*Medical Care Expenditures of Beneficiaries in Three Cities**

Since 3 out of 4 old-age and survivors insurance beneficiaries are aged 65 or over and are therefore subject to the prolonged illnesses that more commonly attack older persons, medical expenses can be expected to form an important part of their living costs. During the course of four surveys made by the Bureau of Old-Age and Survivors Insurance, questions were asked on the medical services that beneficiaries received during a year, the costs they incurred, and the way in which they met these costs. From a study of the answers, as reported in the following article, it is evident that few beneficiaries are able to meet the expenses of a long illness either from their own savings or from their old-age insurance benefits.

OLD-age and survivors insurance beneficiaries are generally persons of small means. This fact was established by the initial surveys of beneficiary resources made by the Bureau of Old-Age and Survivors Insurance in 1941 and has been supported consistently by the findings of the Bureau's later studies.[1] These surveys have shown that in order to get along many beneficiaries were cutting deeply into their savings. In discussions with representatives of the Bureau, beneficiaries frequently attributed the drop in their assets to medical expenses. In view of the prevalence of chronic illness among older men and women, expenses for medical care can be expected to represent a major living cost of old-age and survivors insurance beneficiaries.

Today 3 out of 4 beneficiaries are persons aged 65 and over. Among people of these years, chronic illness is likely to be about three times as prevalent as among the general population. Diseases of the heart, malignant neoplasms, cerebral hemorrhage, and nephritis are the leading causes of death among older persons. Deaths from such causes often follow prolonged illnesses that are capable of quickly draining the purse and finally but more slowly destroying the person.

Although the beneficiary studies dealt primarily with resources and not expenditures, facts on medical expenses incurred were obtained in the four most recent surveys—St. Louis and Ohio (1944), Boston (1946), and Philadelphia-Baltimore (1949). In interviews conducted by representatives of the Bureau, the beneficiaries were asked to itemize their medical expenses for the survey year. These expenses included, for the year ending with the month preceding the date of the interview, physicians' services, hospital, dental, optical, and nursing care, prescriptions and other drugs, medical appliances and other supplies prescribed by a physician, and home remedies. Information was also obtained on "free" care. The beneficiaries were asked to express their opinion as to their ability to work and whether they considered that they received a sufficient amount of medical care. Interviewers also noted whatever information beneficiaries volunteered or attitudes they expressed regarding their health problems.

A few major questions based on information obtained from the Boston and Philadelphia-Baltimore studies will be considered in this discussion[2]: What did beneficiaries spend for medical care? How did those with large medical expenses meet their bills? What type of medical services did they receive? To what extent were they insured against the costs of medical care? How many obtained free care? Did the beneficiaries consider that they received a sufficient amount of medical care?

To answer these questions, data derived from three samples—two Boston samples and one Philadelphia-Baltimore sample—were combined. Each of the samples was stratified by type of beneficiary group, amount of primary benefit, race, and, except for the 1944 entitlement sample, year of award. Information from beneficiaries in the two Boston samples, one a sample of 1944 entitlements and the other a sample of entitlements in 1940–44, covered a year ending in the fall of 1946; the data from the Philadelphia-Baltimore study of beneficiaries who became entitled in 1940–47 covered a year ending in the fall of 1949. The number of beneficiary groups in each beneficiary type included in each sample is shown below.

Beneficiary type	Boston, 1944 entitlements	Boston, 1940–44 entitlements	Philadelphia-Baltimore, 1940–47 entitlements
Nonmarried men	130	148	203
Married men, wife entitled	111	166	157
Married men, wife not entitled	100	101	101
Women entitled on own wage record	101	98	----------
Aged widows	103	102	----------
Widows with entitled children	101	97	99

Both Boston samples included 179 beneficiary groups. In combining the samples for the analysis, these cases were counted only once.

* Prepared in the Division of Program Analysis, Bureau of Old-Age and Survivors Insurance.

[1] For reports on some of the findings of these surveys, see the *Bulletin* for July and September 1943; March 1944; January, April, September, and November 1945; January 1946; August and October 1947; February and September 1948; November 1949; April and May 1950; and January, June, and October 1951. See also the *Bulletin* for June 1946 for a comparison of aged insurance beneficiaries with aged assistance recipients and the aged in the general population, and the October 1949 issue for a study of public assistance supplementation of income of insurance beneficiaries.

[2] For findings of the St. Louis and Ohio surveys, see Lelia M. Easson, "Costs of Medical Care of Old-Age and Survivors Insurance Beneficiaries in St. Louis and 12 Ohio Cities," *Social Security Bulletin*, January 1946.

The universes were made up of all beneficiaries who were awarded benefits in the Boston or the Philadelphia-Baltimore metropolitan areas during the specified years, and who were alive and in the areas at the end of the award period. The Boston 1944 sample represents 18 percent of its universe; the corresponding proportion for the Boston 1940–44 sample was 6 percent; and for the Philadelphia-Baltimore 1940–47 sample, 2 percent.

The distributions of beneficiary groups of a given type according to the amount of medical expenditures were much the same in all three samples; they were more nearly alike than the distributions for the various types within each sample. The three samples in combination represent a total of 1,718 beneficiary groups and provide a sufficient number of cases for analysis of such relationships as medical expenditures and income by beneficiary type.

The samples were drawn from three cities that are leading medical centers. Boston, Philadelphia, and Baltimore are recognized for their medical teaching and research facilities, which add materially to the availability and quality of medical service. In these cities, voluntary and tax-supported hospitals and clinics and visiting nurse and other medical services for people of limited means have long been established. It is therefore reasonable to assume that the medical care resources available to the beneficiaries living in these communities were fairly comparable with each other, and that they were above average for the United States.[3]

Table 1.—*Percentage distribution of beneficiary groups by amount of medical expenditures during the survey year, Boston 1946 and Philadelphia-Baltimore 1949 surveys combined*

Expenditures for medical care	Non-married men	Non-married women [1]	Aged widows	Married couples [2]	Widows with entitled children [3]
Number	449	155	167	679	268
Total percent	100.0	100.0	100.0	100.0	100.0
No medical care	18.9	12.9	9.0	5.4	10.8
Free care only [4]	6.7	4.5	1.8	2.2	4.5
Incurring medical expense	74.4	82.6	89.2	92.3	84.7
$1–24	29.4	32.3	18.6	11.8	16.4
25–49	14.7	16.8	16.2	14.0	11.6
50–99	12.2	16.1	21.0	19.7	22.0
100–199	8.5	10.3	18.0	21.2	20.5
200–299	5.8	1.9	6.6	10.3	6.3
300 or more	3.8	5.2	9.0	15.3	7.8
Average amounts:					
Median, all groups	$18	$25	$54	$89	$60
Mean, all groups	69	65	104	160	106
Median, groups incurring expenses	36	37	60	100	74
Mean, groups incurring expenses	93	79	116	173	125

[1] Entitled on own wage record.
[2] Includes couples with wife entitled and those with wife not entitled.
[3] Average beneficiary group, 2.9 persons.
[4] Free care is defined as care for which the beneficiary incurred no charge or paid a nominal clinic fee of not more than 50 cents. Includes care for which public assistance agency made payment direct to vendor. Among those incurring medical expenses are some who also received free care.

Health of Beneficiaries

Information on the illnesses of beneficiaries and the extent to which they needed medical care was not systematically obtained. In discussing their medical expenses older beneficiaries complained of ailments and handicaps common to persons of their years—heart conditions, high blood pressure, diabetes, anemia, crippling arthritis, cataracts, deafness, and so on. As a group, however, retirement beneficiaries may be thought of as "normal" retired old people. Compared with all persons aged 65 and over or with public assistance recipients,[4] proportionately more beneficiaries live in their own establishments, a fact suggesting that aged beneficiaries have been able to continue their usual way of life to a larger extent than other old people. This fact is not surprising because retirement beneficiaries have worked long enough and recently enough to have become entitled to insurance benefits. On the whole their health is probably better than the health of the non-entitled retired aged, among whom are persons who have had long histories of illness, unemployment, and relief.

Although information on the extent to which beneficiaries needed medical care was not obtained, the retirement beneficiaries and the widows having dependent children were asked their opinion as to their health and ability to work full time at their customary occupations as of the time they were interviewed. The tabulation that follows gives their replies.

Between 55 and 60 percent of the men thought of themselves as totally unable to work because of ill health or declining strength. Nonmarried

Response	Non-married men	Married men	Non-married women	Widows with entitled children
Total percent	100.0	100.0	100.0	100.0
Able to work, no qualification	15.1	16.5	20.0	62.7
Light work only	26.1	28.6	34.8	26.9
Unable to work	58.8	54.9	45.2	10.4

women entitled to benefits on their own wage record reported themselves a little better off than the men. The widows with entitled children, much younger on the average than retirement beneficiaries, as a rule felt able to hold full-time jobs.

Wives of male beneficiaries and aged widows were asked a parallel but different question—their opinion as to their health and ability to do their own housework. Their response is indicated in the following tabulation.

Response	Entitled wives	Non-entitled wives	Aged widows
Total percent	100.0	100.0	100.0
Able to do own housework:			
Without reservation	49.8	72.7	39.5
With reservation	34.2	22.2	38.3
Unable to do own housework	16.1	5.1	22.2

[3] In 1945 Maryland initiated an organized program to provide medical care for indigent and medically indigent persons, "or either of such classes." In 1949, Baltimore City cared for the indigent but not the medically indigent. Medical needs of the indigent are also provided for in Boston and Philadelphia through voluntary and tax-supported services.

[4] Jacob Fisher, "Aged Beneficiaries, Assistance Recipients, and the Aged in the General Population," *Social Security Bulletin*, June 1946.

Table 2.—*Percent of persons with medical expenditures during the survey year, median and mean expenditures per person and per person with medical expenditures, and median age, by beneficiary type, Boston 1946 and Philadelphia-Baltimore 1949 surveys combined*

Sex and beneficiary type	Total number	Percent with medical expenditures [1]	Average medical expenditure				Median age
			Per person		Per person with medical expenditures		
			Median	Mean	Median	Mean	
Old-age beneficiaries:							
Male:							
Nonmarried	449	74.4	$18	$69	$36	$93	73
Married	679	79.1	29	74	45	93	
With entitled wife	404	77.5	27	76	45	98	74
With nonentitled wife	275	81.5	32	70	42	86	70
Female:							
Nonmarried	155	82.6	25	65	37	79	70
Wife of old-age beneficiary	679	80.4	32	86	50	107	
Entitled	404	82.4	40	89	50	108	72
Nonentitled	275	81.5	30	82	48	106	62
Aged widows	167	89.2	54	104	60	116	70
Widow-child groups:							
Widowed mothers	268	72.0	24	52	45	72	45
Children	525	58.5	5	27	20	47	(2)

[1] Includes medical services, commodities, and insurance.
[2] All under age 18.

Nonentitled wives, most of whom were not entitled to benefits because they were under age 65, usually felt able to do their own housework and were apparently in better health than entitled wives and aged widows, all of whom were over age 65.

Medical Expenditures and the Means for Meeting Medical Bills

Beneficiary couples.—During the survey year the beneficiary couples incurred medical expenses that averaged $160 (table 1). In most instances the bills were paid during the year; only a few beneficiaries had bills outstanding for medical care at the end of the survey year. This average of $160 is based on all the 679 married couples interviewed, 92 percent of whom incurred expenses for medical care. Two percent had no medical expenses but received free attention. Although only 5 percent of the couples as family units received no medical attention of any kind, when husbands and wives are considered individually the result is different. Only about 82 percent of the husbands and wives individually received medical care, and 18 percent had no medical attention of any kind during the survey year.

The average of $160 for all the couples interviewed is probably less than the average medical expenditures of all beneficiary couples in Boston, Philadelphia, and Baltimore during the survey years, since those who were hospitalized at the time of the interview or who were too ill to be interviewed and those whose wives died during the year were excluded from the sample.[5]

Medical expenses varied widely among the group. About a fourth of the couples spent as little as $1–50, and about two-fifths spent between $50 and $200; another fourth spent $200–1,600 (table 1). Two percent had medical costs that ranged between $1,000 and $1,600, which was the maximum amount expended by any of the couples.[6]

Wives spent more on the average for medical care than their husbands (table 2), a fact that is consistent with the findings of other studies. The medical expenses of wives in the St. Louis and Ohio beneficiary studies were slightly higher than the expenses of their husbands; the Committee on the Costs of Medical Care had similarly found that in urban areas women 65 years of age and over had higher average medical expenditures than men of the same age class.[7]

The present studies also support the finding of the St. Louis and Ohio studies that average outlays for medical care do not appear to be related to age. The average amount spent by the married men did not necessarily increase with each successive age class, and the older men did not always account for the higher expenses. The relationship between medical expenditure and age of the married men is indicated by the following tabulation.

Age at time of interview	Total number	Average medical expenditure	Percent spending $200 or more
66–69	172	$81	11.6
70–74	288	73	9.4
75–79	166	58	7.2
80 or more	53	103	15.1

The fact that persons incurring expenses connected with current hospitalizations and last illnesses generally did not get into the sample may have influenced these results.

The medical expenses of beneficiary couples appear to have no clear-cut relationship to income, although a larger proportion of couples with incomes of $1,800 or more than of those with lower incomes spent at least $200 for medical care (table 3). If couples receiving public assistance are excluded, approximately a fourth in each of the three lower income groups, but slightly more than a third in the "$1,800 or more" group, spent $200 or more for medical care.

At the same time there is reason to believe that the married men having the highest incomes enjoyed better health. As incomes increased the proportion unable to do any kind of work decreased; for example, 79 percent of the married men in the lowest income class (less than $600) reported themselves unable to do any kind of work, in contrast to 25 percent in the highest income class ($1,800 or more). The wives of the men having the highest incomes also enjoyed better health than wives of men with lower incomes. Eighteen percent of wives in the low-

[5] Discards for these reasons represent about 6 percent of all couples visited.

[6] The maximum spent by any beneficiary group amounted to $3,532—the expenses of a nonmarried man.

[7] Social Security Administration, Bureau of Research and Statistics, *Medical Care and Costs in Relation to Family Income, A Statistical Source Book*, Bureau Memorandum No. 51, 2d edition, 1947, p. 177.

est income class, but only 6 percent in the highest income class, reported themselves unable to do their housework. The facts in table 3 suggest that the total social and economic circumstances of the beneficiaries must be examined to determine how medical bills, at least the extraordinary ones, were met by couples with incomes of less than $1,800.

Couples receiving public assistance are concentrated in the $600–1,199 income class. Their distribution by amount of medical costs differs from the distribution of the couples not receiving public assistance, and the information is presented separately in table 3. When public assistance cases are excluded the distribution more nearly approaches that of the income classes immediately above and below it. Accounting for the variation in the distribution of those receiving public assistance is the fact that, within the limits of their policies and financial resources, public assistance agencies in Boston, Philadelphia, and Baltimore assumed responsibility for the medical care of recipients. In some instances the agencies paid vendors directly for the services provided recipients, and these services were therefore counted as free care in this study. In other instances medical bills were met through money payments to recipients; such payments were counted as part of beneficiary group income, and the medical charges were classified as expenditures.[8] Two types of public assistance cases were found in the group having high medical expenses: those whose money payments were increased so that they could pay their medical bills themselves and those who incurred medical obligations for which public assistance had not assumed responsibility.

What were the means used by beneficiaries in meeting medical expenses? In addition to their income, beneficiaries relied heavily on their relatives and drew on their assets. Under the definition used in this study a beneficiary group received assistance from "relatives" if (1) a relative living outside the beneficiary household contributed $100 or more to the couple during the survey year, or (2) the older persons and relatives shared a household but the beneficiary couple did not contribute their full share of household expenses or received cash contributions from or had bills paid by relatives in the household.[9] Information to determine whether beneficiary couples were meeting their share of living costs in joint households was obtained only in the Boston study. Table 4 shows how Boston couples incurring medical expenses met their living expenses and medical bills. More than half the couples having income of less than $1,800 and medical expenses of $200 or more received help from relatives.

In some instances, relatives not only met the beneficiaries' current living expenses but helped pay medical bills as well. In other cases the beneficiary couples were able to meet their medical bills from their income, but relied on their relatives to meet current living costs. The example of one elderly couple—a man aged 83 and his wife aged 79, who lived with a daughter, son-in-law, and grandson—will illustrate what support from relatives involved in some cases and what significance the old-age insurance benefit assumed for the family. During the year the young couple had an income of about $3,800, and the beneficiary couple's total income was $429—the amount of their old-age insurance payments. They had no resources other than several small life insurance policies. The old couple, both of whom complained of serious heart trouble, met their $237 medical expenses for the year from their benefit payments. They explained to the interviewer that the benefits gave them a feeling of independence since they could meet their usual medical and incidental expenses from their income. This circumstance was possible, however, only because the young couple took on the current living costs of their parents. The daughter and her husband, on the other hand, expressed relief at not having to supply the parents with cash though they anticipated that they would have to do so when unusual medical expenses should arise. Aged couples living with relatives did not always express this feeling of security, and some were distressed at their dependency and concerned that they were depriving their children of the things they needed.

Among the couples with incomes of $1,800 or more and high medical expenses, only 3 percent received help from relatives and 94 percent were able to meet their living expenses and medical bills exclusively from income and assets (table 4). Some who had

Table 3.—*Percentage distribution of married couples by amount of medical expenditures during the survey year and annual money income, Boston 1946 and Philadelphia-Baltimore 1949 surveys combined*

Annual money income	Number	Total	No medical care	Free care only	Medical expenditures						
					Total	Less than $50	$50–99	$100–199	$200–299	$300–499	$500 or more
Total	679	100.0	5.4	2.2	92.3	25.8	19.7	21.2	10.3	9.1	6.2
Less than $600	114	100.0	6.1	5.3	88.6	24.6	19.3	19.3	14.0	6.1	5.3
600–1,199	255	100.0	3.5	3.1	93.3	32.2	19.2	21.2	8.6	7.8	4.3
Receiving public assistance [1]	58	100.0	6.9	12.1	81.0	41.3	15.5	12.1	6.9	3.4	1.7
Not receiving public assistance	197	100.0	2.5	.5	97.0	29.4	20.3	23.9	9.1	9.1	5.1
1,200–1,799	157	100.0	6.4	.6	93.0	26.1	21.7	20.4	8.9	8.9	7.0
1,800–2,399	77	100.0	6.5		93.5	18.2	15.6	27.3	10.4	15.6	6.5
2,400–2,999	42	100.0	14.3		85.7	14.3	23.8	19.0	9.5	11.9	7.1
3,000 or more	32	100.0			100.0	11.8	20.6	20.6	17.6	11.8	17.6

[1] A small number of couples who received public assistance are included in other income groups.

[8] In the Boston area the public assistance agencies followed the practice of meeting certain medical bills through money payments to recipients and others through direct payments to vendors. The Philadelphia and Baltimore agencies paid all vendors directly for medical charges for which the agencies assumed responsibility.

[9] This analysis involved prorating food and housing costs to the beneficiary group and the relatives, and balancing these costs against payments by either the beneficiary group or relatives. In prorating food costs, the age and sex of the household members were taken into consideration; housing costs were prorated on a per capita basis. To allow for errors in food cost estimates and reports of payments, only beneficiary groups estimated to have received more than $50 in cash or in kind have been considered to have received help from relatives within the household.

moderate incomes and assets to bolster their security managed well. A couple, the man aged 78 and his wife aged 76, spent $275 for medical care during the year. They considered that they had received a sufficient amount of care and got along satisfactorily. They had a total income of $2,157 during the year from old-age insurance benefits ($725), private industry retirement pay ($1,200), and income from assets ($232). Their assets, amounting to $9,405, were in the form of savings, Government bonds, and other stocks and bonds, but they did not have to use any of their savings or incur debts to meet their expenses.

Though the beneficiary couples with income of $1,800 or more are apparently economically independent, it must be kept in mind that two-thirds of the couples in this income class had such substantial incomes because of earnings. Without their earnings they could anticipate a considerable decline in economic status and ability to meet expenses. For example, a man aged 72 and his wife aged 64, who incurred medical bills of more than $1,500 during the survey year, had an income of approximately $2,000, boosted to this level by the wife's earnings of $1,650 as a waitress. The other income included the husband's benefits and a small amount of interest on savings. All medical expenses were incurred for the beneficiary, who had been bedridden for 3 years with a broken hip and who during this year had been hospitalized. The couple withdrew $500 from their savings to pay on their medical bills and at the end of the year had $1,150 left but still owed $1,025 for medical expenses. They had no assets other than the remainder of their savings and no children to whom they might have turned for help.

Old-age beneficiaries relied heavily on their assets to meet large medical bills. The full use of assets is not indicated in table 4 since some who received assistance from relatives also used assets. Two-fifths of all the couples in the three surveys combined who had assets used at least $100 from them during the year. The married couples who had medical expenses of $200 or more and used assets withdrew an average of $500.

At the end of the survey year about half the couples having medical expenses of $200 or more either had no assets or would be left with none other than real estate in 1 year or less if they used them at this average rate of $500 a year; fewer than a fifth would have sufficient assets other than real estate to last 10 years or more. The rapid disappearance of reserves was naturally a source of worry to elderly couples faced with the problem of meeting the cost of expensive, prolonged illness. One couple, the man aged 78 and his wife aged 74, had an income of $958 during the survey year and medical expenses of $840. To meet expenses for medical care and current living they withdrew more than half their savings ($1,140), which left them a balance of $960. They had no other assets. In the view of the beneficiary, he was cutting into his savings at an alarming rate, and he said he was almost "at the end of his rope." Their income consisted of old-age insurance benefits, $474; interest on savings, $23; earnings in noncovered employment, $361; and contributions from children outside the household, $100. In one year's time the financial underpinning of the wife's illness. She had suffered a couple had been knocked out by the "shock," was now bedridden, and required constant attention. No longer able to afford nursing care, the husband was attending his wife, doing all the housework, and keeping his noon-hour job directing traffic at a school intersection.

Table 4.—*Percent of beneficiary couples receiving public assistance or help from relatives, by annual income and amount of medical expenditures, during the survey year, Boston 1946 survey*

Income class and resources	Medical expenditures: Total	$1–99	$100–199	$200 or more
	Income less than $1,800			
Number	312	171	71	70
Total percent	100.0	100.0	100.0	100.0
Received financial aid [1]	54.5	53.8	49.3	61.4
Public assistance	16.0	17.5	16.9	11.4
Help from relatives [2]	43.9	41.5	39.4	54.3
Received no financial aid	45.5	46.2	50.7	38.6
Used income only	20.2	23.4	21.1	11.4
Used income and assets	25.3	22.8	29.6	27.2
	Income of $1,800 or more			
Number	84	28	25	31
Total percent	100.0	100.0	100.0	100.0
Received financial aid	14.3	14.3	24.0	6.0
Public assistance	2.4	3.6	------	3.0
Help from relatives [2]	11.9	10.7	24.0	3.0
Received no financial aid	85.7	85.7	76.0	94.0
Used income only	71.4	75.0	76.0	64.5
Used income and assets	14.3	10.7	------	29.5

[1] Total may be less than the sum of couples receiving public assistance and help from relatives since some couples reported both.
[2] Some couples also used assets.

Nonmarried old-age beneficiaries.—The nonmarried men, the nonmarried women entitled to benefits on their own wage records, and the aged widows show some variation in their pattern of medical expenditures. The men spent on the average $69; the women, $65; and the aged widows, $104 (table 1). These averages are based on all the beneficiaries interviewed in the respective types. The average for the men is considerably influenced by the fact that nearly 7 percent received free care only and nearly 19 percent no medical attention, larger proportions than for either the nonmarried entitled women or the aged widows. In all surveys, including St. Louis and Ohio, the aged widows spent more on the average for medical care than other individual beneficiaries, and the nonmarried women spent less. The consistency of this pattern suggests that the surviving wife may have had poorer health than other beneficiaries.

Approximately a third to a half of the nonmarried men, nonmarried women, and aged widows spent only $1–50 for medical care; between a fifth and two-fifths spent $50–200; and between one-fifteenth and one-seventh spent $200 or more. A markedly higher proportion of female old-age beneficiaries and aged widows had medical costs of $200 or more when they had annual money incomes of at least $1,200 than when they had less. The percents in each income class that spent $200 or more on medical care varied as follows:

Annual money income	Nonmarried men	Nonmarried women	Aged widows
Total percent	10.1	7.1	15.6
Less than $600	6.0	6.4	12.4
600–1,199	15.4	5.1	15.4
1,200 or more	15.0	16.7	26.9

The proportion of nonmarried men with medical costs of $200 or more was as large for those with incomes of $600–1,199 as for those with higher incomes because a number of the men in the lower income class received public assistance payments that had been increased to meet medical bills. Of the men in this income class who did not receive public assistance, only 8 percent spent $200 or more for medical care.

These beneficiaries as well as the married couples relied heavily on their relatives and drew on their assets to meet living expenses and high medical bills. On the basis of data available from the Boston studies, it appears that half the 75 nonmarried men, nonmarried women, and aged widows who had incomes of less than $1,200 and medical expenses of $100 or more received help from relatives.[10] Close to a third with incomes of $1,200 or more and medical expenses of $100 or more also received help. The aged widows were more likely to receive help from relatives than the nonmarried old-age beneficiaries whose benefits were based on their own wage records.

Some of the individuals in these three beneficiary types who received help from relatives also used assets, but the majority of those using assets had no supplementary aid. In the three surveys combined, 45 percent of all those having assets used them in the amount of $100 or more during the survey year to meet their living expenses and medical bills.

Widows and entitled children.—During the survey year the 268 widows with entitled children interviewed in Boston, Philadelphia, and Baltimore spent an average of $106 for medical care for the beneficiary group (table 1). The Bureau of Labor Statistics found that in 1941 urban families of two or more persons had an average money expense of $107 for medical care.[11] It is estimated that $107 spent for this purpose in 1941, if adjusted by the consumers' price index for medical care, would have been the equivalent of at least $135 at the time of the Boston, Philadelphia, and Baltimore studies. Thus the $106 average medical expenditure of widow-child groups seems low.

In 11 percent of the widow-child groups, no member of the group received medical attention during the year; in 4 percent of the cases only free care was obtained for one or more members; in 85 percent, costs were incurred. In many families both the widow and one or more of the children had incurred medical costs. Table 2 shows that 72 percent of the widowed mothers and 59 percent of their children incurred medical expenses.

More than a fourth of the widow-child groups spent as little as $1–50 for medical care during the year; more than a fifth spent between $50 and $100 and another fifth between $100 and $200; and about a seventh spent $200 or more.

The percent of the widow-child groups within the various income classes spending something for medical care generally did not vary with income. The erratic dips in the intermediate income classes can be attributed in part, however, to those receiving public assistance and medical attention for which public assistance paid the vendors of service directly. In the income class $1,200–1,799, for example, the 79 percent with expenditures for medical care becomes 90 percent when those receiving public assistance are excluded. The percent of widow-child groups spending between $50 and $200 for medical care showed no relationship to income, but the percents spending less than $50 and spending $200 or more varied with income. No widow-child group having an income of less than $600 spent as much as $200 for medical care, while 21 percent with incomes of at least $1,800 spent a minimum of $200.

Income class	Medical expense		
	Total	$1–49	$200 or more
Total percent	84.7	28.0	14.2
Less than $600	93.3	46.7	
600–1,199	83.3	30.3	12.1
1,200–1,799	79.0	30.6	11.3
1,800 or more	86.4	20.0	20.9

The widow-child groups, like the aged beneficiaries, relied on supplementary help and use of assets to meet their living costs and medical expenditures. Fifteen percent received public assistance; 60 percent had older children or other relatives in their households and many of them either received help from the relatives or were able to live more economically because the relatives shared household expenses; and 40 percent of the widows who had assets at the beginning of the year withdrew at least $100 during the year.

Type of Medical Care

Old-age beneficiaries.—Table 5 presents the percent of beneficiary groups within the various income classes spending something for the different types of medical services, commodities, and medical insurance.[12] For the five types of beneficiary groups shown there was no marked or consistent relationship between amount of income and the proportion purchasing any particular kind of service except in the case of dental care and prepaid medical insurance. This apparent lack of relationship between income and type of medical care purchased may partly be accounted for by the fact that the number of units of service purchased by an income class is not known. For example, one visit to a physician is given the same weight in the tabulation as many visits, and 1 day in a hospital the same weight as several months. Furthermore, the size of the sample makes it necessary to combine income intervals over $1,200 for the one-person beneficiary groups, with the result that the extent of variation among income groups over that amount cannot be determined. For the couples and widow-child groups, however, a markedly higher proportion reported most kinds of medical service when their incomes were $3,000 or more than when they were less.

Among all the old-age beneficiary types the percent with expenditures for dental care and prepaid medical care increased as income increased.

10 Too few of the beneficiaries in these types had medical expenses of $200 or more for analysis of the means of meeting such expenses.

11 Bureau of Labor Statistics, *Family Spending and Saving in Wartime*, Bulletin No. 822, 1945, p. 76.

12 Free care is not distributed among the items of medical care, since the multiple services of "clinic care," representing a large proportion of free care, cannot be allocated to the various items.

Table 5.—*Percent of beneficiary groups incurring charges during the survey year for specified items of medical care, by annual money income and beneficiary type, Boston 1946 and Philadelphia-Baltimore 1949 surveys combined*

Beneficiary group and income class	Number	No medical care	Free care only [1]	Percent of beneficiary groups with expenditures, by specified item of medical care														
				Total percent with expenditures	Physician, specialist	Eye examination and eye glasses	Dental care	Other practitioner	Clinic care [2]	Hospital care	Laboratory tests and X-ray	Private nurse	Visiting nurse	Prescriptions and other drugs	Medical appliances and supplies	Prepayment for medical care [3]	Accident and health insurance	Other medical care
Aged 65 and over:																		
Nonmarried men	449	18.9	6.7	74.4	51.4	18.5	10.2	0.2	2.7	4.5	3.1	0.7	------	48.6	6.5	9.4	1.8	0.9
Less than $600	189	19.0	5.3	75.7	55.0	19.6	7.9	.5	3.2	2.6	2.6	.5	------	48.7	7.9	8.5	1.1	1.1
600–1,199	167	20.4	10.2	69.5	43.7	16.2	10.8	------	1.2	6.0	1.2	.6	------	45.5	5.4	6.0	2.4	1.2
1,200 or more	93	16.1	3.2	80.6	58.1	20.4	14.0	------	4.3	5.4	7.5	1.1	------	53.8	5.4	17.2	2.2	------
Nonmarried women	155	12.9	4.5	82.6	56.1	27.1	18.7	2.6	.6	2.6	4.5	1.3	------	58.1	7.7	7.1	1.3	------
Less than $600	78	15.4	5.1	79.5	53.8	24.4	14.1	3.8	1.3	2.6	2.6	1.3	------	64.1	7.7	3.8	------	------
600–1,199	59	8.5	5.1	86.4	55.9	28.8	18.6	------	------	3.4	6.8	1.7	------	55.9	3.4	8.5	------	------
1,200 or more	18	*16.7	------	*83.3	*66.7	*33.3	*38.9	*5.6	------	------	*5.6	------	------	*38.9	*22.2	*16.7	*11.1	------
Aged widows	167	9.0	1.8	89.2	69.5	32.9	13.2	4.8	1.8	7.2	7.8	4.2	------	59.3	7.8	9.0	.6	1.2
Less than $600	89	13.5	1.1	85.4	67.4	30.3	6.7	5.6	3.4	6.7	7.9	2.2	------	56.2	10.1	5.6	1.1	1.1
600–1,199	52	5.8	3.8	90.4	65.4	28.8	19.2	1.9	------	7.7	9.6	5.8	------	59.6	5.8	9.6	------	1.9
1,200 or more	26	------	------	*100.0	*84.6	*50.0	*23.1	*7.7	------	*7.7	*3.8	*7.7	------	*69.2	*3.8	*19.2	------	------
Married couples	679	5.4	2.2	92.3	80.4	29.2	19.4	1.9	3.1	11.2	6.5	2.4	1.3	68.3	10.9	12.5	2.2	1.5
Less than $600	114	6.1	5.3	88.6	75.4	21.9	11.4	1.8	3.5	10.5	5.3	.9	1.8	62.3	18.4	5.3	1.8	------
600–1,199	255	3.5	3.1	93.3	80.8	31.0	19.2	1.6	2.4	11.4	5.9	2.4	1.6	68.6	9.0	5.1	.8	1.2
1,200–1,799	157	6.4	.6	93.0	80.3	30.6	20.4	.6	5.1	8.3	5.7	3.2	.6	74.5	10.8	12.7	1.9	1.9
1,800–2,399	77	6.5	------	93.5	83.1	33.8	18.2	2.6	2.6	13.0	5.2	2.6	1.2	67.5	7.8	23.4	3.9	3.9
2,400–2,999	42	14.3	------	85.7	71.4	35.7	21.4	2.4	2.4	11.9	19.0	4.8	------	54.8	4.8	33.3	4.8	2.4
3,000 or more	34	------	------	100.0	100.0	14.7	44.1	8.8	------	20.6	5.9	------	2.9	76.5	14.7	41.2	8.8	------
Under age 65:																		
Widow-child groups	268	10.8	4.5	84.7	66.4	30.6	49.3	.7	2.2	6.3	6.0	.7	------	56.0	7.5	19.4	1.5	1.1
Less than $600	30	3.3	3.3	93.3	76.7	16.7	40.0	------	3.3	6.7	16.7	------	------	66.7	13.3	13.3	------	------
600–1,199	66	13.6	3.0	83.3	62.1	28.8	48.5	------	3.0	7.6	4.5	1.5	------	50.0	3.0	19.7	------	1.5
1,200–1,799	62	14.5	6.5	79.0	62.9	33.9	50.0	------	1.6	4.8	3.2	1.6	------	59.7	6.5	8.1	4.8	1.6
1,800–2,399	56	8.0	4.5	87.5	73.2	28.6	51.8	------	------	5.4	1.8	------	------	62.5	7.1	25.0	------	------
2,400–2,999	30	20.0	------	80.0	53.3	26.7	40.0	3.3	6.7	10.0	3.3	------	------	36.7	10.0	26.7	------	------
3,000 or more	24	8.3	------	91.7	75.0	54.2	66.7	4.2	------	14.2	16.7	------	------	58.3	12.5	33.3	4.2	4.2

*Based on fewer than 30 cases.

[1] Care for which the beneficiary incurred no charge or paid a nominal clinic fee of not more than 50 cents a visit; includes care for which public assistance agency made payment direct to vendor.

[2] Clinic care for which the payment was more than 50 cents a visit.

[3] Payments for medical insurance in nonprofit or commercial plans providing insurance against the costs of medical care or medical and hospital care. In most cases represents participation in nonprofit plans such as Blue Cross.

Older people are apt to consider dental care a luxury. It is likely that the beneficiaries in the lower income classes would be reluctant to draw on their assets or accept the help of relatives for dental care but would do so more readily for other services that they considered essential or for which the need was seemingly more compelling. The minority of beneficiaries having higher incomes would more often be able to meet the costs of dental care from income and to elect to have the service.

Illustrative of the problem was the attitude of the beneficiary who told the interviewer that he needed dental attention but wanted to wait until he could pay the bill from income rather than savings. This beneficiary, who was 70 years old, and his wife, aged 63, both complained of poor health; the beneficiary had a bad case of asthma, and his wife had a heart condition and high blood pressure. The couple felt that they required considerable medical attention but were careful to limit their expenses, as they were acutely aware of the insecurity of their position. During the survey year they had had medical care expenditures of $62. Each had had the services of a private physician. They had also spent something for the services of a visiting nurse and for prescriptions and drugs. The couple owned no property and lived alone in rented quarters. They had an income of $1,058, consisting of about $400 from old-age insurance benefits, $600 from a private industry pension, and a small amount of interest on savings. They had $3,000 in the bank and Government bonds valued at several hundred dollars.

Only a small minority of old-age beneficiaries were covered by any form of nonprofit or commercial medical care insurance.[13] Less than 10 percent of the nonmarried men, nonmarried women, and aged widows and only 12 percent of the couples had such insurance; in the majority of cases it represented coverage in the nonprofit Blue Cross plans for hospital insurance. The limited extent of insurance coverage undoubtedly reflects both the inability of the beneficiaries to meet the costs and the plans' restrictions on age, nongroup enrollment, and health. The Blue Cross plans in the three cities varied in these respects. At the time of the survey the Massachusetts plan had no age restrictions for adults but required a physical examination for nongroup enrollment and excluded from the insurance protection conditions found in such an examination. The Philadelphia plan placed no restrictions on age for group enrollment but limited nongroup enrollment to persons less than age 66. The Maryland plan permitted only group enrollment and limited enrollment to adults under 65 years of age. Cost for nongroup enrollment was higher than for group enrollment.

[13] Nonprofit or commercial plans providing insurance against the costs of hospital care or medical and hospital care.

Widow-child groups. — Although nearly 50 percent of the widows and entitled children—as family groups—received dental care, not more than 30 percent of the widows and 30 percent of the children individually visited a dentist. Adolescents (aged 12–18) were most likely to have had

dental attention (34 percent), and pre-school-age children (less than age 6) least likely to have had it (18 percent). These proportions seem small in view of the general awareness of the importance of dental care for children.

The value that mothers attribute to dental care for their children even at the expense of their own health is illustrated by the widow who spent $100 for the dental care of two school-age sons and $30 for hospital insurance for the group. She spent nothing for medical service for herself, even though she complained to the interviewer of poor health and inability to do her work. This 52-year-old widow had four sons, two past age 18 who were working and two, under age 18, who were attending school and entitled to survivor benefits. The net income of the beneficiary group came to $760, the amount of the survivor insurance benefits for the year. The widow owned a home worth about $7,000, which she had purchased after the death of her husband. During the year she had met the mortgage payments on her home by drawing on her savings; in addition she had used close to $300 for living expenses, reducing her savings to less than $50. The responsibility of the home was such, however, that she probably could not afford medical care for both herself and her sons and indeed probably could not have met the other living requirements of her family were it not for the help of her two older sons, who together earned around $3,000 for the year.

About 20 percent of the widows with children paid premiums for medical care insurance. This proportion by no means represents an impressive coverage for the younger group of beneficiaries, who are considerably less hampered than old-age beneficiaries by the age conditions and other restrictions of the plans. It is presumed that in Boston and Philadelphia, though not in Baltimore, the widow-child groups would have been eligible to enroll insofar as the age and non-group enrollment aspects of the plans are concerned. The relationship of the purchase of medical care insurance to income is, however, apparent in the fact that only 13 percent of the widowed mothers in the lower income classes carried such insurance, while 27 percent having incomes of $1,800 or more were covered by some form of medical or hospital care insurance.

Hospital Care

Because hospitalized illness usually results in extraordinary expenses that the low-income person is scarcely prepared to meet, the hospitalized cases are considered separately. About 11 percent of the 1,718 beneficiary groups interviewed had a member hospitalized during the survey year. This proportion is an understatement of beneficiaries hospitalized because cases in which the old-age beneficiary was in the hospital at the time of the interview were discarded. Hospital stays ranged from as little as 1 day to as long as 4 months, and the total amount of the medical expenses for groups having a member hospitalized varied from less than $10 to about $2,000. When an illness required hospital care, bills were as a rule also incurred for physicians' services and other types of attention, and more often than not the total amount of expenses was heavy. More than half the beneficiary groups having a member hospitalized spent at least $200 for medical care, while less than a fifth of all beneficiary groups spent this much or more. Some indication of the burden of medical costs in cases involving hospitalization is given below.

Type of beneficiary group	All beneficiary groups		Beneficiary groups with a member hospitalized during survey year	
	Number	Percent with medical expenses of $200 or more	Number	Percent with medical expenses of $200 or more
Total	1,718	17.0	186	53.8
Old-age beneficiary groups:				
Nonmarried beneficiaries	771	10.4	60	51.7
Married couples	679	25.6	95	63.2
Widow-child groups	268	14.1	31	29.0

Not more than 3 out of 5 of the beneficiary groups in which a member was hospitalized paid the charges wholly or partially from their own resources, including the help of relatives. Hospital insurance assisted only about 1 out of 8 beneficiary groups in meeting medical costs. (Of the old-age beneficiary groups having a member hospitalized, about 1 out of 12 benefited from hospital insurance, while widow-child groups benefited from such insurance in 1 out of every 5 of the cases hospitalized.) Expenses for hospitalization were met as shown below.

Source of payment	*Beneficiary groups*
Number	186
Percent	100.0
Beneficiary resources only, including the help of relatives [1]	57.5
Medical care insurance	12.9
Free to the beneficiary group, paid by:	
Public assistance	17.7
Other [2]	11.8

[1] The extent to which ward rates were adjusted is not known.

[2] Represents cases in which no hospital bill was rendered.

Free Medical Care

Of the 1,718 beneficiary groups interviewed, about 12 percent obtained some medical care for which they were not charged or paid a nominal clinic fee of not more than 50 cents a visit. About 4 percent received all their medical care free, and 8 percent received some medical care free and incurred expenses for other care. Free care received by beneficiaries varied from a few clinic visits for minor complaints to extended hospitalizations for serious illnesses. The number of beneficiary groups reporting free medical care of various types is as follows:

Type of medical care	*Number of beneficiary groups*
Total	203
Hospitalization	41
Clinic service [1]	105
Private physicians' services	32
Institutional care [2]	11
Nursing care	6
Other	8

[1] Voluntary and tax-supported clinics. Free clinic service is defined as service that the beneficiary received without payment or for a nominal fee of not more than 50 cents a visit.

[2] In some of these cases care was not free as the beneficiary had paid the institution a flat rate for all living expenses, including medical care.

(Continued on page 27)

Table 7.—*Old-age and survivors insurance: Monthly benefits in current-payment status*[1] *at the end of the month, by type of benefit*[2] *and by month, August 1950–August 1951, and monthly benefits awarded by type of benefit, August 1951*

[Amounts in thousands; data corrected to Sept. 27, 1951]

Item	Total		Old-age		Wife's or husband's		Child's		Widow's or widower's		Mother's		Parent's	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount
Monthly benefits in current-payment status at end of month:														
1950														
August[3]	2,967,055	$61,640.7	1,405,592	$37,051.6	425,604	$5,949.9	666,102	$8,845.8	297,999	$6,252.0	157,503	$3,343.7	14,255	$197.6
September	3,026,332	114,015.1	1,444,772	67,353.8	436,624	10,696.5	669,716	18,780.4	302,435	11,077.3	158,391	5,578.4	14,394	528.8
October	3,182,342	118,352.9	1,563,318	70,955.8	459,990	11,113.8	676,758	18,929.3	305,790	11,199.9	162,066	5,624.2	14,420	529.9
November	3,346,167	122,926.5	1,681,370	74,621.1	486,238	11,581.5	688,131	19,144.6	309,848	11,336.4	166,111	5,711.6	14,469	531.4
December	3,477,243	126,856.5	1,770,984	77,678.3	508,350	11,994.9	699,703	19,366.3	314,189	11,481.3	169,438	5,800.8	14,579	534.9
1951														
January	3,605,235	130,882.8	1,850,207	80,584.4	532,187	12,477.3	715,188	19,700.6	319,513	11,665.2	173,354	5,912.6	14,786	542.6
February	3,706,586	134,090.8	1,912,170	82,843.8	548,047	12,790.4	729,616	20,033.9	325,555	11,872.2	176,156	5,998.8	15,042	551.8
March	3,809,165	137,258.9	1,971,703	84,971.8	563,346	13,087.0	746,247	20,418.5	332,539	12,114.0	179,877	6,100.9	15,453	566.7
April	3,890,018	139,636.9	2,016,135	86,496.1	575,098	13,304.9	760,697	20,732.2	338,539	12,315.9	183,719	6,207.7	15,830	580.1
May	3,968,900	141,881.2	2,055,581	87,842.9	586,829	13,510.5	776,336	21,059.9	345,112	12,519.9	188,681	6,348.3	16,361	599.7
June	4,033,583	143,708.8	2,090,668	89,000.0	596,098	13,674.0	787,311	21,282.4	350,343	12,683.3	192,357	6,452.8	16,806	616.3
July	4,098,870	145,720.2	2,129,909	90,390.7	606,188	13,872.8	794,875	21,425.9	355,678	12,858.5	194,925	6,537.6	17,295	634.8
August	4,176,535	148,118.8	2,176,036	92,025.0	618,128	14,108.4	804,807	21,632.4	361,970	13,071.2	197,712	6,625.3	17,882	656.5
Monthly benefits awarded in August 1951	118,762	3,712.9	63,417	2,332.9	19,555	394.6	20,513	474.2	7,771	267.0	6,794	218.5	712	25.5

[1] Benefit in current-payment status is subject to no deduction or only to deduction of fixed amount that is less than the current month's benefit.

[2] Effective Sept. 1, 1950, under the Social Security Act Amendments of 1950: (1) husband's and widower's insurance benefits became payable; (2) the terms "primary insurance benefit" and "widow's current insurance benefit" were changed to "old-age insurance benefit" and "mother's insurance benefit," respectively.

[3] Partly estimated.

MEDICAL CARE EXPENDITURES

(Continued from page 10)

Public assistance paid the medical charges directly to the vendor of services in 76 of the 203 free care cases. In addition to the 203 beneficiary groups reporting free care, another 22—not shown in the tabulation—received public assistance payments that had been increased to meet medical costs. Thus a total of 225 beneficiary groups (13 percent) reported some medical attention provided by community resources and private physicians. In all likelihood this number is an understatement of the amount of free service. Impossible to assess are the charges that might have been made in terms of what the patient could afford to pay and not in terms of the standard fee or cost of the service. Survey evidence suggests that in some cases beneficiaries paid only what they could. As a matter of traditional practice, doctors' fees and hospital ward charges are adjusted somewhat to the patients' ability to pay. Ward patients who pay what the hospital charges them but not what their care costs in effect receive "part-free" care, for which the community pays through community chest and individual contributions, bequests, the profit that the hospital makes on private beds, and various other ways.[14]

In the present studies only about 6 percent of all beneficiaries obtained free clinic service. In the St. Louis study the findings were similar, with only about 5 percent receiving free clinic service. In view of the fact that beneficiaries were generally persons of small means, and that some who did not use clinics would probably have been eligible to do so, it seems likely that they did not always know about community resources or realize that they might seek clinic service to their advantage.

Amount of Medical Care

Each person interviewed was asked whether the beneficiary group received as much medical care during the survey year as they felt would benefit them. About a fourth felt that they had not received as much medical care as they needed.

Attitudes toward medical care as well as the ability to meet the costs entered into these subjective responses. Some beneficiaries complained of specific chronic ailments, yet seemed satisfied not to seek regular medical advice because they thought nothing could be done. Some who had no medical attention of any kind during the year were satisfied not to have had any. The majority of beneficiaries were apparently not in the habit of visiting physicians regularly. Certain objective facts can be isolated. Beneficiary groups having low incomes, for example, were more likely to express dissatisfaction with the amount of care they received than were the beneficiary groups having higher incomes, as indicated below.

Income level	Total number of beneficiary groups	Percent dissatisfied with amount of care received
Nonmarried beneficiaries	771	19.7
Less than $600	356	26.1
600–1,199	278	18.0
1,200 or more	137	6.6
Married couples	679	28.7
Less than $600	114	36.0
600–1,199	255	36.1
1,200–1,799	157	22.3
1,800 or more	153	17.6
Widow-child groups	268	25.7
Less than $600	30	43.3
600–1,199	66	25.8
1,200–1,799	62	33.9
1,800 or more	110	16.4

(Continued on page 28)

[14] *Greater Boston Community Survey*, Boston, February 1949, p. 50.

Table 8.—*Public assistance in the United States, by month, August 1950–August 1951* [1]

[Exclusive of vendor payments for medical care and cases receiving only such payments]

Year and month	Total	Old-age assistance	Aid to dependent children			Aid to the blind	Aid to the permanently and totally disabled [3]	General assistance	Total	Old-age assistance	Aid to dependent children (families)	Aid to the blind	Aid to the permanently and totally disabled [3]	General assistance
			Families	Recipients: Total [2]	Recipients: Children									
	Number of recipients								Percentage change from previous month					
1950														
August	....	2,805,011	655,583	....	1,663,489	96,255	....	485,000	....	+0.3	+0.3	+0.4	....	−2.8
September	....	2,809,537	653,693	....	1,661,004	96,619	....	469,000	....	+.2	−.3	+.4	....	−3.2
October	....	2,798,711	655,251	2,244,576	1,667,780	97,194	58,250	408,000	....	−.4	+.2	+.6	....	−13.0
November	....	2,793,712	649,931	2,226,685	1,653,151	97,491	61,050	403,000	....	−.2	−.8	+.3	+4.8	−1.3
December	....	2,786,216	651,309	2,233,194	1,660,933	97,453	68,800	413,000	....	−.3	+.2	(4)	+12.7	+2.6
1951														
January	....	2,784,199	652,971	2,240,743	1,666,911	96,062	70,770	425,000	....	−.1	+.3	−1.4	+2.9	+3.0
February	....	2,777,722	651,928	2,238,185	1,665,048	96,065	74,567	421,000	....	−.2	−.2	(5)	+5.4	−1.0
March	....	2,771,640	651,356	2,236,472	1,663,919	95,905	80,002	412,000	....	−.2	−.1	−.2	+7.3	−2.1
April	....	2,760,691	645,822	2,218,670	1,652,472	96,974	87,845	384,000	....	−.4	−.8	+1.1	+9.8	−6.8
May	....	2,754,884	640,606	2,198,894	1,638,116	96,990	97,079	355,000	....	−.2	−.8	(5)	+10.5	−7.6
June	....	2,745,285	632,649	2,171,426	1,617,893	97,024	104,230	335,000	....	−.3	−1.2	(5)	+7.4	−6.2
July	....	2,737,675	618,394	2,123,693	1,582,218	97,256	108,907	324,000	....	−.3	−2.3	+.2	+4.5	−3.2
August	....	2,731,979	612,105	2,104,074	1,567,841	97,345	111,329	319,000	....	−.2	−1.0	+.1	+2.2	−1.4
	Amount of assistance								Percentage change from previous month					
1950														
August	$195,145,237	$122,687,714	$45,956,225			$4,412,298	....	$22,089,000	+0.2	+0.7	+0.2	+0.5	....	−2.6
September	194,647,657	123,086,487	46,051,975			4,436,195	....	21,073,000	−.3	+.3	+.2	+.5	....	−4.6
October	192,265,677	121,124,389	45,811,754			4,463,099	$2,399,435	18,467,000	−1.2	−1.6	−.5	+.6	....	−12.4
November	192,572,324	120,824,086	46,220,553			4,472,924	2,533,761	18,521,000	+.2	−.2	+.9	+.2	+5.6	+.3
December	193,264,021	119,954,750	46,529,002			4,480,867	3,033,402	19,266,000	+.4	−.7	+.7	+.2	+19.7	+4.0
1951														
January	194,962,874	120,099,988	47,327,250			4,438,705	3,170,931	19,926,000	+.8	+.1	+1.7	−.9	+4.5	+3.4
February	194,437,286	119,131,206	47,857,550			4,454,255	3,383,275	19,611,000	−.3	−.8	+1.1	+.4	+6.7	−1.6
March	194,532,503	118,948,024	48,088,334			4,448,593	3,596,552	19,451,000	(5)	−.2	+.5	−.1	+6.3	−.8
April	191,950,100	118,270,450	47,521,557			4,495,465	3,946,628	17,716,000	−1.3	−.6	−1.2	+1.1	+9.7	−8.9
May	191,037,004	118,929,307	47,021,843			4,523,461	4,399,393	16,163,000	−.5	+.6	−1.0	+.6	+11.5	−8.8
June	189,319,242	118,665,540	46,384,194			4,537,434	4,677,074	15,055,000	−.9	−.2	−1.4	+1.7	+6.3	−7.1
July	188,142,875	119,304,317	45,002,602			4,536,052	4,847,904	14,452,000	−.6	+.5	−3.0	(4)	+3.7	−4.0
August	188,188,906	119,306,707	44,744,043			4,557,927	4,950,229	14,630,000	(5)	(5)	−.6	+.5	+2.1	+1.2

[1] For definition of terms see the *Bulletin*, January 1951, p. 21. Excludes programs administered without Federal participation in States administering such programs concurrently with programs under the Social Security Act; beginning October 1950, includes data for Puerto Rico and the Virgin Islands, the first month these jurisdictions were included under the public assistance titles of the Social Security Act. All data subject to revision.

[2] Beginning October 1950, includes as recipients the children and 1 parent or other adult relative in families in which the requirements of at least 1 such adult were considered in determining the amount of assistance.

[3] Program initiated in October 1950 under Public Law 734.

[4] Decrease of less than 0.05 percent.

[5] Increase of less than 0.05 percent.

There was evidence from the comments of the beneficiaries to support the conclusion that the low-income beneficiaries more often than not sought medical attention only as a last resort and that they tended especially to neglect the need for dental and eye care.

Conclusions

What beneficiaries spent for medical care was on the whole unrelated to their ability to meet the costs. Many beneficiaries spent more for medical care than they could finance from current income. They then met the costs largely by drawing on assets and obtaining help from relatives.

Beneficiaries included in this study range from those who were completely independent to those who were little short of complete dependence. The majority had assets, but relatively few had sufficient assets in addition to real estate to meet continuous or substantial expenses for medical care. The assets of some had already been depleted by the expenses of illness; the assets of many others were rapidly disappearing. It is estimated that at least 50 percent of all old-age beneficiary groups either had no assets other than real estate or that all such assets would be depleted in 1 year or less at the rate they were used during the survey year by beneficiary groups that had medical expenses of $200 or more and used assets.

Considering the marginal economic situation of most beneficiaries, it is surprising that so few used voluntary or tax-supported clinic resources. It seems more than likely that beneficiaries did not always know about community resources, and that those who did probably did not always understand that they might use these resources to their advantage.

Only a small minority of beneficiaries were covered by any form of prepaid medical care insurance. In most instances this insurance paid the cost of hospitalization only, leaving physicians' bills and all other costs to be met out of the beneficiary's own resources. It is clear that old-age insurance beneficiaries have not been able to accumulate enough in savings to ensure adequate provision for medical care in case of a long illness. Nor can an old-age and survivors insurance program provide monthly cash benefits large enough to meet extraordinary medical expenditures. Insurance provisions to meet the cost of medical care, including hospitalization and physician's and other services, is a necessary part of any program to provide security in old age.