

# **FUTURE DIRECTIONS IN SOCIAL SECURITY**

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

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**PART 23—BOSTON, MASS.**  
**Impact of High Cost of Living**

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DECEMBER 19, 1975



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## FUTURE DIRECTIONS IN SOCIAL SECURITY

FRIDAY, DECEMBER 19, 1975

U.S. SENATE,  
SPECIAL COMMITTEE ON AGING,  
*Boston, Mass.*

The committee met, pursuant to notice, at 9:30 a.m., in Gardner Auditorium, State House, Boston, Mass., Hon. Frank Church, chairman, presiding.

Present: Senator Church.

Also present: William E. Oriol, staff director; Diana L. McIver, professional staff member; Mike Wetherell, administrative assistant to Senator Church; John Guy Miller, minority staff director; Patricia G. Oriol, chief clerk; and Kathryn T. Dann, assistant chief clerk.

### OPENING STATEMENT BY SENATOR FRANK CHURCH, CHAIRMAN

Senator CHURCH. Ladies and gentlemen, this hearing will please come to order.

It's good to be with you this morning in Boston, on a cold morning in winter. My name is Frank Church, and I am the Chairman on the U.S. Senate Special Committee on Aging. We are here today to conduct one of a series of hearings that the committee is holding across the country on the "Future Directions in Social Security: Impact of High Cost of Living."

Our hearings, held in California, Iowa, New Jersey, Oregon, and Tennessee have produced testimony which demonstrates the compelling urgency of problems facing older Americans—many of whom can't make it through the month, or even, perhaps, through the week at today's prices.

Large numbers of elderly persons—probably most of them depending on social security or retirement income—simply don't have the dollars they need, even for essentials.

They give up a meal or they give up needed medicine to pay for higher utility rates.

They give up going to the doctor, because medicare is costing more and more, and providing less and less.

And even with all of this giving up, they have to somehow be able to keep a reserve for the one cost which always must be met, the rent or property tax needed to keep a roof above their heads.

Our testimony so far has yielded example after example of older individuals who are living in desperation. This is true in the so-called "inner city." It's becoming more and more true in suburbs, generally

regarded as "comfortable," and it is certainly true in remote rural areas throughout the country.

Here in Boston, it is true with a vengeance.

### HIGHEST LIVING COSTS IN THE NATION

I understand from the Bureau of Labor Statistics that you have the highest living costs in the Nation—except Honolulu. And in those four items which are going up drastically: food, health care, transportation, and housing and utilities, the elderly here, as elsewhere, pay more, proportionately, of their incomes, than do other age groups.

So, inflation is hitting hardest at the place that hurts the most, for people on a limited income.

I think it is important to document the cost-of-living emergency, now swamping so many older Americans. Our hearings, in fact, will help make the case for actions on several bills I have proposed.

One would make the social security and the supplementary security income, the so-called SSI, cost-of-living adjustment mechanism more flexible and more responsive to actual needs. That is to say, the adjustment would come once every 6 months instead of having to wait a year before we can get any deductibles to reflect your rising cost-of-living.

Another would prevent the cost of medicare from going up once again. Every year, the deductible that must be paid by medicare patients goes up; and whereas medicare once covered about half the total cost of medical care for older Americans, today it is covering only 38 percent.

The trend has been constantly downward, and that trend has got to be reversed.

In Portland, Oreg., the committee heard from a physician who knows of people who cut down on prescription drugs, on food, and even visits to doctors, because they really have no choice.

Some don't have the teeth with which to chew the food they can't afford; and so they weaken; they sicken; and they may go to a hospital or to a nursing home. And then, of course, one of my problems with medicare is that it is not triggered into effect until the time the person is sufficiently ill, as to require the expensive care that is given in the hospital or other such institutions like nursing homes.

The upshot of all of this is that these people become ill and then are institutionalized at great expense to the public and with the deadening loss of their own independence.

We need to do better for the aged, aging men and women of this Nation.

We seem always to see the need for bigger and more expensive weapons.

We seem always to see the need for aid to other Nations, and often that aid seems to deepen crises instead of easing them.

### VAST SUMS OF MONEY WASTED

We are spending vast sums of money very foolishly.

We see waste all around us in a big government which, in attempting to regulate everything but resolves little or nothing; and we don't seem

to be reaching the problems that really afflict the people the most, and anybody who knows about general conditions of living amongst the elderly in the country, knows that this should have the highest priority in our national agenda.

So, I say to you this morning, and everyone else who cares about older Americans, to take a magnifying glass to the budget that is now being shaped in Washington. I think if you look at it closely, you would come to the same conclusion that I have come to in that there are many wasteful and unnecessary expenditures in that budget. There is much more that can and must be done if problems of the elderly are to be adequately solved.

In this historic city, as we approach 1976, our country's 200th birthday, it is easy to reflect upon many different periods through which it has come: wars, depression, disasters, and even uncertainty about our fundamental national morality.

For the most part, each generation has left the next with more than it started with. Most importantly, rights and privileges of citizenship have been protected and enhanced, and freedom is still intact.

Older persons have helped bring that about. They have helped build the country, they have helped to keep it free.

We, of our generation, our children, are the beneficiaries of the legacy that has been left to us by the senior citizens of this land. They have kept the faith, and now, in troubled economic times, this Nation must keep the faith to them.

Thank you. [Applause.]

I want to, first of all, ask Edward J. Moore, who is the administrative assistant to Congressman Burke, and who is present here this morning, to present the short statement from the Congressman, at this time.

**STATEMENT OF EDWARD J. MOORE, ADMINISTRATIVE ASSISTANT  
TO HON. JAMES A. BURKE**

Mr. MOORE. Gentlemen, first of all, on behalf of Congressman Burke, and I am sure on behalf of the Massachusetts congressional delegation, I want to thank you, especially in view of your busy schedule, from coming to Boston to listen to the people here, and to listen to their views, and to go further into the "Future Directions in Social Security: Impact of High Cost of Living."

My name is Edward J. Moore, and I am administrative assistant to Congressman James A. Burke, of the 11th Massachusetts District, who happens to be the House chairman of the Social Security Subcommittee, the parent committee being the Ways and Means Committee.

I was asked to give the following statement, and to have it put into the record.

**STATEMENT BY HON. JAMES A. BURKE, REPRESENTATIVE IN  
CONGRESS FROM THE 11TH DISTRICT OF MASSACHUSETTS**

Mr. MOORE [reading]. "Mr. Chairman, I would like to express my sincere appreciation to the Senate's Special Committee on Aging, for the opportunity to present a statement concerning the impact of the cost-of-living on social security beneficiaries.

"I am particularly pleased to address my remarks to the people of the great city of Boston, and the State of Massachusetts.

"As chairman of the House Ways and Means Committee's Subcommittee on Social Security, I am deeply concerned with the problems our elderly face resulting from inflation, and I am committed to do everything possible to insure that those people will be provided with the means to live in dignity.

"This year, the social security system is celebrating its 40th anniversary. Social security has developed into the Nation's primary means of providing economic security to American workers and their families, in the event of the family breadwinner's retirement, death, or disability.

"Today, more than 90 percent of all persons 65 and older, are eligible for monthly benefits, while 100 million workers contribute to social security—building credits toward future benefits for themselves, and their families. The value of these benefits far exceeds the individual contributions of the worker.

"Through the years, Congress has vastly expanded the system to assure the most comprehensive coverage possible, including many raises in benefits. In fact, in the period from January 1970, through June 1975, social security benefits have increased by a cumulative amount of 82 percent and yet we realize that this has been hardly enough.

#### AUTOMATIC COST-OF-LIVING INCREASES

"The Social Security Act now provides for automatic cost-of-living increases to social security beneficiaries, based on increases in the Consumer Price Index. The first increase of this type was payable in July 1975, in the amount of 8 percent. This automatic increase provides assurances to social security beneficiaries that the real value of social security benefits will not decline as living costs increase.

"The Subcommittee on Social Security, which I chair, is presently in the midst of an extensive review of the financing of social security. We expect to report our legislation during the next session of Congress, which will make any changes deemed necessary to assure the continued solvency of the program, so that benefits will be kept in line with the cost-of-living increases.

"Elderly persons throughout the Nation, coping with the problems of inflation, must be assured that they will continue to receive their benefits which they so rightfully deserve.

"Earlier this year, the President recommended holding back the cost-of-living increases to 5 percent, instead of 8 percent. I was strongly opposed to this recommendation, and did not even consider it in the Subcommittee on Social Security.

"I strongly feel that we cannot allow our elderly citizens to carry the burden of budgetary restraints.

"I have received extensive correspondence from the people of Boston, and the entire country, expressing support of legislation to liberalize the retirement test of earnings limitation provision on the social security.

"I, too, am in favor of liberalizing this provision. In fact, I have introduced legislation which would increase the amount an individual



can earn while still receiving social security. I see no reason to penalize someone over 65, who is still able and willing to work.

"I see the liberalization of the retirement test as another means by which we can and should help the elderly citizens cope with the continuing problems of increases in the cost-of-living."

Thank you.

Senator CHURCH. Thank you very much.

I would like to announce at this time, that Senator Kennedy expresses his regret that he cannot be with us this morning. He has submitted a statement, and I will see to it that the statement is included in the record. Copies are available to the press and to any of you who would like to have copies of Senator Kennedy's statement.

#### STATEMENT BY SENATOR EDWARD M. KENNEDY

Senator KENNEDY. Mr. Chairman, and people of Massachusetts, I had hoped to be with you this morning, but a change of hearing schedule, and long-standing commitment on this date, have made that impossible.

First, I would like to attest to the urgency of the problems which will be discussed before the Senate Committee on Aging, today.

Consumers in the Boston metropolitan area feel just about the highest living cost in the United States. The elderly in the city and its surrounding communities are hard hit by particularly sharp cost increases in housing and utilities, in food they eat—or don't eat—in medical costs that medicare doesn't cover, in transportation charges, even with the low fares available in Boston, and in heating oil and gasoline prices.

They know what it is like to be priced out of supermarkets.

They know what it is like to give up prescription drugs—and even those individuals covered by medicaid may soon be faced with serious cutbacks in that program.

Yes, our older persons know how to cope, how to pinch pennies, how to make do.

But there comes a time when even the most ingenious belt-tightening won't help.

There comes a time when even fundamental necessities are no longer in reach of the retiree. The elderly person who lives every day with the realities to be discussed at this hearing, to them, there must seem little need for documentation of the situation.

To the Senate Committee on Aging, there must seem to be little that can be added to the testimony taken in our hearing rooms on Capitol Hill.

But I commend you, Senator Church, for conducting field hearings across the country.

It seems to me that the quiet desperation endured by so many of our elders, should not remain quiet.

It should be faced, not only by the Congress, but by our senior citizens, and by their families, and by every other member of our community.

At this time of hard choices about national priorities, how else are advocates on aging in Congress prevailed when the time comes to weigh one claim on our national conscience, above another?

We need sound national policy on social security, yes. But we also need to think of social security in its fundamental human terms.

We need to think of people who worked through depressions, wars, and other troubled times, in the expectation that the retirement years would be economically secure.

#### A RIGHT TO MORE THAN SUBMARGINAL LIVING

They paid into social security. They have a right to expect something more than marginal, or submarginal living in their later years.

Since 1971, the Congress has done much to strengthen social security.

We've raised benefits considerably. We've established a cost-of-living adjustment mechanism. We designed a supplemental payment program for those whose retirement income was at the very lowest levels.

Many of these important steps were taken, despite administration reluctance or outright opposition.

Many more steps are needed now. But in the face of desperate need, the administration policies have been more than merely negative.

Congress had to act to put the administration on notice that it would not agree to increased out-of-pocket payments for medicare beneficiaries.

Congress had to put the administration on notice that it would not agree to keep a cost-of-living increase, social security and SSI down to 5 percent, when 8 percent was due on the law.

That single cutback would have cost the people of Massachusetts at least \$54 million for the first year. And they are the people who needed those dollars most.

Congress had to put the administration on notice that it would not agree to allow the Department of Agriculture to make food stamps practically useless for the elderly. At the same time, we had to protect the nutrition for the elderly program I authored against cuts in funding levels.

#### BUDGET CUTS VIGOROUSLY OPPOSED

Congress had to put the administration on notice that it would not accept the impossible budget cutbacks on aging. Not only that, but we had to head off recisions and funds already appropriated. And, now, another year, and another budget, just around the corner.

And we, in Congress, have to brace ourselves once more for overt and subtle administration pressures aimed directly at older Americans.

We will fight the budget battles in Washington.

We will continue to challenge heartless and ultimately costly budget costs.

But it seems to me, we need to make improvements, as well.

We need a better cost-of-living trigger to keep social security and SSI levels closer to actual living costs of recipients.

We need to make medicare better, and we need to do more to improve our nutrition programs.

We need an independent Social Security Administration.

And as John F. Kennedy said in his Presidential message on senior citizens:

We need housing which offers more than four walls and a ceiling; we need housing which provides the services needed by semi-independent persons who can keep on making their own way with a little help.

There is much more that we need, but our biggest need is to know what is happening to people, and that is why I welcome this hearing in my home city this morning.

Thank you.

Senator CHURCH. I also have an announcement that I think I should make at this time. Boston has a distinguished delegation in the U.S. House of Representatives. As you know, they are Representatives O'Neill, Burke, and Moakley,\* and they all have a keen interest in this hearing. They have had a particularly busy week at the Capitol, to which I can testify, and they and Representative Drinan\*\* will also submit statements for our record.

All right, Mr. Oriol, that takes us to our hearing.

We had intended to begin with a statement from the Lieutenant Governor, Thomas O'Neill.

#### STATEMENT OF THOMAS O'NEILL, LIEUTENANT GOVERNOR, STATE OF MASSACHUSETTS

Lt. Governor O'NEILL. Senator Church, it is nice to be here. The Governor of the Commonwealth is out of State, and has been for the last 24 hours. He wants to let you know that he is very thankful that you came to Boston, bringing your credibility, to listen to the problems that the elderly of this State, and the entire Nation, face.

We appreciate that credibility, and we are very thankful to you for it. I also want to thank you, Mr. Chairman, specifically, for the leadership in the Senate on behalf of the elderly, and I hope that today's hearing will provide further evidence of the need for more work.

With us today, is one of the world's best advocates, Mr. Frank Manning. [Applause.]

When one talks about the credibility of the plight of elderly citizens in the Commonwealth of Massachusetts, one thinks of Frank Manning.

Massachusetts has a large elderly population. Over 11 percent of our population, or 675,000 are over 65 years of age. More than 55 percent of these people have incomes below \$5,000 a year. Nearly 28 percent live alone, and almost 90 percent of those living alone, again, make \$5,000 or less.

The Ford administration has placed the burden of economic recovery on the backs of the unemployed, the sick, and the elderly. They have opposed measures which would improve their situation. Unless there is a change of heart from the administration, States across the Nation will be unable to meet the increasingly urgent needs of our elderly citizens.

In Massachusetts, over 82,000 elderly SSI recipients went without a cost-of-living increase this year. Federal law denies the Federal funds to be provided for cost-of-living increases in States like ours that supplements the minimal Federal payments.

When the SSI program was passed, we felt its provisions for annual increases in benefits would help the elderly keep pace with inflation. Unfortunately, the law favors those States who pay only the Federal

\*See statement, p. 2031.

\*\*See statement, p. 2029.

minimum benefit, and provides no help to States which supplement the Federal minimums at the same time.

The Congress should enact pending legislation which would have the Federal Government pay for the cost-of-living increases to recipients in all of our States.

#### PROGRAM PENALIZES SSI RECIPIENTS

The program also penalizes elderly SSI recipients who also receive social security. When a person gets an increase in social security, he suffers a corresponding cut in the SSI payment. Legislation should be passed to exempt social security increases, while determining SSI benefits.

Beginning in February 4,000 elderly citizens in nursing homes face the loss of coverage for this service under medicaid because the State's revenues aren't enough to pay for the program.

Since our revenues have declined, due to recession, one of the best things Congress could have done, would be to raise reimbursement rates for medical assistance under title XIX, of the Social Security Act, during times of excessive unemployment.

Until national health insurance is passed, there are few other ways to keep the levels of service from falling below acceptable levels.

Despite our budget prices, the State has broadened its range of services for the elderly through title XX, and the expansion of home care services through the Office of Elder Affairs.

Before the end of 1976, 28 home care corporations will be funded, completing the State's plan to offer three basic services to our elderly population: Homemaker, chore, and transportation services. In addition to those services, it will provide others, such as housing, preventive health care, nutrition programs, legal services, and crisis care.

Home care corporations are designed to serve those elderly who might otherwise be sent to institutions. Forty percent of those receiving services this year, were SSI recipients.

In fiscal 1976, on the State's title XX Social Services Plan, approximately 65,000 elderly will receive services. In addition to title XX services, the Office of Elder Affairs provided meals to over 50,000 elderly persons in fiscal 1975. A variety of other programs are being funded, such as senior aids program, which provided employment to 137 elderly people last year.

#### ECONOMY NEEDS IMPROVEMENT

The State cannot expand these services without improvement in our economy, and help from the Federal Government. As inflation continues to soar, the same dollars are obviously serving fewer and fewer people. The primary casualty of inflation is the fixed incomes of our elderly citizens.

In summary, there is obviously much that needs to be done. It is clear there is little interest in the White House, the Republican White House, for addressing the problems of the elderly, and few resources left at the State levels to do it. We will need strong congressional action that will demonstrate a greater empathy for the current suffering of the elderly, and a greater determination to conquer it. I talked about credibility. I want to thank you for it. We think that we have one of the most aggressive delegations, along with the two Senators that we

have from this State, who are, quite obviously, sensitive to the plight of our senior citizens of the Commonwealth of Massachusetts, but I do think that we are all thankful for your committee and your chairmanship, which again, have proven credibility, and I want to thank you very much.

Senator CHURCH. Thank you very much. [Applause.]

We have a panel of witnesses this morning, to commence with. That panel consists of Frank J. Manning, who needs no introduction here, and who is president, as you know, of the Massachusetts Legislative Council for Older Americans; Mrs. Arthur Stocking, of Mattapan, Mass.; Thomas Warren, from Roslindale, Mass.; and Isaac Fine, chairman of the Massachusetts Legislative Committee for American Association of Retired Persons/National Retired Teachers Association, the largest of the associations for elderly in the country.

I'm very pleased to welcome you gentlemen, and ladies, to the panel this morning. I'm going to give you some time to set up your panel, and then I'm going to ask you to take charge, if you will.

#### STATEMENT OF FRANK J. MANNING, PRESIDENT, MASSACHUSETTS LEGISLATIVE COUNCIL FOR OLDER AMERICANS

Mr. MANNING. Mr. Chairman, members of the committee, I'll make a very brief opening statement. I think that the basic issues of retirement are among the most important issues facing this Nation today, with 23 million retirees now in this country and the projection calls for this figure to increase considerably.

While we are now about 11 percent in population—

A VOICE FROM AUDIENCE. Would you please speak a little louder?

Mr. MANNING. Again, Mr. Chairman, I would repeat that the basic issues of retirement are among the most important facing this country today. We have a huge army of elderly, many of whom have been forced into retirement, who would like to continue to serve their country and themselves.

We have a huge army of people who can draw upon their great reservoir of experience and judgment, and yet they are told in effect, that the system no longer needs them; that they have no role in society; that they have no jobs, that we are not breadwinners anymore; and consequently, we should not be too rash in our expectations of a good life.

I would say that this philosophy is an indictment of the American conscience. Winter is at hand. The temperature fell this morning to about 14°, or 13°, and this may well be a winter of crisis for many senior citizens, because inflation, longevity, and involuntary unemployment have forced these people, who have always taken care of themselves proudly, into a situation where they must look to their government in order to survive.

What will this winter be for many of our senior citizens? For many of them, it will be trading one necessity of life with another. Will it be a winter coat or the fuel bill? How can I get my home winterized and still pay my taxes?

How will I meet the increased cost of medicare and medication?

I understand that Blue Cross is now contemplating severe increases

in premiums, about 20 percent, and with medicare, unless your bill to freeze medicare rates goes through, the deductible in one case, goes from \$92 to \$104, without increases in benefits, and restricted services.

#### POVERTY BEING PRODUCED

What we are doing, in effect, Mr. Senator, among all the products that we produce, we are producing poverty among our senior citizens. [Applause.]

And if the present rate of increases in the medical services increases, we will create tens of thousands more of medical indigents, and we are going back to the charity wards, and God knows that you and I don't want to see that, and we mean to fight it.

In the State of Massachusetts, we are faced with the discontinuance of the so-called optional medical services. What are those medical services? They are prescription drugs, without which many of our senior citizens could not live; dentures, eyeglasses, clinical visits, not fringe medicine, but life-sustaining medicine. These are the things that are at stake here, and if the State doesn't provide them, the medically indigent person is saying: "How can I get these drugs? Where am I going to get the money to pay for them?"

These services are not included in medicare, and this brings to light another important factor. Namely, that while medicare has served a great purpose, and while it has been very beneficial to the elderly over the years, administrative decisions, increased costs, have reduced its effectiveness for senior citizens of the country; and, consequently, I hope that Congress will, without undue delay, fill in the gaps in medicare, so that we do not have any unnecessary suffering among the stricken element of our elderly population, and our working poor.

These are some of the issues: Employment, and a role in society. They have not reserved any role for us. We will have to carve those roles out for ourselves. I want to give you an example. You know, they say that 65 has become a kind of mystic age in this country. You are supposed to wake up on the morning after your 65th birthday and feel differently. Personally, I felt better than I did the day before, and I have never worked so hard in my life, as I have in the last 8 years.

#### "THE THIRD ACT OF THEIR LIVES"

I want to say to you that I consider myself a fortunate human being. How many people can live out the third act of their lives, in an active role, doing something they always wanted to do, to work in concert with their fellow man, to create a better society, and get America to realize its whole potential? What better way to fill out a life than that? I do feel, myself, that the support given me by the senior citizens has helped, and I hope we can carry on and really get into the teeth of these basic issues, retirement.

I want to close by saying that I have not given any statistics. We know that since 1967, the cost-of-living has increased 64 percent, and while the amount of accumulated social security increases over the years might sound impressive, the truth of the matter is that these increases were applied to such a low base, that they do not meet the need of the 1970's.

One does not have to look at statistics. Go to the supermarket or the corner grocery store. I picked up a little plastic bag—it was very fancy looking—and it had something green inside. It was something they used to force on us when we were kids, spinach. Now the doctors say go easy on it. It is not so good, and I think of the millions of kids who suffered over the years, under the illusion that it was good for them.

You pick up the little plastic bag, and do you know what it says? It says 79¢, for spinach. You go from one item to the other. The lowly hot dog has been elevated almost to the position of prestige in status. Hamburger, and, incidentally, the cheaper hamburger, so-called cheaper hamburger, has a higher bacteria count than the so-called ground round; so, watch out, you may save a few pennies, but you may get a side effect from it.

So that all you have to do is go to the grocery store, and I am forgetting about steaks and lamb chops, but not milk, bread, cereal, and you will find the reason why many of us older Americans are faced with the problems of malnutrition, and suffer in this region.

I'm very glad that this committee came here today. I have known the work of this committee over the years. Since the inception of the chairmanship of Senator Church, it has done valuable work in raising the visibility of the problems of the elderly, and also in pioneering in some important fields, and I sincerely hope that they will continue their work with even greater efforts and become the catalyst in Congress to increase the income, the health services, and the housing for the senior citizens of America.

We, in turn will do our share. We extend our hands to all age groups. We did not organize to isolate; we did organize to participate, and we are at the service of all those who need us, but we are faced with a grim chronological fact "that we need action and we need it fast."

Thank you, Mr. Chairman.

Senator CHURCH. Thank you, Mr. Manning.

I'll tell you one thing. This State is very fortunate to have a man like Frank Manning among their leaders. [Applause.]

Now, Frank, we have some other members of the panel, and why don't they proceed? We want to hear from each member, and I want to express my appreciation to the committee for all of you being here, and to participate.

Now, why don't you just proceed according to your own plans, so that every member of the panel will have a chance to speak, and then I will ask questions.

Mr. MANNING. I did have a list here. I think that our first witness is going to be Thomas Warren, who is at the end of the panel on my left. Mr. Warren is—I almost gave my age for his, and I want to apologize. Mr. Warren is 68 years old. He is an SSI recipient. His wife is in a nursing home, and he is living alone, struggling to maintain his home, but having difficulties paying taxes on his house. It is fortunate that most of his medical bills are being taken care of, but if the State-cuts go into effect, people like Mr. Warren may find themselves seriously affected. I believe that Mr. Warren has had a stroke and he has shown great courage in fighting back to a high degree of mobility.

Mr. Warren, would you like to make a statement on your difficulties with the property tax?

**STATEMENT OF THOMAS WARREN, ROSLINDALE, MASS.**

Mr. WARREN. Thank you, Mr. Chairman. My biggest problem is overcoming my infirmity that I received by a stroke that happened 10 years ago.

Excuse me for pausing, but I have to.

Mr. MANNING. That's all right, Mr. Warren, and try to talk into the microphone that is in front of you.

Mr. WARREN. Well, I have had some great—(stops talking).

Mr. MANNING. I think that you have been paying taxes for approximately 40 years, isn't that right?

Mr. WARREN. Yes, I have.

Mr. MANNING. And that these taxes have risen considerably in recent years?

Mr. WARREN. Overall, yes, they have gone up.

Mr. MANNING. And you are not eligible for the abatement under the Massachusetts law, because you are not 70 years of age, is that correct?

Mr. WARREN. I have got to go a few more years to get that. It is a long road to go.

Mr. MANNING. I, personally, have the sneaking suspicion that anybody who has paid taxes for 40 years should be considered paid up—[applause]—and I think that this is doing your duty.

Now, Mr. Warren, if the States should discontinue prescription drugs and things like that, that would leave you in a rather bad position, wouldn't it?

Mr. WARREN. I would have to go out and steal.

Mr. MANNING. What was that?

Mr. WARREN. I would have to go out and steal.

Mr. MANNING. You would have to go out and steal. Well, I don't recommend that, but being an honest man by nature, I can understand it. However, I want to warn you that the judiciary is very tough on little people who steal. Big people get pardoned. [Applause.]

Mr. WARREN. They all get free lodging.

Mr. MANNING. Well, you know, if we could arrange something like that to have the government provide our board, and leave the lodging up to us.

Mr. WARREN. Please excuse me. I don't mean to be sarcastic in my remarks, but this affects me, and every time you pick up the paper today, it says "don't carry a gun or you get a year, and nobody will get you out." Get me out of what? I wish they would get me out of taxes.

**SENIOR CITIZENS EASY PREY FOR MUGGERS**

Mr. MANNING. Well, of course, you bring up the question of guns, and this brings up the question of safety of our senior citizens. Our senior citizens have been the most vulnerable for muggers. This, too, is a problem. I think it is regrettable that many of our older citizens have to live behind locked doors, and are afraid to go out on the streets, and I think it is time that the city, State, and Federal Governments get together and really do something about it, besides talking. I know



women who have been mugged two or three times, and there is a story told about a neighborhood that was so tough, that you could hear the screams of the police at night for help, and a young man passed a boarding house and he asked a lady how long it would take for him to get to the subway. She said, "I cannot help you, son, nobody ever made it from here."

Mr. Warren, I appreciate your testimony, and I think you are a prime example of courage. You have had a great deal of physical disability of your own, and your wife is in the nursing home, and I feel that you are facing life courageously. I hope that we can induce the Federal Government to help these States that will adopt a circuit breaker tax to help the small homeowners of this country.

Mr. WARREN. Thank you.

Mr. MANNING. Our next witness is Mrs. Arthur Stocking. She is a very interesting woman. She came here from India about 9 years ago, and she came here with high hopes of carrying out an independent living for herself in becoming a good citizen of the United States. During those 9 years, she has been supporting a blind husband, 74 years of age. She has a job in a nursing home which she loves dearly, because it enables her to serve her fellow elderly, who are in need of companionship and help.

She used to be a registered nurse in India, and she is now an aide in the nursing home.

Now, as I said, her husband is 74 years of age, and blind, and her case represents a dilemma that many older people find themselves in. If she continues to work at a modest salary, her husband's social security insurance will be drastically reduced so that she will lose out.

#### STATEMENT OF MRS. ARTHUR STOCKING, MATTAPAN, MASS.

Mrs. STOCKING. Mr. Chairman, Senators, Lieutenant Governor, members of the audience, I am honored to be among you. I may not be able to express myself as I would like to, but I do want to thank you for listening to me.

As I speak in behalf of my husband, Arthur Stocking, aged 75 and blind, I hope that I speak in behalf of all older Americans and also for future generations of older Americans.

Through the generosity of American taxpayers, a vote of Congress, and signed into law by the President, title XVI provides that my husband receive SSI benefits.

On December 2 my husband was informed that since my quarterly earning was \$1,300, his SSI benefits would be reduced to \$18.22 per month. This was a rude awakening. It was like cutting off his legs and letting him loose in a quagmire to fend for himself. On this we decided he should go into a nursing home where he would have a roof over his head.

After 50 years of marriage we would be separated. This was very heartbreaking but it seemed the best thing to do. I am sure that many other couples have had to go through the same thing. They are forced to live on a meager income, not knowing which way to turn, their pride and dignity taken away. Some are even forced into shoplifting to get food because they were so hungry. Older Americans have given

the best years of their lives in service to their country, many are still an asset.

Cutting down on the older Americans benefits has also made a great impact on the nursing home industry. Due to the shortage of funds, nursing homes cannot give the quality nursing care which older Americans deserve. The homes cannot get quality employees.

In conclusion may I quote Mrs. Jamison:

“Chill penury weighs down the heart itself;  
and though sometimes be endured  
With calmness, it is the calmness of despair.”

Thank you.

\$130 FOR RENT, \$40 FOR HEAT

Mr. MANNING. How much rent do you pay, Mrs. Stocking?

Mrs. STOCKING. I pay \$130 rent, and \$40 for my heat.

Mr. MANNING. What was that?

Mrs. STOCKING. I pay \$40 for my heat, and \$130 for my rent, and that is only because the lady is kind enough to give it to us at a reduced rate.

Mr. MANNING. Yes. Well, as you can see, this represents the dilemma that many of our older citizens find themselves in. They are being penalized. If she quits her job, her social security and the reduced SSI will not be sufficient to maintain the present standard of living. Here again, we must ask the question: “Why does the Government of the United States impose disincentives on people who want to work and live their independent style of life? It is about time that we got rid of that earning limitation.

We are working with Mrs. Stocking. Mr. Cross, who is the able supervisor of our 80 VISTA volunteers who will serve the elderly throughout the State, is working with Mrs. Stocking to see if they can't work out something at HEW in her case.

Now, Mrs. Stocking, you do like your job, do you want to continue it?

Mrs. STOCKING. I love my job, and I love the older people I work with. They are adorable, and I just love them.

Mr. MANNING. I hope that we can help you, so that you can continue in your work, and that the SSI will not penalize your blind husband for the good job you are doing, and we will keep working with you.

Mrs. STOCKING. Thank you.

Mr. MANNING. Mrs. Leyland is a substitute on this panel for a gentleman who was ill and who was unable to be here. I have not had an opportunity to talk with Mrs. Leyland, and I don't know what her particular testimony is, but, would you please make a statement at this time.

#### STATEMENT OF FLORENCE LEYLAND, WALTHAM, MASS.

Mrs. LEYLAND. First of all, I would like to thank the chairman of this Committee on Aging, for allowing me the opportunity of appearing here today, to testify before you.

I consider it a great honor and responsibility to bring to your attention, some of the day-to-day problems, which I and thousands of other senior citizens in America, like myself, must face.

Now, I'm way up in the 70 bracket, in age. I'll speak, or try to speak to you about people my age, some over and others a little under, who live on just a fixed income, which would be just social security alone. I want to talk about the problems that they have to face today, to maintain a livelihood.

Now, I'll go into, first, the oil bill, which people have to face to keep warm. Last winter, from September of 1974 to September of 1975, my oil bill totaled \$550. That was when oil was 38.9 cents a gallon. Today, it has reached 41.9 cents a gallon. So, that means that next year, if it goes along, it would be over \$600 for oil alone to heat my house. Besides that, you have to pay to have your furnace cleaned and adjusted, and then you possibly have some work done, because my house is an old house. Probably many of you, at my age and under, have houses that are older that you have to take care of. They have a great deal of expenses, such as steam pipes going through them, and for different parts of the furnace, and the hot water tank, and things like that. That also adds quite a little bit of expense.

Then, there is the real estate tax. That keeps going up and up, but I'm in the bracket where I get the \$350 deduction for the tax rebate, but, then, next year, my bill will go up to almost \$1,150 for my taxes.

Then, there is the insurance on the house. Mine is over \$112, which is added to that.

Then, our gas bill. It was a small amount back in 1970, and now it has gone way up—my house, you see, I don't heat it with gas. As I said, I heat it with oil, and I only cook for two people, and in order to keep my bills low, I don't use my oven a great deal. I use the top of the stove. If I have a roast, I pot roast it, so that it will cut down the expense on the gas bill, and I cannot afford to buy steaks, only once in a great while, because steaks are too high.

So, I have to go into a lower price of food. When I buy the cheaper hamburger, there is 25 percent fat. So, that means that for one pound of hamburger steak, I don't even get three-fourths of 1 pound of meat, because there is 28 percent fat. That means that there is seven-tenths percent of meat in the pound of hamburger.

Then, you go and you look, and you buy other things in the store. You buy bacon, and it's gone from \$1 and some odd cents a pound to \$1.89—at one time, a couple of years ago, it was 79 cents for bacon in cut-rate stores, and today it has reached in some stores, \$2 and some odd cents a pound.

Then you buy potatoes. You see a sign on the store, 3 for 49 cents. 3 potatoes, Idaho, for 49 cents. You get the ones on sale for 15 cents a pound, and after you cook them, you find many times that they turn black, because they are so old.

Then you go and you buy all your vegetables, and they have gone up two or three times their prices.

Your milk has gone from 39 cents to 80 some odd cents a half gallon, and your margarine that used to be 20 cents has gone as high as 59 cents a pound, three times the price of what it was.

Then, I have the Edison electric bill; which in 1970, was \$20; and, now, in 1975, it is \$34. We get a reading every 2 months, and so this is the 2-month bill.

So, with everything going up, and you get just your social security to carry on; it presents quite a problem.

I received my Blue Cross and Blue Shield statement of the quarterly dues. I had Medex 2, which was \$28 and some odd cents, and now it is \$40.68. That means that for a year, I have to pay \$162.72 for Blue Cross and Blue Shield.

Then, you go to the store, and you want to buy soap. A little bar of Ivory soap was 5 cents, and today, it is as high as 14 cents.

I have not watched my time—how much time have I got left?

Mr. MANNING. Well, take a couple more minutes.

Mrs. LEYLAND. Then you take your Vick's Vapo Rub, if you have a sore throat or pain or something and you wanted to get some relief, that used to be 59 cents for a small jar, and now it is \$1.39; aspirin, the cheapest, were 10 cents for 100, and now they have reached 31 cents; Pertussin cough syrup was 59 cents, and now it is \$1.15; your soap powders were 39 cents, 49 cents, and 59 cents, and now they have gone up to \$1.39, for a 3-pound package.

#### COSTS HAVE DOUBLED AND TRIPLED

Everything has gone up. Eggs went from 59 cents to 80 some odd cents, and sometimes over a dollar. Everything has tripled or doubled, and some have even gone higher than that.

So, how do you figure it? How are you going to carry on? How are you going to live if things stay as they are, or even go up higher than they are? This is not counting any of the hospital bills that are scandalously high; your medicine that you have for prescriptions, you will find that it costs \$5 or \$6 for a small prescription of cough medicine; you will see that nothing is under \$1. Everything is top, top, "top value."

So, how are you going to keep on existing with conditions as they are? If they venture any higher, we just won't be able to do anything.

Mr. MANNING. Thank you very much. [Applause.]

I think that a presentation like that, does more to dramatize and demonstrate the plight of the senior citizen in America today, than all the statistics that one cares to have.

I think that this was an excellent presentation, and what I think it demonstrates, Mr. Chairman, is that you have millions of people, many of whom have half of the income of those in the working force, trying to meet the demand of an ever-expanding and spiraling economy, and there is a limit to it. We are going to have to ask Congress to take steps, and we thank you for an excellent testimony.

Senator CHURCH. Thank you very much.

Mrs. LEYLAND. In closing, I want to say thank you, again, on behalf of all the elderly citizens across the Nation. I know it will be comforting to them, as it is to me, to know that you are listening to our problems and working toward solving them. [Applause.]

Mr. MANNING. Mr. Chairman, if you have any questions, we would gladly like to oblige.

Senator CHURCH. Why don't we hear from the last witness on the panel, and then I'll have some questions.

Mr. MANNING. Our next witness is a representative of the AARP. I represent the Legislative Council, which is affiliated with the National Council of Senior Citizens. We represent two different organizations, but we are here as friends, colleagues, and coworkers, because,

I feel that on basic issues, we must stand together, or we will fall apart.

Mr. Isaac Fine, who is the legislative agent in Massachusetts for the AARP, is also vice president, I believe, of the municipal and county employees. Mr. Fine has a statement to make.

**STATEMENT OF ISAAC FINE, CHAIRMAN, MASSACHUSETTS LEGISLATIVE COMMITTEE, NATIONAL RETIRED TEACHERS ASSOCIATION/AMERICAN ASSOCIATION OF RETIRED PERSONS**

Mr. FINE. Hon. Frank Church, members of the panel, ladies and gentlemen. My name is Isaac Fine. I am a volunteer, legislative representative of the National Retired Teachers' Association/American Association of Retired Persons, and vice president of the Massachusetts Retired State, County, and Municipal Employees' Association.

The AARP, and our committee, represent over 350,000 members in Massachusetts. Our members rely, to a large degree, on their income from social security and public or private pensions. Accordingly, inflation and related cost-of-living adjustments are of vital concern to us.

**REASONS FOR EROSION OF PURCHASING POWER**

First, I want to address myself to a matter of the inadequacy of cost-of-living adjustments, sometimes referred to, unfortunately, as cost-of-living raises. Cost-of-living adjustments are an inadequate protection against the erosion of purchasing power, because:

1. The lag factor. In general, there is a 1-year lag, between the onset, and the effect of the rise in the U.S. Consumer Price Index. During this time lag, a new round of price increases takes place. In other words, they are behind.

2. Federal, State, and public local retirees pay Federal taxes on the cost-of-living adjustment, which substantially reduces the adjustment, and many are propelled into a higher tax bracket.

3. The elderly pay a disproportionately large part of their income for food, housing, and medical care; items which have risen more sharply than the consumer price index. For example, the average out-of-pocket hospital cost for medicare recipients has more than doubled, from \$205 to \$415, between 1969 and 1974. This compares to an average out-of-pocket payment of \$117 for persons under age 65.

4. The BLS intermediate budget for a retired couple for autumn of 1974, was \$7,075, for the Boston metropolitan area. This area includes 40 percent of the State's population. This figure of \$7,075 is 17 percent above the national figure of \$6,041.

Twenty of the 40 metropolitan areas exceed the national figure. Older people are concentrated in the higher cost metropolitan areas. While allowances for this may not be feasible administratively, it bears on the inadequacy of the adjustment.

Thus, even with a cost-of-living adjustment, the purchasing power of the elderly is being gradually eroded.

In view of the above, we heartily endorse S. 1192, introduced by Senator Church, to establish a special consumer price index for the elderly, and to mitigate the lag effect by allowing for two annual adjustments.

## H.R. 9155 OFFERS NO ADJUSTMENT PROVISIONS

I now want to discuss the Dent bill, H.R. 9155, "Public Service Employee Retirement Income Security Act of 1975."

Even though the enactment of such legislation is not in the offing, we note that the bill contains no provisions for a cost-of-living adjustment. Speaking as vice president of the Massachusetts Retired State, County, and Municipal Employees Association, we would oppose such legislation, if it failed to include such a provision.

When, and if, the Senate introduces similar legislation, we hope a cost-of-living provision will be included. We have been in touch with Congressman Dent, in regard to this matter.

A provision in the Massachusetts public retirement law, for automatic cost-of-living adjustments, was recently struck out, without a public hearing. We feel that the process was undemocratic. The average pension is \$4,000, and the adjustment applied only to the first \$6,000 of a pension. The adjustment for public employees in Massachusetts is now in jeopardy.

We understand that at the national level, the national administration would like to cap the adjustment for social security and eliminate the 1 percent add-on for Federal retirees.

We are, indeed, confronted by a hostile press. There is a concerted campaign in the press to undermine all pension systems. For example, the *Wall Street Journal*, February 27, 1975, states: "The social security system is on the way to going broke." That is not so.

*Fortune* magazine, April 1975, page 208, mentions "Overly generous automatic increases written into the Social Security Law by Congress. The utopian era of comfortable retirement, wholly at government expense, will have to be postponed indefinitely."

I was not aware that social security is wholly or even significantly at Government expense; and this comes from a reliable magazine, *Fortune* magazine.

*Boston Herald American*, April 20, 1975, says: "Bay State pension costs could plunge the commonwealth into bankruptcy."

*Boston Herald American*, November 12, 1975, says: "Some serious observers regard the whole social security system as a Ponzi game within a decade of collapse."

Now, we don't have the time to go into the philosophy for this type of publicity. It is rather insidious, though.

Inflation: A most disturbing aspect of inflation is the fact that, worldwide and in the United States, this is the first time in history that inflation is being experienced in peace time. Legislators should address themselves to the causes of inflation, and not impose further hardships on the victims of inflation.

In conclusion, may I suggest increased support for S. 992, and the inclusion of cost-of-living adjustment provisions in any proposed public service programs, and publicity to counteract the current wave of adverse press releases.

My thanks for the opportunity to present our views to the U.S. Senate's Special Committee on Aging, and, finally, I want to say that we, here in Massachusetts, very highly esteem Senator Frank Church. [Applause.]

Mr. MANNING. Thank you very much for your excellent testimony on the cost-of-living procedures. I want to, on behalf of our organization, add our endorsement to S. 1992, which would change the procedures of the determination of cost-of-living increases for seniors and others, and which would make the increases come twice a year, instead of annually. That time lag is very important, and I just want to thank all the members of the panel for their excellent presentations. I hope that this testimony, coming directly from those who are affected by retirement, will have some impact on the future direction of social security.

#### FEAR CAMPAIGN "A PHONEY"

I agree with you that the campaign of fear about the social security system is phoney. We all know that any system, if not adequately financed, would collapse, but there is no evidence that the statements and attacks made upon the social security system are true, but it is a campaign to discredit and still further lower our standards of living.

So, beware of what you read and what you hear, and I am sure that sooner or later, Congress will come to grips with this essential fact that 7 million people or more, on social security, are not senior citizens. They are survivors. They are widows, disabled, and the blind, many of whom are under the retirement age. Tens of thousands of children are survivors of social security beneficiaries, and yet we have not expanded the financial basis of social security.

The rich escape entirely their share of this burden, by putting it all on the wage earner who makes \$15,200 or less, and it is about time we stopped that.

[Applause.]

Senator CHURCH. First of all, I want to congratulate all members on the panel. I think they did an excellent job. Each one did an excellent job with his or her testimony this morning.

#### 6-MONTH ADJUSTMENT SOUGHT

Now, I want to start with our last witness, Mr. Fine. Perhaps I should say a word or two about this bill. First of all, I appreciate the strong support that has been expressed both by Mr. Fine and Mr. Manning. We would like to get the 6-month adjustment because of the fact that inflation has been so severe.

I would like to see the adjustment made once every 3 months, but I will tell you why we cannot do that. They put in the biggest, the best, the most expensive computer system ever devised by the mind of man to handle social security programs, and it is there in Baltimore. In case you ever get to Baltimore take time and go see it. It is just tremendous.

The only problem is, that before we had that computer system, and we wanted to make a change in the social security system, we could do it within 3 months; but now that we have this computer system, we are told that it will take 6 months. That is "progress." So, that's why we made the 6-months provision in the bill, and this is because the computer can do the job in that time lag.

The other part is this cost-of-living index. The regular cost-of-living index that is now being used under the law, computes the

amount of the adjustment. Well, what did we get this year? We got 8 percent. But the President, the administration, the Ford administration, wanted to keep that to 5 percent. The index says that 8 percent was the proper adjustment to reflect the increase of cost-of-living, but that is a general index. It covers things that young people buy, you know, sports cars, all kinds of things that the elderly can't even think about buying, and the worst part of the inflation has to do with food, it has to do with medical costs, it has to do with housing, it has to do with rents, it has to do with utilities, and this adds up to 90 percent or more of the available retirees income. And these factors don't get nearly as much weight in the general cost-of-living index as they should get, and that is why we have to have a special cost-of-living index to take care of the adjustments for older people, and we want to do that.

Frank, I might just want to add something to what you just said. When articles appear about how overly generous Congress has been in the social security, and how everyone is going to have a plush retirement, and how the whole system is going to collapse, I'm not at all surprised that such articles appear in such journals as *Fortune* magazine and the *Wall Street Journal*.

I have a prescription for people who really believe that way, it is a simple prescription. A few years ago, I thought maybe I'd better find out what it was like to live on welfare, what was given out to welfare cases for food. You know, people talk about the welfare problem, and we do have a problem. There are parasites in the system that shouldn't be on it, and all that kind of thing. But I thought before I could judge the whole system, maybe it would be a good experiment to put my family on that welfare diet for a week, that's all.

There were four of us, our two boys, my wife, and me. So, we went on the welfare diet for a week to find out how we could get by. Everyday I used to take a brown bag with my lunch down to the Senate. It consisted of a carrot and peanut butter and jelly sandwich, and I tell you, Frank, it didn't do us any harm for 1 week, but we were mighty glad when the week was over and we could get back to the way we were accustomed to eating.

I just think that some of the people that talk about it ought to try it themselves for a week or two, and find out what it's all about. [Applause.]

Now, Frank, I have a question for you. I know that here in Massachusetts, you have a law. One of the real benefits of hearing, of holding the hearings out in these States is to find out what the States are doing. You have a law imposed here that is supposed to help people who cannot pay their electric bills. Can you tell me something about that law? What is it like? How is it designed, and how does it work?

MR. MANNING. Well, it is very limited. It is distributed to CAP agencies, and it doesn't even begin to meet the needs of senior citizens. We haven't got much, but it certainly is a step in the right direction, but it certainly is not the answer to the problem.

One can go to these community action groups, I believe they are with the Community Services Administration. but the money soon runs out and there is a very small fraction left in it.



Now, we had certain benefits under Old Age Assistance, which was, as you know, superseded by SSI, and many thousands of people transferred from the Old Age Assistance into the Federal SSI.

Now, when that happened, many of those people who were grandfathered, had certain allowances, built-in allowances, for high rent and special diets. These services, largely with the exception of some of the moneys that were otherwise expended, were continued for those people who were grandfathered. New applicants on the SSI could not get any of those services. Recently, such items as "special needs," in the way of furniture and moving, were suspended. We have had cases where we were able to find accommodations for six persons who were ready to leave nursing homes, and we found that we got the place, but the State would not pay for the furniture any more, and we had to go around and scrounge from different agencies. In other words, the State was willing to pay a high rate in a nursing home, rather than an outlay of a few hundred dollars for furniture.

The utility allowance is restricted, and the program doesn't begin to meet the whole problem.

#### UTILITY RATE SYSTEM NEEDS TURNAROUND

Senator CHURCH. I have often wondered why we cannot just turn the utility rate system around. It seems to be absolutely wrong. What we do, typically in every State, and not just Massachusetts, but typically across the country—this is the whole utility rate plan throughout the country, is we charge the highest rate per kilowatt—to those who use the least amount of power, and the more you use, the cheaper the rate.

So, first of all, it favors well-to-do people who can use as much as they wish, because the rate keeps going down and the big user, who is best able to pay, gets cheaper rates; and yet, people who are really trying to hold down the bills and just use a minimum amount, have to pay the highest rates per kilowatt. It ought to be just the other way around.

If it were turned around, then it would not only help people with limited income, but it would also help the inflationary problem.

Mr. MANNING. Yes. The proposed lifeline legislation was supposed to be passed by the legislature during the last day of the session, but the Senate adjourned without taking action. They are supposed to be meeting again on New Year's Eve. New Year's Eve is a very bad day for business, because I know what I'm going to be doing on New Year's Eve and what the legislature will be doing, and we have the lifeline legislation, which would reduce the kilowatt hour rate, for the first 300 kilowatts. This is an excellent piece of legislation, and it is a beginning, at least, but even we're having a hell of a long way to go.

#### "SUN NEVER SETS ON SEVEN SISTERS"

Frankly, I sometimes wonder about our legislatures, and whether we have lost our government to such groups as the "seven sisters." I don't know whether we realize the extent. The so-called "seven sisters," the oil companies, whose flags fly 24 hours a day, in

all parts of the world, even at night. They corrupt, they influence our foreign policy, they demean public services, and they use our resources for themselves. The reason the sun never sets on their flag is because the good Lord won't trust them in the dark.

[Applause.]

Senator CHURCH. I have been investigating these big oil companies for a year, and I have never heard such a great phrase as that.

Mrs. Stocking, you told us about how much you love the work you are doing now. What are you going to do with the problem you described? Are you going to have to give up your job, or are you going to do with less money, because your husband's SSI benefits will be cut back? What are you going to do?

Mrs. STOCKING. That is my biggest problem. I would have to put him in a nursing home, and after 50 years of marriage, that is heart-breaking, but if I have to manage and work, then that is the only way we have to solve our problem. I'll put him in a nursing home, but I have to work to give him some support. He has supported me all these years.

Senator CHURCH. Yes, I know.

Mr. STOCKING. I never did anything like this before. He always supported me, and he gave me all the comforts I wanted.

Senator CHURCH. I think it was the Lieutenant Governor of Massachusetts who said that there was some 65,000 people who were getting some form of in-home services, which is quite impressive compared to other States, since there is practically no in-home service.

Do I understand that that may be cut down now, because of the strain on the legislature? Can you tell us, Frank, whether home services will be cut down?

#### HOME-CARE CORPORATIONS ARE HELPING

Mr. MANNING. I don't believe it is being cut. We have 18 home-care corporations in Massachusetts, some which have been fully funded, and others which are not, and we are beginning to develop a system of home-care. However, there are many facets that have to be filled in, which is development of community facilities, taking care of people who leave nursing homes.

There is a small beginning in the right direction to provide the necessary services they will need when they leave. It is a deep and complex problem, but we are going to meet it in Massachusetts.

Senator CHURCH. Now, I understand from Mr. Warren's testimony that he cannot qualify for tax relief, because he is not 70 years old. Is that the law in Massachusetts?

Mr. WARREN. I'm trying to keep my home for one fact only, you know, you see, my wife may come back. [Witness beginning to cry.]

Mr. MANNING. There is, by the way, there is another tax law. It is the deferred payment plan. It means that people who reach age 65 and over, and who are not eligible for regular tax rebates, because of income or age or assets or many other reasons, can apply for a deferred payment in which they get, I believe, it is up to 50 percent of the value of the house, and they defer the payment with the understanding that if they die or sell the home, the State will take back the amount equal to the deferred payment with an 8 percent interest rate.

Senator CHURCH. Not a bad deal for the State.

Mr. MANNING. It sounds like a bad deal you might get from the bank.

Senator CHURCH. I guess it is a straight banker's deal.

Mr. MANNING. It sure is.

#### TAX RELIEF ON PROPERTY TAXES ENCOURAGED

Senator CHURCH. We have been considering some Federal legislation to encourage States all over the country to adopt a tax relief on property taxes, based on some kind of circuit breaker formula, so that people of lower income, would get some tax advantage. Massachusetts has a proposal for such a law, and some States have "circuit breaker" laws, but many States do not, and we think that a Federal law might help accelerate this sort of thing nationwide.

Mr. MANNING. I believe that there are about 14 States, including California, that have some form of it.

Now, the reason I would like to get that going is because it not only helps the taxpayer, but it also helps the rent payer. Twenty-five percent of his payment is considered as tax money, and a percentage of that 25 percent according to our figures, is refundable to the taxpayer, and so you not only have the property owners as beneficiaries but you also have the rent payers as well.

Senator CHURCH. I agree with you, and I have a bill pending.

Mr. MANNING. I know you do, and I hope it passes.

Senator CHURCH. Now, do any members of the panel want to ask questions? Does any member of the panel have anything more that they would like to say before we move on to the next phase of the hearing?

Mrs. LEYLAND. I would like to ask you a question, Senator.

Senator CHURCH. Yes, you may.

Mrs. LEYLAND. I want to ask you this: if a person, an elderly person, has no pension, and just has social security, which equals somewhere around \$62 a week, that they receive weekly, and if they have nothing else coming into their home, and the welfare person gets over \$100 a week to live on, then doesn't it seem as though it is unfair, because what can you do on \$62 a week? They cannot do anything on even \$100 a week, so what does a person do on just \$62 a week from social security? They do not have a pension or anything else. What do they do to survive?

Senator CHURCH. Well, the first question, and I don't mean to answer a question by asking a question, but a person who has social security who is that low might qualify for supplemental income, which could be very helpful.

Now, I have to check the figures more carefully, to tell you whether your SSI eligibility would be established. The SSI benefits, which is the Federal plus the State supplement in Massachusetts, comes to \$269 a month. So you are very close, and you are talking about a week?

Mrs. LEYLAND. Yes.

#### ADMINISTRATIVE PROBLEMS HURTING SSI

Senator CHURCH. So, you are pretty close to the line, there, and this is a problem to SSI. I was one of the original sponsors of that bill, but I'm not satisfied with the program. I think that it is an attempt solving administrative problems, and it is terribly serious, because not all

of the people who are qualified are in it yet. It has been very difficult to get it started, and to get it organized and administrated correctly, but the purpose of the program, and eventually, it will serve that purpose, is to reach down to the people on social security that are getting the least amount of retirement income, people who were paying back in the 1930's and early 1940's where a pretty good wage was \$125 a month, and they were contributing what they had to for that wage, and now they are getting a benefit based upon a small contribution. Every dollar they get from social security today is only worth one-third or one-fourth of what the dollar was worth way back in the 1930's. So, they are really being ripped off, and the purpose of the SSI was to take those low-income people and give them a supplement that brought the total income up above the poverty level.

Now, we have a problem, in that the supplement is not adequate to do that job, and so you get a situation where people on welfare may actually be receiving more money and be living better than the people who had been contributing to a social security system, and are getting it back at a rate much less than they are entitled to, and they are paying their taxes. This is wrong, that is absolutely wrong.

Mrs. LEYLAND. Don't you think that the Senators in Congress should consider elevating the payments completely, of social security, to a standard amount weekly, that would be livable?

Now, do you think \$100 a week, when other people today get \$200, \$300, \$400, \$500, \$600, or \$700, to live on, do you think that \$100 a week is too much to give?

Senator CHURCH. I have tried it myself. I think that by adding to the supplemental security income program, we can get that minimum up to a level that is above the poverty level. I want to see poverty eliminated among the elderly Americans. I don't see any reason why a country so rich in resources can't get that much done.

[Applause.]

Mr. MANNING. Your remarks about SSI, Senator, brings this to mind. We, in Massachusetts, fought like tigers to get this into Massachusetts. We made hundreds of telephone calls, telegrams, speeches, we made them all over the State, we used the radio, we engaged television, and we had a campaign goal in SSI, and we incurred the ire of bankers. The first vice president of the First National Bank said that the seniors would ruin the State, and the fellow sitting next to me asked, "Can we do that?" I said: "No, it's too late, the bankers have already done that."

I recall that the only financial crisis in my life of great proportion was in 1929, when we didn't have such social legislation. We did not have social security, we did not have a 40-hour week, we had nothing like that, and, yet, those same bankers were the ones who plunged us into that depression, and now they say that we ruined the State. We, the senior citizens, want a decent break.

#### SSI PROGRAM SUFFERS SETBACK

Now that we have SSI, what would happen? We thought that we were a model for the rest of the country. We thought that the cost-of-living increase would eventually bring us up to this intermediate budget of the Bureau of Labor Standards. What would happen? We

were set back, because the Federal Government refused to mandate the pass on of the social security adjustments. They did not give us that. The automatic cost-of-living increase that was written into the State law was abandoned by the request of the Governor, who said that under the pressure of financial restraint, that would be best. As a result of that, the program has suffered a serious setback.

Senator CHURCH. Well, Frank, the truth of the matter is that in Congress, we have been fighting a rear-guard action to prevent further and further cutbacks than what we've got. The administration has been trying to cut back all along. They wanted to go from 8 percent to just 5 percent.

Mr. MANNING. Let's talk about the President. Everything he has, he doesn't believe in for us. He's got national health benefits. They can put him into Walter Reed Hospital if he has a slight cold. He told a reporter that the one great satisfaction in his life was the big pension he was looking forward to.

Now, what the hell can we look forward to? [Applause.]

Senator CHURCH. Well, I want to thank the members of this panel for participating. This has been an excellent panel, don't you think so, folks? [Applause.]

Mr. MANNING. We are looking forward to having you as our guest on January 16, Senator.

Thank you.

Senator CHURCH. Thank you very much.

Mrs. Fogg, before you begin, I would like to make another announcement. I want to recognize, and I intended to recognize earlier, Mrs. Rose Claffey, who is the secretary of the Massachusetts Department of Elder Affairs. Massachusetts was the first State to establish a cabinet level agency for elders.

Mrs. Rose Claffey, would you please stand and be recognized?

[Whereupon Mrs. Rose Claffey\* stood up to be recognized.]

Senator CHURCH. She has been very helpful to the committee in preparation of this hearing, and she has prepared a statement for the record. The same is true of Mr. Taylor Wagensiel.\*\* Mr. Wagensiel is the commissioner for Mayor White's Commission on the Affairs of the Elderly. I wonder if Mr. Wagensiel is here.

A VOICE FROM AUDIENCE. He has just stepped out.

Senator CHURCH. He has a motto, I'm told, which is: Become a member of M.O.B., the mob, the mayor's older Bostonians.

All right, Mrs. Fogg, you may proceed.

#### STATEMENT OF MERCIE FOGG, PROFESSIONAL PERSON, BOSTON, MASS.

Mrs. Fogg. I am a professional person who has worked all her life in the field of education where, until recently, salaries were very low. After I took mandatory retirement at age 66, I worked for 5 years in part-time paid positions, which I found myself. But, then, when I was in my seventies, I got more headaches. They don't want people in their seventies, so I have been doing volunteer work and I intend to continue with that as long as I can. I have social security and a small pension, from a college, which is tied to the stock market.

\*See statement, p. 2035.

\*\*See statement, p. 2033.

Last year, the market went way down, and I decided that I would have to change my mode of living. I looked for a cheaper apartment, but I couldn't find any that I was willing to live in. So, I went down to city hall and talked to them about getting a senior apartment. They said that I would have to wait 2 or 3 years, and then they suggested that I go see about a building that was being prepared for congregate housing. I never heard of that before. I went over there, and I looked at it very carefully.

#### ADJUSTING TO CONGREGATE HOUSING

Congregate housing is the sharing of kitchens and bathing rooms. You have your own toilet and basin attached to your room, but you share bathing and the kitchen. It all sounded rather weird to me, but I thought about it, went down to see the place, and walked around the neighborhood a bit, and I decided that I could make the adjustment.

There are many people who wouldn't be able to do that. If you are a rigid person and have never shared a kitchen or bathing facility all your adult life, you may find it quite hard. If you have a lot of valued possessions that you hate to part with, you are out of luck, because you have to pare down because there is very little storage room. This building is a made over convent, and the nuns didn't have closets. They folded up their habits and put them on the shelves.

We had wardrobes built for us, and they don't hold nearly as much as closets. So, we still have to get rid of things and pare them down.

To balance this disadvantage, is the beauty of the place. The architect has used imagination and taste, and the management has insisted on quality. When I first went into my room, before it was my room, I looked at it—it has very high ceilings, because it is a quarter of the original chapel. It has large high windows, and I said to myself, "Oh, how lovely." The whole feeling was one of the dignity and peace.

The other rooms, of course, are not cut out of the chapel, but they are all very well done. Anyhow, they are comfortable to live in. Of course, they are small. Our kitchens are modern and attractive. We don't get in each other's way, because we get hungry at different times. Some of us start eating the evening meal at 4:30, and I'm usually the last one. I usually eat around 6:30 or 7. So, it just rolls along. I heard one woman remark the other day. "We are all just like sisters." On the other floors, there are more men, but on our floor there is only one man. He eats out, but there are more men on other floors, and we are about evenly divided between the sexes.

On the other hand, there is all the privacy that one wants. No one wanders into my room for a good gossip. If they want to talk to me, they see me in the kitchen or in one of the little nooks that have been prepared for relaxing.

#### PRIVACY IS CHERISHED THE MOST

None of the people on my floor came from a nursing home, but I understand that those who do, delight most in the privacy. After being in a room with two other people all day and all night, to be able to walk into the room and shut the door, is to them glorious. In fact, one

man said that in the nursing home, even his bed wasn't his own. He got up one night to go to the bathroom, and when he came back, he found a strange woman in his bed. [Laughter.]

She had also gotten up for the same thing, and she got lost walking around.

One might think that old people on low incomes would not be attractive to petty thieves. But that is not so. A few dollars and a television set or a radio are worth an hour in the middle of the night. Congregate houses need security as tight as any apartment house. Security involves a sense of responsibility among the residents as well as the planning of the building and the hardware put on it.

Norfolk House gives me, at least, a feeling of security. I know that, as I get more infirm, all will be done that can be done, to keep me independent, yet cared for. The place is run by caring people.

Thank you.

Senator CHURCH. Thank you very much.

You know, one of the real benefits to me in conducting hearings of this kind, all across the country, is that I learn about just such things as you have described. This congregate home, that is a different approach to try to obtain decent living quarters for older people with minimum incomes.

Now, I just know that if we wait for HUD to solve all the problems of housing for the elderly, we will wait forever, and it will never get done. We have tried for 20, 25 years in Washington, and we haven't gotten it done, and it seems to be a problem as big as ever. So, I think that at the community level, that these kinds of solutions have to be worked out, and I wish there were more Federal funding, if necessary, and I wish there were more flexibility so that the decisionmaking could be brought down to the community level.

Each community knows what its own problems are, and can adapt solutions to those problems. How can you do that out of Washington? That is one of the basic problems.

### RENOVATING OLD HOTELS

Just within the last 2 or 3 weeks, when I conducted such a hearing in Portland, Oreg. on the west coast, we had another description of some hotels down in the middle of the city, which were going to be torn down, and they were going to build office buildings, and people, older people, were living in those hotels.

They were condemned places because they had not been kept up properly, and some private groups got together and asked, "Why tear down those buildings? We don't have places enough for elderly people now; why not refurbish these hotels, fix them up so that they are livable, and it can be done at much less cost than tearing down the old buildings and waiting for the Federal Government to give money for construction of some new housing project, which will take years.

We can refurbish these places, and they did that very thing. They put in a kitchen at the end of the hall, they fixed them up nicely, and they were able to do it for much less cost, and the people I talked with there, were really very, very pleased because it was such an improvement from what they had before, and it turned out rather nicely.

Now, what we have to do, is to get this information from community to community. Many communities don't know what other communities are doing to solve some of the problems, and it is that sort of thing that the Federal Government might help to do.

All right. Let's hear from Miss Margaret Gilman.

#### STATEMENT OF MARGARET GILMAN, BOSTON, MASS.

MISS GILMAN. Because I am no orator, or creator of words of wisdom, I shall try to cover up this lack as much as possible. I shall be polite and very brief. Thank you, Senator Church, your staff director, Mr. William E. Oriol, and Carol Stack, of the council of elders, in Boston, for this opportunity to prove my opening sentence.

Gainful employment for capable elder citizens is what I want to mention. I refer to S. 871, which would remove the 65-year limitation for application of the Age Discrimination in Employment Act, co-sponsored with Senator Hiram L. Fong of Hawaii. S. 560, which would increase the annual earnings limitation to \$3,000, before social security benefits are reduced for persons under age 72, and H.R. 3922, which was signed into law, Public Law 94-135, are encouraging to those elder citizens who want to continue to work, but who are excluded because they are "past the first bloom of youth."

It has been said that some of our economic woes may be laid at the door of science and medicine. I wholeheartedly agree. Way back in 1630, when Boston was founded, its citizens were in the forefront with other daring people around the country when it came to new ideas and deeds. Unfortunately, living conditions and medical advancement did not then keep up their ends, and so our forebearers did not live as long as we do today.

In those days, then, parents could get away with laying down their own laws to their children and could cause howls of anguish from the woodshed for any minor misdemeanor they chose—see almost any page of Judge Henry A. Shute's "Real Diary of a Real Boy." Today we live to middle age and way beyond, so children have time to debunk their parents. Also, they sometimes learn to copy some of their parents' less admirable traits. Let me hasten to add that my father lived in awe of his parents and knew that children were to be seen and not heard.

Unfortunately, at a dinner party at home with guests, after three ear splitting cracks, my father disappeared under the table, rather than incur future parental censure from my grandfather, for interrupting his elders with his problem of a breaking chair. Modern kids could never understand this, I'm sure.

#### APPRECIATE FREEDOM OF MOVEMENT

After we elders are retired because of age and are relieved of the pressure and routine of jobs, we feel great, at first. It's wonderful fun to do as we please, when we please. We love to get free or under-the-market-price tickets to movies, theaters, symphony concerts, ball games, restaurants, free bus rides to the doctor, the hospital, shopping centers, church and political affairs, and out-of-State trips.

Furthermore, entertainers perform in parks for us. In elderly housing community rooms, we have gentle exercise classes, arts and crafts,



discussion groups, education seminars, health lecture and care, if we wish, for little or no fee.

Nevertheless, something important is lacking. We have abruptly become consumers only, instead of producers and consumers. Although we are grateful for these things, those of us who can, want to pay our own way, so we are slightly deflated ego-wise.

In addition, we have fixed incomes and rising unfixed cost-of-living expenses. This is frightening to us. We feel uneasy and somewhat disenfranchised. To be useful, we volunteer. We gladly do little sincere and friendly kindnesses. We run errands—a quick correction—we walk errands.

Therefore, we are greatly encouraged by the proposed legislation of Senator Church's Committee on Aging. It deserves to become law.

So, as you pick your way painstakingly through our winding streets, or try to drive, in some semblance of a straight line, to our many Massachusetts famous old towns and buildings, make fun of us. After all, Cleveland Amory, a Bostonian, in his book, "The Proper Bostonians," did. I do not quote from it, but the gist of the history of a famous Boston ditty, goes something like this:

"In 1910, a Dr. John Collin Bossidy, of Holy Cross, changed a 1905 Harvard alumni dinner toast so that it was fit to repeat and to print.

"Said ditty is:

"And this is good old Boston  
The home of the bean and the cod  
Where the Lowells talked to the Cabots  
And the Cabots talked only to God."

We mean to change that, and we hope we will be able to do so.

Thank you.

Senator CHURCH. Thank you very much. [Applause.]

Miss Gilman, you moved into a different place, because you were living under very unsatisfactory conditions, I understand. You were paying about \$90 a month, and then you moved to your new quarters, and you had to pay \$60 additional, but now you are much better satisfied with your living quarters, and your needs are being taken care of, is that right?

Miss GILMAN. Much better.

#### SUPPLEMENT TO PRESENT INCOME NEEDED

Senator CHURCH. But, your problem is that you need to supplement your income, isn't that right?

Miss GILMAN. Yes, indeed.

Senator CHURCH. And you do that by babysitting?

Miss GILMAN. Yes, which I enjoy.

Senator CHURCH. Yes. You could manage, I expect, to earn up to \$3,000 a year, babysitting, if you had that opportunity to, couldn't you?

Miss GILMAN. No. I worked in covered employment the first 2 months of this past year, but I earned nearly half of what I earned all the rest of the year doing babysitting. Regular covered employment is much better, I think, than self employment that is quite seasonal, such as babysitting.

Senator CHURCH. So, if you could get that earnings from \$2,500 up to \$3,000, it would be helpful, wouldn't it?

Miss GILMAN. It definitely would. But how are we going to impress upon the employers in Massachusetts that they must not ask questions, leading questions, about age? They refer to age, although it is against the law in Massachusetts to discriminate because of age.

Senator CHURCH. They do, nonetheless?

Miss GILMAN. Yes.

Senator CHURCH. So, you find it hard to get employment?

Miss GILMAN. Relatively so. Part-time work, maybe, but steady work, oh no. I never fill out my age, but they know anyhow. The employment forms ask for the dates that job seekers finished their high school or college courses, and so forth.

Senator CHURCH. Miss Ruth Tinsley was on our first panel, but she was not able to appear at that time, and now she is on the second panel. She is present now, and I wonder if we can hear from her now.

**RUTH TINSLEY, MAYOR'S ADVISORY COUNCIL FOR THE AGED,  
ROXBURY, MASS.**

Miss TINSLEY. Good morning. My name is Ruth Tinsley, and I'm on the Mayor's Advisory Council for the Aged, and I live in Roxbury. I'm not going to be too long, because you have heard everything that I was going to say, but one thing I'm interested in, is the disability coverage in medicare. There are other prescription drugs, and maintenance drugs, and I know of a couple that is living on limited funds, and the husband is an emphysema victim. He is in and out of the hospital, and he has to have oxygen at least maybe twice a week, and that has to come out of his income check which is only \$400 a month. Due to the high cost-of-living, this is a drain.

The wife is over 65, and she is allowed to work only 12 hours a week. We know what she is making there. I feel that drugs for maintenance should be paid for under hospital medicare or medicaid. They received a letter informing them that the welfare department would no longer pay for these drugs, and this is very essential. Also, I feel that senior citizens should not have to wait until they are 72 to go out, if able, and make a decent living, so that they may live a little better when they are 72 years old.

At 72 years old, many of us won't even be able to move, so that I feel that 65 years old should be the age that they would cut off reducing social security benefits and let you earn a little more, so that you will be able to cope with the cost-of-living of today.

I also feel that the raising of the income of \$2,760, should go up at least \$4,000 or \$5,000, before they cut you off. I think they are entitled to something better than that, and so I wish that the Senate would take this under consideration and put it before the House.

Thank you. [Applause.]

Senator CHURCH. Miss Tinsley, you have a great deal of contact with the elderly persons; do you find that many older persons have a real reluctance about this SSI program, simply because they think it is a form of welfare scheme? Do you find this type of attitude among them?

Miss TINSLEY. I don't really think so. I feel that to the average older citizen, it doesn't matter where the money comes from, as long as they

get it, but what happens is that they send these people around to interview the senior citizens, and they go and dwell into all their private lives, and they ask all of these kind of questions, and then they don't get their checks. Or, even if they get it, the check is cut down, and the cost-of-living goes up. How can they take away \$9 to \$10 from a person and expect them to pay their rent, since that is going up. How can they pay a rent increase of \$10 if they take \$10 away. You can readily understand as to what they have to put up with.

Senator CHURCH. Sure.

Mr. Lewis Levenson is the executive director of the Somerville/Cambridge Home Care Corp. He is the last member of our panel, and we will now hear from him.

**STATEMENT OF LEWIS LEVENSON, EXECUTIVE DIRECTOR,  
SOMERVILLE/CAMBRIDGE HOME CARE CORP.**

Mr. LEVENSON. Thank you, Mr. Chairman.

Mr. Chairman, members of the committee, ladies and gentlemen, I am Lewis M. Levenson, executive director of the Somerville/Cambridge Home Care Corp., one of 18 such organizations presently chartered by the Commonwealth of Massachusetts, so that elders, regardless of income, "might be assured a dignified, independent, and fully adequate life-style, as is so rightly due them."

We function at the local community level, with a firm population base of nearly 200,000, and over 31,000 of them are elderly. Our objective is to assist those elderly who so desire to avoid or delay being institutionalized. This is done through the selective usage of a comprehensive array of services that tend to support that objective. Our charter describes these services as information and referral, home-making and chore assistance, housing services, health maintenance and rehabilitation, nutritional care and hot meals, legal and advocacy services, transportation and assistance during emergencies.

Our funding sources, however, are not so free. They are more limited. We are under contract with the Department of Elder Affairs, to provide the various services which are funded by titles III and VII of the Older Americans Act, and title XX of the Social Security Act.

Speaking plainly, the level of funding which the Congress appropriates to carry out the intent of the social service legislation is simply inadequate to do the job by the time it gets to the elderly consumer. Rather than cry poor mouth, however, as do a lot of others, I would rather address the difficulties we, as an agency, experience in making the best use of the funds available to meet the needs of the people we serve, at least cost.

The trail that starts with congressional legislation and ends with a specific service rendered, for a specific individual, is long and torturous as it descends through various levels of administrative regulation. While our difficulties are more often caused by administrative regulations, than the legislation itself, they can be avoided by appropriate legislation. I speak to the issue of those regulations which remove the opportunity for flexibility at local levels, and inhibit the effective use of resources, services, and approaches, which may be unique to local conditions.

## EFFECTIVE CONTROLS ON EXPENDITURES SOUGHT

Of course, we must deal with effective controls on the expenditure of public moneys. But those controls cannot become so restrictive that they stand in the way and cause excessive loss of the benefits sought by the legislation in the first place.

To be more specific, Congress should make it clear that public funds which support nursing home residents should be able to be used to support those residents in any alternative situation, that does not compromise the quality of care actually needed, and is less costly.

Congress should make it clear that services which are different from those defined as reimbursable under title XX, which would achieve title XX objectives with equivalent quality and are less costly, are legitimate alternatives and within the context of title XX.

Congress should make it clear that the desire to avoid duplication of services for the obvious cost economies does not inhibit the healthy development of alternative services, which meet the needs of minority segments of the population. I use the term "minority" to describe those whose needs are different from the majority, rather than the definition associated with equal opportunity and affirmative action programs.

Congress should insure that data reporting requirements are forcefully minimized and limited to that necessary to achieve the objectives of social service legislation. The widespread use of computer data at Federal levels has confused volume of data with accuracy of data, and either of those qualities with usefulness of data.

Passing the buck through the administrative maze, relative to data requirements, has proved to be easier for administrators than dealing with the exponential increase in the cost of operations caused by excessive data and reporting requirements, and which is ultimately reflected in fewer services being able to be delivered to the people who need them.

We all pay the price of excess data through our taxes, but that burden, as do all the other burdens, due to the high cost-of-living, which have been described today, falls most heavily on those least able to say "no." They are the elderly we try to serve.

## CONFIDENTIALITY OR SERVICE

For the elderly consumer, it may be, as it is today, for title XX services in Massachusetts, the cruel choice between confidentiality or service. The structure doesn't permit both. The implications of that choice, point up the difference between the application of the legislation, as passed by the Congress, and the original intent of that legislation.

I would like to encourage this committee to insure its efforts going in the direction of bringing the application back in harness with the original intent.

Thank you, Mr. Chairman.

Senator CHURCH. We think you are quite on target. We are talking about the impediments that are being caused by the regulations, Federal regulations that apply to social services.

I think that there are some aspects of social security that have to be run on a national basis; retirement income, obviously. The national program has to be run on a national scale.

Medicare is another, but these social services and such things as transportation and housing, these kinds of things that they're doing, this was, as I understand it, a Massachusetts initiative. They tried to pull together a means for dealing with social services, in making them available to people who need them, particularly to people who wanted to stay in their own homes, rather than have them institutionalized. That's the very thing it is intended to be, because, talking of costs, you really have to talk about costs, when you have to talk about paying hospital bills these days, and the longer you keep people in their own homes, the better off you are, but I would think that you would be much better off if you would take that money, whatever Federal money is available, and allocate it out in some kind of an equitable format, and then let the local people do with it as they see fit.

"WE'VE GOT A BIG BUREAUCRACY"

That best fits the problems in their locality and gives them the flexibility of decisionmaking powers and, you know, we've got a big bureaucracy set up, and the money is being funneled into a bureaucracy, and when you get through the bureaucracy, there isn't nearly as much money left to get to the people who would be the beneficiary, as they should be, and I think we can eliminate a lot of that if we let the decisionmaking come to the local level.

I would just like to know your own feeling in that regard.

Mr. LEVENSON. Well, I don't get to make the decisions, because Washington makes them for me. That is fairly easy to say. The issue that I was addressing myself to, was, in making those decisions within the full range of available resources, energy, approaches that we might have as we have in Somerville/Cambridge and which are applicable out there, rather than attempting to adhere to some Federal guidelines that says that this is the way that the service has to be constructed, and if you are going to get Federal grants, you have to do it. I think that there are a lot of ways to skin a cat, and we ought to have the choice of how we are going to skin the cat. Not so much the legislation, but the regulations which are attempting to implement that. We've got lots of ways to meet our needs.

Mrs. Fogg has described her experience in the Norfolk housing situation. That is a very different alternative. For some people, it fills a very unique need.

Senator CHURCH. It would never have been thought of in Washington.

Mr. LEVENSON. Probably never in Washington, but if it was, they wouldn't have thought that that's what most people need. However, for some 40 older people who will have the opportunity to live in that house, that is, in fact, the way to deliver, and for them the typical elderly housing project would be very wrong.

We should have the opportunity for many alternatives, so that we will be able to deal better with the problems.

Senator CHURCH. And I think that if you don't have that degree of flexibility, you won't get that problem solved.

Mr. LEVENSON. Well, this lack of flexibility brings out problems. We simply say that we want to solve our own problems and that we need some help, and we will solve our own problems, that's what it's all about, isn't it?

Senator CHURCH. Yes. Miss Gilman?

Miss GILMAN. Senator, I didn't want to bring this up in the midst of a Bicentennial Year, since Massachusetts played such an important part in the history of the country. I want our State to make a good showing, but we have a problem. I take lunches, when I can, to people who cannot go out or cook. I went to one place, which shall remain nameless, and after stepping over, almost hopscotching over, very unmentionable debris, when I got to the apartment, I found that the poor person was bedridden with cancer. Trash littered the halls of the building. As I went out the door of the building, something that had many legs nearly dropped on me.

What are we going to do about this, well, cockroach problem? Some of our elderly really have these terrible living conditions. Furthermore, we must not accept nursing homes as though they were all good. I know of a mother whose son went away on his vacation and when he came back, he found out that his mother was in a nursing home. He went to see her, found her strapped to a chair, and saw her lunch slammed down roughly.

In complete contrast to this brutality, at the Beth Israel Hospital, her doctors had been courteous, kindly, and interested in her alertness and intelligence.

But there she sat, tied with leather thongs to her chair. When her son said: "I'd like to see the person who runs this nursing home," he found that there wasn't anybody there who was even a trained nurse. "Why," he asked, "are you tying my mother down?" The answer was, "So she won't fall out of her chair."

Because there are many such horrible outrages in nursing homes, I think we must not pass laws which strip our elderly citizens of their right to run their own lives as human beings.

Thank you.

Senator CHURCH. Thank you, very much.

Well, I thank the panel very much for the fine work they did. I did promise to give some of you an opportunity to speak, but before I do that, I want to recognize and ask Mrs. Melnea Cass to speak, if she wants to speak, because she is one of the great persons of Boston, from the Roxbury Council of Elders.

[Applause.]

#### STATEMENT OF MELNEA CASS, ROXBURY COUNCIL OF ELDERS, BOSTON, MASS.

Mrs. CASS. Thank you, Senator Church. We are so happy to have you here in our city of Boston. We, the National Council of Senior Citizens, are proud of all that you do for us with your Senate Committee on Aging and for the wonderful work you do in the Senate.

Senator CHURCH. Thank you.

Mrs. Cass. I won't talk too much right now, because I have to go over to city hall, where they have a session on rent control and, as you know, this is also very important to us here in Massachusetts. I want to say that we are particularly proud to have been the first State to have a department of elderly affairs in the Governor's cabinet. We are very proud of that, and of our Home Care Corp., which are a part of that, and they are working very well.

We have a very wonderful new secretary, a lady—women's lib—we are very happy to have her here, and, you know, women always get things done.

Senator CHURCH. I found that out.

Mrs. Cass. We are moving along very well with that department and as Frank Manning says, it is being improved every day. The purpose of the Home Care Corp. is to help the senior citizens improve their status. We really want to keep them in their homes as long as we can, and not in institutions. We are going to try to give them the benefits that they are entitled to, and that they need.

We get together, you know, to tell you people in Washington just what we want. Some of you do it, and some of you don't. When we come down there we know that you are working for us, and we appreciate it very much. We know that you are always willing to help us out, and we depend on your support.

#### BLACK POOR AND ELDERLY HIT HARDEST

Now, as far as the poor and elderly are concerned, you have heard a lot about them this morning, but there are some poor and elderly, particularly black elderly, who, way back, never made money under social security, and who now find themselves at the very bottom of the totem pole, with very little income and very little to live on. They are a real responsibility to the rest of us who probably might make it just a little bit better. We have many of these seniors, and we find that they have a lack of everything and need help.

So, I think that there is a great need for your committee to think about these things, and try to help us to get more money so that we may be able to help them and ourselves. You know, we helped make this country. Our contribution helped make this country what it is, and I think that our country should now help us to relieve the suffering.

We did our part, and so I think we deserve something better. I want to thank you very much for coming here, and I'm not going to go into any more detail, except to say that here in Massachusetts, we work together regardless of race, color, creed, or whatever it is. When it comes to these issues we gather around and we stick together, and united together, we can't fail.

Thank you very much.

[Applause.]

Senator CHURCH. Thank you very much. Is there anyone else?

A VOICE FROM AUDIENCE. Yes.

Senator CHURCH. Would you please identify yourself?

A VOICE FROM AUDIENCE. My name is McManus, Hugh A. McManus.

Senator CHURCH. You may continue.

**STATEMENT OF HUGH McMANUS, PRESIDENT, INTERNATIONAL UNION OF ELECTRICAL WORKERS, NEW ENGLAND DISTRICT, RETIRED MEMBERS' COUNCIL**

Mr. McMANUS. Mr. Chairman, my name is Hugh McManus. I am president of the IUEW, New England district, retired members' council. The IUEW stands for International Union of Electrical Workers.

I did not come here with any prepared speech, in fact, I did not even know that you were sitting here until yesterday, but I'm going to try and tell you about a few things that are on my mind, without taking too much time, and I want to put my organization on record as being opposed to the proposed cuts in benefits for older Americans. We are affiliated with the Massachusetts Association of Older Americans. We were working over the years and paying social security, and were of the opinion that when we would retire, we were going to have certain financial benefits that would tide us over the years, and we thought that this was going to be it.

Now we find that we are not only in need of more than what social security is paying us today necessitating our efforts to improve upon the benefits but find we must fight against those forces who would destroy social security in order to hold what we now have.

Now, the Chief Executive Officer and the national administration said that appropriate increases were going to be given to the elderly under social security and that they would now become this much more secure; that their income would be substantially higher, and that they should now pay more into medicare premiums. They also said that the medicare benefits should be revised, so that a number of those benefits could be eliminated to make the social security system more solvent, more stable.

It galls me that this was coming from a fellow who, in my opinion, and in the opinion of millions of Americans, was interested in one thing, ripping off everybody that he could get any money from, to make his own future secure. Now, he sits on his fanny out on the west coast, and he's in pretty good shape, financially.

His successor is following along with the same type of thinking. The recent attack on the social security system, in my opinion, is a diabolical scheme on the part of a lot of greedy people in the country, who are in the insurance business, and in the banking business, who see an opportunity, if they could destroy social security system, to milking the American worker out of millions or billions of dollars a year with the private plans. They cast the ones, who are already on the social security, aside and they write them off, and they will probably destroy whatever benefits are there, so there won't be any more further contributions from the working class, and they will now rip these people off.

**VOLUNTARY SYSTEM OF SAVING NOT ADHERED TO**

Well, we know that a voluntary system of saving in this country is not something that is adhered to, and it is something that will fall by the wayside with a large majority of people. Once you get into



financial difficulty when you work, and you bring up a family, you start reaching for any collateral that you might have.

Now, when you go on a private pension plan, you are going to do the same thing. They tell you that: "Well, we have kind of a term, wherein if you draw that money out, you will pay the income tax on that full amount, plus a penalty for having taken it out." So, we know, and I know, for one, that when people are in this kind of bind, they don't care what the percentage is they take off the top. They are concerned as to what is on the bottom.

Now, what happens to them if they want to get back into the pension plan. They have to start from scratch again. Suppose they come up from a company that has no pension plan, what happens? You know, when I was a young fellow, I remember a stage play, "Over the Hill, the Poor House." And the plot held true for a lot of people at that time. Later it was made into a movie. This was shocking to the emotions of millions and millions of people who saw the movie, and I think that out of it probably came, during the F.D.R. period, in 1934, 1935, 1936, the social program, social security, and they have worked well. If you didn't have social security or unemployment compensation today, how do you think we would take care of people who are unemployed, and people who are on social security. You would have a revolution if you didn't take care of them, and so I'm wondering if these banks who are now plugging for those private pension plans, and the insurance companies are also nationally advertising it.

#### A QUIZZICAL EYE TO PENSION CLAIMS

I look with a quizzical eye upon those radio commentators who host the talk shows, telling you what a great thing this private pension plan is and how you can wind up with \$150,000. I think that this is something the people in this country have to watch very carefully, because the greed that is going on today is at high levels, and it could destroy our system of government, and this is what I'm afraid of.

Now, I'm not talking any Marxist lines or anything like that, but I am looking objectively as to what is happening. They talk about inflation, they talk about the increase to the benefits of social security recipients, because it would be inflationary. Yet, it was only a short while ago, that in the Nixon regime, the defense budget was \$57 billion, and there was nothing we could do about it, although it went up from the \$54 billion. Today, it is astounding to learn it is \$112 billion.

Now, we don't need to spend \$112 billion for defense. We can corrupt the world with half of that money, and keep them in line. [Applause.]

We could then take the other half and use it to take care of our own people.

So, Mr. Chairman, without taking too much time, I want to put my organization on record, and the Massachusetts legislative council of older Americans, as being opposed to this twisting of social security benefits, and we would like to see something straightened out by the government.

Senator CHURCH. Mr. Raymon Eldridge has asked to say a few words.

**STATEMENT OF RAYMOND ELDRIDGE, PRESIDENT, MASSACHUSETTS RETIRED TEACHERS ASSOCIATION, NEWTON HIGHLANDS, MASS.**

Mr. ELDRIDGE. Mr. Chairman, thank you for this opportunity. I'm Raymon Eldridge, and I reside in Newton Highlands, Mass. I'm president of the Massachusetts Retired Teachers Association, and I serve on Secretary Rose Claffey's Advisory Council for Elder Affairs. I also serve on our council in the city of Newton.

We are trying to help in the areas in which your committee shows so much interest, and in which your committee gives us such valuable service, since you have become its chairman.

Now, I would like very much, to say, first of all, that I'm sorry that the Idaho potatoes were blackened this morning. I think that I would also like to speak of a gentleman who may still be here, with whom I have great rapport, and for whom I have great respect, Wendell Coltin, who writes for the *Boston Herald-American*. He reports both views, positive or negative, and he is not concerned with people who tear things up.

I would like also to say that I have been greatly impressed with the continuing efforts of Congressman James Burke of Massachusetts in trying to promote for a number of years a bill asking for income tax exemption for people of 65 or over, of at least \$5,000. Ways and Means has turned it down; but, he will try it again, and I'm wondering if the Senator and his committee can help.

I would also like to speak of the real estate tax that was mentioned here earlier. There seems to be some negative atmosphere concerning the possibility of people at the age of 65 having to pay taxes. This act (chapter 287, 1974), is not the greatest thing in the world, but it can help many for 10 years anyway. However, it is a distinctive type of tax system that we have here in Massachusetts.

I would like, also, to say that I am very much aware of the home care proposition that we have here. I carry an honorary membership card in the Cape Cod Home-Care Corp.; and, I feel that we have something that is unique and personal toward the future for our people.

I would like very much to have from the record of this morning, a copy of the Governor's statement.

Senator CHURCH. Yes, you may have it.

Mr. ELDRIDGE. It is one of the first positive statements that the Governor has come out with, at least that I have heard, for helping the older people. He has not helped us a great deal, and I think that the statement said that certain things should be done. I would like to have a copy.

Senator CHURCH. I will see that you are supplied a copy.

Mr. ELDRIDGE. In closing, Mr. Chairman, I would like to say, again, thank you from all of us, not just for your time, but for your thoughtfulness in coming to this State.

Senator CHURCH. Thank you.

Our next speaker is Ms. Goldberg.

## STATEMENT OF EVA GOLDBERG, BOSTON, MASS.

Ms. GOLDBERG. This is one time I'm very glad I don't have to follow Frank Manning. My name is Eva Goldberg. I represent myself, primarily, and at the same time, I think I am representing a large, the second largest group of senior citizens from the State of Massachusetts. We are all from Greater Boston.

What I intend to say, is probably placing more emphasis on some of the things that were said, and perhaps talk on some of the things that were not said.

For many, many years, ever since we started the Legislative Council for the Older Americans, we have been fed—and I say emphatically, been fed—promises and promises and more promises, and if it weren't for the fact that we have the energetic, far-sighted, practical realist in the person of Mr. Manning, we would not be able to see things for what they were and are, but who understood and were willing to help him bring some comfort and some understanding, and some sympathy to the general public and particularly to the lawmakers, to have them more aware of the problems effecting the elderly citizenry.

We have the entire gamut of individuals at the meetings of our old-age organizations, and they are from this State. We, the elderly, have lost, for the most part, faith and hope in our elected officials and in our government. Most of us will believe, and still believe, that the course upon which this government, and that includes Massachusetts, particularly—of deficit spending—has brought about the chaotic condition under which we are living.

### SPENDING MONEY THAT ISN'T THERE

In my days, as a little girl, we didn't spend what we didn't have. Today, in the town in which I happen to live, tremendous expenditures are made without consulting the taxpayers, except the board of selectmen, and perhaps the assigned committees who, in turn, have the privilege of hearing the results of commissions costing from \$25,000 to \$100,000 in consultation fees, and then we are, in a subtle fashion, made aware of the fact that we, the taxpayers have to pay for it.

We have nothing to say in the expenditure of this kind of money. We are usually told that facts and figures do not lie, but, indeed, they do. Because your government, of which I am a part, will ever-so-often issue a statement that the cost-of-living has gone up one-tenth of 1 percent or 1½ percent, and we consumers very well know that it is not true. When the lady said that she paid 75 cents for milk, let me tell her that if she was as handicapped as most of our senior citizens are, not being able to walk to a public market, and who must depend on the grocery store, the neighborhood convenience grocery store, around the corner or within walking distance, when she can carry two or three or four items at a time, she would pay, as I did yesterday, 89 cents for a half gallon of milk.

All I'm trying to show is that figures do not actually tell the factual stories, and the people responsible for these false reports are, for the most part, people in government and/or in industry—certainly not the elderly—I do feel that this is an area in which I think we need clari-

fication as well as help. Most of those who work, and those who really care and do appear before committees, will bear me out that we plead and beg and have attempted to prove that we are really in a bad position where utilities are concerned, and need very much, help and relief.

#### PROMISED REDUCTIONS NEVER RECEIVED

In one hearing, I think it was not publicized too well, there were 25 people in the auditorium listening to the representatives of the American Telephone Co., as well as the New England Telephone Co., and I challenged the fact that there was not enough publicity so that people could attend. I brought to light that it would seriously effect the thousands of people who were at work, and who had telephone service, who couldn't afford to take off a whole day from work to come to these hearings to protest the high rates. After all that, you will recall, they asked for hearings to be announced and held across the State, and we were promised a reduction we didn't get.

Two weeks after the public hearing, the State of Massachusetts awarded the New England Telephone Co., and the utility companies \$20 million, and where did that come from, if not from us, from the users of the telephone.

I think that there were a number of areas that were not covered by your committee, one of which is the fact of generic drugs. In case you don't know, may I suggest that you take a sample or survey of the elderly who have asked their doctors, and it seems incredible, but it is a fact, that most doctors will not prescribe a generic drug. The whole social security structure ought to be revamped, revised, because it is not realistic.

Men whom we elected to represent us, actually do not represent us, are not cognizant of our needs. I do hope that you, Senator Church, and your committee, will bring a little more hope, a little more action and a greater share of life's blessings that our people justly deserve.

Thank you.

Senator CHURCH. Thank you, very much.

Mr. KELLEY. ?

#### STATEMENT OF KENNETH J. KELLEY, SECRETARY, SENIOR CITIZENS COMMITTEE, MASSACHUSETTS STATE LABOR COUNCIL, AFL-CIO

Mr. KELLEY. Mr. Chairman, my name is Kenneth Kelley, and I am secretary for the senior citizens committee of the Massachusetts State Labor Council, AFL-CIO. I would like to submit to your committee, a written statement at a later date, which I won't take the time to develop here today.

I most highly concur in the intent of your legislation, S. 650, and I believe S. 1992. That is the bill that would develop the cost-of-living adjustment, to more adequately reflect the changes in living costs and meet the individual needs of retirees, not only in the community, but also throughout the country. I commend you, Senator, for the introduction of your legislation, and hope that you will be successful in having it passed.

Senator CHURCH. Thank you very much.

We will now hear from Mr. Walter Cross.\*

A VOICE FROM AUDIENCE. Mr. Cross had to leave, Senator, but I think that the elder citizens have said what had to be said, without anyone adding to it. [Applause.]

Senator CHURCH. We will now call on Mr. Yelverton.

#### STATEMENT OF WILLIAM J. YELVERTON, SALEM, MASS.

Mr. YELVERTON. Mr. Chairman, my name is William J. Yelverton, and I am from Salem, Mass. I have just been appointed by the Governor on the National Health Board, and I also go down to Washington on bills that pertain to the elderly.

Now, here is what I'm advocating, Mr. Chairman. The elderly people are the ones that helped to build this country up. They sacrificed everything, they made millionaires, see, and I'm advocating a health insurance for these people, paid by the government. We are the richest Government in the world, and there is no reason why they can't pay it. Little Sweden is paying it, Canada is paying it, Australia is paying it, and we have no excuse for not having it.

Now, another thing that I'm advocating, Mr. Chairman, is that I want to see the elderly people get more food stamps, and cheaper food stamps. I think they are entitled to that. They have sacrificed a lot, and I think they are entitled to it.

Now, another thing that I'm advocating, Mr. Chairman, is more social security money. God knows that these people are having a heck of a time. I've gone into nursing homes all over the State, and I speak to them, Mr. Chairman, and I know what they are up against, and they need all the help that they can get, and there is no reason why they can't get it.

Now another thing I'm advocating for the elderly is more travel expenses.

Now, those are the things that I'm advocating for the elderly and I am also advocating that for the veteran. The veteran has done everything for his country, and he deserves everything that he can get. I'm advocating more pension for the veteran, and to take them out of those nursing homes, and to give them that pension Mr. Chairman, so that he can get out of the nursing home. He should get out of the nursing home, so that he can live the way he should.

Canada took care of their veterans, Australia took care of their veterans, and even Ireland took care of their veterans, and there is no reason, that we, being the richest country in the world, cannot take care of our veterans.

That's all I've got to say.

Senator CHURCH. Thank you very much.

We have the problem in that I have to leave at 12:30, because of another commitment. That will just give me time for brief comments from one or two persons, just very brief comments.

I would take all the written statements, and if anyone would like to send a written statement, please fill out the slips that will be passed around, and send them back in.

Next witness please.

\*See letter and statement, appendix 1, item 7, p. 2038.

**STATEMENT OF ROBERT FISHER, SENIOR CITIZEN, MASSACHUSETTS  
COMMITTEE FOR NATIONAL HEALTH SECURITY**

Mr. FISHER. My name is Robert Fisher, and I'm speaking as a senior citizen, and for the senior citizens. I'm a volunteer worker for the Massachusetts Committee for National Health Security.

Since you won't give me time to read the prepared statement, I would like to say that besides food, the health care is the most expensive item in American life. Only by enacting the Kennedy-Corman health security bill will Congress guarantee senior citizens, as well as every American, decent health care.

In conclusion, I want to say that many years ago, they used to say that what this country needs is a good 5-cent cigar, but what this country needs now, is a good national health security bill.

Senator CHURCH. Thank you very much.

**STATEMENT OF BEATRICE TODD, SENIOR CITIZEN, BOSTON, MASS.**

Ms. TODD. My name is Beatrice Todd, and I live in Boston, Mass. I live in a building which has only been in use for 2 years. One of the greatest problems that I find is that they have inadequate equipment. The building that I live in has 78 units, and it is equipped with 2 washers and 1 dryer. Just think of this when you take people out of nursing homes. For some, it is necessary to do their washing once a day, and I would like to see at least enough working equipment.

Thank you.

Senator CHURCH. Thank you, very much.

**STATEMENT OF JEANETTE SHEPARD, CAMBRIDGE, MASS.**

Ms. SHEPARD. My name is Jeanette Shepard and I live in Cambridge. We have lived on social security for 13 years. We have starved continually, have had no health care, and have been harassed by those who believe that we are getting their "hard-earned money." I was employed for the first 5 years, but lawyers felt that I had enough money with my social security and Veterans' Administration money and should not be employed. They felt that I should not have more money than those who were working too. They continued to have me unemployed so that I could live on "this money that you like so much" (their words). I am losing my house in 2 weeks. It is impossible to support a family and pay the rent, et cetera. The children have been malnourished. The gas companies and others have been taking all the money and not leaving enough for the people to have a decent living. It is the attitude of the administration that the social security and Veterans' Administration recipients should be thankful for the crumbs which they are dishing out. Living is below the poverty level, and we face one hardship after another. It is a great strain on the children of the deceased. If you complain about the lack of money, lawyers and others say "you do not know how to budget" or "you don't handle money well." The people who live on social security and Veterans' Administration checks have to live with cockroaches and indignities of all kinds at very substandard levels.

The substandard level of living given by social security and Veterans' Administration has done its share to destroy the Shepard family—their teeth, their status, their security, et cetera.

The previous surplus food was garbage. It had hair in the string beans, bones in the chicken, and was all carbohydrates. It made you nauseous to think about it. It was not refined; it gave us heartburn. Food stamps were much better but we were denied them because of my son's student defense loan which was included in the figuring which determined our needs or hardship. Store clerks and managers ridiculed and harassed us, made remarks about "pay" or "money" and accused us of leaping in front of other carriages. They automatically thought of us as thieves if we had food stamps and so treated us as criminals.

We have not lived at home since 1970. We were unable to support this house on social security and Veterans' Administration payments even though our mortgage was paid up. People who are living on social security and VA payments are steadily deteriorating.

Everybody is growing old pretty fast, and I'm only 48 now, but I'm getting there fast.

Senator CHURCH. Everybody is getting up there pretty fast.

Ms. SHEPARD. I just hope that we have something decent to live on when we get up there. That's all.

Senator CHURCH. Thank you very much. I would now have to say that this gentlemen is going to be our last witness, because of the time. I have to conclude the hearing after this gentlemen, as much as we would like to continue, but I do have a previous engagement.

#### **STATEMENT OF SAMUEL MESSINA, PRESIDENT, SOUTHWEST BOSTON SENIOR CITIZENS, ROSLINDALE, MASS.**

Mr. MESSINA. Senator Church, I'm just coming from the city council, and they are having another shindig over there, and I tried to see what I could do. Thank you very much for coming here.

In order to identify myself, I say that I am the president of the Southwest Boston Senior Citizens; it is a home-care corporation, and as you know, we are trying to put that concept into practice, in such a way that we will be able to take care of our own senior citizens.

Now, years ago, when I was born, 75 years ago, my mother and father were immigrants, and they came to this country. My mother did not know how to speak English. She only knew two words, the poor house. She was afraid to grow old, because she did not know whether she was going to make it. She raised five children, and in those days, there was no such thing as a social program to help the elderly, so we five children put our heads together to see what we could do to help my father and mother, who were at that time penniless.

Now, since that time, we have made great strides for the elderly. I think we have gone in the right direction; however, we must review what we have, because we cannot permit our society to go back to the times of my father and mother.

So, we should go ahead, we should progress. In that case, I feel that many of our human services programs should be kept so that the elderly can really survive. Thank you very much.

Senator CHURCH. Thank you very much.  
[The prepared statement of Mr. Messina follows:]

PREPARED STATEMENT OF SAMUEL MESSINA

If Americans are to receive the health care that they need, national health insurance legislation must be enacted. For the existing means of financing medical care—private health insurance, medicare and medicaid—are not protecting seniors against skyrocketing costs.

Presently, a great deal of concern has been centered upon increase in hospital rates, health insurance premiums, as well as cuts in State-funded medical services for the poor. Little notice has been taken, however, of what is happening to the medicare program, the primary health insurance plan for senior citizens.

Last week, for example, the government announced that out-of-pocket hospitalization costs for the Nation's 24.1 million medicare beneficiaries will go up \$12, or 13 percent next January 1.

The substantial cost increase is typical of what inflation is doing to senior citizens: At a time when inflation is eating away at their fixed incomes, medicare no longer offers them adequate protection against the cost of illness. Last year, health care expenditures for the aged rose 11.7 percent. It is estimated that seniors last year, paid an average 4.15 for uncovered medical bills.

The limitations of the medicare program are offered to seniors who now pay a greater percentage of their fixed incomes for medical expenses, than they did in 1965 when medicare was enacted.

The program is loaded with deductibles and coinsurance payments and the cut-off dates, after which seniors must pay the full cost of the hospital bills. Moreover, needed services, like eyeglasses and hearing aids and dental care, are not covered. The fact is that while medicare offers protection against the higher cost of hospitalization, that coverage does not protect seniors' fixed incomes from being eaten away by the hidden cost and limitations of the program.

The solution to this problem, is the enactment of a comprehensive health insurance program which would finance health care while at the same time, hold down cost and insure a high level of quality. Only one health insurance proposal before Congress, the Kennedy-Corman health security bill, does this. This bill would cover every American on one plan, regardless of age, sex, race, or economic distinction.

Senior citizens would receive the same comprehensive benefits as everyone else. Therefore, medicare would no longer be needed. Doctor, hospital, and nursing home, as well as home health care costs would be paid by the health security program. And, seniors would not have to worry about coinsurance payments and deductibles.

The Kennedy-Corman health security bill is financed through a combination of payroll and general revenue taxes. Persons over 60, are required to contribute only 1 percent of the fixed income over \$5,000 each year. In other words, if one has an income of \$5,500, he or she would pay \$5 a year for the health benefits offered through the program.

The rising costs of health care makes some form of national health insurance legislation inevitable. What is necessary, is that a good program be enacted. Anything less, will only make the present crisis worse for everyone, especially seniors who are the most frequent users of health services.

Thank you.

Senator CHURCH. OK. We will take one last witness.

STATEMENT OF JOYCE CUTTING, DIRECTOR, NEW ENGLAND  
ELDERLY DEMANDS SOCIETY, BOSTON, MASS.

Miss CUTTING. My name is Joyce Cutting, and I am director of the New England Elderly Demands Society in Boston. I'll be very brief.

We make frequent inspections into nursing homes to find out the type of treatment that our elder citizens are getting, and whether they are being abused or what, and I would just like to say that most of the nursing homes—a lot of the nursing homes are pretty bad.



Senator CHURCH. Do you have a report?

Miss CUTTING. Yes, we do have a report.\*

Senator CHURCH. Well, would you please submit your report to Mr. Oriol. This will give us the gist of your testimony, won't it?

Miss CUTTING. Yes.

Senator CHURCH. All right, thank you very much.

Now, with this, I will have to close this hearing, because of my previous engagement, but let me assure you that it has been a very informative hearing, and we will take everything into consideration.

[Whereupon, at 12:30 p.m., the hearing was adjourned.]

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\*Retained in committee files.

# APPENDIXES

## Appendix 1

### STATEMENTS FROM INDIVIDUALS AND ORGANIZATIONS

#### ITEM 1. STATEMENT OF HON. ROBERT F. DRINAN, REPRESENTATIVE IN CONGRESS FROM THE FOURTH DISTRICT OF MASSACHUSETTS

Mr. Chairman, the first and most acute problem facing older Americans today is how to maintain an adequate income. On this point there is virtually unanimous agreement. In 1971 the White House Conference on Aging concluded that obtaining a minimally adequate income is the "immediate goal" of our Nation's older citizens.

To all Members of Congress and particularly to this committee, the severe financial pressures on older Americans are very well known, yet today, as in the past, millions of older people do not have income adequate to meet a decent standard of living. There are nearly 640,000 individuals age 65 and older residing in the Commonwealth of Massachusetts; Massachusetts ranks 10th nationally in population over 65. I am deeply pleased that the Senate Special Committee on Aging has come to Boston to hear from the Commonwealth's older citizens.

The older population in Massachusetts and throughout the Nation has been steadily rising; in addition the life expectancy of this group has been lengthening. We must ask: What will those years be like? Will they be years in which older Americans can reap the benefits of their years of labor? Or will the majority be plagued with economic deprivation, isolation, loneliness and humiliation?

It must be a basic right of every American to receive an adequate income in retirement. What could be more fitting in this bicentennial year than to acknowledge the contribution of older Americans to this Nation through a national commitment to genuine economic security? Let us keep in mind that many of those now on the retirement rolls were never afforded an opportunity for full employment and that many were forced to place their personal aspirations aside in response to national needs through periods of great depression and world war.

With the goal of providing genuine economic security, we must look first to the social security system. Since this system has nearly universal application covering almost 95 percent of the Nation's workers, it should be a foundation for an effective income maintenance program.

The current average benefit to a retired couple amounts to \$341 per month or a little more than \$4,000 a year. A retired single worker receives an average benefit of \$200 a month or \$2,400 a year. This means that for the estimated 50 percent of old age insurance beneficiaries whose cash benefits are the principal and, in many cases, the sole source of income, social security, which was designed to replace earnings in retirement, cannot provide the economic security relied upon in old age; it must be supplemented by other resources to provide even a minimum standard of living.

Supplemental security income—the SSI program which was enacted in 1972—provides the major portion of the needed additional support. Yet in Massachusetts, which has one of the Nation's highest cash payment levels, the maximum amount that an elderly couple receives, including social security benefits, is \$428 a month, resulting in an annual income of \$5,136. For a single older person, the maximum payment with social security is \$288 a month, or \$3,456 a year.

Because Massachusetts is a "cash out" State, SSI recipients are not eligible for food stamps. We are all aware of the fact that food costs have escalated tremendously in the past few years. This situation has put a particularly severe

drain on the budget of older Americans. Food costs can conservatively be expected to consume one-third of an elderly couple's budget; seniors must pay more to eat less.

The Department of Labor, Bureau of Labor Statistics reports that for the categories of low and intermediate budgets for the elderly, Boston has the highest level of living costs in the Nation. The November, 1975 low budget for an elderly couple residing in the Boston area was \$5,226 annually. Thus, those older couples in Massachusetts who rely upon social security and SSI as their sole income are forced to live meagerly even at the lowest standard of living budget.

SSI payments should be increased to insure that they provide an income above the official poverty line for the elderly of \$2,628 for an individual and \$3,312 for an elderly couple. Because of the lack of stability in food costs, SSI beneficiaries should be allowed to receive food stamps instead of "cash out" payments.

The automatic cost-of-living escalator which was included in the social security law in 1973 should be adjusted to provide increases twice, instead of once, a year. The escalator was intended to make the system inflation-proof but that result is not accomplished with a 12-month lag between increases in this era of high inflation. Since it is necessary for most of the elderly to spend their entire incomes to meet basic needs, price rises result immediately in a reduction in the goods and services they can purchase—in other words a harsh reduction in their standard of living.

Spending patterns of the elderly have been shown to be substantially different from those of their younger counterparts. Yet the Consumer Price Index, which is used to compute their cost of living increases, is based upon a standard family's purchasing pattern. The intent of the automatic cost-of-living adjustor of the social security law could be better accomplished and more fairly accomplished if it were based upon a CPI geared to the elderly.

The Congress must direct its attention to a solution to the problem of reduction in other benefit programs when social security is increased. These cost-of-living increases are meant to keep pace with inflation and should not be considered as additional income. The harsh result has been that many elderly persons, particularly widows, have had their veterans pension reduced or terminated because of social security increases.

Another area of the social security system which merits immediate attention is the outside earnings restrictions. The limit on outside earnings should continue to be increased with a goal of removal of this restriction. This provision unfairly penalizes older citizens who are without a source of unearned income such as stocks, bonds, legacies, et cetera, whereas older citizens who enjoy income from such assets can continue to receive their full benefits. The plain fact is that older persons cannot live on social security alone and must not have their retirement incomes jeopardized further than they already are by inflation, because of the loss of benefits due to outside earnings.

Moreover, encouragement, instead of discouragement, should be given to older persons who wish to remain in the work force. The earnings restriction poses a virtually insurmountable barrier to continued employment by low-income workers—the very group which would benefit most from continuing to work past age 65.

Along with this is a need for extending the Age Discrimination in Employment Act to cover workers age 65 and older. There can be no logical reason for arbitrarily ending protection of the law as soon as a worker has reached his or her 65th birthday. Coupled with this must be an effort to discourage mandatory retirement policies. Chronological age is a poor test as to the time when a person should retire. To say that retirement of older workers will provide more jobs for younger workers is to admit that our society cannot effectively utilize the talents and skills of an increasingly larger segment of our population. Such a tragic and needless waste must be considered by all as intolerable.

Particular attention must be given to the critical problems of women in establishing and maintaining retirement incomes. As of July 1974, there were an estimated 12.8 million women age 65 and older comprising 59 percent of the older population. Women have longer life expectancy than men and are becoming an increasing majority among the elderly. In 1974, 50 percent or 6.3 million women aged 65 and older were widows while only 39 percent were married. In the same year, 5 million older women were living alone with a

median income of \$2,869. As of November 1975, the average widows' benefit paid by social security was \$194 a month.

Women are more likely to be alone in their later years, more often widowed, less likely to remarry, and more likely to be unemployed. This group has one of the highest incidences of poverty.

Because of increases in the divorce rates after 15 years of marriage, there is a growing category of women who, in their middle years, lose their one source of retirement income—dependent wives benefits based upon their husband's social security earnings record. Many of these women, even when they have some record of earnings, have sporadic work patterns because of the time spent in rearing children. Often their earnings are not sufficient to provide a retirement benefit beyond the minimum. Moreover, many of them have no disability coverage because they lack the required quarters in the specified periods.

The requirement that a marriage must have lasted 20 years in order for a wife to be eligible for benefits must be modified. A woman who has served as homemaker and in rearing children as well as in auxiliary services to her husband's career and who may have contributed to the family's income by working outside the home should be recognized for a wife's benefit after 10 years of marriage at most.

The problems are not merely within the confines of the social security system. Sex discrimination in employment begets sex discrimination in retirement benefits. Women remain concentrated in low-paying positions and, as they get older, are subject to age discrimination as well as sex discrimination in employment. Because they cannot establish the earnings records of their male counterparts, they cannot establish retirement income security.

A serious shortcoming in Federal aid to the elderly is found in the medicare program. Starting in January 1976 there was a 13-percent increase in the medicare deductible. This jump in out-of-pocket costs for medical care will affect all of the 24.1 million medicare beneficiaries hospitalized in 1976 or confined to a skilled nursing home longer than 21 days.

With the high costs of medical care, the elderly who, as a group, face the highest incidence of illness and disability and are least able to pay for adequate health care, are experiencing shrinking medicare coverage.

Although they comprise 10 percent of the population, the elderly account for 28 percent of the national expenditure for health care. Until a national health security program is established, the benefits of medicare should be extended to fill two major gaps: long-term-care coverage and out-of-hospital prescription drugs.

For many of the elderly, their health is dependent upon expensive medication for a number of chronic conditions. Five out of six older Americans have one or more chronic conditions. Because of the lack of medicare coverage, many older citizens must pay medication costs out of budgets already squeezed to the last point of squeezing. The lack of coverage has also caused a serious problem of elderly persons attempting to do without necessary health care.

The elderly of America have an overwhelmingly powerful case. They have been locked out of the labor market; they are required to maintain themselves on retirement benefits which continually diminish in real value; they are denied benefits which should be theirs in medical care, housing, and even food. The most incredible and cruel thing which happens to them in their later years is that, for the first time in their lives, they enter the ranks of the poor.

A national commitment to the elderly of this Nation will not be credible and cannot really exist until it is accompanied by an extraordinarily generous act which symbolizes and signifies that America at long last has committed itself to treat senior citizens as its first citizens.

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## ITEM 2. STATEMENT OF HON. JOE MOAKLEY, REPRESENTATIVE IN CONGRESS FROM THE NINTH DISTRICT OF MASSACHUSETTS

We all find ourselves faced with a higher cost of living everyday—in the supermarket, in the drugstore, and when we pay our utility bills, to name a few areas. These problems underscore an important goal we must strive for—the goal of security. The social security system was designed to give our senior citizens a feeling of security, but the system is not succeeding as we had hoped.

It is the senior citizen who has been hit hardest. In the past few years medical costs, food costs, energy costs, and utility costs have placed people with a limited income at an extreme disadvantage.

In Boston alone there are approximately 112,000 people over the age of 65. On the local level many special services are provided for our seniors. Throughout the city there are senior citizen drop-in centers. Many of the city's local businesses and industries have provided for special senior citizen discounts on services. In the area of public transportation, the MBTA has created discount fares for persons over 65. Mobility for the older citizens of our community is important and these special rates have eased the problem.

But these efforts are not enough. With most seniors relying solely upon their social security check, it is our responsibility to provide them with enough resources to meet the high cost of living.

Currently increases in benefits for older Americans are based on the Consumer Price Index (CPI). Clearly this is an injustice. Consumer habits of seniors differ from the population as a whole. For instance, an older person spends more money on medical costs, and when the controls on these costs expired last April, there was a 13-percent increase in charges for medical services. I am supporting an effort for a specific senior citizen CPI which would cater to the special needs of our older people. No longer would special dietary needs and medication preempt the monthly social security check.

National health insurance policy is most definitely a method to alleviate medical costs. The bill will extend protection to all medical needs. Since it will be funded in terms of one's ability to pay, it will mean that a majority of senior citizens will receive large reductions in the cost of care, and will also receive improved services.

Another proposed method of alleviating medical costs is the implementation of the National Home Health Care Act of 1975. Many of the elderly would prefer to remain in their homes rather than in institutions. This act would give the aged a chance to maintain their own homes and self-dignity by helping them help themselves. A visiting aide service would be established where aides would visit the homes of the elderly and provide company and also help in daily household functions.

There are also many other necessary living costs to be considered. In particular, rising utility costs and telephone service costs. I am presently seeking to help the residents of Norwood fight the rate increase which the local power company is trying to impose. If working people cannot meet the home heating costs, imagine the situation for the many senior citizens.

Also consider the telephone. The telephone is a vital link between a person and the outside world. To seniors, especially, this service is extremely necessary, yet extremely costly. Hopefully in the near future we will see a reduction in telephone service cost.

The senior citizens of our Nation must not be forgotten. We must work now to assure that retirement can be a worry-free time in people's lives.

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### ITEM 3. STATEMENT OF HON. JACK H. BACKMAN, MASSACHUSETTS STATE SENATOR

I appreciate your tight time schedule here in Massachusetts today, which does not permit the opportunity for you to have all possible testimony before you, in person. However, I do appreciate the opportunity to submit a brief letter regarding three important problems you must try to solve.

As your committee considers the needs of the elderly, this morning, in the Commonwealth, I urge you to recommend several needed changes in the Federal statutes relating to the elderly, blind, and disabled.

1. Legislation must be adopted to allow the elderly, blind, and disabled who are receiving SSI compensation to receive the benefits of Federal increases in the social security program. At the present time, SSI recipients are subject to what amounts to a cruel farce in regard to increases in social security benefits mandated by Congress.

When social security benefits go up, automatically under our law, SSI benefits go down for the individual recipient. What it means, in hard cash, is that every dollar increase mandated by Congress in the social security benefits is sub-

tracted from the check a recipient receives in SSI benefits. The recipient nets a total of zero increase.

Similarly, when social security benefits increase, the SSI recipient is often required to pay more rent in State or Federal housing.

It seems unbelievable that we allowed this charade to continue.

2. A food stamp program must be mandated by Congress for every State, to apply to the elderly, blind, and disabled on SSI benefits.

Here, in Massachusetts, and in one or two other States, because of the confusion that took place in 1973, and rapid changes in Federal statutes, the elderly, blind, and disabled on SSI benefits are ineligible for food stamps.

There is no segment of our society that requires or should be entitled to the benefits of the food stamp program, more than the elderly, blind, and disabled, who are SSI recipients. The corrective change is long overdue.

I'm available to testify in person, before you, in regards to this, and the other serious problems of the elderly, at any time you might find appropriate.

Thank you very much.

#### ITEM 4. STATEMENT OF TAYLOR B. WAGENSIEL, COMMISSION ON AFFAIRS OF THE ELDERLY, BOSTON, MASS.

Mr. Chairman, I am here today on behalf of the City of Boston Commission on Affairs of the Elderly to testify on the cost of living as it affects the senior citizens of Boston.

Mr. Chairman, Boston currently has more than 82,000 people age 65 and over, of which 20 percent, or better than 16,000, have incomes below the census determined poverty threshold.

This is a substantial group of people. And it is a group of people that is especially subject to the economic pressures of inflation and an ever growing cost of living.

Mr. Chairman, some facts and numbers illustrate the dilemma that Boston's elders currently face:

This past August the U.S. Department of Labor released statistics on 1974 expenditures for retired couples at three income levels: low, intermediate, and high. These figures show an 11 percent increase over similar costs in the autumn of 1973. It would not be unreasonable to assume that a similar increase was experienced from the autumn of 1964 to the autumn of 1975.

The figures for the city of Boston are most discouraging. They show that a retired couple living on the lower income of \$4,666 per year will spend 87 percent of their income on the basic necessities of housing (\$1,957 per year), food (\$1,412 per year), and medical care (\$522 per year). A couple living on an intermediate budget of \$7,075 per year will spend 80 percent of their budget on food, housing and medical care, and a couple living on the higher budget of \$10,972 per year will spend 75 percent of their budget on these three basic necessities.

It should be pointed out that these expenses occur in the city with the highest cost of living in the continental United States, exceeded only by Anchorage, Alaska and Honolulu, Hawaii.

These statistics underline the seriousness of an ever-increasing cost of living and its effects on the elderly. We who are more affluent have difficulty in comprehending what it is like to be so close to destitution. We have some kind of reserve to fall back on; many elders have only their pride. Even more important, we have the potential for earning more if needed; the elderly do not. Most older people live on incomes pre-set by partial earnings or by law. Whether the source be social security, supplemental security income, or private pension, the older person must plan on receiving a set amount of money each month. Even where some cost of living increases are allowed for by social security or SSI, they have occurred at rates below the increasing cost of living. Of course, here in Massachusetts the Governor and State legislature decided against an increase for SSI recipients this year. Apparently an 11 percent increase in cost of living is not high enough to merit additional living funds. This means that some 81,000 senior citizens of the Commonwealth must make this year's income go as far as last year's.

Elders were also subject to other government actions that present serious economic problems. Here in the Commonwealth, the budget for the medicaid

program has been reduced substantially, and in a manner that impacts directly on the elderly. Such items as prescription drugs and eyeglasses have been cut out of the Massachusetts medicaid budget. One can only hope that these items will be put back into the State budget for fiscal year 1977.

At the Federal level we are being cut back by ACTION in our visiting aide program. Not only does this program provide essential support to many of Boston's elderly (over 3,000 at last count), it also helps support 50 older persons at \$2,600 per year; for the majority of these people this \$2,600 is critical. Without it they are in real trouble and will have difficulty staying abreast of the increasing cost of living.

Mr. Chairman, I could go on. The problems are great; the solutions complex and, yes, expensive. I call on you, Mr. Chairman, to work with other members of the Senate Special Committee on Aging to remember the plight of our senior citizens in these difficult times. There are concrete steps that you and the members of the committee can take to ease the burden on the elders of Boston, Mass., and the Nation. Among these are:

1. Automatic increases in social security and supplemental security income payments, tied to changes in the Consumer Price Index.

2. Maintenance of worthwhile Federal programs which provide at least some income for the elderly like the visiting aides program, senior aides, CETA, et cetera.

I would conclude, Mr. Chairman, by stating that on behalf of the mayor, the city of Boston, and the Commission on Affairs of the Elderly, I thank you for the opportunity to testify today and fervently hope that the members of the Special Committee, the Senate and the House take the steps within their power to ease the financial plight so many of our elders face today.

#### ITEM 5. STATEMENT OF LOUIS LOWY, COEXECUTIVE DIRECTOR, BOSTON UNIVERSITY GERONTOLOGY CENTER

My name is Louis Lowy, Ph. D., coexecutive director of the Boston University Gerontology Center and professor of social work at the Boston University School of Social Work. This hearing comes at a critical time for our elderly citizens not only because our tangible national commitment to the elderly is again in question, but also our State legislature in the Commonwealth of Massachusetts has passed a budget and adopted a tax measure to finance it that hits hard at our elderly and other disadvantaged groups. To mention only, the appropriation for medicaid is about \$100 million less than was expended last year.

Your committee has been a major force in highlighting the conditions of the elderly in our country and in shaping national policy in the field of aging. While we are pleased that the President has signed the 3-year extension of the Older Americans Act, we are presently concerned that the authorizations of funding reluctantly accepted by the President, be translated into appropriations. We urge Congress and the executive branch that such funding be made a reality to insure the continuation of all titles of the Older Americans Act. Of particular concern to us are the expansion of training programs and the four priority services: transportation, legal counseling, residential repair, and in-home services. The expansion of section 308, model projects, is of high priority since these projects include assistance in the establishment and development of senior ambulatory services.

While all the titles are of great import, let me briefly address myself to the programs offering in-home and ambulatory care. Evidence after evidence is being compiled in studies here and abroad that alternatives in long-term care of the elderly must be provided to insure the maintenance of older people in the community as long as possible. Home-care services that include a component of health screening and health care are undoubtedly the most viable alternatives to institutionalization for those older people who do not need any level of institutional care. Our experiences with such alternatives and our research have provided evidence that such home-care services do work and are welcomed by the elderly users. In the recently published volume *Long Term Care* (edited by Sylvia Sherwood, 1975), I have stated in the chapter on "Matching Community Resources and Patient Needs" that long-term care involves not only patient care in institutions but services to people in their homes. The matching of

diagnosed needs with community needs has emerged as a key issue in all studies surveyed. The proven successes of demonstration programs in many parts of the United States should be translated into guidelines for expansion of home care and home health care throughout the country.

In Massachusetts, the existence of 18 out of a projected 26 home-care corporations has demonstrated that a State can develop coordinated decentralized service delivery programs and can have them operational within a relatively short time. Unfortunately, the curtailment of State funding for human services and the means-test oriented title XX may jeopardize the existing programs and may move these towards stigmatized services available only to elders "who can prove need." It will also curtail the future expansion of these services. A major deficiency in the home-care services operation here is the lack of a viable health component as part of this system. We are aware that the health needs of the elderly represent one of their paramount concerns and that, in addition to an adequate guaranteed income and appropriate living arrangements, health security is of great priority for our aging population. High quality health care that offers preventive, ambulatory, chronic, and recuperative care has to be built into every network of a service system that is designed to reach the elderly wherever they reside and where they can take advantage of services.

In order to accomplish this, Federal funding has to be substantially increased since State funding in these times of reduced revenues cannot and are not likely in the future to be able to support these programs financially.

For this reason we, at the Gerontology Center, urge your committee to raise its voice in support of a coordinated and continuous home-care system that includes health, social, community, and transportation services as a package that is available and accessible to the elderly in every city, town, and country of this land. Funding for these programs and for educating and training requisite quality personnel—including the elderly themselves—must be a high priority today and tomorrow.

The Boston University Gerontology Center, though still young, has embarked on its road of coordinating and initiating education, research and service to the elderly in this University with its affiliated community institutions, has also adopted an advocacy role in support of the rights of our elderly citizens. As part of an institution of higher learning which has long been identified with community concerns we bridge the generations and serve as a link to advance the cause of the elderly of today with those of tomorrow.

Attached herewith are a prospectus of the Gerontology Center and the first issue of the *Gerontology Spectrum*.

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#### ITEM 6. STATEMENT OF THE DEPARTMENT OF ELDERLY AFFAIRS, BOSTON, MASS., SUBMITTED BY ROSE CLAFFEY, SECRETARY

Currently, 671,000 persons age 65 and over reside in the Commonwealth of Massachusetts. As the 1970 census does not statistically reflect the present economic status of the Massachusetts elderly population, the following figures have been extrapolated from recent studies to provide a statistical profile of elderly citizens residing in the Commonwealth.

Ninety percent of the 65-plus population are social security beneficiaries.

Over 80,000 older people receive supplemental security income (SSI). The maximum annual SSI payment is \$3,467.52 for individuals with no earned income and \$5,394.24 for a couple.

More than 50 percent of Massachusetts' elders have incomes below \$5,000 per year. Of this group, 90 percent of those elders who live alone have annual incomes below this level.

At least 18 percent of the elderly population have annual incomes which fall below the federally established poverty level of \$2,487 for an individual and \$3,191 for a couple.

During the past 3 years, the rate of inflation in Massachusetts has risen between 7.7 percent and 12 percent per year. According to a 1974 survey conducted by the Bureau of Labor Statistics (BLS), Boston had the highest housing costs, the fourth highest family food bill, and the highest personal income tax payments of the 38 mainland cities surveyed in the United States.

The rapid rise of inflation has severely impacted the elderly. Due to their very low or fixed income, elders are less able than the younger population to



absorb increasing costs. Table I compares the expenditures of an elderly couple at the intermediate budget level with those of a family of four. The figures reveal that an elderly couple can be expected to spend nearly 90 percent of their income on basic necessities—food, housing, transportation, clothing, medical care and personal care—whereas such expenditures for a younger family totals 70.5 percent of their income.

In many instances, younger families are more apt to make necessary budget adjustments by reducing nonmandatory expenditures. However, an elderly couple with only a 10-percent leeway in their budget is frequently confronted with a choice between necessities—between electricity and food or telephone service and fuel. Thus, many elders must reduce the amount expended on transportation, medical care, and personal care in order to maintain their homes and to purchase food. Such reductions in life necessities often result in social isolation, poor health, and institutionalization.

Table II shows the Bureau of Labor Statistics budget figures for a retired couple in the Boston metropolitan area, adjusted to 1975 prices. Note that the total budget of \$4,534 for the lower level is close to the \$5,000 median income for elders in Massachusetts. Thus approximately one-half of the elders in the Commonwealth live at or below the low budget figure.

The cost of living increases built into social security and SSI benefits do not keep pace with rapidly rising inflation rates. The benefit increases are based upon the previous year's rate of inflation which means that payment adjustments are made 1 year after the actual increase in the cost of living. In terms of actual purchasing power, this amounts to approximately a 10-percent per year reduction.

As inflation continues to plague the elderly, the State's ability to support income maintenance programs is lessening. Traditionally, Massachusetts has been in the forefront of elder affairs—without significant Federal financial support.

The recommendations in this report are therefore aimed at improving existing Federal programs for elders and at increasing Federal support to States, such as Massachusetts, in order to provide an adequate annual income for their elder citizens.

#### RECOMMENDATIONS

Social security stands as the most important income program for elders. As such, a number of improvements need to be made. The minimum social security benefits should be raised to at least the benefit levels available under the Federal SSI program. This would provide an adequate income floor for certain low-income elders who are either too proud to apply for SSI or whose assets make them ineligible.

Most importantly, cost of living increases should be prospective, rather than retrospective, to insure a measure of compatibility between fixed incomes and inflation rates.

Major revisions should also be implemented to equalize benefits for women, particularly because many low-income elders are widows. In Massachusetts there are 136 women for every 100 men in the 65-plus age group, with widows outnumbering widowers almost four to one.

The present earnings limitation of \$2,250 annually for social security beneficiaries under age 72 should be raised to at least a minimum of \$3,000 per year. It is a gross injustice to penalize elders for attempting to augment their incomes.

Furthermore, States which supplement SSI payments above the "adjustment payment level," set at 1974 benefit levels, are penalized if they attempt to pass on increases in Federal benefits to SSI recipients. If the State chooses to pass on the increases, the State must absorb the full cost. This fact has caused the costs of SSI supplementation to increase from an appropriation of \$64 million in fiscal year 1975 to \$115 million in fiscal year 1976.

States which supplement Federal SSI payments and wish to pass on Federal increases or otherwise grant cost of living increases, could be assisted in one of two ways. First, Congress could provide Federal matching funds for States whose costs are increased through pass-on activities. This was basically how the system worked prior to the implementation of the SSI program, since Federal reimbursements were available to defray 50 percent of the State costs of the old age assistance program. The other option would be to allow the "Adjusted payment level" to float with inflation. This would have the effect of holding the State harmless for providing cost of living increases.

Another improvement in the SSI program would be to adjust Federal benefit levels for regional differences in the cost of living. This would provide more

equitable benefits for recipients, and would assist high price States with the costs of supplementation. Aside from direct income assistance to reduce the impact of inflation on elders, a number of alternatives are available to reduce or subsidize the expenses of elders. These suggestions are presented not as priority recommendations, but as alternatives for the consideration of the committee.

#### ALTERNATIVE FORMS OF ASSISTANCE

1. To reduce the impact of inflation in the area of utility costs, Congress could enact "Lifeline" legislation to provide a minimum basic amount of gas, oil, and/or electricity to elders at minimum rates. This would also have the effect of reversing the discriminatory practice of charging higher rates to small users.

2. Property taxes constitute a major expense for elderly home owners. A Federal "circuit breaker" law could provide rebates to low-income elders who pay more than a certain percentage of their income for property taxes. The rebates could be handled through the Federal tax mechanism. Another alternative is to provide Federal matching funds to States which enact their own "circuit breaker" laws.

3. Two improvements could be made in the existing medicare program. First, the premiums, copayments, and deductions could be reduced or eliminated. Second, coverage could be expanded to include a wider range of home care services, particularly the homemaker, chore, and other ancillary nonmedical services.

4. Federal housing programs, such as section 8 of title II of the Housing and Community Development Act of 1974, could be greatly expanded. A major improvement would be to change the section 8 program to allow supplementation of homeowners as well as renters. Also, a program of low-cost rehabilitation loans for elders could be established.

TABLE I.—PERCENT OF INTERMEDIATE BUDGET SPENT ON NECESSITIES BY AN URBAN FAMILY OF 4 AND BY A RETIRED COUPLE, 1973

(From "The Effects of Rising Energy Prices on the Low and Moderate Income Elderly" by the FEA)

	Family of 4		Retired couple	
	Boston	United States	Boston	United States
Food <sup>1</sup> .....	23.2	25.2	27.2	29.5
Housing <sup>2</sup> .....	27.3	23.0	40.9	34.0
Transportation.....	7.0	8.0	6.8	8.5
Clothing.....	6.7	7.9	4.8	5.6
Personal care.....	1.9	2.2	2.3	2.9
Medical care.....	4.4	5.3	7.0	8.4
Total budget.....	70.5	71.6	89.0	88.9

<sup>1</sup> Includes food at home and away from home.

<sup>2</sup> Includes fuel and utilities.

APPROXIMATE UPDATE OF ANNUAL BUDGETS FOR A RETIRED COUPLE AT 3 LEVELS OF LIVING, URBAN UNITED STATES, AUTUMN 1975

[Based on the 7.7-percent increase in the all items of CPI]

Component	Lower budget		Intermediate budget		Higher budget	
	Dollar increase	Total	Dollar increase	Total	Dollar increase	Total
Total budget.....	\$326	\$4,554	\$465	\$6,506	\$691	\$9,660
Total family consumption.....	312	4,358	437	6,115	637	8,914
Food.....	103	1,437	136	1,902	170	2,380
Housing.....	109	1,519	157	2,200	246	3,223
Transportation.....	21	293	41	568	75	1,046
Clothing.....	15	210	25	353	39	545
Personal care.....	9	129	14	190	20	278
Medical care.....	41	575	41	578	42	582
Other family consumption.....	14	195	23	324	46	641
Other items.....	14	196	28	391	53	745

Note: Due to rounding, sums of individual items may not equal totals.

ITEM 7. LETTER AND STATEMENT FROM THE MASSACHUSETTS ASSOCIATION OF OLDER AMERICANS, INC., SUBMITTED BY WALTER H. CROSS, SUPERVISOR; TO SENATOR FRANK CHURCH, DATED JANUARY 5, 1976

DEAR SENATOR CHURCH: Your letter of December 24 was received and I will be most happy to submit the following statement.

I wish to apologize for not being available at the time I was called to testify at your hearing in Gardner Auditorium at the Boston State House, Friday, December 19, 1975 in relation to "Future Directions in Social Security. Impact of High Cost of Living."

First it is very important that the government rearrange its priorities. The present priorities of government that favor the affluent individuals and industries with all sorts of tax shelters and handouts must be curtailed in favor of considerably more assistance to the low and low-middle income disabled, blind and elderly. Help in the following services must be provided.

#### No. 1. HOUSING

Housing for the large majority of elderly and disabled is catastrophic. Thousands of senior homeowners who worked all their lives to pay for housing are literally starving to death, because of inflationary taxes and energy bills. They are in constant fear of ill health and resultant exorbitant medical bills that would wipe out the equity they have in their homes. In the State of Massachusetts, elderly from age 65 to 70 can have the property taxes deferred each year but a lien is placed on the property and interest of 8 percent is levied. Another penalty imposed by our great society for growing old.

When they arrive at 70 years of age, if they make it, they are entitled to a tax rebate of \$350 or the assessed value up to \$4,000 whichever is higher.

This means that tax rebates on a home valued at \$25,000 which is the limit that a senior can have on his home value, to qualify for supplemental security income (SSI) can vary from \$350 in a city using 100 percent evaluation to \$800 where a 25-percent evaluation is used. This, also, is only another inequity in our hodge-podge of tax programs.

*Exhibit A.\** Tax rates for 1974 and 1975 attached.

It is also a fact that many of the senior homes have grown old with the owners and are not adequately maintained and insulated. The average cost for heating alone averages \$50 to \$60 per month with another average cost of \$20 per month for electricity.

Many of the homes of the elderly are in urgent need of repairs but because low-income seniors on a fixed income cannot borrow for home repairs and would be unable to pay off if they are eligible for loans; their homes are slowly deteriorating and decreasing in value. Comparable reduction in property tax assessment is not provided.

With top SSI budgets in Massachusetts of \$269 monthly for a single senior living alone and \$410 monthly for a couple it is obvious the low-income fixed elderly cannot continue to pay over 50 percent of income for shelter without sacrificing health and other desperately needed services.

For low-income elderly renters the following assistance programs are available in Massachusetts. Altogether, they are still only a drop in the bucket in relation to the thousands of seniors that are eligible and in desperate need of rental assistance.

*Municipal Public Housing.*—Elderly apartment complexes—all apartment rentals are 25 percent of income.

*MHFA-Massachusetts Housing Finance Agency*—Must have minimum of 25 percent of apartments for low-income—about 50 percent apartments are moderate income and 25 percent of the apartments are market rate. Some developments exclusively for elderly, others mixed family. Directory enclosed.

*HUD—Housing 221D3 and 236 limited dividend housing.* Minimum 10 percent apartments are for low-income. Massachusetts directory of this housing attached.

\*Retained in committee files.

*Massachusetts State 707 Leased Housing Program*—Seven million provided by the State in 1974. Funding not increased in 1975. Result only occasional slots available when a client moves or dies.

*HUD—Section 208 Leased Housing Program.* New as of fiscal 1975 and just now partially operational. Forty percent for elderly. Directory of money and slots allocated to cities in Massachusetts attached. This program supercedes section 23 leased housing program. *Exhibit B\**—State Directory, *Exhibit C*<sup>2</sup>—eligibility levels attached. *HUD Housing 202*—for elderly—funds limited—some nonprofit organizations have filed for new construction loans.

The elderly that are participants of the above programs, especially those that are covered by the 25 percent of income rentals are the most fortunate of the elderly.

However, of great concern at present is that both the HUD limited dividend and MHFA realtors have been allowed by HUD to increase rents to the point where tenants originally charged 25 percent of income, about \$60 have had rent increases to \$162 per month.

This on an SSI income of \$269 is 60 percent of income for rent. A nonprofit group of HUD and MHFA realtors have recently formed an association in Massachusetts and contend if they do not receive some sort of additional supplement relief from HUD they will have to increase the rents of many of their elderly tenants again. They as well as the senior tenants are desperate and some say rather than inflict further increases on elderly tenants they will walk away from management of the property. A recent survey of 25 housing authorities established the fact that waiting lists for senior public apartments showed approximately 33,000 people waiting. This does not reflect the true situation because many seniors realizing the futility of obtaining assistance do not bother to apply.

The majority of seniors in the urban areas are living in old rundown apartments managed by unscrupulous landlords and paying 50 percent to 60 percent of their income for rent. This based on an SSI income of \$269 leaves them with about \$135 for food clothing and other necessities. In this era of rampant inflation, this is tragic.

The average income for elderly SSI recipients who are the lowest in the State compared with the enclosed lower and very low-income figures used by HUD for section 208 housing is as follows:

HUD	Lower income	Very low income	SSI income
1 person.....	7,700	4,650	3,228
2 persons.....	9,900	6,200	4,920

Attached is a letter from a Boston physician that emphasizes the importance of housing assistance. As a matter of fact, this particular physician phoned the writer personally to emphasize the fact that this \$120 increase in her available income, because of her receiving rental assistance accomplished an improvement in her mental and health problems that could not have been accomplished by medical treatments. Many such cases are in our records. *Exhibit D.\* Dr. Freedman's letter is attached.*

Urgently needed is legislation as proposed in H.R. 7138, which proposes shelter supplements up to \$100 per month for SSI recipients either renters or home owners. Also, H.R. 8912, would authorize supplementary cash housing allowances to SSI recipients. Housing assistance to low-income elderly could be as important as any program in all areas of social assistance.

The section 208 income eligibility standards reflect the overall cost-of-living standards for Boston and Massachusetts, which latest statistics show the highest in the country. The same statistics also prove that housing and shelter costs are the highest of all cities in the country.

If such a national supplement rent program was legislated, the eligibility could probably be adjusted to reflect the cost-of-living and shelter in the various sections of the country.

\*Retained in committee files.

*Housing—Exhibits and materials\**

Exhibit A—Booklet, tax rates for 1974 and 1975.

Exhibit B—4-page HUD State directory.

Exhibit C—Eligibility levels, section 8, 2-pages.

Exhibit D—Dr. Freedman's letter.

Massachusetts Housing Finance Agency Directory enclosed.

HUD directory of limited dividend housing—Housing 211D3.

#### NO. 2. MEDICAL ASSISTANCE FOR THE ELDERLY, BLIND, AND DISABLED

Until such time as a comprehensive national health policy such as the Kennedy-Corman bill is legislated medical and health care assistance to the elderly, except for the small minority of affluent, will continue to be fragmented and for thousands of low-income elderly practically nonexistent.

Medicare part B at the present time is only paying 38 percent of doctors bills. This is due to either gouging by physicians or inadequate allowances by the medicare provider such as Blue Cross Blue Shield in the State of Massachusetts.

Medicaid the medical assistance program for low-income of all ages including the elderly, blind, and disabled financed jointly by the Federal and State governments has in the past month been drastically reduced by the State of Massachusetts. While SSI recipients are automatically eligible for medicaid, the medically-indigent recipients of medicaid assistance which group includes 45,000 elderly in the State are threatened with medicaid medical assistance terminations.

This is a terribly regressive and short sighted policy that can cost the government far more than it will save. Massachusetts hospitals treated 123,973 medicaid patients during fiscal 1975. They represented 14 percent of all patients treated. In one Boston hospital alone medicaid cases made up 70 percent of its patients. See Exhibit A.\* How can the elderly with poor health—in need of medical care, survive? How can the hospitals survive this tremendous reduction in income? It is imperative that a solution must be found to alleviate this curtailment of medical services both from a humanitarian and financial point of view.

As a matter of fact even those SSI eligible recipients of medicaid are faced with elimination of prescription drugs, a \$26-million item, private duty nursing, nonmedical occupational therapy, visiting nurses, dental work, eyeglasses, hearing aids, and transportation. Is it any wonder that a comprehensive national health policy is long overdue.

Another program that is urgently needed is a governmental assisted policy of renovation of approved buildings or new construction for congregate living arrangements for the elderly. During the visit to Boston of one of your very competent aids, Diane McIver, I had the opportunity to show her an example of this type of housing in Cambridge, Mass.

The need for such a program for the elderly and handicapped is becoming acute, both from a financial and humanitarian point of view.

Not only are nursing homes a poor solution for many fairly able-bodied older people, but the proliferation of huge nursing homes, which by Murphy's Law always get filled, naturally emphasizes the movement toward warehousing of the elderly. The fantastic cost of maintaining in nursing homes, people who do not medically require such care is accompanied by the millions of dollars paid to acute hospitals for "administratively necessary days" while patients are waiting for nursing home beds or other community arrangements if available.

A recent 1-day survey by the Massachusetts Hospital Association (MHA) with 89 hospitals reporting showed 650 patients waiting 16,800 days for a nursing home bed; 65 percent of the patients were medicaid supported and 20 percent medicare. A monthly report from a VISTA volunteer is attached as Exhibit B.\* This reflects this problem of just one hospital.

It is estimated that this problem is costing a minimum of \$25 million yearly. Exhibit C\* attached is the hospital daily rates paid for medicaid patients.

This situation was precipitated by the State Mental Health Departments planned procedure to move all patients to nursing homes—about 2,000 belong back in the mental hospitals.

\*Retained in committee files.

This program ruined many nursing homes. The greedy nursing home operators welcomed this plan because while keeping many of these patients heavily sedated, it reduced their nursing expenses, resulting in additional profit.

So, we have a roundrobin of bureaucratic maladministration that both from a humanitarian as well as from a financial viewpoint is deplorable.

We also have in this State recently established Home Care Corporations. If you believe the publicity of this program it is the ultimate cure-all for maintaining seniors in their homes.

However, present indications are that this program is just another superfluous, superficial bureaucracy, superimposed on an already existing network of neighborhood health centers who have the experience and expertise to administer the only two health services purchased by the Home Care Corporations.

These are homemakers and chore workers whose services have always been purchased by the Welfare Department. The other important function of home care is administering the purchasing of title VII hot lunches for seniors in the communities where H.C.C.'s are located.

The entire program is being imposed on communities in most instances without consultation or approval of the community senior Councils on Aging or other senior organizations that should be active participants. It appears that seniors are being manipulated.

Enclosed is a letter received by me only last week, Exhibit D\* with a copy of a letter to Arthur S. Flemming from the Southeastern Massachusetts Regional Association of Councils on Aging which represents the opinion of many local senior groups in Massachusetts.

The 70 senior VISTA and PLS volunteers in the Massachusetts Association of Older Americans program have used the neighborhood health centers on a great many occasions. From our experience expansion of the neighborhood health centers is the most practical and efficient way to go to provide good economical health service to low-income families and the aged, blind, and disabled.

Enclosed is Exhibit E\* showing the neighborhood health centers that are approved by the Welfare Department Medical Assistance Division. It seems it would be far more efficient and less expensive for the health centers combined with the Welfare Department to have the administrative authority to purchase homemakers and chore workers coordinated with the allied services they now provide.

Actually establishing a third novice agency to purchase homemaker and chore workers for the sick elderly can be a waste of taxpayers money and a disservice to the elderly.

A study should be authorized to analyze and recommend changes to bring about a less complex and more efficient method of providing medical service for the vast majority of low-income elderly.

#### *Medical Assistance—Exhibits\**

Exhibit A—"Impact on Hospitals."

Exhibit B—VISTA volunteer report from Lowell General Hospital.

Exhibit C—Medical care plan—hospital fee schedule.

Exhibit D—Letter from the Southeastern Massachusetts Regional Association of Councils on Aging to Arthur Flemming.

Exhibit E—Medical Health Centers approved by the Welfare Department.

#### NO. 3. INCOME FOR THE ELDERLY

The majority of the elderly are covered by social security. However, because the largest percentage of seniors over 65 are women, many of them widows, the average social security monthly income of \$170 per month is entirely inadequate to maintain a decent standard of living. Much needs to be done to insure yearly cost-of-living increases sufficient to provide a fixed income above the poverty level.

The limitation on taxable earned income for social security, now \$15,300 annually should be abolished. Surely, persons with income of \$25,000 or more can afford to pay social security taxes on their entire income in comparison to individuals struggling to raise a family on \$7,500 or \$10,000 yearly. The additional revenue could surely help to raise the social security income payments.

\* Retained in committee files.

The so-called means test limiting earnings of social security recipients to \$2,760 without a reduction in social security payments should be abolished, or at least increased to allow \$5,000 in earnings without financial penalties. The employment discrimination practiced against seniors is almost total and the means test only adds another penalty regarding employment discrimination. Is it any wonder that limiting earned income of seniors living on small fixed incomes is contributing to a class of low-income seniors living below the poverty level?

#### SUPPLEMENTAL SECURITY INCOME (SSI)

The testimony furnished by the writer in May of 1975 before the Special Committee on Aging of the U.S. Senate in Washington expressed my opinion regarding the many problems and inequities inherent in the administration of SSI.

The records in our office representing hundreds of cases of the aged, blind and disabled, that our volunteers have acted as advocates for, with social security offices in Massachusetts testify to the continuing problems of administration. Exhibit A\* attached is the simplified form used by this office for determining eligibility for the aged. The disabled and blind are also represented by this office.

At the present time the following figures represent the amount of people by category that are currently receiving SSI in Massachusetts.

Aged, 65-plus-----	84,000
Disabled -----	44,000
Blind -----	4,000
<hr/>	<hr/>
Total -----	132,000

It is estimated that another minimum of 40,000 seniors in Massachusetts are eligible for SSI and funding should be provided by the Federal Government to qualified organizations with experience in this area to mount an intensive out-reach program to find these missing eligible applicants.

It is still my opinion that a great deal needs to be done to improve the training and competence of social security intake and service employees. Because of the complexities of the SSI program in comparison to social security, employees should be administering one or the other programs, but not both.

The SSI programs because of many grey areas that exist, the discretionary judgement of the intake and service employees is extremely important and we know that many times applicants have been denied assistance in one D.O. Office through poor judgement on the part of the SSI intake worker. This is the opposite of the social security programs with specific guidelines and has certainly contributed to the loss of reputation of the Social Security Administration.

Practically all of the proposals in proposed legislation H.R. 8911 should be legislated as soon as possible especially the one that would require each State to maintain its supplementary payments at the same level in effect before an increase in Federal SSI payments effective with SSI increases made after 1975. This should also be amended to guarantee that social security increases should be passed on to SSI recipients. In the past year SSI recipients in Massachusetts were denied both the social security and SSI increases. It is reprehensible to exclude the lowest income seniors from the legislated cost-of-living increases.

Also, H.R. 8912 would accomplish similar benefits of housing allowances to SSI recipients as Representative Richard L. Ottinger H.R. 7138 referred to in the prior section on housing.

Also, a change that is definitely needed by SSI homeowners is an increase in the home value limitation of \$25,000. Hundreds of seniors are being dropped from SSI due to the reassessment of homes to the 100 percent assessment program. Many homes that were valued under \$25,000 are being revalued at \$35,000 or more which automatically disqualifies the owner from SSI.

#### PENSIONS

In this area much needs to be done to strengthen pension plans; to increase portability, to shorten the time span from initial employment to vested interest. It is my opinion that all pension plans should incorporate a vested interest timetable of not over 10 years of service.

\* Retained in committee files.

In any event, I have tried to emphasize the problems of the elderly and hope that I have not bored you with the multiplicity of details in this lengthy analysis of their precarious living conditions.

*Income for the Elderly—Exhibit\**

Exhibit A—Form used to determine eligibility for the aged.

I have omitted the problems of transportation, recreation, and other needed service, due to the fact that it is my belief that housing, income and medical assistance are the most serious and difficult problems of the low-income aged, blind, and disabled.

Many investigations and hearings produce loads of rhetoric and general statistics that are meaningless in themselves so I have attempted to cover the subject in detail.

If you or your staff have time to read this voluminous report and if this information furnishes you with any material regarding the problems of the aging that you do not already have knowledge of, it will have been worthwhile.

With best wishes for a happy New Year.

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\* Retained in committee files.



## Appendix 2

### LETTERS FROM INDIVIDUALS AND ORGANIZATIONS

#### ITEM 1. LETTER FROM JACK M. GOULD, EXECUTIVE DIRECTOR, NEW BEDFORD (MASS.) COUNCIL ON AGING; TO SENATOR FRANK CHURCH, DATED DECEMBER 16, 1975

DEAR SENATOR CHURCH: We the members of the Council on Aging wish to go on record that we back legislation which would block the 13 percent increase in medicare costs announced last month by the Department of Health, Education, and Welfare.

There is still insufficient housing for the elderly, especially those who are in the low-income category.

Good health care has become a luxury the elderly cannot afford. Our government is showing little compassion to the elderly when they are attempting to take away medicare benefits by increasing the deductibles. The government provides an 8 percent increase in social security, which is far below the cost of living index, then takes away most of this by increasing the deductibles in medicare.

The elderly desperately need more concerned representation in their behalf. We are indeed fortunate to have you as chairman of this Senate Committee on Aging. Keep up the good work.

Very truly yours,

JACK M. GOULD.

#### ITEM 2. LETTER FROM CARL G. LYMAN, CHAIRMAN, THE WESTFORD (MASS.) COUNCIL ON AGING; TO SENATOR FRANK CHURCH, DATED JANUARY 20, 1976

DEAR SENATOR CHURCH: The Westford Council on Aging realizing, on the local level, the impact of the high cost of living on the life style of our senior citizens requests that this letter be submitted as a contribution to the hearing record held on December 19, 1975, at the Gardner Auditorium, State House, Boston, Mass.

Westford is a small town 30 miles northwest of Boston with a population of 10,000. Approximately 1,300 are senior citizens. Having no access to public transportation, last year we initiated a demand-activated minibus service for our elderly. Funding was provided on the local level and through Federal funds administered by the Commonwealth of Massachusetts through THEM, Inc. (Transporting Handicapped and Elderly of Massachusetts).

This year, after an exhaustive search, no Federal funds were available requiring a drastic curtailment of service and the necessity of initiating a fare. This is just a simple illustration of how our elderly citizen's fixed income was further eroded.

The deductible charges, increased premiums and lack of full coverage under medicare are causes of financial hardship also. This is particularly true for seniors who marginally exceed income limitation which preclude their receiving other forms of medical assistance.

We strongly support S. Con. Res. 2 which expresses opposition to any reduction in the July 1975 social security cost of living increases and urge President Ford to listen to the voice of Congress, representing the voice of senior citizens in this matter.

Sincerely yours,

CARL G. LYMAN.

ITEM 3. LETTER FROM AMELIA CYGAN, CHAIRPERSON, WARE (MASS.)  
COUNCIL ON AGING; TO SENATOR FRANK CHURCH, DATED  
DECEMBER 15, 1975

DEAR SENATOR CHURCH: The Ware Council on Aging want to express our voice as to the areas of the special urgency to the elderly you described in your letter. We agree with you wholeheartedly these areas need your utmost attention for we see how desperate the needs of our elderly in our town are.

But, what we are most opposed to, is the lack of funds available to the small towns and its citizens. It seems each time we try to obtain grants or funds, they have been used up by the larger communities. We realize there are many citizens taking advantage of these programs but, somehow the distribution of these funds is much too often used up before they reach the small communities.

Respectfully yours,

AMELIA CYGAN.

ITEM 4. LETTER AND ENCLOSURE FROM EDWARD J. McDONALD,  
CANTON, MASS.; TO SENATOR FRANK CHURCH, DATED DECEMBER  
14, 1975

DEAR SENATOR CHURCH: I see by the enclosed clipping that you will be in Boston December 20, 1975, at a hearing at the Faneuil Hall, relative to the cost of living as it affects older Americans. I wish that I were going to be able to attend, but since I will not be, am writing you just the same, in the hope that a letter will at least show my interest in your visit.

Like many others in their seventies, I am in the unfortunate position of having been retired when pay was low, and am trying to survive soaring living costs, and extremely high real estate taxes, which have gone from \$600 for a five-room house to \$1,600 in the past 5 years!

I am getting the very lowest social security, having taken it as early as possible, but, believe me, it is a Godsend! This year the city of Boston has eliminated the cost of living for retirees.

I think that school and real estate tax should be eliminated for all when they reach a certain age. In this way everyone could look forward to help when it is so sorely needed.

Recently, for example, they had a real estate reevaluation, which jumped my home from around \$6,000 to \$39,000 with the result that it brought it out of bounds for any tax exemption of \$2,000 valuation (which was at least something). I feel that if property reevaluation was raised \* \* \* then so should have been the exemption for senior citizens.

I hope you enjoy your visit to Boston and regret that I cannot attend this meeting at Faneuil Hall.

Sincerely yours,

Enclosure.

EDWARD J. McDONALD.

[From the Boston Herald]

COST OF LIVING PROBE FOR ELDERS

A hearing on the cost of living as it affects older Americans will be held in Faneuil Hall Dec. 20 at 10 a.m. by Sen. Frank Church (D-Idaho), chairman of the Senate Committee on Aging.

Church said whenever possible he wants to hear testimony from older persons themselves because "they, after all, are the real experts on aging."

The senator said he is "alarmed by reports of harsh economic problems affecting older Americans in all parts of the Nation, both urban and rural."

"In the face of such needs," Church said "the present administration rejects proposals for corrective action and even talks of cutbacks."

"I think the facts about the desperate situation facing so many elderly should be made known to Congress and the general public."

ITEM 5. LETTER FROM JAMES S. PEACE, EXECUTIVE DIRECTOR, CAPE ISLANDS HOME CARE, INC., HYANNIS, MASS.; TO SENATOR FRANK CHURCH, DATED FEBRUARY 2, 1976

DEAR SENATOR CHURCH: It was not possible for a representative to testify before the Special Committee on Aging on December 19, 1975, in Boston. I desire to bring to your attention our concern with the problems of the elderly on Cape Cod, Martha's Vineyard, and Nantucket.

Recent statistics released by the National Council on Aging reflect an increase in the elderly population of the Cape and Islands area of 42.3 percent between the years 1970 and 1974 (persons over 60 years of age). This marked increase in light of the economic situation is of serious concern.

Title XX funding is helpful but it is not meeting the needs of the older people. The criteria set forth for eligibility is based solely on income. Many Cape Codders suffer as a result since their income is slightly over the limits set forth. Hence, our organization, 1 of the 18 home care units across the Commonwealth of Massachusetts finds itself in the dubious position of not being able to assist a large number of older persons in desperate need of help. The concept of another welfare organization superimposed on the people is real and we are helpless. The only service to people above the income limitation is through "information and referral." This does not resolve their needs!

When we have verified their income through proper releases signed by them and sent to the source of the income for verification we then say—"We shall return in 3 months for a reverification every quarter"! Hence, the paperwork becomes almost intolerable and we "do gooders" become pen pushers and hence reduce the time to assist clients.

I suggest that verification of income be performed yearly. Once an older person retires there is not much likelihood of the moneys received from pensions, social security, inheritances to change materially. While controls are essential wherever public funds are expended; I can not believe that they should be so restrictive that they result in loss of benefits to the older client.

Many words and letters have been addressed to the committee. I join with others in commending the members for the privilege of forwarding comments. Your path for humane delivery of quality service to our seniors is difficult. Results, in the knowledge that older people desire to live in dignity and respect, will be your reward.

Very sincerely,

JAMES S. PEACE.

ITEM 6. LETTER AND ENCLOSURE FROM FRANKLIN P. OLLIVIERRE, CHAIRMAN, FEB/FRC JOINT COMMITTEE ON ELDERLY AFFAIRS, BOSTON, MASS.; TO SENATOR FRANK CHURCH, DATED JANUARY 9, 1976

DEAR SENATOR CHURCH: As requested by Mr. William E. Oriol, staff director, attached is a summary report on a series of meetings held in all of the New England States in early fall of 1975 regarding the energy needs of older persons.

This information is being submitted as additional testimony for the public hearing which was conducted by your committee in Boston on December 19, 1975.

We will be glad to provide any further information you may need.

Sincerely yours,

FRANKLIN P. OLLIVIERRE.

[Enclosure.]

REPORT ON STATE MEETINGS IN REGION I REGARDING ENERGY PROBLEMS OF OLDER PERSONS

INTRODUCTION

Activity related to the energy needs of older persons has been going forward on several fronts in Region I.

A. The Federal Regional Council and the Federal Executive Board have a Joint Committee on Elderly Affairs, which has as one of its principal objectives

a response to the energy-related problems of the elderly. This has been done through:

1. Inclusion in the FEB/FRC Committee on Elderly Affairs of all signatories to the interagency agreement on energy needs of the elderly.

2. Preparation of an information brochure listing resources available for assistance with energy needs. This brochure was completed and circulated in December 1975.

3. Representation from the Regional Office of Aging on the FEB Energy Committee and subcommittees.

B. As a direct response to the interagency agreement on energy needs of the elderly, the Regional Office of Aging, OHD/HEW, convened two meetings of the eight Federal agencies which signed that agreement. That group concluded that the situation is different in each State, with particular differences between urban and rural States. It was further established that the States have approached the problem in very different ways and that it would be useful to work with each State separately.

#### STATE MEETINGS

A regional Federal team representing five Federal agencies visited each of the six States in Region I, starting with the three northern States in late September and concluding in October. The team included representatives of:

Administration on Aging  
Federal Energy Administration  
Community Services Administration (OEO)  
ACTION  
Farmers Home Administration

The cooperation of these agencies was excellent.

The meeting in each State was arranged jointly by the State Aging Agency and the State Energy Office. They planned the agenda, invited the participants and chaired the meetings. Persons attending represented State Aging Offices, State Energy Offices, Area Agencies on Aging, Community Action programs, Civil Defense agencies, Legal Services, State Highway Departments, Parks and Recreation Departments, State Welfare Departments, State Housing agencies, Public Utilities Commissions, ACTION programs, consumer agencies and others. There was an average attendance of 25 key persons at each session.

At each meeting, the energy problems of older people were identified and the resources available from all agencies were described. Gaps in services were identified and possible courses of action were outlined. It was agreed in each State that a working memorandum would be developed.

Many of the persons attending the sessions were meeting for the first time, and the sharing of information and resources proved very helpful.

#### PROBLEMS IDENTIFIED

1. Planning for help with energy problems seems to be done too late each year, with funds not available until late fall.

2. There is no working mechanism for the effective pooling of available resources.

3. As older persons reduce their use of energy in the interests of conservation, the rate rises, making this effort self-defeating. Lifeline programs have not been adopted in enough places to help with this problem.

4. Currently, the problems arise not from shortages but from prices.

5. It was pointed out that we are faced with more than an energy problem—it is a health problem as well. We have no data to indicate the extent to which colds and pneumonia have resulted from lack of heat.

6. The idea that RSVP personnel are available to work in winterization programs is simply not realistic and will not happen.

7. Some States do not have adequate legislation to protect older persons against unannounced shut-offs of utilities.

8. In some areas, welfare offices are now referring low-income people with fuel problems to Community Action Agencies, thus relieving pressure on welfare funds. CAPs see this as an effort to let them subsidize the Welfare Departments.

9. Not much can be expected in winterization programs through the use of volunteers. Work must be well planned and skillfully done. Volunteers are not usually covered by insurance.

10. Resources for winterization, as well as emergency loans, are so limited that it is not advisable to spread much public information. Therefore, only a few of the eligible people know about these resources.

11. Fuel oil dealers were very cooperative and helpful in the first year of the fuel crisis and in many cases extended credit to homeowners. However, the credit of the dealers is now so strained that they cannot afford to continue giving this credit.

12. It does not appear that any significant amount of CETA money is being made available for energy programs. A Department of Labor spokesman says only 5 percent of CETA funds benefits older persons. There was in one case a serious difference of opinion between State Labor people and Department of Labor personnel about the amount of CETA funds available.

13. Many persons disagree with DOL regulations which forbid the use of CETA personnel in rental properties.

14. The 504 program for home repairs or improvements, administered by FHA, is not much used by older people and there are unused funds available. FHA has insufficient staff for processing of applications. In some States older persons are not considered good risks because of their age; for example, to give someone a 20-year mortgage when the person is 70 years old.

15. Some persons felt that SRS, which controls the largest block of social service funds, should be a signatory to the energy agreement, and that there should be clarification of regulations affecting financial aid for energy needs.

16. In many cases, it was learned, emergency loans for fuel costs are never repaid, thus reducing the capital available for rotating loan funds.

17. Energy funds available through the Community Services Administration are more difficult to administer this year because requirements are more rigid and time-consuming.

18. CSA eligibility criteria for assistance with energy problems are not raised fast enough to match inflation, therefore an increasing number of people become ineligible while at the same time the need increases.

19. CETA contracts for winterization manpower are not reliable because they are impermanent and in some cases must be renewed monthly with no assurance of continuation.

#### CONSTRUCTIVE ACTIONS

1. Several States do have procedures to safeguard older persons against a sudden cutoff of utilities in homes where all residents are 65 or over. In Massachusetts this information is included with electricity bills every other month. A law providing for adequate notice went into effect in Connecticut on December 31, 1975.

2. Community Action agencies have in many instances displayed creative leadership in dealing with energy problems of the elderly, such as:

- (a) Helping low-income persons adjust their home finances.
- (b) Providing cash loans for emergency assistance.
- (c) Helping people organize to be heard regarding rate structures.
- (d) Helping people install wood stoves.

However, because of extremely limited funds, CAP agencies can serve only the most critical needs.

3. State and area agencies on aging have made serious efforts to respond to energy needs.

(a) The Massachusetts Department of Elder Affairs has appointed an energy coordinator.

(b) Maine and Vermont have requested VISTA personnel to assist with energy problems.

(c) Home Care Corporations in Massachusetts will provide legal services where needed, will make available chore services funds for winterization labor and will consider use of lag funds for responding to energy needs.

(d) In several States, area agencies have entered into joint funded programs with CAP agencies. Area agencies provide funds for insulation materials and CAP agencies furnish the labor.

4. State and local governments have responded in many ways:

(a) In Vermont and Massachusetts each town has been asked to appoint a fuel coordinator. Each town in Connecticut has a municipal agent who provides service to the elderly.

(b) In Rhode Island and Vermont, the State civil defense offices provide emergency fuel or housing.

(c) In Vermont, the State Highway Department provides wood free of charge to needy householders and will even deliver it in emergencies. This is done also by the State Department of Forests and Parks.

5. Lifeline programs are in various stages of development in the States of the region. The Maine Legislature has approved a pilot program in six towns, providing a subsidy of 3 cents per kilowatt-hour up to 500 kilowatt hours.

6. Vocational technical colleges are used in New Hampshire and Connecticut to train persons for work in the retrofit program. This training is necessary because of criticism about winterization work being poorly done in the early stages. The State Energy Office has offered training which was not well attended.

7. Out of 1,563 homes winterized in Rhode Island during the winter of 1974-75, 604 were homes of elderly persons. During that period, \$240,000 was spent on loans and \$390,000 on winterization of homes in Rhode Island. However, one county alone has 12,600 deficient houses of which only 600 have received assistance.

#### CONCLUSION

The task force which initiated these meetings is hopeful that these real problems may be seriously considered by the appropriate agencies and that any steps possible will be taken to improve our system of response.

ITEM 7. LETTER AND ENCLOSURE FROM EVELYN GREENMAN, DIRECTOR, BROOKLINE (MASS.) MULTISERVICE SENIOR CENTERS, COUNCIL ON AGING; TO WILLIAM E. ORIOL, STAFF DIRECTOR, SENATE SPECIAL COMMITTEE ON AGING, DATED JANUARY 26, 1976

DEAR MR. ORIOL: The Town of Brookline has a very high percentage of retired residents (16,000 or 27 percent of the total population of 59,000). About 28 percent of these elderly people are on incomes that place them at or below the poverty level, and about 30 percent receive marginal incomes. This means that about 8,400 elderly persons in this town are of low or marginal incomes and depend almost entirely on an inadequate fixed income.

Social security is the "bread and butter" for us. Most older people earned their salaries preinflation, when salaries were low and pension plans scarce. Now, in their retirement, which is often forced, they are unable to find even part-time menial employment due to the economy. Massachusetts has the highest rate of unemployment in the Nation (16 percent), in addition to which older people are discriminated against.

Our older residents come to our senior centers day after day reporting stories of frustration. Medical costs for primary, post hospital, and chronic care are exorbitant. Prescriptions for medication, eyeglasses, and hearing aids are extremely costly. Over and over, people are forced to deny themselves proper health care.

Rents and property taxes rob older people of the money that should be spent for food and clothing. The cost of living rises at the rate of 8 percent each year, making the fixed incomes of retired folks inadequate at best. The State of Massachusetts has the second highest cost of living in the Nation and, as noted above, the highest percentage of unemployment.

We appeal to our Senators on the Special Committee on Aging to counteract these problems which deny elderly people their health and dignity, by enacting legislation which adjusts the social security and supplementary security income to be realistically responsive to actual needs of older, retired people.

We also appeal for legislation to cut the cost of medicare which has increased beyond bearable bounds.

Enclosed is some demographic material. As illustrated, the high number of elderly persons here are living longer, but living in frustration.

Sincerely,

EVELYN GREENMAN.

[Enclosure.]

## BROOKLINE MULTI-SERVICE SENIOR CENTER

## REPORT ON THE ELDERLY POPULATION OF BROOKLINE

According to the official 1970 Federal Census data, there were 58,689 individuals living in Brookline.

Years and over:	<i>Population by age</i>
55 (33 percent of the total population) -----	19,459
60 (30 percent of the total population) -----	18,500
62 (29 percent of the total population) -----	17,041
75 (7 percent of the total population) -----	4,302

There were 617 Spanish-speaking persons in Brookline. Of these, 32 were 65 and over. The black community numbered 498, or 8 percent of the total Brookline population, 19 percent were 65 and over. The fast-growing Oriental community of Brookline is largely invisible, as it is elsewhere.

Older women outnumbered older men by almost 2 to 1. 52.6 percent of the men were employed, whereas 21.1 percent of women were. Thus about one third of the population over 65 was employed. (These are mainly self-employed professionals—physicians and lawyers who live in the estate section of Brookline.)

A common clustering of elderly residents is found along the main thoroughfare (Beacon St.), and the area adjacent to Coolidge Corner. The census tract with the highest percentage of persons 62 and over is No. 4003, with 33 percent. This tract is located at Coolidge Corner. (The Coolidge Corner area is densely populated—high rise deteriorating buildings.)

According to the official 1970 Federal Census, a total of 1,399 persons 65 and over were living below the poverty level in Brookline. This represents 27.3 percent of all persons below poverty level in the town. The Department of Community Services' medicaid office reports that it served 906 Brookline residents over 65 during December 1974. Medicaid is a supplemental health insurance program for low-income persons.

There has been much speculation of Brookline being or becoming a town of elderly people. However, the number of elderly who moved into Brookline during 1973 was 1.4 percent of the total population. According to the precinct listing, an average of 600 persons (1 percent of the total population) turn 60 each year.

## I. BACKGROUND

There are several sources of statistical data available on Brookline. In addition to individual agency information, there is the:

- (1) Federal Census taken every 10 years; the most recent being 1970;
- (2) The State census, also taken at 10-year intervals (5 years out of phase with the Federal census), with the 1975 census not yet completed;
- (3) The town's own street list of persons, age 17 and over, recorded annually, the latest edition being as of January 1, 1974.

No source is completely accurate nor up to date. However, it is possible by using them together to obtain a picture of the town's population and a few of its characteristics.

Information on the shifting age-composition of Brookline's population is provided by the planning department from a study of population trends prepared by its consultant, John T. Howard.

## II. CHANGES IN THE ELDERLY POPULATION OF BROOKLINE

There are approximately 59,000 persons living in Brookline (1975).

- 16,000 (27 percent) are aged 60 and over.
- 12,000 (20 percent) are aged 65 and over.
- 4,300 (7 percent) are aged 75 and over.
- 80 are aged 100 years and over.

Among the elderly, females outnumber males almost 2 to 1.

During 1973, 6,100 persons, aged 17 and over, moved into Brookline. Of these 6,100 new residents, 650 (11 percent) were aged 60 and over.

During 1974, 5,800 persons, aged 17 and over, moved into Brookline. Of these new residents, 500 (9 percent) were 60 and over.

The elderly who move in are, in any given year, approximately 4 percent of the total elderly population. During 1973 and 1974, approximately 32 percent of these new residents, aged 60 and over, moved into Precinct No. 16. The main reason for this was the policy of the Westbrook Village Management, which favored older persons as tenants.

Six hundred or so persons turn 60 years old each year in the town. These increases are more than offset by deaths and people moving out of the town.

The net result of the population's activities is a loss between 1973 and 1974 of about 600 persons 60 years and over.

Thus, it can be said that the typical 60-year-old in Brookline has already been living in the town, rather than that he or she has just moved in. According to Mr. Howard's study, the total population of Brookline is relatively stable, with the present population makeup directly dictated by the previous population's age-composition. Brookline's present number of elderly, 60 years and over, is due to the fact that the sizable group of people who lived here 20 to 30 years ago have now become 20 to 30 years older, rather than that a large number of elderly have recently moved here. The shifting age-composition over the past 30 years is basically a result of internal changes. That is, people stay in Brookline and grow old in Brookline. The population 60 and over can be expected to remain approximately the same in the future.

### III. HOUSING FOR THE ELDERLY

There are approximately 1,000 housing units for elderly with low or moderate incomes.

#### Low-income housing:

O'Shea House, 61 Park St.....	100
Sussman House, 50 Pleasant St.....	100
Morse House,* Longwood Ave.....	100
Trustman Apts.,* Armory St.....	34
22 High St. Apts.....	4
Walnut St. Apts.....	24
Col. Floyd Apts., Marion St.....	60
Veterans' Housing.....	30
Beacon Plaza, 1550 Beacon St.....	45
Centre Plaza, 100 Centre St.....	55
1371 Beacon St. (Drucker).....	7
Federal leased units.....	75
State leased units.....	90

#### Moderate income housing:

Beacon Plaza.....	165
Centre Plaza.....	135
1371 Beacon St.....	6

\*To be completed.

### V. AGE/SEX COMPOSITION (1974 STREET LISTING)

Age	Male	Female	Total
55 to 59.....	1,199	1,783	2,982
60 to 64.....	1,338	1,967	3,305
65 to 69.....	1,336	2,099	3,435
70 to 74.....	1,103	2,089	3,192
75 to 79.....	804	1,502	2,306
80 to 84.....	464	885	1,349
85 to 89.....	201	417	618
90 to 94.....	58	137	195
95 to 99.....	11	24	35
100+.....	22	59	81



## VI. ELDERLY POPULATION BY PRECINCTS (1974 STREET LIST)

Precinct No.	Total 17 and over population	Total 60 and over population
1	2,636	897
2	2,759	894
3	2,730	1,045
4	2,926	702
5	2,692	667
6	2,772	809
7	3,154	1,405
8	2,742	969
9	3,350	1,246
10	3,012	1,006
11	3,063	1,120
12	2,868	772
13	3,023	800
14	2,624	793
15	2,918	939
16	2,733	1,184

## Appendix 3

### SUPPLEMENTAL MATERIAL SUBMITTED BY WITNESSES

#### ITEM 1. BROCHURE SUBMITTED BY MERCIE FOGG,\* CAMBRIDGE, MASS.

116 NORFOLK STREET—AN ELDERLY CENTER AND CONGREGATE HOUSING FACILITY,  
CAMBRIDGE, MASS.

A center of activities for the elderly community, including dining facilities, sheltered workshop and social service program.

A residence for elderly people combining a boarding house style of living, the sharing of daily activities and respect for privacy and individuality.

#### THE CONGREGATE HOUSING FACILITY

A residence combining private bedroom, sitting room and toilet facilities with cooperative use of eating facilities, bathing facilities and sharing of all other essential activities.

#### YOUR RESIDENTIAL FLOOR

Has 6 to 12 residential units; has each shower or tub shared by three units; has shared responsibility for light housekeeping in common kitchens and bathing areas.

#### OTHER FEATURES

Central dining hall with meal service once a day; elevator; janitorial service in common hallways; garden plots and large private yards; ample security; resident assistant manager; 5 minutes to shopping, public transportation; no pets; central laundry facility.

#### YOUR ROOMS

Include all utilities in the rent; have private washbasin and toilet; are unfurnished; have no kitchen, shower or tub.

#### THE ELDERLY CENTER

The first floor of the building is set aside as a center of activities for all elderly residents in the neighborhood as well as in the building.

#### DINING HALL

Low-cost, low-sugar, low-salt, balanced meals which provide the main daily nutrition requirement.

#### SHELTERED WORKSHOP/HOME INDUSTRY

A SAGE workshop or center where you can work with other people of your age.

#### DROP-IN CENTER

A variety of social activities, or simply meeting with your friends. Information and referral for all elderly services.

#### QUESTIONS AND ANSWERS

#### *What is Congregate Housing?*

Congregate housing updates the old "boarding house" style of living by providing for the sharing of many activities of daily living, while also affording

\*See statement, p. 2007.

private quarters for bedroom, sitting room and toilet. Meals are taken partly in a central dining room and partly by sharing preparation in the kitchen on each floor. A social environment is assured by the provision of many other common facilities, laundry room, yard, gardens, lounges, sheltered workshop and porch.

*What are the Admission Criteria?*

Age: 65 years or older.

Income: Cambridge Housing Authority income limits are applicable.

Applicants must be physically self-sufficient and be willing to share kitchen, tub and shower. Toilet and sink are private.

*What is the selection process?*

All applications will be reviewed to determine their eligibility.

A final screening and ranking of applicants will be made by a selection committee. The strictest confidentiality will be given each application.

*What are apartment sizes and rents?*

There are 19 efficiencies, 17 one-bedroom and 3 two-bedroom units. All rents are 25 percent of adjusted income.

*Who else may use the Elderly Center?*

An elderly person in the adjoining neighborhood.

*How do I apply for an apartment?*

Fill out the enclosed post card and send it to New Communities Housing Management, 100 Boylston Street, Boston, Mass. 02116.

You will be notified where to pick up your application form, and assistance will be provided in completing the form.

ITEM 2. BROCHURE SUBMITTED BY LEWIS LEVENSON,\* EXECUTIVE DIRECTOR, SOMMERVILLE-CAMBRIDGE HOME CARE CORP.

AREA II HOME CARE FOR SENIOR CITIZENS, INC., BOSTON, MASS.

HOME CARE SERVICES INFORMATION GUIDE

Area II Home Care is controlled by a community board of seniors and professionals.

Funded by the Massachusetts Department of Elder Affairs, the City of Boston, Commission on Affairs of the Elderly and Federal Government grants.

*What we do—*

Area II Home Care is a nonprofit corporation established to assist elders living at home. We provide one place for all seniors and persons working with seniors to call for a comprehensive network of services. These can be coordinated to reduce the need for nursing home care. Some services are available to persons regardless of income. However, some are limited to persons having low income. Some are limited to the funds we have available to purchase services from other agencies. We also serve groups of persons, clubs, agencies, churches, et cetera, who may need assistance in planning service programs for elders. We can provide coordination of services and a focal point for concerns relating to elders.

*Whom we assist—*

Persons 60 and over who live in Area II, are eligible for a broad range of social services. Elders have increasing difficulty living independently. These problems may lead to unnecessary institutionalization. Persons with the greatest risk of having to leave their home will be given the highest priority for service.

*Who pays for service—*

Usually a senior receiving Home Care services will not pay for that service. Funds from State and Federal grants will pay for the services. However, a sliding fee scale has been established, and seniors with incomes above a certain point will be asked to pay part of the cost of the services. This will be based on the person's ability to pay.

\*See statement, p. 2013.

## Appendix 4

### STATEMENTS SUBMITTED BY THE HEARING AUDIENCE

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

DEAR SENATOR CHURCH: If there had been time for everyone to speak at the hearing in Boston, Massachusetts, on December 19, 1975, re: "Future Directions in Social Security: Impact of High Cost of Living," I would have said:

The following replies were received:

ETHEL ALPER, BROOKLINE, MASS.

Will you support, as part of your campaign for the Presidency, the Health Security bill, sponsored by Senator Edward Kennedy and Representative James Corman?

It is time that our country caught up with most industrial countries who have much better and cheaper health care than we do.

We wait, hopefully, for leadership amongst Democratic presidential candidates in taking the offensive against Ford—against his constant attacks against Congress as "big spenders." It would be so much more effective to criticize this administration's wild spending for arms, the CIA, interference in other countries, not in the interests of the American people, but only for the multinationals.

I believe people like Ford, Reagan, and Wallace will win by default of liberal leadership.

ARTHUR W. ANDERSON, NEEDHAM, MASS.

In the original Social Security Act which we started paying into in January 1936, we were to pay 0.01 cent per dollar earned until 1942 when it was to increase to 0.02 cents in 1943, 0.03 cents in 1944, 0.04 cents in 1945, and 0.05 cents to be matched by the employers so you can see that if this had happened there would be plenty of reserves, if not money, bonds. Instead the big business community, bankers, and churches were opposed and stopped it with the promise that they would keep people working to 80 and 90. I think under these conditions these are the people that made a promise and should be forced to keep it. Also with this act was unemployment insurance which we paid a year or a year and a half at 1 percent. There also was a Health Insurance which the AMA and Medical as a whole were given. One year to decide the best way to administer to be paid at 0.01 per dollar the same as with social security so you can easily see if this was done we wouldn't have all the problems we have today. And if they had made provisions for the survivors which they did not, none of this mess would have occurred.

LORETTA A. ARDINI, QUINCY, MASS.

Being present at the hearing, I'm sure that you are aware of the financial crisis that so many older Americans are facing. The majority of these older people are very proud of their independence and thus, they very much dislike having to ask for anything. Many would rather skip meals, cut down on heat, or neglect their health before they would ask for a much deserved increase in social security. However, I feel that the financial desperation of so many older people has come to a point where pride must be pushed aside.

As the coordinator of an information and referral center for older people in the South Shore area of Massachusetts, I have continual contact with seniors and their problems. The main problems we receive calls on are housing, transportation and supplementary security income. The majority of the problems are directly related to the low incomes of the older people. If their monthly income could be increased to an amount which could grant a respectable standard of living, I feel that many of these related problems, such as housing and transportation, would be alleviated. For example, the average rent for a one-bedroom apartment in this area is \$170 (unheated), more than half of the average monthly social security check. Obviously, all living expenses have greatly increased. Without a dramatic increase in social security payments, many of our older Americans will continue to live in poverty.

I feel the amount of \$2,760 that an older person can make a year without being penalized, should either be increased by a great amount or abolished. If a person wants to support himself in a better standard of living, why should he be penalized?

I look forward to the Federal Governments' awakening to the plight of the average older American. They're dealing with people's lives, not just figures. I commend you, Senator Church, for your effort to get down to the service level of the bureaucracy. If we work together as advocates for the elderly on all levels of government, I have hopes that we will reach a mutual goal of creating a respectable and comfortable role for older citizens in our society.

If I can assist you in gathering data or documenting the needs of older people in Massachusetts at anytime, please do not hesitate to contact me.

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DEANA R. BEAUMONT, HYDE PARK, MASS.

Do you think there is any chance of the resources of \$1,500 for a single or \$2,250 for a couple be raised so that people who are on an income which would qualify them to receive SSI but as their resources are slightly over they are disqualified and forced to live below the poverty level. Being an "SSI outreach worker," I have met with real deserving people who had resources which they would rather "die" than reduce their resources which is their "life" savings to be for their funeral expenses. I find some who are getting SSI had resources but had arranged to do away with it, but the real deserving and sincere person who should definitely receive SSI is denied because she refuses to reduce resources.

---

GEORGE S. BROOKMAN, WORCESTER, MASS.

The impact on older adults due to the high cost of living and in the health sector is appalling. In my opinion, it is high time that the Congress realize the prevailing situation facing the elderly. I know, I am involved and active in the affairs of the elderly. In the field of health care, immediate action is definitely called for.

I have had the opportunity of studying the various bills on health security that have been introduced during the past years and I have come to the conclusion that the Kennedy-Corman bill (S. 3) is equitable and would do the most good and eventually, would not only improve the health of senior citizens but would cut the cost of health care for all due to the controls within the framework of this legislation with its cost and quality control features.

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ANTONE L. CAMPOS, BOSTON, MASS.

Our membership strongly supports the Kennedy-Corman health security bill (S. 3). We urge you to cosponsor and work actively in what has become a do-nothing Congress on the health security bill.

Health care costs are too high and there is no end in sight to the skyrocketing inflation of medical costs. Only health security offers our membership and all the people of this Nation adequate health care as a right not as a privilege.

STEPHEN J. COURTNEY, WORCESTER, MASS.

One of the prime casualties of the Watergate circus is health security for all Americans, regardless of color, creed, or sex. In the present recession it's a moot point to raise the issue of the relation of unemployment to inadequate and unfair health care for the American worker. With a deteriorating health care system that increasingly becomes the prime source of personal bankruptcy it's long overdue that the Kennedy-Corman bill be taken more seriously and passed immediately. Let the foes of the principle "health care is a right, not a privilege" beware—the American people are becoming impatient.

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ROBERT FISHER, REVERE, MASS.

Let President Ford bite the bullet but give more housing, food, and health care to the elderly.

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GLADYS FONTAINE, LYNN, MASS.

Medicare part A deductible will rise \$12 on January 1. Greatest percentage of the State expenditure for welfare is spent for Medicaid. Threat to the budget of the American household is the skyrocketing cost of medical care.

I believe that the Kennedy-Corman bill on national health security will alleviate a lot of problems for both senior citizens, and all the rest of our fellow Americans.

Eliminate a heavy burden on the State's welfare by doing away with Medicaid. I believe Senator Church that if this bill was made law (Kennedy-Corman health security bill, S. 3, H.R. 21) it would help our senior citizens greatly, plus many other Americans. When you live on a fixed income, and doctor's and hospital bills come pouring in, it is rough. When a country such as ours, the best in the world, it is sort of sad we can't take care of our sick and elderly properly.

---

RUTH FRIED, LYNN, MASS.

You spoke about the value of converting old hotel buildings into congregate residences for the elderly. This is just what we are working on in the city of Lynn, Mass.

An application for fund reservations under 202 Housing for the Elderly and Handicapped was filed on December 15, 1975, with HUD for a congregate residence for 61 frail elderly. This funding program is exactly what we need to proceed with the hotel conversion. It provides long-term financing for the building and section 8 housing assistance for the tenants.

The applicant, Housing Opportunities, Inc., is a community based nonprofit housing group which is experienced in owning and managing housing for low-income tenants. Housing Opportunities, Inc., and the Lynn Council on Aging formed a special nonprofit corporation, Edison House, Inc., made up of members of both boards and other representative local individuals, to purchase, rehabilitate, and manage the congregate residence.

The Council on Aging has the expertise in providing the vital services needed to make such a residence work: Meals service (title VII grantee), social and health services, employment, recreation and educational activities, and transportation.

Extensive architectural and engineering evaluations have been accomplished, detailed plans completed, and cost estimates ascertained. Agreement has been reached on the purchase price of the building and we wait only on the financing. The project is consistent with Lynn's Housing Assistance Plan of the Community Development Act. Mayor Antonio Marino is enthusiastic about the projected use of the building.

Since there have been 1,500 applications filed for the 202 funding reservations, we need all the help we can get so that our small but valuable project will not be lost in the shuffle. We have been in contact with our Congressman, Michael Harrington, Senators Brooke and Kennedy for assistance.

You and your committee have accomplished a great deal for the elderly. We appreciate your efforts and appeal to you for help in making this congregate residence a reality.

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HARVEY L. FRIEDMAN, AMHERST, MASS.

As the director of the Labor Relations and Research Center of the University of Massachusetts and professor of political science, I would urge your committee to do everything in its power to push the Kennedy-Corman health security bill through as quickly as possible. In the classes that we have run with union members—both employed and unemployed—health security follows job security very closely as the two top areas of concerns. Indeed, if one has a relatively secure job, the health costs become the prime issue. We produce a great number of programs for people 55 and over in order to prepare them for retirement. These programs are set up for both management and blue collar workers, professionals and craftsmen, church society members, waitresses, and every other type of person in the State. In the first of eight 1½-hour sessions, we ask people to talk about their concerns. Without exception, the number one concern is health care and how to pay for it. With the cutting back of medicaid and other health care programs, this country is moving rapidly into the 19th century in terms of health security. I would hope that you and your committee would stem the tide and bring us into the 21st century.

---

ROBERT W. GAGE, AMHERST, MASS.

For all Americans health care is the most rapidly rising component in the cost of living. For older persons, it is also one of the largest elements of the budget. For all it is becoming a major threat to economic survival.

National health insurance can be an important step in spreading the financial burden of illness and bringing adequate care within the reach of many who are now dependent upon fragmented and inadequate welfare or public charity health programs. The more comprehensive the insurance program, the more people will be served by it.

Unfortunately, a full national health insurance program by itself, and without concurrent modification of the health care delivery system or cost control measures, may well cause even greater escalation in costs. Without more planning, the present health care delivery system will be inadequate to meet needs.

Only health security, which provides for cost controls, mandates changes in the delivery system, and makes realistic provisions for health promotion, is an adequate answer for national health problems. It is expensive, but the alternatives which offer no cost control or change in service delivery will be even more so if they are designed and funded to meet real need.

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CHARLES H. HARPER, BOSTON, MASS.

As the pastor of a church in the Boston area I have become painfully aware of the financial impact of illness among my older parishoners. Younger people as well are being hurt by rapidly escalating medical costs with no accompanying improvement in quality or accessibility of services. It is time for the country to have a program of national health security which will begin to control costs, provide equal access to all our people and improve the U.S.-health record in relation to other industrially advanced nations. I believe the Kennedy-Corman bill would set us in this direction.

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GLADYS E. HEALEY, WALTHAM, MASS.

I will be 70 years old in June of 1976 and have been retired on social security since I was 62 years old. I have been quite content, due to the fact that I could subsidize my social security doing part time bookkeeping. I believe that we should ease out of being full-time employed, thus making way for the younger people

who are unemployed. As I say I have been quite content, But . . . this last year or two has gone out of line in so many ways that I am losing my contentment, optimism, and faith. I shall try to be concise in listing my problems and gripes, as follows:

#### NO. 1. SOCIAL SECURITY AND SSI

Before SSI came about I was receiving, per month (\$157.40 SS). I applied for SSI and qualified (single person \$131.56 SSI). This should have given me a total of \$288.96 which is the maximum for a single person.

However, I was penalized (\$46.70) because I have a 74-year-old woman, who was homeless, living with me. So I now receive only \$242.26.

I took this woman in out of the goodness of my heart whereas my friends, who live alone in a single home, retain their privacy, run their homes at less expense, etc. I feel that I am helping in that she would be in a State or Federal subsidized apartment if she were not here. I feel that social security is designed for married people and families. The single person gets so little—a small death benefit—nothing to their estate and they pay the same social security rate.

Also in this social security category, I did not receive a raise the last time. My social security was increased by \$15.10 but my SSI was decreased by \$15.10. Didn't my cost of living go up? something is wrong here.

#### NO. 2. COST OF LIVING

On the news we hear that the cost of living is up for the year about 7 percent. You know, as well as I that is not so. We never hear of increases more than 0.01 or 0.02, etc., but how come in the last couple of years everyday items like these have doubled.

Bread was (average), 35 cents to 39 cents. Now it is 69 cents to 75 cents.

Milk was (average), 39 cents a half gallon. Now it is 75 cents and up. Toilet tissue (4 rolls) was 39 cents. Now it costs 69 cents or more. Cake mixes were 39 cents. Now they cost 75 cents. Canned hash was also 39 cents. Now it is between 69 cents and 75 cents.

Isn't that a good 100 percent?

#### NO. 3. HOME HEATING

Single home.—I heat 6 rooms fired by steam with natural gas. Have lived here for 46 years. It is a family home which I struggled to keep because I thought I could live cheaper here than in an apartment. I am discovering of late that the person who spent as they went, never investing in real estate, get all the benefits we tax payers (the backbone of America) pay for. We are penalized for providing for ourselves. While I am on this subject I must tell you that my pet peeve is paying one-half of my real estate tax for schools. Why should I pay as much for schools as folks who have children? I don't mind paying a little toward it but if people want children they should be prepared to pay for them.

#### NO. 4. ELECTRICITY

For cooking, lights, and television, etc., this has gone up tremendously also. I would be glad to make a chart, but think it unnecessary to itemize.

#### NO. 5. UNEMPLOYMENT

I think this is wonderful for those who truly need it but it has made chiselers and thieves of so many people. On all the talk programs (radio) when the caller is asked "What do you do for a living?" a large percentage say, "I am collecting unemployment—why not, I paid for it." So few of them know they did not pay for it. Their employers did—"and through the nose." A great many of them, such as painters, are laid off so they collect for a year or so and get painting jobs on their own. Consequently they are better off than they ever were. The Federal subsidized program where retired people could collect is very unfair. Only those retired in the last 5 years can collect. How about us who retired previously? I think this money would have been better given as a social security increase to everyone.

The following is a municipal gripe but might be of interest.

We have a city with very good management. It is one of the few that is solvent and has a reserve. The taxes go up gradually every year but the services are good



and men must be paid so, other than the school tax, I cannot complain. But—

When we reach 70 we can file for a tax abatement. My brother was 70 in June 1975 but will not receive his abatement until he pays his July to December bill in 1976. We are billed every 6 months. Here is how it goes. You must be 70 on January 1 of the year you collect but our city's fiscal year is from July 1 to July 1 so he loses the last 6 months of one year and the first 6 months of another. Consequently, he is 71 *plus* by the time he receives the abatement.

I find everything the aged receive is delayed like this. Before we get a cost of living increase the cost of living has been up for a year or more. By the time we receive it the old figure has changed and it has gone up again. So we never quite get the benefit of the raise as we are paying in advance all the time.

Getting back to cost of food—I manage to eat well enough at home but isn't it something when one has to pay 50 cents for a cup of coffee (no cream, no sugar) and a doughnut? When I am shopping I really enjoy stopping in for the above. In fact, I used to treat a friend. Now we come home and have a cup of tea.

With that, I'll close but not without telling you that I attended your meeting in Boston on December 19 and found it to be very informative and I feel you, Senator Kennedy, and Senator Humphrey are doing a good job. I also attended an energy meeting a few weeks earlier, in Waltham, where Senator Kennedy presided. Keep up the good work.

Sincerely,

GLADYS E HEALEY.

P.S. or addenda.

I almost forgot about health insurance. Briefly, a year ago I had an operation which was not too serious but the bill was between \$2,500 and \$3,000. Thank God for medicare and medex III. I am very satisfied with the way they treated me and this experience sure gave me a feeling of great security. But—how long can they pay such bills? I do not blame them for asking for increases.

The doctors and the hospitals are really "ripping off" the government. I could write a book on what I've seen. I have a stack of bills paid by medicare and medex and I think your committees should see and analyze actual cases.

We retirees cannot afford to pay much more. I now pay—

The government pays the first charge of \$6 or \$7 which is worth very little. It just about gets you into the hospital (\$7 per month roughly). I have deducted from my check each month \$6.70. This and the governments \$7 add up to \$13.70. Medex III costs me \$33.90 per 3 months and will go up substantially the next billing so let's say about \$14 per month. It now totals \$27.70. Multiply that by 12 months and the total comes to \$332.40 which is paid each year. My portion is about \$248.40 which amounts to \$20.70 a month out of my monthly check which is \$242.26. This is just for health insurance. It is something to think about and work on.

GORDON KENT, BOSTON, MASS.

I am a city employee for the Commission on Affairs of the Elderly. My position is to find people by outreach work who belong on SSI but are not receiving it. I would like to make you aware of two major concerns that I have found.

First, many people with very low monthly incomes are kept off of SSI because the(y) have more than \$1,500 in the bank. The SSI legislation felt that if a person had more savings than this, they should live on their savings. Unfortunately, many people have put away \$2,000 to \$3,000 for burial money. Consequently, these people are literally starving and yet are not eligible even for SSI. The resource limit should be raised on SSI to account for burial savings.

Second, the State legislature has just drastically cut the State welfare budget. It looks as if SSI recipients will lose their medicaid benefits. Medicaid picks up health costs where medicare ends. It covers doctors fees, dental appliances, eye glasses, and prescriptions. These health benefits if lost could monetarily break the budgets of those now on SSI.

RONNA KROZY, BROOKLINE, MASS.

As both consumer and health care provider, I am appalled at the condition of our health care system. Right here in Massachusetts the prospect of cutting out medicaid for our neediest citizens looms large on the horizon. Medicare part A deductible is again going up—another burden for our aging. The middle in-

come group is also losing out—they too are delaying needed medical care until a crisis hits. There seems to be only one equitable, logical, fair and sane thing to do: Institute immediately a system of national health security for all our citizens. Somehow we—you—must convince administration that by denying adequate, quality health care to all, they are denying a basic right of being well. Moreover, the long-term effect must be viewed as a potential danger to American prowess—for to maintain our present system is to damage our greatest resource—our people.

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JOEL KUGELMASS, JAMAICA PLAIN, MASS.

Even the most resourceful and careful person cannot "budget" or "save" for medical help and depend, therefore, on insurance or on governmental programs. In Massachusetts, nearly 30,000 persons depend—for their very lives—on vital prescriptions (such as for insulin), but it is thought that many will suffer because they cannot afford the cost of a doctor's visit to get one, and if they do, the drug they need must be one of a list of 20 prepared by medicaid. This is just one more illustration of the fact that some kind of health security is essential to reckon with the economic realities.

There is too much talk of the high cost of living and too little attention to the specifics of the high cost of survival. Little else—save for food and shelter—is more basic than health care. Finally, we have a piece of legislation that is serious about this: the health security bill. Health care in 1976 doesn't have to be one of those economic areas that is like the weather—talk and no action. Passage of the bill would not only resuscitate health, but ailing State budgets—like Massachusetts!

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E. ALISON LONG, HALIFAX, MASS.

One of the greatest costs for elderly citizens—and for many of the rest of us—is the cost of medical care. Long before I had traveled to other countries and observed their systems, I noted that I paid a small fortune to Blue Cross/Blue Shield and found that for the bulk of my medical expenses they were not going to cover me. So although I was covered for a middle-sized catastrophe (not for really long-term problems), when it came to the run-of-the-mill things which would go wrong and which could be treated in a doctor's office, I had to pay out again.

I have lived and worked for a time in both England and Israel. In both countries medical care is automatic, even to foreigners who are employed there. Since I was living hand-to-mouth, I was particularly appreciative.

In this country, I am a member of the Harvard Community Health Plan in Boston, one of the best HMO's. I am lucky that it is paid for through my job. The care I receive there—and that my whole family receives there—is excellent and covers everything but dental work, extensive mental health care, and prescription drugs. It costs me a dollar for each visit during normal hours. Help is available around the clock and home visits are even possible (for \$5) within roughly the route 128 area.

Until recently, elderly people could not belong to the plan because they weren't employed and membership was exclusively through ones employer. This policy has now been modified.

Unhappily, most people in the Boston area—let alone any distance from there—have not got the opportunity for such care. This is why I support the health security legislation which has been before Congress for about 3 years now. It's also known as the Kennedy-Corman bill or S. 3.

The cost of medical care keeps going up and up. It has become a luxury for a large part of our population. Yet it need not be too expensive to provide for all our citizens. If a rational approach to providing care were developed nationwide, such as that described in the health security legislation, then money saving on unnecessary gadgetry and duplication of service could be used to provide needed services. If doctors could doctor, nurses could nurse, paramedics and technicians fill in their crevices, midwives deliver babies normally, and clerks do the paperwork, a great deal more care could be provided for the same outlay. Burn centers could be established and dentistry eventually paid for. People in need of nursing care could get it at the least expensive level needed. People would not be forced to enter the hospital in order to have their insurance provide coverage.

Americans are justifiably proud of their medical advances. But so far these have not resulted in our having a low rate of infant mortality or an impressive life expectancy, in comparison with other industrialized countries.

Every so often, we must step back from the pressures of daily life—including political life—and see if our lives, individually and as a body politic, make sense and are headed in a rational direction. "A government must do for the people what they cannot so well do for themselves." Defense of the group is an obvious example. But in a massive society like ours, what else must we have to keep going? I suggest some basics include health, education, transportation, communication and protection from the violent deviant . . . no, protection from violence of all sorts, including the violence of nature. Not protection from new ideas, not control of more than is absolutely necessary for our lives to function with some degree of safety and for us to be able to develop our ideas and life styles as we wish.

I have strayed from my point. Please support health security and try to make it part of the presidential platform. It is a reasonable part of a humane society and very much needed today.

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LEE H. OLITZKY, ST. PETERSBURG, FLA.

The present Cost of Living Index which is tied to the social security amount is not even an accurate system for true measurement of the actual "cost" of living changes as they effect the aged; viz. high medical bills, special diets.

Most importantly, the aged with their fixed income are, for what ever reasons we care to look for cause, at the mercy of the social security system. In these times of doubt digit inflation we are placing the elderly in "poverty" if we do not establish a blanket level of social security which affords *reasonable* quality of life for the aged.

Those that can least afford the tax of social security are the ones who must bear the burden. The upper income persons are the present evaders of the social security tax, as we all know they do not derive their major source of income through social security taxable sources.

"Social security, as it presently exists, depends as we all know on an inter-generational "compact" to transfer those moneys contributed by present workers to those not presently in the work force. The purchasing power of the dollar contributed by the seniors today is well below what they could purchase when the funds were contributed. Thus, these individuals are not even receiving their entitlement.

Finally, I, as a worker with the elderly find it incomprehensible as to the consideration that the aged may be getting "too much," the realities of the situation are for the majority of the aged, life for them presently is a struggle to survive; a day-to-day battle for food or heat, clothing or taxes, medicine or whatever.

If the Congress can live with the knowledge, that if they are not more sensitive to the plight of the elderly, that is, health care, increase in social security benefits, etc., they will be both relegating these persons to the status of paupers and in many cases killing them . . . those people who built this country.

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VICTOR POVIRK, MATTAPAN, MASS.

I would appeal to the audience to write and/or contact their State Senators in behalf of the "life-line" energy power bill. This legislative measure is bottled up in the State Senate now. The aged, poor, and low-income residential customers of electricity would primarily be the greatest beneficiaries of this law, if enacted.

I would specifically appeal to the people who live in the district served by State Senator Kevin Harrington to urge him to give voice and vote to this bill. His support is urgent. Though this is a State issue, its passage would unload the heavy burden of high utilities to a degree.

ESTHER M. ROSOFF, JAMAICA PLAIN, MASS.

Under the SSI program it is felt that to be eligible, a single person may not have over \$1,500 in resources and a couple may not have more than \$2,250. Ninety percent of the times when speaking to the elderly screening them for SSI their response is that these meager amounts of cash are labeled for their burial. It is unfair and degrading to have to hear they are not eligible.

Do you feel that the drawing line for eligibility is a fair amount? We don't. Could you live under the conditions and with the resources the government is drawing the line for the elderly?

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EDWARD C. SIMONE, BOSTON, MASS.

Senior citizens, more than any other segment of the American population, utilize health services. The costs of those services continue to rise at a tremendous pace. Medicare covers less of their total costs for health care today than it did when it was enacted in 1965. Health care costs—particularly the costs of deductibles and coinsurance—are compelling seniors to spend down into poverty. And with poverty, seniors lose the last shred of dignity they have—their financial independence.

The time has come for our national representatives to address the health issue with honesty and determination. I urge you to help in the fight to pass the Kennedy-Corman health security bill (S. 3). It is our firm conviction that the issue of national health insurance is a must for any political figure seeking to convince the American people of his or her leadership ability. Help your fellow Americans obtain decent health care. It is the least that our great Nation can do for its people.

As one who has held the interests of the Nation's have nots close to his heart, you understand the plight we all now face. Only health security can guarantee all Americans decent health care, without the worry of high costs that will cripple the family or individual. Speak out for health security. Fight for health security. If you do so, you will earn our heartfelt support in your efforts.

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JOHN P. THOMSON, HYDE PARK, MASS.

1. Price, wage, and profit controls are needed immediately—otherwise rampant inflation will eat up any benefits earning from social security.
2. Immediate passage of Kennedy-Corman bill on national health insurance.

