

**EVALUATION OF ADMINISTRATION ON AGING AND
CONDUCT OF WHITE HOUSE CONFERENCE ON AGING**

JOINT HEARINGS
BEFORE THE
SPECIAL COMMITTEE ON AGING
AND THE
SUBCOMMITTEE ON AGING
OF THE
COMMITTEE ON
LABOR AND PUBLIC WELFARE
UNITED STATES SENATE
NINETY-SECOND CONGRESS
SECOND SESSION

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PART 10—WASHINGTON, D.C.
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FEBRUARY 3, 1972



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EVALUATION OF ADMINISTRATION ON AGING AND CONDUCT OF WHITE HOUSE CONFERENCE ON AGING

THURSDAY, FEBRUARY 3, 1972

U.S. SENATE,
SPECIAL COMMITTEE ON AGING
AND SUBCOMMITTEE ON AGING
OF THE COMMITTEE ON LABOR AND PUBLIC WELFARE,
Washington, D.C.

The joint committees met at 10 a.m., pursuant to call, in room 6226, New Senate Office Building, Senator Frank Church (chairman of the special committee) presiding.

Present: Senators Church, Eagleton, Randolph, Kennedy, Pell, Fong, and Percy.

Committee staff members present: William E. Oriol, staff director; John Guy Miller, minority staff director; Janet Neigh, clerk.

Subcommittee on Aging staff members present: James J. Murphy, counsel; and Donna Wurzbach, clerk.

Senator CHURCH. The hearing will please come to order.

Before we commence our business this morning, I would like to acknowledge the presence of some important people in the field of aging who are present. I want to welcome them on behalf of the committee.

Members of the legislative counsel of the National Retired Teachers Association and American Association of Retired Persons are here, and their executive director, Bernie Nash, is here with them I understand. I haven't spotted Bernie.

Why don't you good people stand up? Members of the counsel and Bernie Nash, we are very happy to have you here with us this morning.

Also Thomas Walter, the president of the National Association of Retired Federal Employees is here. Mr. Walter?

Mr. WALTER. Thank you.

Senator CHURCH. We are pleased that you are with us today. And Rudolph Danstedt of the National Counsel of Senior Citizens. Rudolph?

Mr. DANSTEDT. Right here.

Senator CHURCH. Good. Have we missed anyone? We are pleased that you have come this morning.

Senator FONG. Mr. Chairman, I want to join you in welcoming all these very fine people who have done so much work for our elderly citizens. I welcome them.

Senator CHURCH. Thank you very much, Senator Fong.

OPENING STATEMENT BY SENATOR FRANK CHURCH, PRESIDING

This morning, for a second time, the Senate Committee on Aging and Senator Eagleton's Subcommittee on Aging have joined forces for a hearing on "Evaluation of Administration on Aging and Conduct of White House Conference on Aging."

At our first session on March 25 last year, one major question was: Why was the administration making a budget request for only \$29.5 million of AoA when \$32 million had been appropriated the year before? This low budget request had been staunchly defended by administration spokesmen. But then, in a bipartisan effort, Congress raised the AoA appropriations to \$44.75 million. And then Congress acted within a few days after the White House Conference to raise the funding level to \$100 million.

At our first hearing last March, Senators of both political parties were deeply concerned about the way in which the White House Conference seemed to be heading.

There were complaints about political pressures, under-representation of minority groups, neglect of major issues such as nursing home care, and much more.

But here, too, there was improvement. Dr. Arthur Flemming was named as full-time Chairman of the Conference just a few days before our first hearing, and he took several very effective measures to deal with the complaints.

President Nixon has described Dr. Flemming as the most persistent man he knows. Dr. Flemming, your persistence has served the Nation well, and I want to thank you publicly for your personal dedication and effectiveness in connection with the Conference.

At our first hearing last year, another major concern centered around the opposition of the administration to the so-called categorical program concept as far as the elderly were concerned.

In other words, the administration took the position that the elderly didn't need specially designed programs; they would be served by more generalized programs for all age groups.

We on Capitol Hill had special reason for challenging this administration. We simply have seen too many examples of low priority or no priority for the elderly when program administrators have discretion on what help goes to whom.

But here again there has been progress. President Nixon himself in his address to the White House Conference reversed the old administration attitude and promised a greater tilt, if I can use that expression, to the categorical approach.

I have mentioned just three examples of progress during the past few months because these examples help me make an important point.

That point is simply that the Conference succeeded in doing very much what Congress had in mind when we passed the legislation that called for it.

We wanted a forum which would capture the attention of the Nation. We wanted a forum at which the desperate need would be recognized. And we wanted a forum at which positive action could be recommended, not only to meet the need, but to make a more satisfying life for the aged.

On all points, the Conference succeeded.

And in succeeding, the Conference also put a challenge to the Congress and the executive branch. In effect, the conferees told us not to lose the momentum generated by the Conference.

They want action, and they want it while the Conference recommendations are fresh in the minds of everyone concerned. For the Senate Committee on Aging, this call to action is especially welcome.

Many of the Conference recommendations had been offered earlier in the committee reports or through individual actions of committee members.

But at a time of intense competition for a share of the Federal budget, committee members and other concerned members of Congress will have to make strenuous efforts during the next few hectic months.

Those efforts will call for bipartisan action. Those efforts will call also for constant communication between Congress and the executive branch. The efforts should involve coalitions for action on aging, and that I hope is what this hearing can help bring about.

"STATE OF THE AGING" MESSAGES

In addition, individual members of this committee will soon take the Senate floor to deliver what might be called a "State of the Aging" message. The idea is to put forth a complete legislative program based largely upon the insights provided by the White House Conference and by committee investigations.

My own personal contribution to that legislative package will include a bill that would provide for a much stronger Federal agency on aging when authority for the Older Americans Act expires this June.

That bill, which I will introduce next week, would establish a unit on aging in the White House and would replace the present Administration on Aging with a much more effective agency within the Department of Health, Education, and Welfare.

Companion legislation will also be introduced to establish new, high-level positions on aging in other departments as well.

Another bill will call for what I describe as "Mini-White House Conferences on Aging" to be conducted every 2 or 3 years during the next decade. These meetings would certainly not be on the scale of the White House Conference on Aging of 1971.

Instead, each Conference would deal with a specific complex subject. Retirement income, for example, should be the topic for the first one. In addition, the Conferences would also provide a sensible way for monitoring progress in implementing the 1971 Conference recommendations.

I have questions for both Dr. Flemming and Commissioner Martin, but I would like to recognize other members of the committee who are present. First of all, our cochairman here, who merges his subcommittee with our committee for the purpose of these joint hearings, Senator Eagleton of Missouri.

STATEMENT BY SENATOR THOMAS F. EAGLETON, COCHAIRMAN

Senator EAGLETON. Thank you, Mr. Chairman.

The resumption of these joint hearings offers a welcome opportunity to discuss the responses planned by both the Congress and the execu-

tive department to the recommendations of the White House Conference on Aging.

In my judgment, our earlier round of hearings last year was most productive in airing the problems that had become apparent in connection with preparations for the White House Conference, and further, in helping to stimulate the appropriation of additional funds for the Administration on Aging.

We all know that the report of the White House Conference is not self-executing. It will take hard, concentrated effort by all of us and by those at other levels of government to translate these proposals into action.

I join with Senator Church in urging that this venture be undertaken in a spirit of cooperation, for the problems of our elderly are too grave and too immediate to permit partisan jockeying and narrow self-interest.

I know that members of our Subcommittee on Aging are particularly interested in obtaining the views of Dr. Flemming and Commissioner Martin with respect to the important questions that arise as a consequence of the expiration of the Older American Act this June. Should the act be extended largely in its present form or should an entirely new structure be devised?

What is the most effective Government structure to insure that the needs of older Americans are properly considered and acted upon by all segments of the Federal Government that have the responsibility in this area?

Can the Administration on Aging serve successfully as an advocate for the elderly or must this advocacy role be lodged somewhere other than in the Department of Health, Education, and Welfare?

I am not expecting the submission of specific legislation today, though the administration's legislative proposals must be forthcoming in the very near future so that we may have an opportunity to give them the full consideration they warrant, as we will certainly consider the package of legislation previously alluded to by Senator Church.

But I do look forward to having your general views on these and other matters that vitally affect millions of older Americans.

Thank you, Mr. Chairman.

Senator CHURCH. Thank you very much, Senator Eagleton. The ranking Republican member of the Senate Committee on Aging is here.

Senator Fong, do you have a statement that you would like to make?

STATEMENT BY SENATOR HIRAM L. FONG

Senator FONG. Thank you, Mr. Chairman.

Mr. Chairman, I am most pleased that we are having this joint meeting. All of us who are concerned about the needs of older Americans, and this certainly includes every member of the Special Committee on Aging, must have a deep feeling of gratitude to the delegates who participated in the 1971 White House Conference on Aging.

These delegates from all over the United States approached their responsibilities in developing recommendations for a new and forward looking national policy in aging with diligence, dignity, and understanding of the needs of all Americans, young and old.

The wisdom which we have learned to expect from the elders of our Nation, who were present in large numbers, was apparent in their deliberations. Every one of the 14 sections into which the Conference was divided, and the 19 Special Concerns Sessions, made a valuable contribution which will help the President, the Congress, and society as a whole respond more intelligently and generously to the needs of over 20 million Americans.

One of the most effective statements, out of many fine ones, is to be found in the introduction to the report from the Section on Retirement Roles and Activities. Because it so well summarizes the spirit of the Conference and the needs to which society must give recognition, I want to read it to you now, and this is a quote :

As we grow older, we continue to need to occupy roles that are meaningful to society and satisfying to us as individuals. However, we emphasize the primacy of such basic necessities as income, health, and housing and these needs must be adequately met.

Twenty million older people with talents, skills, experience, and time are an inexhaustible resource in our society. We represent all segments of the population ; our abilities, our education, our occupational skills, and our cultural backgrounds are as diverse as America itself.

Given proper resources, opportunities and motivation, older persons can make a valuable contribution. We are also capable of being effective advocates of our own cause and should be included in planning, in decision making, and in the implementation of programs.

Choice of roles must be available to each older person despite differences in language and ethnicity, and limitation because of disability or level of income.

The lives of Americans of all ages will be enriched as the Nation provides opportunities for developing and utilizing the untapped resources of the elderly.

There is no question that older Americans want to be involved. Just as they have throughout their long lives, they want to make available to their children and grandchildren the benefits of any talents, skills, knowledge and wisdom they possess.

And, as so well expressed by the section on retirement roles and activities, the resource they offer to society is truly almost inexhaustible.

At the same time, it is essential that this great Nation face up promptly to its responsibilities in assuring all older Americans the basic necessities such as income, housing, and medical care.

The best thanks that this Senate Special Committee on Aging can give to the fine delegates who worked so hard and well is to do all we can to see that the Senate responds to their recommendations as fully and as promptly as possible.

A similar responsibility, it seems to me, falls also upon other elements in government at Federal, State, and local levels and, indeed, on society as a whole.

The latter perhaps deserves special emphasis. Adequate responses call for action and new attitudes by every part of society. Government can never solve the problem alone.

I would anticipate that recognition of this will be given by our witness this morning, Dr. Arthur Flemming, as he reports to us on some of the Nixon administration's expectations with regard to follow-up on the White House Conference.

I personally am most pleased at President Nixon's decision to use Dr. Flemming as a presidential consultant in aging on a continuing basis. Dr. Flemming's is a distinguished public record.

As Secretary of Health, Education, and Welfare during the Eisenhower administration, an educator and in a variety of other activities, he has been of great service to this Nation.

Not the least of his work has been the job he recently did as Chairman of the 1971 White House Conference on Aging. It is quite conceivable, as he continues his efforts on behalf of that Conference's purposes, that his greatest contribution to America is still ahead.

I look forward with pleasure now, and in the future, to hearing from Dr. Flemming about hopes and plans for older Americans.

As always, of course, it is a pleasure to see Commissioner on Aging, John Martin. His long involvement in the field of aging, first in his home State of Michigan, then as chairman of the Republican National Task Force on Aging, and now for the past several years as Commissioner, is well known.

Thank you, Senator Church.

Senator CHURCH. Thank you, Senator Fong.

Senator Jennings Randolph is here this morning.

Senator RANDOLPH. Thank you, Mr. Chairman.

Senator CHURCH. Would you like to make a statement, Senator Randolph?

STATEMENT BY SENATOR JENNINGS RANDOLPH

Senator RANDOLPH. I would like 60 seconds. Mr. Chairman, I shall be 70 years of age on March 8 of 1972. Now, if the voters of West Virginia, older and younger, do well by me—you see, we have been talking about doing well by the aged—I will have an opportunity to return to the Senate, and I hopefully shall help those of us who sit here attempting to help not only at this hearing but in other ways.

I have known Arthur Flemming a long, long time. I won't tell of our work together, but it is a pleasure to see him again and to be with my colleagues as we attempt, very earnestly, to cope with the problems of the aged of the United States.

Thank you.

Senator CHURCH. Thank you very much. I think you have expressed a sentiment, looking toward 1972, that I would like to associate myself with, Jennings.

Are you really going to be 70? That is amazing. He sure doesn't look it. No one would ever guess.

Senator RANDOLPH. There are six Members on the Hill, both House and Senate, who have been here at an earlier period than I have. I have no problems. I get along very well with older people.

Senator CHURCH. Thank you, Jennings.

Senator FONG. Of course, you get along with younger people too.

Senator RANDOLPH. I would like to think I had something to do with the constitutional amendment for 18-year-old voting. Thank you.

Senator CHURCH. We are happy to have Senator Kennedy, another outstanding member of our committee, with us this morning. Senator Kennedy?

STATEMENT BY SENATOR EDWARD M. KENNEDY

Senator KENNEDY. Just very briefly, Mr. Chairman, I want to express gratitude to you and Senator Eagleton for holding these hearings.

I think if there is one thing we hear time and time again from our senior citizens, it is that we have so many studies being made of their problems and so little action, both by the Congress and by various administrations.

And I feel that the real thrust of these hearings is to insure that we are going to be held accountable for responding to the recommendations that were made by the White House Conference.

I am mindful that in 1961, when the White House Conference on the Aging was developed, the number one issue at that time was Medicare. Eventually the Congress responded to that challenge.

It took some 4 to 5 years to have that achieved—and there are other recommendations which are still not implemented. Now, I think all of us are challenged by the various new recommendations.

I think they are reasonable, I think that the American people are demanding that we in the Congress respond to the needs of the elderly, needs which for too long have been ignored.

Whether it is providing adequate income, providing adequate employment opportunities, providing better health care and decent housing, I feel that what we really have to do in this session of the Congress is to separate the rhetoric from the performance and place the needs of the elderly high on our list of priorities.

If we are able—as a result of these hearings—to find out who is really interested in moving ahead on the problems of the elderly and who is really willing to support legislation that will reach our elderly people, then they will have served an important purpose. These hearings will be a continuation of the service that you have provided, Mr. Chairman and Senator Eagleton; as two of the most effective spokesmen for our senior citizens in this country. I am delighted to welcome our witnesses who have come here this morning.

Senator CHURCH. Thank you very much, sir.

Senator Williams had planned to be here this morning, but, unfortunately, has been detained; without objection, I will ask that his statement be inserted in the record at this point as though read.

STATEMENT OF SENATOR HARRISON A. WILLIAMS

Senator WILLIAMS. Mr. Chairman, once again your committee and subcommittee hearings on national policy related to aging come at a particularly appropriate time.

Just 8 weeks ago, 3,400 delegates offered their recommendations at the White House Conference on Aging.

I am proud that many of their recommendations are similar or identical to proposals that were made by the Senate Committee on Aging while I was chairman of that committee.

In the field of housing, the goals of the Conference and the goals of the Subcommittee on Housing of the Elderly—which I now chair—were strikingly similar. The conferees recognized that at least 120,000 units of federally assisted housing should be produced every year, at a minimum. They recognized that the 202 direct loan program is clearly superior to the 236 interest subsidy program, and they called for a turnabout in existing policy. They, too, want an assistant secretary for housing of the elderly in the Department of Housing and Urban Development. And they, too, recognized that housing for older Americans is not really housing unless it is linked directly to services,

as required in my legislation on congregate housing. And they, too, recognized that higher and higher property taxes are endangering the security of 70 percent of the elderly who are homeowners.

Gratified as I was about the housing recommendations, I was also deeply impressed by the vision and determination expressed in other recommendations. There was a clear call for more adequate Social Security benefits and more secure pensions. There was a resounding declaration in support of improved Medicare coverage leading to a national health security program, and several proposals for a strengthened Federal apparatus for programs on aging.

My purpose here today is not to recite all the recommendations, but to give thanks to those conferees and all the others who helped make the Conference a significant event.

Now that the Conference has laid down dozens of proposals for action, it is up to the Congress and to the executive branch to make the most of those proposals. We have a mandate directly from the people, and it couldn't be clearer or more immediate. As the sponsor of the legislation which called for the Conference, I would like to say for this record that I could not be more pleased with the results of that Conference.

On that point, I would like to say too that much of the credit for the fine results lie in the fact that a compassionate and effective leader in the field of social progress was Conference chairman. I am referring, of course, to your major witness today, Dr. Arthur Flemming, former Secretary of Health, Education, and Welfare. Dr. Flemming has given the Nation a great deal to thank him for. The Conference is the latest achievement in a distinguished career. His past performance leads me to have complete faith in his pledge to translate Conference recommendations into action during this final year of the Conference and during the remainder of this decade.

Senator CHURCH. Dr. Flemming, you have a statement that you would like to make first?

STATEMENT BY HON. ARTHUR D. FLEMMING, WHITE HOUSE CONFERENCE ON AGING CHAIRMAN AND SPECIAL CONSULTANT TO THE PRESIDENT ON AGING: ACCOMPANIED BY RICHARD VERVILLE, DEPUTY ASSISTANT SECRETARY OF HEW FOR LEGISLATION; AND RAY SCHWARTZ, EXECUTIVE DIRECTOR, WHITE HOUSE CONFERENCE ON AGING

Dr. FLEMMING. I would, Mr. Chairman. I appreciate the opportunity of making the opening statement.

As you have indicated, Mr. Martin is here with us. Mr. Verville, a Deputy Assistant Secretary for Legislation at the Department of Health, Education, and Welfare, is on his left. And Mr. Ray Schwartz, the Executive Director of the White House Conference, is on my right.

I do welcome this opportunity of appearing before the Senate Special Committee on Aging and the Subcommittee on Aging of the Senate Committee on Labor and Public Welfare.

Mr. Chairman, I would like to say to you and your colleagues on these two committees that I deeply appreciate the opening comments

that have been made. I am particularly grateful for the spirit which permeates these comments.

I believe that, working together, it will be possible for 1972 to be known as a year of significant action in the field of aging. And I just want to say to the members of the committee that as far as I am concerned, I am going to devote all of my time to achieving that objective, working within the executive branch and working cooperatively with the members of these two committees, as well as the appropriate committees in the House of Representatives.

Senator CHURCH. Dr. Flemming, may I just suggest that as a gesture of cooperation between the legislative and the executive branch, the legislative branch is prepared at this time to offer you gentlemen coffee, if you would care for it.

Dr. FLEMMING. I will wait a little while, thank you.

Senator CHURCH. If there is anything that you would like, indicate and we will get you a cup of coffee.

Dr. FLEMMING. Thank you very much. I, like you, Mr. Chairman, am surprised at Senator Randolph's announcement relative to his age because my first opportunity for association with him was back in the House of Representatives, or rather in the House Committee on Post Office and Civil Service during the days that I was a member of the U.S. Civil Service Commission.

I appreciated very, very much having the opportunity of association with him at that time, and I am delighted that we are working again a little further down the road, as far as years are concerned.

I won't pursue it any further, because pretty soon you could come pretty close to identifying my age, on the basis of my association with Senator Randolph.

It is my purpose as Chairman of the White House Conference on Aging to identify some of the steps that have been taken and will be taken designed to make the postconference year of 1972 a year of action in the field of aging.

DISTRIBUTION OF WHITE HOUSE CONFERENCE REPORT

First of all, Mr. Chairman, vigorous efforts will be made on our part to bring the findings and recommendations of the Conference to the attention of the Nation.

There has been an extensive distribution of the document made available to the delegates at the concluding session of the Conference entitled, "A Report to the Delegates from the Conference Sections and Special Concerns Sessions."

Many copies have been distributed in the form in which it was distributed to the delegates. In addition, as a result of the action taken by the Special Committee on Aging, printed copies are also being distributed.

It is my understanding that better than 10,000 copies have been distributed up to the present time, of both editions.

Now, since then, a topical collation has been prepared of the recommendations by sections and has been made available within the Federal Government, to the States and to private organizations.

As was expected, the delegates to the 14 Conference Sections and 17 Special Concerns Sessions made a good many overlapping, similar, and even almost identical recommendations.

In order to obtain a systematic, coherent organization of the recommendations from the Sections and Special Concerns Sessions, the staff has collated and arranged all of the recommendations according to specific topics within the 14 subject areas.

Within the next 2 weeks we will begin to release on an intermittent basis sections of the final report called for by the law authorizing the Conference.

I felt that the very best way to describe to you what we are attempting to do, in connection with the final report, was to make available at this time a draft of the report on housing.

This will indicate to you the format for the Conference report. If that is in front of you, the preface to the report endeavors to describe just how the Conference function and how drafts of the report were prepared before action was finally taken by the delegates to the Conference.

The introduction simply provides, or will provide, some factual information relative to the housing section. And then, if you will turn to page 6, I think you will get the best illustration of the way in which we intend to proceed with these final reports.

Recommendation V of the housing section reads as follows:

Supportive services are essential in the total community and in congregate housing. Emphasis shall be given to providing more congregate housing for the elderly, which shall include the services needed by residents and provide outreach services to the elderly living in adjacent neighborhoods when needed to help older people remain in their own homes.

Now, we have identified right under that recommendations that are related to that basic recommendation by the Housing Section from other sections. For example, you will find there a recommendation from the Nutrition Section which deals with the same issue that the Housing Section dealt with.

You will find a recommendation from Facilities, Programs, and Services, again dealing with the same issue that was dealt with by the Housing Section. And the same thing on Transportation.

Senator KENNEDY. Were you at this point—

Dr. FLEMMING. Yes?

ADMINISTRATION SUPPORT FOR NUTRITION BILL (S. 1163)

Senator KENNEDY. Since you have raised the point concerning nutrition, are you aware, and I hadn't been aware of the draft before, that this is almost identical to the language which was in my bill, S. 1163, that passed the Senate by 89 votes to nothing?

Dr. FLEMMING. Right.

Senator KENNEDY. And is now before the House of Representatives. Are you prepared to support that?

Dr. FLEMMING. Yes.

Senator KENNEDY. You are prepared to support that? As you know, the administration opposed this bill throughout the hearing last year. It will now have the administration's support?

Dr. FLEMMING. That is correct. The administration is prepared to move on the implementation of that as soon as Congress completes action.

Senator KENNEDY. Thank you.

Dr. FLEMMING. You will notice on page 7 the related recommendations from the Special Concerns Sessions. And that deals with Homemaker-Home Health Aide Services, the Session on Aging and Blindness, the Asian-American Elderly, the Aging and Aged Blacks, Mental Health Strategies for the Aging, the Poor Elderly and the Elderly Indian.

That means that delegates from all of those Sections and Special Concerns Sessions were dealing with this same basic issue that is reflected in the recommendation of the Housing Section.

This is the way we will present these reports. Now, we will group reports that are related to one another and release them at either six or eight different times between now and the end of March.

The recommendations, I would like to stress, as they appear in the final reports, will be worded as they were approved by the delegates. There will be no changes.

We are going to protect the integrity of this whole process. Even though somebody might think they can improve the English or something of that kind, it isn't going to be done. As the reports are issued from time to time, they will be as the delegates approved them in the appropriate sections.

Senator CHURCH. May I ask here, Dr. Flemming, once you have the report recommendations collated in this fashion—

Dr. FLEMMING. Right.

Senator CHURCH (continuing). And are prepared to issue the reports, in what form will the reports be issued, and what effort will then be made to circulate this finalized form?

Dr. FLEMMING. They will be in printed form and we will have a large enough press run initially so that we can make a wide distribution of the various sections of the report. Now finally, at the end of March, we will bring all of this together in one report.

And there will be some additional background material in the final report and we will, of course, arrange for a wide distribution.

Senator CHURCH. You have funds that would permit a wide distribution of the final report containing all the recommendations?

Dr. FLEMMING. I think we are in pretty good shape on that. If we run into some difficulty, we may get back to the Congress asking for a little help on that. But I think at the moment that we can arrange for a wide distribution.

Mr. Chairman, I think this is very important because I am sure, as you have observed, because of the fact that all of these findings and recommendations were made available on the same day, no one set of recommendations really got a great deal of attention from the media and so on.

This is understandable. They were swamped. So this is why we decided to issue these intermittently in the hope that the media then would focus on the recommendations from the various areas. Because I think it is awfully important to get these out to the grassroots and have them as a basis for discussion on the part of people and give people a chance to react and indicate what they want to support.

Senator CHURCH. Did the chairmen and cochairmen of the sections review the draft before they—

Dr. FLEMMING. Yes. Let me say, what we do. We first submit the draft to the cochairmen of a section, and then the chairman of a

Special Concerns Session. When they are in agreement on that, we send it out to all the members of the technical committee and give them a deadline for reply.

So we are sure that we have protected the integrity of this process.

Senator CHURCH. Good.

Senator FONG. Tell me, do you expect to get these reports out very speedily?

Dr. FLEMMING. The first grouping will probably be distributed within 2 weeks, and they will come along every 10 days or 2 weeks after that.

Senator FONG. How would that compare with the reports from the 1961 Conference on Aging in the matter of speed?

Dr. FLEMMING. Well, my best recollection is that just one volume was issued in connection with that report. I don't know just when it was issued. I was out of Government by that time and I am not quite clear as to what the exact date was. But this idea of breaking it up into parts, I think, is a new idea and we feel that by doing it this way we will be able to turn the spotlight on each recommendation more effectively than would otherwise be the case.

Senator FONG. And in 2 weeks you will get the first part out?

Dr. FLEMMING. We will begin to get the first part. We will probably—well, we will issue maybe two or three within 2 weeks. And then after another 10 days or so, we will issue two or three more.

Senator FONG. And after the reports go out, do you have plans to follow up with implementation?

Dr. FLEMMING. Yes. I am going to deal with that a little later on in my statement. We certainly do.

As I indicate in my outline, we hope that all of these efforts will result in a continuous nationwide consideration of these findings and recommendations.

A procedure has been established for the consideration of the findings and recommendations of the White House Conference by the executive branch of the Federal Government.

The President has directed that consideration of the recommendations be placed at the top of the agenda of the Cabinet Committee on Aging.

The Committee met in December, immediately after the Conference, and identified the staff work that would need to be done. That staff work is on the way, and the Committee will meet again within a few days in order to consider the results of some of the staff work.

OLDER AMERICANS ACT: PROPOSALS

The President in his state of the Union message stated that he was going to submit to the Congress proposals for extending and improving the Older Americans Act and other initiatives in the area of aging—proposals which will reflect the President's conclusions on some of the recommendations of the White House Conference.

His conclusions on other recommendations will be stated at a later time, but from this message we will certainly get a reflection of some of the recommendations. And, of course, many of our recommendations are directed to the subject matter of the Older Americans Act.

Senator CHURCH. May I ask at this point, if the Older Americans Act expires in June of this year, how soon can we expect the adminis-

tration's recommendations as to its successor act? We are going to have to get into that reasonably soon if we are going to do the right kind of job.

Dr. FLEMMING. Well, I know that it is recognized that the timetable is a tight one, and consequently I feel that these recommendations will be up before the Congress certainly very early in the month of March. That is the target at the present time.

Obviously I can't commit the President on the exact date. But I know that we are working with that kind of objective in mind.

The President has authorized me as his Special Consultant on Aging to work on the implementation and coordination of programs in the field of aging for which authorization has been given and funds have been provided.

The carrying out of this assignment in my judgment will oftentimes move us toward objectives clearly identified by the White House Conference.

For example, I believe that more effective coordination and implementation of authorities and resources available to the departments and agencies can result in our mounting new and significant, to quote from the report of the nutrition section, "action programs to rehabilitate the malnourished aged."

Now, obviously the passage of the legislation referred to by Senator Kennedy will be a real help in this direction. But I don't think we have to even wait for that. I mean, there are things that can be done now in the way of more effective coordination and implementation of the authority and resources that we have.

And this is one of the things that I am personally tackling to see what can be done along that line.

The President, in his address at the conclusion session of the Conference, provided another example when he directed that when grants are made for services to older persons, the granting agency should make sure that the transportation needed to make the services meaningful is either available or can be made available.

Now, that to me is a matter of coordination. I think that by working at that, we can achieve that objective.

In addition, steps are being taken to make sure that there is a quick followup on the initiatives set forth by the President in his address to the delegates, initiatives which will move us toward some of the objectives reflected in the recommendations of the delegates.

Next, information is being or will be obtained relative to the support that can be expected for the findings and recommendations of the Conference from national organizations in the private sector and from States and local governments.

QUESTIONS TO NATIONAL ORGANIZATIONS

A communication has been sent to the 340 national organizations that participated in the White House Conference in which they have been asked to provide us with the answers to the following questions by February 22:

Will your organization take a position on all of the recommendations coming from the White House Conference on Aging? Has this step been taken? If not, when will it be taken?

If your organization does not plan to take action on all of the recommendations, will it take a position on some of the recommendations coming from some of the sections and from some of the special concerns sessions? Has this been done? If so, what recommendations have you decided to support? If this step has not been taken, when will it be taken?

Where a recommendation you support calls for initiating or strengthening a program within the private sector, will you develop a plan designed to bring about the involvement of your membership in initiating or strengthening the program? What other organizations do you plan to work with?

Where a recommendation you support calls for initiating or strengthening a program on the part of Federal, State, or local governments, will you develop a plan under which your membership will be urged to develop citizen support for initiating or strengthening the program? What other organizations do you plan to work with?

Do you have or will you develop a plan designed to recruit from the ranks of your membership persons who will make a commitment to give a specified portion of their time to programs providing services for older persons? If so, in what service areas do you plan to concentrate?

Do you have plans for helping those who make such a commitment? Do you have plans for following up on these commitments to determine the effectiveness of your plan?

Responses are already coming in from this communication. And up to the present time they are heartening responses. We will analyze this, collate it and get it all together, and make it available to the committee and to the public generally.

Next week, a communication will be addressed to the States designed to elicit comparable information from the public sector at the State and local levels.

Next, during the month of February, this month, appointments will be made to the Post Conference Board which the President authorized me to establish.

This Board will be made up in large part of the persons who served so effectively as members of the approximately 100-member Planning Board for the Conference.

At the first meeting of the Board, which will take place during March, the following information will be placed before the Board:

A report on the actions taken or planned by the executive branch of the Federal Government.

A report on the actions taken or contemplated by the 340 national organizations that participated in the White House Conference.

A report of the actions taken or planned by State and local governments.

The Board will be asked to make recommendations on the strategies they believe should be followed, in the light of the information furnished them, during the remainder of 1972 and in subsequent years.

Although I believe that maximum attention should be focused on what can happen in 1972, I believe that we must give careful consideration to how a forward momentum can be maintained in 1973 and in subsequent years.

INTERIM CONFERENCES PROPOSAL

In this connection, Mr. Chairman, I would like to present to the Board the proposal that apparently you are going to incorporate in legislation next week that, as I understand it, would put into motion a plan for smaller interim conferences on specific issues in the field of aging.

Personally, I think this is a very interesting idea and I would like to get it before them and get their recommendations so that, in addition to whatever testimony we will give on the bill, we will also have the benefit of your judgment.

Senator CHURCH. I am glad you are going to do that, Dr. Flemming, because I do think that although we can't undertake to sponsor a conference the size of the White House Conference that has just been completed every couple of years, we could, by holding these interim conferences and focusing them on particular aspects of the general problem, have a continuing oversight on how well we are doing in implementing the various recommendations of the Conference.

Dr. FLEMMING. Develop new momentum.

Senator CHURCH. That is right. Keep the momentum going.

Dr. FLEMMING. That is right. I agree with you. I think that is a very interesting idea.

The Board will then be kept up to date on subsequent developments and will be asked to reconvene early in September.

In this manner, we will have the benefit of a watchdog role by a group of persons who planned for the Conference, who participated in the Conference, and who will constantly be receiving reactions at the grass roots as to what is happening or isn't happening.

I know there are other organizations that are going to play a comparable role and I welcome that, because it seems to me that the more checking up we have in this particular area, the more progress we are apt to get.

OBJECTIVES OF CONFERENCE CHAIRMAN

As Chairman of the White House Conference and as Special Consultant to the President, there are certain objectives I am going to keep in mind, some of which I have already identified.

But, just to summarize, the first is to make sure that there is an effective presentation of the findings and recommendations of the White House Conference within the executive branch so that action is taken on these recommendations, for or against, and reported publicly with reasons for the actions.

Second, to make sure that information is compiled on the reactions to the recommendations of the White House Conference by organizations in the private sector and by all levels of Government so there will be a factual basis for the development of strategies for action.

Third, to carry out the following objectives of the President, and I quote the President when he said :

I am determined * * * that the voice of older Americans will be heard in the White House when matters that affect the interest of older Americans are being discussed.

Fourth, to identify issues within the executive branch relating to older persons on which there should be a decision by the President.

Fifth, to pursue, to quote from the President's assignment :

* * * Aggressively, as his representative, the goals of better implementation and tighten coordination of all Federal activities in the field of aging. * * *

Six, to serve as a member of the Cabinet-level Committee on Aging and to assist in the presentation to that Committee of policy issues on which the Committee should make recommendations to the President.

Seven, to keep in close touch with the problems confronting older persons by making contacts in the field with field representatives of the Federal Government, with appropriate representatives of State and local governments, with representatives of private organizations and especially with the field representatives of organizations of older persons, some of whom are here this morning.

Personally, Mr. Chairman, I am convinced that there is a momentum in the field of aging which hopefully can lead to significant action on many fronts.

And I really believe a clear indication of this momentum is that one day after the President stated that he was going to recommend for 1973 a five-fold increase in the funds for the Administration on Aging that can be made available for State and community projects, the Senate took the lead, later concurred in by the House of Representatives and approved by the President, in providing for a substantial increase in these same funds for 1972.

And really in this case we are talking about fiscal 1972, and also the calendar year 1972.

I personally believe that in 1972 the Federal Government as a whole is going to make a substantial contribution in the direction of substituting hope for despair in the lives of millions of older persons.

I am thrilled at the opportunity of working in this area and working with the members of this Committee, as well as with the House of Representatives.

Senator CHURCH. Thank you very much, Dr. Flemming, for your statement and I share your hope that this can be a breakthrough year for the elderly in this country.

Dr. FLEMMING. Thank you.

Senator CHURCH. Commissioner Martin, do you have a statement you would like to make?

STATEMENT BY HON. JOHN B. MARTIN, COMMISSIONER, ADMINISTRATION ON AGING

Mr. MARTIN. I don't have a formal statement, Mr. Chairman, but I am here to answer questions and I have some comments that I would like to make in general terms.

I am glad to have a chance to be here with Dr. Flemming, with whom I have worked very closely in this whole White House Conference effort and in the efforts of the Administration on Aging.

The Secretary is in the process of making some very important decisions with respect to both strategy and the handling of the 1973 funds and the best use of 1972 moneys which the Congress has appropriated.

Pending amendments to the Older Americans Act are under consideration and the question of authorization is paramount. But other amendments which are pending will also be included in that legislation.

Those questions are also being submitted to the Secretary in the immediate future, and we expect that we will have decisions on them very shortly.

Senator CHURCH. Do you share with Dr. Flemming the anticipation that those recommendations may come to the Congress in March?

Mr. MARTIN. I do. That is what we are expecting to bring about.

Senator CHURCH. I hope we will meet that deadline, because you know Congress has a tough enough time moving once it has recommendations to review, and we are up against a tight situation.

Mr. MARTIN. We are very conscious of this because without an authorization we can't have an appropriation. And so we are pressing forward as fast as we possibly can.

Senator FONG. The process of appropriation is another long one.

Mr. MARTIN. Yes; we are very conscious of the time factor there.

Senator CHURCH. And then we have two conventions coming up this summer that may interrupt the normal procedures of the Congress. So, anything that you can do to escalate this, we would appreciate.

IMPOUNDMENT OF FUNDS

Senator RANDOLPH. We have spoken about the authorization and the appropriation. But we have got to watch, too, the impoundment of the funds. After they have been appropriated by the Congress and offered to the States, they are often impounded in the executive branch of the Government.

There is some \$15 billion that is now impounded, and this is perhaps not the most appropriate place to say what I am saying, but I think Congress increasingly must come to grips with the executive branch of Government on these matters, where we have authorized moneys, where they have been appropriated, where they have been obligated, and yet are not released.

I think it is appropriate for me to say that today. I said it under the Johnson administration. I say it now under the Nixon administration.

Senator CHURCH. It was bad enough under the Johnson administration, but it is even worse under this, because—

Senator FONG. As I understand—

Senator CHURCH. You thought that it would be released this year, is that it?

Senator FONG. Even if all the funds are allowed to go out, they just can't use it because there is so much money going out, and many of the projects are not yet ready for funding. This is what my understanding of the impoundment has been.

Senator RANDOLPH. Well, I don't want to continue this except, Hiram, certainly that is not true with the highway program. Is this where \$5 billion, \$400 million is obligated to the States where they are ready to move?

Senator FONG. Well, in certain sections there has been some impounding. But a lot of impounding has to do with the fact that they are not yet ready to receive the funds.

AOA SUPPLEMENTAL FUNDS RELEASED

Mr. MARTIN. May I say, Senator, that the money which was appropriated under the recent amendments to the supplemental appropria-

tion bill providing additional funds to the Administration on Aging have been released as of yesterday, and have been released by me to the States as of yesterday evening.*

They are on the way and should be in the hands of the States very shortly.

Senator CHURCH. Yes, I think we will have some questions on the allocation of that money in the course of the hearings this morning.

Mr. MARTIN. That includes the formula grant money, and of course the project grant money is in the hands of the Administration on Aging for use at this time.

The distribution of formula grant money includes \$18 million for community projects and \$1 million for State planning and coordination. I have requested in sending it out to the States that they delay commitment on it until we have an opportunity to sit down with the State executives, which we hope to be able to do at the end of this month, and review with them the strategy for 1973.

By that time we believe we will have that strategy available, and have had action by the Secretary. We hope that this action will allow the money to be used in a way to make the use of all funds coming in 1973 more effective.

While it is block grant money and formula grant money, we think that if the State executives are aware of how we propose to proceed in 1973, that this use of the 1972 supplemental funds will be more effective.

The areawide money which has been made available carries through until the end of this calendar year. And we expect to make use of that in connection with strategy for the funds to be made available in 1973.

We are hard at work on developing projects for the use of the research and demonstration money and for use of the training funds. We expect that some of those moneys will be obligated before the end of the fiscal year.

INCREASE IN STAFF POSITIONS FOR AoA

We have had approval by the Office of Management Budget of 180 positions for AoA, both in the central office and in the field, 90 positions for 1972 and 90 more positions for 1973.

Senator CHURCH. May I ask in that connection, because of the question that has come to me from my own State, where the additional money will enlarge the program very significantly, why no additional positions are authorized for the smaller States but are limited only to the larger States?

Now, if that is the case, why?

Mr. MARTIN. You are talking about money for States' staffing?

Senator CHURCH. Yes.

Mr. MARTIN. That money is made available on a formula basis, Senator.

Senator CHURCH. Yes, but the formula, at least as I understood it, limits the increase in staff positions to larger States and does not make any provision for increase in staff positions in the smaller States. Is that the case?

Mr. MARTIN. I don't think that is correct, Senator.

*See appendix, p. 645.

Senator CHURCH. Would you look into that for me, please, and give me the right information? Because that is the impression that our people back home have in connection with those positions.

Mr. MARTIN. It has to do with the number of aging people in the State. Of course, the smaller States get a smaller sum of those funds.

Senate CHURCH. I understand. But if the program was going to be enlarged for all States—

Mr. MARTIN. It follows that there are going to be some additional positions. Let me say, Senator, that we are tremendously concerned at the moment, and hope to make this apparent with respect to 1973, that State agency staffs be strengthened.

Because this additional money that is going to flow down, it is going to put an additional burden on the State agency, and most of them need to be better staffed with more trained people than they have at present.

Senator CHURCH. Well, I am sure that they are concerned. That is why I was disturbed at this report. But would you get me the factual information on that?

Mr. MARTIN. We will get that for you, yes, sir.

(The information requested follows:)

Section 304 of the Older Americans Act provides for grants to the States for planning, coordination, and evaluation and administration of the State plan. The formula provides that from the sum appropriated for a fiscal year, the Virgin Islands, Guam, the Trust Territory, and American Samoa shall be allotted 0.5 percent and the remaining "States", a full one percent of the total appropriation. The remainder of the total appropriation is then allotted to the "States" in proportion to the State's share of the total population aged 65 and over in all of the "States". However, there is a minimum of \$25,000 for the four jurisdictions first mentioned and a minimum of \$75,000 for the remaining "States".

The original appropriation for Fiscal Year 1972 was \$4,000,000. Application of the above formula resulted in every "State" receiving the minimum.

The supplemental appropriation for Fiscal Year 1972 (\$1,000,000) under the authorization in this Section (304) raised the sum appropriated for application of the formula to \$5,000,000. The computation of State allotments still left 26 States and three jurisdictions at the minimum. Thus, the smaller "States" received no advantage from the supplemental appropriation because they already had benefited from the minimum provided in the Act.

Senator CHURCH. Commissioner, is that your chart?

Mr. MARTIN. No; it is not my chart. I don't know where it came from.

Mr. ORIOL. That comes from a bulletin issued by the Social and Rehabilitation Services.

(See chart, p. 616.)

Mr. MARTIN. Yes; I have seen the chart before, but I didn't bring it up with me.

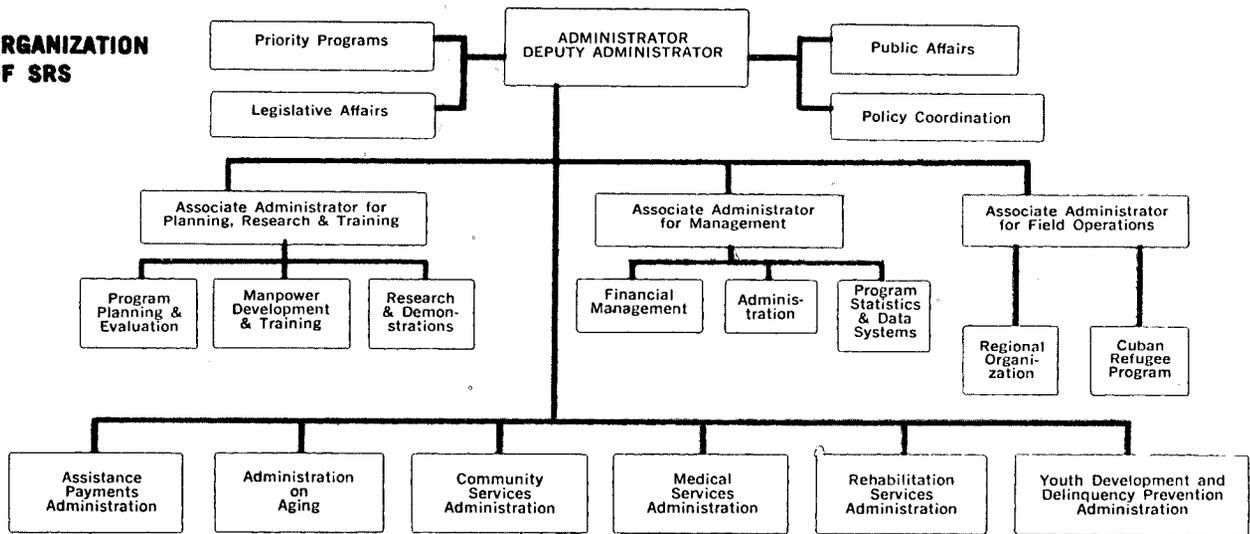
Senator CHURCH. Well, it is a chart of the organization of the Social and Rehabilitation Services, as I understand it. And it is of interest to me. I haven't seen it before and I am not quite sure I am reading it correctly from here.

But we are going to be faced with the question of what status the AoA will have under new legislation.

Mr. MARTIN. Yes.

Senator CHURCH. And faced with that question, we have to ascertain what status it has under the present legislation. And this chart shows that it has precious little. It is way down at the bottom of your organization, on the last line of your organization, clear over to the left-hand side.

**ORGANIZATION
OF SRS**



Mr. MARTIN. That is a direct line, Senator. The boxes above are staff positions. But the administrations and bureaus on the bottom line are all direct operating line bureaus.

Senator CHURCH. Are you satisfied that the Administration on Aging has a sufficient status within the Department of Health, Education, and Welfare?

Mr. MARTIN. My view has been that if it gives me the money and it gives me the personnel, that I can do the job, more or less regardless of the location.

Senator CHURCH. Do you know what the administration's recommendations will be with regard to the AoA under the new authorization act?

Mr. MARTIN. No, I do not, Senator. It is under study, and no decision has been made as far as I know.

Senator CHURCH. Right.

Mr. MARTIN. We are conducting a management study at the present moment with respect to the best possible use of the additional positions that have been provided for us.

Some of those will be field positions and some will be central office positions. And the exact distribution of those positions of course depends upon how we organize to carry out this large program.

STATEWIDE PLANNING GRANTS

If I could comment rather generally about our situation, I think it is this, that in the past we have had a relatively small amount of funds which have been spread very thin throughout the country. The grants run about \$14,000 per grant and they are spread out so thinly that there has been very little opportunity for statewide planning.

This is even true with respect to areawide projects, which are bigger projects—about \$250,000. But there again they are few and no real statewide planning has been possible.

Now we think that the picture has changed and that with the amendments of 1972 for the first time we will have a chance to develop a program which is truly national in scope and which provides for annual operational plans for each State.

We will take into account all of the resources that are available, whether under community grants or under the areawide program, or under the State planning funds, or under the nutrition bill—which is pending in the House and which we are anticipating may be passed in the light of the apparently strong support of both sides of the House.

We look upon the nutrition bill as being a key element in the development of a comprehensive program, a coordinated comprehensive program of services to older people which can be developed in each State under regulations and guidelines which we would hope to develop in adequate time to enable those moneys to be applied effectively in each State.

I think that is in substance the statement I would make. Except to say, Senator, that our ultimate aim is to develop a program which would analyze all the needs of the aging in each State, which would analyze all of the available resources whether public or private, and which would provide for integrated services whether these are in the home or in the community or a combination of the two.

We think that such a program can be mounted with the funds that are being made available, and we think it will result in the decline of institutionalization.

We think it will result in more money being spent, public and private, for the development of programs for the elderly. Better linkage by the use of transportation services, and the reduction of duplicating efforts will ultimately result in a greater feeling of worth on the part of the elderly.

Stronger State agencies—much stronger State agencies, and very importantly the development of local structures on aging, because unless there is some ongoing structure in a given community which has a continuing responsibility and a continuing life, nothing is likely to happen in the community.

We believe that much more emphasis needs to be placed on this activity than has been placed in the past. My own experience in that regard, in my own community, was that nothing happened until we had a nonprofit corporation designed to act as the advocate of the elderly in that community, with an advisory citizen board containing many older people on it and some paid staff.

Some paid staff who can think 24 hours a day about the needs of the elderly and who can see that those needs are not ignored in all the planning that goes on in the average community.

Senator CHURCH. I agree with you about the importance of community organization if we are to move ahead with these programs and assist the elderly. I have seen so much evidence of that in communities in our own State where such entities have been set up.

But in light of that, why are you placing so much emphasis in connection with the spending of this additional money on areawide programs instead of these community programs that are really beginning to move?

Mr. MARTIN. The decision of course as to how much will be spent is something which the Secretary has to make. And since it relates to fiscal 1973 funds—

Senator CHURCH. But certainly you have something to do with it? You must make recommendations? You are the Commissioner and you must administer this money? So the Secretary is not making those decisions in a vacuum, I am sure.

Mr. MARTIN. The areawide program, Senator, is very much community based. Without that kind of a base, it simply would not be an operative program.

But in a community—you take a community like Houston, for example, which has developed an areawide program that involves 17 different agencies and units of Government, it is the very kind of thing that we are doing that makes these programs vital and viable.

We are pulling together the resources and the way in which we can do it, we believe, is best illustrated by the kind of thing that we are doing under the areawide programs.

Senator CHURCH. Well, I think we will get into that in a little more detail in the questioning. I want to defer now to the cochairman of the hearing who hasn't had a chance to ask any questions yet. Senator Eagleton?

Senator EAGLETON. Thank you, Mr. Chairman.

Commissioner Martin, in your presentation you referred to the fact

that certain impounded funds were released as of yesterday or last night, insofar as the AoA is concerned. Is that correct?

Mr. MARTIN. Yes; they were not impounded so far as we knew, but the usual budgetary processes were going on and they have been released to us now.

FUNDS FOR RESEARCH IN GERONTOLOGY

Senator EAGLETON. May I specifically inquire as to the funds appropriated for research in gerontology, those funds that were allocated for the current fiscal year? I believe some of those have been impounded. Do you envision that those will be—

Mr. MARTIN. I believe that those have been released, sir. But those were not funds that were to have been made available to us.

Dr. FLEMMING. Senator?

Senator EAGLETON. Yes, sir.

Dr. FLEMMING. I think I can throw a little light on that. Those funds have been apportioned to the National Institute for Child Health and Human Development. I don't think at any time they were impounded. I think there was some breakdown in communication in terms of getting the people to understand how the apportionment was made.

But that was prior to the White House Conference, so those funds are available for the Institute.

Senator EAGLETON. All right. That is helpful. Now let me ask about organization and structure. Has the administration made a decision as to who is to be the advocate for the elderly and at what Government level?

For instance, Commissioner Martin in his testimony referred to a situation in Houston where 17 different governmental agencies had something to do with a program that was going forward in that area.

Who is to be the top spokesman, as it were, for the elderly and what level of Government is that person to head? I note that the President's Task Force on Aging, the report of the Advisory Council to the Senate Special Committee on Aging and the White House Conference on Aging, all propose that leadership be based within the White House at a cabinet-level status.

Does the administration have a position on this?

Mr. MARTIN. Action has already been taken, Senator, as Dr. Flemming has indicated, to establish advocacy for the aging at the White House level in his capacity as a consultant to the President and a member of the domestic Cabinet Committee on Aging.

This is the closest possible place that we could be to Presidential decisions in this connection.

PRIORITY COORDINATOR FOR AGING

Now, at a departmental level in HEW for example, the Secretary has appointed me as priority coordinator for aging within the Department, not just in AoA but in other Departments. And we are working very closely with the Department of Health Services in the Mental Health Administration, with the Mental Health Administration itself, with the Social Security Administration, and with the Office of Education and other agencies in the development of programs at the departmental level.

So I am acting as a principal advocate there. We think that there needs to be an advocate at the State level, and that is why we want to strengthen the State agencies. And we also think that there needs to be an advocate at the community level and that is why we are going to put stress on the development of community organization for aging.

PREMIER ADVOCATE ON THE FEDERAL LEVEL

Senator EAGLETON. Yes; I understand you want a multiplicity of advocates at various levels. But getting back to who is going to be the premier advocate on the Federal level, I take it that the creation on an ad hoc basis of Dr. Flemming's position as Special Consultant to the President—

Dr. FLEMMING. Consultant, yes.

Senator EAGLETON (continuing). Raising him to the Presidential level, is it the thought of the administration to codify this into statute, or just leave it on an ad hoc basis?

Mr. MARTIN. I can't answer that question, Senator. Dr. Flemming may have an answer to it.

Dr. FLEMMING. Senator Eagleton, that of course is one of the recommendations contained in the report from the section on Government and Non-Government Organization. At Secretary Richardson's suggestion, I did establish an ad hoc task force to take a look at this particular issue.

This is made up of former Governor Blue of Iowa; Bertha Adkins, a former Under Secretary of HEW and Vice-Chairman of the White House Conference on Aging; Hobart Jackson, chairman of the National Caucus for the Black Aged, who I think is also chairman of an advisory committee to the Senate Special Committee; and Dr. John Perkins of Northwestern, again a former Under Secretary of HEW.

They submitted a tentative report prior to the White House Conference. Their recommendations were certainly consistent with the recommendations that came from the advisory committee that the Special Committee set up, and from the White House Conference.

And within a few days we will distribute their final report. But there is really no change in that from the preliminary report. Now, this is one of the basic issues that will get consideration within the executive branch in connection with the message that will be coming to the Congress and as a follow-up on White House recommendations.

I can assure you that I can't make any prediction of the outcome, but I can assure that it will get very real attention and consideration.

Senator EAGLETON. Very good. During President Nixon's speech to the White House Conference on Aging, he indicated that he was going to ask the Domestic Council to take into consideration two of the primary concerns of the Conference.

One, whether or not prescription drugs should be included under Medicare. Number 2, attention to accelerating the rate at which the income for the aged, the blind and disabled under H.R. 1 would go into effect.

Has the administration developed a position now that we could hear of, and especially the Senate Finance Committee might hear of since they are in the process of finalizing some of their hearings on H.R. 1 on this question of prescription drugs under Medicare? Also the accelerating of the income for the aged, blind and disabled?

Dr. FLEMMING. Senator Eagleton, the President has not arrived at any conclusions on those two issues as yet. But here again, both issues are being looked at very closely and they are both—and you appreciate it—important issues.

I think as I listened to people throughout the country prior to the Conference, I heard references to prescription drugs—particularly to that issue, as much as to any other issue.

But it will be brought to a head, and the Congress will be advised. As you indicated, that advice might come through the hearings of the Senate Finance Committee. Or it might be incorporated in a special message.

PROPERTY TAX CREDIT FOR ELDERLY

Senator EAGLETON. Also in his speech to the White House Conference, the President referred on more than one occasion to the burdens of the property tax, especially insofar as the elderly are concerned.

Late last year, as the tax bill was working its way through Congress, I offered an amendment which was adopted in the Senate giving tax credit to elderly persons for real property tax paid, or up to 25 percent of the rent in lieu of real property taxes paid.

Does the administration oppose my amendment? I might add, is the administration considering some specific legislation that we might have by March 1, or thereabouts, with respect to tax relief for the elderly for real property taxes?

Dr. FLEMMING. Well, the President referred to that issue again in his state of the Union message, as you know.

Senator EAGLETON. But generally, as to property taxes. He specifically referred to it in terms of the elderly at the White House Conference.

Dr. FLEMMING. That is right. In fact, I think that was the first time he had referred to the issue when he appeared before the concluding session of the White House Conference.

But in his state of the Union message he indicated that he was going to make a proposal to the Congress, but as I recall it he did not identify just when that proposal was coming up. I don't have any information beyond what was in his state of the Union message.

Senator EAGLETON. Finally—then I will yield, Mr. Chairman, and you can move on to other members—has the administration or you, Dr. Flemming, or Commissioner Martin, formulated an opinion with respect to S. 555?

I think a letter was sent by Senator Church, myself, and Senator Kennedy, asking your position on that legislation.

Bearing in mind that now the President has endorsed the Senior Aides program and other programs, S. 555 would codify these into law, rather than leaving them in sort of a limbo status as part of Operation Mainstream. Do you have a position on that bill?

Dr. FLEMMING. That has not been called to my attention, but I will be very glad to check and see where the request or report is and I will be very glad to see that it is expedited.

Maybe HEW—is it a pending letter now?

Mr. VERVILLE. Senator Eagleton, as you may recall, we testified on that bill.

Senator EAGLETON. Yes; but that was some time ago when you testified on your position to it. But the President's speech was subsequent to your appearance.

Mr. VERVILLE. My understanding is that an analysis is being undertaken to see whether additional authority is necessary. The question is, to keep these programs whether you need additional authority, or whether they just can't be maintained under an existing authority.

I don't believe there is a final position on that issue as yet.

Senator KENNEDY. Of course, it isn't just to maintain it, the bill is designed to expand it.

Dr. FLEMMING. Although this is what the President recommended also in his address. I will check into that. Maybe a little coordination is needed there, and I will be glad to check into it and see what the status is, Mr. Chairman, and let you know.

Senator CHURCH. Thank you.

Senator EAGLETON. Mr. Chairman, I think there is a compelling need for a high-ranking, high-level advocate for the aging.

There are these various programs such as Operation Mainstream that are in the Department of Labor, the Department of Transportation has certain things to do, HEW has many things obviously with respect to the aging.

I think it is all the more necessary that there be a high-level individual who becomes the advocate for the aging, so that he can cut across these different bureaucratic agencies and try to focus on programs.

COORDINATION FOR AGING PROGRAMS

So that, by March 1, I hope we can have an opinion of the administration on such a high-level appointment.

Mr. FLEMMING. Senator Eagleton, may I say in the meantime I am going to focus on this question of coordination across department and agency lines.

In my opening statement I gave one illustration in the field of malnutrition as far as the aging are concerned. And in carrying out the responsibilities that the President has assigned to me, I am not going to work only through the Cabinet Committee on Aging, but I also will meet once a week with the working group and I will endeavor to get on the agenda these pending issues, get assignments made, and see to it that we keep moving forward in these areas, with emphasis on an effective utilization of the authorities and the resources that we have scattered, as you very well put it, throughout various departments and agencies.

Now, somehow or other if we can do a more effective job of pulling them together and focusing them on a single target, then I think older people will begin to see some results from that in 60 or 90 days.

I am very much impressed, coming back into the Government, with the authority and resources that have been provided for the aging by the Congress. Now, I am not satisfied. Don't misunderstand me. I am not saying that additional things can't be done, but I think we can do an awful lot. I am trying to get more effective use of these authorities and resources.

Senator EAGLETON. Thank you, Doctor.

Senator CHURCH. I am not going to be mean about it today. In fact,

I don't even want to be critical, because a great deal of time has not passed since the conclusion of the White House Conference.

But Senator Eagleton has brought up three or four major recommendations about which there has been some general reference made by the administration. But we are left waiting to know what the administration's position will be in connection with these recommendations.

We haven't had an answer yet on the first four. There will be other questions of that character asked. I do hope that that will soon be rectified, and that within the next few weeks the Administration will assume a position, a definite position for or against, these particular recommendations.

Dr. FLEMMING. Mr. Chairman, may I say my objective, as I indicated in the opening statement, is to make sure—to do everything possible to make sure that the executive branch does take a position, as you put it, for or against, with reasons, and with the Congress and the public understanding what those reasons are.

Senator CHURCH. That is right. The administration has every right to take its position as it sees fit. It doesn't have to adapt or conform to all recommendations. I am quite certain it won't.

But at least we ought to know, to have it out and have it definite just where the administration stands.

Dr. FLEMMING. Well, for example, you may find in some instances that a recommendation is well out on the cutting edge where it should be in a conference such as the White House Conference. And the Conference should get out on the cutting edge.

In those instances, we may say that we believe in that objective, we believe in moving toward that cutting edge. Here are the steps that will be taken in 1972 to move toward that cutting edge. Now, that won't be a rejection of the recommendation. It might be a rejection of the timing that people had in mind. But the move will be in that direction.

I personally believe that the Congress and the executive branch together can move forward on a large percentage of these recommendations, even though we may not in some degree reach that cutting edge.

Senator CHURCH. Yes. Now, Senator Pell has just arrived here at the committee. Rather than move down from Senator to Senator, we have been handling the hearing thus far rather informally.

If any Senator has a question at any time, please feel free to interject your question. But since Claiborne has just arrived and hasn't had a chance to ask any questions, I would like to ask him now.

Senator PELL. I have no questions. I would just note that in this past recess period, I conducted a couple of hearings and I was shocked to find that there seemed to be retrogression rather than progress with regard to the conditions of the older people.

And it seemed to me a tightening up rather than enlarging of programs might be necessary. But I wanted to be educated here and told that I am wrong in these conclusions. That is why I am here.

Mr. MARTIN. I think, Senator, you will be found to be wrong as to the future.

Senator PELL. Good. I am very glad to hear that.

Mr. MARTIN. The curve has bottomed out, so to speak, and aging has become a matter of great interest to a great number of people

and we think that it will increase in interest as we go along.

We have the President's support, as you know. He increased our budget five-fold for the Administration on Aging. He made various other very important steps in increasing the Foster Grandparents program, the Retired Volunteer program, and other programs of that nature.

So we feel that we have support of the President and that of course is the most important thing, as far as the administration is concerned, for the development of a full-scale program that will be national in scope.

Senator PELL. The problem is to translate all these wonderful objectives and these words into tax dollars. And this is a question of priority, and I guess this is what these times are all about. Thank you.

Senator CHURCH. Well, I think that it is also true that the money for the AoA bottomed out, it nearly went right through the bottom, before the curve turned.

It bottomed out at about the point we discovered that half as much money was being spent for AoA as we were spending on supporting the Greek Army. And since that time I am happy to say that the curve has changed and it is going up, but it has got a long way to go before we have an adequate program for the elderly in this country, believe me.

Senator Randolph has a question.

Senator RANDOLPH. I thank you, Mr. Chairman.

There was another point, and I appreciate you giving me just one minute to discuss the matter. I am not sure whether Commissioner Martin, you or Dr. Flemming, would want to respond to my observation.

I do not think it is an unfair observation. I think perhaps clarification would be helpful.

WELFARE SYSTEM REFORM PAYMENTS

One of the cornerstones in this administration's income strategy, and that word is used appropriately, for older Americans is reform in our welfare system. The President though, I believe, was originally willing to settle for \$65 monthly as an income standard for the aged.

Now, this amount, as I also understand, was later raised to \$130 a month. And as I recall there was bipartisan congressional action in reference to this amount. However, on an annual basis, this income standard as I study the charts is about \$300 below what you recognize as the poverty index in the United States.

Do you believe that this administration, Commissioner or Dr. Fleming, would be willing to support an effort that could be made in the Senate to raise this standard to eliminate poverty for the elderly? That would be approximately \$160 a month for a single person and \$200 a month for an aged couple.

Dr. FLEMING. Senator Randolph, as I understand the status of the legislation as it passed the House of Representatives, it does provide for moving that floor by 1974, if I recall it correctly, \$150 a month for a single person, \$200 a month for a couple.

As Senator Eagleton pointed out in his questioning, the President in his address to the delegates to the White House Conference said that he was giving serious consideration to the possibility of accelerat-

ing that date, so that that \$150 and \$200 a month would become effective earlier than is contemplated in the legislation as it passed the House.

It is clear to me that the President has accepted the concept of a minimum floor for aid to the aged, I mean persons who qualify under aid to the aged. Likewise, the House has accepted that and it seems to me that this is real progress.

This is the first time in our history where a segment of the population will be treated in this way. As I indicated to Senator Eagleton, the question of the accelerating of that date, moving it up, has not been decided as yet, but it is still being seriously considered within the executive branch.

But, as I get the picture, the President is in vigorous support of the concept of an income floor and he is in support certainly of the action taken by the House, in terms of the \$150 and \$200 a month.

Senator RANDOLPH. Commissioner, I commend the President for his recommendation of a situation which is a realistic one. And to have the substantiation that you have given this morning. These figures that I have used—we seemed to think that these were the correct figures based on all the indexes that we have.

The \$200, of course, for the couple and the \$160 for the single person—

Dr. FLEMMING. Senator Randolph, as a former Secretary of HEW, I am just delighted that we are moving in the direction of federalizing these categories and putting in an income floor.

The principle, first of all, is terribly important and I certainly hope it gets incorporated into law before the end of this session of Congress.

Senator RANDOLPH. Mr. Chairman, Dr. Flemming's area has been one of constructive effort, and I appreciate what he is saying here today. Thank you.

Dr. FLEMMING. Thank you, Senator.

Senator EAGLETON. I would like the record to show that I have offered an amendment, and I believe Senator Randolph is a cosponsor of it and I think Senator Kennedy also is, that would accelerate these income payments of \$150 for a single person, \$200 for a couple, to the present rather than waiting until 1974.

And we would welcome with great joy the endorsement of the President, if he makes up his mind to support that concept.

Senator CHURCH. For goodness sakes, let's do it right. For the first time, we will have taken the step that could eliminate poverty among the retired elderly in America at one stroke.

And that is what we intended Social Security to do in the first place. And it fell behind, and it fell further and further behind. So now that we are undertaking to rectify that, let's do it in a way that at least establishes the floor above the poverty level, rather than starting below the poverty level and waiting another 10 years to try to catch up.

And if we can establish that principle, then I think we can keep ahead. But let's not start out behind.

Senator Kennedy?

Senator KENNEDY. Thank you very much, Mr. Chairman.

I want to again welcome you, Mr. Flemming, as well as Mr. Martin. Commissioner Martin has appeared before committees which I have been on for a number of years and of course has always, I felt, had his heart in the right place.

And I think it is a tribute to him that we are seeing some additional movement by this administration finally. And so I want to extend a welcome to him, and also to you, Dr. Flemming. And I am sure, to these two old hands, that the thrust of our questioning is clear, it is not directed at you gentlemen as individuals, but to see if we cannot stimulate some greater response by the administration and by the Congress.

I was impressed, Dr. Flemming, with your statement which I just saw here at the start of the hearing, about the communication that has been sent out to 340 national organizations participating in the White House Conference. You said:

They have been asked to provide us with the answers to the following questions by February 22.

Will your organization take a position on all of the recommendations coming from the White House Conference on Aging? Has this step been taken? If not when will it be taken? If your organization does not plan * * * why not?

I think we ought to be able to ask in the Congress what the administration position is on these recommendations. You are asking the people who are out there considering these problems. I think we are entitled to at least as much from you.

Since you are asking the people about their commitment to the problems of the aging, and since you come here to indicate your renewed commitment, I think it is fair to ask exactly what resources and what legislation this administration is prepared to support to carry out the conference recommendations.

Resources and money are not the answer to all the problems. We know that is not true. But we know darned well that if the resources aren't there, that we are not going to respond to the problems that exist.

I don't think any of us have any reservation about your own concern about these problems. Nonetheless, we are faced with the fact that on the nutrition bill for which you now have indicated support, we heard administration spokesmen blast that bill for the past 2 years.

And on my bill—S. 555, the Community Service Employment bill which we asked about today, the administration opposed that. Although the President said in his statement to the White House Conference on the Elderly that some of the best service programs for the elderly are those that give older Americans a chance to serve.

"Thousands of older Americans found their work in hospitals, churches, parks and schools." That language—we have got that in our bill. We have had practically that same language and written it into legislation in S. 555, which has been opposed by the administration. And then on December 9, Senator Eagleton and myself and Senator Williams, sent a letter to the Secretary of Labor to ask what the administration was going to do, on S. 555, since the President had endorsed everything about the bill except the title. Yet we still haven't heard anything from the Secretary of Labor.

And so, we are troubled. We are gratified by what has been done now in the administration reversing its position on nutrition, but we are troubled that we haven't heard any new position by the administration on employment.

In another area, I hope we would also have some view on health problems affecting the elderly. Are you going to consider including eyeglasses for elderly people as a legitimate Medicare expense?

Perhaps when you respond to Senator Eagleton on his question concerning drugs under Medicare, you could have some view about that.

LEGAL SERVICES PROGRAM TERMINATED

In another area, I would like to direct your attention to the legal service program for senior citizens under OEO. It has been an extremely effective program in acquainting seniors of their rights and in helping and assisting them to generate legal action to protect those rights.

That program is to be terminated by OEO in April. I understand funds for the legal services for the aged will be cut by over 50 percent to \$300,000 out of more than \$60 million sent for legal services to the poor. I would be interested in knowing why. This is an important program. I am hitting you completely fresh on it, I know. But I hope you will let us know what you think can be done and what the administration is prepared to do on this program.

I think everyone here is a strong believer in the legal services program. But we want to know what you are going to do to assure the continuation and expansion of the legal service programs and what more you want from us.

We see this important program just quietly going down the drain, going quietly down the chute, without any mention. Not that you can cover all issues, but I would hope you would let us know why the administration is killing this program.

The White House Conference on the Aging recognized the importance of this program. They made a recommendation for its continuation, at a very modest level of some \$10 million for this program.

And we would be interested, as you are asking people all over the country what their position on the program is by February 22, we would like to know what the administration is prepared to do on it by that date as well.

FUNDING FOR AoA

Let me just make a final couple of comments, just so that the record is straight. When we hear about the administration figures, about a five-fold increase in the AoA budget, we question that figure.

The total administration budget is five-fold over what the administration actually requested last year. I don't think any of us would take issue with that, that the request now is five-fold over what the administration asked, but not what the Congress actually appropriated. Nor what was authorized.

Because last year, the original fiscal request in 1970 for the administration was \$13 million. But the final appropriation was \$44.7 million—raised by the Congress. And this year the total that the Administration on Aging is requesting is \$100 million.

So you have doubled the figure that was actually appropriated, which I am glad and delighted about. But certainly we don't find any very significant increases in the RSVP or Foster Grandparent program over what we appropriated this year.

Actually, you requested just what the Congress appropriated last year. There has been no increase in that area.

And in terms of research, you have a \$2 million increase over what was actually appropriated last year from \$15.3 up to \$17 million. Last year you requested barely \$3 million. But the Congress raised that five-fold.

Dr. FLEMMING. Senator Kennedy, I would like to comment on your comments.

First of all, I agree with you that the Congress and the country has the right to know where the executive branch stands on the recommendations of the White House Conference. And as I indicated earlier I will do everything possible to see to it that the Congress and the country does understand just where it stands.

Now, the clearance processes are a little longer within Government than they are within one of these national organizations, although not all of them meet their deadlines. But your comment I think is well taken.

Now, as far as the nutrition area is concerned, I think the current position is clear.

Senator KENNEDY. Good.

Dr. FLEMMING. And we are looking forward to implementing a very meaningful program in that area.

As far as the employment issue is concerned, the President made clear what he was asking and directing be done in that particular area. And I have been told that the budget that he has presented is consistent with what he said to the delegates to the White House Conference.

Senator KENNEDY. Good.

Dr. FLEMMING. On the question of the five-fold increase, here is where confusion can develop rather easily. My understanding is what the President said he was going to recommend was a five-fold increase in the funds available for State and local programs.

At that time it was about \$20 or \$21 million. So \$100 million for that particular purpose would have been a five-fold increase.

But then the Congress, soon after, did take action relative to 1972 which brought it up to \$44 million. I agree with you. But when the President made the statement, it was an accurate statement. But the picture changed as a result of the action taken by Congress.

In any event, it all adds up to the fact that there is more money available for 1972, and going to be available, I am confident, in 1973 for particularly the State and local part of it.

I think some of the confusion developed, Senator Kennedy, when people say, well, the four- or five-fold increase in the appropriation for the Administration on Aging. Really what we are talking about there is one part of it.

It is title III?

Mr. MARTIN. Yes, title III.

Dr. FLEMMING. And that went up from \$22 to \$100 million. That was \$22 million and he said he was going to recommend \$100 million, a day after which the Senate said we will move it up to \$44 million, as I recall. So you are right. It is two and a half times.

Senator KENNEDY. Good. Perhaps, Mr. Chairman, we could have, just as a part of the record, the authorization, the amounts actually requested for the last 3 years from 1969 through 1972 for the programs authorized under the Older Americans Act.

Senator CHURCH. Yes, I think we ought to do that as a chart.

DIFFERENCES IN INTENDED ALLOTMENT: THE \$100 MILLION APPROPRIATED BY CONGRESS FOR ADMINISTRATION ON AGING IN DECEMBER 1971 AS COMPARED TO THE FISCAL YEAR 1973 \$100 MILLION BUDGET REQUEST OF JANUARY 24, 1972

(With earlier fiscal year 1972 appropriation and fiscal year 1972 budget request for additional comparison)

[In millions of dollars]

	Fiscal year 1973 request	Fiscal year 1972 author- ization	Fiscal year 1972 appro- priation ¹	Original fiscal year 1972 request
Community programs on aging.....	30.0	30.0	30.0	5.35
Planning and administration.....	11.6	5.0	5.0	4.0
Areawide model projects.....	54.9	10.0	9.7	4.0
Federal administration.....	3.5			
Total Administration on Aging.....	100.0	45.0	44.7	13.35
Research.....	9.0		7.3	1.8
Training.....	8.0	20.0	8.0	1.85
Total SRS.....	17.0	20.0	15.3	3.65
Retired Senior Volunteer.....	15.0	15.0	15.0	5.0
Foster Grandparents.....	25.0	25.0	25.0	7.5
Total action.....	40.0	40.0	40.0	12.5

¹ Appropriated for use in calendar year 1972, not fiscal year 1972.

TABLE II—OLDER AMERICANS ACT APPROPRIATIONS—FISCAL YEARS 1966-1971

[In thousands of dollars]

Authorization	1966 appropriation	1967 appropriation	1968 appropriation	1969 appropriation	1970 appropriation	1971 budget request ²
Title III, project support.....	1 5,000	1 6,000	\$9,550	\$14,500	\$9,000	\$9,000
Title III, planning, coordination, and administration of State plans.....			1,000	1,500	4,000	4,000
Title III, areawide model projects.....	Not authorized	Not authorized	Not authorized	Not authorized	None	2,200
Title IV.....	1,000	1,507	4,155	4,155	3,250	2,800
Title V.....	500	1,493	2,245	2,845	2,610	3,000
Title VI, retired senior volunteer program.....	Not authorized	Not authorized	Not authorized	Not authorized	None	None
Title VI, Foster Grandparents, etc.....	2 5,000	2 5,563	2 9,380	2 8,968	9,250	10,000

¹ Title III appropriation included funds for both project support and state plan administration.

² Since appropriations for fiscal 1971 had not been made when this table was prepared, all figures in this column reflect budget requests only.

³ Foster Grandparent funds for these years appropriated under authorization of the Economic Opportunity Act of 1964.

Senator KENNEDY. Yes; just include that in the record.

Let me ask, Mr. Flemming, in terms of reviewing the President's budget for the elderly. Other than the Administration of the Aging, where have there been any other indications of increases in the programs that would directly have an impact on the elderly. Where are those?

Are you prepared to say that you are going to support various supplemental appropriation increases in other programs affecting the elderly, as we move along?

What can you tell us about that?

Dr. FLEMMING. Well, of course, the biggest sum of money is involved in H.R. 1, as you appreciate. As I recall, if H.R. 1 as passed by the House, should become law, it would provide older persons with about \$5½ billion additional income.

Senator KENNEDY. That is approximately a 5-percent Social Security increase, is that right?

Dr. FLEMMING. Well, it is as far as Social Security increases are concerned. Then you have got the provision on automatic increases because of the cost of living, and so on.

Then the President did make one recommendation—

Senator KENNEDY. Well, \$5½ billion is a lot of money, and 5 percent, if somebody is getting \$80 a week, is not.

Dr. FLEMMING. Well, of course, it ties in with the Aid to the Aged and putting the income with those, so these things have to be tied together. But then you also recall that a year ago the President recommended—and he did renew it this year—that older persons no longer pay a premium on Part B of Medicare.

Now, that was not incorporated in H.R. 1 by the House of Representatives. Personally, I hope that the Senate decides to incorporate this because I don't think that it is sound policy to require the older persons to pay that \$5.80 per month for Part B.

Senator CHURCH. May I ask a question on that very point, because it is what I was going to get to in a few minutes?

Dr. FLEMMING. Surely.

Senator CHURCH. When you headed up the inquiry into this general question of Social Security, you recommended the abolition of this Part B, as I recall?

Dr. FLEMMING. That is right.

Senator CHURCH. The President recommends the abolition of this Part B, but suggests that the money be raised by increasing the Social Security tax on employer and employee.

As I recall, your position had been that the money should come from general revenues rather than to increase still further the Social Security tax.

Dr. FLEMMING. Yes.

Senator CHURCH. Now, which method of financing do you presently favor?

Dr. FLEMMING. I feel the same way that I did when I signed that report. You are referring to my chairmanship of the Social Security Advisory Council—

Senator CHURCH. Yes.

Dr. FLEMMING (continuing). And we did go into this very carefully at that time. At least, the majority of us. I don't recall whether there was a minority view represented in the report or not.

We decided that this would be the best way to handle it, and I still feel that this would be a good way of handling it.

Senator CHURCH. But am I correct in my understanding that the President's recommendation is to raise the money by increasing the tax, the Social Security tax?

Dr. FLEMMING. Senator, I would like to have the opportunity of checking that before responding.

Senator CHURCH. I wish you would. That is my understanding, but I wish you would check into it further and see that the committee has the answer.

Senator KENNEDY. And finally, I have questions on the administration's position on health care. This is a major area of disagreement as to how best to insure adequate quality health care at a price that Americans can afford to pay.

I am sure you are very much aware of them. For instance, the administration continues to support expensive deductible and co-insurance provisions. It seems the main objective is to make elderly persons in this country health cost conscious.

One of the dramatic impressions I have received as the chairman of the health committee is that whether it is older people or younger people they don't go to the doctor for the fun of it.

And the idea of cost conscious, particularly as it applies to elderly people in this country, is really a great disservice to them.

Time and time again with limited income, elderly persons are intimidated by the cost of health care. Yet the importance of preventive care at this time of their lives is terribly important.

Now, as we look at financing the cost of health care, whether we are going to do it through the private insurance companies or health security, I certainly hope, as an enlightened servant who has given many years to consideration of the health problem, that you could help within the administration to move those forces that are attempting to abolish the concept of health cost consciousness.

I think it is a real disservice and I think it works most particularly to the disadvantage of people on limited incomes.

Dr. FLEMMING. Senator Kennedy, you will recall that a year ago a recommendation was made to the Congress which would be in conflict with your philosophy that you just expressed.

That recommendation was not renewed this year.

Senator KENNEDY. Yes; well—

Dr. FLEMMING. I think that is progress.

Senator KENNEDY. Well, I think that is a step forward. We want you to take that big final step. That questionnaire that says if you are for it, say why you are for it. And if not, why not.

Senator CHURCH. By the 22d of February.

Dr. FLEMMING. We practice what we preach.

Senator KENNEDY. Mr. Chairman, I want to thank Mr. Flemming and Mr. Martin, they take a lot of heat from all of us and I appreciate their response.

Dr. FLEMMING. Thank you, sir.

Senator FONG. Dr. Flemming, coming back to the recommendation of the President, wasn't it the thrust of your conference on the aging to get recommendations from the people?

Dr. FLEMMING. Oh, yes. I mean, John Martin had developed a concept long before I got involved in it to the effect that in 1970 the emphasis would be placed on community forums and community conferences, and then move up to a statewide conference on the aging, and finally to the White House Conference itself which had a group there that was broadly representative of the people of this Nation.

So we were looking for what the people at the grass roots were identifying as major issues, and we were trying to give them the opportunity of identifying their hopes and expectations as far as the future is concerned.

Senator FONG. You were asking them to present to you what they wanted?

Dr. FLEMMING. That is correct.

Senator FONG. And this conference was in December. And you yourself have not really been able to issue a report, have you?

Dr. FLEMMING. Well, we are in the process of it, as I described in my testimony.

Senator FONG. And these reports, I presume, will go to the Members of Congress and to the President?

Dr. FLEMMING. Oh, yes.

Senator FONG. And then do you expect the President then to make his recommendations?

Dr. FLEMMING. We are not waiting for the issuance of those reports to get issues before the President. That process is under way right now.

Senator FONG. But the President would have to know what the recommendations are. Without the recommendations of the people, he would not be able to act very intelligently. It is from these recommendations from you that you expect him to act.

And he has acted on certain sections of the problems. You expect him to act on others.

Dr. FLEMMING. That is right.

Senator FONG. So, it is pretty unfair now, shall we say, that we should hear how the President stands on these things. It is a little premature, isn't it?

Dr. FLEMMING. Well, let me say this, that I understand that the processes of Government within the executive branch take time. I will say, Senator Fong, that we are going to do our very best to move them along as fast as possible, so that the position of the executive branch is known one way or another on these issues, and the reasons will be known.

I don't object to people being a little impatient on it. This is all right. I think we should be impatient, because one of the things we have to keep in mind is that what we want to do is to help the older people in 1972.

Senator FONG. Yes. We want to be sure that they get their proper care.

Dr. FLEMMING. I don't object to being needed in terms of moving a little faster on getting some of these——

Senator FONG. Well, we want you to move fast. We want the executive branch to move fast, because we want to be sure that the recommendations given to them will be put into effect.

Dr. FLEMMING. That is right. And there is a system of checks and balances built into the executive branch, just as there is into our Government as a whole, and sometimes that takes time.

But we will try to get everything on top of the table as quickly as we can.

Mr. VERVILLE. Senator Fong, in response to your question, it is the administration's view that it wants to have the fullest possible base of information, from the grassroots as much as possible, before the administration does respond, which does get to the parts that you are talking about.

Senator FONG. So it will get a full picture of what the situation is before it can act. Because there are limited finances and there are other considerations.

CABINET COMMITTEE ON AGING

Now, I ask you, Dr. Flemming, the Cabinet Committee on Aging, do the Secretaries come to the meeting?

Dr. FLEMMING. Either the Secretaries or Under Secretaries. The attendance has been very good. Drawing on my past experience in Government, I have been very pleased.

Senator FONG. Would you say that council had been a viable council?

Dr. FLEMMING. I think it is off to a good start. It was created just a few months ago. It is off to a good start and I think it will play a very important role in making recommendations to the President relative to the findings and recommendations of the White House Conference on Aging.

The individuals are interested and I think we can use it effectively to bring about coordination and implementation.

Senator FONG. Senator Eagleton brought up the question of coordination. Now, with the Secretaries of the various Cabinet-level departments joining together, do you have any initiative?

Dr. FLEMMING. This provides a real opportunity for it and I think we are going to achieve it. And then, in addition to that, in the position that I now occupy, I am in a position where I can pull together representatives of the various departments to work out a coordinated program to present to the Cabinet Committee on Aging, for them in turn to make a recommendation to the President.

So, I think we are—we have made real progress in the direction of—

Senator FONG. I think it is very good to get all the Cabinet members together, because then you don't have any overlapping—

Dr. FLEMMING. That is right.

Senator FONG. If you focus on a problem, you know what the problem is and you know who is handling it.

Now, getting down to more specifics, as a member of the Appropriations Committee, and especially as a member of the Health, Education, and Welfare which has an appropriation of approximately \$23 billion—if you take into account Social Security payments, it runs up to \$55 billion—now, Dr. Martin, we have a problem there.

Whenever we have hearings, we—and I want to say that many of us sometimes don't know what the programs are because they seem to overlap. Even the chairman, for example, asks a witness, "does this program overlap the other?"

Take in the field where we try to keep the students in school. We have programs like Head Start, Upward Bound, Talent Search, and some other programs like Drop Out.

And here you have Green Thumb, Senior Opportunities Services, Foster Grandparents. So, just in Health, Education, and Welfare alone, you are going to find that you have so many programs that you are going to make it very confused, and it will be your job and your responsibility to make it so clear to the members of this committee who will be voting you money so that we will all understand what it is.

I, as a member of that committee, sometimes get quite confused as to many of these programs. I would say that my colleagues are quite confused also. We hope that by really having a coordinated program, just under the Health, Education, and Welfare Department, you will be able to give us a clear picture as to whether there is any overlapping in these areas of titles and subtitles.

Mr. MARTIN. Senator—

Senator FONG. It gets complicated.

Mr. MARTIN. It does get complicated, but we try to do our best to present it in a clear and understandable manner.

There are in the aging field, as in other fields, a number of programs. The overlap, however, is limited. Our problem really is that we don't cover the province of the aged adequately.

There are gaps between programs, rather than overlap. Overlap is not our major problem in this particular field. But we are working constantly to coordinate programs within HEW. That is one of my responsibilities, as priority coordinator, to pull programs together where one agency can work with another agency on a joint funding basis, rather than to have two programs running down into the community without any coordination at the top.

Senator FONG. Yes, as a member of the Committee on Appropriations, I think it is very important that you make it very clear what each program does, so that we will not be confused and find that you will be shortchanged.

Mr. MARTIN. We will do our best on that, Senator.

Senator CHURCH. I am going to recognize Senator Percy. Before doing so, I think there is good reason to understand the impatience of the elderly.

My lord, we have got a gross national product in this country that is 10 times as big as the combined gross national product of all of our neighbors to the south of us in this hemisphere.

We have a bigger gross national product and we are wealthier than the entire Communist world, though it stretches all the way across the map, through Russia, the biggest country in the world, China, the next biggest, and all the satellites combined.

We are wealthy without precedent, without historic precedent. And yet, more than a fourth of our elderly live in poverty, and over half live in poverty or near poverty, what the normal average American would regard as unacceptable, quite unacceptable.

And why can't we do better? These people, at this point, are getting impatient. I sure think they have been given cause.

Senator Percy is a fine member of our committee, and he has come in and I would like to recognize him at this time.

MOMENTUM BUILDING IN FIELD OF AGING

Senator PERCY. Mr. Chairman, I think the most significant statement made in this fine statement by Dr. Flemming was at the top of the page, where he said he senses a momentum that is building up in this field.

I must say, I was discouraged and despondent some time back working on this committee on problems of the aging, to find a lack of receptivity and a lack of awareness, and what I considered an "up-sidedown" sense of priorities.

I think we should make note of the fact that there is a momentum building up. There is a drastic change for the better in this field. And rather than being concerned and discouraged now, I am ready to say that the calendar year 1972 will go down in history as a year of great opportunity for the aging.

And I think the people in this room are responsible to a great extent for that. I don't think a few years ago you would have had an

overflow crowd trying to get in to a hearing room on the problems of the aging.

Something has happened. We have become aware of the elderly. We have a national conscience now that has somehow been aroused.

All of us are aging, and we recognize that the alternative is not very pleasant.

Everyone works on what he thinks is right, and on what is in his own self-interest, I would assume. And those in this room who are standing, I would estimate to be a little closer to their 30's than to their 60's. The age level of people working in this field is surprisingly low, and this is a hopeful sign.

I think the administration has moved forward in this field a great deal. I can recall the days last year when we almost lost a nutrition program for the elderly which was operating on an experimental basis for lack of \$1.7 million.

Think how far we have moved from that. I think the President has sensed the right priorities in placing advocates for the aging right in the White House, and in choosing a man of your stature and distinction, Dr. Flemming, to serve in this role. And John Martin's concern and ability and political acumen is also very good to have.

But I think the Congress has done its share also, as is evident in the widespread support that is being given now to the Kennedy-Pepper bill, which a few years ago might have seemed too much. Now we are ready to say yes and perhaps this is not even enough but it is what we must do now.

But our unified, bipartisan support, in both the legislative and executive branches for these programs has been one of the most encouraging things that I have seen since coming into the Senate.

I would also like to comment on the White House Conference on Aging. I participated, as all members of this committee did. I saw some criticism in the press to the effect that the conference was over-controlled, and that people couldn't always make their voices heard.

I think that the two witnesses here today did everything conceivable to see that every White House delegate had a chance to express himself to see that it was a "loose" conference from the standpoint of lacking rigid control. Yet it moved to find a conclusion and the conclusions were there.

Among the delegates from Illinois, not one of them expressed criticism to me that they had been unable to make their voices heard. And I think from that standpoint the conference did not deserve any criticism. It should have received a lot of accolades for the way it was handled.

Dr. Flemming, you have also taken time out to visit personally the senior citizen nutrition centers right here in Washington, D.C. It was at these nutrition centers that we saw that taking care of one's stomach also helped to improve one's spirit.

At these centers, person after person said to me: "I have got some place to come to, where someone cares about me. I have got someplace to dress up for. And if I am missing and don't show, someone will come to see why I am not there."

I think we have remarkable testimony on the President's dedication to the elderly. I had the experience, after leaving Chicago with the President where we had addressed the AARP-NRTA of hearing him direct you, Dr. Flemming and Commissioner Martin on the impor-

tance of doing more for the elderly, and of hearing him say that things had to be done and done now.

Many of those things have already been implemented, particularly with respect to the nursing homes.

The only question I would ask concerns the administration's announcement that it is placing new emphasis on the responsibility of State agencies to help with transportation when implementing programs.

I am grateful for the \$571,000 grant that was just given to Illinois for the RSVP program. Can we assume that because special emphasis is being placed on transportation, that there will be special aid given for the purpose of transporting people, and of overcoming barriers to the accomplishment of this program?

Dr. FLEMMING. Well, Senator Percy, let me just make this comment. Commissioner Martin may want to add to it.

As you know, the President in his address at the concluding session of the White House Conference directed, as I have indicated in my testimony, that steps be taken to make sure that when grants are made designed to service older persons that provision either has been made or will be made for transportation.

Now, this is one of the initiatives in his speech that we have got going on in connection with it within the executive branch, both in the Department of Transportation as well as under Health, Education, and Welfare.

We are going to make sure that that directive of the President is implemented. We have no alternative as far as I am concerned. I am not in a position to spell out the specific terms on it right now, but we will be able to do it very shortly.

Senator PERCY. Thank you.

TRANSPORTATION : A CRITICAL SUBJECT

Mr. MARTIN. Transportation is a critical subject which is related to practically everything that we want to do in other areas. It is especially so in the nutrition area.

As a matter of fact, the bill that is pending, S. 1163, contains special provisions with respect to transportation in connection with nutrition. And we have been working with the Department of Transportation in the development of ideas that can be used to solve this problem.

It is not an easy one or an inexpensive one. It is going to be expensive, but it has to be solved because without that linkage many of these other programs simply won't function.

And we are making it a matter of high priority, number one priority in HEW to work with the Department of Transportation on that.

Dr. FLEMMING. On the question of funds, Senator Percy, obviously the first thing that we are doing is to determine what authorities and resources we have got that we can use to achieve this particular objective.

My feeling is that we have probably got more than we realize, as you indicate, but if we come up against a situation where the President's directive cannot be fully implemented without requesting additional authorities and resources, that unquestionably will be done.

Because this, as far as I can see, is very clearcut and it is up to us to achieve that objective.

Senator PERCY. Mr. Chairman your comments prompt me to observe that there are many areas we can work in that do not require Federal funds. One is the general area of transportation. One of my deepest concerns is the immobility of the elderly as compared to the mobility of the rest of our population.

The elderly have the time to travel. They just don't have the money. As advocates of the aging, those in this room, and we as committee members, can do a great deal without asking for Federal funds, but in putting pressure on every mass transportation system in this country to give half-fares, reduced fares, in the nonrush hours to all people 65 and over.

Senator CHURCH. In the process, Senator, you might figure how to get some of those old people on a GM-designed bus.

Senator PERCY. That we accomplished or tried to accomplish in our hearings last October on transportation barriers. I think we can do a great deal to eliminate architectural barriers, and it adds to the transportation system and establishing reduced fare programs for the elderly. It doesn't detract. There are empty seats. KLM has instituted such a program, and we ought to commend KLM now.

I have introduced bills to accomplish this, but much can be done through obtaining voluntary approval now. And KLM has done it.

All the airlines have these big planes going half-empty to Europe. The young people can go over for \$125. What is the matter with the older people? They are quite happy to wait on a seat-available basis. But they just don't have that full fare.

So, I think if we can advocate those kinds of things and keep the pressure on, it will help supplement what Government is doing.

I did want to honor one group of people who have helped bring about this momentum. That staff of this committee is a dedicated staff. The staff members have done a great job, as have the personal staffs of the Senators—all of us have assigned people from our own staff.

I know in my own case Mrs. Constance Beaumont was assigned to this area, and I couldn't possibly take her off of it now. She is so much a part of the people who are working in this field. It has been a great privilege for me to have served on this committee.

And I think the staff should receive a lot of accolades for its dedication.

Thank you.

(Applause.)

Senator CHURCH. I appreciate very much your reference to the staff, because I think that is often overlooked, Senator Percy, and the staff of this committee has been excellent.

Dr. FLEMMING. Mr. Chairman, could I just underline that also? I have been very much impressed with the quality of the staff work, on the part of both the committees, and it is extremely helpful to us not only as we deal with problems in the Government, but very extremely helpful when we get out working with groups outside of the Government.

And Senator Percy's point on transportation doesn't quite cover the point that you made, but I still feel that some way should be worked out to solve the liability question, so that we can use school buses in off hours for meeting the needs of older persons.

Now, they are pretty hard to get into, and I recognize this. But, you know, I have had a feeling—I haven't had any opportunity to

check this out—that there must be a tremendous inventory in this country now of those steps that they used to use to help you get into a passenger train.

There are not many passenger trains now. Maybe we can get them back into circulation again for the school buses.

(Applause.)

Senator CHURCH. You know, you would think there would be a simple way to handle that, but we had a hearing here—remember, Chuck, the hearing we had—and we had design engineers from General Motors, and one thing and another, and to hear them talk this is quite beyond the capacity of modern ingenuity—to design a bus that an older person can get into.

Senator PERCY. That might be the first time that a favorable connotation was ever put on that term “busing.”

(Laughter.)

Senator CHURCH. Incidentally, considering the school bus matter, I have introduced a bill—I hope that you will look at it, Dr. Flemming, and I hope that the administration will take a good close look at it—which would establish a community school program with some Federal input.

It doesn't take a great deal, but we discovered that public schools represent the largest single public investment in every typical American community and they are only put to about 50-percent use.

The rest of the time the plants sit idle, while all the other needs of the community that could be serviced through the school facilities go unattended.

And communities that have attempted to make complete and efficient utilization of the schools through community programs have wonderful results. And one of the aspects of this that came to mind is that school buses have a use in the morning and then in the afternoons, and they are not used any other time. And elderly people have no way of getting about.

In the interim—

Dr. FLEMMING. I think we could keep working at some of those resources there that we are just not using.

Senator CHURCH. I think so, too. I think it is a great opportunity.

All right. Senator Pell has a couple of questions.

Senator PELL. I want to follow-up on Senator Percy and say that I agree with him completely that without the staff many of the steps we have moved ahead on in the past period of time would not have happened. And I share his pride for their expertability and knowledge. I was also struck by his thought on transportation, and his bills on transportation. I think this is very true, because the reservoir of time available to a young person of 18 is really quite large.

The reservoir of time available to a man of 70 is much smaller, and I think that also should be a factor. And I think the same fare structure for youth fares could also be used for aged fares.

In this regard, when you mentioned an alternative, I am reminded of a story about my own predecessor, Theodore Green, who was asked, “Theodore, how does it feel to be 90?” He said, “Preferable to the alternative.”

(Laughter.)

RETRENCHMENT WITHIN OEO

On a more specific question with regard to the OEO, many of the programs in my own State to help the elderly came under OEO financing and direction. Now the OEO is being forced to retrench into a planning agency.

And I have seen programs actually—in one case in Woonsocket—shrivel up completely and others very much dry up. And I am wondering what can be done to pick up these programs that the OEO is dropping.

Are there any plans being made in the White House in this regard?

Dr. FLEMMING. Senator Kennedy also referred to one of the OEO programs. This is an area that I personally haven't had a chance to get into to see just what the status is at the moment or what the opportunities might be.

But, of course, some of these programs did get transferred to other places, as we all appreciate. In fact, some of them have gone through a couple of transfers.

Senator PELL. Well, when they were transferred, they just shriveled away.

Dr. FLEMMING. Well, some of them have. But, here again, it is an area which I will be glad to take a look at and follow with a memorandum on how I see it in relation to the older persons.

Senator PELL. One of the things that always struck me most on the part of the elderly—a sadness really—is the way they economize because of the inflation. It is usually by not eating. In my own State we have had in a 24-month period 18 deaths from malnutrition. Every one of those deaths was people over 45 and 50, older people.

It is very different from the situation in other parts of the country where most of the deaths were children. In New England, it is mostly older people who are suffering from hunger. Because when other costs go up, they just pull in their belts.

I don't think we realize the extent of this factor. But the poor and the old are somewhat invisible. Maybe as Senator Percy remarked, we have now a national consciousness of it. But as a general rule, the older and the poor don't move around. You don't see them.

I think there is a tremendous job still to be done in making the country as a whole aware of how the older people are miserable in general.

Now, in this regard, I am also struck by the television advertisements advertising cat food and dog food. And in my hearings, some of my older people stated that it is sometimes necessary to eat cat food and dog food. I don't think that the public realizes the extent of that problem.

They think that is food for the cute little pet. Have there been any studies made as to what percentage of cat food and dog food is eaten by humans?

Dr. FLEMMING. I have not seen any studies.

Mr. MARTIN. I know of no studies.

Senator PELL. I think it would be an interesting study. I think it would bring to the general consciousness, as much as anything else, the problems they face.

Now, another question that bothers me is this question of nursing home abuses in some parts of the country. I think we are very lucky

in the United States that we have a very high level of private nursing home care.

The President was quite strong on the subject of nursing homes in his speech, I think, in July. What has happened since with regard to improving the care of nursing homes?

Is it not more than just a question of regulations? Are not some of the arbitrarily rigid regulations putting many homes out of business?

Dr. FLEMMING. Senator Pell, if I could comment first on your point on nutrition. Of course, I agree with you completely as to the importance there. I have become very much impressed with the fact that an important part of that problem is to find these older persons that you are talking about and make them aware of the resources and the services that are available to them.

I saw a study on one State where \$31 billion was available for older persons, and in the course of a year had not been picked up by the older persons.

So, I referred in my opening statement to a desire to get a coordinated program that would deal with this malnourishment issue as it affects older persons in terms of existing resources. And, of course, this is one of the most important things to do.

8-POINT NURSING HOME PROGRAM

Now, briefly, on the nursing homes, I have followed that with a great deal of interest since I came back into the Government. You are correct that the President made very vigorous statements about that in an address in Chicago in June, and then in an address or a statement that he issued in New Hampshire in August he announced an 8-point program for the carrying out of his policy statement.

Since then, the Secretary of HEW has been giving a great deal of attention to it. He made a statement at the White House Conference on Aging, at one of the noon luncheons, where he indicated the steps that he had just taken in order to move the President's program forward.

This would place certain requirements in 38 States by February 1. February 1 has arrived and I understand the Secretary will be having a press conference on that before long. And it also places additional responsibilities on them by July 1.

The President, when he talked to the delegates to the White House Conference and in his state of the Union message, said that—in substance—that he hopes as all of us hope that we can improve nursing homes. But if this proves to be impossible in particular cases, that then we will have to withdraw funds. This could lead to the closing down of homes. And he has said very definitely that we must develop alternative plans for caring for such persons.

And that program is likewise being worked on at the present time. The Secretary delegated a good deal of authority in this area to coordinate the activities in HEW to the Assistant Secretary, Dr. DuVal.

And then he, in turn, recruited Dr. Marie Callender from the State of Connecticut, who really works at this day in and day out, in terms of coordination between the Social Rehabilitation Service and the Social Security Administration and the Public Health Service.

I have been tremendously impressed with the caliber of work that

is being done over there in the past few months. Dr. DuVal is an outstanding public servant. Dr. Callender is doing a good job.

The President asked her and myself to go out to Cincinnati last week to review the fire there which resulted in the loss of nine lives, and in connection with the trip I got some additional briefing on the kind of things that she is doing.

Now, it is a tough job and there have been a lot of unresolved issues in connection with it. But there is movement in the direction of dealing with this issue in a positive and constructive way.

Some people say, well, you put too much emphasis on enforcement and not enough emphasis on improving the quality of service. But it is going to be both-and. It isn't either-or.

In some instances the Government should be tough as far as the enforcement end of it is concerned. It is the only way to deal with the situation. In other instances, the Government should go out of the way to try and improve the conditions that exist in some of these nursing homes.

Of course, this is a subject that we could spend a lot of time on. I have a report here from the Department of Health, Education, and Welfare, updating the nursing home issue since August 6—it might be a good thing to make that a part of the record of this hearing.*

But there is movement and there is so much to be done. It is a complex type of operation.

Senator PELL. One point the President mentioned was an idea of more inspectors. I think a large number of new inspectors.

Dr. FLEMMING. Yes, that is right.

Senator PELL. How many new inspectors are inspecting at this time?

Dr. FLEMMING. Well—

Mr. MARTIN. Let's see, 150 were added to the Medicaid force.

Senator PELL. 150 are actually being added. How many did the President call for?

Mr. MARTIN. He called for the training of 2,000 inspectors.

Senator PELL. Is this still in progress?

Mr. MARTIN. That program is very much advanced and the training is going on.

Senator PELL. How many are trained now?

Mr. MARTIN. 387 surveyors have been trained, and two more courses are under way. The date was July 1973 at which the job was to be completed.

Senator PELL. At that rate of training, it will be 6 years before we get 2,000.

Mr. MARTIN. No, the deadline is far shorter than that.

Senator PELL. Good.

Mr. VERVILLE. I might want to clarify for the record, Senator Pell, that the 150 people in the Medicaid program in the regional offices are Federal employees.

The people being trained are State nursing home surveyors. And the commitment there is to train 2,000 of the State nursing home surveyors by a date certain. And 387 have been trained and there are more in the process now.

Senator PELL. Thank you.

Senator CHURCH. Senator Kennedy?

*See appendix, p. 646

Senator KENNEDY. Just again in the area of health needs. As you know, in the report of the Conference on the meeting of health needs there were a number of recommendations which I strongly support.

The Conference took the position that there should be no deductibles, copayments or coinsurance. As you mentioned here earlier, there was a change by the administration in both A and section B of the Medicare proposals.

In the A, actually you have an increase in the copayment, which is \$7.50 additional copayment from the 31st to the 60th day and \$15 additional after 60 days. And in part B, even though you get the assumption of the costs of \$5.80, you have got an increase in the deductible from \$50 to \$60. So, the impact is that if you stay healthy, you don't pay as much. But if you get sick, you get hit a lot harder.

And what I hope will be one of the principal kinds of reforms, no matter which bill comes out, is that you will not hit the person when they are sick. In any kind of insurance policy, you want to be helping them when they are sick.

I am not suggesting that we ought to reinstitute the \$5.80. Although we have provided some immediate relief for people who are paying that \$5.80, it is not enough. Because under the administration proposal, once they get sick they get hit harder both under A and B. This frightens the elderly.

It is that fear. They say, if I ever get sick, this thing is going to be even more expensive.

I am hopeful that your good judgment on this issue can be brought to bear so we can get a system that is more sensitive to the needs of the elderly.

Mr. MARTIN. Thank you very much.

Senator CHURCH. I think Medicare is rather like Social Security itself. You start out with the anticipation that you are going to get the charge dropped down for the elderly, and now I think that the last statistic I saw, if I remember it accurately, it was that something like 45 percent of the cost to the elderly is all that is covered by the Medicare program.

That is, that of the total amount that the elderly are putting out to take care of medical bills and drugs and that kind of thing, only 45 percent is covered by Medicare. So there again we keep falling short of the mark.

SOCIAL SECURITY ACTUARIAL ASSUMPTIONS

I have one final question that I would like to ask. It has to do with the actuarial assumptions for Social Security.

The recommendation of the 1971 Advisory Council on Social Security, which you chaired, Dr. Flemming, urged changing the actuarial assumption pertaining to the Social Security trust fund that wages and salaries subject to the Social Security payroll tax will rise in the years ahead, as they have in the past, to reflect increases in the Nation's industrial productivity and capacity to create wealth.

Changing this assumption to anticipated expected escalation of wages and salaries subject to the Social Security tax would permit the Social Security system to be held in actuarial balance without piling up a huge surplus now considered necessary and permit the Social Security benefits to be increased substantially—approximately 20 per-

cent—on present Social Security financing and so provide as the White House Conference on Aging's report recommends an income standard for older people, in accordance with "American standard of living."

What is the administration's position on this proposed revision of the actuarial assumptions?

Dr. FLEMMING. I do not know what they have done with that particular recommendation. It is a recommendation that I believe in. You may have noticed that this was a minority recommendation of the Social Security Advisory Council.

The recommendation I know has been under consideration in the executive branch, in the Ways and Means Committee, and I assume in the Senate Finance Committee.

But I do not know what position has been taken on it by the Secretary, or by the Director of the Office of Management and Budget. Personally, I hope that they will see their way clear to accept that recommendation.

I know you can get a vigorous argument going on it. There are people who feel very keenly that this will be a step in the wrong direction. I know it is going to be controversial, but I grappled with this when I was Secretary, I had recommendations from other advisory councils who went into it very, very carefully.

And the people who went into it who were on the council were all people who were very competent. I would like to see the Federal Government go in that direction.

Senator CHURCH. I certainly would too. I would like to conclude the hearing by turning to—

Senator KENNEDY. Frank, could I ask just one more question? In the President's conference speech, he said, toward this end I will direct the Social Security Administration to provide an information center for each of the 1,190 districts and branch offices to explain our Federal programs for aid to the elderly.

And I know you intend to implement that. Would you also consider having people that are Spanish-speaking people in these centers, as well as other languages which are relevant to particular communities?

As you are well aware, there are parts of a State such as New Bedford which is very heavily Portuguese, where elderly persons require translative services.

Dr. FLEMMING. I am sure that factor will be considered.

Senator KENNEDY. Well, would you—

Dr. FLEMMING. I would be glad to check into it. Because that, I think, is a very important recommendation. It goes back to my discussion with Senator Pell about older people being lost, not knowing what is available to them.

And I discovered that older people do have confidence in the local Social Security Office. So that I am delighted—

Senator KENNEDY. That is right.

Dr. FLEMMING (continuing). To see the move in this direction. And the President did include in his budget some proposed expenditures that would help implement it.

Senator KENNEDY. Well, how far along are you, Mr. Flemming?

Dr. FLEMMING. And people in nursing homes have been told that they can file complaints with their local Social Security Office. They can start in this direction. Now, how much can be done prior to getting additional funds? I am not sure at the present time.

Senator KENNEDY. Well, I am sure that within this, you are cognizant of the need for Outreach programs. The importance of that in nutrition is certainly much more obvious, but it is equally important in assuring that the aged have access to other services as well.

Thank you very much.

Mr. MARTIN. May I just add the point that we are training students for this type of activity. And we are also conducting demonstrations in the State of Vermont in which, among other things, we are doing to test the value of Outreach and the use of information in our referral program.

Senator KENNEDY. Thank you very much, sir.

Senator CHURCH. We are past our lunch time, aren't we, gentlemen.

One final question here. My good right arm on this committee, Bill Oriol, has a good question he would like to get into the record before we close.

Mr. ORIOL. There are so many recommendations that we would like comment on. But the White House Conference section on housing compiled a particularly strong recommendation including the call for restoration and strengthening of the 202 direct loan housing program, and for the establishing of a position of Assistant Secretary on Housing for the elderly at HUD.

In addition, the conferees asked for greater emphasis on services in housing for older Americans. Dr. Flemming, can you tell us how the Cabinet Committee on Aging is leaning in these issues?

Dr. FLEMMING. This is one of the recommendations that are being processed at the present time, with the end view of making recommendations to the President.

And as I indicated earlier, some of those will be reflected in the message that comes to the Congress, or they may be reflected in other ways.

But this is one of the group. You have really identified three there. Those are three that are being worked on at the present time.

Senator CHURCH. Well, gentlemen, thank you very much for your testimony this morning.

Dr. FLEMMING. Thank you very much. I appreciate the opportunity.

Senator CHURCH. I want to thank the audience too, for being so patient.

(Whereupon, at 12:50 p.m., the hearing was adjourned, subject to the call of the Chair.)

APPENDIX

ADDITIONAL MATERIAL FROM WITNESSES

ITEM 1. RESULTS OF ACTION ON THE 1972 BUDGET AMENDMENTS AND REVISED TITLE III ALLOTMENT AMOUNTS*

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE,
SOCIAL AND REHABILITATION SERVICE,
Washington, D.C.

PROGRAM INSTITUTION AOA-PI-72-5 FEBRUARY 2, 1972

To: State agencies administering plans under title III of the Older Americans Act of 1965, as amended.

Subject: Results of action on the 1972 Budget Amendments and Revised Title III Allotment Amounts.

Content: The purpose of this memorandum is to advise you that official action on the Fiscal Year 1972 supplemental appropriations for programs under Title III of the Older Americans Act has been completed. The Office of Management and Budget has authorized the official release of the full allotment amounts to each State. As set forth in my earlier memorandum of January 13 (AOA-PI-72-4), the new amounts for the Title III programs are as follows: Statewide Planning, \$5.0 million; Areawide Model Project, \$9.7 million; Community Programs, \$30 million.

Although these funds have been released officially, the Administration on Aging strongly urges State Agencies *not* to make commitments of the supplemental monies at this time. We are currently in the process of completing the Fiscal Year 1973 program strategy for implementation of programs under Title III. As I have stated earlier, these supplemental funds are an integral part of the implementation of the proposed new State and Community Program initiatives announced by the President at the White House Conference on Aging.

The new program strategy is presently in its final stage, prior to official approval. A meeting of the State Agencies is now tentatively scheduled for February 24-25, at which time the State and Community Program strategy under Title III will be discussed. Premature expenditure of the new allotment amounts may not, in retrospect, be in keeping with the proposed new program initiatives. As the supplemental funds are available for expenditure until December 31, 1972, the immediate urgency to obligate these monies is alleviated. Again, therefore, we urge that States continue to operate under the allotment amounts authorized on October 14, 1971, until such meeting of State Agencies is held.

Additional information with respect to this meeting will be transmitted as soon as the details are finalized.

Inquiries to: SRS Regional Commissioners: Attention: Associate Regional Commissioners on Aging.

JOHN B. MARTIN,
Commissioner.

Attachment.

*See statement by Mr. Martin, p. 612.

FINAL—STATE ALLOTMENTS UNDER TITLE III OF THE OLDER AMERICANS ACT, GRANTS TO STATES FOR
COMMUNITY PLANNING AND SERVICES (13.700) FOR FISCAL YEAR 1972

State	For grants for State and community programs on aging ¹	For planning, coordination, evaluation and administration ²
Total, 56 "States".....	\$29,850,000	\$5,000,000
Alabama.....	519,390	78,834
Alaska.....	301,485	75,000
Arizona.....	408,945	75,000
Arkansas.....	459,690	75,000
California.....	1,522,350	231,068
Colorado.....	426,855	75,000
Connecticut.....	495,510	75,210
Delaware.....	328,350	75,000
District of Columbia.....	346,260	75,000
Florida.....	970,125	147,248
Georgia.....	549,240	83,365
Hawaii.....	328,350	75,000
Idaho.....	346,260	75,000
Illinois.....	1,041,765	158,122
Indiana.....	632,820	96,051
Iowa.....	537,300	81,553
Kansas.....	480,585	75,000
Kentucky.....	528,345	80,194
Louisiana.....	507,450	77,022
Maine.....	376,110	75,000
Maryland.....	501,480	76,116
Massachusetts.....	731,325	111,003
Michigan.....	811,920	123,236
Minnesota.....	576,105	87,443
Mississippi.....	450,735	75,000
Missouri.....	677,595	102,847
Montana.....	346,260	75,000
Nebraska.....	423,870	75,000
Nevada.....	319,395	75,000
New Hampshire.....	352,230	75,000
New Jersey.....	773,115	117,346
New Mexico.....	346,260	75,000
North Carolina.....	1,626,825	246,925
North Dakota.....	579,090	87,896
Ohio.....	343,275	75,000
Oklahoma.....	976,095	148,155
Oregon.....	501,480	76,116
Pennsylvania.....	453,720	75,000
Rhode Island.....	1,161,165	176,246
South Carolina.....	367,155	75,000
South Dakota.....	426,855	75,000
Tennessee.....	352,230	75,000
Texas.....	558,195	84,724
Utah.....	970,125	147,248
Vermont.....	349,245	75,000
Virginia.....	331,335	75,000
Washington.....	546,255	82,912
West Virginia.....	516,405	78,381
Wisconsin.....	429,840	75,000
Wyoming.....	620,880	94,239
American Samoa.....	319,395	75,000
Guam.....	149,250	25,000
Puerto Rico.....	149,250	25,000
Puerto Rico.....	402,975	75,000
Trust Territory.....	152,235	25,500
Virgin Islands.....	149,250	25,000

¹ Computed by formula in section 302 of the act after \$150,000 (1/2 of 1 percent) of the total appropriated was reserved under section 704 for the use of the Secretary for evaluation.

² Computed by formula in Section 304(b) of the act.

ITEM 2. PROGRESS REPORT ON STATUS OF NURSING HOME INITIATIVES PURSUANT TO THE PRESIDENT'S SPEECH OF AUGUST 6, 1971*

FEBRUARY 28, 1972.

1. Federal program to train 2,000 State nursing home surveyors by July 1973. Through February 1972, almost 450 surveyors have been trained in federally sponsored programs at three universities.

*See statement by Mr. Flemming, p. 604.

Contract negotiations have begun to continue ongoing training programs and establish new ones at four university training centers.

2. Federal support of 100% of the cost of State Medicaid inspections. An amendment to raise the level of Federal financial participation in this activity to 100% was submitted to the Congress by Secretary Richardson on October 7, 1971 as an amendment to H.R. 1. This proposed amendment is awaiting Congressional action.

3. Designation of a single responsible official at HEW. Mrs. Marie Callender was brought to HEW to oversee and coordinate the efforts of the Office of the Secretary, SSA, SRS, and HSMHA in the area of long-term care.

Mrs. Callender has met with all responsible officials in HEW, and has set up an Interagency Committee, which meets bi-weekly to consider matters of mutual concern and develop plans for program implementation.

Mrs. Callender's Office of Nursing Home Affairs is responsible also for a study of Long-Term Care. The study will address alternatives to institutional care, issues of Long-Term Care, costs of Long-Term Care, and DHEW organization for Long-Term Care.

The Office is directly responsible for coordination of all efforts to meet the July 1 deadline for inspections of skilled nursing homes and certification of these facilities in accordance with proper procedures.

4. Enlarge Federal enforcement capability by adding 138 positions in SRS. One hundred and ten of these positions have been allocated to the Regional Offices of the Medical Services Administration. MSA's Central Office has been allocated 28 positions for long-term care, and is now acting to fill these positions. MSA has set up an office to deal with long-term care issues relating to Medicaid, as well as to enforce standards and regulations.

Added emphasis is being placed on the audit process as a tool for enforcing Federal laws and regulations. Thirty-three positions are being added to HEW's Audit Agency to perform audits of nursing home operations. These positions, plus those for the Office of the Secretary (11) and the Social Security Administration (5), were obtained through the Supplemental Appropriation bill for nursing home initiatives.

5. Short-term training for professional and para-professional nursing home personnel. The program is currently funded for \$2.4 million, and is scheduled to train 20,000 persons. The Fiscal 1973 Budget request contains \$3 million to train an additional 23,000 persons. The Community Health Service is responsible for this effort.

Training programs will initially focus on four manpower areas: nursing home administrators, physicians, nurses, and patient activities directors. CHS is currently developing curriculums and programs in conjunction with various professional organizations. It is anticipated that some training programs will be operated under contracts with these groups. Approaches to mental health problems of nursing home patients will be developed by NIMH-HSMHA staff working with the Gerontological Society.

State capabilities for coordinating local nursing home training programs are being developed, plus experimentation with various training techniques will be supported. It is anticipated that the first contracts will be awarded in March.

6. Assistance to the States in establishment of investigative units. HSMHA has initiated a program to develop State models of investigative-ombudsman units to respond to individual complaints and other problems in the nursing home area. An interim mechanism has been established with the 855 SSA district offices designated to receive and investigate complaints. Over 1,000 complaints have been received by these offices.

A work group in HSMHA has studied alternate mechanisms for an investigative-ombudsman unit, and has prepared a plan for a demonstration program of five models of such units. Solicitation of contracts is now underway. The work group has also developed a Patient's Bill of Rights which can be incorporated into standards.

7. Comprehensive review of long-term care. The Office of Nursing Home Affairs is preparing a description and analysis of all HEW programs related to long-term care. These papers will be used as background for the review of long-term care.

A task force for the study of long-term care will be created and will consist of HEW staff and outside consultants. The task force will identify the primary issues of long-term care with emphasis on the quality of care, alternatives to institutional care, data collection and analysis, and the costs of long-term care.

8. Cut off Medicare and Medicaid to substandard homes. As of February 11, 1972, 13 ECF's had been decertified for participation in Medicare. In addition to decertification of facilities, steps are being taken to improve enforcement of standards, and to strengthen the standards themselves. Revisions are currently being made and reviewed in ECF health and safety regulations and fire safety guidelines. New instructions on the implementation of the Life Safety Code are to be issued soon.

Medicaid compliance activities have been stepped up to a substantial degree. On-site Federal reviews of State Medicaid certification procedures were carried out with the result that deficiencies in those procedures were found in 39 States. These deficiencies were publicly announced by the Secretary on November 30, along with a timetable for correcting them. Thirty-eight of the 39 States had the correct certification procedures in place by February 1. Every Medicaid facility in each of the 50 States and jurisdictions must have been inspected and correctly certified by July 1.

