

# RETIREMENT INCOME OF THE AGING

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HEARING  
BEFORE THE  
SUBCOMMITTEE ON RETIREMENT INCOME  
OF THE  
SPECIAL COMMITTEE ON AGING  
UNITED STATES SENATE  
EIGHTY-SEVENTH CONGRESS  
FIRST SESSION

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Part 6.—St. Joseph, Mo.

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DECEMBER 11, 1961

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Printed for the use of the Special Committee on Aging



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

- Part 1—Washington, D.C.
- Part 2—St. Petersburg, Fla.
- Part 3 and 4—Port Charlotte and Sarasota, Fla.
- Part 5—Springfield, Mass.
- Part 6—St. Joseph, Mo.
- Part 7—Hannibal, Mo.
- Part 8—Cape Girardeau, Mo.
- Part 9—Daytona Beach, Fla.
- Part 10—Ft. Lauderdale, Fla.

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## RETIREMENT INCOME OF THE AGING

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MONDAY, DECEMBER 11, 1961

U.S. SENATE,  
SUBCOMMITTEE ON RETIREMENT INCOME  
OF THE SENATE SPECIAL COMMITTEE ON AGING,  
*St. Joseph, Mo.*

The subcommittee met at 10 a.m., in the Empire Room of the Hotel Robidoux, with Senator Randolph of West Virginia present, and Senator Edward V. Long presiding.

Committee staff members present: Dr. Frank Atelsek, research director; Miss Dorothy McCamman, professional staff; Mr. John Guy Miller, counsel for the minority.

Senator LONG. The meeting will please come to order.

Today's hearing is the first of three Missouri hearings on retirement income problems. Our hearings are part of a series of more than 30 hearings which the Special Committee on Aging of the U.S. Senate has been holding this fall around the country. The record of the testimony and discussions at these hearings will provide the basis for reports and recommendations to the Congress early next year.

We will want to explore in some depth the very important subject of retirement income in Missouri. We now have more than half a million residents who have passed their 65th birthday. We need to know what sources and amounts of income these people have, the extent to which they can still count on earnings, what benefits and other financial resources they have on retirement, how their income after retirement compares with income before retirement, and what effect retirement has on their needs for income.

I think it important that our Senate hearings develop such information for Missouri, where nearly 2 out of every 5 aged people (38 percent) live in rural areas. Hearings on retirement income problems have also been held in the States of Massachusetts and Florida, where only 14 percent and 21 percent, respectively, of the aged population live in rural areas. Our record would be incomplete if it did not present the picture for our more rural States, too. With the concentration of older people in the large metropolitan areas of this country, it is not surprising that attention is usually directed to the problems of the aged in an industrialized society. Older people in smaller cities and in rural areas also have their problems of maintaining income after retirement. Therefore I have scheduled these hearings in St. Joseph, and in Hannibal, and Cape Girardeau. Because of our Missouri hearings, we will know that the recommendations which the Senate committee makes next year are based on information that reflects the situation in rural areas and in small towns as well as in our more industrialized cities. This is essential since our U.S. Senate committee is charged with responsibility for assessing the problems and needs of all the older people of this Nation, regardless of where they live.

What do we already know about the income position of Missouri's retired persons? We have a few facts which help to underline the Missouri picture. But they are woefully insufficient for our committee's needs and, therefore, we have turned to you, the citizens of Missouri, for the real insight essential to an understanding of retirement income problems in this State.

Our records show that 3 out of every 5 people over 65 in Missouri were receiving social security benefits at the beginning of this year, a somewhat smaller proportion than for the Nation as a whole. The benefits paid to retired workers among them averaged \$71.34 a month, some \$2.70 less than the national average. Persons receiving benefits as wives or widows averaged considerably less than this amount. We do not know what other income was available to Missouri's people on social security, but we can assume from national studies that many of them had little income in addition to the social security benefit.

Nearly one out of every four of Missouri's aged population received old-age assistance, which is paid to needy aged persons who are without sufficient income or resources of their own. This proportion is much higher than that for the Nation. More than one-third of the persons on Missouri's old-age assistance roles are receiving assistance to supplement their social security benefits. The average assistance payment in July was \$61.25, of which \$1.42 was in the form of payments to doctors, hospitals, and others for medical care.

We do not know what part earnings play in providing income security for our aged population, either as the primary source of income for those who have been able to continue at their jobs or as a supplement to retirement benefits. But we did learn during the course of our hearing in Kansas City on Wednesday that many older persons felt that there should be a further increase in the allowable earnings of people who draw social security benefits.

These then indicate some of the questions we will want to explore during the hearings on retirement income which we are holding here today and on Wednesday and Friday in Hannibal and Cape Girardeau.

Before we call on our first witness, I think it important that I say a few words about the functions and purposes of the Senate's Special Committee on Aging. We are a factfinding committee, not a legislative committee. Our concern is with the broad aspects of aging and not with any particular legislative proposal. We are not holding hearings on the King-Anderson bill; that bill is within the jurisdiction of the House Ways and Means Committee and thereafter the Senate Finance Committee.

Our committee's broad perspective encompasses such specific subjects as housing, nursing homes, and retirement income. In this connection, we have published widely used research reports on the economic status of the aged, on the conditions of American nursing homes, on constant purchasing power bonds. We are also concerned with the overall activities of Federal, State, and local governments in providing programs to meet the needs of the older population. We want to know what these programs are doing and what they should be doing. We also want to hear the people's ideas on the proper responsibilities of older individuals and of their families. Therefore, regardless of the specific subject on which we gather expert testi-

mony, we ask the senior citizens themselves to tell us about whatever is uppermost in their minds.

During the course of these hearings, we have found that the problem uppermost in the minds of older people is concern about paying their medical bills. When we held our hearings in Minneapolis, we were told of a survey made in Missouri and our neighboring States in preparation for the White House Conference on Aging which showed that the No. 1 problem of older people was worry about health.

In our hearing in Kansas City last Wednesday, one person after the other who spoke at the town meeting expressed concern about how they would pay the costs of medical care.

It is not surprising, therefore, that our hearings have sometimes been labeled as hearings on the King-Anderson bill to provide prepaid health care for our older citizens. This is the subject about which we hear most often when we listen to the voice of the people, our older people who are the real experts on the problems of aging. This afternoon we will again hold a town hall meeting and I hope our senior citizens will feel free to speak for themselves about their problems, whatever the nature, and what they think we as a people and as a nation should be doing to solve these problems.

First of all, I would like to say that I am delighted to have with us this morning my distinguished colleague from West Virginia, Senator Jennings Randolph, who has traveled many miles through this snowstorm to participate in this hearing, and feel sure he would like to greet all of you. It is my pleasure to introduce to you Senator Randolph.

#### **STATEMENT OF HON. JENNINGS RANDOLPH, A U.S. SENATOR FROM THE STATE OF WEST VIRGINIA**

Senator RANDOLPH. I am happy indeed to have this opportunity to participate in this hearing. It is a special pleasure to see so many young people in the audience and to know that our youth exhibit an active interest in the problems of the aging. These problems are properly the concern of all of us. We cannot start too early to work toward solutions.

I was very much interested in our esteemed chairman's statement that today's hearing will give us greater insight into the retirement income problems in small towns and rural areas. This subject is of special concern to me because my own State of West Virginia is predominantly rural.

Senator Long remarked that nearly two out of every five of Missouri's aged people live in rural areas. In West Virginia, the proportion is even higher, 58 percent, or nearly three out of five.

Relatively more of West Virginia's older people, than of Missouri's, receive social security benefits. At the beginning of this year, two out of every three people aged 65 and older in the State received income from the social security program. The proportion in this State was 60.5 percent, or three out of five. The social security benefits paid to retired workers average just about the same in my State (\$71.55) as in yours (\$71.34).

Senator Long remarked that nearly one out of every four of Missouri's aged population (22.5 percent) receives old-age assistance. This proportion is double that in my State where only 11 percent of our people over 65 are on the old-age assistance rolls.

I understand that Missouri has not yet established a program of medical assistance for the aged under the Kerr-Mills Act which was passed by our Federal Congress last year. My own State quickly set up such a program but, despite the Federal funds made available to us, we have run into serious difficulties in raising the necessary State money and are now having to seriously cut back on the medical care provided to our needy aged. I shall therefore be especially interested in learning what Missouri is doing to make medical care available to its aged population.

Again, let me say how pleased I am to be with you and to have this opportunity to explore with you the very important subject of retirement income in Missouri.

(A short recess was had.)

Senator LONG. The meeting will come to order.

We regret the delay. Our reporter tells us that the driving conditions are very hazardous in Kansas City, that it took her 2 hours to drive what she ordinarily could drive in a half hour.

Is Dr. Stauffacher here?

Dr. STAUFFACHER. Yes.

Senator LONG. Doctor, we don't have a copy of your statement. Do you have an extra copy that you could file with the committee?

Dr. STAUFFACHER. It is supposed to be over at the table over there [indicating].

Senator LONG. All right, thank you.

Our first witness this morning is the Honorable Arthur J. Meers, the mayor of St. Joseph, and the man who is responsible for this weather situation.

#### STATEMENT OF HON. ARTHUR J. MEERS, MAYOR OF ST. JOSEPH

Mayor MEERS. Senator Long, Senator Randolph:

First, rather than being a witness, my purpose is to be here to welcome the Senate group, you and Senator Randolph. We are certainly pleased to have you here in St. Joseph.

This is a very educational program as far as the people of this community are concerned. It is the first time, I believe, that a Senate investigating group has appeared here. It is for the benefit of this entire community.

I would like to point out to the people in the community in this area that I believe this hearing is 1 of 30 held in the entire United States. We are certainly proud and pleased that it is being conducted here in our community.

For the students, I am greatly surprised that there are not a number more here in attendance, because this certainly is educational and will help out in your civics, your governmental classes, and it gives you an idea of how our Government functions.

Again, to the Senators and their people, I would like to welcome you to the community and say that what we lack in weather we will make up for in hospitality.

One other thing, we are going to have a dinner meeting this evening for Senator Long, and each and every one of you are invited to attend. It will be here in the hotel. I believe the charge will be \$2.50. It will be at 6 o'clock this evening. At that time Senator Long will have remarks other than those pertaining to this particular question to talk about, and there will be a question and answer period.

Again, welcome to you. If there is anything we can possibly do, please call on us.

Senator LONG. Thank you, Mr. Mayor. We are delighted to be here in St. Joseph and Buchanan County. I am sorry Senator Randolph has commitments in the East and has to leave Kansas City later this afternoon and won't be able to be with us tonight.

Since you are the mayor of the largest city in Buchanan County, with a population of roughly over 90,000 population in this county, I might mention that in the past 10 years you have had a decrease in that population of 6.4 percent, and your percentage of citizens over 65 years of age are 15.5 of your community. You have 8,998 citizens in Buchanan County on the social security rolls, and your total monthly payments in Buchanan County on social security benefits are \$580,565, which averages \$65 per person. You can see the effect it has on this community or the economy of any other community.

Our next witness is Mrs. Marie Morehead, director, Buchanan County Welfare Office. Mrs. Morehead.

I appreciate your coming out on a morning like this. I believe we have a prepared statement from you. I would like to suggest to you, Mrs. Morehead, as we are going to run this morning until about 12:30 instead of 12, and we are, of course, due to the delay, running behind time, that you as well as the other witnesses who have furnished us prepared statements not read the statement in its entirety but that you give us the high points of it so we can save time. Your full statement will be part of the record and will be carefully studied by the staff and the committee.

You may proceed.

#### **STATEMENT OF MRS. MARIE MOREHEAD, DIRECTOR, BUCHANAN COUNTY WELFARE OFFICE**

Mrs. MOREHEAD. Senator Long, Senator Randolph, staff members of the Special Committee on Aging, and friends from Buchanan County and nearby counties, as Senator Long has mentioned, I represent the Buchanan County Welfare Office, an agency which administers in the county Missouri's assistance programs for needy persons. Today the focus of our discussion is to be upon the problems of our senior citizens who are 65 years of age or older.

Changes in our society have had a great impact upon the older person, his place in the family, and in the community in which he has always lived. Many older persons did not realize that some day they would be without resources. They thought they had made adequate provision for themselves. But they did not foresee the rising cost of living, the low value of the dollar, the increasing health problems, or that they might even outlive their relatives. Sixty years ago a farmer could be useful almost until his death. Today, in St.

Joseph, as in other cities, an older man or woman cannot compete for a job with younger persons. In fact, there are in this city practically no jobs for persons over 65 years of age.

The 1960 census showed that Buchanan County had a population of 90,581, and of this number there were 13,174 persons who were 65 years of age and over representing 14.5 percent of the total population of Buchanan County. This is somewhat over the proportion for the State at large, which is only 11.7 percent.

Then we come to retirement income. Our older citizens need adequate retirement income for food, shelter, clothing, insurance, and transportation, and many other costs. Like younger persons, the older individuals, too, vary greatly in their health conditions, in their intellectual abilities, and in their resources. Some who are in their late eighties can live alone in their own homes and manage their daily lives very well. But others are not so fortunate. For them we have to have special costly services, nursing care in or out of their homes, constant medical care and hospitalization. How can all of these be met?

Old age insurance benefits represent a substantial resource. We find this as we figure budgets for our older citizens who are receiving public assistance. There are today 295,000 aged persons in Missouri who are receiving retirement benefits, averaging \$71.50 per month, and of this number 295,000 there are 39,000 who are receiving old-age assistance, too.

The second source of income for about one-fourth of all aged persons in Missouri is from public assistance or the old-age assistance program. You might be interested in knowing that in the year 1960 to 1961, the fiscal year, the average monthly number of old-age assistance recipients was 2,177 in Buchanan County. The total expenditures for the year for these people amounted to \$1,590,552. The average monthly grant was \$60.90. The maximum grant for the old age assistance program in Missouri is \$65.

I thought you might be interested in knowing some of the details regarding the caseload in Buchanan County. As of November we had 2,127 people who were receiving old-age assistance. The number is gradually going down each month. Of these 2,127 persons, there were 2,010 who were white recipients. There were 117 who were Negro recipients. There was 1,333 who were female recipients and 699 male. I don't know whether that proves that the men are thriftier than the women or the women are sturdier than the men and live longer.

The living arrangements of these people, I think, will have a great deal of bearing on the amount of income that is needed to take these people through to death. The people who are living alone, as far as recipients of public assistance are concerned in this county, are 757.

Those who are living with a spouse are 633. Those who are living with relatives are 475. The remainder, 272, are living in nursing or boarding homes.

Meeting the medical needs of a large and growing population of older people, of course, presents a very serious problem and is of real concern to all of us. Since 1959 Missouri has been operating an in-patient hospital care program for persons receiving old-age assistance and for others who receive some type of public assistance. This pro-

gram provides inpatient hospital care in cases of medical emergency or acute serious illness. A claimant may receive payment for 14 days per admission in a licensed hospital for an emergent illness with no restrictions on the number of admissions per year.

Under this program payment for hospital care is made direct to the hospital. Out of a total of 174 licensed general hospitals in Missouri 141 are participating in the program.

In Buchanan County our old-age-assistance recipients have benefited from the hospital vendor program since its inception in October 1959, the date on which the hospitals in this county began participating in the program. Since that date there have been 272 aged persons for whom hospital claims have been paid. These patients had 2,005 hospital days paid by this program for a total cost of \$36,881.84.

As far as Buchanan County is concerned, the vendor program has been paying an average of 7.4 hospital days per patient, and the average hospital claim paid for these people has been \$135.60 per person.

There are two of our Buchanan County hospitals actively participating in this program. The Methodist Hospital and Medical Center and the St. Joseph's Hospital are participating. These two Buchanan County hospitals have serviced a total of 484 welfare patients for all assistance categories, up to and including November 1961. Many of these patients were from surrounding counties.

If a public assistance recipient is completely and totally bedfast the public assistance grant may be increased to \$100, if there is need for this amount. In December 1961 a total of 103 aged persons were living in licensed nursing homes and received vendor payments amounting to \$8,100. Payments under the bedfast program went to 52 recipients with total payments amounting to \$5,100 in November 1961. A total of 948 old-age recipients received OASDI benefits in November amounting to \$44,806 or \$47.26 per beneficiary.

We are fortunate in Buchanan County to have a social welfare board, an agency supported by county and city funds. This medical agency provides free medical and hospital care for persons who are not on a public assistance payroll as well as to persons who are receiving assistance. The services which this agency offers are especially helpful to persons in a low income bracket and who cannot meet the eligibility requirements for public assistance. The old-age assistance recipient may avail himself of free medical care and free drugs if he has no funds with which to meet these needs. The physicians in our community give their services without charge to the indigent through this clinic. Few counties in our State have such a clinic for their aged and other needy persons.

Many of the recipients of old-age assistance have only the maximum grant of \$65 with which to meet their monthly needs. Some who have always lived in the very low income range can still eke out an existence with this income. But satisfying living arrangements represent an urgent need for many older persons, a need of great personal importance to them as individuals. The increased costs of living seriously limit the ability of children, if there are children, to make substantial financial contributions to their aged parents.

May I express my appreciation to you, Senator Long, and the members of the Committee on Aging for giving me this opportunity to discuss one of the challenging problems of our State and our com-

munity. We need to consolidate community resources toward the goal of an effective program for the persons who have given so much to us, a program that is created with understanding and compassion for our older citizens. I thank you.

Senator LONG. Thank you, Mrs. Morehead.

I notice, Mrs. Morehead, in discussing your program a patient may receive payment for 14 days. What happens if they need more than 14 days?

Mrs. MOREHEAD. The State does not participate in that. In this particular county we are fortunate in having this social welfare board clinic, which would then step in and assume some of that responsibility. I am assuming that they would.

Senator LONG. Say this person had to be there 2 months and this group would pay the first 14 days, who pays the other 6 weeks?

Mrs. MOREHEAD. The social welfare board.

We have some representatives here, and they can speak for their agency better than I can. But they would, I feel sure, assume that responsibility. We have very few clinics of this kind in Missouri. We are fortunate in Buchanan County to have one.

Senator LONG. Can you give us some brief idea of the budget allowances that are made in the old-age assistance program?

Mrs. MOREHEAD. You mean their needs?

Senator LONG. Yes.

Mrs. MOREHEAD. We include rent as paid; we include all of their utilities as they pay them. We have a standard for clothing and a standard for food. We can allow up to a certain amount for life insurance. We cannot include any hospitalization insurance, but we may include life insurance. We have a standard set by the State for household incidentals, which include several of their personal expenses. That is about all, I think. We can include laundry and so forth.

Senator LONG. Medical expenses, did it include them?

Mrs. MOREHEAD. Medical expenses, yes, may be included. We get verification from the attending doctor, and they can pay their own attending physician if they have sufficient income. That's the problem if it becomes too great.

Senator LONG. The total limit is \$65?

Mrs. MOREHEAD. The total maximum, yes, is \$65, unless the person is completely and totally bedfast; then we may go up to \$100. That, too, has to be approved by a physician stating that this person is completely and totally bedfast.

Senator LONG. It is not necessary to be in the hospital for that?

Mrs. MOREHEAD. No.

Senator LONG. There is no length of time, no limitations on that?

Mrs. MOREHEAD. No limitation on that.

Senator LONG. Mrs. Morehead, many people consider employment as the answer to some of the problems that we have with the old-age income group. I believe in Missouri approximately half of our 503,000 citizens over 65 have incomes of less than a thousand dollars a year. As you know, there is a total limitation now on the work that they can do. We have heard some testimony, and many people feel, that if that limitation was raised or removed it would be the answer. Do you have any comment on that?

Mrs. MOREHEAD. I can speak only, of course, of St. Joseph and the contacts we have had with the employment office here. It is just very, very difficult to find jobs for them. There just aren't any jobs available as far as that is concerned.

Senator LONG. That is in the old-age group?

Mrs. MOREHEAD. Yes; I am speaking of the old-age group.

Senator LONG. Is that getting worse or better?

Mrs. MOREHEAD. I don't think it is getting any better.

Senator LONG. Actually that would not make any material difference if that limitation was taken off, perhaps there would be isolated cases?

Mrs. MOREHEAD. I think there is quite a limitation for the old-age assistance people and also for the unskilled laborer. There just isn't any labor market for them. Of course, representatives from the employment office could give you more details along that line.

Senator LONG. Senator Randolph.

Senator RANDOLPH. This testimony has been very helpful because you have detailed the specific problems of an area. When we come to an evaluation of the problem in a certain area as contrasted with the problem in another, the facts which Mrs. Morehead gave will be a very good guideline to the committee.

Senator Long, you were mentioning, and very properly, the amount of money that could be earned. Now only to supplement the matter of the retirement earnings test, you will recall that we have liberalized that \$1,200 by increasing the \$1 in benefits withheld for each \$2 of earnings to apply between the \$1,200 and the \$1,700 incomes, which was previously a figure of \$1,500. We believe that the beneficiaries will have a greater incentive to supplement retirement incomes with part-time or occasional work.

Mrs. MOREHEAD. Yes.

Senator RANDOLPH. This is a liberalization which, I am sure, is helpful in degree. There are many Members of the Senate, and of the Congress generally, who feel that there should be no ceiling on the amount of earnings. This course is advocated by many legislators and experts in finance and such matters.

Mrs. MOREHEAD. Yes.

Senator RANDOLPH. There are other Senators who have legislation pending which would place the figure at \$1,800 which could be earned by a person. I have a bill to this effect. These are areas of some disagreement but certainly of concern to be realistic.

Mrs. MOREHEAD. Yes.

Senator LONG. Mrs. Morehead, thank you so much. I join with Senator Randolph in complimenting you on your statement.

Senator LONG. Next is Rev. Thomas P. Gier, who is the assistant pastor of St. Mary's Church and a member of the Missouri Association for Social Welfare.

#### STATEMENT OF REV. THOMAS P. GIER, ASSISTANT PASTOR, ST. MARY'S CHURCH

Reverend GIER. Senator Long, Senator Randolph, members of the U.S. Senate Committee on Aging, and residents of the northwest Missouri area interested in the problem of aging—

Senator LONG. I hope you will pardon me for interrupting you, but we have 1 hour and 15 minutes. I hope you will not read your paper in detail, then that will give a little more opportunity to talk about it. That means we can give you about 10 or 12 minutes.

Reverend GIER. This is a short statement.

There are many aspects to the problem of retirement income and maintenance. I would like to confine my remarks to difficulties that many of our aging have in leading a respectable, independent life on their present retirement income. One may readily grant that there are those who reach their golden years quite well prepared to meet all but the most extraordinary financial emergencies. However, I will here confine my comments to the many aged individuals living at sub-standard levels as befits a creature of God.

All of us have the need to be independent. Truly we are utterly dependent, each instant of our lives upon God who willed us into being and sustains us in existence. Also, we are created to be social beings so that no one of us can live to ourselves, independently of others, even if we wish to. Independence of this sort does violence to our human nature and destroys it, because it is a perversion of freedom.

We are free and yet we are dependent, dependent upon God, upon our family and friends. We strive to be independent now and hope to be independent at retirement age in the sense that we carry our own burdens and, if possible, help others carry theirs, and that we do not want to become a burden on others.

This is the kind of independence the aged hope for, an independence by which they will be a burden to no one, to their own loved ones or to the State. They need a secure income, adequate to provide for a decent, satisfying life.

Obviously, many have not prepared themselves sufficiently to meet the expenses they now incur in their daily living after retirement. Whether some of these aged persons could have planned ahead more wisely and lived more frugally in the past is of no concern to us right now. We must deal with the problem as it presents itself to us today, namely, that many cannot meet their financial needs after retirement.

For most, be they rich or poor, retirement means a lower income and for many a lower standard of living. In a society where one's worth is unfortunately often equated with one's ability to produce, the aged person finds himself penalized for the natural failings of old age, proneness to physical disabilities, loss of memory, lack of physical strength. When he retires he sometimes finds himself entirely dependent upon a small social security payment or upon grants from the local county welfare department. Edmund Burke wisely stated, "Poverty and age suit very ill together."

What does this lower income mean to a retired individual, especially if his total income is the maximum monthly welfare grant in the State of Missouri, namely, \$65 per month? In almost every case it will mean a lower standard of living. It may well mean that upon retirement from his employment he will have to move into a new neighborhood where the rent is much lower and the living accommodations are much less adequate. If it is wise, according to economists, to spend no more than one-quarter of one's income for housing, how many of us would feel that we could find a decent room to rent for about \$16 per

month? The man or woman who must move to another locality upon retirement often is cut off from lifelong friends, friends that for him may have spelled the difference between happiness and loneliness.

Furthermore, a lower income often means less food for the person or at least less variety. While food prices rise the welfare grant remains the same. Many of those living on old-age assistance grants are unable to purchase clothing they need. They are unable to replace furniture and household appliances which eventually wear out.

Many, as they approach senility, spend their money unwisely and find themselves without funds shortly after receiving their grants. How many of us here today, in reasonably good health and in full possession of our faculties, could lead a decent life on a budget of \$65 a month?

One of the greatest problems of those who have retired is medical expenses. I agreed with the statement that the average elderly couple who have lived frugally all their lives and pinched their pennies could probably entirely meet the cost of the first prolonged illness either of them had, including doctor, hospital, and drug expenses; for the second prolonged illness they would probably have to mortgage their belongings to pay for medical care; for a third illness of any duration they would probably have to depend upon charity. With more people reaching their eighties and nineties, this third illness is becoming more and more common. For the person on a welfare grant, he will not even be financially able to pay for the costs of his first illness.

Because of residency requirements before welfare grants can be given, many transient persons are not eligible for assistance under any of the welfare programs. I believe all of us who have worked with people in need of all ages have come in contact with persons desperately in need of food, clothing, shelter, and medical care, without any resources to meet these needs which at times are very considerable.

There are many facets of the problems relating to the inadequacy of the retirement income of many of our senior citizens which could be discussed, such as the lack of the acceptance of responsibility by the children of these aged to provide for their parents in their time of need, even though many could do so. More to the point of this discussion, however, is the fact that, no matter what the cause might be, many of our aged have incomes that do not meet their needs.

The Missouri Committee for the 1961 White House Conference on Aging made this statement:

Our standard of living for the aged has changed considerably from the days of Queen Elizabeth with its birth of the almshouse—the poorhouse as it became known to us—to the present concern for medical care, housing, leisure time, and income for the aged. We are no longer content to provide only such basic necessities of life that are minimum for mere existence, we now grant the more civilized standard of adequacy to maintain personal dignity, self-respect and the relationship to the society of which they are a part.

Man, made to God's image and likeness, needs to maintain his self-dignity, his sense of belonging, of being needed, wanted, accepted. Only by increasing the retirement income of many of our senior citizens can they sustain their self-respect and have proper opportunities to lead a meaningful, satisfying existence.

Senator LONG. We thank you very much.

You have indicated in your statement a situation that our committee. I am sure, has found true, and that is that our senior citizens

have a great fear of dependency. They want independence. They are proud citizens and they want the dignity of being individuals.

I recall at a hearing in Minneapolis one of these doctors from the University of Minnesota testified that he believed in a case study of over 3,000 cases he had made that the senior citizens had a great fear of dependency, social dependency, and of hospital and medical care, for housing, and so on, greater than they had fear of death itself. I think your statements indicate that. Our whole problem perhaps is income.

Do you see any problems or any possibilities of a greater appreciation of family responsibility for the care of individuals?

Reverend GIER. I don't know. Even talking with the elderly people, some want their children to help. I was talking with a woman only yesterday, quite elderly, who is in her eighties, living alone, and she said her daughter was trying to get her to live with her. She absolutely refuses to do so. In this case her daughter was helping to provide for her income. Many of the senior citizens still live independently even though their children realize this is not best for them. However, there are many cases where the children could entirely provide for the financial needs of their parents, but instead they rely on the State to meet their responsibilities. Surely, that is part of our job, as I guess it is everyone's job to try to impress on children the fourth commandment, that they are to honor their fathers and mothers and try to provide for them in their time of need.

Senator LONG. You do find there is that fear of dependency in the older persons?

Reverend GIER. Surely. I mentioned here their worth in society is so often equated to how much they can produce. In the Orient it is so different, where so often the elderly person is considered still the head of the family and still looked up to for their wisdom and experience and so often here an elderly person is in the way and they try to put them in a back room, as it were, and they feel they have nothing to contribute. I think they quite often die after retirement because of this lack of feeling that they belong rather than physical illnesses.

Senator LONG. Have you had any experience with citizens over 65 who have endeavored to work after they have retired, part time or full time, to supplement their social security?

Reverend GIER. Yes. Again, I think it depends on their attitude. If society considers them inadequate, I think perhaps they are. I think perhaps our whole philosophy is going to have to change. Some want to continue, and yet, as Mrs. Morehead mentioned, they just don't have the opportunity. In some communities they have more pressure than in others. The pressure on the older people to step down is so great that they feel they should step out of the way for the youth because they know so many youth are flooding the market and they feel they are depriving them of a livelihood.

Senator LONG. Some think our retirement at 65 is too early, some think it is too abrupt. They go to bed one night at the age of 64 and the next morning they are 65 and they are retired as active citizens. It is too abrupt a change.

Reverend GIER. I think so. I think age is no criterion of a person to produce. I know some of our companies, insurance companies and such, refuse to keep these people on the payroll. They say this prejudices the insurance. As the person said, "I am the same person today as I was yesterday when I was 64. I feel just as adequate and I am just as adequate."

Senator LONG. Someone suggested that our retirement be gradual, work for a few days a week, as some companies now provide, and then they learn to be retired citizens.

Reverend GIER. Yes, I surely think so. I think there should be more preparation of those reaching retirement age from a psychological viewpoint so they will be able to accept partial retirement or eventually full retirement more gracefully.

Senator LONG. Is there a field in that area, then, that our church, our community and organizations can work to?

Reverend GIER. Not only is there a field, it is something that is going to have to be done, as a higher percentage of citizens are going to become over 65, and all of us here are going to become over 65, and sooner than most of us realize it.

Senator LONG. Some of us are moving up to that age quickly.

Do you have anything, Senator Randolph?

Senator RANDOLPH. Father Gier, you have stressed, and I wholeheartedly agree, the importance of independence of our older people, independence from being a burden on the loved ones of the immediate family or in some instances close friends and/or the State. We have heard in the course of these hearings that if health insurance were provided under social security it would destroy the cherished heritage of self-reliance. Do you share such a belief?

Reverend GIER. The need is going to have to be met somehow. There are surely many programs. My brother-in-law happens to be a medical doctor and I know he is very opposed to including it under the social security plan. I mayself don't know. It is going to have to be met somehow. Dodging the issue or delaying it is no solution, I think. The need is here, if you have to deal, as surely many of us have to deal, with elderly people who just are unable to meet their medical bills.

Within the past month two persons whom I am acquainted with have filed bankruptcy. One of the big reasons behind both of these persons is their medical bills. They are being forced into bankruptcy because of the fact they can't meet their expenses. There were unforeseen expenses. Surely, I sympathize with the medical profession in the increase in cost, in hospitalization, and miracle drugs that have cost a great deal to develop, and I can see their point of view, but I do see the complete inadequacy of our present arrangement where people are not getting the care they need. One can call it socialization or they can call it by any name they want to, but if these people don't get the hospital care they need, and I know many people here in St. Joseph who need medical care who are not getting it because they just don't have the money to get it.

I think, perhaps, the person who is just above the income where they would be on welfare is perhaps in the worst position. They are not receiving any type of grant yet their income is so small that they

just cannot get the operation or have the medical care that they know they need. The longer they postpone it the harder it is going to be on them, the ones who depend upon their income and all their loved ones.

Senator RANDOLPH. Also, Father, in your judgment, were these more than 12 million senior citizens who receive a social security check each month forgetting their self-resourcefulness and self-dignity?

Reverend GIER. You are referring to social security and not welfare?

Senator RANDOLPH. Yes.

Reverend GIER. Of course this is not on the basis of need. It is not a welfare grant. They have been paying in. Most of them I have talked to do make that distinction. They say, "We are not getting charity; we have paid for this. This is an insurance that we have taken out over years of payment." I don't see that they consider this in any way taking away from their own dignity. It is something they have paid for. If you put money in the bank, you expect to be able to pay it out someday.

Thank you very much.

Senator LONG. Thank you, Father.

Dr. C. G. Stauffacher, Committee on Aging, Missouri State Medical Society.

Doctor, I am not having too good luck holding these statements down as much as I would like to. We have 55 minutes left and four more witnesses. I will appreciate it if you will not follow your paper in complete detail.

#### STATEMENT OF C. GORDON STAUFFACHER, M.D., COMMITTEE ON AGING, MISSOURI STATE MEDICAL SOCIETY

Dr. STAUFFACHER. Senator Long, Senator Randolph, and members of the committee, I am Gordon Stauffacher, a resident of Sedalia, Pettis County, Mo., where I have been in the general practice of medicine since 1933.

I would like to present a plan for health care of the senior citizen that we use in Pettis County that has been successful. This medical indigent plan was instituted in Pettis County in 1955 when the president of the Pettis County Medical Society and the director of welfare met with the county court judges and established a plan on a 3 months' trial basis to see if it would work. It proved to be a wonderful thing for the community, knowing that anyone who needed medical care and was not able to pay for it would receive it. Despite dire predictions of abuse, mismanagement, and prohibitive costs, the plan has been successful from the beginning. The cost has not been excessive and there has been little abuse, if any, and no mismanagement.

The plan required the cooperation of various agencies, including the Pettis County Welfare Agency, the Bothwell Memorial Hospital authorities, the Pettis County Medical Society, the Pettis County Osteopathic Society, and those local druggists who wished to participate in the plan.

As a starting point, it was agreed by all parties concerned that there must be some agency to determine who was medically indigent. Since the Pettis County Welfare Department was already established and

a functioning organization whose mission was welfare, it was decided that the welfare director would assume and render the final decision as to the eligibility of any patient who was to receive aid under this agreement. Each participating organization agreed to accept this decision as final. One requirement was that such person be a bona fide resident of Pettis County and a resident of the State of Missouri for 1 year prior to making application for medical assistance. In emergencies there have been some exceptions to this ruling. The Pettis County court agreed to assume the responsibility for the financial obligations for hospitalization incurred by medically indigent persons certified by the Pettis County Welfare Department, on the basis of the provisions set up in the contract to which all parties agreed. The members of the Pettis County Medical Society and the osteopathic physicians agreed to provide all professional services of medical, surgical, and obstetrical nature necessary for patients who had been certified as medically indigent and requiring hospitalization. Such service is provided at no cost to the Pettis County court, since traditionally physicians have always been ready and willing to provide professional care to those in need and financially unable to pay for such care. In instances where specialists' consultations and treatment was required by such medically indigent patients, such services would be furnished at no cost by those specialists who were on the consulting staff of the Bothwell Memorial Hospital.

The Pettis County Medical Society recommended one of its members for appointment to the position of county physician to care for those medically indigent who had no family physician or who had been referred by a member of the Pettis County Medical Society to the welfare department for medical services. This physician was to be paid on an individual fee basis, and would submit an itemized statement each month to the welfare director for approval and payment by the Pettis County court. The Bothwell Memorial Hospital agreed to provide regular hospital services to those certified at a flat per diem rate of \$10 per patient-day for such hospital care, which included all laboratory, operating rooms, and X-ray service. Out-patient care was to be provided on an agreed schedule, with X-ray, laboratory, anesthesia, at 50 percent of the regular hospital charges, and so forth. The Sedalia and Pettis County druggists who agreed to participate in the plan agreed to fill all prescriptions for the certified medically indigent at cost plus 5 percent. Statements for prescriptions were to be itemized and submitted to the welfare director for certification for payment at the end of each month.

During the initial year in 1955 the total cost for the operation of the program was \$11,022.91, 131 persons were hospitalized, 164 persons were cared for by the county physician, and 490 prescriptions were filled. During 1960 the total cost of the program's operation was \$25,648.67, 283 persons were hospitalized, 453 persons were given services by the county physician, and 2,083 prescriptions were filled. For the first 6 months of 1961 the total cost has been \$16,491.06, with 170 patients hospitalized, 291 patients seen by the county physician, and 1,566 prescriptions filled.

There have been no administrative costs to the county for the services of the director of welfare.

This is an example of what can be done on a local basis, and the citizens of Pettis County have every right to be proud of their medically indigent plan. No one in need of medical assistance has been deprived of it because of lack of financial resources. It has been the wonderful and unselfish effort of all the participating organizations that has brought about the success of the plan. Every taxpayer in Pettis County can feel that he has a part in it, for it is the taxpayer's money that the Pettis County court, in its good judgment, has designated for this purpose and included in its overall budget.

It is my feeling that with the known year-to-year increase in enrollment in voluntary health insurance plans, and especially recently in enrollment of those over age 65, and with the present availability of the vendor medical care program and anticipation of further implementation of the Kerr-Mills law, that health care for the aged can adequately be accomplished on a local basis. On a local basis it can be done with greater efficiency and at a lower cost than such proposals of the Anderson-King type which would be compulsory, tremendously expensive, and would take away the right of every citizen to act for himself in the provision for his own personal health care.

I want to thank Senator Long and the members of the committee for the opportunity of presenting at this hearing this brief résumé of a plan of health care, not only for the aged but for all medically indigent regardless of age, that has been successful on a local basis since 1955, and which, I am certain, will continue to be successful in the future.

I would like to respectfully request, sir, that you and the committee consider the sponsorship of legislation that would encourage and support the formation and operation of local programs, such as we have in Pettis County, throughout the Nation, rather than massive, unnecessary Federal programs such as the Anderson-King proposals.

Senator LONG. Thank you, Doctor.

A plan of this kind, I think, or any kind where the medical profession is cooperating, is very gratifying to the committee. It does indicate a local interest, and local interests working together sooner or later can solve this problem. I appreciate your statement very much.

There are only two things that I am a little concerned about. Is this on the basis of just the indigent patients?

Dr. STAUFFACHER. They are those in need of medical care, not necessarily those on welfare or those getting social security. If the welfare director decides that they are unable to pay for hospitalization and they need it, they are granted it.

Senator LONG. Is there a committee or who determines it?

Dr. STAUFFACHER. The director of public welfare.

Senator LONG. But one of the things that we have heard numerous testimony about, while, as I pointed out, this committee technically is not considering the individual problem, only from the standpoint of income, as the committee did understand there were other matters pending on various medical legislation. This program puts a burden also on the physician and on the local hospital.

Dr. STAUFFACHER. That's right.

Senator LONG. There is a question in my mind as to whether it is hardly fair on any program to put the entire burden on that small

a group of people. That is not our particular problem here. But in determining the need does he have certain standards he goes by or would you tell us what these are?

Dr. STAUFFACHER. I couldn't tell you exactly. It is based partially on the patient's physician. If I have a patient, and even if they are employed and I know they don't have the money to pay for this, if I can get them admitted, the director of welfare will investigate their financial situation, and if there is need they are accepted under this plan.

Senator LONG. One of the things we have repeatedly heard of people testifying is their fear of having an illness or something that completely wipes them out. Maybe they have a little nest egg of five hundred or a thousand dollars and they are afraid as they are not able to buy any type of health insurance. Must they use up that five hundred or thousand dollars before they can come in under this type of plan?

Dr. STAUFFACHER. I don't think that is required; no.

I don't know what the final basis of it is, but I have had patients who have not used their savings or anything like that.

Senator LONG. I was just wondering how indigent they have to be. Is this hospital a county hospital?

Dr. STAUFFACHER. It is a city hospital primarily.

Senator LONG. \$10 a day; does the city, the taxpayer, underwrite any loss?

Dr. STAUFFACHER. So far the taxpayers haven't put anything in on it; the hospitals have been able to take care of that.

Senator LONG. There are no limitations to the time?

Dr. STAUFFACHER. No, sir. They do get help, of course, through the vendor program for 14 days. If they have to stay longer, they then come under this plan.

Senator LONG. Senator Randolph.

Senator RANDOLPH. Dr. Stauffacher, you are familiar, at least in part, with the proposals in the bill presented to the Congress by Representative King of California and Senator Anderson of New Mexico. This proposal is frequently criticized on the grounds that freedom to choose one's own doctor and hospital would be lost. But the measure protects such relationship. As I have listened to your helpful statement, you have advocated a plan under which at least some of the patients would be assigned to a county physician. In other States, too, we have found that the programs which have been developed, which are carried out under the Kerr-Mills Act, do not always guarantee this free choice to a doctor or to a hospital. Would you care to comment?

Dr. STAUFFACHER. Do you mean on the King-Anderson bill? Is that what you mean?

Senator RANDOLPH. Comment if you will on the general subject.

Dr. STAUFFACHER. My personal opinion is that health care, particularly, can be taken care of on a local basis, as it has been in our county, very adequately. I think, as I understand the King-Anderson bill, there is no need provision in this, that everybody participates in it, and it doesn't seem to me that a person financially able to pay medical bills needs to be in such a plan. As far as free choice of physician, I don't think there is anything in that plan that limits

the free choice of physician or hospitalization, as far as I understand it. But I do think that generally such things can be taken care of much more adequately on a local basis and at a much less cost and with a much less administrative cost than you can on a national basis. That is my personal opinion.

Senator RANDOLPH. Thank you, Doctor.

Senator LONG. Thank you, Dr. Stauffacher.

Dr. STAUFFACHER. I thank you.

Senator LONG. We will now hear from Dr. Joseph Fisher, Buchanan County Medical Society.

Doctor, may I make the same statement to you and ask that you not read your prepared statement but give us the high points as we are running short of time.

#### STATEMENT OF JOSEPH L. FISHER, M.D., BUCHANAN COUNTY MEDICAL SOCIETY

Dr. FISHER. Senator Long, Senator Randolph, members of the committee, ladies and gentlemen, I am Joseph L. Fisher, doctor of medicine, and councilor from the first district, which comprises 20 counties in northwest Missouri. On behalf of the doctors of Buchanan County and northwest Missouri let me thank the committee for this opportunity of expressing our viewpoint and presenting our reasons for feeling as we do.

Our county societies as well as the State medical association are nonprofit, professional, public service institutions. Our associations have two principal goals:

- (1) To promote the science and art of medicine; and
- (2) To work for the betterment of public health and the welfare of the people of this Nation.

From our experience as physicians we have learned two things: (1) Many of the aged would rather give than receive; and (2) the aged are far more concerned with the process of living than with the process of aging.

The elderly are not primarily interested in more money, more benefits, or more handouts. More than anything else, today's older Americans want involvement, involvement within the mainstream of society. They are pressed with the feeling of not being wanted any longer, of not being useful, and of not being important. They feel that they have been stripped of their value and hence of their dignity as human beings.

The older person wants just about the same things that the rest of us do: to be part and parcel of his environment; to be loved; to belong; to feel that his skills and talents have value, and that they will be used and appreciated.

Many of our aged citizens bitterly oppose compelling them to retire at age 65. Many of our citizens at the age of 65 are able bodied and are willing to work to augment their retirement income. If the \$100-per-month ceiling could be removed, thereby permitting the 65-year-old citizen to earn what he justly deserves, his retirement income would be sufficiently augmented to permit him to enjoy better food and housing which would minimize the number of illnesses, allowing him to live in a dignified manner and enjoy life more fully. Under

these circumstances, if medical needs did arise he also would be in a much better position to meet those obligations.

We of the medical profession stand for voluntarism and are against compulsion. Let the individual voluntarily retire.

There is no doubt but that some of our older people suffer from ill health and poverty.

According to the statistics submitted by Miss Katherine F. King, executive secretary of the Social Welfare Board of Buchanan County, approximately 4,000 people 65 years or over will be given free medical care and free medical services in St. Joseph and Buchanan Counties.

Two hundred and twenty-four patients over 65 were hospitalized at both the Missouri Methodist Hospital and the Sisters' Hospital. Some of these figures you have heard this morning from Mrs. Morehead. Most of these people have been cared for by the State vendor program or through the program to which she alluded, and they have been adequately cared for.

As you perhaps know, the local members of the Buchanan Medical Society furnish their services free of charge to all these indigent patients. It is true that some of the aged are indigent and some are self-sustaining except for their inability to handle an unusually costly illness. Some are in comfortable circumstances. Some are well-to-do, and some are even wealthy. The aged are not a homogeneous group from a financial standpoint.

At present 112,000 aged persons in the State of Missouri are receiving old-age benefits compared to the peak number of 133,000 in June 1954. This represents a decrease of approximately 21,000 recipients, or 16 percent, during this 7-year period.

It is therefore evident that many of the aged are in reasonably good shape economically. In spite of the increased aged population in Missouri, the financial situation of the aged is improving rather than becoming worse.

It is indisputable that earned income falls after retirement; but, again, these figures tell only part of the story. For the aged, the heavy expense of raising a family is behind them. In many instances children and relatives of older people become assets rather than financial obligations as their earning capacity changes and the head of the household status shifts from the father or mother to the children. This becomes particularly important when you realize that roughly a third of all older people in the State of Missouri are sharing the homes of relatives.

Furthermore, those over 65 have the lowest indebtedness of any age group and their financial obligations, for example, to children for education purposes, are significantly less.

When we consider retirement income for the aged and other social-ist legislation which may provide benefits for our older citizens, a lesson may be learned from our neighbors, the British, across the waters. I quote from Mr. Graham Hutton, the economic assistant to Sir William Beveridge of the London School of Economics, former chairman of the Cabinet-appointed committee which in 1942 laid the blueprint for the British welfare state:

Today, after 13 years of actual living under the politicians' welfare state evolved on the principles of care from "the cradle to the grave," I regretfully conclude that the experiment [meaning the welfare state] has not been suc-

cessful. Our socialistic welfare state has been shockingly costly. It has had a debilitating effect on individual initiative. It has been extremely unfair to large sections of the population and it has been used unashamedly by politicians to "buy votes."

I suggest that this unfortunate experience may serve today as an object lesson to the United States or any other nation that may be tempted to go and do likewise.

Broadly speaking, Mr. Chairman, these are sociological problems.

There is a greater degree of chronic illness among older people. But it is important to understand what chronic illness really is, for the term is generally misunderstood. For instance, a person with impaired hearing is chronically ill, although he may function normally with the assistance of a hearing aid. Similarly a diabetic is chronically ill, although with the help of insulin he can lead a perfectly normal life. Franklin D. Roosevelt was chronically ill as the result of polio, and President Kennedy's back condition qualified him for description as chronically ill. The term "chronic" refers to a recurrent condition or one that persists over a period of time. These conditions do not disable, in the important sense of the word.

I make this point in some detail because the higher incidence of chronic illness among the aged has been interpreted by some people to mean that most older people are sick and debilitated. They are often represented to be, but they are not. Most of our older people in northwest Missouri are in good health.

It is true that 77 percent of those 65 and over have chronic ailments, of these only 14 percent experience any significant limitation of activity, and only 5 percent have major limitations of mobility in our immediate area.

I make these points because persons with chronic illness do not always need general hospital care or even care in nursing homes or convalescent homes. The King-Anderson bill is a measure oriented only toward institutional type care.

Please understand, Senator Long, we are not suggesting that the aged are as healthy as those in their prime, but they are a great deal healthier than they are frequently pictured to be, thereby making considerably less demand than we are led to think on their retirement incomes.

Let us see what the King-Anderson type legislation would do for the aged in Missouri. If this proposal, advanced by the Kennedy administration, known as H.R. 4222, or the King-Anderson bill, were enacted, it would cover the 295,000 aged persons in Missouri who are receiving social security benefits, including 39,000 who are currently receiving both old age assistance and old age survivors disability insurance, or OASDI, benefits. However, it would not cover the 73,000 aged persons receiving old age assistance only nor would it cover the 135,000 aged persons who do not receive either social security or old age assistance. This would leave 208,000 aged citizens without coverage or approximately 40 percent of our half million elder citizens over 65 uncovered by this type of legislation. Thirty percent of this large group have been definitely proven to be needy.

Full implementation of the Kerr-Mills law in the State of Missouri would solve these problems. The doctors of Missouri favored implementation of this now existing Federal law, however, the last general

assembly of the Missouri Legislature failed to enact legislation that would have implemented this in our State.

President Roosevelt said this in referring to the social security law, and I quote:

The Federal Government can never insure 100 percent of the population against 100 percent of the hazards and vicissitudes of life, but we have tried to frame a law which will give some measure of protection to the average citizen and to his family against the loss of a job and against poverty-ridden old age.

Time and again the public has been told that social security is insurance. We have heard this from Government officials and from many others presumed to be well informed. The public, believing what it has been told, equates the social security system with private insurance, and translates this relationship into terms of his own experience. He assumes that the Federal Government handles his premium in the same way a commercial insurance company would. In other words, he believes that he has a contract, that he is purchasing an equity in the social security system, that he is buying benefits, and that they will be made available to him upon retirement.

For the benefit of the young people present here today, this is far from the true situation. Social security is actually a program in which a gross payroll tax is imposed upon active workers to pay for the retirement benefits of their elders. Somewhat misleadingly, this is called "pay-as-you-go financing." Actually, pay-as-you-go financing means that the Government raises currently, through taxes, funds to pay the cost of benefits currently due. To bear this out, for the years 1956 through 1965 tax collection from old-age survivors disability insurance is expected to total \$115.1 billion, while OASDI benefits and expenses will total \$114.5 billion. This does little to accumulate reserves; and it is a far cry from prepayment.

The social security system cannot, as everyone should know, withstand a limitless burden. Let us not, "kill the goose that lays the golden eggs" for our retired aged citizens.

No permanent, irreversible Federal governmental program of the sort proposed by the King-Anderson bill is, therefore, needed to solve a problem affecting a minority of the aged. In the years ahead the problem, to the extent that a problem presently exists, will decrease in magnitude. Scientific advances in medicine will enable us to safeguard the health of the elderly with increasing efficiency. The financial status of the aged, now relatively favorable for the majority, will continue to improve.

The King-Anderson bill, if enacted into law, would be both permanent and irreversible; not only because this is the nature of such programs, but because its very passage would destroy the resources now available for providing care for those living on retirement incomes. With voluntary effort discouraged at the community level, with the growth of privately purchased health insurance inhibited or halted by such a bill as the King-Anderson measure, with the now existing Federal Kerr-Mills law thrown into the discard pile without a fair trial, 1 year after its enactment, the Nation would unfortunately be left, by default, with only the King-Anderson bill, a form of socialistic legislation which will ruin our Nation.

Senator Long, once more I should like to express the appreciation of the Buchanan County Medical Society and the medical societies of

northwest Missouri for this opportunity to be heard before your committee. May I assure you we of the medical profession will continue to do everything within our power to keep the aged within the mainstream of our society as productive, healthy men and women.

Senator LONG. Dr. Fisher, thank you for your statement. I am sure that all of us know, of course, of the deep interest that the medical societies have in the problem. There are different views, different groups have different views, but we are all thankful we do live in a country where we can sit down and discuss those views and finally a solution is worked out that is happy to all of us.

May I say to you first that I feel that I am just as bitterly opposed to socialized medicine as you are. I am sure anyone on the committee is opposed to socialized medicine. The question of the conflict comes in the interpretation of what is socialized medicine. I don't want to stay on this too long, because, as I say, technically, that is not before us.

There are two or three matters in your statement I would like to inquire further about. One, you mentioned, on page 2 of your statement, that many of our citizens are bitterly opposed to the Government compelling them to retire at 65. I assume you are referring to the social security system where they retire at 65.

Dr. FISHER. Not only the social security system, the civil service department suggests they retire at 65, and many of our insurance companies. There are various interests that insist that people retire at 65.

Senator LONG. I want to make it clear that the social security system does not require you to retire at 65. The record shows many citizens do work many years past 65 before they do retire. Many of the Federal agencies require retirement at 65, and that is true of many industries. I don't feel the Government should be unduly criticized for doing the same thing that our industries require.

Dr. FISHER. Anything that forces a man to retire against his will enters into the discussion of this retirement income.

Senator LONG. I think that is true. That is one of the points with which we have been concerned. As a medical man you would know whether the abrupt change is bad for them or whether it should be a gradual retirement of some kind, worked out according to plans.

In your testimony you mentioned that Miss King said there would be approximately 4,000 people 65 years old or older who will be given free medical care and free medical services in St. Joseph and Buchanan County. I am not clear as to over what period of time that would cover.

Dr. FISHER. One year, in 1961.

Senator LONG. What has been the experience, do you recall, in 1960 or 1959?

Dr. FISHER. It was a few more in 1959. This is a little less than the previous year. As I recall the figures, it was about 200 less.

Senator LONG. Is the expense of those, the care, provided for as the director of welfare, Mrs. Moorehead, mentioned awhile ago?

Dr. FISHER. Yes; that is a part of the system she discussed.

Senator LONG. In your statement you mentioned, and I felt from your statement there was the implication, that this decrease in those receiving old-age pensions, old-age benefits, as compared to the people

in 1954 was as a result of better health and so on, but actually isn't that decrease in those numbers a result primarily as many more aged citizens come under the social security program and not being eligible for old-age benefits, Doctor?

Dr. FISHER. That may in part be the answer, but I don't think it is entirely the answer.

Senator LONG. I agree that is not entirely, but, at least, it is in part, from the records and statements we have had here.

Doctor, on page 4, that part of your statement dealing with the statement about the problem in Britain.

Dr. FISHER. It is on page 3.

Senator LONG. It is on page 4 of the statement I have. The page I am referring to pertains to retirement and other socialist legislation which may provide benefits for our older citizens a lesson may be learned from our neighbors, the British, across the waters.

Dr. FISHER. It is on page 3 of my statement.

Senator LONG. From that particular statement I don't gather that you feel that the social security system that we have now is socialistic. You say, "When we consider retirement income for the aged and other socialist legislation"——

Dr. FISHER. I am speaking about going further, going beyond this, where a third party or through legislation takes over the providing of medical care rather than the individual selecting and providing his own medical care, the doctor-patient relationship that now exists in our Nation. As you know that has been lost in England.

Senator LONG. I certainly don't want it to happen in this country, Doctor, any more than you do. I want to be clear and want it to be clear when your statement goes before the committee and the staff later on.

You don't mean to imply in that statement that tax benefits and housing benefits that we have now for senior citizens are socialistic and you are not in opposition to those? You see, I think your statement could be interpreted that way, and I want to be clear on it.

Dr. FISHER. That is a difficult question to answer. It is splitting hairs. I am mainly concerned about the individual's freedom. And, as I say, stated in our disposition, written statement, we are for voluntarism and not for compulsion. If you keep it on that basis, I think you can interpret the statement.

Senator LONG. You have no indication that the Kerr-Mills bill is socialistic?

Dr. FISHER. The Kerr-Mills bill is not socialistic.

Senator LONG. I certainly don't and I am sure members of the committee don't ever want the person over 65 to have any type health program that requires him to go to a certain doctor. We never want a situation that requires you as a doctor to take a patient whom you don't want to; we want you to have free choice. But the point is, and I have asked many of my medical friends, I have the feeling that it is not this particular bill they are apprehensive about; they are afraid of the other steps that might come in the future. The thing I can't see, Doctor, and let me ask you this, I am not satisfied in my own mind as to the objection of a medical man in raising the question under a plan where you have free choice of doctor, the doctor has free choice of patient, whether his fee for the hospital or his fee for

medical services is paid out of money that I earn, money that somebody gives me, money that I receive from dividends, money I receive from interest, money I receive from a private health insurance policy or money that I would receive from my social security system, whether that would be made to me for the purpose of paying the doctor bill or medical bill or whether it would be paid to me, whether I be drawing payments under the social security plan. That is a point that is hard for me to interpret.

Dr. FISHER. As you stated, I agree wholeheartedly. The King-Anderson doesn't do that. It circumvents the bill and makes payment directly to the provider of the service, the hospital, and this bill so far has been covered for institutional affair. They don't give the money to the individual and let him go buy the service. The payments will be made directly to the institution providing the care.

Senator LONG. Senator Randolph.

Senator RANDOLPH. I must interrupt to state that such is true under the Kerr-Mills Act. Isn't that correct?

Dr. FISHER. In part. Under the Kerr-Mills there are various degrees of implementation, as you know. As you well know, some States have implemented the Kerr-Mills bill to where the physicians receive fees for services, and other States have, and this is provided on a local level, not directly from Washington, the matching funds of the State; they pay the institutions. There are varying degrees of implementation in the various States that have it. In the State of Missouri we consider minimal implementation whereby the needy and those near needy people who may own their home or have a little nest egg in the bank, and when catastrophic illness strikes them they can be picked up on the Kerr-Mills plan, institutionalized and restored to normal health and sent back to their home without mortgaging their life. They can keep their home and their small bank account and still maintain independent dignity under the Kerr-Mills bill.

Senator LONG. Doctor, under the Blue Cross and Blue Shield, which I am sure many of us do carry, aren't those payments made direct to the hospital and made direct to the doctor rather than the individual?

Dr. FISHER. The Blue Cross is. The Blue Shield pays for medical services and pays only to the physician.

Senator LONG. The Blue Shield pays the doctor?

Dr. FISHER. To the doctor.

Senator LONG. What about the Blue Cross?

Dr. FISHER. Pays to the institution.

Senator LONG. Probably I didn't follow you. The Blue Shield doesn't pay direct to the doctor?

Dr. FISHER. Yes.

Senator LONG. Both of those pay direct to the doctor or to the hospital?

Dr. FISHER. That is right.

Senator LONG. There would be some objection, certainly, to that, if that is the basis for not giving free choice to the doctor or the hospital of the social security plan or the King-Anderson bill; we have the same projection both places there.

Dr. FISHER. The individual has free choice of his hospital and has free choice of his physician. This is a voluntary payment plan which

gives the money to the doctor or in some instances, if the doctor isn't included in Blue Shield, if he hasn't signed up to participate in such a program, the Blue Shield will pay to the patient who then will take the money and pay to the doctor. That is a voluntary free payment plan.

Senator LONG. Senator Randolph.

Senator RANDOLPH. I think Dr. Fisher is very forthright in his statement. I congratulate a witness who comes in all candor, as Dr. Fisher has come, to discuss these pertinent points in which there is considerable area of disagreement. Realizing the time limitation I will only attempt to bring out one thought upon which I believe there perhaps could be a misunderstanding on as you have set forth your remarks.

You have said, in effect, that social security is not insurance. Is that correct, Dr. Fisher?

Dr. FISHER. Social security is a tax levied on the working people now to provide benefits.

Senator RANDOLPH. A gross payroll tax.

Dr. FISHER. Yes, that is true.

Senator RANDOLPH. I feel that social security is a form of social insurance and that it does differ, of course, in degree with private insurance, but in other areas or respects the two forms of insurance are alike. For example, we have the broad pooling of the risk. Is that correct? Would you say that they are alike when we think in the broad pooling of the risk?

Dr. FISHER. I think that's a similarity.

Senator RANDOLPH. Yes, I believe we could agree. And so either of these forms cannot have an exclusive name of insurance, is that correct also?

Dr. FISHER. That is true. I think you will agree that many people today who receive social security have paid very little into such a program so that the benefits they receive are way out of proportion to what they have put in. So it would not be actuarially sound to give that person as much money as they receive when they have paid very little in and those who have paid an awful lot in do not get proportionately an increased amount of money because of the fact they have paid in many, many years.

Senator RANDOLPH. We do have the difference in the method of financing. That is the difference, is it not?

Dr. FISHER. I agree.

Senator RANDOLPH. I think we can say, and perhaps you will agree, that our social insurance program is certainly backed by the strength of the Government. That strength, of course, is in its ability to continue to raise the necessary income to finance the effort, and we can count, can we not, on a continued and permanent participation, with the accumulation of funds?

Dr. FISHER. Continuous accumulation in the future up to a point. If it ever comes to a time when taxation becomes too burdensome, as now on present schedules, by 1968, social security tax will be approximately 9¼ percent of all payroll, if you keep adding to this, I can envision a time when the young people of this Nation will react to the point where they won't care to pay for their elder's support and it might be completely ditched, the social security may be

voted out by the younger people who have had their backs broke, so to speak, by taxation to pay for the elder retired citizen.

Senator RANDOLPH. I don't share that belief.

Dr. FISHER. That is a possibility. I think that is to be considered I am not saying it will happen, but it is a possibility.

Senator RANDOLPH. I note that you speak of the possible limitless burden, to use your expression. The system is financially sound, Doctor, if provision is made in advance for, certainly, the creation of adequate funds to pay the benefits when they fall due. This is exactly what our social security law provides today. Is it not true?

Dr. FISHER. It is true.

Senator RANDOLPH. And a private insurance firm, on the other hand, is required by law to maintain full reserves so that it can be prepared to meet all the accrued benefit obligations should it go out of business or have no new customers. I think that is a situation to which we could properly draw attention.

Dr. FISHER. They have to accumulate a reserve while the Government relies on present taxes to pay the benefit, the benefits due to the retired group.

Senator RANDOLPH. Mr. Chairman, I want the record always to be very clear on this point. If these hearings were in anywise straight-jacketed with an encouragement by this special committee to adduce testimony that might be favorable to, let's say, a certain proposal pending in the Congress that the committee would not objectively discharge its obligation. I am pleased and often I am challenged by the presentation of argument with which I am not in agreement but which I believe should be spread upon the record.

Dr. FISHER. I think that's the American democratic way.

Senator RANDOLPH. That is wholesome.

Senator LONG. I am sure that none of us, Doctor, would want it any other way. There are many other countries where people with different versions cannot say what theirs is.

Doctor, thank you so much.

Senator LONG. Mr. Frank R. Smith, treasurer, St. Joseph Federation of Labor, is next.

Mr. Smith, our time is short; we now have 10 minutes.

#### **STATEMENT OF FRANK R. SMITH, TREASURER, ST. JOSEPH FEDERATION OF LABOR**

Mr. SMITH. Senator Long, Senator Randolph, and members of the committee, this statement I have will not take more than about 3 or 4 minutes to read. Our big statements will come this afternoon on hearing from our retired people.

On July 27 of this year AFL-CIO President George Meany appeared before the House Ways and Means Committee with a very comprehensive statement of labor's views on adequate health and medical care for the aged.

At that time Meany pointed out that the legislation under consideration "is an issue that literally involves the difference between constant peril and peace of mind; between humiliation and dignity; between pauperism and true social security, not in broad general terms, but for millions of individuals one by one."

He said the issue could be stated this way:

Should our social security system that already protects the aged against total loss of income in their years of retirement also protect them against medical catastrophe?

Mr. Meany then refuted charges that the plight of the aged presents no problem and called for the enactment of the Anderson-King bill that would provide medical and hospital care for persons over 65 based on our social security system.

It would be difficult for me to add anything to Mr. Meany's very able statement with which you are all doubtless familiar. I can only state facts and figures as they apply to the State and local situation.

Latest available statistics show that Missouri is second only to Iowa in the number of aged residents. Figures show 503,411 residents of Missouri are over 65 years of age, or 11.7 percent of the population. I do not have the figures relating to St. Joseph, but certainly they must be well within the average for the State.

I have been told by the local social security office that the average monthly benefit in St. Joseph is \$75.71. If the recipient is married, his wife draws an additional \$39.22. The average monthly payment to persons retired because of disability is \$89.53.

For the great majority of persons 65 or older, these figures represent their only income.

How, then I ask, can these people meet the threat of prolonged illnesses or disabling injuries?

The answer, simply, is this: they can't.

Most elderly people are subject to illnesses peculiar to their age classification as well as the more general ailments. Many of these diseases are chronic and require constant care. Private hospitalization insurance, both commercial and nonprofit, is not available to these people at rates they can afford to pay.

The argument has been advanced that some companies are offering policies geared to the needs of the aged, but upon investigation it has been found that in all cases too little is being offered for too much.

Unless something is done to correct the situation the inadequate incomes of our senior citizens will force them on the public relief rolls for medical and hospital care.

Even in that event little can be done for them, and in substantiation of this I quote from an editorial appearing in last Friday's News-Press:

Last July 112,943 persons in Missouri needed some help from the old-age assistance group. The average payment for that month was \$61.25, of which \$1.42 was in the form of payments to doctors, hospitals, and others for medical care.

Now I ask you this: How much hospital or medical care can \$1.42 buy? Would not the enactment of legislation based on the social security system take even this modest load from Missouri taxpayers?

Such legislation would not be a burden to the Federal Government nor would it add to the national debt. With but a small increase, shared equally by employers and employees, our senior citizens would be provided adequate health and welfare protection on a sound actuarial basis. Such legislation would be more effective if the base were raised from the present \$4,800 to \$6,000.

I am not here to quarrel with the American Medical Association in respect to the charge that the Anderson-King bill would lead to socialized medicine. Just the reverse is true.

The Anderson-King bill would give patients their choice of doctors and hospitals. This eventually would give more business to the doctors. Certainly it would provide the medical care so urgently needed by the aging and at rates they can afford.

Another argument that has been advanced is that the increased social insurance rates would be compulsory. Of course they would. Are not all taxes, including income taxes and sales taxes, compulsory?

Persons fortunate enough to provide medical and health care for themselves would not be required to take advantage of the provisions of the act. By forgoing this they would add considerably to the trust fund set up by the law.

Today some of our senior citizens will appear before you with far better arguments than I can advance. They are people of this community and they will have firsthand information on what is needed in the way of legislation for the aging. I know you will receive them with the consideration due them.

Thank you for the opportunity given me to appear before you.

Senator LONG. Thank you, Mr. Smith. I am going to refrain from asking you any questions.

Do you have any questions?

Senator RANDOLPH. No; the statement will stand.

Senator LONG. Thank you, Mr. Smith.

Mr. W. C. Wertz, president, St. Louis Local 6322, Communication Workers of America.

Mr. Wertz, we only have 2 or 3 minutes and I want to presume on your graciousness. I notice in your statement that there is a discussion of your retirement system here and much of it is statistics and so on. It would be very helpful to the committee if we put this in and make it a part of the permanent record. The staff and committee will study it carefully, if you will agree that it go into the permanent record.

Mr. WERTZ. Yes, sir.

Senator LONG. I don't want to cut you off but it would save time.

**STATEMENT OF W. C. WERTZ, PRESIDENT, ST. JOSEPH LOCAL 6322,  
COMMUNICATION WORKERS OF AMERICA**

Mr. WERTZ. Mr. Chairman and members of the committee, inasmuch as you have the facts and information on a typewritten sheet, I just want to go a little but further.

I am chairman and president of CWA Local 6322. I am a member or have been a member of the Green Acres Old Folks Home out here, a member of the Red Cross, participating in committees on disaster. I am a member of the board of directors of the United Funds. I am a member of the Council of Social Agencies. I have had a chance to see some of the problems of the aged.

In Green Acres a person can receive board and room for \$60 a month, but there is nothing left out of the income that he has from the State or his social security to much more than buy a package of cigarettes.

In the Red Cross disaster investigations I was allowed to be on, we had a flood here and the people had to have assistance from the Red Cross for almost 100 percent; people who were on a pension or on old-age assistance or social security, the Red Cross had to help them almost 100 percent. They didn't have anything over and above rent and food to do anything for themselves after the disaster.

On the Council of Social Agencies, on the legislation, it was taken up, the entire time was taken up, on trying to improve some way, in some form, for the State of Missouri, to help the people on old-age assistance. I would just like to point out real briefly: In our retired employees in the telephone industry in the St. Joseph district, which comprises northwest Missouri and northeast Missouri, our people, the men, earn an annual salary of somewhere around \$6,000. When they are retired at 65, which is compulsory, and 60 at their own request, they must live on something around \$1,800. I just had one of them mention to me this morning, "Who can say to me that I, just because I became 65, can exist on \$1,800 a year when formerly, just a day or two before, I was receiving \$6,000, and spending every cent of it to exist?" I thank you.

Senator LONG. Thank you, Mr. Wertz. Apparently you spend a great deal of time on this work.

Mr. WERTZ. Yes, sir.

Senator LONG. And apparently you will have something to do when you retire.

Mr. WERTZ. That won't be long either.

(The prepared statement of Mr. Wertz follows:)

#### PREPARED STATEMENT OF W. C. WERTZ

Facts and information pertaining to former employees of Southwestern Bell Telephone Co. in the St. Joseph district (St. Joseph, Chillicothe, Carrollton, Trenton, Stanberry, Brookfield, Kirksville), who are now retired and on Southwestern Bell Telephone Co. pension.

The pension plan of Southwestern Bell Telephone Co. was effective as of January 1, 1913, and as it pertains to retirement income an employee who has reached the age of 60 years (male) 55 years (female) may retire and receive a company-paid pension with the amount to be paid based on the following: one percent of the average annual pay for 5 consecutive years, multiplied by the number of years in the employee's term of employment, less one-half of the annual amount of old-age insurance benefits, to which the employee is entitled at the age of 65 years.

The persons named below are former employees of Southwestern Bell Telephone Co. and are now on pensions.

1. Charles V. Dalrymple, retired in 1953, receives a pension of \$86.50 monthly. He has no hospital or medical insurance as he says he can't afford it.
2. E. W. Binkley, retired in 1950, receives a pension of \$82.65 monthly. He has a limited hospital insurance policy which cost him \$11.40 each 3 months.
3. Edward A. Bruce, retired in 1949, receives \$91.60 each month. He has hospital and medical insurance which cost him \$17 each month.
4. William Heiney, retired in 1946, receives \$95 each month. He has hospital insurance which cost him \$8 each month.
5. George C. Engelman, retired in 1949, receives \$85.90 each month. He has no hospital or medical insurance; he says he can't afford it.
6. G. K. Baker, retired in 1956, receives \$83.92 each month. He has hospital and medical insurance which cost him \$11 each month.
7. W. T. Turner, retired about July 1961, receives \$187.09 each month. He has hospital insurance which cost him \$8.50 each month. Mr. Turner retired at 62 years of age due to sickness disability and as soon as he reaches 65 his pension

payment will be reduced by \$60.50 each month due to company practice of deducting one-half of social security payments from employee's pension when he reaches 65 years of age.

Retired employees of Southwestern Bell Telephone Co. are covered by a group major medical insurance policy paid for by the Southwestern Bell Telephone Co. and provides for these retired employees as follows:

1. The employee must have a hospital insurance policy as compared to Blue Cross B insurance policy.

2. The employee must have a medical insurance policy as compared to Blue Cross medical policy.

3. The employee must pay 4 percent of his or her annual pension toward hospital or medical bills plus items 1 and 2 of their equivalent in cash. When the employee has met requirements if items 1, 2, and 3, the major medical insurance will pay 80 percent of balance of hospital or medical bills up to \$15,000; example: G. C. Engelman was hospitalized and his medical and hospital bills amounted to \$745 and he received only \$143 from major medical insurance. Mr. Engelman had no hospital or medical insurance and deducting the \$602 from his annual pension of \$1,030.80 he has only \$428 left from his annual pension payments.

The practice of Southwestern Bell Telephone Co. pension plan of deducting one-half of the employees old-age insurance when the employee reaches 65 years of age from his pension payments creates a very serious financial burden on these people. As a person becomes more advanced in age their financial requirements can be much more as they are more susceptible to medical and hospital expenses. The increase in longevity of our population makes a greater need for sufficient income for the aged.

As an example of how the deduction affects the financial position and mental attitude of the pensioner.

Mr. E. A. Bruce who retired in 1949 had social security on his annual salary from 1937 to 1949 in the amount of approximately \$500 paid by the telephone company. The \$30 for and/or one-fourth of his social security payments at 65 years each month that the telephone company has deducted from his earned pension for the 12 years from 1949 amounts to approximately \$4,380 which is \$3,880 more than the telephone company paid on Mr. Bruce's wages.

The \$4,380 spread over 12 years would help to make for a more financial security for these retired people.

G. K. Baker who retired in July 1961 has \$54.25 deducted from his earned pension each month.

Senator LONG. Prof. Charles E. Lively, professor emeritus, University of Missouri.

We only have a few moments left. I notice your statement is the presentation of a statement which has been prepared by Robert L. McNamara and Edward Hassinger of the University of Missouri. We would like, since our time is up, to have this be made a part of the permanent record and it will be studied by the staff. I regret very much that we don't have time to go into it in detail by you.

Senator RANDOLPH. Senator Long, could I just supplement what you have said?

Senator LONG. Surely.

Senator RANDOLPH. I am sure everyone understands it, but I would like the record to include this statement, that the material which is not actually read is material which will actually be printed in the record of this hearing, not only for the study of the members and the staff, but it will be distributed so that people who desire to know what was said here today will be able to read it, even though it were not actually given by the witness.

Senator LONG. Thank you, Senator Randolph. That is entirely correct. I am sorry I hadn't made that plain before. I hope these people didn't feel that all the work they have done in preparing this material wouldn't be studied or printed. It will be printed and be available to all of us.

The same is true of Judge Culver.

Judge Culver, are you still with us this morning?

Judge CULVER. Yes, sir.

Senator LONG. We have your statement, and with your permission we will put that in the record, as Senator Randolph has suggested, and it will become a part of the record and be studied by the committee.

Judge CULVER. May I have just 1 minute? If you will permit me, I would like 1 minute.

Senator LONG. All right.

Dr. Lively, would you like 1 minute?

Dr. LIVELY. Yes; I would.

Senator LONG. Did you come over here this morning over bad road?

Dr. LIVELY. No; I came yesterday.

Senator LONG. All right, Judge.

### STATEMENT OF HON. FRED J. CULVER, PRESIDING JUDGE, BUCHANAN COUNTY COURT

Judge CULVER. My name is Fred J. Culver. My home is St. Joseph, Mo.

I just wanted to say that you have already heard that we are a community which tries to look after itself. We have the social welfare board, and Green Acres, which I mentioned in my statement. I would not want to leave you with the impression that we do not avail ourselves of the help that we can get from the Federal Government. One of the ways in which we have been able to supplement the income of our aged; for instance, is by our surplus commodity program, which would not have been possible except through the Federal Government and through the cooperation of other counties. We are availing ourselves of every method to supplement the income of our aged here.

I appreciate what is made possible to us through your efforts in Washington. I think that by working together we can do the job some way. In other words, Senator, we are individualists but not quite such rugged individualists as Dr. Fisher.

Senator LONG. Thank you very much. Thank you for the co-operating work, your coordination with the doctors and various agencies here in this county.

(The prepared statement of Judge Culver follows:)

#### PREPARED STATEMENT OF JUDGE FRED J. CULVER

My name is Fred J. Culver and my home is St. Joseph, Mo. I am presiding judge of the Buchanan County Court. One of the duties of our court is to budget and approve expenditures of county funds for welfare purposes. I am therefore interested in and concerned about the retirement income of our aging.

The old-age assistance schedule of payments in Missouri is \$65 per month. Obviously this needs to be supplemented in some way to allow a decent standard of living.

One of the ways our community has attempted to meet this problem is by the operation of the Green Acres Home. This is the former county infirmary, located in suburban St. Joseph on a county-owned farm. It is leased by the county to a private, nonprofit organization which operates the home. Room and board is provided for \$60 per month, and the revenue from this almost suffices

for the operations. The expense of maintenance, of improvements, and of a few operating items is provided from county funds, but this has amounted to only about \$10 to \$15 per guest per month during the last 5 years. At the present time there are 81 guests in residence and this is near the maximum which can be accommodated. The home should be enlarged, as there is a waiting list of persons desiring admittance.

We in this community feel that Green Acres is an outstanding example of an attractive domiciliary facility providing comfortable accommodations for elderly citizens with low income. The low cost of this operation is possible only because of the cooperative efforts of private citizens and local government.

It should be possible to provide a nursing home facility for some of our aging by the same methods, since Federal funds are available to help in construction. One local group is now working on this in an attempt to formulate a definite proposal. This, like Green Acres, would be for elder citizens in the low-income group.

There is another group of the aging with higher income level whose needs are often overlooked until it is too late. I refer to those who retire after a lifetime of work with only a modest competence. For example, a retired couple may have only their income from social security, their home, and a few bonds or other small savings. Just one severe illness can in many cases take all they have accumulated and leave them only their income from social security. It seems unfair that these people must strip themselves bare, so to speak, before they can qualify for public assistance. In effect we are penalizing them simply because they had the foresight and initiative to accumulate a little during their working years.

By the same line of reasoning, regulations regarding the allowable earnings of elder persons on social security or pensions could well be reviewed carefully. We should not set the limits on allowable earnings so low that we prevent some of our elder citizens from making the valuable and productive contribution they would like to make to our national economy.

I am not suggesting that we should provide public medical care for all, nor that we should allow unlimited earnings for retired persons on social security. I realize that approximately 90 percent of all funds spent for assistance are public funds, that is to say, they come from taxes. It is essential that these funds be allocated carefully and spent prudently. The rules and regulations governing such expenditures are voluminous, precise, and detailed but very necessary. Welfare workers must stay within the framework of these regulations, and I respect and salute them for the fine way in which they care for our needy citizens of all ages.

What I am suggesting is that in the whole field of public assistance programs there is too sharp a separation between the eligible and the noneligible, and between no help at all and all-out maximum benefits. We say, in effect, that if you have nothing public funds will care for you. If you have plenty you can provide for yourself. But if you have a little you must first divest yourself of all you have, then come back and Government will provide.

There should be some middle way for the middle group, so that public funds can provide a little extra for the persons who need only a little help in an emergency, or allow those who need to earn a little more for special needs to do so.

The success of our American system is due in large part to the fact that individual initiative and enterprise is adequately rewarded. This same principle should apply throughout life, and not stop at retirement age.

Senator Long. Professor Lively, we are not going to mistreat you; we are going to give you a minute or two. We do appreciate your coming here.

Dr. Lively is professor emeritus, University of Missouri, Columbia. He is presenting a summary and comments on studies conducted by Mr. Robert L. McNamara and Mr. Edward Hassinger, Department of Rural Sociology, University of Missouri.

That is one of the most important subjects that we have and we are sorry that we don't have a lot more time.

**STATEMENT OF PROF. CHARLES E. LIVELY, PROFESSOR EMERITUS,  
UNIVERSITY OF MISSOURI, COLUMBIA, SUMMARY AND COMMENT  
ON STUDIES CONDUCTED BY ROBERT L. McNAMARA AND EDWARD  
HASSINGER, DEPARTMENT OF RURAL SOCIOLOGY, UNIVERSITY  
OF MISSOURI**

Dr. LIVELY. Thank you, Mr. Chairman.

The only thing I believe that is necessary for me to say at this point is that we have made no studies of retirement and retirement income per se. We have, however, for 20 years been making periodic studies of the health of rural people, that is, farm people and village people, and we have accumulated a great deal of evidence along those lines, and, of course, it does involve retirement people.

Beyond that we should be glad to supply literature in our research bulletins and abstracts of them, as has been turned in to the committee here. If any of you care for those, we would be glad to supply you with what we can. I thank you.

(The joint prepared statement follows:)

**JOINT STATEMENT BY ROBERT L. McNAMARA AND EDWARD HASSINGER, UNIVERSITY  
OF MISSOURI**

This statement includes excerpts from three studies conducted by the Department of Rural Sociology, University of Missouri, as a part of the research program supported by the Missouri Agricultural Experiment Station.

1. "Extent of Illness and Use of Health Services in a South Missouri County," Missouri Agricultural Experiment Station Research Bulletin 647 (January 1958).

2. "Extent of Illness and Use of Health Services in a Northwest Missouri County," Missouri Agricultural Experiment Station Research Bulletin 720 (January 1960).

The research on which these reports are based was designed to provide portrayals of rural health situations in contrasting areas of the State. Items on income were only incidental to the major purpose, but tabulations were made of broad income groupings of households, their illness reporting, and their use of health services. Households for study were selected by random sampling from a detailed listing of every apparently occupied open-country household. Incorporated places and certain other concentrations of nonfarm residences were omitted. About 150 households were interviewed in each county. Copies of these two bulletins and the five other published bulletins on this study have been furnished to the committee. The following excerpts are particularly pertinent to the concern of this committee:

"The oldest households generally possessed low incomes. Fifteen out of the twenty-seven had less than \$1,000 income during the year preceding interview, and only four had incomes of as much as \$3,000. Obviously, these incomes do not permit extensive purchase of physician care and hospital service; in the absence of a systematic program for the medical care of indigents, many of these older people must go without such care. Their need for medical care is greater because illness is more common among them, the annual average being nearly 30 days per person. In this sample, the older households with an annual income of at least \$3,000 used the doctor at a rate of about seven calls per person annually; the corresponding rate for those with lowest incomes was only four calls annually.<sup>1</sup>

\* \* \* \* \*

"When the households are arranged according to both age and income, it is possible to place more exactly the relative loads of illness and the age-income situations in which health services are used. When \$3,000 is taken as the division point between low and high incomes, this sample shows that about two-

<sup>1</sup> McNamara, Robert L., and E. W. Hassinger, "Extent of Illness and Use of Health Services in a South Missouri County," Missouri Agricultural Experiment Station Bulletin 647, January 1958, p. 10.

thirds of the households had low incomes and that the low incomes are relatively more numerous with advancing age of household heads. For example among the oldest households (head 65 or older), 12 of the 35 had less than \$1,000 income during the year preceding interview, and only 3 had incomes of as much as \$5,000.<sup>2</sup>

"Obviously, these incomes do not permit extensive purchase of physician care and hospital service; in the absence of a systematic program for the medical care of indigents, many of these older people must go without such care. Their need for medical care is apparently greater because illness is more common among them, the annual average for the oldest households being about 23 days per person. In this connection perhaps the most significant point is the relationship between illness and use of physician for the different age-income groupings. If days of illness reported can be taken as a crude measure of need for medical care, then clearly low income households should have reported about 90 percent of the doctor calls, which is about 40 percent higher than what they actually received. The disparity is particularly apparent among the "oldest" households, with low income where illness is heavily concentrated. To say that much illness is reported which does not require medical attention, especially among elderly people, is not a conclusive explanation because where incomes are high, doctor calls accumulate to about twice the number of days reported, and the relationship holds among the elderly as well as among the younger households."

*Illness and use of doctor by age of household head and by income*

Age of head (years)	Low income <sup>1</sup>				High income <sup>1</sup>			
	Households	Persons	Days ill <sup>2</sup>	Doctor calls	Households	Persons	Days ill <sup>2</sup>	Doctor calls
Under 45.....	25	104	484	297	23	94	196	344
45-64.....	48	143	960	666	15	57	88	234
65 and over.....	23	51	1,776	398	12	28	104	193
Total.....	96	298	3,220	1,361	50	179	388	771

<sup>1</sup> Exclusive of households for which income was not reported. Incomes under \$3,000 are termed "low" while incomes of \$3,000 and over are "high."

<sup>2</sup> Illness records were obtained for a 3-month period, the quarterly volume of ill days is here placed on an annual basis.

3. "Possession of Health Insurance in a Small Mid-American Town" (unpublished) 1961.

(The narrative following is inclusive of other materials than income of the aging and deals primarily with possession of health insurance. Because possessing health insurance appears so closely related to income, the material is thought to be useful to the committee.)

Ashland, Mo., is a small town. It is located on U.S. Highway 63 between Jefferson City and Columbia, sites of the State capital and State university, respectively. Ashland is an old town having developed as an independent trade center. Today, however, it is dependent upon its larger neighbors for a major part of its employment. It also serves as a place for retired persons.

A study was made of this town during the spring of 1961. The plan was to interview a member of each household in order to obtain information on all residents of the community. It was not possible to conduct interviews for 13 of the households because of refusals or inability to contact a member after repeated callbacks. The fieldwork was done by three students. A total of 183 interviews were made accounting for 516 individuals.

The focus of the study was the possession of health insurance. Particular attention was paid to the relationships of occupation to having health insurance. But as the data were being gathered and as the analysis developed it became apparent that the elderly and retired families were important com-

<sup>2</sup> Robert L. McNamara and E. W. Hassinger, "Extent of Illness and Use of Health Services in a Northwest Missouri County," Missouri Agricultural Experiment Station, Research Bulletin 720, January, 1960, pp. 10-11.

ponents of the population and that they were quite different in terms of possession of health insurance from members of younger employed families.

The heads (male where there was a male member, female where no male) in 36 percent of the households were 65 years or older; 27 percent were 70 years or over. There was no male head in 18 percent of the households and no female head in 6 percent. Sixteen percent of the individuals in the town were 65 or over.

There was a wide range of income reported by families. A substantial proportion of the households reported incomes of under \$2,000 (30 percent). Few were in the \$2,000 to \$2,999 bracket (8 percent); 24 percent reported incomes of \$3,000 to \$4,999 and 23 percent incomes of \$5,000 to \$9,999; a few reported incomes in excess of \$10,000; 13 percent did not answer the income question.

The low-income households were concentrated among those in which no member was employed; there were 52 households of this type accounting for 28 percent of all the households. These were largely households of elderly people.

Of the 183 households, 121 reported at least 1 member had some type of health insurance—about two-thirds were covered to some extent and one-third were not. In 51 percent of the households all members had some coverage, in 15 percent some members were covered and some not. In total, 319 individuals had some type of health insurance coverage, this was 62 percent of the total. About one-fourth of the households had two or more policies. Over half of the households with insurance reported that the policy was obtained through their place of employment and over one-half of these reported that their employer paid part of the cost.

Employment appears to be a critical factor in the possession of health insurance. Among those households with no health insurance 60 percent had no member employed; while, only 12 percent of the households with health insurance had no member gainfully employed.

Age was also closely related to possession of health insurance. Of the households reporting no health insurance, 63 percent were 65 or over and 48 percent were 70 or over. Among households with health insurance only 22 percent were 65 or over. Considering only those households in which the head was 65 years of age or older, only 41 percent had health insurance. This may be compared with 80 percent reporting health insurance in households with household heads under 45 years of age.

Thirty-nine percent of the households reporting no health insurance reported annual incomes of under \$1,000; 62 percent reported incomes of under \$2,000, and 74 percent under \$3,000. This is contrasted with households reporting health insurance coverage where 6 percent had incomes under \$1,000, 13 percent under \$2,000, and 20 percent under \$3,000.

Similarly, level of living scores were related to possession of health insurance. Of the households reporting no health insurance, 60 percent had a level of living score of 10 or less. Of households reporting health insurance, 23 percent reported a level of living score of 10 or less.

Age and income were related in a negative direction. No household in which the head was under 45 years of age reported an income below \$2,000 and half of them reported incomes of \$5,000 or more. Many of the higher incomes resulted from the employment of two or more members in the family. On the other hand, 77 percent of the elderly households reported an income of less than \$2,000. Stating it another way, of those households reporting income under \$1,000, 87 percent had household heads 65 years old or over; for those whose incomes were \$1,000 to \$1,999, 71 percent were 65 or older; between \$2,000 to \$2,999, 40 percent were 65 or older; between \$3,000 to \$4,999, 11 percent were 65 or older; and only 4 percent of the highest income households (\$5,000-plus) were 65 or older.

The picture in this small mid-American town seems quite clear. Low income nonemployed elderly people are underrepresented in the possession of health insurance. It is apparent that the great majority of these elderly people in the samples studied do not possess sufficiently high incomes to place them in the market for purchase of regular medical care or of health insurance. Why they are now in this situation, or what their earlier income levels may have been is beyond the scope of these studies.

Senator LONG. Thank you, Professor; we appreciate your coming here. We appreciate the interest of the University of Missouri.

Senator Randolph, we think our university here is one of the great universities of the country. They deal in well-rounded work, and this is an indication of one of them.

I apologize to you, Professor, for not having more time available.

Senator RANDOLPH. I can cover my comment in less than 2 minutes. In essence my impressions of the morning are these: That the doctor heals and the lawyer pleads; and the miner, that is, the coal miner, we will say in West Virginia, why, he, of course, follows precious leads, but this or that, what ere befall, this farmer, the small farmer, that is, on the family farm, or the farmer in the larger sense of productivity, he feeds us all.

It is very imperative that we do study and evaluate figures and facts which apparently are contained within this study.

Is that right, Professor Lively?

Dr. LIVELY. Right.

Senator RANDOLPH. Which will be valuable to this committee.

Mr. Chairman, I think it is important to indicate that in approximately 30 hearings which are being held or have been held throughout the Nation since Congress closed its session the latter part of September that we have had 14 members of this committee out of the 21 members who have actually participated in visiting the States in which the hearings have been conducted. Senators of both parties have engaged in this effort.

I am especially grateful that the youth are present today. I compliment them, and I have every confidence that the younger folk are intensely interested in older folk. The concern is real. To have these young men and young women at today's hearing is a steadying influence as we move forward in an attempt to meet this very urgent and developing problem.

Senator LONG. Thank you, Senator.

This afternoon at 2 o'clock there will be a panel discussion between Rabbi Meyer, Miss Patterson, and Miss Doherty for 30 minutes. After that there will be the opportunity for the senior citizens to tell us their problems. They spend more time thinking about it than anyone, and the comments from that age reservoir group will be very helpful to the committee.

Unless there is something else the committee will stand in recess until 2 o'clock.

#### AFTERNOON SESSION

(Whereupon, the hearing was resumed, pursuant to the taking of the recess at 2 p.m.)

Senator LONG. The committee will come to order.

There are two gentlemen who asked to present statements this morning who have filed them with the committee. Time will not be available to hear them this afternoon, but if they will submit their statements they will be made part of the record of this committee and will be printed in the proceedings, and will be considered by the staff of both committees.

Mr. Ralph Montgomery, railway conductors and brakemen, suggested to the members of the staff that he had a statement he would like to file.

Mr. Gee, a businessman here in St. Joseph, has a statement that he would like to file.

If these two gentlemen are here, if you will file your statements with the staff, we will certainly promise you they will be in the record. (The statements referred to follow :)

PREPARED STATEMENT OF RONALD A. MONTGOMERY, ST. JOSEPH, MO.

The Senate Committee on Aging, we of the railway industry are especially interested in the proposed Federal legislation on medical care for the aged, for certainly this is of utmost importance to income and security. Wage earners are numbered among the great mass of the needy, and since the Government is more than a mere guardian of law and good order it must provide protection for the weak and the poor. The rich are guarded by their own defenses, but the poor and weak rely especially on the protection of the state. There are many phases of economic and social welfare that cannot be provided for the protection and welfare of the individual himself but must be provided for him, and the most graphic examples are the Social Security Act and Railroad Retirement Act.

These acts have added dignity and worth to the individual worker, and to America in the eyes of the world. Growing old is no longer a fear of complete poverty or dependence on others. His greatest fear now of old age is one of losing his meager savings and real estate holdings by sickness or accidents, because he is without a proper medical care program. These conditions exist today throughout the country in our industry as well as others, and add to the woes and unhappiness of our beloved senior citizens.

Our statistics show that less than half of the aged have health insurance of any kind, and this is due to the fact they cannot get it or cannot afford it; that hospital and doctor expenses have doubled in the past 10 to 12 years, while consumer items have increased by only one-fourth; that senior citizens on retirement have twice the medical bills as to when they were young, and that they require two to three times as much treatment; that workers of lower income brackets have more disability and illness than those of higher income brackets who have adequate protection.

It is apparent that present medical societies, local or State government agencies are not doing enough or have plans for relief in this vital field. Therefore, it behooves the Federal Government to take action that will insure safety and promote the welfare of the little people, in medical aid to the aged. The suffering multitude without the means to protect itself, relies especially on the State.

We feel, to grow old gracefully, peacefully, with dignity, and a sense of security is a responsibility, to be aided and abetted by the Federal Government.

Who are the ones who oppose this progressive and helpful legislation, the same organized groups who stated social security and railroad retirement would bankrupt the country? They are the great guardians of democracy, but show little interest in the dignity and welfare of the little man. The proposed Federal legislation does not in any way infringe on the right of anyone, as freedom of choice of doctor or hospital is guaranteed. Law prohibits interference in the practice of medicine. We believe our political leaders today as yesteryear will uphold legislation that will give dignity and security to old age, and will assure that growing old will not be a great burden either to themselves or their loved ones.

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PREPARED STATEMENT OF FRANK H. GEE

I am president and general manager of Geeco, Inc., a manufacturer here in St. Joseph, with 130 employees.

I would like to make it clear that I am not against assisting our senior citizens who are unable to provide themselves with the essentials to live a comfortable, useful life. I furthermore believe it is our moral obligation as individuals and community to see that those citizens in our midst who have for reasons beyond their control found themselves financially unable to cope with illnesses and conditions that would prevent them from living a happy and fruitful life in their later years.

It is the method about which we should all be concerned. There have been a number of proposals on the national level, the majority of which turned to that source of revenue that it seems so many of our people and legislators think is a bottomless sources of money ; namely, the social security tax. Some people prefer not to call social security a tax, but according to the definition of tax I think it must go by that name.

The social security system as it was originally set up whereby the total tax on wages amounted to 2 percent and the benefits were based on the relief of hardship only, was, I believe a good and sound step on the part of our National Government. In the past 25 years, however, this law has been revised many times and the tax has continually been revised upward to the point where today we are taking away from all workers  $6\frac{1}{4}$  percent of their earnings and this law is already written to extend this to 9 percent in 1969. In my opinion we are, to an extent, deceitful in the way the interpretation is placed on this tax as it is the common statement to say on social security the employee is taxed  $3\frac{1}{2}$  percent and the business or corporation pays the other  $3\frac{1}{2}$  percent, but, you see, actually this is just a  $6\frac{1}{4}$  percent tax on the money paid to the employee and it must all be included in the cost of the work performed to the employer, and he must include this total amount in his labor cost in computing all cost figures on the price of the product produced or the service rendered.

A bill known as H.R. 4222 of the 87th Congress would have provided an additional increase in social security in 1963 of one-fourth of 1 percent on the employer and one-fourth of 1 percent for employee, so it is one-half of 1 percent increase in tax. The tax increase was not the only thing, as it also provided for increasing the base upon which this levy was to be made from the present \$4,800 to \$5,000 per year, and then later the Secretary of Health, Education, and Welfare, as they began to figure the cost involved, recommended that this increase be to \$5,200 per year, so it was not just one-half of 1 percent increase but it was one-half of 1 percent on \$4,800 and 7 percent on \$400, and, as in the past, this is where all increases in social security come from, we come up with an idea to provide a service, so to get the money for that service we just tack some more on the social security law.

Now it seems to me that we must stop making social security a catchall to provide revenue to operate Government bureaus. We have already gone too far down the road of encouraging our citizens to believe that they are not capable of taking care of their money and that the Government can take their money and take better care of it than they can.

Our Nation was built and became strong with the philosophy of individual liberty and individual responsibility ; and the two must go together, they cannot be separated. Under this philosophy the individual is encouraged to accumulate savings in the form of property, insurance, and all types of investments to build himself an income that will provide for his requirements when his earning capacity is reduced. What we are doing is taking this money away from the individual before he has the opportunity to receive it and tell him the Government can do a better job of handling his savings than he can. This alone destroys the dignity of a man and makes it awfully easy for his philosophy to become one of counting on the Government for his well-being.

You can see that the social security tax has become a very large portion of the earnings of an individual, and when we add to it other taxes such as unemployment tax and so many hidden taxes it is making it rather difficult for the individual to control his own destiny, as we are taking away from him that money he could use for building himself an estate on which he could depend in time of need.

In addition to all of this that we are doing, it is teaching our younger generation to become too dependent on someone other than themselves for their well-being. Isn't it quite obvious and hasn't the Federal Government proven to us that they are not as good at taking care of money as most citizens are, as for many, many years they have continually gone further into debt and are operating on money which we are counting on our children and grandchildren to earn.

We recognize that there will always be conditions and times when our fellow citizens must have assistance, but in this community, city, and county we have an excellent organization that is ready, willing, and able to provide that assistance under those conditions when it is needed, and I believe these organizations exist in the great majority of other communities therefore, I feel that this matter of assistance to our senior citizens can be and should be handled as a local problem instead of sending our dollars to Washington from where we can expect to receive back only about 70 percent of that dollar for the cause for which it was

intended, so before we enact laws of the nature being discussed here today lets be sure that we are looking at the overall picture and the ultimate results, and not forget that we may be correcting a condition temporarily but that we are throwing the load for financing this on the generations to come.

There are methods of handling this condition in a more sensible manner by removing the restriction of earnings of people already on social security, by advancing the compulsory retirement age as the life span has lengthened the useful span of man's life has also lengthened, so let's do the things of a vocational nature that will enable our elder citizens to keep their respect and provide as much as they can for themselves instead of becoming dependent on the Government.

Senator LONG. At this time there is to be a panel discussion on problems of the aged by Rabbi Myron M. Meyer, of the Temple Adath Joseph; Miss Joyce Patterson, director, Wesley Community Center; and Miss Virginia Doherty, executive secretary of the YWCA.

Will these three members of the panel please come forward and take seats here at the table.

We want to hold this panel to 30 minutes.

If you will, feud and fight a little among yourselves and bring out all the problems you want to at this time.

Have you made arrangements who is to start?

Rabbi MEYER. I have been told to start because I am the only male member of this panel.

Senator LONG. You may know by this time that that will be the only time you will be able to get a chance to speak.

#### **PANEL DISCUSSION OF PROBLEMS OF THE AGED BY RABBI MYRON M. MEYER, MISS JOYCE PATTERSON, AND MISS VIRGINIA DOHERTY**

Rabbi MEYER. Senator Long and members of the Town Hall people who are present here this afternoon, naturally, as citizens of the United States and proponents of democracy we are vitally concerned with an ever-increasing acrimonious problem of taking care of the aging. We can go back into the annals of history, the records of man's achievement, and know that the aged were considered in Biblical days, and even before that, and here in our democracy of 180 million people we are wondering what we can do with approximately 17 million people who are over the age of 65.

Albeit, I do not understand why 65, coming so close to it, has been designated as the minimum of old age. I feel that most people are in their actual prime at the age of 65.

I feel, however, that enough preparation must be made during the formative years and during the times when we receive our education through observation and study and experience to prepare for what eventually may take place in the declining years of our life. I think, unfortunately, that people do not prepare properly for their age of rest and relaxation. They do not have enough hobbies; they are not sufficiently read; they do not understand the problems that are psychological and sociological with regard to their place in this orbit as members of the human family. I feel, therefore, that the problem of the aging concerns itself primarily with preparation for what we designate as the period of aging.

Here in the State of Missouri we have had an increase of 24 percent in people over 65 years of age. I believe the last census of 1960 indicated that we have approximately 503,000 people who are over the age

of 54. In the United States one-third of the the 17 million aged people are over 75 years of age. The question is how can we prepare these individuals to enjoy the last years of their lives if they do not have this previous preparation in their younger years.

I know, for example, in my case that were I to retire today that I would have numerous activities and objectives, hobbies, recreation. I have read a great deal; I have traveled. I feel I could sit down right now on a rocking chair and view the panorama of a changing civilization with equanimity and with a great deal of perspective for the future.

How do you feel about that, Miss Doherty?

MISS DOHERTY. I think that is wonderful. I am not quite ready to sit in a rocking chair, however, and I think many of our senior citizens are not ready to sit in a rocking chair.

I think much has been said already today and much will be said about the financial security in retirement, and, of course, that is what this whole program is for.

I think, too, I would like to add my part about finding someday possibly for people to retire gradually. I think many of you heard the TV program that I heard the other night when a woman said that one night she went to bed at 64 and because she became 65 the next morning she couldn't see that she was any different. I think psychologically and physically our senior citizens would be better off if they had part-time jobs.

I think I can speak to this with a little bit of authority since on my own staff we have a little less than 50 percent of our staff who are in the senior citizen area. Many times within the last few years we have had to rewrite job descriptions in order to take care of older people on the staff. Right now I have one woman who is almost 80 doing a job just as well as she did 30 years ago.

I have a very definite feeling about whether they should do the job they are now doing or do another job. I think many older people would find it difficult to go into a new job and learn new skills, while they are perfectly capable of doing the job they are now doing. I think many times this means lessening hours of work, lessening days of work. In my own experience we have many more on our own staff than we would have if we had only full-time workers. I believe this is good not only for the senior citizens but for those who employ them. The skills of older people are very valuable, sometimes much more valuable than younger people, although we do believe in younger workers, too.

I think this is important. I think it is important about the way they feel in retirement if they have a part in it. I definitely feel that all of us as citizens have responsibility to our older citizens to help, not create jobs for them but to let them do the jobs that they are capable of doing. I don't know just how we can cope with this, but I do think there is a whole field open to us in this.

Then I think physically it is also good for people who have lived on schedules all their lives to have somewhat of a schedule to follow even though it may be a slowed-up one. I know there is much to be done in this field, and I know there are other areas that need to be discussed, but that is the contribution I would like to make today,

hoping that we could find a place for all citizens to feel their importance and to share their abilities with us all.

Rabbi MEYER. What about the age of automation and the fact that jobs are becoming scarcer even for younger people who are in the middle age of their existence? What are we going to do about that? How are we going to solve that difficulty?

Miss DOHERTY. I can't solve it; you do that.

Rabbi MEYER. I am just asking the question.

Miss DOHERTY. I think maybe we have to have new jobs, different jobs. Maybe they will be involved in the recreation for these people who don't have work to do. But certainly there ought to be a place where everybody feels he has a contribution to make workwise. I think work gives us one of the greatest satisfactions we have whether we are senior citizens or not senior citizens. I think it gives the greatest contribution to peace of mind of anything that we can do.

Rabbi MEYER. Peace of mind is very important for young as well as old.

Miss Patterson, what has been your observation in dealing with so many individuals?

Miss PATTERSON. It has been a great privilege of mine, and I mean a great privilege, to work with the senior group where we have about 155 who participate in our activities at the center.

I have been concerned that we have dealt a great deal with what our Federal Government can do, but perhaps we need to look even more closely of what our community can do.

We need to develop a climate in a community where people can grow old in a serviceable way. As we have heard said many times today, when you reach this age of 65 you should sit down in a rocking chair and take it easy. People I know are not ready for that rocking chair, as Miss Doherty was saying. In fact, I have a hard time to keep up with them. They still have a great deal to offer to our community, to our country. I am very concerned that we do not lose their potentiality at this point. I am aware of the problems we would face in St. Joseph within the various neighborhoods in our community.

I will never forget 2 years ago. I watched a man die because of malnutrition. None of us were aware of the fact. We sent in canned goods and this sort of thing. The man didn't know what to do with them. To help these people, take men, for example, if their wives are gone, to help them care for themselves. They want to be independent. They don't want to move into a home. They don't want to move in with their children. They want to live in an independent way, as discussed this morning. This man would still be living today if we were aware of the fact that he didn't know how to use the canned goods, which he had all over the house.

I have been concerned with some of our groups that have been taken, and I put this in quotes, "of not knowing what to do with the income they have," and not the groups that we were talking about this morning that were living on \$65 a month, but these people who have been counseled with, but the wrong people, knowing how to invest their money. If we could have some sort of legal counsel that we could turn to as these people are making out wills to tell them how their money can be invested. As I say, this is a different clientele that we

are speaking of than those receiving old-age assistance and benefits of welfare.

We are also concerned in the field of which I work, in the field of recreation. These people have many needs in this field. I am afraid our club has been tabbed as just a square dance group, which is not true, although they do square dance a great deal. But there are many facets in the social field that they need to consider and to help people find new outlets. We are very sorry to say people do not work toward hobbies in preparation for retirement.

Those of you who saw the TV show Friday night of "So Soon," which was talking about this area of retirement for those of us in the forties, fifties, that age bracket, what are we doing in preparing ourselves for retirement? I have found many people don't know what to do. They are just ready and willing for somebody to suggest something, and they want to try it out. People have said that people over 60 years of age are in a rut, they don't want to try anything. I haven't found this to be true with the people I work with. They are willing to try anything once. It may be they don't want to do it again, but they will try it and experiment. They don't have closed minds.

I am concerned in the area of housing. As I visit members of our club and other senior citizens and find where they have to live, and now I am referring back to these people who are living on social security or a small income, of having to move into housing that is not adequate and something that they are not accustomed to.

I was asked to speak in this community not too long ago, and supposedly the subject that had been given to this group was housing. They said that we do not have a housing problem in St. Joseph, so you can take whatever topic you want. We do have a housing subject. I can speak to the fact, the housing where some of our senior citizens are living, without indoor plumbing, we do have a housing problem. Saying we do not have a housing problem is very foolish, and we need to be concerned at this point.

Certainly, the employment that we have talked about so much is of concern. I feel many times people who are seeking employment, many of the people I know, they are wanting to be useful in the community, and their concern is not that income is coming in for what service they render in the community but they want to still be a part of community action. I am sure Rabbi Meyer and Miss Doherty are aware of this.

A couple of years ago when the United Funds was going a little slowly, the south side was put over because of senior citizens going out and beating at the sidewalks to get it done. This was a service they could render. I have asked many of our people whom I work with, Will you do this-and-this for us? They operate in clothing stores and this kind of thing. They don't receive money for it. I think I would insult them if I offered them money. They want to be of use to the community.

I think employment, and we put that in quotes also, "the employment," and the income perhaps, this is not so great to them, to many of them at this point. I am not saying they have all the money they want and they live as they so desire, but they are concerned to be useful and to keep their dignity and the contribution they still have to make in the community.

Rabbi MEYER. I think that is a very sensible approach. I am just wondering if the age of retirement should not be advanced to 70 or 72 rather than 65.

Miss DOHERTY. This may be a little difficult to establish. I am not in favor of a particular definite retirement. I think it is in terms of the ability. As an employer I interview people in terms of what I feel their ability would be, and our personnel committee would do the same thing, and what they still have to contribute to the particular job we are interviewing them for. I don't care if they are 80 or 21, if they are able to do the particular job, I am willing to hire them. Maybe this is a very ideal, dreamy way, something that we might not be able to attain nationwide, but it seems that it is something that we can work toward.

I think we must think about our social security. I think employers must be careful not to impose on people who can receive only \$1,200 a year. A man 65 is certainly more capable of handling a job than he is when he is 72, and yet you can't pay him, and that constantly means readjusting your job description, then when he becomes 72 place it back. I hope that is going to be corrected, and it sounded this morning as if it might.

Rabbi MEYER. I think it is very essential. I think it is one of the greatest problems both for the Subcommittee on Retirement and likewise the general Committee on the Aging.

We have overlooked one thing. I would like to know what is the place of religion in the lives of the aging.

Miss DOHERTY. If I may add, I think it becomes more important than it ever has in people's lives. As I understand it, older people become closer and closer to their church. I think the church and synagogue have a definite responsibility to our senior citizens in giving them that which they need more than they ever have in their lives.

Rabbi MEYER. That is not a guilt complex, realizing that they are getting closer to the inevitable?

Miss DOHERTY. I don't think it is that. I think it is that they want to give as much to their church as they can in service. Many of them who have been employed have never been able to give much service to their religious group.

Rabbi MEYER. I think this is very important. Of course I am tooting my own horn.

Miss DOHERTY. Yes.

Rabbi MEYER. I have discovered that as people grow older they begin to mellow, they are not rushed into an upsurge of economic success. They are looking for something of peace of mind and good health. I think they come to the inevitable conclusion that religion with all its facets has an opening that will bring to the aging person—I am not saying the aged—the aging person at least some fresh, virile, sane, logical outlook on the very existence of every human being.

How do you feel about that, Miss Patterson?

Miss PATTERSON. Well, all of us are connected with the church and related agencies on this panel. I find that we have many, many questions along this line. I don't know, I sort of agree that some of them are beginning to shake in their boots a little bit and have some questions, thinking of what is going to happen, thinking of what they have done in the past. But I think the majority of them have a

definite, sincere concern about questions that have remained unanswered. Many questions our churches are in fault as we don't deal with too much because we don't have the answers ourselves. It is a question that all of us are wondering about. I know I have many questions in counseling of life after death and this kind of thing. I think religion is certainly an area that becomes more to the forefront to these people because they realize many of the questions have not been answered in our churches in the past and they are seeking an answer to them now.

Rabbi MEYER. That is a fundamental weakness of churches and synagogues. That is a confession on my part, of course. I am just wondering if there is that modicum of fear of the inevitable, or heaven or hell, that might have something to do with their aggravated approach to these problems as they grow a little older. They are looking for serenity. I think they can find one of the adjuncts after they get an adequate retirement increment. I think that is the most important thing, because you have to satisfy the inner man; you have to make possible that a man is going to find himself secure.

We have a saying in our Talmud that goes as follows: I am not going to quote the original and translate it. I think this will give the idea to the aging people, including myself. It says that where there is no food there cannot be any learning or discipline or religious ideals. You cannot go to a hungry person and proffer him some kind of a reward in after-death retribution, you have to give him something first. That is my opinion as a man of religion.

Our time is growing rather limited now, is it not, Senator?

Senator LONG. Yes. You have just 4 or 5 minutes more.

Rabbi MEYER. You argue with me. I am trying to get you a little mad.

Miss PATTERSON. I hate to disappoint you, but I am not going to argue with you.

Rabbi MEYER. Aren't you, really? I am surprised.

Miss PATTERSON. I feel our churches have fallen down, recognizing our churches as a very total part of our community. Again, our churches have wanted to put our senior citizens on the shelf, so to speak. I think all of us working with senior citizens maybe haven't recognized that these people have gone through a greater emotional change in their life than any other person perhaps that has lived their lifetime. For example, we have asked our senior citizens today, they have lived in America, which has changed from a rural to an urban to a rural society in their lifetime, and it is a very difficult thing for anyone to grasp, and for these people they still have many questions. I would hope, being a churchworker, that the church would have the answer to guide and help them.

Rabbi MEYER. We are still looking for the answers maybe after 4,000 years of trial.

The problem of suburbia is really a grievous one.

Miss PATTERSON. Yes; it is.

Rabbi MEYER. When it comes to the aging and also the younger people. The question is how long suburbia will last in our present difficulty of effervescent and transpiring and changing civilization. I do not know. We don't want to put them in a pasture; isn't that a fact?

Miss PATTERSON. Yes, sir.

Rabbi MEYER. We are all agreed on that subject. I do not feel the aging should be put in a pasture.

Miss PATTERSON. Some of them I know you couldn't put them into a pasture.

Rabbi MEYER. The question is would they be happy away from an urban environment as older people. That is the question. Of course they could do a lot of things around the house, do the chores, till the soil, build and rebuild, and construct. I am just wondering if suburbia is not one of the grievous problems of the aged at this time.

What do you think, Miss Doherty, as a final word?

Miss DOHERTY. It seems it would be so. It seems it would be much harder for them. You talk about moving people, I don't know, I don't think it helps to move older people.

Rabbi MEYER. To uproot them?

Miss DOHERTY. Ever. Sometimes it is necessary and sometimes it is very difficult. But I think if it doesn't have to be done it is best not to do so.

Rabbi MEYER. That is a sociological problem. So there are many phases.

This is an absolutely unrehearsed panel. We just got together, and I realized that one man with two women would have very little to say. But I believe we have garnered a number of facts that may be proposed to you in your further discussion.

We want to thank you for your interest, your kind attention, in the name of the three panelists.

Senator LONG. Thank you, Rabbi Meyer, Miss Patterson, and Miss Doherty, for a very interesting and informative discussion. We are grateful to you.

Now we come to that part of our program which we designate as the Town Hall meeting of senior citizens.

I see a gentleman back here in the audience who has been my very close friend for many years and was my close associate in the Missouri State Senate for a number of years when we both served there. He is now the probate judge of Buchanan County, my good friend Judge Sawyer.

On this Town Hall program for the senior citizens, the first part of it, as long as any of them desire to speak we will hear them, within the limits of our time. We are limiting this part of the program now to participants 65 years or older. This is the senior citizens time to talk. We are perfectly happy to hear their story.

After we have heard all of the senior citizens, if there is time, we will be glad to hear any of the younger people who desire to testify.

I won't require your birth certificate to check your age but I might want to see your social security card.

We do want all of you to have your opportunity to discuss any of this great problem that you desire. We are going to try to limit these statements to 2 or 3 minutes. I hope you will stick as closely to that as you can because it is one of your friend's time that you are taking. We want to hear every one we can possibly hear.

If you will see this gentleman [indicating], he will take your name and we will call you in that order.

Senator RANDOLPH. While the witnesses are arranging for their appearance I would like the record to include my commendation of the three panelists. I have seldom, if ever, heard more articulate discussions on this overall problem and the provocative comment in certain areas. It will be of benefit to the committee.

I feel that the rabbi need make no apology for the fact that he was outtalked. I think the record will show that he carried off the honors in this regard.

Senator LONG. Thank you, Senator.

The first lady who is on the list, will you take the microphone, please.

Give us your name, please, and your address.

#### STATEMENT OF MARGARET BIGGERSTAFF

Miss BIGGETSTAFF. Senator Long and Senator Randolph, I want to speak for that group who has not been represented here this morning. I feel you have been talking about the underprivileged a great deal. There is that group inbetween that we get along all right so long as we are healthy. We probably draw the maximum of social security, and as long as we stay well we do all right.

Now, I carry two medical insurance policies, and when I get sick they neither one see me through my hospitalization. That is Blue Cross and Continental Insurance Co., and they are both excellent insurance policies.

The medical problem is one of our big ones. I can soon wipe out my other savings with a big medical bill, which neither one of my insurance policies would probably take care of.

I am virtually interested in housing. I live alone, and like it, but if the time comes when I can no longer keep house, well, what am I going to do? I want housing, and there is a problem of housing here. I would like to have a good hotel type of housing where we could be cared for, probably, during sickness, where there would be a dining room, and low rental. I don't want a swimming pool and golf links, and put it way out here on the belt somewhere or out on the hill where my friends can't get to me. I would like to be downtown. I don't think we have a hotel here that is eligible for this sort of thing.

I have here in my hand a brochure from the Housing and Home Finance Agency, and it looks awfully good to me. I belong, and we have a good representation of our organization here today. What we really need here, and I would like to see, is to get some nonprofit group such as the church group or somebody who is really interested in the aging to back us. I think that we could fill a 75- or 100-bed type of that kind. Oh, we do need a good nursing home. Our nursing homes, as I said, somebody has opened them a long time ago in a big old house, you know, that's got too high taxes on it, and it is way up on a hill and far off of a streetcar line. Your friends can't get to see you, and you can't get to town, and you don't see anyone.

Then we have a very peculiar local situation because we have a big hospital here that is using our nursing homes to put their patients in. We didn't have enough beds to begin with, and I understood from the papers that they had already put out 60 of their patients and

intended to put out a 100, and I know from my own experience that that was true. And it is fine that they can take those patients in, but it leaves us in a bad place.

But I am asking you to help us on this problem of housing and nursing homes particularly. Of course, I am interested in that social security medical problem. Thank you.

Senator LONG. Will you give us your name, please, and address?

Miss BIGGERSTAFF. Margaret Biggerstaff, 2239 O'Toole.

Senator LONG. As Senator Randolph knows, we have made certain provisions in making Federal funds available on very easy terms for the type of nursing homes or type of dormitory facilities which he mentioned. There is a need for them here and I am sure someone in this community will be very much interested in them.

#### STATEMENT OF JOHN M. WOLF, ST. JOSEPH, MO.

Mr. WOLF. Senator Long, my name is John M. Wolf. I am very grateful for the opportunity of meeting all of you.

This is a serious question that is before us today. The aged need help, our community needs help. Sometimes I think probably our retirement age limits should be cut back in order to give our junior citizens a chance. We find so many of them that have gotten into trouble by not having anything to do.

With regard to the medical proposition, there should be something done in regard to that for the aged. It appears to me that it is outrageous. You go to a doctor, you get a prescription, you go have that filled, it costs you from \$12 to \$16. Sometimes I think, well, maybe if the doctors didn't write their prescriptions in Latin maybe we could go to the kitchen cabinet and fill them, 90 percent of them.

I believe that is all that I have at the present, that is, that I can think of, anyhow. I want to thank you each and every one of you on the staff.

Senator LONG. Thank you for your contribution. Mr. Elbert Spencer.

#### STATEMENT OF ELBERT SPENCER, DE KALB, MO.

Mr. SPENCER. Senator Long, Senator Randolph, it is a pleasure to be before you men because I have kept acquainted, especially with Senator Long, since he became our U.S. Senator.

That these people might know who I am, it so happened back in the days when our ladies were trying to get equal suffrage I was a member in the State of Missouri, and it all hinged on the State of Missouri whether women's suffrage came in existence. I wish to tell them that I voted for them because I felt they were entitled to vote the same as I.

In touching on this proposition I also want to call attention to one thing. I am probably one of the youngest of the people here on this panel today on this discussion, and if you wish me to say, I have passed my 71st birthday a little while back. In the years in which my wife and I have been married, only 7 years did we live in the presence of being without elderly people in our home. With my mother living to the age of 92, and my father before passing away was with us 5½ years, and my father passing away very young, it left a responsi-

bility on me which I never shirked and felt I never wanted to, therefore, I feel I can speak from experience.

We taught our own daughter—and this is for the benefit of our young people back there from the school—the art of being courteous to elderly people. We had learned it from our own experience. We taught it to her. I hope that these young people as they grow older will realize that they cannot be too courteous to elderly people.

Now we are in a position today—I will use my own experience because I feel like I can give this very conscientiously—this is the report. We had a farm which was classified as a family size farm. We sold it 4 years ago and purchased a home, making it a fully modern home, on which it was necessary that we borrow a sum of money because we were heavily in debt on the old farm. Now I wish to show that my earnings in the last year from the interest and the revenue from the farm run \$1,040. I have been compelled because of the reduction of the debt on our home in town to apply myself very conscientiously to hard work this year. I have no particular profession, but I do work out quite a lot at different jobs. I estimate by the end of this year, because I am helping strip tobacco down there from a boy in our community, will run around \$1,400, which will necessitate adjustment with my social security board. Counting my social security, because I have been twice in the hospital with heart attacks which required my retiring from actual labor on the farm, therefore I am not at the limit on our social security earnings, and the earnings is what we are basing all of this on, my earnings there was \$1,638, so that give me an overall picture of \$4,078.

As Dr. Fisher this morning spoke about those coming under social security, it so happens that I had a hospitalization policy, and at the first time that I was thrown into the hospital, and it happens to be one of the big Midwest insurance corporations with which I had the policy with, canceled the policy. Now it is impossible for me to get any real hospitalization or medical care with any insurance company. But I had previous to that attack, I was carrying some small accident policies and I was able to purchase a policy for both my wife and myself which covers her wholly and only covers me partially, therefore I have a hospital bill of \$175 a year. We maintain a car, and part of my work was under separate employment, and the car costs me around \$340; our insurance on the home is \$82; interest on the house alone is \$220. Our heat bill runs \$325, our telephone \$50, our lights \$100. Then we had to expend some necessary labor bills on the little home down there this last year which cost me \$88. We try to give as near as possible a tenth of our earnings to the church, which is \$100. We give to charity not less than \$50. Then we do feel like that our family is entitled to around \$100 for Christmas.

Then checking back we find that our groceries and our medical care and our doctor bill and the incidents for our home runs us about \$800, which amounts to \$2,475. But, mind you, we must pay this debt off on our home and the application there was \$1,750 this year, which made us a total of \$4,225 of our expenditures. You base that against our income of \$4,078 which leaves us a deficit of \$147. We can't maintain that another year, I don't believe, because at the age I am now I am beginning to break. I can see it, I am not going to be able to carry forth the hard work next year I did this year. I am not complaining,

but I know from experience, and I thought you would like to have that in your records.

Senator LONG. Thank you, Mr. Spencer.

Mr. Spencer, with an income of that size you can understand the situation that many people face who have social security benefits when over half of our citizens in Missouri who are over 65 years of age have an income of less than a thousand dollars a year.

The next speaker is Mr. Hugh Adams.

#### STATEMENT OF HUGH ADAMS, ST. JOSEPH, MO.

Mr. ADAMS. Senator Long, Senator Randolph, I happen to be at the age that I am entitled to draw social security. I am not drawing it for the reason I am making more money than I am entitled to have under it, and I suppose I should be thankful for that.

It has been my observation that industry puts the brakes on at the age of 40. Not so much as my good friend the rabbi here just raised it to, 70 years of age, I don't think the Rabbi really means it, I think he wants to get somebody mad when he said 70 years of age, because I think the great trend is to reduce it. And if industry doesn't want to employ the people, then I say reduce it, and reduce it at the expense of industry, because, after all, they must feel that that is an obligation on their part. They have to have some buying power for their products and if they don't take care of them by industry—I don't say they should pay a sum beyond what they are worth, but I do know that they put the brakes on it about 40. I think they should change that attitude.

Now, these old people, I believe somebody said there was about 17 million of them, and if there's 17 million of them, I want to say to them, you vote for people who are for you; if they are not for you, there's another way of voting. I believe that's the thing that they look at, how we vote. We don't have to make an issue of that.

Now we are coming up in the next Congress and this bill will be placed before them and I hope that they will go on record with a roll-call vote when the time comes, that they won't hide behind a vote that is not a rollcall vote. We have a right to know where our representatives stand. I think our men should know where every one of them stands because if they want to go back I think they've got to have some of the votes of these older people and these older people have a great many friends, too.

Then in the hospitalization, you know they have raised the price of your hospitals today where they have nullified your hospital bills that you can afford to pay for, I mean your hospitals that you can afford to pay for. If you have insurance they have raised the price to the point that you can only pay a fraction of it from your hospitalization. I think that, it seems as though a great many of the doctors, and I am sure it is not all of them, because I have talked to a great many doctors who are greatly in favor of the Government proposition of social security taking over the medical purpose. They are not all the same. To read the paper you would think all the medical profession stands for it. Today the way it is drawn up, the way I understand it, we can call for our own doctor, we can have our own hospital, and they really haven't got a leg to stand on. And

the doctors, I think, should be in favor of it for the reason that their bills will be paid. Before they didn't know whether they were going to collect them or not. I know a lot of doctors that handled those cases for just a nominal sum because they know they haven't got the money to take care of it.

Another thing, our inflation—if I overuse my time, call my attention to it.

Senator LONG. Actually you are past your time now.

Mr. ADAMS. If I am past my time, I will close with that.

Senator LONG. Thank you very much, Mr. Adams. Mr. J. E. Stenturf.

#### STATEMENT OF J. E. STENTURF, ST. JOSEPH, MO.

Mr. STENTURF. Senator Long and Senator Randolph, I am not going to throw any bouquets because that is something I have never learned to do.

Senator RANDOLPH. You mean bouquets to the men. Bouquets to the women I am sure you have thrown.

Mr. STENTURF. I feel myself more fortunate than a good many people here as I worked steady for the last 40 years before I retired. I am now 76 years old and I have been retired close on to 6 years. At that time I made a little better money than the average man working in the packinghouse. I always worked on a job that paid a higher scale. And then beyond that I have worked nights on a job that paid a bonus for working nights. Now I want to say why I consider myself more fortunate. This is leading up to it.

Back during the time me and my wife lived close, after our children were gone. We tried to educate our children and gave a pretty good education to some of them. We tried to live close. I told my wife, while we lived close, I told my wife that I was glad other people didn't live as close as we did, that there'd be a depression, and that's a fact. We didn't go in for any frills or anything during that time. I owned a couple of old cars, but I don't own any now. I said when I retired, not because of age, you remember they had a bracket in the insurance that you could retire in so many quarters, I took advantage of that and I made it by the skin of my teeth. After I made that, then I got \$52.50 from Armour & Co., not now, I get it now, but at that time it was \$45, I got \$52.50 from Armour & Co., gives us a total of our insurance of \$226, and we get along all right on that but we have had to do some—we own our property—we have had to do some repairing. We had to put in a sidewalk, we had to put a roof on the house, and I think by that time, by everything we just about come out even. We had a little money we didn't have to dip into it. What I think about now I don't expect to get anything on any welfare business or anything of the kind, but I am concerned about the medical bill because if you have a little money and you have a medical bill it wipes it out. You know that; anybody knows that; it wipes it out, even if you have a little. Then if you have insurance, which we do have insurance, it only pays a fraction of what your bills would be, and besides in so many of these there is a cancellation clause. You go to the hospital and have a severe sickness and come back and then if they think you ain't a good risk then so many of them have a cancellation clause, so where are you at then?

Now about hobbies on the old age. I keep exercising. I am not in invalid health; I consider myself in prime health. I have never had any sickness and my wife has never had any sickness. That is why we are able to be a little ahead. About hobbies, I never had a chance to learn a hobby; I never had a chance to learn music. My parents were poor and I think there's a lot of people that don't have these hobbies that Mr. what's his name talked about being able to retire to. I know a lot don't have hobbies and I know a lot of people close to me that hasn't had the things to fall back on that I have.

Now, perhaps I had better stop.

Senator LONG. I never thought you were 75. I was getting ready to check to see whether you were 65 or not.

Mr. STENTURF. I tell you, just let me say this, if it wasn't for the reason why that they had any clause in the contract with the union, I wouldn't have been there to 75. Now a man can't work there until he is 70—or until he is 70, I think. I think I could have worked on until I was 75, but they kept at me trying to get me out.

Senator LONG. Will one of you pull that cord up to the microphone so they won't trip over that. Mr. Harry Steidel.

#### STATEMENT OF HARRY STEIDEL

Mr. STEIDEL. Senator Long, I think I can speak loud enough here. It scares me to speak here and more so before the mike.

My concern is mostly with hospitalization and sickness. I don't know what would happen should a large hospital bill and sickness come along. I do have some hospitalization but not enough to last any length of time. That's about all I have to say.

Senator LONG. Thank you, Mr. Steidel. Mrs. Judson Hughes.

Mrs. HUGHES. Senator Randolph and Senator Long, I am not the proper age—

Senator LONG. Unless you are 65 I can't permit you to testify at this time. We want only 65.

Mrs. HUGHES. Your nice young man took my name, so I will wait until later, thank you.

Senator LONG. If you will, please. Mr. Stanard.

#### STATEMENT OF MR. STANARD

Mr. STANARD. Senator Long, Senator Randolph, I have been a very much interested listener, being past the retirement age, and I am not going to tell my age, but I hope you will guess it, though. But there are a few things that interest me very much.

I think anyone who would say there isn't a problem for the aging is, to say the least, naive. So are there problems of many other kinds. The question is, How far can we go now to solve them in view of what are facing in a worldwide way, a deficit in our budget at the present time, and the danger, I see the danger of inflation weakening the reserves that people have been able to save up to the point where we magnify the problem that we are now facing instead of helping.

I can't see, for instance, why we call financing hospitalization or medical bills through social security retirement plan as being insurance. After all, the need for the aged is here today. There are many, as has been stated, beyond the age of 65, and they have needs

now. Now, they are unable to contribute. And if we ask those who are working today to contribute to their aid, then those young folks who are now working will not be able to build up a reserve for themselves when they get aged, and thus we do not solve the problem. We simply help expand the problem.

I think any plan—it has been my observation through all the years that any plan which does not include local responsibility for its cause is very dangerous. That's one thing that I fear of the Anderson bill. I think the bill we have now that Congress passed at least provides an opportunity for States to participate, as this community has in trying to solve its own problems in a minor way.

I thank you for this opportunity.

Senator LONG. Thank you, Mr. Stanard. Mr. John Chellew, I believe it is. Are you 65, sir?

Mr. CHELLEW. I am 70 and past. I have proof here that I am 70.

Senator LONG. I will take your word for it.

#### STATEMENT OF JOHN CHELLEW

Mr. CHELLEW. I am president of the Over-60 Club of the Wesley Community Center, and if I wasn't 65 it couldn't be done.

All who I have ever talked to about medical aid for the aged are in favor of and want it through social security.

Insofar as hobbies are concerned, if there's any of the aged people in St. Joseph that haven't got any hobbies and want a place to go that they might entertain themselves, they can come to the Wesley Community Center and it doesn't cost them but a dollar a year for membership and we will give them all the entertainment that they want.

I thank you.

Senator LONG. Thank you.

Are there any other citizens here over 65 who desire to testify? Mrs. Ethel Kelly.

#### STATEMENT OF MRS. ETHEL KELLY

Mrs. KELLY. Senator Long and Senator Randolph, one thing I would like to say. Yesterday I had a neighbor across the street who had a heart attack, and she called a doctor. Well, she had to pay the doctor's call, and he gave her two asthma shots, and she had to pay for them, and he wrote her out a prescription for a heart medicine and the doctor brought it down and it was \$19.50 for the medicine.

I also have another friend who is a shut-in, and she is on welfare, and she pays at least not less than \$50 a month for her medicine, and they have a tight squeeze to make a living, and they have about half what they would like to have to eat.

Another neighbor I have is on relief, and she has been down to Columbia about 10 or 12 times for an operation free of charge, and she gets all of her medicine free of charge. I cannot understand why one citizen isn't allowed medicine if the other one is. I thank you.

Senator LONG. I thank you. Mr. Jim Hartnett. I believe you 65-year-old fellows are getting younger every day.

Mr. HARTNETT. 66.

**STATEMENT OF JIM HARTNETT**

Mr. HARTNETT. Senator Long, Senator Randolph, and committee, it is a little difficult to speak extemporaneously, but I will try.

Social security to me is the first Christian ethic that our Government ever attempted. It is a start.

Some say, I heard one or two say, that some didn't pay very much into it and yet they were drawing money. I say that it had to start somewhere, as we all know such things happen, and as far as it being a burden on the young, most of us contributed young, and they will continue to pay for 40 or 50 years of working life. I myself work for a company that they are interested in their employees and they enabled us to also pay for an annuity, so I feel that I am very fortunate. Most big companies should be encouraged to do such things. As far as saying a man should work on beyond 65. I say that no big company can exist in this competitive world without the young, dynamic driver. The older men become stagnant, worn out. Their ideas are exhausted. You must have young men to drive this country, just like you need them to fight our wars.

I think it is the duty of the Federal powers to try to help all the citizens, rich and poor. Now, I am opposed to limiting social security to \$1,200 or any other thing. If a well-to-do man wants to pay into it, he should; and if he wants to draw it when he retires, or any other time, that should be so, too. It is wrong to class society because some have some money and some don't. It all goes to—I don't understand money, of course, but I do know if you get the money down to the grassroots we will always do all right, and that's where you've got to start, down among us little fellows. I am a millhand and have been all my life. I worked 35 years on one job, but I know, and I have relatives and friends who are a lot worse off than I am. I think in this big country of ours that it will not ruin it, it will make it greater if we are more concerned and finally find the key to how we can make it possible for all men and women to hold their heads up and be halfway independent in their declining years. I thank you.

Senator LONG. Thank you, Mr. Hartnett.

Mr. Hartnett, you do pretty well speaking extemporaneously even if you are a little nervous, as you said.

Mrs. Elise Nielson.

**STATEMENT OF MRS. ELISE NIELSON**

Mrs. NIELSON. Senator Long, Senator Randolph, and friends, I have such a few words to say I prefer not to use the mike.

My fear is medical and hospitalization. I was not operated on, but my medical bill was over \$600. I had a broken arm, that was \$86, and then I had to have X-rays, that was almost \$100, and then I was 1 week in the hospital, not operated on, that was over \$400, so that is one thing that worries me is the medical bill, the idea of that. In time I may have to be operated on and that is what worries me.

Senator LONG. Thank you, Mrs. Nielson.

Mrs. Regina O'Rourke.

I believe that sounds like a good Irish name.

**STATEMENT OF REGINA O'ROURKE**

Mrs. O'ROURKE. It is, and I have kissed the Blarney stone.

Senator Long and friends, my complaint may be a personal one. I am a retired State employee. The last legislature voted an increase and because I retired before October 31 of 1961, I am denied one-sixth of 1 percent. That I cannot understand.

Another thing, I am also entitled to a railroad pension, but on account of my social security I am denied it. My concern is like the rest of the people here. As long as my health and my husband's health is good, why, we are safe, but suppose we should have a sudden and expensive illness, then what?

Senator LONG. Thank you. Mr. Frank R. Smith.

**STATEMENT OF FRANK R. SMITH**

Mr. SMITH. Senator Long, Senator Randolph, I spoke to you this morning in behalf of the Central Labor Council of Missouri. I am speaking to you now as a retired man out of employment.

The company I worked for has been very good to us in the employment situation under hospitalization. They have shared half the costs of our hospitalization. The union itself paid the other half of our hospitalization, but our retirement members got so large it became impossible for the union to carry its burden of paying half the insurance for our retired members, so the retired members pay that part themselves along with half that our company pays. But in taking their retirement the insurance company automatically cut my insurance to \$1,100. Now that is the hospitalization that I have under my present employment where I retired from. They eliminated my entire family off of hospitalization. Now, I've got to go out and buy hospitalization for my family. And at the age of my wife it is almost impossible to buy hospitalization that I can afford.

Certainly I can't pay any \$6 or \$7 a month under the retirement money that I have for hospitalization. I have a little money saved, it is going to take my money, but I am going to buy some hospitalization. But the hospital authorities here in St. Joseph, every time I get a hospitalization policy that raises your hospitalization room rent up a couple of dollars, they immediately raise your room rent up a couple of dollars more. What burns me up is this, that your medical society, the AMA, and the chamber of commerce, they squealed to the high heavens in 1936 when we was passing social security, it is socialistic, it will cause the country to be socialized, let's vote it out. The same people who squealed about social security in 1936 are the same people that's knocking this medical program attached to social security which they claim is socialized medicine and I can't see it. I thank you.

Senator LONG. Mr. Walter Daffron.

**STATEMENT OF WALTER DAFFRON**

Mr. DAFFRON. Senator Long, Senator Randolph, I am not speaking of too much experience, I think you have had enough of those examples. I would like to point out this: We are in a transition period with our senior citizens. We are going from one organization of society

where children took care of their aging parents over to a new concept. That is what we are in right now. I was trying to say that we are changing from a concept of taking care of our senior citizens, from the old idea that the children took care of the parents, over to a new concept. We are in that changing period right now.

I do think that it is up to our Congress to look after that changing period first. Certainly we need some type of legislation that will take care of these medical bills.

I am only asking this, please do not forget those senior citizens who are not under social security.

For those who are under social security, fine, but don't leave out the rest of your citizens, they are just as needy and have pains and need of hospitalization just the same as others.

The other thing that I would like to speak to, Rabbi Meyer mentioned, and that is the preparation for this period of the senior citizen. What are we doing looking toward this period of time when we all are going to have to lay down our labors? Are we doing anything? Are we making any plans? Whose job is it to train middle age for these senior years? Those are some problems we cannot go on continuously in this period of change. We will have to settle down and look toward some program that is more stable than what we are in now. I thank you.

Senator LONG. Thank you, Mr. Daffron.

We are having some difficulty with that speaker there. Who knows how to operate that?

Is there any other citizen over 65 years of age who would desire to speak?

(There was no response.)

Senator LONG. We will open the door now.

This young lady here who wanted to speak a moment ago. We will be glad to hear you at this time. Mrs. Hughes.

#### STATEMENT OF MRS. JUDSON HUGHES

Mrs. HUGHES. Senator, since I addressed you before, and all of you are all of our friends, because we don't want to in our country believe to be one against the other, I will not say again that, but I will say this, I also am a doctor's wife. Now it is not only the doctor but it is the whole family that goes into this business of taking care of people.

I called the newspaper this noon, since I had asked a number of people here with no success, to find out what our national debt was. It is \$297 billion. How can we add too much to this and keep our country free?

This one thing I saw when we were off with doctor in the service, we would say that in a little way, they would say, "Are you a WAC?" and I would say, "Oh, no, just wacky." We had three school-age children, so we went here and there. At first we did not see the boys who came back, but before the bomb was dropped they all came to our base, which was Travis Field. Then after a while my husband thought we and the children could help welcome them back and see what had happened. If you would see the wheelchairs, some of them with two arms and one leg gone, some with only maybe an arm and leg, you won't forget this. They did this for us to keep us free. Many

gave their lives. But I believe it is hard to be here with the stigma they, too, can hardly be employed. Now I want you to remember that. You can forget about the debt because we all do, we can't remember figures, but please remember these boys and men who gave their lives, who gave their arms and legs, and remember to fix our country so we can stay free. Let's throw out the ideals of Karl Marx and Engels and some of the other things. People don't realize that these things have been brought to us in our country. We used to be families, but what are we now? We are dependent children. We are doctors. I think the labor people should be called artisans. Many worked in our house and did just the finest kind of work. I don't see why we are divided every kind of way. We used to have the beloved grandmother and grandfather in our country. And in the old-time China they said, "What is your wonderful age? I am a miserable 23." Of course, of which I am more than double. But I just want you to know that in whatever planning you do for us, please do not saddle our country so that I don't know what would happen, what would happen if we had debt upon debt upon debt. I am asking you Senators to tell me.

Senator LONG. Mrs. Hughes, you realize, of course, and I judge you are speaking in opposition mainly to the King-Anderson bill. I am not sure, of course.

Mrs. HUGHES. I do not believe in the King-Anderson bill.

Senator LONG. You understand the King-Anderson bill places nothing in the national debt of any kind.

Mrs. HUGHES. It would be paid from social security but not all people are on social security.

Senator LONG. No, but if your States passes the Kerr-Mills bill there is need there and then that takes care of the ones that do not, so those two bills dovetail together.

Mrs. HUGHES. But do you think, sir, that somebody's grandmother or aunt or even brother or sister who was a millionaire, do you think that he should have the right to be taken care of? Why not use the money for the people who really need it, I mean the main difference between the two bills is means, I have had many people tell me that.

Senator LONG. That is as I understand it, I don't want to argue, that is the objection that many senior citizens have to the Kerr-Mills bill, as I understand it, and we have heard at these meetings they do have to take what they call a pauper's oath. I realize they don't do that, but since it is based on need, many of them refer to it that way. I think it does away with their independence. Many of the senior citizens have testified in these hearings they feel that is the same to them as buying a policy from the private insurance companies that they pay in during their working and earning years and then when they reach the retirement age, 65 at this time, that they have, you might say, a paid-up insurance policy that many of us like to have of other types of insurance, and they know it is in a solvent company, the Government, that under that program it will all be available to them. As we have sensed from these people who have testified today, their biggest fear is they will not be able to take care of their hospital and medical payments and they don't want to have to depend on charity. Certainly no one can ever say that the doctors haven't done their part. As a profession they have been most generous with their

time and talent and carry actually a much bigger burden in taking care of citizens with very low incomes and indigent citizens than I think any society would have a right to think of any professional group, much more than we lawyers have done.

Mrs. HUGHES. I think you have been very nice in hearing both sides and I think it is very nice of Senator Randolph to come. They say St. Joseph is the farthest north that southerners will come to live. I don't know if you will come and join us some day.

But we want to have our country free and we want to have our people free. And our older people, I wish they could go back to being the dearly beloved grandmothers and grandfathers and living in the family home.

Senator LONG. Senator Randolph.

Senator RANDOLPH. I respect, as do all here, the sincerity of purpose expressed by Mrs. Hughes. Perhaps the freedom and justice of our country is best exemplified by the fact that we can disagree, with dignity, as Mrs. Hughes is disagreeing, frankly, with me. I do not share, of course, her thinking on this matter of procedure or plan.

I remember my mother, as I recall her now, young and eager. When I took the first step down the slope with a pair of homemade skis, she didn't sit back in an easy chair in a warm room, she was out on the snow-covered hillside with me. Yes, the beloved mother or grandmother, she is often, frankly, actively by the side of her children—encouraging them.

I hope this is not misunderstood, Mrs. Hughes, our social security system didn't cause World War II. Greed and perverted power did that. Ignorance and fear and poverty—these are the basic causes of conflict. We can remove the fear for older folk, in part, by providing medical care through sound pay-as-we-go practices under social security.

Senator LONG. Mr. L. McBrayer.

#### STATEMENT OF L. McBRAYER

Mr. McBRAYER. Senator Long, Senator Randolph, I kind of wanted to get in on this for one particular reason. I happen to be a retiree on the age of 62, and that was one of the happiest moments of my life when the bill was passed and signed by Kennedy permitting a man at the age of 62 to retire. We paid our social security, the company paid their part, and we don't feel that we are accepting any charity.

I would like to say this one thing, I wish I was the type of speaker who could remember the details and then explain them to you in a manner that everyone would understand. The panelist over there, I don't understand no part of that. They talk about a man and he should go until he is 70 years old, and he is in the prime of his life, and one thing and another. I happen to be a fellow who hasn't spent any time in the hospital and very little time under the care of a doctor. I started to work, as most older people did, when they were just boys, and the last job that I was on, I was on that job for 37 years and retired, and I wouldn't hesitate to suggest that any of you can investigate my work record with that company. I left, I believe, as one of their good employees. The fact of the matter was, that with automation the machines were gradually growing faster; with age I

was gradually growing slower. As I say, I was on this job for 37 years; consequently, I had never had any experience on the other man's job so I don't know the type of job that the Rabbi had reference to where a man would continue to work until he was 70 years old and show any indications of any kind of life, let alone the prime of life. Automation is fast. I was considered a fast worker, so I am not standing here with any fear in my mind that you people can prove that I was slow or lazy or anything else. My record will speak for itself. I stayed as long on that job as I felt I could safely stay. I am satisfied that a good many of these men who are around talking about what they are going to do, and one thing and another, are in the same position that I am in. The Rabbi talks about preparing yourself for this time when you are going to be 65 years old. I wonder what we are going to prepare it on. I wonder if he has a good knowledge of the wage scales that you have been paid.

I am a married man, have been married 37 years, raised a family of four people, lived in a modest home. I don't recall we ever had a new car. I do not at this time have a bank account. We have never been extravagant. I try to point all these things out. We do own our own home. I left that job with the little bit of insurance we are allowed to have that amounts to, as the previous speaker said, we both came from the same place, \$1,100. At the present rate of hospital bills, doctor bills, medicine, and one thing and another, that is the only fear that my wife and I have. We live on this small reduced income that I have, we will manage that part all right, but we live in fear of the fact if there happens to be a sick spell, what is going to happen then, what are we going to do then? How about that innocent victim at home, that wife? She is going to suffer, too, more than anyone. So if any preparations can be made with social security, let me add—I am getting all mixed up—we started paying when that law went into effect, so I believe it is an obligation of the people who are left who are able to work. We provide them with a job if automation doesn't beat them to it. When I walked off the job I at least made room for another man, if they don't shove in a machine that will eliminate me and the other man both. If I wanted to go out and get a job, if I wanted to stay at work I would want to stay where I was at. I have a boy, he can't even get a job, where would he go to get a job?

It is the hospitalization that does worry me, or any security that we as citizens of the United States are entitled to as a result of our taxes that we have made the work we have done in our communities for our employers and so on and so forth, so when we get old there is no reason why we should be forgotten.

Senator LONG. Thank you, Mr. McBrayer.

Mr. H. H. Heath, H-e-a-t-h.

#### STATEMENT OF H. H. HEATH

Mr. HEATH. Senator Long, Senator Randolph, I am very much interested in the medical part of this hearing. I am retired on disability. I am not 65, I am not even 60. But during the past few years I have had two coronary heart attacks, I am not allowed to work, and therefore I am retired on an annuity. My wife is not in good health and is not able to work, therefore we must live on this annuity.

Now, I do have a hospitalization policy and I am able fortunately to carry it during the time I am off for a number of years. However, that has been cut down, as the previous speaker said, to the point where I have, I think, about \$10 per day for hospital room and board. I think most everyone here knows that very little or probably half or a little more if you go to the hospital. Therefore I am very much concerned. Maybe I am speaking a little premature, a little ahead of time, but nevertheless I know those things happen to people. I know it happened to me in the past on hospitalization, I know it is very liable to happen again, and I am concerned whether or not I will be able to pay if I do have to go.

I sincerely urge this committee to give all consideration to this medical bill between the Anderson-King bill to medical aid to social security and retirement. I have worked on the railroad and therefore I come under the railroad retirement.

Now, I think Dr. Fisher stated this morning that one of the things he was opposed to in social security was the fact that an employee who might only pay a small amount into it would get the same benefits that the employee who had paid over a number of years. I might state that when our Railroad Retirement Act went into effect in 1937 the railroads at that time, many of the railroads, at least, had given a small annuity to their retired employees, very small, \$30 or \$40 a month, and then taken over onto the Federal Retirement Act, and they were paid an annuity under that Retirement Act as though their years of service had been paid for under that act. Now, a while, of course, it made somewhat of a strain on the plan, yet we were able to go ahead with the plan, and today it is solvent and has a very good fund built up. So I can't see that that would be any deterrent to this problem of putting medical care under the social security and retirement.

I know that I have been active in our railroad union. I know many fellows who have retired who are older than I, but who I worked with. I know that they had, I know several instances where they had a small amount of money saved up, maybe \$3,000 or \$4,000 when they retired. They received an annuity, and then either they or their wife or some of their family got sick, and they used up that fund, they had no hospitalization insurance, they used up that fund, and today they have maybe their home and that's about all that's left with only the pension that they receive, which certainly is not adequate to pay for hospitalization and medical care. I certainly don't want to—I have worked all my life, I have raised a family, and several of those boys are married and they are raising families and they are buying their home and I certainly don't want to be a burden on them. I don't intend to be. So I feel that it is of the utmost importance to me and to all the other people who have retired that there is some provision made for medical care, and I firmly believe that it should be under railroad retirement and social security.

I thank you, sir.

Senator LONG. Thank you, Mr. Heath.

Is there anyone else who desires to be heard at this time?

UNIDENTIFIED LADY. Senator Long and Senator Randolph, I am not eligible for either social security or old-age pension. My husband and I are both retired and neither one draw anything of that kind.

I am not too well. I have had quite a lot of sickness in the past year and operations, and so forth. Now, we are living on an income that we have managed to accumulate throughout the years and our one worry is what would happen if we would have a prolonged sickness. We are apartment house owners. Just recently I tried to get a doctor on the 15th of the month for an old-age man that lives on social security and old-age pension who is a tenant of mine. I called, I expect, five or six different doctors. None of them would come. Finally one of them agreed to come if the old man would pay for an office call that he had made sometime previously as well as the call that he made at that time. Well, I said, "I believe the old man can because he got his social security check today but if you will hold the wire I will go back and inquire." I asked him if he was in a position to pay the doctor and he said he was. So the doctor did make the call. He was having a heart attack at the time. Now, after the doctor came this old man the next day came and knocked on my door to tell me the results of the doctor's call. He said the doctor had charged him \$14 for making that call, plus an office call besides. Now, I think that we certainly need some help for—I have had other cases where I have called on the welfare board and the Salvation Army and other agencies to aid tenants that I have known were in need, and I have always wound up that it came out of our own pocket, none of them were able for some reason or other to take care of the case.

I certainly think there is a sad need for help for the aged. I don't expect to draw any of it because we don't draw an old age pension of any kind or social security either, but I certainly would like to see that bill passed.

I thank you.

Senator LONG. I thank you.

I believe those are all who desire to be heard at this time.

If there are some of you who do have some suggestions, comments, that you would like to give to the committee, if you will check with the staff members at the desk here and there is a paper and envelope that you can write them down and mail them in and the staff and the committee will consider it.

May I say to you again how honored we are to be here today, how deeply all of us on the staff and the committee appreciate your courtesy and your attention. It has been a great pleasure for us to be here. It is great to be in a country, as Senator Randolph suggested awhile ago, where we don't all agree, but there are different views, and we are all trying to do what we think is best for all the people, and that we can have meetings of this kind and sit down on a friendly, cordial basis and discuss them and try to work them out.

I have been particularly happy that my colleague, Senator Randolph, from West Virginia, could be here with me today at this hearing.

Senator Randolph, we are grateful to you for coming. I am going to Springfield. I am to have a dinner here at 6 o'clock tonight and I am to drive and get in there at 3 o'clock and have a radio meeting at 8 o'clock and begin a meeting at 9 a.m.

Senator RANDOLPH. Senator Long, ladies and gentleman, I want all of you to realize that the 1 State of our 50 States in which the

most hearings are being conducted on this subject matter is the State of Missouri. Six hearings are being conducted by Senator Long in various areas of the "Show Me" State, and you have been telling us.

I think the comprehensive manner in which Senator Long has attempted to focus attention on the problems of the aging augurs well for the cooperative effort which your spokesmen and others in the Congress must foster in these months ahead. We are stimulated by such human documentation as has been given this afternoon. I am grateful for the opportunity to share in the responsibility which Senator Long and others on this committee desire very sincerely to carry forward in the coming weeks. We shall formulate the possible policies which may later be enunciated into law.

Thanks again, Senator Long, for working so effectively. I am grateful for the constructive attitude which has been indicated by all those, the citizens of this State, who have participated.

Senator Long. Thank you, Senator Randolph. The meeting is adjourned.

(Whereupon, at 4 p.m., the meeting was adjourned.)

## APPENDIX

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SOCIAL WELFARE BOARD,  
COUNTY OF BUCHANAN,  
St. Joseph, Mo., December 29, 1961.

HON. EDWARD V. LONG,  
U.S. Senate, Senate Office Building,  
Washington, D.C.

DEAR SENATOR LONG: We, the undersigned board members of the social welfare board, desire to have the following information included in your minutes of the hearing on the aged, recently held in St. Joseph, Mo.

The above-named agency is a city-county tax-supported agency, responsible for furnishing medical care to the indigent sick of this county. About 60 percent of those served are over 65. We hold daily free clinics, furnish dressings, drugs, tests, X-rays, and medical appliances. Three part-time physicians treat those patients and make day or night house calls. Those in need of hospitalization are admitted to the hospital, with this agency assuming costs of those not on State aid or paying after the State aid has been exhausted. We also pay hospital costs of those whom the State rejects for any reason.

Hospitalized patients of this agency are treated in both our hospitals free of charge. Doctors operate on a rotating basis and cover all fields of medicine. In 1960, using the Blue Cross-Blue Shield rates, doctors donated services totaling \$33,560. The following statistics for the year 1960 show our activities:

Individuals treated in clinics.....	6,784
Home visits by doctors.....	909
Hospitalized patients.....	592
Outpatients treated.....	207

This agency paid local hospitals the sum of \$46,937.73 during 1960 for hospitalized patients; 64 babies were delivered and 8 burials were provided.

Medical care is provided persons receiving social security benefits or other benefits if they are classified as being indigent. We feel that persons in this county who are unable to furnish their own medical care are receiving the most adequate care available. All county and city resources are mobilized in one agency to furnish this service. There is no difference in the treatment given welfare board patients, either by the hospitals or attending physicians.

Yours truly,

WILLIAM ROSENTHAL,  
*President.*  
LIBBIE LORAIN GOLDMAN,  
LELAND B. SHEWMAKER,  
P. A. KNEPPER, M.D.,  
W. L. KEENEY,  
JULIA WOODROW EDMAN,  
*Members.*

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DECEMBER 11, 1961.

DEAR SENATOR LONG: I do not feel like speaking, but our need is really very great for medical and hospital aid through our social security—and it is immediate.

I am 66, a widow, and live alone in a modest home in which I've lived 33 years—it is free of debt. I own a small piece of income property which gives me less than \$100 a month. I have \$32.40 social security. I sewed until my eyes were weakened. I get along fine since I have good health now, but a few years ago I had an operation and a broken wrist so I have nothing now to fall back on and do not carry insurance of any kind. There simply isn't enough

money to cover it, so I simply told my children, who live a long way off, not to call a doctor or send me to a hospital because I can't pay for it. Thank you for coming and may God bless you.

Sincerely,

Mrs. GERTRUDE HURL,  
2515 Jackson Street, St. Joseph, Mo.

DECEMBER 26, 1961.

DEAR SENATOR LONG: I think the aged are getting quite a rough deal. We did not receive the wages they are receiving today, and such small checks as I and a great many more receive and I have carried and paid on social security since the cards were issued and then I don't get enough money to live half way right. If I would get sick I sure don't know what I would do, as the doctors are charging such enormous prices and the hospitals also, and there isn't any work here for older people. We are just at the mercy of you to do something about it. There are quite a few I know who paid 18 months that are receiving larger checks that number I know as well as myself. Well, I felt after seeing you, you were the type man who would do something for the aged. We can do without some things as long as we are well. What sad condition when we get sick.

Hoping we will get results, thanks.

Respectfully,

ETHEL HERPEL.

DECEMBER 26, 1961.

DEAR SENATOR LONG: I believe that it is the responsibility of—

1. Middle-aged (and younger) persons to plan their own futures, prepare for their own retirement;
2. Older persons to maintain their mental and physical health, well-being, and growth; to continue their education, acquire knowledge and new skills; to expand their participation in community affairs;
3. Government, industry, and associations to provide preretirement planning programs (the program now being developed for employees of the U.S. Treasury office is a good example);
4. Communities to provide opportunity and incentive, develop programs for the aging;
5. State and Federal Governments to prod the local communities into action, provide guidance in planning, setting up, and strengthening local activities, services and programs and to insist that the older persons themselves are consulted and included in the projects.

My greatest concern is the deplorable waste of time, talents, and knowledge of our senior citizens. This great resource must be put to work for the good of our communities, our Nation, and the oldsters themselves. We need to change our style of thinking and acting—deemphasize the value of working for pay. A (retired) person's worth is determined not by what he can earn in dollars and cents but in what he can and will contribute to society.

I believe that—

1. Social security benefits should be related to the cost-of-living index;
2. There should be an increase in the allowable earnings of people who draw social security;
3. Provision for the inclusion of older persons not covered by social security in the plans for health insurance for the aged;
4. Widow's benefits should be increased to 100 percent of the husband's retirement benefit;
5. Time for retirement should be flexible, based on the desire and ability to work, not on age.

Thousands of Missouri's older residents are better off than their fellows, through membership in the National Retired Teachers Association (organized in 1947) or the American Association of Retired Persons, open to anyone 55 years of age or older (organized in 1958), and with the nonprofit services available to them retirement income goes further. These persons save up to 45 percent and more on prescription drugs. Speaking from personal experience, I am currently buying a prescription drug through the Retired Persons Drug Service for 45 percent less than the same prescription cost me through a local druggist. Many dollars are saved each month on health insurance. Nonprofit hearing aid service is available; also leisurely paced, European travel tours.

These persons are inspired, entertained, and educated through the pages of the NRTA Journal and Modern Maturity magazine. They are informed through the news bulletins.

Educative articles on preparation for retirement are especially valuable to the nonretired members.

America may well be proud of those two very fine national associations for her elder citizens.

We can very well do without any organization whose purpose is to organize older persons into a political pressure group.

Yours is a factfinding committee. As such, you may want to consult Mr. William C. Fitch, executive director of the American Association of Retired Persons and National Retired Teachers Association (Suite 419, Dupont Circle Bldg., Telephone, Decatur 2-7836). His conscientious approach, his vast experience in the field of aging, and his wealth of information should be very helpful to you in arriving at the facts.

Mrs. H. H. BROOKS,  
2704 South 17, St. Joseph, Mo.

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DEAR SENATOR LONG: First I must congratulate the committee in making such a survey of medical care.

I am fortunate to have a small apartment and a small salary along with my social security totaling \$140 a month.

I have had kidney stones three times along with one prostate operation. Fortunately I went to an area hospital that recognized my financial situation and let me out very reasonably, had it been locally it would have taken perhaps 10 years to pay off. I have had hospitalization policies but riders would be placed so their insurance now is of no value to me. My general health is considered good and I would not object to pay for such coverage but who wants it at my age—69.

It's too bad this committee could not really know so many people being milked of their life savings. Jesse James was a piker.

My only wish if I passed out that it is quick as my small life insurance would perhaps give me a decent burial. I am a widower and keep active.

I don't understand why the AMA are so much opposed to this bill. Do they offer any reasonable plan for this care?

I only wish I could offer some solution for this care.

I certainly don't know what I would do if it wasn't for social security.

Hoping very much something will be done if not for me then those who are really getting milked.

Yours very truly,

WALTER SEDEY,  
508 North Ninth Street, St. Joseph, Mo.

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DECEMBER 16, 1961.

DEAR SENATOR LONG: I did have an opportunity to speak:

I am among the more fortunate senior citizens, in that I have a maximum social security benefit of \$105 per month; out of this I clothe myself (usually), have two medical insurance policies costing \$9 per month and \$15.80 Blue Cross, Blue Shield every 2 months; rental, grocery bills, a cemetery lot, a burial monthly \$10, magazines, books, a tithe of \$17.50 to my church, my brother has generously given me possibly \$200 every year, and at times I have had to use capital when insufficient funds were my lot. I am among the middle class who rate with doctors as able to pay full charges and I find that they usually double what Blue Shield, Blue Cross allow for surgery, nor do hospitals make any allowance for age. That, I could not say lest they refuse to accept me as a patient.

But I'm particularly interested for myself and the organization of American Association of Retired Persons and Teachers (150 members) in housing.

Rents remain high ever since the war; low rental property is undesirable, and poorly located.

At present I am happily located with another retired teacher, but I find it increasingly difficult to climb stairs to my apartment. I am now 75 years old and get about fairly well. But against that day when I am unable to do my housework etc., I am helpless. A nursing home is the answer, plus a time. I

hope, in a low-rental hotel type of apartments for "senior citizens," where some form of nursing care, dining service and elevators would be available. Tested interests do not want such housing and nursing homes are crowded with 3 or 4 in a room, sometimes more, in old homes far out with steep stairways, and other unsatisfactory factors—charges from \$200, \$250 to \$300 per month. This is our St. Joseph situation for me and worse for lower incomes.

MARGARET BIGGERSTAFF.

DEAR SENATOR LONG: There are some elderly persons on old-age welfare which have been refused to draw if they live with relatives, but if they lived in their own little home or apartment could draw.

As soon as they no longer keep house and move in with relatives it seems it is taken away from them.

They like to feel independent and not living off of their relatives.

If the medical plan is put into the Social Security Act, those who are not under social security would not be able to get this benefit.

I would like to see a plan which would help all the aged who need it.

I suggest a plan whereby medicine would be supplied to each county for relief work at factory cost plus 10 percent to 15 percent, then furnished by the county free of charge to patients who could not afford it in any other way.

GLEN C. YARRINGTON,  
GLADYS L. YARRINGTON,  
ORA O. GOFORTH,

1204 Lincoln, St. Joseph, Mo.

JANUARY 12, 1962.

DEAR SENATOR LONG: I hope the social security laws can be amended so that single persons of either sex who support either minor or elderly relatives will be treated exactly the same as man, wife, and minor children are now treated by the social security laws.

I have in mind a male citizen over 65 years of age, single, who for years has supported his aunt and said aunt has been his housekeeper. Said aunt is now 96 years of age and for several years has required medical attention. Recently the nephew has had a heart attack and has been forbidden by his physician to work. Although they live in a city far distant from me, my impression from correspondence is that both he and his aunt are dependent solely upon the nephew's social security payments. If said aunt could receive one-half this nephew's social security amount just as she would if she were a wife, it would be a great help to her, and in my opinion only just.

Although at present I do not know of any other instances of single persons supporting elderly parents or other relatives or of single persons supporting minor children relatives or otherwise, it appears to me urgent that social security be amended to cover all of these persons.

With thanks for your attention, I am,  
Sincerely,

VIDA REARICK,  
301 South 12th Street, St. Joseph, Mo.

DEAR SENATOR LONG: In visiting senior citizens in different hospitals and in their homes, we find that their greatest need and desire is free hospitalization and medical care for their income from social security or pension is not enough to pay hospital bills and medical expense.

HOWARD W. FERGUSON,  
5024 Walrond, Kansas City, Mo.

DECEMBER 19, 1961.

DEAR SENATOR LONG: First I am 77 years old. Worked till I was 74. Am on old age assistance now and with my social security get along. I am paying for two hospital insurance policies which if in the hospital hardly pay expenses. Of course none of us old people are well. I have found our doctors are very kind to us. Of course they have to be paid. Looks to me if we could get \$10 extra a month we could take care of ourselves. Fix it so they cannot take away our

old age checks which they do every time they give us old people a raise. It is too bad we have to become all this trouble although you were very kind and wanted to help.

I have no one to help me as I have no family.

FANNIE WELLS,  
820½ Francis, St. Joseph, Mo.

DECEMBER 26, 1961.

DEAR SENATOR LONG: I, William Kieser, belong to the senior clubs. Sorry I was not able to attend the meeting but I read much about it and what others have told me. I, like a lot of other old folks, am a widower living all alone in a very small home which I own, but haven't a large bank account. What I would have said: Raise the social security payments so we old folks have a better security if we went to the hospital and our little bank accounts not be completely wiped out. I am past 71 years old, don't want to be a burden on any of my children who have all they can take care of themselves. I have two sons and two son-in-laws who are paying in social security so I think if the old folks would get a reasonable security check that would help out a lot.

WILLIAM KIESER,  
2821 Seneca Street, St. Joseph, Mo.

JANUARY 5, 1962.

DEAR SENATOR LONG: I would have said "Let the dear senior citizens have their help under State welfare."

But do not attach any drug or medical bill to social security.

There are a great many who do not use drugs, so do not want it on our social security.

I as a Christian Science practitioner know whereof I speak.

Mrs. MAE COLE,  
1721½ Olive, St. Joseph, Mo.

DECEMBER 20, 1961.

DEAR SENATOR LONG: It is a shame the way insurance companies cancel your hospital insurance if you are having a sick spell if you are 65 or over. Some raise the rates, some lower the amount per day while in the hospital.

The doctors will not come to your home, they want us all to be at their specified hospital.

Also tell Bob Kennedy to go after these \$15 to \$20 pills that the doctors force on the cannot-afford lower income class.

CHARLES S. MCKENDRY,  
1414½ Penn, St. Joseph, Mo.

