites are becoming excellent outposts or centers for administering or referring other necessary services to the elderly, increasing their ability to remain self-sufficient in their chosen community.

COST-EFFICIENT PROGRAM

It appears to me that title VII is a cost-efficient program spending just over 10 percent on administration with the bulk of the money spent on meals and services to persons.

I would like to point to two vital social services that are in urgent need of bolstering; outreach and transportation.

The role of outreach in reaching the elderly in greatest need of both nutritional and social services and assistance in meeting those needs is being demonstrated by both title VII outreach and title III outreach projects.

Getting the appropriate service, including nutrition, frequently involves unavailable transportation or transportation only at prohibitive cost. The concern of legislators for this need is heartening. I urge increased funding for outreach services to provide for more outreach and transportation and more sites to bring the benefits of the project to more of the elderly.

Finally, title VII is developing a corps of leadership with considerable commitment, competence and growing toward professional excellence. I am pleased with the growing responsiveness of State, regional, and Federal leadership to the problems in the field.

The leadership in New Jersey is to be commended for their efforts to coordinate title VII with State and Federal agencies to increase the cost efficiency of title VII. I do hope that the growth of the program will not unduly increase our now minimal administrative cost through multiplication of regulations and more complicated reporting.

Just a word about title VI and title XX of the Social Security Act. It offers some help in expanding title VII coverage, but adds administrative headaches especially where means determinations must be made.

Two of the excellent features of title VII in maintaining the self-esteem of participants are the observance of means tests and the opportunity to contribute toward the cost of the service rendered.

One of the nutritional needs which is greater than can be adequately met by title VII is that of providing hot, nutritious meals to elderly and disabled who are unable to prepare meals for themselves.

MEALS ON WHEELS

In Brick Township, there is an excellent meals-on-wheels program serving about 50 meals a day. The service is provided by volunteers. Funds to supplement payment of those who cannot afford full payment is contributed by churches and service clubs. More such programs are needed in other communities of the county.

The Lakewood Outreach Service for Seniors is funded under title III. It provides vital outreach services for the elderly in Lakewood.

Workers seek out the elderly, help discover those in need of services and provides transportation, referral and guidance, and personal escort where required.

Friendly visitor and telephone reassurance are now being developed. In many ways, these services are supportive of title VII and are vitally needed because of limitation in title VII funding as mentioned above. The two projects are working in very close cooperation.

I close with a word of gratitude on behalf of many seniors for the concept and funding of title VII as an important step in enabling seniors to maintain themselves in their community.

I repeat the urgent need for more title VII sites. To serve the elderly of Ocean County, given the present target population and the geographic nature of the county, we could operate seven congregate meal sites. The addition of expanded outreach and very low-cost transportation services are also necessary.

Thank you.

Senator WILLIAMS. Excuse me. Did you name the three sites in here?

Mr. ZANE. I do not think I did.

Senator WILLIAMS. Where are the three sites?

Mr. ZANE. Lakewood, Toms River or Dover Township, and Brant Beach on Long Beach Island are the present sites.

Senator WILLIAMS. How many other sites do you suggest that could be used?

Mr. ZANE. I think seven, we could fairly well cover the county, and get them close to the people who are the target population.

The population is well scattered in some parts, as you know, and I think the State has set some sort of guideline that perhaps for every thousand persons who were living below the poverty level, over 60 would be required at a site.

Senator WILLIAMS. Well, that is fine testimony.

Mr. ZANE. Thank you.

Senator WILLIAMS. We will now hear from Ms. Shirley Schaul, Lakewood, N.J.

STATEMENT OF SHIRLEY SCHAUL, LAKEWOOD, N.J.

Ms. SCHAUL. What I wanted to say was that I go to the nutrition center; I have gone ever since it started, which has taken me out of the rut. I sat there day after day in my apartment, and just got nowhere. But going to the nutrition center, it took the loneliness out of it.

Being alone constantly, that way I go there, I get a good lunch, I meet people, I have company, we become friends, you have a lot of activities going for you, you have bingo, you have movies, you have entertainment, you have sing-alongs, so many numerous things to explain, to tell you.

We seem to be very happy there. I am very happy, you just gave me a very good feeling to get out, which I never did.

I sat constantly all by myself, munching that piece of toast and coffee, and looking at the four walls.

This way I go there, I meet with people. I enjoy being with people, and we are very happy.

NUTRITION CENTERS ARE ALSO GREAT SOCIAL CENTERS

We celebrate birthday parties. There were a couple there that got married, and they are very happy, so it just means a lot to the elderly people to be able to go to these sites, they are very important, and the food is delicious, very good.

What else can I really tell you?

We even have a health center where the people that cannot pay go for their blood pressure. They get their blood pressure taken free of charge.

There is so much going on for us there, for myself, that I can see, I just love the place, and I do not have the time to think of my problems any more.

Senator WILLIAMS. I cannot imagine you sitting there and looking at four walls.

Ms. SCHAUL. I did. I am only here 4 years, and when I came here, I thought this was the end of the line for me. I said to my son, "Oh, this is the end of the line for me." He said, "Mom, you will not die naturally. We would have to shoot you."

That is just the way he said it, so therefore, I feel, when I joined up with this center, this was the best thing that could have happened to me.

Senator WILLIAMS. When did he say that?

Ms. SCHAUL. You know when he said that, last week was my birthday. I was 70 years old, and he said to me, "Mom," he said, "I do not think you are going to die natural." He said, "We will have to shoot you," so that covered for me, and I felt kind of proud you know.

Senator WILLIAMS. Before you said that, I was thinking you are the essence of effervescence, and happiness, and vitality, and charm.

Ms. SCHAUL. I am. I sang on the bus.

Senator WILLIAMS. Are you the one that gave me more nutrition in my coffee than I wanted? That, by the way, was cream and sugar, which I do not drink.

Ms. SCHAUL. I feel this way, the nutrition centers are very, very important. They give you a lot of company.

I sit with everyone, they ask you, how do you feel today, when the end of the week comes around, goodbye, we will see you Monday, have a good weekend, and they take your telephone number and they call you up, you become friends, and you make friends, and that is such an important factor.

Senator WILLIAMS. I have seen this before, in my community at Lakewood, I remembered the housing that we had, and there was a widow in one unit of good housing, real good housing, and a widower, and the widow helped him with his cooking, and they got together, and suddenly there was a new unit of housing available.

Ms. SCHAUL. "Come to my house; I will make you a cup of tea or a cup of coffee," and he never left.

Senator WILLIAMS. Very good. Excellent.

We feel the same way. This is the dealing with the necessity, of course, for just human survival in nutrition, but it is more than that.

Ms. SCHAUL. Well, it takes away the loneliness.

I will tell you, Senator, being the way you meet different people they just did not have any care, it seemed that they just gave up.

I said: "Come to the nutrition center; you will meet people." They did not care about their clothes; they did not want to get dressed; they did not want to move.

NEW LEASE ON LIFE

When I got them interested in coming, they loved it. They called me on the phone: "Are you ready?" They are very anxious to be there, and the food is delicious.

Senator WILLIAMS. What time is it you normally go?

Ms. SCHAUL. The midday meal, they pick you up around 11, 11:30, and, of course, if they entertain you, you stay, you have bingo every day, there is a day for entertainment, there is something doing every day, you are not alone.

You just have company, and you would be surprised what it has done to a lot of people. That is why these nutrition centers are very important to have, very important to have for the elderly.

I have a new lease on life coming here, I really have. I became so friendly with people. I have a woman running after me, calling me her love. She said, you know, "I love you very much." I sing to her.

Whether my voice is good or bad, I sing, let it go at that.

Senator WILLIAMS. Thank you very much.

[The prepared statement of Ms. Shirley Schaul follows:]

PREPARED STATEMENT OF SHIRLEY SCHAUL

HOW HAS THE HIGH COST OF LIVING AFFECTED YOU?

I live on my social security which is the only income I have. I pay my rent and purchase my food stamps which helps a little on food, but leaves very little for other expenses.

I was increased \$6 on the food stamps giving me an additional \$2 for food. My rent was also increased which leaves very little for any bills which I may have to pay.

I have to live on a strict budget and cannot go over it. I therefore use the nutrition program to help me get along. I don't have any extra money for shoe-repairing, paper goods, such as toiletries and soaps and washing material. If I did not have the Outreach bus to take me, I could not go to the nutrition center. That is the only transportation I have. Also, the bus takes me to the doctor, but only one way. If I have to get home I have to call a taxi and that is too expensive if you don't have the money for that.

Transportation is very important and it is needed desperately in this county. What can be done about it?

Senator WILLIAMS. Our next witness is Ray Taintor, Food Co-op in Brick Town, N.J.

STATEMENT OF RAY TAINTOR, FOOD CO-OP IN BRICK TOWN, N.J.

Mr. TAINTOR. I am Ray Taintor, a senior citizen, and director of Brick's senior citizens program. I had this job before in a previous administration, but requested not to take the appointment when the new mayor came in, I wanted him to get to know me better, and to know something about our program.

Senator WILLIAMS. You are in Brick Town?

Mr. TAINTOR. Brick Township, yes.

Senator WILLIAMS. We got a little confusion from some who corrected me with Brick Township. They said, "You are wrong"; they said it is Brick Town.

There is a legal change?

Mr. TAINTOR. I think it is one and the same.

The last mayor requested Brick Township, and the recent mayor uses Brick Town. There really is no difference. They are both one and the same. I am director of the Brick's senior citizen's program, which comprises about 65 kinds of programs for the benefit of the elderly.

We have already got more than 500 volunteers giving of their time, with no one on the payroll, all for the benefit of the senior citizens.

CO-OP SERVICED BY 500 VOLUNTEERS

Our paramount goal is to try to minimize the cost of living and to provide some benefits and service for senior citizens. We have about 500 volunteers in the program, and we deal with probably about 8,000 to 10,000 senior citizens in many of our activities.

I would like to talk just a little bit about our co-op, because we think it is unique in the country, that it is one of the few types, one we designed ourselves, hopefully you might consider it something which might be used in other areas of the country, for similarly in minimizing the cost of living, and the economic squeeze for the seniors.

We started off with a committee about 8 months ago, 15 people, 5 or 6 of them were professionals, and by profession, I mean were in the wholesale produce market in New York City, the Hunts Point Market and the old Fulton Street Market in New York City.

They are professionals who buy as much as \$8 to \$10 million of fresh wholesale produce and vegetables for their various stores, and have volunteered their services for us in that we get the produce from the market in New York, on Friday, have it delivered to the co-op at the high school parking lot. We are using the high school parking lot, and it gets there about 5 in the morning. We unload it and by 8 o'clock we are ready to sell to the seniors, who have been just fantastic. They have come in droves, and we generally have 1,000 there a half hour or 45 minutes before we are ready to open.

We get the top quality merchandise, far superior to anything in the area, and we sell it at whatever our cost is. We normally figure it is about 50 percent of what you would pay in the store, so we do help the seniors in that way, we help in minimizing the cost of living.

TWO-WEEK PILOT PROGRAM

We had a 2-week pilot program. Once the pilot program was under-way, we decided we had to have certain ground rules, and we now meet on the second Saturday of each month, with the idea of minimizing the impact on the local merchants, so they will not complain too much, because we are selling thousands of dollars of fresh fruit and vegetables, which is somewhat taking away from their business. About 15 percent of the people in the county also participate in our program, so it helps to spread the impact onto the local merchants.

As I said, it is top quality merchandise. Anybody who has been through the co-op, will say the same thing.

I used to be proud of the marvels that I had grown in my back yard, but from now on, I will not grow cantalopes, carrots, peppers, cabbage, cucumbers, and things like that, because it is such a fantastic

buy, and the produce is so good, I cannot even grow it that good in my own yard, so you can realize the quality of it.

We also encourage local merchants to come in and participate, we have a local bread-egg man and meatman who sells merchandise.

Our gross sales have been in the neighborhood of about \$8,000 to \$10,000 per co-op, and we have had four co-ops, and you figure \$30,000 to \$40,000, that is the wholesale price, and you add another 50 percent to that for retail, and you can see the amount of produce we have sold in support of the senior citizens.

We have now four groups: We allow the senior citizens to go in, we allow those on welfare to go in, and we allow those on food stamps. The last category is that if anybody does not fall into the three categories, they can then appear before the committee, and if they are needy, and if they have a lot of children, or if the husband is out of work, or if the salary is low, we also allow that group to go in.

NONPROFIT VENTURE IS GREAT SUCCESS

So we are gearing our activities to the low, middle income group who needs it the most. Then recently we were joined by a very helpful group from the task force of Ocean County NOW, their president is here, and she is going to tell you a little bit about her participation, so I will not get involved in that. I will say of the \$40,000 that we have grossed so far, I am very proud to say, we have lost only \$100 in the last four ventures. So in spite of all the support, the benefits are going to the senior citizens, and we have been paid no expenses ourselves in anything in connection with it.

We also have many other programs, which we have geared in our activities to reduce the cost of living from senior citizens, on things like free income tax help, free legal services for wills and estate planning, carpools for doctors, et cetera, 40- or 50-cent movies of which I am sure many of you out in the audience have been to. They know that we supply, not only in addition to 40- or 50-cent movies which we are selling right now, we also give live entertainment with a band and better musical groups in the area.

You will be interested to know that next month we plan to open in the Berkeley Plaza area in southern Ocean County, and we expect to have 700 or 800 senior citizens cram the doors there and at least fill it to capacity.

We also have a day care center, a visitation program, the grandparents program, private carpools, all of these things to help minimize the cost of living, but, Senator, all our efforts are only a drop in the bucket compared to what you distinguished gentlemen can do for us in Washington. There are so many ways we need help. As much as our programs can help, our many programs and activities are only a start. There are 49 in operation now, and we will have 65 by the end of next year, and we have only been in existence for 7 months. We are all a volunteer group, we have no money, we have no budget, but we are doing this for the benefit of the senior citizens in hoping to minimize the cost of living program.

You people in Washington have the wherewithal, the leadership, the means to straighten out some of these problems.

Some of the things I have in mind are trying to keep senior citizens in their homes, when tragedy strikes, maybe when their cost of living accelerates, the dollar is not worth as much as it is, how you can keep them in there, by helping to lower the taxes, so when their money does go down and their purchasing power goes down, they have the ability to remain in their homes.

ILLNESS CAN WIPE OUT LIFETIME SAVINGS

Also, major medical is a terrible tragedy. Today when one illness strikes, a person can save for 50 years, and then can retire, say I have the money, I have the wherewithal, and then all of a sudden, major illness comes along, or a major accident, et cetera, it wipes out their lifetime savings, and away goes their standard of living, and so forth, and I do not know how to solve it, but I do know the problem is there.

Also, we need money for outreach activities, for programs like ours, where we are operating on our own, trying to get a few outreach workers to beat the bushes, and we have 26 square miles to beat the bushes and find out where the problems are for the elderly, and then try to do something about it, with the capabilities of the social service agencies on our own capabilities.

We need help in transportation. People have already talked about it, and I mentioned to you just a few moments ago about private pension legislation. You have done an outstanding job with some of the other leaders in Washington in helping to pass the pension law in last year, but unfortunately there are many loopholes which I am sure you and the others did not intend to have.

These tragedies do occur. I know in my own firm 700 people have been retired; they are between the ages of 75 and 95 years of age. They have been getting these pensions regularly for 25, 30, 35 years, and yet they were told at the beginning of this year they would no longer get their supplemental pension.

This is a tragedy that exists. I know when you spearheaded the legislation you did not realize that, but today it is a tragedy, and there are too many of these things that are happening, because one or other of the loopholes are in the PBGC. It does not really have the authority to tell these firms they have to pay, or they take over the fund, and they administer it themselves.

That is about all I have to say. I would be glad to answer any questions you have.

I thank you for the privilege of being here. I would be glad to talk to you about any of these things. I left with you some copies of my statement. Thank you very much.

Senator WILLIAMS. We certainly thank you, Mr. Taintor, and while we are continuing now with Mrs. Serber, there is one thing, first of all I would say to you that your remarkable activity is a good example for others, as I get around, but if there is any way you can see that we might through the Federal Government encourage this co-op approach, I would appreciate that.

Mr. TAINTOR. I think through our Ocean County Office on Aging—they are trying to get some other people in the community together,

and other municipalities for us to tell them how to go about doing it, and then let it spread, because I think it is a unique undertaking. I do not know of any other around operating this way.

Once you get the professionals you can do it, but there are many problems, and at this cost with this nutritional value for the seniors, it is of tremendous benefit.

Senator WILLIAMS. We had a meeting in Washington on Friday. We were talking about this, and I looked forward to reading this, and I think it is unique, and it obviously is most useful to people in the categories you mentioned.

Mr. TAINTOR. Just as long as we break even, that is all we ask. We give the seniors all of the benefit, but we still lose a little bit of money.

We do thank you.

[The prepared statement of Mr. Taintor follows.]

PREPARED STATEMENT OF RAY TAINTOR

My name is Ray Taintor, a senior citizen, already in semiretirement. I reside and have resided at 16 Farragut Drive, Brick Township, in Ocean County for the past 20 years.

I am the director of Brick's senior citizens program, an activity comprising more than 65 plans and programs for the benefit of the elderly. We have more than 500 volunteers giving of their time, with none on the payroll, and are supported by the participation of 8,000 to 10,000 senior citizens in one or more of our plans and programs.

One of our paramount goals in the senior citizens program is to minimize the impact of the escalating cost of living on senior citizens of our township and the immediate surrounding areas. The inflationary trend is hurting the seniors more than anyone realizes. Many of the seniors hurt the most are too proud to complain or divulge the extent or specifics of their catastrophic situation and the financial squeeze in which they find themselves.

FOOD CO-OP PROGRAM

Our senior citizens activities are basically designed to help and assist the needy wherever possible. Because of the time element I will get right into the nutrition and food aspects of the panel to indicate what we are doing in our food co-op which might have some benefits for consideration elsewhere, to help the elderly in other areas as we are trying to do here.

We began, early this year, with a committee of 15 members, several of whom represent some of the best professionals in the fruit and vegetable wholesale business. This is the key to our fantastic success in so short a period of time and is a must for any interested group that is dedicated to providing the top quality basics for the all-important nutritional value, as well as the secondary goal of getting the items there expeditiously at the lowest possible cost to the Seniors. Five of our professionals, who all volunteer their services free to our program, combined have over 200 years in the Hunts Point Market and the old Fulton Street Market in NYC. They select and purchase the best buys from the NYC market and arrange trucking transportation at a minimal cost to get the produce to our co-op for unloading by 5 a.m. on Saturdays and for 8 a.m. selling.

After a 2-week pilot experiment, ground rules were set up so that our co-op operated on the second Saturday of each month, except the months of December, January, and February, to eliminate freezing dangers, spread the impact on local merchants by minimizing their financial exposure, with the advantageous date set to maximize the availability of social security and welfare checks, etc. We also encourage local merchants to participate and have already attracted local meat, egg, and bread men who sell only top quality items at reduced prices. Considering quality, our items sell for comparative discounts in local supermarkets approaching 50 percent.

Recently we were joined in our co-op endeavors by a fine task force of Ocean County NOW, a devoted group dedicated to minimizing the cost of living impact on the welfare and needy groups. Their president is here and I will let her tell you of their splendid contributions to our joint efforts. The co-ops have been so

good, with the items of such wonderful quality, that I join with the many others who have said they will no longer grow melons, peppers, lettuce, carrots, potatoes, cucumbers, etc., in their own gardens any more as long as the co-ops continue. Even my home grown "marvels" are not as good as our professionals bring in and, I assure you, the price is right!

To give you an idea of the magnitude of our operation, held in the large brick high school parking lot, with recent permission to go indoors if the weather is excessively bad, we gross about \$7,000-\$8,000 (wholesale) for a 5-hour operation, with each succeeding co-op exceeding the previous one by about \$1,000, at least. We are proud to say our "profit" to date is a minus \$75, so the seniors, welfare recipients, those on food stamps and those in the special needy category have reaped all the benefits.

Other programs we sponsor to help minimize the staggering inflationary impact include: Free income tax help; 40-50¢ weekly movies with live entertainment; volunteer private car pools; free bus transportation, both in town and for hot nutritional meals; a day care center; visitation programs; etc.—all for senior citizens and accomplished; along with our dozens of other programs for the elderly, with no budget and no cost to the taxpayers.

Copies of my statement are available, if desired, along with copies of our 65-point program, our progress to date and other helpful information.

ONLY A DROP IN THE BUCKET

While we are trying our best to lower the cost of living and minimize the inflationary impact on the elderly, our efforts, no matter how dedicated, are only a drop in the bucket to what you gentlemen in Trenton and in Washington can do. First, I think you must realize and appreciate, that even the middle income senior citizens in the normally considered well-to-do villages, need your help today in minimizing the escalating price squeeze. Deaths and major illnesses, plus the declining earning power of the dollar, have drastically stripped so many seniors of their so-called "cushions." Seniors need your help and need it fast! We are counting on your leadership and action!

I respectfully urge and, yes, plead, for your quick help to insure that the seniors will be able to survive with dignity and peace of mind. It is imperative that concerned legislators consider and support action to keep healthy seniors in their private homes that are being forced out because of declining income; major medical relief—and fast, so that lifelong savings are not completely liquidated in dramatic fashion when a catastrophic illness or accident strikes; more money for outreach workers so that a volunteer program like ours can "beat the bushes," find out where seniors' need is and then try to do something about it through other social service agencies or our own capabilities; eliminate the many tragic loopholes in the private pension legislation, which Senator Williams so nobly helped pioneer so successfully in the Senate. Yes, too many seniors still are being told the shocking facts that their pensions are stopped or canceled, etc.

I can give you the problems but, unfortunately, I don't know or have all the answers. I had hoped you might have them. However, what you do and how you do it is not important, so long as the end result is obtained. Please help! Do something, and do it in a hurry!

Thank you for the opportunity to appear before you. I would be glad to answer questions any of you gentlemen have about our co-op or any phase of our many plans and programs for the benefit of our senior citizens. Thanks so much.

Senator WILLIAMS. We will now hear from Ms. Donna Serber, Lakewood, N.J.

STATEMENT OF DONNA SERBER, LAKEWOOD, N.J.

Ms. SERBER. Thank you, Mr. Chairman.

My name is Donna Serber, and for the past year I have been coordinator for the Ocean County Chapter of the National Organization for Women. In this position I have been a witness to the tragic plight of women of all ages who are severely affected by the inflationary cycle and the unemployment upswing.

Ocean County has never been an industrial community; the largest employers have been construction companies and service related jobs.

Today, construction in this county is almost at a standstill, and unemployment is rampant.

We are now faced with a situation where inflation, coupled with unemployment, is creating unbelievable hardships on the citizens of this county. It is more than a simple matter of tightening one's belt: persons in Ocean County are facing ruin.

The situation is most bleak for the women in this community. Traditionally, women are less skilled and career-oriented and women suddenly finding themselves as heads of households are unlikely to find employment that would pay enough for her to support her family. Thus, she turns to welfare.

However difficult it may be for a young woman in Ocean County to find work, for the older senior woman the situation is hopeless. In a community where young, healthy men cannot find employment what chance has a 60-year-old woman. Thus, she turns to social security.

"PEOPLE TURN TO US IN DESPERATION"

These people on fixed incomes are facing disaster. Although to governmental agencies, social security recipients, welfare recipients, and the unemployed are statistics to be grappled with, to those of us involved daily with the people, it is a travesty.

Daily, people turn to us in desperation—people who cannot afford to feed their families; people who are subsisting on miniscule amounts of money. And we feel helpless.

Thus, we conceived the idea of a food co-op. Originated by the senior citizens of Brick Town, NOW joined forces with them in the second month of operation. By combining efforts of the two groups, we are able to serve a much larger segment of the population than we could individually.

The goals of this co-op are narrow and succinct: to provide food at reasonable prices for those persons on fixed incomes, and other indigents, in this county.

It is a monthly venture, and it is successful in that we have met and continue to meet our expressed goals. It is a true community project, totally run and staffed by dedicated volunteers.

We are most fortunate to have working with us persons who have spent many years as buyers for supermarket chains, and these persons personally go to the markets in New York each month and select our produce. It is then trucked back here by other volunteers, and set up in the parking lot of Brick Town High School. By 8 o'clock we are ready to open to seniors who are generally starting to wait in line by 7. At 10, welfare recipients and food stamp recipients are admitted, and we close down by 2.

This past month, we doubled our customers, and we served about 4,500 persons. Until this month, the majority of people have been senior citizens, but in preparation for September's co-op, we have made extensive outreach efforts to reach all the indigent in the community. Along with food stamp vouchers, we enclosed a circular describing the co-op, and the response has been absolutely outstanding. In addition to requests for information about the co-op, we have literally received hundreds of offers from persons seeking to volunteer their services. We have also sent people out to the churches in the poorer section of the county to directly speak to the people. Flyers and posters are

distributed all over the county, and coupled with tremendous newspaper coverage, we feel that the co-op is becoming known to most of the citizenry.

We found out this morning, we will have two buses leaving for two sites.

TURN TO CHURCHES FOR HELP

The community groups that are funded—federally funded—have been very uncooperative, and when we asked for some support of transportation, they were very unresponsive, so we turned to the churches.

Senator WILLIAMS. And the reason for that?

Ms. SERBER. What they told us, was that since it is a Saturday venture, the insurance on the buses might be at question.

They then called back and said that it has to be a staff member to drive the bus, and nobody on the staff wanted to come in on Saturday, and I was horrified, because if they rotated, only one person out of a year and a half could donate 4 hours, but they did not do that.

Perhaps our great advertising asset is word of mouth, and since the price of most items are 50 percent of retail, and the quality far superior than supermarket produce, our customers come back and bring friends.

Last month, we had 17 different varieties of fresh fruit and vegetables. In addition, we give space to a meat wholesaler who sells from a refrigerated truck at at least 20 percent off retail prices. We also have a local baker there, who sells fresh bread at 20 percent off retail price.

PROBLEMS IN ORDERING FOOD STAMPS

We have had some problems that we are hoping to work out this month. One is that we have not had as many food stamp recipients as we have wished—we are licensed to redeem food stamps—we have yet to be able to solve the ordering dilemma; one month we sold out too early, and the next month we were stuck with an excess of goods.

We are trying to work out something where we can sell the extra produce at a free market.

We have also had a problem with pilferage which we hope to have solved this coming month. But, all things considered, we run a pretty smooth operation.

As originally stated, the goals for this operation are not broad. We wish to meet an immediate need. And in this respect, we are hugely successful.

However, we are frustrated in that we are cognizant that this food co-op, despite its usefulness, is merely a grain of sand on a beach. We are not solving the basic economic malaise that affects this community, nor are we in any substantial way contributing to help people get jobs so that this co-op would be superfluous. We do not underestimate our efforts, but by the same token we are cognizant of our impotency in the face of disaster.

Thank you.

Senator WILLIAMS. Well, I think you overstate your situation here, because we are cognizant of what you are doing, and you are not impotent. It seems to me that you people are as dynamic and responsive to the needs of the community as any I have seen.

Ms. SERBER. But we cannot provide jobs, Senator, and that is what the community needs, and we have a manpower training program that is totally ineffectual.

Senator WILLIAMS. All of these things you mentioned, I am supportive of, but, I agree, we have got to get our country producing again, and get unemployed people working, 8 million are now unemployed. The percentage in this State is well above the average. This is the highest priority, and there are so many needs that have to be met, the job is there, it is not make work, it is meeting community needs.

Ms. SERBER. I think we have to understand we are a service-oriented community, and we help provide jobs in this area, rather than just seek industrial jobs, and so let us do something.

Mr. TAINTOR. Also one co-op, does not solve the job of nutrition. We would like to provide more.

Ms. SERBER. The local merchants are not happy with us. They hold specials on the same day we have the co-op, they compete.

Mr. TAINTOR. We would love to have them put us out of business.

Ms. SERBER. They seek to close us down, but not reduce their prices permanently.

Senator WILLIAMS. Competitiveness is wholesome, and you have developed that.

Now, I think that will be all, although we could get much more from you that would be helpful, if we continued, but time is running out fast. We are very grateful.

Ms. SERBER. Thank you.

Senator WILLIAMS. Now, the transportation panel, the Rev. Donnon McNally, St. Francis Roman Catholic Church, Brant Beach, N.J.; Neva Mullen, New Egypt, N.J.; Jeannette Reid, Harvey Cedars, N.J.; and Mary Wilkinson, Beach Haven, N.J.

We will now proceed with you, Rev. McNally.

PANEL ON TRANSPORTATION

STATEMENT OF REV. DONNON McNALLY, ST. FRANCIS ROMAN CATHOLIC CHURCH, BRANT BEACH, N.J.

Reverend McNALLY. I am the acting director of the senior citizens program at Brant Beach, N.J.

We are the grantee of title II funds, and the main purpose of those funds is to set up education, recreational, social, transportation, and outreach programs for the senior citizens in our area.

Senator WILLIAMS. Are you right in the center of the island?

Reverend McNALLY. We serve the whole island, and we are located in the center of the island.

We also participate in the title VII program from St. Andrews in Toms River.

We are one of the three sites in the county. We cook the meals at our site for the other two sites, as well as for our own site.

Transportation is an urgent problem, not just for senior citizens in Ocean County, but for any person in Ocean County.

In our part of Ocean County there is no public transportation at all. Today 50 percent or more of the people moving into our area are senior citizens.

Many times one person, either the husband or the wife, is the driver. It is very common that soon after they move into the area the person who is the driver either dies or becomes sick and is unable to drive. This leaves either one or two people with no means of transportation.

The way the economy is today, it is even necessary for some senior citizens to sell their cars so they have enough money to feed themselves.

The problem with transportation for the senior citizen in the southern part of Ocean County, is that there is no way for them to take care of the needs that they have, such as going shopping, going to the doctor, or whatever it may be.

They have to rely on a neighbor, or they have to rely on a program that we have initiated.

VANS EASE TRANSPORTATION PROBLEM

At the present time, we have two vans that we use 5 days a week, from Monday through Friday, to take senior citizens to our senior center, take them shopping, take them to the doctor, to the hospital, and so forth.

We also rely upon volunteers to take seniors further distances, like the hospital at Mt. Holly, and to other places for treatment, whatever it might be.

The need is great, we have two social workers who are working part time to help us find out the needs of the seniors in our area.

You have met one before, Mrs. Jane Maloney. They have been working since February in our project. Their first task was to visit the seniors that we had a record of who were living alone.

We have over 2,000 seniors registered in our program, over 400 of them live by themselves.

Two of the volunteers have visited well over 150 of those seniors, and found out that over 50 percent of the seniors that live by themselves have no means of transportation, so they have to rely on either a neighbor, or on our transportation program.

The problem is as the individual senior is suffering because of the economy today, a program like ours also suffers because of inadequate funding.

At the present time, we have two vans, two drivers, and two workers to try to find out who the seniors are. They have been doing such a good job, that we find we are in need of the additional transportation sources.

The volunteers took 125 people during the past 6 months to wherever they needed to go.

We have just received under title VI funds two additional vans.

We have not received the funds yet. We are hoping in our 1976 budget to request two drivers to run those vans, and to have two additional outreach workers.

If our budget was not increased at all next year, to just keep things where they are right now, we would have needed \$104,000.

MATCHING FUNDS GRANTED FROM TITLE III

We have been told that all we can get from title III funds is \$45,000, and since we are on 50-50 basis right now, it means that our

budget will be \$92,000 rather than \$104,000, just the way things have been. There is no way that without title III funds we would be able to get the drivers to do the job that we feel needs to be done.

Senator WILLIAMS. When did you go to 50-50, by the way?

Reverend McNALLY. This coming year.

We are 60-40 this year; next year we will be 50-50, and we have already made out the budget. We were told to expect only \$45,000, that is all you will get. We are most grateful for the title VII and title III funds, it is the only means that we are able to use at the present time to do what we do. Without that funding we would be able to do nothing.

I would strongly encourage you, Senator, to do everything in your power to increase the allocations of title III, and title VII funds, especially to the southern part of Ocean County.

The grants at the present time are given based on the 1970 census, and as you all know, during the past 5 years, the amount of people that have come into Ocean County has doubled, and yet the funds that are to take care of those people are not there.

Senator WILLIAMS. You made your point very forcefully, Father. Thank you. We will do what we can, believe me.

I have been told that I have a phone call, but let us continue.

Reverend McNALLY. Thank you.

Senator WILLIAMS. We will now hear from Neva Mullen, New Egypt, N.J.

STATEMENT OF NEVA MULLEN, NEW EGYPT, N.J.

Ms. MULLEN. I am Neva Mullen. I represent the senior citizens of my area.

There is very little transportation in Qualmstead, and what there is, is at the other end of the township, and it is hard for many of our seniors to even get to where they want.

Our next point, as Father McNally pointed out, this leaves our people—we do not even have one van. We have nothing whatsoever in that line, and so our seniors depend entirely upon neighbors or friends to take care of them, and this is becoming more and more of a problem. They have to depend on someone to take them wherever they want to go.

The biggest problem I have found has been when they do these cobalt treatments. This is a thing that takes so many funds, and you have to have so many volunteers, it certainly does become a big, big problem.

TRANSPORTATION HARDSHIPS

Many of our senior citizens are just not able to see a doctor as often as they should. They do not drive any more.

If they are country people, chances are they have driven at one time, but they are getting too old to drive, and a lot of them are driving when they should not.

My husband is one; he is told by the police, do not go to town before all of the workers get to work. They take a dim view of driving behind someone that drives 10 miles per hour, and then if they have someone in a nursing home or a hospital, it would be nice if they could have a chance to get to see those people once in a while.

It will give them a good sense of feeling, and finally, I do feel that seniors are entitled to a little fun.

Maybe a trip to a mall once in a while for a few hours, would mean the difference between these senior citizens living and barely existing.

Now, I do not think we need a full-time van at this time. It is a small township, and we do not have that large a number of seniors in it. If we could have one and share it with another township, it could be a very good advantage for the township. The thought occurred to me, if the United States is not going to do something about our senior citizens, they all ought to pray that they are going to die young, because sure enough we will all get old if we live long enough.

Mr. ORIOL. I am sure if the Senator were here, he would agree with you.

One thing I would like to ask you about, you said personally you have been asked to drive patients for cobalt treatments. How big a trip is that?

Ms. MULLEN. At the present time, they are closer. It has been as far away as 50 miles. They do have them closer now.

I am chairman of the Plumstead Township Cancer Society; that is why I was asked for that.

Mr. ORIOL. And the people that do volunteer for that, there is no compensation for the gasoline?

Ms. MULLEN. Oh, no.

RETIRED SENIOR VOLUNTEER PROGRAM

Mr. ORIOL. Would the retired senior volunteer program, RSVP, be helpful, because one of the policies and practices of that program is to supply expenses to volunteers, and it just occurred to me this might be worth looking into.

Ms. MULLEN. I am not familiar with that.

Mr. ORIOL. Well, Mr. Rubenstein, I imagine, will discuss that with you.

Some of our most heartwarming testimony could not top what we have heard here today; it has dealt with what RSVP people are doing throughout the country, and in some cases, they are making the nutrition projects work better, providing invaluable assistance.

Father McNally, if I might go back to you for just a moment, did you say the vans which are coming to your project, go through the 16(b)(2) program or some other program?

Reverend McNALLY. I think they were 16(b)(2). It is through title VI; the State of New Jersey just this year, got a grant of over \$500,000.

Mr. ORIOL. We had hearings in Washington recently, to try to make certain that program had maximum effectiveness, and we are glad you are making use of it.

Reverend McNALLY. From our location, it is 75 miles for people to go to get cobalt treatments. To Toms River, it is about 30 miles; and Atlantic City is about 40 miles. We do not have any services of the county such as welfare in our part of the county. People in our area have to come to Toms River. There are no supportive services like that in our part of the county. Transportation is so essential to help meet the needs of some of the seniors in our area. Just to get on SSI or whatever it might be, a senior has to come here to Toms River.

Mr. ORIOL. You said you are chairman of the county cancer society.

Ms. MULLEN. That is correct.

Mr. ORIOL. I think it is an interesting suggestion to bring to the national headquarters of the cancer society, that that society and RSVP might be able to work out a model program to deal with some of the problems.

I will suggest that to the Senator, and we welcome any backup you can give us.

Our next witness is Ms. Jeannette Reid, Harvey Cedars, N.J.

STATEMENT OF JEANNETTE REID, HARVEY CEDARS, N.J.

Ms. REID. My name is Jeannette M. Reid, and I live in Harvey Cedars, N.J. I am a widow, 72 years old, live alone, and have never had an automobile driver's license.

On the northern end of 18-mile-long Long Beach Island where Harvey Cedars is located, there is no public transportation at any time of the year. The proposed Ocean County bus service, if it ever comes into existence, will not reach Harvey Cedars, but will be terminated in Surf City whose northern border is 3 miles from my home.

I used to use taxis, but they became so unreliable and expensive that I gave them up last year.

I am not here to complain, but to thank all of those concerned for the change that has come into my life in the last 3 years through the use of title III and title VII funds which cover transportation and funds by St. Francis Senior Center, Brant Beach.

Because of the van transportation that is supplied, I now regularly attend a number of classes at the center 4 days each week, including crocheting and senior exercises. Whenever I am at the center, I enjoy an inexpensive nutritious lunch which is my main meal for the day. Every Thursday, two vans from the center each take 10 seniors to Manahawkin Shopping Center approximately 12 miles from my home. There we buy our weekly supply of groceries and needed drugs. We are able to avail ourselves of this service only if we are among the first 10 to call. In this shopping area is a pharmacy which gives senior citizens a 10-percent discount on prescriptions. To take advantage of the discount, we must have transportation to get to the pharmacy, the only one in the area offering the discount.

As one who usually plans ahead, I am concerned that the funds for the transportation and luncheon services could be cut off as they have been for other projects.

URGES CONTINUATION OF SERVICES

On behalf of myself and my friends, I urge that these programs be continued indefinitely. If they are not, then the impact of the rise in the cost of living will mean that many of us who now get by, thanks to social security, will no longer be able to meet our food, transportation, and indirectly, our health needs. Thank you.

Senator WILLIAMS. Thank you very much, Ms. Reid. You certainly have reliable transportation to the island, and you have one van, is it?

Ms. REID. We call every Monday, and we make arrangements for our needs for the week, and there are people at the desk, they write them down, and the van comes at the time we request it.

Senator WILLIAMS. Is the transportation under the 50-50?

Reverend McNALLY. It will be next year. There is no guarantee of funding after next year.

Senator WILLIAMS. Where is the 40-percent funding now? What sources?

Reverend McNALLY. We contribute services, and this past year, we have been able to get \$9,000 for the local municipality, but it also has involved some cash grant from the parish.

Senator WILLIAMS. Is there any State money used as a matching grant?

Reverend McNALLY. As far as I know, that money we get is Federal money that comes through the State.

Senator WILLIAMS. That is the 60, down to 40? How are your sources on the matching part, are they pretty reliable?

Reverend McNALLY. What will happen next year, the local share will be \$46,000. If the program went the way it should be, the local share, with the extra drivers and Outreach workers would be about \$130,000 so the local share would be \$55,000.

Now, from the local municipalities, hopefully, we will be able to get \$12,000 from them. We asked the county for some money this past year, but we did not receive it.

WORTHY AND MEANINGFUL PROGRAMS

Senator WILLIAMS. Certainly, those individuals that are reached by the services, they are meaningful, very worthy and good programs.

Ms. REID. It made a very great change in my life. I was on the verge of becoming a recluse, and then I started to go out, I get lunch, and I meet new friends, and it is wonderful for me.

Senator WILLIAMS. What part of the cost of the program is represented by transportation?

Reverend McNALLY. Transportation is not that big a part of the cost of the program. A van today costs about \$5,000 or \$6,000. A driver, we had a few drivers, and their salaries run about \$4,500, because it is just 9 in the morning until 3 in the afternoon, and that is being paid right now through title III funds, so actually it is not that much of an expense.

You could run a van and a driver, and that does not include the gasoline, of course, which is a fairly good expense. But just the cost of the van and of the driver would probably not exceed \$10,000 a year, and then \$2,000 or \$3,000 for gas.

Senator WILLIAMS. That is per van?

Reverend McNALLY. Per van.

Senator WILLIAMS. And you have two?

Reverend McNALLY. We have two, and we have two more, hopefully, that we will be receiving in the next few months.

Senator WILLIAMS. Thank you very much.

Ms. REID. Thank you.

Senator WILLIAMS. We will now hear from Mary Wilkinson, Beach Haven, N.J.

STATEMENT OF MARY WILKINSON, BEACH HAVEN, N.J.

Ms. WILKINSON. My name is Mary Wilkinson and I live in Beach Haven. I am a 71-year-old widow living alone.

We can and do take advantage of transportation furnished by the St. Francis Community Center. Fortunately, we can avail ourselves of that transportation.

We can be driven on request, and can get transportation on 24 hours' notice by telephone. When a local M.D. refers you to a specialist in Toms River, transportation to and from such appointment can be arranged by the community center beforehand.

There are two vans for senior citizens to and from the community center for hot lunches, and a complete range of social, recreational, and educational activities.

The same two vans also deliver hot lunches to the homes of shut-in's. These luncheon programs are available 5 days each week, Monday through Friday.

VANS PROVIDE VARIETY OF USES

All can take advantage of a health counseling service run by the community center. Transportation to and from the podiatrist is also furnished once every 2 months—this is a preventative measure—the podiatrists' office is 44 miles away round trip.

A weekly trip to a shopping mall is made by both vans from the community center and senior citizens have 1 hour to shop there. In short, their physical well-being depends on social and recreational life, and the ability to get around and be self-sufficient.

On Beach Haven the only alternative transportation is one taxi, without a meter, and a fee of \$10 is charged to the nearest statewide bus line. This taxi is also unreliable.

To quote from Dr. Robert Erwin, some of whose patients use the community center, "Transportation, trips to hospitals, doctors', dentists' offices, and shopping areas, are a problem in southern Ocean County. Recreational programs are at a minimum, largely due to the lack of transportation. This makes the community center program very important to us." This is what he states in his quote.

I urge you to fund this vitally important program.

Senator WILLIAMS. Thank you very much.

You know each other, Mrs. Reid, Mrs. Wilkinson, I assume you are friends?

Ms. WILKINSON. Yes.

Senator WILLIAMS. Did you know each other before the round of activities that focused on the center.

Ms. REID. No, we did not.

Senator WILLIAMS. From Beach Haven to Harvey Cedars, it is just about 15 miles, so you did not know each other until you met at the center.

Ms. REID. That's right.

Senator WILLIAMS. Ms. Mullen, your situation, I was called away for a moment, we read a lot about New Egypt, you have a famous horse family in New Egypt, and that is very fine, but that does not help your situation very much, does it.

Ms. MULLEN. We have lots of horses, but we cannot ride them.

Senator WILLIAMS. No; they are gray horses, too. New Egypt gets so much attention because of the Danzer family. For those not familiar, I guess they are the No. 1 harness family over the whole wide world, and I just thought I would mention that.

Let me ask you, could you recap your situation, do you have any center within reach at all?

Ms. MULLEN. No; we do not. We have a senior citizen club, but this is more social.

We only meet once a month, and when I went to find out, I really had to research to find out what the situation was in the rest of the township, because actually, the more affluent people came to join our club, but I found through different, well, I went to one Republican, one Democrat, to the doctors, and the person who was in charge of the aged to find out how many seniors were in the township who needed help, and where they were located, and actually, although I lived there for a great many years, I did not know that they were there.

It was fairly amazing to me.

Senator WILLIAMS. Thank you very much. Certainly our political party does not have any monopoly on concern about doing the right thing in this whole area, am I right about that?

When I said ours, I was saying ours, and maybe I was reaching a little farther, but this has been most helpful, and what you have done here today is just something that refreshes us in the determination of what we have, and what we have had to be improved.

Ms. MULLEN. Thank you.

Senator WILLIAMS. We now turn to the representatives coming from other counties: Mr. Charles A. Burt, Fishing Creek, N.J.; Edith Farrell, Riverside, N.J.; and Marie Thomas, Neptune, N.J.

Now, Mr. Burt, do you want to lead off here?

PANEL FROM NEARBY COUNTIES

STATEMENT OF CHARLES A. BURT, FISHING CREEK, N.J.

Mr. BURT. Yes; I would be glad to, Senator, and I feel that it is a privilege to appear before you gentlemen, also I am happy to have spent as much time as I did here, listening to all the concerns and problems of the aged, because I happen to be one, and the many problems they have here in Ocean County also exist in Cape May County, and in order to meet some of these problems, it has been necessary for me to work, to supplement my income.

I would like to read the statement that I submitted.

When offered the position of driver/outreach worker for the Cape May County nutrition program for the elderly, my reaction was to refuse to accept, since I could not visualize what I could contribute to such a worthwhile endeavor.

SERVICES UNLIMITED

Subsequent explanation by the director of the program, Mrs. Leslie Gross, convinced me that I could contribute to this undertaking, which offers so much to the elderly of Cape May County. To mention a few:

- (1) Nutritious meals 5 days a week at three sites.

- (2) Companionship with others.
- (3) Much needed information on a variety of subjects.
- (4) Personally informing those elderly in the county not aware of this program.
- (5) Transportation to doctors, lawyers, bankers, and other professionals.
- (6) Delivery of meals to those unfortunates confined to their homes.
- (7) Providing entertainment such as movies, talks, community sings, hobby exhibits, and competitive games or contests.

I did not realize when I accepted this most interesting work, which I expected would supplement my income and thereby partially help meet the ever-increasing expenses my wife and I face, such as:

- (1) Food costs.
- (2) Property, sales, and other taxes.
- (3) Utility costs.
- (4) All insurance costs.
- (5) Maintenance and operation costs necessary to operate my car to travel to and from work, a distance of 30 miles daily, based on Federal Highway Administration data—the annual cost of this is \$1,056.

Also a reduction in my social security income of 50 percent for everything I earn over \$2,520 per year.

"MAKING \$39 A WEEK"

So when you add up all these things together, I find in this endeavor, I am making \$39 a week, with which to meet the ever-increasing expenses.

Inflation has made it most difficult for us to meet these expenses, as well as absorb the reduction in social security income. In fact, we are trying in every way to solve our problems so that I can continue to work on this project that offers so much for our older Americans in Cape May County.

I intend to submit a more complete written commentary on the drastic effects of inflation on the cost of living for the elderly in Cape May County.

Senator WILLIAMS. Thank you very much.

Where are the centers, by the way?

Mr. BURT. One center is the Vocational Technical Center in Cape May Court House. They prepare all the meals for the sites, for the one there, and for the other two sites.

One site is Millman Center in the Villas, the other is in the rescue squad headquarters in Wildwood.

It is part of my job, as the driver, to take these meals, in metal containers to the sites, plus any other supplies they need. When I am not doing this, I am contacting people who do not know about the program, explaining to them the benefits they derive, like those people mentioned previously who have no way of getting to the site. One family I deliver meals to lives in the Villas, the woman is a polio victim. She has absolutely no use of her legs. She is a supplemental security income recipient. Her husband receives a social security disability income, has an injured back with limited mobility, so I personally deliver meals to them on my way from the Millman site to the Wildwood site.

Senator WILLIAMS. You mentioned Cape May Court House, Villas, and Wildwood. Nothing in Cape May itself?

Mr. BURT. No. People from Cape May are transported, either by senior citizen bus, or by escort services to either Millman or Wildwood sites.

During the week, these buses go to either Millman or Wildwood. At this time there is no site in Cape May.

200 MEALS DAILY REACHES ONLY A PORTION

If you want to know how many meals we serve, I could give you an approximation. We serve around 200 meals daily, and I think there are many, many more people that could benefit from this program if we had the facilities, and financial funding.

Senator WILLIAMS. Have you been a lifelong resident of Cape May?

Mr. BURT. No, I have not.

Senator WILLIAMS. Where is your home?

Mr. BURT. In Fishing Creek, in Cape May County.

Senator WILLIAMS. How far is that from Cape May?

Mr. BURT. Six miles.

Senator WILLIAMS. And you have not been a resident all your life there?

Mr. BURT. No, I have been a resident of New Jersey all my life.

Senator WILLIAMS. When did you move to Cape May?

Mr. BURT. I moved there when I retired in 1972, but we have been coming down here some 20-odd years, and that is why we decided to settle there.

Senator WILLIAMS. Where was home before you retired?

Mr. BURT. In Bergenfield, Bergen County, N.J.

Senator WILLIAMS. We know it is an attractive retirement area, Ocean County, we do know that.

Mr. BURT. Yes. Without getting into a lot of detail, I would like to say this: that when I retired, I took my pension in a lump sum so that we could own our home free and clear, and the remainder was invested in New Jersey State Bonds, which have depreciated considerably from the time we bought them. Inflation certainly, as I understand it, is one of the causes for the depreciation of these bonds which I had been advised to purchase. However, if anything happens to either myself or my wife, where we need money to meet an emergency, we will take \$1,000 loss on a \$5,000 bond.

Recently, they have had a reevaluation of our property as well as all owners, and if at the present rate of \$4.716 a hundred, my taxes on reassessment will go from \$850 to something like \$1,900.

I am working here on something where I feel I am doing something for the good of the community, yet I am not asking for a fortune.

However, I assume you realize that I need to earn something to pay some of these expenses, but how can I do it?

Senator WILLIAMS. Certainly your services, I am sure you have got a lot of very appreciative daily constituents in the program.

Mr. BURT. I have, and I enjoy that, and I think to get a good nutritious meal, may not consist of everything they like, but it is good food.

Senator WILLIAMS. Well, we do thank you very much.

Mr. BURT. Thank you very much for listening to me.

Senator WILLIAMS. We will now hear from Mrs. Edith Farrell, Riverside, N.J.

STATEMENT OF EDITH FARRELL, RIVERSIDE, N.J.

Mrs. FARRELL. My name is Mrs. Edith Farrell, I am 63 years of age, and a lifelong resident of Burlington County. I have been considered middle-income level, but now due to the economic situation I find myself in low-income level. My two bachelor brothers and myself have resided in our own home for the past 58 years. I have raised a family and now find it difficult to exist as our only income is from two social security checks and a small pension that my brothers receive. I don't receive anything.

When I learned I was to be the last speaker, I decided that by now you have heard enough complaints about housing, social security, health, et cetera, even though I agree with many of the things that have been said. But, I would like to tell you about the good things we have in Burlington County for senior citizens because of Federal funds and our board of chosen freeholders.

I have been interested in all of the programs for senior citizens for a long time since I have used many of them regularly, but find myself getting more involved as I was recently appointed to the advisory council of the office on aging.

Our county office on aging or area agency provides information and referral service to the senior citizens of our county as well as other county departments and private agencies. Although Federal guidelines state that the area agency does not provide direct services, our county board of chosen-freeholders are the grantee on all of our direct service projects which must be administered under a county department, in this case, the county office on aging.

Our office on aging prints a monthly newsletter with a distribution of 6,000 which provides articles that are of interest to the seniors.

Rather than elaborate further, we have attached a sample to each of the committee members' written copies of testimony.

I myself have called the office on aging for information and have found them to be very kind, considerate, and interested in my problems. Many seniors have told me the same thing.

They also give the senior citizen an opportunity to give suggestions, criticism, and new ideas to them.

Our mobile meals program has been in operation for 3 years and has helped many people especially when they first get out of the hospital and those who are on special diets and do not know how to prepare them.

BASICALLY A VOLUNTEER PROGRAM

This is basically a volunteer program. There are approximately 200 volunteers who deliver these meals to the homes. The meals are prepared at the county hospital and sent out with one staff member to dropoff points.

This program is in great demand and inadequate funding has prevented it from being expanded. Funding is not the only problem. Due to the increase of the price of gas, it is hard to get people to volunteer to deliver them.

The bad point about this program is that too many people become dependent upon it, even after the need is gone. They shut themselves in when they should be going to the nutrition project. Especially the men.

Our senior citizen transportation project has been in existence since October 15, 1973, and has transported 5,000 people and provided for 15,000 two-way trips. Our program, I feel, is especially wonderful because it provides free door-to-door service. It helps so many people by taking them to doctor's offices, hospitals, and shopping trips to get their food and pay their bills, and also run other errands.

This program is a must for our county because we have no public transportation. I'm saying this, because the only busline we have right now runs along the riverfront communities and is going to be discontinued.

Several friends of mine have disabilities who could not use public transportation if it were available. We are very fortunate to have one of the senior citizen buses equipped with a hydraulic lift for the handicapped people.

DESPERATE NEEDY ARE NOT LEFT OUT

No one is left out when the need is there. There are, however, areas in the county which cannot be covered on a daily basis, due to the fact that there wasn't enough money given to our county under title III of the Older Americans Act.

We have a nutrition project funded by title VII Older Americans Act with a site in Burlington City which I attend regularly. It's a program which provides a nutritious and well balanced meal, especially for those people who are physically unable, financially unable, or physically incapable to prepare a similar meal.

Even though statistics show there are more elderly women living alone, there are many men who are widowers or bachelors who do not know how to cook or do not have the facilities to do so. The meal is not the only benefit that the program provides, we also have recreation, education, and social activities. With some people who attend, it's their only contact with the world outside of their rooms. Free transportation is provided for this program also.

We will be opening our second site in Palmyra on the 15th of September and this will enable more senior citizens to benefit from this program.

Senator WILLIAMS. Thank you very much. That is very helpful.

Mrs. FARRELL. It is not all bad. There is a lot of good.

Senator WILLIAMS. Thank you.

Mrs. FARRELL. Thank you.

Senator WILLIAMS. We are now going to move to Ms. Marie Thomas, Neptune, N.J.

STATEMENT OF MARIE THOMAS, NEPTUNE, N.J.

Ms. THOMAS. Senator Williams and panel members, I bring you greetings from New Shrewsbury.

Since I retired I have found great joy in belonging to senior citizens' clubs. In some towns only their residents can belong. Other towns accept members from anywhere. I have joined groups in my town and others.

I look forward to our meeting days. I have made many friends and renewed old acquaintances. In one club a craft class was organized

and we meet once a week. Each week we are busy exchanging ideas or bringing in samples of things to make or suggestions for things to do.

We try to make our time worthy. During the past summer we sold some of our items at the summer sale in Asbury Park at the solarium. After that we had a table in Long Branch at the summer festival and sold nearly all articles we had made.

Then in August we had a delightful bus ride to historic Smithville and a delicious country style dinner. We visited the shops and historic buildings, then a cool ride home.

The proceeds from these three affairs will be a gift to the West Side Community Center for a PA system from the Golden Age Club.

The PA system will broadcast in the gymnasium and other rooms where there are various activities and programs held.

Now in my club in New Shrewsbury we have just finished having our 25th annual country fair. I might mention here, since the senior citizens have organized a club, we have won first prize each year at the fair.

We sold many items we had made and we are planning another trip. One has an opportunity to go to many interesting places with the senior citizens.

NOT ENOUGH DAYS IN A WEEK

If I had any extra days in my week, I would join another senior club. I'm really enjoying life.

Among my other activities I do a great deal of volunteer work for RSVP, retired senior volunteer program, which includes arts and crafts for ill seniors, visiting homes to teach those homebound to sew, and visiting the sick.

The seniors are delighted to have something to do. They look forward every week to making and doing something. The library called for some seniors to read to the children in the morning, during children's hour. On most any day you could be on call and get something to do from RSVP.

On Tuesdays I volunteer with a "good news club" which takes children of all faiths and teaches them the Bible. We give them birthday parties monthly and sponsor them for summer camp. We took 70 children to camp in Maryland. I accompanied one group for a week as chaperone. I also help with the fundraising for this activity.

This deals with all ages. We invite them off the street to come into the church, and we teach them the Bible.

At first there were about eight children. We request that the children bring a friend the next week. Mrs. Williams, one of our local teachers in Asbury Park High School deals with teenagers all day long, and she comes again in the afternoon and gives a lesson. We sing and pray, and teach the children how to be acquainted with the Bible. Some of them do not even own a Bible. The crowd has grown to 70, and then at the end of the year, those who have attended regularly win a scholarship. They are encouraged to bring a friend, and go to camp.

SCHOLARSHIPS TO SUMMER CAMPS

Several of them have won scholarships, and some could not afford to pay. It was \$25 a week at the Miracle Acres Camp in Maryland, therefore we solicited funds, and took 70 children to camp this summer.

This is a Christian camp, and they just cannot wear bikini bathing suits, and that sort of thing, they have to have skirts to the knees and dress appropriately at all times. We made some skirts, and we buy what we can for some of the children, because sometimes there are three, four, and five in the family, and they cannot afford to send them. I volunteer as a chaperone for 1 week, and every week the other ladies are chaperones, also.

On the way home, we stopped at the Philadelphia Planetarium, where some had never been, and they enjoyed their day there at the museum. Our good news club opens tomorrow for this season. Next is the nutrition program.

We have not quite reached the hundred quota yet in the Asbury Park area, but we are ringing doorbells and still inviting people out.

They do enjoy coming out and meeting people, just dressing up and having a change.

Life as a senior citizen is very good, I think, although when we come to the economic side of the story now, I am very concerned, it is very difficult to carry on.

Sometimes we wonder if we will make ends meet, but when I read in the newspaper, look at the television, talk to missionaries who have been all over the world and have seen the starving, the homeless, the naked people, we should stop and count our blessings. It is not that bad here. This is not the first difficult time I have faced.

Twenty-four years ago, I was left a widow with six children to raise, to educate alone, and without welfare, but we managed. I have always been taught to make the best of every situation, and use what I had to the best of my ability. We all worked, and we all found success and we are happy.

Now, I am very happy to have six devoted children who contribute to my support, and it makes me very happy to have them around.

Now, in conclusion, my philosophy of life is complete faith in God, who keeps my courage high, and my hopes undimmed.

Thank you.

Senator WILLIAMS. Thank you very much. That is an excellent and beautiful story. Thank you.

Ms. THOMAS. Thank you.

REMOVE EARNINGS BARRIERS

Mr. BURT. Senator, could I suggest that one of the points I was trying to make was that you as a Senator in this business of social security try to get the dollar limitation removed or upped so that a senior like myself, and there are plenty of others that could work, and could make contributions, but who unless they find a job where they can get paid under the table, they cannot afford it.

Senator WILLIAMS. I know what you mean, that is one of the bills that I am working on, and I agree with you completely. I know a majority in the Senate agree with that proposition.

I certainly hope that we get a substantial increase this year so that we can go all the way in lifting the ceiling for those over age 72. You are absolutely right, and it is depressing, when for people who want to be active, and this is a discouraging factor, and it shuts them out of some opportunities to be of service.

I am with you 100 percent.

This has been a magnificent day. I gave so much attention at the beginning to Bill Oriol, director of the full Senate Special Committee on Aging, that I forgot that we have George Cronin here, who has been so significant in putting this absolutely full and complete and wonderful day together, George. [Applause.]

And then we have John Guy Miller, minority staff director; he has been very helpful also. [Applause.]

We do thank you all very much.

The committee stands in adjournment.

[Whereupon, the committee was adjourned at 3 p.m.]

APPENDIXES

Appendix 1

MATERIAL PROVIDED BY OCEAN COUNTY AGENCIES

ITEM 1. STATEMENT OF OCEAN COUNTY OFFICE ON AGING, SUBMITTED BY PHILIP RUBENSTEIN, EXECUTIVE DIRECTOR

Ocean County is unique in that it has become the mecca for senior citizens in the Middle Eastern seaboard. At present, people 60 and over represent approximately 25 percent of Ocean County's total population, which is twice the national average. The Ocean County Office on Aging aware of the many needs of these older Americans constantly plans for programs in all aspects of senior living.

Under the Older Americans Act of 1965, amended in 1974, funding we have been able to promote health counseling, outreach, senior center, nutrition sites, visiting homemaker service, comprehensive planning and senior employment. Aside from these funded programs, we find a very important phase of our office is to give guidance and technical assistance to our various senior clubs, as well as the various agencies in our county. These services have become an important aspect of senior life. Many seniors in our county are in financial difficulties and these services become more and more important as the senior becomes older and/or loses a spouse. The inflationary costs of living bring more and more demands on these services and in our opinion many seniors would be forced into substandard living to say the least if it were not possible to offer some relief through titles III, VII, and XX.

Our planning includes looking ahead to the time when our senior residents will be 5, 10, and 15 years older and in need of greater amounts of service, especially in the areas of health, transportation, and outreach. We work in close cooperation with the county planning board and county health department. As inflation takes its toll on everything from real estate taxes to food costs we anticipate increasing numbers of seniors dependent on services already offered with a need to expand these services with additional Federal funding.

At present we are coordinating with our municipalities to form community councils to the various mayors on aging. We feel this is an important phase of bringing services and information to all seniors in our county.

In 1976 we look toward refunding of health counseling, outreach, visiting homemakers, senior center, nutrition sites, and comprehensive planning. We are concentrating on seeking out volunteers to assist in these programs.

Needless to say, without these services many of our seniors would go hungry and not receive medical care. Many of them would remain isolated and alone in their remaining years.

ITEM 2. LETTER AND ENCLOSURES FROM THOMAS A. THOMAS, DIRECTOR, OCEAN COUNTY PLANNING BOARD; TO PHILIP RUBENSTEIN, DATED SEPTEMBER 3, 1975

DEAR MR. RUBENSTEIN: As per your request of August 21, 1975, enclosed are updated calculations for senior citizen age groups in Ocean County. The calculations are shown as follows and the methodology is described herein. Also enclosed are a magazine article and an extract from the county's Federal mass transit grant application describing the county's efforts to meet the transportation needs of the elderly and others.

If we can be of any further assistance, please feel free to contact us.

Very truly yours,

THOMAS A. THOMAS.

[Enclosures]

(1633)

ESTIMATE OF ELDERLY POPULATION IN OCEAN COUNTY AS OF JANUARY 1, 1975

The methodology employed in deriving current estimates of the age group 55 years and above in Ocean County is based upon a comparison of U.S. census information and available data from the Social Security Administration. A comparison of the census figure for the age group 65 and above and the 1970 summary of individuals receiving social security payments for the same category indicates that 97.6 percent of that group participate in the program. The social security statistics, therefore, provide a basis for estimating the size of this age group in years subsequent to the census.

Ocean County has been the fastest growing county in New Jersey for the last decade, a large part of this growth resulting from in-migrating senior citizens. It has been estimated that 40-50 percent of the county's growth has been due to senior citizen residential development and senior citizens who move into vacation or seasonal homes. The following analysis of social security and census data concludes that the estimate of Ocean County residents aged 55 years and above as of January 1, 1975, is 82,095.

Table 1 lists the annual summary of individuals in Ocean County receiving monthly cash benefits in current-payment status through social security for the years 1970 through 1974. Although retirees are eligible at age 62, a much higher percentage of those 65 and over are beneficiaries and this age group is therefore used. Table 2 presents census data for Ocean County age-groups relevant to the purpose of this inquiry for the years 1960 and 1970. The census data provides a reliable foundation and logical starting point.

It is important to determine the percentage of those receiving social security benefits (SSB) to the total number in the age group being analyzed. This is found to be 97.6 percent for those 65 and above and was derived as follows:

1970 census (65-plus).....	32, 920
1970 SSB total.....	32, 143

Total (97.6 percent).....	777
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The complementary 102.4 percent is multiplied by the 1974 SSB total which yields the present estimate for those 65 and above:

1974 SSB total.....	49, 570
Adjusted factor.....	× 1. 024

Total (65-plus, Jan. 1, 1975).....	50, 760
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The new estimate of 65 and above to the census total in 1970 produces a percentage growth rate for that age group:

1975 estimated (65 plus).....	50, 760
1970 census (65 plus).....	32, 143

Total (increase of 57.9 percent).....	18, 617
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There is no evidence to indicate that the age group 55-64 has had a growth pattern equal or similar to the 57.9 percent increase of those 65 and older. A comparison of these two age groups from 1960 to 1970 is used to obtain an historical trend. The information in Table 2 shows that the percent change from 1960 to 1970 for the group (157.0%) for the same period. The 109.5 percent figure is also nearly two-thirds of the growth from 1960-70 for the total 65 years and above. An estimated growth rate for the 55-64 category is derived by taking two-thirds of the 65 and growth rate:

Percent increase, 1970-75 (for 65 plus).....	57. 9
Adjusted factor, from census for 55-64.....	666

Total.....	38. 6
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The 38.6 percent figure then becomes the growth rate percent for the age category 55-64 during the years 1970 to January 1, 1975. The present estimate for this cohort is derived by multiplying this percentage rate by the 1970 Census figure:

1970 census, 55-64.....	22, 608
Percent increase.....	138. 6

Total (January 1, 1975, 55-64 plus).....	31, 335
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The present estimate of those 55 years and older is the simple total of the January 1, 1975 estimates for both age groups:

January 1, 1975 (55-64).....	31, 335
January 1, 1975 (65 plus).....	50, 760

Total (January 1, 1975, 55 plus)..... 82, 095

This current estimate of 82,095 for those 55 years and older represents 29.9 percent of the County Planning Board's present population estimate of 275,000 for the entire County. The updated estimate for the 65 and above category (50,760) is 18.5 percent of the total, compared with 15.8 percent for the same group in the 1970 Census. Ocean County has now surpassed Atlantic County in the category of those 65 and above as a percentage population. The 1970 Census figures listed Cape May County first with 19.9 percent, Atlantic County second with 16.2 percent, and Ocean County third with 15.8 percent.

The disproportionate growth of the age groups 55 and older since 1970 will increase the median age of 32.5 years for Ocean County which ranked sixth highest among New Jersey counties in 1970. The Social Security Administration data cited earlier ranked Ocean County fifth behind Essex, Bergen, Hudson, and Union Counties in the total number of residents 65 and older who receive Social Security benefits.

This report was prepared by the Ocean County Planning Board staff. Any questions pertaining to the report should be directed to Thomas A. Thomas (Planning Director) or Peter J. Furey (Assistant Planner) at the Ocean County Planning Board office.

TABLE 1.—NUMBER OF SOCIAL SECURITY PAYMENT BENEFICIARIES, OCEAN COUNTY

Age group	1970	1971	1972	1973	1974
60 plus.....	38, 120	42, 998	48, 889	54, 359	58, 520
62 to 64.....	5, 445	7, 575
65 plus.....	32, 143	36, 329	41, 261	45, 995	49, 570
72 plus.....	15, 538	17, 375	19, 625	21, 880	23, 875

Source: Office of Research and Statistics, Social Security Administration, U.S. Department of HEW.

TABLE 2.—OCEAN COUNTY

Age group	1960	1970	Percent change (1960-70)
60 plus.....	18, 165	45, 121	148. 4
62 to 64.....	3, 223	7, 648	137. 3
65 plus.....	12, 793	32, 920	157. 3
55 to 59.....	5, 418	10, 407
60 to 64.....	5, 372	12, 201
Total.....	10, 790	22, 608	109. 5
65 to 69.....	5, 290	13, 419
70 to 74.....	3, 797	9, 931
Total.....	9, 087	23, 350	157. 0

Note.—Jan. 1, 1975 estimate: 55 plus equals 82,095. 65 plus equals 50,760.

Source: U.S. census and Ocean County Planning Board September, 1975.

PROPOSED COUNTY-OWNED BUS SYSTEM DRAWS WIDE INTEREST

(By Peter J. Furey, Assistant Planner, and Thomas A. Thomas, Director, Ocean County Planning Board)

The Ocean County Board of Chosen Freeholders has been actively pursuing the establishment of an innovative county-owned local bus system. The project was initiated in 1971 and now commands widespread local attention and press coverage. In many respects, this proposal has impressed a variety of people within mass transit circles for its scope and timely importance.

Members of the Board of Freeholders sought direction in this idea from officials of the Urban Mass Transportation Administration in 1971 during a trip to Washington, D.C. UMTA representatives at that time outlined a series of steps to be taken, including a formal engineering study of the county's transit characteristics. During the fall of 1973, a transportation consultant prepared an "Ocean County Transit Study," which contained a recommendation for a "semi-fixed route, demand-responsive" bus operation for the county. This concept was further refined by the county Planning Board staff and incorporated into a capital grant application to UMTA's Office of Capital Assistance which was submitted in February, 1975. The grant application requests 80 percent federal funding for first year capital needs of \$1.75 million needed to establish service.

The "semi-fixed route, demand-responsive" alternative, adopted by the Board of Chosen Freeholders and the county's Board of Public Transportation is a hybrid concept incorporating the best features of a typical fixed route system and a "dial-a-ride" service. The transit study developed a recommended route system for 12 routes that reflect the trip patterns of the county's residents. Basically, the proposed system will provide fixed route or traditional bus service during the peak hours and offer doorstep service within an average half-mile band from the routes during the off-peak hours. This latter feature is referred to as a "route deviation dial-a-ride" mode of operation. It is accomplished by expanding the scheduled headways in the off-peak hours (9 a.m. to 4 p.m.) to allow the buses to leave the fixed route upon receiving a radio-dispatched message from a controller. A potential patron would telephone a central number with his or her location, destination, and time of departure, which then is processed by a dispatch team and relayed to the bus drivers via the controller. The dial-a-ride service would also allow for "subscription service," whereby a patron can pre-arrange the time and location for pick-up several days in advance or on a regular basis.

The fixed service has been designed so that all of the proposed local routes are linked with the existing commuter-oriented bus service to New York City and northern New Jersey provided by Lincoln Transit and Transport of New Jersey. This serves to form what transportation planners refer to as an "integrated system," where the local operation feeds into long distance carrier routes. The local routes inter-link with each other and also connect with existing bus terminals in Lakewood, Toms River, and Manahawkin. All major shopping centers, industries, hospitals, beach areas, and similar trip generators are included in the coverage area of this system. The system will service Lakehurst Naval Air Station and area high schools. The goal of the project is to provide efficient local mass transit service to 70 percent of the county's population.

The Ocean County system would be the first public bus operation directly owned and operated by a county in the State of New Jersey, and one of the few its size in the entire country. The county, through legislation sponsored by State Senator John Russo and signed into law by Gov. Brendan Byrne on May 5, 1975, is now able to operate the bus system on a departmental basis. Prior to this, a county was required to establish an autonomous county Improvement Authority if it wished to own and operate a bus system (as is the case now in Mercer County). The new legislation would allow for flexibility in managing the system and in setting responsive routes and time schedules.

Ocean County's demographic characteristics and land use patterns present a potentially receptive and stable market for local bus patronage. With the opening of the Garden State Parkway in the mid-50's, the county has grown from a rural-resort area of less than 100,000 people to a present estimate of 275,000 permanent residents. Approximately 90 percent of that growth increment can be described as either migrating senior citizens or young families moving into a less expensive home while retaining employment in the New York metropolitan area. The senior citizens and commuters should realize major value from the proposed bus system.

The local economy should be aided by the system as well. More than 50 new jobs will be created in areas where the unemployment rate is greater than that of the State of New Jersey. The envisioned bus service will provide transportation for second members of households, teenagers, and senior citizens to part-time employment. This is especially important since Ocean County ranked nineteenth of New Jersey's 21 counties in median family income. As a result of the rapid growth, there now exists a surplus in the labor supply that for the first time could support the needs of a large industry interested in relocating in Ocean County. Other regional programs, the existing labor supply, and available inexpensive industrial land among other things point to the future location of new industrial plants and corporate headquarters in Ocean County. An interesting summary of

the prospects for the system are contained in a letter to the County Planning Director from the representative of a bus manufacturing company in California, after admitting that his particular vehicle is not suited for Ocean County's needs. "I have seen many systems being developed as a result of traveling the country over the past few years, but have to admit that the system you are planning excites me because of its innovative, progressive approach".

In planning a county-wide bus system Ocean County is looking to the future. This innovative system is another program being pursued by the county to provide for sound economic development.

ELDERLY AND HANDICAPPED

The semi-fixed route, demand-responsive design of the proposed project is ideally suited for the transit needs of the elderly and handicapped. The doorstep service to be provided during the off-peak hours will greatly benefit both these groups. Exhibit C includes a discussion of the needs of the elderly in Ocean County and the role of these people in the proposed project. The map in figure B-2 identifies most of the retirement villages in Ocean County and the recommended route system alignment in relation to these communities. In general, the needs of the elderly are definitely accounted for in the plans of the proposed project.

Conventional systems have very little means available to them for assisting potential patrons who are handicapped. Consequently, these people are completely dependent on family and friends for transportation. The Ocean County system, with its route-deviation mode of doorstep service, will assist this group. The drivers will be instructed to help those requiring assistance in boarding and debarking from the buses. The buses themselves will be equipped with a low-step modification to aid both the handicapped and elderly. The proposed system's fleet will be composed of vehicles of the small-bus variety. These manufacturers have designed vehicles that have the capacity to load people in wheelchairs. A hydraulic lift is used in this process. The county is seriously considering purchasing such a vehicle as one of its twenty total in this capital grant application. If it is determined that the county system cannot afford to sacrifice the seating capacity of the 20th vehicle for such a special bus, special additional funding could be sought.

Once the system is operational, the prospect of receiving additional funding for such a vehicle is greatly enhanced. There are special programs in existence whose purpose is to meet the needs of the underprivileged and infirm. Upon approval of this grant application, the County could initiate further funding procedures to receive a grant for a small bus vehicle with a wheelchair lift modification.

With this vehicle, special routing could be implemented so that those confined to a wheel chair living in the populated area of the county could receive weekly service. A "wild-card" routing for this type of bus does exist in some smaller demand-responsive systems throughout the country. The "dial-a-bus" feature allows the person in a wheel chair to make a trip request well in advance, as a bus in the Ocean County fleet, this vehicle would operate in addition to normal service and attempt to cover all eleven routes on a weekly basis at the same fare for typical patronage.

Every reasonable effort will be made in Ocean County to insure that the elderly and handicapped will have the use of effective mass transportation. The unique concept of surface bus transportation conceived for the proposed project makes such service a real possibility.

ITEM 3. BACKGROUND INFORMATION OF OLDER PERSONS' IMPACT, PREPARED BY THE OCEAN COUNTY HEALTH DEPARTMENT

The public health nursing service provided by the health department as the official home health agency for Ocean County started to provide services to the chronically ill in increased numbers with the implementation of the medicare and medicaid programs.

Phenomenal growth has taken place since that early beginning and focusing on the last 5 years we find county budgetary appropriations have increased over 200 percent from 1970 to 1975. The staff has increased from 17 full-time nurses in 1970 to 42 full-time and 13 part-time public health nurses as of this date.

The nursing caseload, including new patients and visits, have also increased proportionately. More than 51 percent of the patients are 65 years of age and over and account for approximately 77 percent of the total nursing visits provided by this agency.

There has been a 350-percent increase in the number of new admissions to service. Correspondingly, the amount of visits has increased from 15,108 in 1970 to 46,568 in 1974. This increase in the nursing case load is compounded yearly as can be seen by the following chart:

<i>New cases</i>	
1970.....	790
1971.....	964
1972.....	1, 216
1973.....	1, 553
1974.....	3, 540

<i>Nursing visits</i>	
1970.....	15, 108
1971.....	16, 755
1972.....	19, 917
1973.....	25, 687
1974.....	46, 568

As the senior citizen population grows and ages, the workload of the county health department is ever increasing. Professional personnel in this local has been extremely difficult to obtain. Trained and fully qualified public health nurses are almost nonexistent. In lieu of these professionals, the county health department has been forced to utilize licensed nurses with minimal training in public health. Supervisory staff with proper credentials are also exceedingly difficult to employ and unless new methods of recruitment and training are used I expect to have a continued shortage of professional people.

Enclosed for your information is a copy of our program for senior citizen health counseling services. We presently have provided 1,765 visits to 944 senior citizens enrolled in the program. This program has been implemented in cooperation with the office on aging and has received 60 percent Federal funding. However, because of reduced available Federal funds this no longer shall be the case.

This program as detailed in the project grant is to encourage health promotion and the prevention of progression in chronic diseases through early referral to physicians or clinics for medical supervision. Health counseling is based on the proper use of nursing skills coordinated with good human relations and other knowledge to meet the needs of the aged.

ITEM 4. SENIOR CITIZEN HEALTH COUNSELING SERVICES REPORT, PREPARED BY THE OCEAN COUNTY HEALTH DEPARTMENT

There are three sites in Ocean County that have programs designed to provide elderly residents with a "life enrichment program of social, recreational, and leisure time activities." A central part of each day is devoted to serving all participants a hot meal at minimal cost. Meals are served at noontime, 5 days per week in attractive settings. Meals are also delivered to shut-ins from each site. The programs are located in: St. Francis R. C. Church, Brant Beach, N.J.; St. Andrew's Methodist Church, Dover Township, N.J.; and YWCA, Lakewood, N.J. The Lakewood site opened on Monday, April 8, 1974.

In conjunction with these hot meal programs, the Ocean County Health Department has established a senior citizen health counseling service. A health counseling service for the aging is a nursing activity which encourages health promotion and the prevention of progression in chronic disease through early referral to physicians or clinics for medical supervision. Health counseling is a human relationship based on the principle of good human relations and the use of nursing and other knowledge to meet the needs of the aging.

PHILOSOPHY

Professional nursing has the responsibility to meet the nursing needs of all people regardless of age. The rapidly increasing numbers of individuals in the older age group must be a concern of all professional nurses if this segment of our population is to receive adequate nursing care. The intrinsic worth and dignity of the individual is not diminished by his accumulation of years.

Geriatrics is concerned with the care of the older person. The practice of geriatrics places emphasis on prevention of disabilities intensified by the aging process; and restoration of the person to a level consistent with the limitation imposed by the aging process.

The practice of geriatrics requires the use of current knowledge of aging which is organized in broad areas drawn from the biological, physical, and behavioral sciences. The nurse exercises professional judgment in selecting content from the general body of nursing knowledge and in using this knowledge to meet the needs of the geriatric patient (a statement of philosophy for Geriatric Nursing Practice, American Nurses' Association, October 10, 1963).

PROBLEM

Based on our experience in working with senior citizens in Ocean County, we believe many are not known to health agencies, are not under medical supervision, and are in need of health services.

Essential to meeting these needs:

- (1) Health counseling to interpret the effective use of available health services.
- (2) Encouragement to continue or seek medical supervision.
- (3) Prevention of progressive disease through aggressive case-finding.

PURPOSE

The primary purpose of the senior citizen health counseling service is to provide an educational health service which will include referral to appropriate resources (e.g., physician, clinic and/or other community agencies as the need arises).

OBJECTIVES

Central Objective

To afford high caliber health counseling services at regular scheduled hours to the Senior Citizen who might regress without appropriate medical, nursing and/or other community services.

Contributory Objectives

1. Health Guidance:

a. Interpret principles of healthful living:

(1) Value of periodic physical examination as good health practice for:

- (a) Early detection of disease; functional and organic.
- (b) Medical supervision.

(2) Principles of general health; adequate rest, diversional activities and exercise, avoidance of obesity, infection, and emotional stress.

b. Appraise health and environmental factors:

(1) Health; hereditary susceptibility, personal and mental hygiene, evidence of emotional stress, nutrition, economic stress, note warning symptoms of disease.

(2) Accident prevention.

(3) Interpret effective use of available services as needed (e.g., Medicare, etc.)

2. Patient Education:

Give supportive help and counseling to the patient with chronic disease.

a. Help patient to gain an understanding of his treatment and regimen as prescribed by physician (e.g. special diet, oral medications, etc.).

b. Assist in alleviating fears and misconception about his condition.

c. Encourage a positive attitude toward his illness, so that he might obtain optimum health within the physical limitations imposed by disease.

d. Encourage patient to become self-directive, accepting responsibility for his own needs in rest, exercise, diet, treatment, and recreation as outlined by his physician.

e. Encourage patient to recognize the need for continuous medical supervision

3. Arrange Home Visits as the need arises by the Public Health Nursing Division of the Ocean County Health Department:

a. Seek out the isolated aging person.

b. Evaluate health needs, individual and group.

c. Refer for medical supervision and/or other community agencies. All blood pressure readings 160/90 to be referred to physician.

TIME SCHEDULE

There are two, 2-hour sessions a week at each of the three sites. Counseling sessions start immediately after the hot luncheon is over. The time sessions are approximately 12:30 to 2:30 p.m. Appointments are scheduled every 15 minutes. The health counseling nurse weighs each patient, takes their blood pressure and vital signs. Special diets and medications are reviewed, health and social problems

explored, and appropriate referrals made. The aim of the public health nurse is to get each senior citizen under medical supervision and to keep those already known to physicians under periodic care.

Each of the three sites have a room available for health counseling services. Each is comfortable, pleasant and affords the necessary privacy.

The appointment system in effect avoids overcrowding and permits consideration of individual needs. The length of the visit is flexible, dependent on need. The usual conference time is from 10 to 15 minutes.

1. Appointments do not exceed eight for one given counseling session, unless group sessions are planned. Six appointments are scheduled by the community center personnel. The last two appointments are left free to be assigned by the nurse.

2. Frequency of visits is dependent on the need and the discretion of the nurse.

3. New clients are seen if the problem is urgent and time permits.

**ITEM 5. MEMORANDUM AND ENCLOSURE FROM THOMAS E. KENNEDY,
TO PHILIP RUBENSTEIN, DATED SEPTEMBER 4, 1975. SUBJECT:
"SERVICES TO SENIORS OF OCEAN COUNTY"**

Attached is a brief outline of what we are doing for Senior Citizens through Manpower. We really service that community in four ways.

1. Direct employment.

2. Paying employees serving seniors' needs.

3. Providing tax stabilization through CETA payrolls.

4. Small direct grant to O.C.E.A.N. for John Buday's administration.

[Enclosure]

MANPOWER SERVICES TO SENIOR CITIZENS

Although the CETA manpower programs are not primarily aimed at senior citizens, we have taken into account the fact that Ocean County has a high percentage of older persons living in semiretirement or retirement, and therefore they have been serviced indirectly as well as directly, being part of our universe of need. We have enrolled seniors for training or retraining under our work experience program; senior citizens also reap benefits from the services of these people in day care centers, churches, food programs, etc., throughout the county. The services to various departments of the county paid for with manpower funds, as well as to almost every municipality throughout the county have helped to stabilize the tax rates. This is of direct benefit to seniors living on fixed incomes.

Accordingly, we have accomplished the following under our three manpower programs:

Title I.—37 persons are serving community programs aimed at senior citizens under work experience (see tabulation attached). There are also 18 senior citizens in work experience from age 55 to 82. Three of these persons work with OCEAN, Inc. In addition, we secured a small grant under the State Department of Community Affairs (\$5,900) which is being administered through OCEAN, Inc., finding part time employment for seniors. We have allocated over \$120,000 of manpower funds to OCEAN, Inc., for staff and personnel, thus freeing some of their reduced funding for the aid of senior citizens in need.

Attached is a list of senior citizens working directly under CETA in jobs throughout the county such as day care, churches, food programs for seniors, etc. These are full time jobs paid for by manpower (ages 55-70).

Title II.—During fiscal 1975, we employed 23 seniors 65 and over in the Green Thumb program. This program was instituted by the State, but during their recent budget crisis, the program was threatened. We assumed the payroll for these people, who have done an outstanding job for the community in their role, and have also helped themselves. We feel this is one of the most successful programs we have seen for senior citizens.

Additionally, we have 17 seniors from 55 to 64 working directly under manpower who did a great job during fiscal 1975. Fourteen of these participants are being carried into fiscal year 1976: all in full time jobs.

Title VI.—8 percent of our participants under this title are 55 and over. This program was started in January 1975 and by this time inflation had hit the senior community very hard; besides the effects of recession on the populace in general,

which title VI was aimed at alleviating. We tried to add as many seniors as we could fund to our job roles under title VI. Three food aides are working in Jackson, one at visiting homemakers, three in senior adult services. They not only do a good job and help themselves, but are serving the older residents of the county, as well with understanding and skill.

As a postscript, we have a 65-year-old woman working on our staff who is one of our most productive people. We are not about to dispense with her services, but we know we could offer her services with confidence to any employer on an unsubsidized basis.

Attached are the tabulations aforementioned showing those persons and services being provided under title I.

Following are the expenditures made under titles II and VI which benefit, either directly or indirectly, our senior community. The county and municipalities have been able to stabilize their tax rates due to manpower funding of many of their service personnel.

County services to seniors under title II—\$227,806.87.

Municipal services stabilizing local tax rates—\$878,328.06.

County services to seniors under title VI—\$170,763 such as:

Library.....	\$16, 130
Adult services.....	20, 831
Energy council.....	16, 872
Consumer affairs.....	24, 872
Health department.....	77, 658
Visiting homemakers (plus work experience above).....	6, 007
Parks department.....	8, 443

Municipal services stabilizing local tax rates—\$1,524,303.

List of senior citizens in work experience denoting jobsite location

Jobsite:	Age
Berkeley Day Center.....	70
St. Dominic's (Bricktown).....	57
St. Dominic's (Bricktown) (term).....	55
Lakewood Housing.....	65
Lakewood Head Start.....	55
Veteran's Middle School.....	57
Walnut Street School (term).....	55
Long Beach Municipal Court.....	55
Macedonia Center.....	73
OCEAN, Inc. (Toms River).....	82
Senior Adult Services (Lakewood).....	70
Lakewood Head Start (term).....	56
St. Dominic's (Bricktown) (term).....	56
Senior Adult Services (Lakewood).....	65
Eagleswood Township.....	58
OCEAN, Inc. (Lakewood).....	66
OCEAN, Inc. (Toms River).....	65
St. Dominic's (Bricktown).....	60
Total number of people, 18.	

In order to be most effective, all of our grant moneys must be employed throughout the county to their fullest. Our expenditure level in the Office of Manpower of Ocean County has been maintained at a 94 percent level or above, we are happy to report. The funds are being deployed to the fullest to aid our populace.

We have been exploring the possibilities under title IX, the Older Americans Act because we have a high proportion of older people in the county. We have had many applications from people 55 or over who are in real need of either part or full time employment. Part time requests we have not been able to fill because our manpower programs are designated for full time jobs. However, through OCEAN, Inc., we have been able to provide some assistance by the small grant aforementioned. The logistics of running a part time payroll is beyond the resources of our present manpower staff and the county treasurer's office.

However, we are hopeful of obtaining grant(s) through title IX of the Older Americans Act because we anticipate that more and more of our older citizens on fixed incomes will have real need to earn some additional income. We feel all our citizens are entitled to the dignity of work to supplement inadequate income levels if it is possible to provide the opportunity.

ITEM 6. SUMMARY OF NEED OF HOMEMAKER SERVICE FOR SENIOR CITIZENS IN OCEAN COUNTY, PROVIDED BY MARY FELDMAN, EXECUTIVE DIRECTOR, VISITING HOMEMAKER SERVICE OF OCEAN COUNTY, INC.

Below are stated a few of the major goals for senior citizens served by this program:

- (a) Prevention of institutional care through provision of home care service.
- (b) Stabilization and strengthening of family life by relieving the family of the total care of the elderly patient.
- (c) Encouragement of full or partial recovery from illness that will lead to independent living and self-sufficiency.
- (d) Prevention of absenteeism by relieving the employed family member of some responsibility thereby providing assistance in economic self-support.

The agency's major efforts in meeting these goals have been in expanding the funding resources and manpower resources necessary to provide this service to seniors. Over 400 seniors are currently receiving this service each week through the efforts of over 200 part time employees, many of whom are seniors earning extra income to supplement their fixed income.

Without this service, the stated goals would not be achieved and the following impact would result on our senior population:

(1) One-half of the seniors served would require some form of institutional care—hospital or nursing home. This would be not only a more expensive but a less satisfactory method of care for the senior who wants to remain in his own home. Institutional beds are not available and it is therefore reasonable that many seniors would receive no care.

(2) Many families would be unable to retain their unity without assistance in caring for the elderly patient. Family stress arising from the health and social problems surrounding the elderly sick family member in many instances causes further social problems through the disruption of the family unit.

(3) Rehabilitation of seniors with a chronic long-term illness would not occur. This is a long and demanding process that is often neglected in institutional care and must be continued in the environment on a long term-basis so that future dependency of the patient may be avoided.

(4) The senior partner of our elderly patients who are now working to supplement incomes would be required to remain home caring for the patient.

(5) Many seniors currently working as homemaker-home health aides would be unable to find suitable employment elsewhere.

Respectfully submitted,

MARY FELDMAN, R.N.,
Executive Director.

Appendix 2

BROCHURE OF THE OCEAN COUNTY NUTRITION PROJECT; SUBMITTED BY HARRY B. ZANE,* PROJECT DIRECTOR

Ocean County Nutrition Project, serving hot luncheons Monday through Friday.

Main Office: 1500 Church Road, Toms River, N.J. Phone: (201) 341-0314.

Community Services, Inc., of Ocean County, Saint Andrew's United Methodist Church, Toms River, N.J.

Dover Township: St. Andrew's United Methodist Church, 1500 Church Road, Toms River, N.J. Phone: (201) 341-0314.

Lakewood Township: Y.W.C.A. 3rd and Monmouth Street, Lakewood, N.J. Phone: (201) 367-6073.

Long Beach Island: St. Francis Community Center, 47th and Boulevard, Brant Beach, N.J. Phone: (609) 494-8861.

WHAT IS THE NUTRITION PROJECT FOR THE ELDERLY?

The Nutrition Project for the Elderly provides hot, well-balanced, low-cost meals to older persons Monday through Friday each week as well as other supportive social services including transportation services for those who need it, information and referral, health and welfare counseling, nutrition education, shopping assistance, personal escort service and recreation.

The program is open to ALL persons over 60 years of age or married to a person over 60.

The program is especially designed to serve seniors in Ocean County who do not eat properly for such reasons as:

1. They cannot afford to do so.
2. They lack the skills or facilities to select and prepare well-balanced meals.
3. They have difficulty getting around to shop and cook for themselves.
4. They have such feelings of loneliness and rejection that they have little desire to prepare and eat a nourishing meal alone.

The *Ocean County Nutrition Project* is Funded under Title VII of the Older American's Act of 1965 as amended, through a grant by the State Division on Aging, Department of Community Affairs, State of New Jersey and is administered by Community Services, Inc. of Ocean County, St. Andrew's United Methodist Church, Toms River, N.J. Local funds are also provided by the Ocean County Board of Chosen Freeholders and the Township of Dover.

HOW CAN I HELP?

Volunteers serve in many capacities. Older and younger volunteers may assist in serving, host or hostess, record keeping, escorting, driving, teaching and nursery attendant for other volunteers.

I should like to offer my services as a volunteer at the: () Dover Township Site; () Brant Beach Site; () Lakewood Site.

Name:

Address:

Phone:

Service area of most interest to me:

WHAT ARE THE MEALS LIKE?

Each day a different hot luncheon is served including a meat or meat substitute, two servings of vegetables or fruit, bread, butter, beverage and dessert. All menus are approved by a qualified nutritionist and are planned to provide at least one-third of the Recommended Daily Dietary Allowances set by the U.S. Department of Agriculture.

*For statement, see p. 1604.

HOW MUCH DOES THE LUNCHEON COST?

Each participant has the opportunity to make a donation toward the cost of the meal. There is no set required payment, but a suitable donation is suggested. The method of payment is strictly confidential.

HOW CAN I PARTICIPATE?

You may phone the site most convenient to you, or fill out the form below and mail to the appropriate site:

Name: -----
Address: -----
Phone: -----
Comments: -----

Appendix 3

MATERIAL PROVIDED BY BURLINGTON COUNTY AGENCIES

ITEM 1. LETTER AND ENCLOSURES FROM HARRIET A. GROVE, DIRECTOR, BURLINGTON COUNTY OFFICE ON AGING; TO SENATOR HARRISON A. WILLIAMS, JR., DATED SEPTEMBER 8, 1975

DEAR SENATOR WILLIAMS: Enclosed you will find written testimony from a few departments, projects, and agencies in Burlington County.

In Burlington County, the Board of Chosen Freeholders supplies the matching funds to all of the title III and title VII projects in our county. Due to the economic crisis, a tremendous burden has been thrust upon all county government budgets and full responsibility of federally funded projects after 3 years of funding would further increase this burden. Programs with private agencies serving as grantees will be in jeopardy, due to the fact that citizens are not contributing as much during these times of unemployment and inflation. I feel that it would be beneficial to the grantees as well as the taxpayers and recipients if funding were extended to 5 years or longer.

We receive many complaints in our office about the Social Security Administration which are not about increases in benefits. Most of the calls are from people who have not received checks due them for many months or mistakes in checks. The delay in processing new applicants as well as established claims are numerous as well. We get wonderful cooperation from the district congressional offices and their very competent staff members in alleviating the hassle that the citizens and we too frequently encounter with the Social Security Administration offices. I hope that the investigation of the Social Security Administration will improve the services that it should provide.

The calls we receive regarding low-cost housing increases weekly. We do not have subsidized housing for the elderly in Burlington County. In my contact with the County Planning Board and other professionals in the field of housing, the consensus is that HUD should allow flexibility in the law the way it was intended and that local level government make the decision as to where and how to fill the need. Statistics show that there is a need of 9,000 units for low-income families and the elderly in our county. HUD informed our County Planning Board to concentrate on low income family units at present because the need was greater. We on the Community Development Committee wanted to fill a portion of the need for elderly as well and it was rejected.

Due to the recent increase in social security benefits, many people have called our office saying "don't give me the money, I would rather retain my medicaid benefits." Full medicare coverage should begin at the age of 60 to fill the gap of health needs for those who do not fall under other programs, such as SSI and medicaid.

We at the local level realize that you, as elected officials, are asked to provide funding for many social programs for the citizens of our county. As an advocate for the senior citizen population, I feel we owe all of them the right to live out their well earned retirement years with security and dignity.

I appreciate the opportunity given me to present my written testimony as well as that of the others enclosed.

Respectfully,

HARRIET A. GROVE.

[Enclosures]

MOBILE MEALS

I feel very strongly about continued support for the mobile meals program in Burlington County. Since a pilot program was undertaken in June of 1971 to September 1971, the need for home delivery of meals was very evident.

We first started to serve in Mt. Holly, and since that time have expanded to five other townships. The meals are delivered by volunteers and one part time driver, who also assists me in the hospital kitchen. We acquired a station wagon 2 years ago and therefore we could expand the program into other townships.

In anticipation of expanding the service to a larger area of Burlington County inquiries have been made and are being pursued regarding the Garden State Hospital in Marlton, N.J., as another source of home delivered meals.

A total of 7,000 meals a year are delivered to the elderly, indigent, and convalescents.

The value of a hot, nutritious meal delivered each day at noon speaks for itself, but besides receiving a meal, the recipients look forward to seeing the volunteers, sometimes it is their only contact with the outside world. It is also a check on the recipient's well-being—various assistance has been given by the volunteers. We also inform them of other services available to them as senior citizens through the Burlington County Office on Aging.

I feel the program should not only be continued with funding, but also extra moneys for expansion as we cannot possibly reach all who could use this service because of the large area of Burlington County, which covers 820 square miles.

Recipients who have had the meals, thank me over and over again for this service. Many have no one else to help them and haven't the means to hire someone to come in and prepare a full meal for them. They are very grateful for anything we do for them. Until a need like this comes to a person the value of the home delivered meal cannot be truly appreciated.

EVELYN TOMIAK,
Director, Mobile Meals, Office on Aging.

NUTRITION AND THE ELDERLY

Defining elderly is a difficult task. Most athletes are defined as "old" by the age of 30 or 35. Swimmers may be judged "old" before they are out of their teens. On the other hand, statesmen, scholars, judges, craftsmen, artists, and grandparents may continue to perform with great effectiveness in their seventies and eighties. For recordkeeping, there is an obvious advantage to defining old age in chronological terms; typically, a person is "old" at 65 years and beyond. New examples seem to emerge almost every day. The nutrition program for the elderly itself declares that for this program an individual 60 years old is eligible to be served as an elderly person. These are the people we are discussing today, the eligible recipients of title VII nutrition projects. The beginning of the national nutrition program can be traced to 1968 when the Congress earmarked funds appropriated under title IV of the Older Americans Act. Experiences and findings of the pilot program indicated that needs in this area are great. The title IV projects proved to the Administration on Aging, to the Congress, and to the President that the proper provision of congregate meals for groups of elderly people fosters social interaction, facilitates the delivery of supportive services, and meets emotional need, while at the same time it improves nutrition. These views also were reflected in the recommendation of the panel on aging of the 1969 White House conference on food, nutrition, and health and of the president's 1970 task force on aging. The act summarizes the findings which motivated the Congress to act:

Many elderly persons do not eat adequately because: (1) They cannot afford to do so; (2) they lack the skills to select and prepare nourishing and well balanced meals; (3) they have limited mobility which may impair their capacity to shop and cook for themselves; and (4) they have feelings of rejection and loneliness which obliterate the incentive necessary to prepare and eat a meal alone.

Of the Nation's 20 million people over 60 years of age, an estimated 3½ million require nutrition and supportive services. Approximately one of every four elder Americans lives below the Bureau of Census poverty threshold. These are the people who need the nutrition program. We know housing is the largest single expense of the aging, constituting at least one-third of a retired persons budget. Food and transportation costs are the other major expenditures of their budgets. Approximately 67 percent of those with low incomes report being unable to afford transportation.

In Burlington County, N.J., we have a senior citizen population of 28,000. We are operating one congregate meal site at this time, and will be opening our second feeding site in 1 week. However, Burlington County is the largest county in the State of New Jersey, covering 820 square miles. To serve the needs of the eligible persons of the county, I feel that an additional two feeding sites are required. These programs have proven very successful both in our area and nationwide, and Federal funding of these programs must be continued and extended for at least a 5-year period. These programs cannot be absorbed at the local level, especially at this time because of the present economic situation. Without the continuation and expansion of Federal funding it could prove disastrous to hundreds of thousands of senior citizens who are now participating in the programs nationwide, should they eventually be discontinued. The program in our county is funded under title VII of the Older Americans Act, the Board of Chosen Freeholders and is administered by the County Office on Aging.

JOSEPH T. MOKRISKI,
Nutrition Project Director, Office on Aging.

TRANSPORTATION AND THE SENIOR CITIZEN

The senior citizen population of the United States makes up about 10 percent of the total population or roughly 20 million, the equivalent of the total population of our 20 smallest States. By the year 2000, this figure will reach 28 million.

In an analysis made by the Bureau of Labor Statistics, transportation ranked as the third largest expenditure in the average retired couples budget. It accounted for 8.9 cents out of every dollar, and the only categories with larger expenditures were for food and housing. The true importance of the transportation role is not, however, its relative cost, but the dependence of many other activities on transportation services. Transportation, then, is an essential condition for the accomplishment of worthy social objectives. Much more than adequate transportation is needed to provide a full life for the aged, but it is a highly desirable first step.

I would like to talk about the transportation program in Burlington County, N.J., which was started in October 1973. Burlington County is the largest county in the State of New Jersey covering 820 square miles. The senior citizen population is 28,000. The county is mostly rural with little or no public transportation carriers. The Burlington County senior citizens transportation program was inaugurated on October 15, 1973, with one 11-passenger bus. We received the second unit in December 1973, the third unit in April of 1974, and the fourth unit, one for transporting handicapped senior citizens was placed in services in June of 1974.

The free service, which is funded under title III of the Older Americans Act and the Burlington County Board of Chosen Freeholders is administered by the area agency on aging.

During the 2 years of operating the program, over 15,000 senior citizens of the county have been transported on various errands such as doctors, clinics, hospitals, meetings, picnics or shopping. Many of these senior citizens lived in isolation prior to the inauguration of the services. The program has a significant therapeutic effect upon a large number of the senior citizens who use the service. Its outreach component located a number of dejected, withdrawn seniors and has given them a new lease on life. The natural socialization involved in traveling together from place to place opened lines of communication which have developed in lasting friendships both between the seniors themselves and the seniors and the transportation staff.

Seniors participating in the project show a feeling of independence after they had gotten to know that convenient transportation was available and they no longer needed to depend upon relatives and friends for vital services. Many considered this an imposition. People who were isolated and lonely before the initiation of the service are now much more active.

I could write page after page of the many benefits the senior citizens of the county receive from this service. I feel that not only should programs like this continue to be funded, but should be expanded to at least 5 years of Federal funding so that eventually all senior citizens may participate in the program.

HARRIET A. GROVE.

ITEM 2. LETTER FROM KATHERINE SCHIMMEL, EXECUTIVE DIRECTOR, VISITING HOMEMAKER-HOME HEALTH AIDE SERVICE OF BURLINGTON COUNTY; TO SENATOR HARRISON A. WILLIAMS, JR., DATED SEPTEMBER 5, 1975

DEAR SENATOR WILLIAMS: Our agency has been servicing people in their homes for the past 16 years. Our statistics show that each year a larger number of elderly have required physical or social assistance. Presently, over 400 or two-thirds of our clientel are over 65 years of age. Our certified home health aides perform a variety of tasks in the home so that the individual can maintain his own life-style. The comfort and familiarity of surroundings are most essential to an older person who in reality may be faced with a degenerative future.

In addition to physical care, the aide will perform household tasks, such as preparing meals (frequently sufficient for an entire weekend). Other supportive duties include laundry, shopping, and implementation of physical or speech therapy as prescribed.

Medicare, through three party payment, has made a large portion of this service available to the elderly. However, the boundaries set by the eligibility criteria, particularly the statement "skilled nursing," have created an overwhelming frustration upon everyone involved. The elderly who assumes that medicare is all inclusive cannot comprehend the time limitation or complete rejection for service. Our agency's aides report that the allotted 4 hours of care is not sufficient in most cases. Frequently the client or our agency supplements the medicare payment and adds additional hours of service.

Other observations have indicated that service, such as home maintenance and visitors, are needed to further insure comfort and security of the home life for the elderly.

Another segment of service completely overlooked by funding sources is the need for social service counseling in the home. Only by frequent and lengthy visitations are the hidden concerns revealed. The physical well being of a person is seriously affected by a multitude of situations. It is amazing the number of family situations that involve the elderly who under no circumstances would seek counseling assistance privately or in a clinic. With sufficient funding for long-term services, our agency could provide a broad scope of services and an in depth planning to provide solutions.

Sincerely,

KATHERINE SCHIMMEL.

ITEM 3. STATEMENT OF THE BURLINGTON COUNTY HEALTH DEPARTMENT, WALTER TROMMELEN, HEALTH OFFICER AND PUBLIC HEALTH COORDINATOR

The form and substance of the practice of both medicine and public health have been undergoing considerable change during recent years. Not the least of the reasons for this is the spectacular shift that has occurred in the relative age distribution of the population. This shift may be attributed to three factors: (1) the decrease in immigration, (2) a decrease in the birth rate, and (3) an increase in life expectancy and an accompanying rise in the average age at death.

Burlington County, N.J., has followed this national trend. In 1960, 9 percent of our citizens were 60 years of age and over; in 1975, 12 percent of our residents are 60 years of age and over. Today, 80 percent of deaths are caused by degenerative diseases commonly classified as the chronic illnesses, such as heart disease, cancer, stroke, diabetes, etc; less than 5 percent of our deaths are caused by infectious or parasitic diseases, such as pneumonia, tuberculosis, etc. Although it is difficult to assess morbidity, or the prevalence of chronic illnesses in our County at any given time, the Comprehensive Health Planning Agency of Southern New Jersey has prepared estimates of disabling illnesses, as follows:

In 1970, it was estimated that of 19,279 people 65 and over, 8,424 (43.7 percent) had some activity limitation, and 7,460 (38.7 percent) suffered from a major activity limitation. Also, an estimated 5,868 (32.5 percent) county citizens had some form of arthritis; 1,908 (9.9 percent) citizens 65 and over suffered from poor hearing and an additional 6,554 (34 percent) have some hearing loss. An estimated 52.2 percent of men over the age of 65 have uncorrected visual acuity (L20/40) and 71.7 percent of women over the age of 65 have uncorrected visual

acuity (L20/40). It is further estimated that a full 94.2 percent of males over the age of 65 and 86.6 percent of females over the age of 65 have some form of periodontal disease.

We have every reason to believe that these estimates, based on 1970 data, are indicative of the status of health of our senior citizens today—if anything, the situation may be worse due to larger numbers in our population today. Heart conditions and high blood pressure are serious illnesses affecting about 40 percent of citizens over the age of 65 (7,833 and 7,573 respectively). In addition, there are an estimated 953 known diabetics over the age of 65.

SKILLS AND DESIRES AT FINGERTIPS—FUNDS LACKING

We have at our fingertips the skills and desire to do more in our county, but are hamstrung by a lack of funds. We are doing a very limited amount of early diagnosis, with some education, screening and referral of positives for medical follow-up, but our budget allows only limited chronic illness screening.

The costs of medical care and the lack of third-party reimbursement for home supportive care services, such as physical therapy, home dental services, protective services for the elderly, dressings, whirlpool, and other services create an added burden to older Americans. The average elderly person can afford the costs of some visits to the physicians, but in many instances finds it difficult to meet the costs of consulting physicians, diagnostic aids, hospitalization and surgery.

In the event you are wondering, we do recognize the importance of medicare and medicaid for the senior citizen. However, many citizens do not qualify for medicaid in New Jersey and medicare is a contributory form of insurance where a percentage of costs for services are borne by the individual. Even worse is the fact that medicare covers costs in an episodic fashion, and then only those services which are clearly "skilled care". As we have seen earlier, the senior citizens' health problems are largely those involving chronic illnesses, and their effects in most cases continue long after medicare benefits cease. We have also seen where more than 9 in 10 senior citizens require dental services—none of which is covered under medicare.

Also, much more could be done by our community nursing and homemaker service agencies for senior citizens requiring supportive care in the home. But, we have limited resources for these services today. What is the alternative? Very simply, institutionalization—as perhaps double the cost of providing supportive care in the home. Also, most will agree that there are psychological benefits in living at home as opposed to being put away in an extended care facility, however adequate those facilities may be . . . to say nothing of the feeling of dignity derived from maintaining a semblance of independent living in the community.

These are the crying needs of our senior citizens today—Congress would be well advised to consider these needs of the senior citizens if they are to maintain their manner of living and remain responsible citizens in the community as long as they are able to function.

Appendix 4

STATEMENTS SUBMITTED BY INDIVIDUALS

ITEM 1. STATEMENT OF HON. JAMES J. FLORIO, U.S. REPRESENTATIVE FROM THE FIRST DISTRICT OF NEW JERSEY

Mr. Chairman, members of the committee, I am pleased to have been given the opportunity to present my views today on an issue I believe to be of major importance to this committee and to the many elderly citizens across our country.

Over the past few years, as hospital and nursing home costs have spiraled upward, much attention has been directed toward the search for alternative modes of health care. In testimony before the Subcommittee on Health for the Elderly of the Senate Committee on Aging on July 12, 1973, Dr. Charles C. Edwards, the former Assistant Secretary for Health, stated: "There is no question . . . that the closer we could move health care to the people, the greater the effect it is going to have on the overall cost of health care . . . We have to encourage the service that will push health care away from the hospital and closer to the home."

The costs of health care, if such care is needed over relatively long periods of time, is beyond the resources of most Americans. This is particularly true of the infirm elderly, whose need for health care comes at a time in life when personal resources are usually diminished.

Depending on an individual's needs, long-term health care necessarily involves a combination of medical care and varying degrees of health-related social and supportive services. Unfortunately our present system of caring for individuals for extended periods is biased in favor of medical care to the exclusion of proper emphasis on health-related social aspects of the environment of those individuals which are equally important to the attainment of maximum personal independence—the ultimate goal of health care. For individuals who are either institutionalized or home bound for long periods, our goal must be not only to maintain life, but to provide fulfillment.

As a member of the House Permanent Select Committee on Aging, I have had the opportunity to question witnesses from many diverse organizational backgrounds on the future of home health services to meet the many medical and social needs of our senior citizens. The House Aging Subcommittee on Health Maintenance and Long-Term Care, on which I sit, was fortunate to have testimony presented earlier this year by the Minneapolis Age and Opportunity Center. This facility was incorporated in 1969 as a nonprofit institution offering medical and social supportive assistance to elderly residents in the Minneapolis area in order to prevent the long-term institutionalization of area seniors.

The core of MAO's medical support function is the relationship and cooperation established with the Abbot-Northwestern Hospital in Minneapolis. Through a joint effort with the hospital, MAO has established a 300-bed clinic employing hospital equipment and personnel. The clinic is also interlocked with MAO's other supportive functions such as counseling, therapy, home delivered meals, assistance with diet, personal care or transportation services.

Should the patient require hospitalization, this multicare effort is continued by clinic doctors and counselors within the hospital setting.

In 70 documented cases where MAO was able to prevent the institutionalization of a senior citizen, the cost of MAO services were approximately one-fourth of the cost that would have been expended for that patient in a nursing home for the same period of time.

HOME HEALTH CARE IS NEEDED

Patients need and want home health care. In fact studies indicate that a majority of older persons prefer to remain in their home. The familiarity of home meets a unique and vital health need—convalescence is faster and is more complete.

A 1972 Government Accounting Office report stated that: "A substantial majority of patients with long-term illnesses could best be treated at home with suitable supervision and assistance and environmental adaptations" and that "20 to 30 percent of hospital extended stay patients have been retained because of social rather than medical reasons." The study concluded that: "Many nursing home patients do not need the continuous nursing services of the facility but could adequately be cared for in home settings if some type of nursing and related care were available."

Unfortunately this need is not being met. It is estimated that home health agencies are now only serving less than 15 percent of the potential national need for these services. In direct comparison, a 1972 GAO report concluded that approximately 25 percent of the inpatient population is treated in facilities excessive to their needs, directly taxing unnecessarily the very limited financial resources of this group.

I have sponsored bill H.R. 7379, introduced by the Honorable Edward I. Koch, which would amend title XI of the Social Security Act to provide a subsidization to families who agree to care for their dependents who are 65 years of age or older in their own homes, who otherwise, because of physical or mental infirmities would require the constant services of a skilled nursing home facility.

This legislation is presently before the House Subcommittee on Health and the Environment, Committee on Interstate and Foreign Commerce, of which I am a member.

I feel strongly that this legislation can be a first step toward the readily evident need for expanded health services that can be obtained in the home, thereby in many instances avoiding unnecessary and costly institutionalization.

Mr. Chairman, I would like to commend you for holding this hearing and thank you for allowing me to share my thoughts with you.

ITEM 2. STATEMENT SUBMITTED BY GEORGE DONALD BATES, LARRY WILLIAMS, AND ALEX PLATT

To Senator Harrison A. Williams, Jr.:

We would like to take this opportunity as citizens of New Jersey to praise you on your efforts on behalf of all of the people of the State of New Jersey. We recognize the fact that through your efforts the pension reform bill of 1974 was passed, which has protected the pension funds of the working man.

We know that through your efforts in the Senate of the United States that the working man has benefited and we urge you to continue those efforts. We especially know that your efforts on behalf of our senior citizens has taken you the length and breath of our country.

Through the course of these hearings we are well aware that you have taken the time and effort to listen attentatively to and problems and suggestions of our senior citizens.

We urge you to continue your efforts and investigations. We also urge you to continue studying the possible reforms of the social security system, so that all of us may benefit by these reforms.

We particularly appreciate the efforts you have made to develop ways in which the bulk proportion of senior citizens income is not totally taken by purchasing the necessities of life. As a possible suggestion to your effort we urge the study of utility discount stamps to be distributed in the same manner as Federal food stamps, to all eligible citizens, including our seniors. We urge that these assistance coupons be distributed in an equitable manner.

We sincerely wish you the greatest success in your future legislative endeavors.

Respectfully submitted,

George Donald Bates.
Larry Williams.
Alex Platt.

Appendix 5

NEWSPAPER ARTICLES PROVIDED BY LEA FINKLER, PRESIDENT, ATLANTIC COUNTY SENIOR CITIZEN ASSOCIATION

[Articles from the Atlantic City, N.J., Press, Aug. '6, 1975]

CITIZENS REQUEST DISCOUNT PRICES FOR FUELS AT PUC HEARING IN ATLANTIC CITY

That story was one of many recounted by speakers during the hearing.

Bessie Matthews of the Atlantic City Senior Citizens Outreach Center narrated the tale of a widow whose entire income was used to pay for fuel oil.

The woman at first tried to close off a portion of the home, but that would leave the plumbing exposed to the temperatures. Then she tried to rent, but couldn't because of the lack of heat. Then she tried to close the entire house down and move to an apartment, but the vacant house became a target of vandals and she had to return.

Stephen J. Brunder, director of the Atlantic County Office on Aging, narrated accounts of elderly persons "wearing thermal underwear and three sweaters, trying to keep warm, the thermostat set at 60 degrees because they couldn't afford the bill."

Brunder said 80 percent of the senior citizens in the county live below, at or near the Federal poverty level.

"For a person trying to make it on the \$2,400 a year the Federal Government say you can live on, one crisis puts him in the poverty level.

"We had one person receiving a total of \$202 a month. His heat bill went from \$24 a month to \$48 a month and all his other utility bills doubled," said Brunder.

Carlo Costantino, a Vineland councilman, said, "Many senior citizens have turned off their electricity voluntarily before the companies did it. This isn't giving up a luxury. It's giving up a basic necessity of life."

Saying any increase the elderly get in social security payments is immediately nullified by utility company rate increases, Costantino declared, "They are getting considerably more hard pressed to live out their lives in dignity."

Agnes M. Burns of the Pomona Senior Citizens Club said, "We don't ask for charity. We just want relief so we can live with dignity."

"The elderly are here. You can't just shoot them and make the problem go away," she said.

She noted that her neighbor made \$400 a week. "That's what I get a month yet we pay the same rates for utilities," said Mrs. Burns.

Seymour "Pinky" Kravitiz, a local radio talk show announcer, said over the years most complaints to him were about fuel oil prices. "That's where the biggest price increase has been," he said. But, Kravitiz said, any program to alleviate the problems of senior citizens should not be a "shotgun approach that includes every senior citizen but just the ones that need it.

"Also, it should not be confined to senior citizens but to all needy persons. In any program you come up with, you should base it on the spendable dollars formula similar to that used for food stamps," Kravitiz said.

"What must also be considered is who is going to pay. Is the guy in the middle going to get hit again? Where is the money going to come from?" he asked.

Grossi said there was a bill, lying in committee, sponsored by State Sen. John Horn of Camden which would permit senior citizens to pay 50 percent of their utility bills. Grossi urged the crowd jamming the 200-seat chambers to write their legislators concerning their feeling about this bill.

Joseph Speta of the Cape May Senior Citizens club, said there was another bill in the Assembly, sponsored by Assemblyman Joseph Chincici which would also grant relief to senior citizens.

PREFERENTIAL TREATMENT UNCONSTITUTIONAL

But, it was pointed out, does either the State legislature or even Congress have the authority to pass such measures since, the constitutionality of granting one group of citizens preferential treatment at the expense of other groups would be brought up. "These are questions that have to be answered," Jacobson said.

Lea Finkler, president of the Atlantic County Senior Citizens Association, decried a move to "divide the community by putting the middle class against those on welfare. It's no fun to ask for welfare. "The stockholders should loosen up their pocketbooks a bit," Miss Finkler said.

She also said an energy stamp program similar to the food stamp program would not be in the best interests of senior citizens. "With every new proposal they come up with, they get a bigger, better, more strangulating bureaucracy," she said. "Just take care of the poor and the middle class will be taken care of," she said.

Adela Romm, speaking for "the senior citizen with no family, lonely and poor living in a small apartment," said "they are charging us five times what they should. Just as an experiment, I stopped all use of electricity except for my refrigerator. I estimated before that I used just \$5 of electricity, but they were charging me \$25. With all my electric not in use, they still charged me \$25," she said.

Mildred Heywood, chairman of the Atlantic County Senior Citizen Association, said her electric bill went up slightly more than \$100 for a 3-month winter period to more than \$450 for the same 3-month period this year.

"Some others are too proud but when I hurt, I holler," she told the commissioners.

Following the hearing, Jacobson said he hoped that the hearing, plus others to be held throughout the State and, possibly, in other States, would bring pressure on the Federal Government to alleviate the problem.

He said there were differences of opinion even on the board staff as to whether the PUC could act as a social "engineer" to correct inadequacies in establishing rates for utilities. "But when a rate is established for a utility that one significant group simply cannot afford, we won't just walk away from it.

"I think only the most heartless and callous could fail to be moved by what was heard here today and these hearings are evidence of our concern," he said. "But you must be cautioned that there is a difference between desire and ability and this commission must operate within the law, which authorizes us to require a utility to provide safe, adequate and proper service at a reasonable rate. Its no problem to make sure they do provide safe, adequate and proper service, but it's a different story when it comes to setting a reasonable rate. Is it fair to have a doctor making \$150,000 a year pay the same rate as someone making \$200 a month?"

SENIOR CITIZENS ASK DISCOUNT IN FUEL COSTS

(By Patrick Jenkins)

ATLANTIC CITY.—A public hearing Tuesday on utility discount rates for senior citizens accomplished just about what the State Public Utility Commission expected it to do—dramatize a critical problem and raise questions.

The problems of senior citizens, graphically depicted during the 2½-hour hearing in the Atlantic City Commission chambers, were nothing new to PUC Commissioner Joel R. Jacobson who was nonetheless "deeply moved."

The questions—does the PUC have the authority to grant one group a special rate at the expense of other groups and, if so, who would pick up the tab—were also nothing new to Jacobson:

"The situation is simply this," he said after the hearing, "we can either do nothing at all about the problem or hold these hearings and stir up concern and sympathy. Those are our alternatives and obviously we've chosen the latter."

But, Jacobson, continued, one line of argument that is being actively pursued by the commission was brought up by Donald A. Griesman, the senior citizen advocate for the Camden Region of Legal Services.

In his presentation, Griesman contended that in the past, utility companies granted developers special rates to use as inducements to attract purchasers of total-electric homes.

Although saying purchasers of those homes now wonder why they ever bought them in view of the charges they are currently paying, Griesman argued that since special discounts were granted in the past, they could be granted in the future.

Appendix 6

STATEMENTS SUBMITTED BY THE HEARING 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:

DEAR SENATOR WILLIAMS: If there had been time for everyone to speak at the hearing of the U.S. Senate Special Committee on Aging, in Toms River, N.J., on September 8, 1975, re: "Future Directions in Social Security: Impact of the Cost of Living Upon the Elderly," I would have said:

The following replies were received:

LYDIA B. ARDEN, TOMS RIVER, N.J.

The real problem of the majority of senior citizens is the wanton spending of the Federal Government causing double-digit inflation.

Who said "Inflation is the cruellest thief of all?" Ninety percent of the pains of older people is the wreckage of the dollar. The insane give-away programs that are pointless (and I refer to the pointless ones) raise costs of living. \$26 million per quarter deficit will guarantee future trouble for those elderly-to-be in the next century.

One of the real problems of the senior citizens in New Jersey is the worst of all tax programs in the U.S. The consistent unwillingness of the legislature to place New Jersey on a business-like "broad based tax basis" is a disaster to every homeowner and renter in the State. The badly balanced property-dependent tax is extremely unfair. I am aware that this is not a Federal problem.

CELIA BAEFF, TOMS RIVER, N.J.

The rent in my apartment went up from \$123 to \$200 in 7 years, so I bought a mobile home in an adult park. I am a widow, 65 years old, still holding on to my part-time job as a deli-clerk—and not collecting social security. When I bought the mobile home, I was told to inform the girl at the electric company that the home had a 250-gallon hot water heater for which I would get a lower price per kilowatt. The young lady informed me that that service was discontinued just the month before—so, not only have utilities gone up and up, they take away the little privileges given to the senior citizens. Thank you.

MARGARET BAILEY, TOMS RIVER, N.J.

First, thank you for coming to Toms River to hear our complaints and for being so patient while listening.

We are all very concerned over the hardships forced upon us by inflationary prices—what could be a peaceful, calm old age has become a nightmare.

I have a special difficulty that nobody touched upon at Monday's meeting. My husband was never covered in social security. He was a World War I veteran in the marines. He was in the Battle of Belleau Wood in the Argonne Forest in France and got a bad case of chlorine gas which left him with impairment of the lungs, which they called a "spot." Throughout his lifetime he had bronchitis every year as a result of this, as well as viral pneumonia several times, and at age 75 he died from emphysema. He had a VA pension, awarded at age 65—very meager \$78, later raised to \$100 per month. When he was bed-ridden at age 73 he received another \$100 called "aid and assistance" because I was taking care of him at home.

When he died in November 1970 I applied for a widow's pension, which VA granted at \$41 per month. The following year \$51, and later, because of social security increase it decreased to \$33, and now only \$25 due to social security raise, a very small amount indeed. I am very afraid it will be taken away altogether because of last increase on July 1 for social security. A law is sadly needed to prevent this from happening because it amounts to a "nothing" for me each time, and there must be hundreds in this same situation. I wrote to Representative Forsythe last year explaining this and he wrote me a nice letter back, but I don't think anything has been done to help us. Please try!

Another much needed help is with dental work—many oldsters have teeth out because of pain and cannot afford to replace them or even try to save others that need filling. Consequently, they can't chew correctly and all sorts of digestion troubles begin. Dentist fees should be covered by medicare.

Also, a better medicare program for payment should be devised. Why should I send a résumé of charges at \$126 and receive \$55 reimbursement? Not fair.

This is my budget calculated monthly: My social security comes from my own coverage, as I was covered from its inception to 1965, when I became disabled by high blood pressure.

Taxes.....	\$55. 57
Sewer assessment.....	4. 80
<hr/>	
Utilities—house:	
Heat, gas.....	23. 00
Water.....	3. 90
Phone.....	8. 00
Electric.....	15. 74
Total.....	50. 64
<hr/>	
Insurance:	
House, fire, etc.....	8. 60
Blue Cross and Blue Shield.....	6. 50
Health, AARP (hospitalization, nursing home).....	14. 25
Medicare.....	6. 70
Car.....	20. 60
Total.....	56. 65
<hr/>	
Running car and maintenance.....	10. 00
Doctor.....	5. 00
Medicine and vitamins.....	25. 00
Grass cutting for 6 months.....	4. 50
<hr/>	
Grand total.....	212. 16
Income:	
Social security.....	231. 50
V.A.....	25. 60
Total.....	257. 10
Expenditures.....	212. 16
<hr/>	
Left for food and unscheduled expenses (not much!).....	45. 00

MARY W. BERNSTEIN, LAKEWOOD, N.J.

Everyone is trying to spare the senior citizen. Why then, in heaven's name, must we run from pillar to post to obtain cards for senior discounts? Why isn't one card honored by all concerned? In my bag I have more than half a dozen—to movies, shops, college courses, etc. Imagine the problem of duplicating them all should they be lost or stolen. I know this is a minor matter and does not rate with hospitalization, nutrition, etc., but it is a nuisance to travel from one place to the next in order to save a few cents. One card would also be economical—it would save the banks, shops, and movies a lot of money not to print their own. Perhaps more discounts could be offered instead.

PAUL BRASS, TOMS RIVER, N.J.

I was not able to attend your forum at the Ocean County College but I understand you asked for opinions.

One comment I would like to stress is that Congress stop classifying all senior citizens as a group of needy persons.

I would venture a guess that less than 30 percent fall into that category. Sure, it is human nature to demand and take all one can get. On this subject, I am at odds with some of AARP tactics.

Congress should enact programs which benefit only the needy people when necessary and not have blanket programs for tax relief, social security, or housing which enable the well-off seniors to pile up more riches at the expense of the working taxpayers.

I am age 69, retired 9 years.

ARTHUR F. BROWN, BRICK TOWN, N.J.

This does not directly tie into social security but it is a serious situation. I had no idea how serious it was until an uncle of mine was placed in a nursing home just 3 months ago. Up until the time placement was made, he was able to walk with the help of a cane. Soon after admittance, he was placed in a bed and furnished a wheelchair to make it easier for the operators of the home. He is now deteriorating day by day and not because of an illness, strictly because he has no chance to exercise. It appears to me there is no medical assistance on staff except nurses. The nursing homes are nothing but a place to go and pass on. There is an effort to make them comfortable but little or no effective medical treatment or therapy. He is not the only person I observed on a similar basis and there appears to be hundreds in dire needs throughout the State.

Surely persons are better off in nursing homes than they would be alone in some deserted room or flat but their lifespan could be made more comfortable if a mandatory and meaningful therapeutic and medical assistance program could be instituted and enforced.

Let's not have our nursing homes designated a "terminal," when all cases need not be.

GEORGE W. BROWN, JR., TOMS RIVER, N.J.

We have willingly paid our share of taxes, in our younger days, when we had earning power. We are still concerned enough about education for the young people to want to support the school systems. But once retired, taxes should be cut drastically for the 65-and-over group, perhaps one-quarter of the yearly tax. We would still be doing our share, but relieved of the burden of high school taxes, which keep going higher.

PEARL S. BROWN, TOMS RIVER, N.J.

Social security should be increased as the cost of living rises. We had carefully planned for our retirement years, but the high prices we must now pay for the essential things have made our income inadequate for our needs. Taxes alone are taking a big bite, and \$160 rebate is not sufficient. Utilities have risen to a point where we burn only one light, keep the heat on 68°, never use the air conditioner. Utility companies should be controlled by government to keep rates down or older citizens given a discount. Medicare needs to pay more of our bills at a better rate. Eyeglasses, hearing aids, prescriptions, etc., should be included, and payment by medicare to patient should be made at a speedier pace. To wait 2, 3, or 4 months is hardship. Minibuses would help solve transportation problems.

I want to personally thank you for your concern and interest. Keep up the fight.

JOSEPH A. BURKE, TOMS RIVER, N.J.

I was tired by the continual reference by the speakers naming inflation as the evil force behind our economic troubles.

Some experts claim this financial rupture is caused by—that word again—inflation. It's just another name for greed. Everyone jumps on the bandwagon to get theirs which skyrockets government costs, big business grabs bigger profits, and George Meany and the rest of the union buffs strike for bigger pay hikes.

That's the devil's trident, Senator. These are the sharp practices that must be stopped.

All the subcommittee meetings from here to fiddler's green won't stop inflation until you, Senator, and the rest of Congress legislate into law a very simple remedy.

Pass a law forbidding anyone, anywhere, from receiving more money on their investments or get higher pay raises than the amount of interest given to the "elderly citizens" on their savings.

Why should an airplane company on Long Island, N.Y., have a bank loan guaranteed with the "elderly" citizen's taxes because the officers of the company are too dumb to make their business successful? This reasoning can be applied to all phases of business, unions and government.

Oh, yes, I helped Mr. Andrew J. Visotsky write his discourse on propane gas prices and authored the "Valley Forge" paragraph that made you laugh.

Incidentally, my neighborhood and I are opposed to more foreign loans to any country for any reason. They are opposed to any Americans going to the Sinai for any reason. It has just been reported the PLO threatens any technician with death. As Andy said: "Charity begins at home."

Good luck and good health until our next postal conversation.

NICHOLAS CORATTI, POINT PLEASANT, N.J.

I realize that comparing States is not the solution for our problems in New Jersey. But I have friends who left New Jersey to go to Florida to live. The reason is that the Homestead Act on homes is one of the great benefits given to the people in Florida. The taxes are reduced even further if you are a senior citizen. Depending on the home and area taxes, a \$25,000 home in Florida is \$125 per year as compared to Ocean County's \$1,200 per year. Transportation is given free to the senior citizens who wish to go to various shopping areas. Of course, this is in various areas where real estate agents have made this possible as an incentive to purchase homes. With the taxes lowered and food cheaper than the northern States, we find the unequalization of benefits between one State and another. If enough senior citizens could afford to move to Florida we would soon find New Jersey without the cultural benefits and human assistance the senior citizens give the State of New Jersey.

EUGENE J. COTTER, BRICK TOWN, N.J.

Include prescription drugs under medicare.

Provide some kind of property tax relief (applied against the school tax if possible) for people over 65. We have paid for many schools over the years, which are now enjoyed by the present generations. We should not have to pay for schools which will last into the next century.

Exempt retirement income, or at least a substantial portion of it, from Federal income taxes.

So-called fixed income for the elderly is no longer "fixed." It is rapidly diminishing income in relation to the constant climb in the costs of medical care, taxes, food, transportation, etc. This is becoming so serious that people now taking care of themselves will have to go into the SSI and food stamp programs.

Your subcommittee is to be congratulated for bringing this hearing to Ocean County, and for the effort it is putting forth on behalf of the elderly. It is to be hoped that something will come of it soon.

RUTH L. DECKER, LAKEWOOD, N.J.

Bravo to you and your subcommittee on your dedication to and insight into the need for long-overdue legislation to correct inequities in the social security system. The suggestion that the social security system be set up as a separate entity completely independent of the Health, Education, and Welfare Department, to my mind, was the most important idea expressed at this hearing. It had always been my belief that these funds were held in a separate account and I was amazed to learn it came under the control of the Welfare Department. If

this could be accomplished it would be a great plus as it is generally believed that HEW is politically dominated and politics should not be the overriding factor here.

The remarks of one speaker to the effect that the executive branch has a "blind spot" where the needs of the aging are concerned was also, to my mind, a keen observation. If this is true, perhaps a good "hard sell" is needed.

I also heartily endorse the remarks of the good doctor that many of the elderly ill could be better served in their own homes wherever possible, rather than railroaded off to nursing homes and hospitalized unnecessarily. Many of the older Americans in good health could be given employment in this field and trained as homemakers to render this service and no doubt could use the extra money thus earned to supplement their own income.

Wherever possible, recipients of social security with incomes that are minimal should be given the opportunity for employment in tax-exempt situations such as hospitals, schools, and other service organizations, to help supplement their meager incomes but, of course, should not be forced to work. This, of course, would be part-time employment due to the restrictions placed on the amount that can be earned without penalty and in this regard, the amount of earnings permitted without penalty might be studied and adjusted upward to keep pace with the present inflation.

Thank you for the opportunity to see you and your committee in action and best wishes.

HENRY C. DITTMER, TOMS RIVER, N.J.

I am not so deeply concerned with the proviso of future periodic increases in social security payments as I am with the causes that necessitate such increases.

Our politicians are of one mind, the only sure panacea for all our financial ills is to spend, spend, and spend. In spite of our present fiscal dilemma, they evidence their great solicitude by voting themselves generous salary increases, plus any social security increases. In the face of this, what are we talking about? Are we really concerned? Do you really have a care for the unfortunates in the \$5,000 and less class, or the unemployed, or those who are legitimately on welfare?

Everyone is talking about inflation, and justifiably so. Would somebody give me an intelligent explanation just how we can avoid or control it when the unions are permitted in their contract settlements to include wage and salary increases for a future period of 3 years?

People are beginning to speak out, more and more; they are weary of the shilly-shally performance of the legislature and the usurpation of power by the unions. Are we going to do something about this or just drift along down the road to becoming another New York City?

LAWRENCE J. DUFFY, BAYVILLE, N.J.

I am a Federal retiree—79 years old. I never worked under social security; neither did Mrs. Duffy.

The things social security retirees get are marvelous. Things Federal retirees get is short of being decent—suppose it's because there are so many social security people compared to Federal retirees.

Social Security people—no tax on pensions. Sympathetic raises—often 20 percent, 10 percent, etc.

We get cost of living—after agonizing waits. We pay taxes on annuity.

Wife of social security man who never worked, gets monthly x number of dollars on his having worked under social security. My wife gets nothing. I paid 6 to 7 percent before I retired in 1963, on my salary. Railroad retirees get some goodies. Why the rigidity for Federal retirees?

In my day, social security people paid small 1 percent to 2 percent on salary. I paid 6 to 7 percent, yet social security people get such beautiful government handouts: medicare, no tax, \$250 at death, etc.

It's tough on people our age. My wife, 79, as well as myself, 79 years old, never worked under social security. The last year my wife worked was 1924. She had worked 10 years previously.

She (my wife) has nothing to look forward to, outside of my annuity, yet a wife in a similar situation set up under social security (husband's) gets a nice monthly check—for what? My wife should get a monthly check also.

JEANETTE EDELMAN, LAKEWOOD, N.J.

The Outreach program, the Friendly Visitor and Nutrition programs are doing much to alleviate the problems of our senior citizens. Our elderly are our responsibility and anything that can be done to make them comfortable, content, and happy, will prolong their lives, keep them interested in their surroundings, and an asset to their community. Thank you.

LENA B. ELWELL, BEACHWOOD, N.J.

Municipal, State, Federal, and industrial employees are receiving fringe benefits which include hospital and health benefits paid by the employer—non-taxable! They receive 100 percent reimbursement for ailments—not 80 percent after the deductible. Retirees pay their fees from their meager gross incomes on which income tax is required. Who is paying the income tax on the millions of dollars for the active employees' benefits?

The retirees' taxes pay for the benefits for public employees—but they, themselves, have limitations placed on theirs.

These inequities should be eliminated.

ANDREW FABIAN, LAVALLETTE, N.J.

Why has not the New Jersey legislature, with its mandate from the court to find other sources of financing public school education than the local property tax, been more dedicated to reduce the property tax and therefore the living costs of the elderly, by completely eliminating the local school tax for all and replacing it with an income tax to finance completely the cost of public schools?

IRENE C. FEIGHERY, BEACHWOOD, N.J.

Our governing bodies should have put a ceiling on food prices at least when sugar went up astronomically—no mention of ceiling was made. Although when it went down drastically (because people didn't buy it and used substitutes), measures were taken to hold the prices. The supermarkets are the ones who are making tremendous profits. I guess they think in terms of 100 percent profit like all big corporations—oil, utilities, which, by the way, we even have to pay their servicemen's salary by their \$15 to step into our doors—even if no repairs are made. We are being ripped off unmercifully and yet our representatives sit by watching us while they vote themselves a big fat raise to take care of themselves. Incidentally, the raise vote was 214 to 213 *not* to increase their salaries and Carl Albert did a double-take and had a recount by the computers, who he said must have goofed off and when the next reading was 214-213 in favor—he was quick to pass it through without having a third count to prove the raise vote. How come?

I do hope, Senator Williams, that you listened good to Dr. Lena Edwards whose advice on health services was well taken by you and that we will have health services in many towns in southern New Jersey where the heaviest concentration of seniors are.

GLORIA R. FILIPPONE, FREEHOLD, N.J.

The aged in Monmouth County who are living on marginal or low incomes (under \$7,000) have really a bad time financially. They are constantly worried about expenses and what they are going to do if a catastrophic illness strikes. This creates tremendous mental anguish.

Another major fear is incapacitation resulting in the need for institutionalization. They do not want to leave their homes for nursing care.

Also, medicare is too restrictive in allowing homemakers service only when skilled nursing care is needed. There is a tremendous need for "chore services."

Transportation is another major problem. If taxis are available, the cost is prohibitive.

We adjust about involving the "tip of the iceberg" in the help we are giving seniors. Society as a whole must be better educated to the needs of the older population. A civilized nation must do a better job of caring for its older citizens. Peace and contentment are not words many of the elderly can affix to their lives.

Title III funds must be increased from \$136,000 for the whole of Monmouth County. We service at least 65,000 seniors with this small sum; a drop in the bucket.

HERMAN J. HACKENBURG, PINE BEACH, N.J.

Why should not only senior citizens, but taxpayers in general, be compelled to subsidize utilities, transportation, and perhaps other large corporate empires? My son-in-law is a wholesale grocer whose warehouse and office is in close proximity to Independence Hall in Philadelphia and has been there for generations. His buildings have been condemned, not because they are in disrepair, but because of the Bicentennial.

He has received remuneration, but in no way equal to the cost of acquiring or building another place. He is not being subsidized in any way, but must borrow the money this move would entail. I do not feel he should be subsidized, but neither do I feel the large corporate enterprises should be either.

Let us get back to the free enterprise system once more. It made America the greatest nation in the world.

WILLY PAUL HESS, JACKSON, N.J.

I attended this hearing for the whole session and I want to thank you, Senator Williams, for listening to some of our problems. I know you are keenly aware of the problems seniors have and I am aware of your efforts on behalf of the Pension Reform Act for those still working. I, a retiree, and they, still working, owe you a large debt of gratitude and I certainly thank you for these efforts.

This sheet asks for comments from the audience not on the panel. May I offer comments on three subjects:

First, on the health panel was Dr. Frank Malta, the former president of the Ocean County AMA. He spoke from the AMA's and commercial point of view. Senator Williams, I honestly don't think the AMA or Dr. Malta have a financial problem. Surely they don't need help. With their income, and the power they wield, I just don't feel that our government needs to concern itself with their plight. If I had the chance I would direct one question to Dr. Malta: "Why doesn't any doctor in Ocean County accept the medicare and Blue Cross fees as sufficient and final?" I am a delegate to the Ocean County Senior Coordinating Council and to the best of our knowledge no doctor down here will accept the "reasonable and customary fee" for service. Either the doctor's fee is too high, or the medicare fee is too low. Whichever is correct, the fee and refund must be made to balance. Heaven forbid; if a senior of modest means should develop a serious illness, his entire life savings could be wiped out in a few months. Imagine, a lifetime of work (35-40 years) and one's entire savings are gone. This is frightening to contemplate. It must be horrible to experience.

Second, now I'm going to ask you a favor: On the health panel was a 75-year-old Dr. Lena Edwards of Lakewood. Would you *please* listen to or reread her testimony? She was simple, direct, but eloquent. Her incisive analysis of the health problems of seniors was precise and accurate. Volumes and volumes have been (and probably more will be!) written to outline what health programs seniors need. All these volumes can be reduced to her basic remarks. Everyone (including seniors) need basic screening to detect problems before they become critical. The training and use of paramedics, semiprofessionals, and nurses can do much to alleviate future major problems. We should and must expand the use of such personnel. Let the doctors, surgeons, and hospitals concentrate on the more serious problems.

OUTRAGEOUS HOSPITAL COSTS

A for-instance: Recently my neighbor cut his arm and punctured an artery, and of course, there were squirts of blood. After covering the wound to prevent loss of blood, I drove him to the emergency room at Paul Kimbal Hospital in Lakewood. It turned out to be only a puncture and the patient was released without even needing a band-aid! Cost: \$12 for use of emergency room, \$12 for a doctor to look at it. Total expended time on patient—under 10 minutes. Total

cost: \$24. This is simply outrageous. Where in Heaven's name can a senior (or anyone else, for that matter!) afford this kind of fee? Anyhow, please—I urge you to review the testimony of Dr. Lena Edwards—it is so basic and realistic.

Third and last: Welfare, food stamps, and the dozens of programs to help those unable to pay. The basic concept of providing a helping hand and financial assistance to those who don't have enough money is humane, generous, honorable, and admirable. No quarrel here at all (except that too much is spent on "surveys" and "studies" before the money filters down to where it is needed—too many "project directors"—there is not even enough to provide the "tools" for us volunteers!). Coming back to the help being given, the key consideration should be not having enough money. There are just too many abuses; they abound all over. All people legitimately on welfare should be comfortably housed and well nourished, but not one should live in luxury or be gourmet fed! Those whom I help support should in no way be living at a standard higher than mine. I can keep myself and will gladly help those less fortunate—but again, please, make sure they *are* less fortunate.

The food stamp program idea is sound and an admirable one—and it should provide a good diet and nutrition to those who need it. I know you are aware of waste and abuses (everyone is!): people driving up in Cadillacs and paying with food stamps; food stamps being used for steaks, roasts, and the better cuts of meat—I use hamburger and protein extender; I eat beans, and the plainer cuts of meat—they should too. It isn't fair!

The food stamp abuse isn't just an occasional, isolated incident—it is rampant and regular. If you don't believe this, come with me to the supermarket at any time you choose, and I'll give you the proof. Just ask the store manager and the checkout clerks. They will spell out dozens of examples—daily! The thing that is so aggravating and frustrating is that those supposedly less fortunate are living and eating better than those of us who put in 35–40 years of our life building this Nation. Our self-denials and savings are now being eaten up by inflation and squandered by someone else. It just isn't fair. The abuses *must* be stopped.

Well, like most seniors, I've been long-winded, but what I wrote, I sincerely believe. Perhaps in some small way my comments may help you in developing the programs we need for our Nation. Thank you for "listening," and thank you too for all the bills and programs you have sponsored and actively promoted for so many years.

GARY HIGHAM, GLASSBORO, N.J.

Senator Williams, if permissible, I would like to touch upon several economic issues which I feel are of concern to both you, the members of your committee, the U.S. Congress, and the 22 million older Americans that reside within our country.

The Social Security Administration in 1971 established what was to become the supplemental security income, or SSI program; to adequately financially compensate the ever increasing 4 million blind, aged, and disabled adult U.S. individuals. Since the program's operational conception in 1974, through computer malfunctions, fluctuating laws and bureaucratic bungling, program cost overrun could skyrocket to \$1 billion.

The increasing cost of government, with what appears to be fewer and fewer consumable services is agonizing to the American taxpayer, but it is the older American, locked in on fixed incomes, that suffer the most, suffering economically in a program designed to help alleviate their financial frustrations.

Recently you have introduced legislation designed to improve cost of living adjustments for social security and supplementary security income programs, for which I must commend you on your efforts.

Any finalized step to improve the system and the mechanics thereof, must be instituted at the Federal level, your foresightedness in responding to elderly concerns is appreciated by millions of New Jersey elderly residents.

Many older Americans, due to inflationary times and severe illness, are forced to leave the comfort and security of their own home seeking alternative shelter; often the confines of the nursing home institutions. Countless tales of unsafe facilities, inadequate dietetic standards and outright patient neglect have recently rocked the nursing home industry. The Federal Government subsidizes nearly one-half of all nursing home profiteering, yet their supervision of ownership operations is completely lax.

The insurmountable millions of elderly Americans that are literally being "ripped off" annually surely warrants extensive Federal investigation into the entire multi-million-dollar enterprise, insuring the best possible care at a reasonable rate.

Finally, I would like to discuss the food stamp program. In 1974, estimates indicated nearly 17 million Americans were enrolled in the program, with an annual \$4 billion price tag.

The stamps themselves, according to the U.S. Agriculture Department, the cheapest nutritious meal possible. Recent Senate committee hearings determined that less than 10 percent of those receiving the stamps obtained the required essential daily nutrients set down by the Agricultural Department standards.

Senator, again I must compliment you for realizing these inherent Federal program perplexities. Your sponsorship of legislation designed to keep social security increases from affecting SSI and medicaid eligibility insures the elderly a fighting chance of survival and at long last a dignified existence.

Thank you for affording me the opportunity to express my opinions on these very important issues. Growing old in America is inevitable. I trust with appropriate, responsive leadership from individuals such as yourself, many aging minds will rest easier tonight, knowing that America has not forgotten the needs and aspirations of a vitally important segment of our society merely wishing to live their remaining years in comfort and dignity.

Continued success in your every endeavor.

KATHRYN A. KAIN, TOMS RIVER, N.J.

I would have been interested to hear about the "Homestead Act."

All the speakers on the panel were very good. I enjoyed listening to you and thank you for trying to do so much for the seniors.

GERTRUDE LAPLACA, LAKEWOOD, N.J.

I agree most heartily regarding the spread in costs of energy which makes conservation of energy costly; i.e., that for lesser consumption basis cost is higher.

Drugs should be available by generic names (doctors should cooperate). The consumer should be able to choose supplier; i.e., prices should be quoted over the phone and also posted.

As Mrs. Gluck wanted to know "Who is getting the profit from food?" Supermarkets make a small profit, farmers are suffering—is all the profit in between? Transportation—rather lack of it—is a great problem.

When the fact that the older population has increased so much why are quotas based on 1970 population figures?

When will the legislatures of New Jersey realize they are hurting the older citizens by not having an equitable income tax? (I realize that this is not your problem.)

Another program—or rather programs—raising "costs of living" and causing inflation are the spending programs of the Federal Government. Cases in point are the research programs by National Science and revealed by Senator Proxmire and I'm sure you have read this report. One was on "love," others on animals used for utterly senseless programs except to subsidize the researcher.

When will the consumer get more protection from the Federal Government?

SUSAN E. LAZA, TOMS RIVER, N.J.

Why, when a raise is given for social security, does the Veterans' Administration reduce the pension given to veterans and widows? What is the use of getting a so-called cost-of-living raise when one has the pension reduced? We widows rely on our pensions for our living, which at best are very meager. We give our men to the wars of our country, but when it comes to giving us at least a fair pension, we get cut at every opportunity. I think, Senator, it's time something should be done to correct this shameful practice.

FRANK E. LESKO, TOMS RIVER, N.J.

At least 1 hour of the 5-hour-session should have been devoted to a question-and-answer period from the audience.

Only one panel member, Jane Maloney (housing and property tax panel) even mentioned the predicament of the physically disabled who are forced into early retirement due to their physical condition.

I am 59 years of age, a victim of a disabling double-disc back operation performed 10 years ago, and because of our asinine State laws, unable to sue for malpractice or workmen's compensation because of the statute of limitations. I am also unable to:

- (a) Receive real estate tax reduction.
- (b) Receive food stamps—life-time savings (\$3,500) too high.
- (c) Receive food at food co-op—must have senior card or be on welfare or receive food stamps.
- (d) Must wait 2 years for medicare, while paying Blue Cross-Blue Shield over \$400 yearly (now increased) et cetera, et cetera!

I am living on an income of \$3,600 a year (poverty level), trying to keep up a middle income home and standard of living and my yearly medical bills average \$1,500 each year.

As a former Democratic county committeeman and Democratic club president (Maplewood, N.J.), I would appreciate a personal reply to these unanswered questions.

REBECCA LESSER, LAKEWOOD, N.J.

That the property tax is unrealistic—not having children of school age—what is your feeling regarding these figures: \$61.38 for one quarter 1974-75; \$166.90 for one quarter—new assessment.

Blue Cross is increased. Not being able to earn, except for occasionally doing a little volunteer work; I feel terribly pressured—please.

Housing and property tax panel were very definitive.

Thank you.

YETTER MENCHER, LAKEWOOD, N.J.

I'm a widow 78 years old. Every widow is receiving social security checks. I'm only getting \$185.40 and its very hard for me to make ends meet. My number is 090-10-7628 D.

MAYOR CECILE F. NORTON, SEA BRIGHT, N.J.

It is most important that we have more nutrition sites and day care centers for seniors—we in Monmouth County must receive more funds to extend the existing facilities in this area. We feel that nutrition sites for the elderly serve many purposes; among the most important are health and therapy. As mayor of a small community, a mobile health unit would be invaluable. It is important to increase title III funds.

MRS. E. RODENBECK, POINT PLEASANT BEACH, N.J.

Suggestions for improving medical care:

(1) Scholarships for medical students specializing in care of aged—gerontology.

(2) Paramedical training at county college level.

Utility increase.—Could not the Federal taxes be deducted from utility bills of social security recipients?

MRS. M. L. SNYDER, TOMS RIVER, N.J.

I am 73 and worked for 25 years after I became a widow, retiring at age 62 because of ill health, therefore receiving only 80 percent of the social security and pension benefits. My present total income is well under \$5,000. My concern is that there are so many people receiving social security checks who really do

not need them. And I know there are many so-called seniors who are shouting for special discounts who are not in financial need. I don't think everyone is entitled to financial help automatically just because he is 65 years of age. There must be some way that the actual need can be established. Millions of dollars, I'm sure, are being paid every month where such need does not exist.

I agree with our State Senator John Russo that it is not fair to grant so many concessions to the elderly that it puts too heavy a load on the younger generation. I know all the politicians are interested in the votes of the 20 million or more seniors in this country, but they must remember that our children and grandchildren are also voters, and may not be able to support legislation in favor of all seniors in general if it would make their own financial load too heavy to bear. I'm sure none of the younger people would object to doing their share to help seniors in actual need, but I don't blame them for balking when it comes to supporting the retired people who are living in very expensive homes, paying a high monthly maintenance charge, and spend a lot of time at their brokers' offices checking on their investments, etc.

Have you ever considered the high percentage of gray heads in the restaurants, especially the higher-priced ones, with their total dinner checks, or counted the empty liquor bottles in their garbage cans? It is staggering! I know, we have all worked hard to become retired people and are entitled to live a comfortable old age for the time we have left, but there is a lot we can do to help ourselves along the way, too, and not just sit back and shout for cut-rates on all services and government support on every breath we take.

I enjoyed the meeting. Thanks for coming.

PEARL WEINER, NEW EGYPT, N.J.

I thoroughly enjoyed listening to the program. Most of the participants made their points very well. I left with a feeling that some progress will be made in the various areas.

I was asked by Mrs. Neva Mullen who will be away at our next meeting to report to our members of the senior citizens. I did not know before that I would be asked to do so and I did not take notes. I would appreciate receiving a transcript in time for our next meeting on October 6, 1975.

Thank you very much.

T. WISNIOWSKI, BAYVILLE, N.J.

Cost of living went tremendously up. Cost of utilities are climbing up fast. Assessments of property coming every year to put more and more taxes on senior citizens.

The elderly are scared to be sick because cost of medical help is tremendous—not mentioning hospital costs. It seems to me that doctors became pushers for drug manufacturers and owners of shares of any hospitals, to grab millions from medicare and medicaid. I wonder where these billions go? Recently, I and my wife went to doctor for general check-up; fee was \$15 each and we were advised to take X-ray, \$35, bloodwork \$50 each, cardiograph \$25 each, so it would amount to \$285—to be paid cash.

I ask you dear Senator how, possibly, elderlies could afford that for checking their health?

Average teacher salary who is 33 years amount to \$361 per week, they want more and more. Lavish spending of taxpayers money is significant, not mentioning aid for foreign countries.

We senior citizens cannot strike and we have very little understanding in Congress.

Please open eyes for our cause among executives in our government.

