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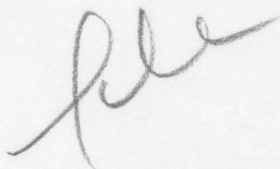
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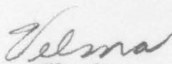
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THE WHITE HOUSE
WASHINGTON

October 26

Sarah Massengale:
per your request.

A handwritten signature in cursive script, appearing to read "Velma", written in dark ink.


Velma Shelton

THE WHITE HOUSE

WASHINGTON

List of Attendees - Swearing In of Members of Federal Council on the Aging
The Rose Garden, Thursday, October 21, 1976

Federal Council on the Aging

The Honorable Dorothy L. Devereux
The Honorable Frank B. Henderson
Rev. Msgr. Charles J. Fahey
The Honorable Harry Holland
The Honorable John B. Martin
The Honorable Nathaniel Winston, Jr.
The Honorable Bernard E. Nash
The Honorable Arthur Fleming

Staff

Cleonice Tavani
Robert M. Foster
F. Richard Williams
Alice B. Freer
Muriel Shurr
Joan Catherine Ellerbusch



Office of the Commissioner on the Aging

Mr. Donald F. Reilly, Deputy Commissioner
Mr. Decker Anstrom, Assistant to the Commissioner
Ms. Mercia Decker
Gene Handelsman
Cernoria Johnson
Donald Smith
Gilbert Colon

Veterans Administration

+ The Honorable Richard L. Roudebush, Administrator
Mr. Donald Kendall, Special Assistant

Social Security Administration

The Honorable James B. Cardwell, Commissioner

HEW

The Honorable Marjorie Lynch, Under Secretary
Robert H. Carr
John Guy Mille
Mrs. Anita S. Williams
Linda Meade
William Ballenger
Douglas J. Bielan
Leslie Taylor Foster

HEW (Continued)

Mrs. Helen N. Martin (wife of John Martin of FCOA)
Mrs. Thelma A. Holland (wife of Harry Holland of FCOA)
Mrs. Martha Casey Winston (wife of Nathaniel Winston, M.D., of FCOA)
Mrs. Julia Vandalia Taft
✓ Dr. Stanley B. Thomas, Jr., Assistant Secretary

Justice

The Honorable Harold R. Tyler, Jr., Deputy Attorney General

HUD

Robert G. Sykes

Indian Health Service

Dr. Meritt William Stark of Aberdeen, South Dakota

Senate

Hugh Branson, Senator Baker's Administrative Assistant
Gary L. Burhop, Senator Brock's Administrative Assistant

House

Frances Light Curry, Congressman Quillen's Adm. Assistant
Rita Marie DeCenzo, Congressman Rhodes' Adm. Assistant

Supreme Court

The Honorable John Paul Stevens, Associate Justice

American Association of Homes for the Aged

Rev. Msgr Charles Fahey is being sworn in.
David Crowley
Kevin Crowley
Dennis Crowley
Estelle C. Waters, Methodist Home
Elfie D. Lesko, Methodist Home
Doris Bangle, The Hermitage
Bruce Pfeiffer, The Hermitage
Rashey B. Moten, Catholic Charities
Rev. Msgr. Laurance J. Corcoran, Catholic Charities
Carol D. Hiett, Catholic Charities
William P. Harris, Baptist Home of D. C.
Roger L. Stewart, Baptist Home of D. C.
William D. Hughes
Kathleen Wilson
Marguerite Tierney
June B. Owens, Friendship Terrace
Norman L. Owens, Friendship Terrace Administrator
Gertrude L. McCracken, Presbyterian Home of D. C.
Irene B. Gitchel, Presbyterian Home of D. C.

American Association of Homes for the Aged (Continued)

Lawrence F. Lane
Richard D. Reichard, National Lutheran Home for the Aged
Melba Reichard, National Lutheran Home for the Aged
Lula W. Hottel, Episcopal Church Home
Garland K. Lewis, Episcopal Church Home
Marjorie Lee Tivol
Bettye J. Collins
Linda Ann Kovach
Thomas E. Herrmann
Leslie Levich Knight
Sue Elkins
Anna Christina Nelson
Alison Brock Owings
Lois Wasser
David R. Matlack, Executive Director, Washington Home for the
Mary Hoyt Joyce, Wash. Home for the Incurables Incurables
Charles P. Moncure, Goodwin House
James K. Meharg, Jr., Goodwin House
Mary Osada, Goodwin House
Erica E. T. Kearse, Goodwin House
Gale V. Adams, Goodwin House

National Council on the Aging

Mother M. Bernadette de Lourdes, President

National Council of Senior Citizens

Paul Schuler
Genevieve Johnson
Walter A. Jones

National Institute on the Aging

Dr. Robert Butler

National Center on the Blacked Aged

Dr. Delores Davis
Marlene Johnson
Elizabeth Brooks
George Sherman
Sara Kresenbaum
Donald Wong
Sonya Reed

American Association of Retired Persons

Peter W. Hughes, Director of Legislation
Mrs. Prestonia W. Morgan
Dr. Clayton D. Hutchins
Dr. Frederick J. Ferris
Mrs. Betsy W. Messer

American Association of Retired Persons (Continued)

Mr. Ernest Giddings
Mr. Clayton A. Seeber
Mrs. Carolyn Capizola
Ms. Jewell M. Reagan

Institute of Gerontology

Dr. Clavin Fields, President
Lois Powell
Phillis Robinson
Barbara Newsome
Rita Williams
Ola Jackson

Dr. Kunio Oota, of Tokyo Gerontology Institute

Gerontological Society

Jacqueline Robinson
Stephanie Tames
Carolyn Graves
Rose Closter
Gladys Romero
Thomas Byerts
Katie Byerts
John Cook
Rith Dee
Carol Schutz
Patricia Carter
Lee Broder

National Council of Sr. Citizens

Rudolph T. Danstedt, Assistant to the President
Alvin Rucker, Assistant to the Executive Director

No Greater Love

Ms. Carmela LaSpada
Mrs. Betty Williams
Mrs. Edith Bradley
Mr. and Mrs. Herb Jackobs

Other Invited Guests

Mr. Zacharia D. Blackistone, Blackistone Florists, Wash, D.C.
Mr. Charles Fenwick, accompanying Mr. Blackistone
Mr. Milton Kronheim, Milton S. Kronheim & Co., Inc., Wash, D.C.
Colonel William B. Williams, USAF (Ret)
Gwendoline M. Taylor
Arthur Dufresne of the New England Regional Commission



Joseph E. Aldridge, Jackson Mississippi
Margaret S. Alexander, Wash, D. C.
Eunice M. Anderson, Sioux Falls, S.D.
Margaret Arnold, Wash, D. C.
Ed Doulin, Hot Springs, Arkansas
Robert Bidlack, Indianapolis, Indiana
Guy Brown, Chillicothe, Ohio
Kay Valery, Mt. Hermon, Calif.
Margaret R. Colarusso, Philadelphia, Pa.
Cecil L. Cannon, Atlanta, Georgia
Nettie Farris Cannon, Atlanta, Georgia
Lyal Holmberg Dudley, Topeka, Kansas
Flo Burke Eley, Fairfax, Virginia
William H. Emory, Jr., Richmond, Va.
Thomas M. Glass, Buffalo, New York
Thomas M. Gioia, St. Louis, Missouri
Sylvia Hermann, Bethesda, Md.
David Hurst, Hot Springs, Arkansas
Lillian S. Hurst, Hot Springs, Arkansas
Thomas J. McDermott, Philadelphia, Pa.
Emily Bell McNally, Atlanta, Georgia
Joseph L. McQuade, Oak Hill, West Virginia
Marian McQuade, Oak Hill, West Virginia
Frank Milner, Washington, D. C.
Desiree Mittelstaedt, Ridgewood, New Jersey
Elly Peterson, Washington, D. C.
Maria Redo, New York City
Tom Ruffin, Arlington, Va.
Cecile Reeves, McLean, Virginia
Caroline K. Simon, New York City
Margaret Taylor, Washington, D. C.
Charles Trout, Roscommon, Michigan
Rebecca M. Trout, Roscommon, Michigan
Frank J. Troy, Toledo, Ohio
Harold Trupp, Waterloo, Iowa
Bernard S. VanRensselaer, Washington, D. C.
Suzy E. F. Yazbeck, Suitland, Maryland
Estelle Zapanta, Monterey Park, Calif.
Robert D. Blue, Eagle Grove, Iowa
Harry P. Cain, Miami Lakes, Florida
Roy A. Davidson, Alexandria, Va.
Janet L. Goeske, Riverside, California
Ladd H. Plumley, Worchester, Mass.
Anita Ramirez, Los Angeles, Calif.
Jessy Sullivan, Sapulpa, Okla.
Julia N. Jelowtski, Cambridge, Mass.

National Association of Retired Federal Employees
Mr. John McClelland, President

Senate Committee on Aging

David A. Affeldt

William E. Oriol

Patricia G. Oriol

Brice Henderson, Adm. Asst to Senator Scott

Others in Attendance

Gwendolyn S. Fortune of the Federal Council on Aging Staff

Dr. Virginia Trotter, Assistant Secretary of HEW

Mr. Joseph Hunt

Info

THE WHITE HOUSE

WASHINGTON

October 20, 1976

SWEARING IN CEREMONY
FOR
SIX NEW MEMBERS OF THE
FEDERAL COUNCIL ON THE AGING

Thursday, October 21, 1976
11:00 - 11:15 a.m. (15 minutes)
~~The Rose Garden~~

East Room

From: William J. Baroody, Jr.

Milton E. Mitler

I. PURPOSE

To swear in six new members of the Federal Council on the Aging who have been recently confirmed by the Senate, and to briefly discuss major issues concerning the aging citizens.

II. BACKGROUND, PARTICIPANTS AND PRESS PLAN

A. Background:

1. The Federal Council on the Aging was established by Public Law 93-29, May 3, 1973. It is composed of fifteen members appointed by the President with the advice and consent of the Senate for terms of three years. At least five of the members must be older persons. The current membership includes nine who are older persons. The Secretary of HEW and the Commissioner on Aging serve as ex-officio members of the Council.

The Council officially got underway with Senate approval on June 5, 1974 of the fourteen persons nominated by President Nixon on March 27, 1974. A fifteenth member has been added to complete the number called for by Public Law.

2. The Council is commissioned to advise and assist the President on matters relating to the special needs of older Americans; to assist the Commissioner on Aging in making an appraisal of the Nation's existing and future personnel needs in the field of aging; to review and evaluate the impact of Federal policies regarding the aging; to serve as a spokesman on behalf of older Americans by making recommendations to the President, to the Secretary of HEW, to the Commissioner on Aging, and to the Congress with respect to Federal policy and programs regarding the aging; to inform the public about the problems and needs of the aging; and to provide public forums for discussing and publicizing the problems and needs of the aging.
3. The Federal Council on the Aging budget for FY 1976 of \$500,000 was provided as a separate line item for the first time this year. In previous years their budget has been provided as a part of the Administration on Aging budget. The President's FY 1977 budget proposes the same level of funding.
4. The Council meets at the call of the Chairman, but not less than four times a year. As directed by the Congress the Council has undertaken three specific studies: (1) A study on State formulae for funding programs under the Older Americans Act; (2) a study on the interrelationships of benefit programs for the elderly operated by Federal, State and local government agencies; and (3) a study of the combined impact of all taxes on the elderly.
5. The Council urges legislative action to develop high standards of safety and care in nursing homes. They have expressed to the President their concern about the financial burden on the elderly, citing particularly the additional costs in relation to Medicare, Medicaid and food stamps.
6. Other specific projects of the Federal Council on the Aging are a study on the special problems of the older woman; a study of asset tests and the treatment of income from assets as a condition of eligibility for Federal benefit programs for the elderly; health manpower needs for services to older Americans; follow up to recommendations of the White House Conference on Aging; Medicare and Medicaid changes - including home health care; mandatory retirement; and the progress of pension reform.

7. The President last met with this Council on May 15, 1975, in The Roosevelt Room.
8. Of the six members to be sworn in, three will be reappointed, two will be new appointees to replace members whose terms expired on June 5, 1976, and one will be a new appointee vice a member who has resigned. A brief biographical sketch for each new member is attached.

The Honorable Bertha S. Atkins who has served as Chairman of the Council since 1974 is being reappointed, but will not be able to attend this swearing in ceremony because of a commitment which she made some time ago and which she is unable to adjust.

The Honorable John B. Martin (Reappointment)

The Honorable Dorothy L. Devereux (Reappointment)

Mr. Harry Holland (New appointee)

Nathaniel Winston, M.D. (New appointee)

Monsignor Charles J. Fahey (New appointee vice Charles J. Turrisi who has resigned)

B. Participants: A list is attached.

C. Press Plan: Full Press

III. TALKING POINTS - To be provided by Bob Orben's office.

Federal Council on the Aging

BIOGRAPHY

Name: ADKINS, Bertha S. (Miss) born: 8-24-06, Salisbury, Maryland
Home Address: Business Address:
P.O. Box 396 (Retired)
Oxford, Maryland 21654

Bertha Adkins, who was appointed Chairman of the Federal Council on the Aging by the President and has been a member of the Federal Council since June 1974.

Miss Adkins was Under Secretary of Health, Education, and Welfare in 1958-61 during the Eisenhower Administration. During that time, she was the key departmental official involved in planning the 1961 White House Conference on Aging. She has just completed service as a Vice Chairman of the 1971 White House Conference on Aging and was Executive Vice Chairman of the Advisory Committee on Older Americans until it was superseded by legislation establishing the Federal Council on the Aging.

Miss Adkins has a bachelor's degree from Wellesley College in Massachusetts and a M.A. from Columbia University. She also has several honorary doctoral degrees.

She was Dean of Women in Western Maryland College and Dean of Residence at Bradford Junior College in Massachusetts before coming to Washington in 1950 as Executive Director of the Women's Division of the Republican National Committee.

In 1959, she was United States delegate to the United Nations Seminar on the Participation of Women in Public Life, held in Bogota, Colombia. The same year she made an official trip to Poland under auspices of the International Education Exchange Program of the Department of State. She also served on the Defense Advisory Committee for Women in the Service for the Defense Department.

When Miss Adkins left HEW in 1961 she became Headmistress of the Foxcroft School in Middleburg, Virginia. She retired in 1967 to her home in Oxford, Maryland. She is a member of the Talbot County Commission on Aging and is Chairman of the Talbot County Chapter of the American Red Cross. She also has been a member of the Advisory Board to the Social Security Administration.

Federal Council on the Aging

BIOGRAPHY

Name: DEVEREUX, Dorothy L. (Mrs.) born: 11-8-11, Spokane, Washington
(h. John William Devereux, d.)

Home Address:

2721 Huapala Street
Honolulu, Hawaii 96822

Dorothy Devereux was appointed to the Federal Council on the Aging in June 1974. She is a member of the Council Committee on Aging Research and Manpower.

Mrs. Devereux was a registered nurse who practiced her profession prior to and for one year following marriage to physician John Devereux. She had received her R.N. from California Lutheran School of Nursing in 1931 and did post graduate work at Chicago Lying-In Hospital. Settling in Hawaii, Mrs. Devereux then embarked on virtually too full-time careers of rearing four children and continuous service as a volunteer with groups concerned about education, youth, health, the handicapped and aging.

She has been: President of the Hawaii Congress of Parents and Teachers, President of the Oahu Health Council, President of the Oahu Society for Crippled Children and Adults, President of the Women's Auxiliary to the Hawaii Medical Association and Chairman of the Steering Committee for Hawaii's first Conference on Aging in 1954. She was a member of the House of Representatives of the Territory of Hawaii in 1958 and then continued in that body after statehood had been achieved until 1972.

She is presently: Chairman, Review Committee of the Hawaii State Comprehensive Health Planning Advisory Council, member, Board of the Health and Community Services Council, member, Governor's Task Force on Planning for Implementation of P.L. 93-641, member, Women's Committee, President's Committee on Employment of the Handicapped, the Governor's Committee on Employment of the Handicapped, Hawaii Mental Health Association, the Salvation Army Advisory Board, and a member, the Salvation Army Children's Facilities Advisory Council.



Federal Council on the Aging

BIOGRAPHY

Name: FAHEY, Charles J. (Rev. Msgr.) born: 4-13-33, Baltimore, Md.

Home Address:

672 W. Onondaga Street
Syracuse, New York 13204

Business Address:

Director
Catholic Charities of Diocese of
Syracuse
240 E. Onondaga Street
Syracuse, New York 13202

Charles Fahey has been a member of the Federal Council on the Aging since June 1974. He is a member of the Council Committee on Senior Services and was recently appointed Chairman of a special FCA Task Force on Services to the Frail Elderly. Monsignor Fahey is both a priest and a social worker and has been involved in some aspect of service to the elderly for most of his priestly and professional life. He is currently Director of Catholic Charities for the Roman Catholic Diocese of Syracuse with responsibility for a variety of aging programs such as the development of residential and nursing home facilities, and social, nutritional and recreational programs in 160 parishes.

Monsignor Fahey served in several different posts in connection with the 1971 White House Conference on Aging including chairmanship of the Special Section on Long Term Care. He is President of the American Association of Homes for the Aging. In 1972, he was awarded that organization's National Award of Honor.

He was ordained in February 1959 and named an honorary prelate in December 1971. He received a Master's degree in Social Work from the Catholic University of America in 1963. In addition to his major work assignments with Catholic Charities, Msgr. Fahey has been very active with a wide range of local, state and national health, social welfare and religious organizations. He was Chairman of the Commission on Aging of the National Conference of Catholic Charities in 1967-72 and continues to serve as a member. Also on the national level, he is a member of the National Council on the Aging, the Gerontological Society and the Academy of Certified Social Work of the National Association of Social Workers.

He is presently Chairman of the New York State Council of Catholic Charities Directors, member of the Board of his area's Comprehensive Health Planning Agency, and a member of the Board of the United Way of Onondaga County along with many other affiliations.

Federal Council on the Aging

BIOGRAPHY

Name: HOLLAND, Harry

born: 4-25-04, Marion, Ill

Home Address:

Business Address:

3626 North 5th Avenue
Apt. A-1
Phoenix, Arizona 85013

Retired

Harry Holland retired in January 1973 as District Manager of the Social Security Administration in Phoenix, Arizona after more than 36 years of service with the Administration from its inception.

Mr. Holland is Chairman of the Consulting Panel on Aging to the Area Agency on Aging and Chairman of a Task Force on Retirement and Aging established by Governor Raul Castro. Previously, he served on the Advisory Council of the predecessor of the Department of Economic Security under every Governor since the Council was established by Governor McFarland. For many years, he has been active in the Arizona Council for Senior Citizens and was the group's President in 1965. He is the immediate Past President of the Arizona Council for Senior Citizens.

Mr. Holland has a degree in public administration from the University of Virginia, a field in which he continued with graduate work at Columbia University.

In the late Forties, Mr. Holland was invited to participate in the Conference on Aging which was the precursor of the White House Conferences. This conference, the first of its kind, was called by President Harry Truman and directed by Oscar Ewing. He also served on the staff of the White House Conferences on Aging in 1961 and 1971.

In the course of his Federal career, Mr. Holland received many honors and awards. He received the Director's Citation, the highest award of the Social Security Administration, in 1958. In 1963, Dr. Ethel Percy Andrus presented him with a citation for excellence in service to the American Association of Retired Persons/National Retired Teachers Association. In 1972, he was the recipient of the Department of Health, Education, and Welfare's Superior Service Award and the American Society of Public Administration's Distinguished Service Award. He also has a long record of service to the Boy Scouts. While he was living in Tucson, he was President of the Catalina Council and received the Silver Beaver Award.



2/12/76

Federal Council on the Aging

BIOGRAPHY

Name: MARTIN, John B. (Mr.)	born: 10-3-09, Grand Rapids, Mich.
Home Address:	Business Address:
7607 Glendale Road	Special Consultant
Chevy Chase, Maryland 20015	American Association of Retired Persons
	National Retired Teachers Association
	1909 K Street, N.W.
	Washington, D. C. 20006

John Martin has been a member of the Federal Council on the Aging since June 1974. He is Chairman of the Council Committee on Senior Services.

Mr. Martin was appointed by President Nixon as U.S. Commissioner on Aging May 28, 1969 and as Special Assistant to the President for the Aging on June 24, 1969. He served in these position until March 1973 and is now a Special Consultant to the American Association of Retired Persons - National Retired Teachers Association. He was educated at Dartmouth, A.B., in 1931; Oxford, as a Rhodes Scholar, B, Litt., 1933; and the University of Michigan Law School, J.D., 1936.

Mr. Martin has been interested and active in the field of aging for many years. He served as Vice-Chairman of the Michigan Commission on Aging from 1960 to May 1963, and as Chairman from May 1963 to March 1967. In 1959-1960, he was the Chairman of the Grand Rapids Coordinating Council on Aging. He served as a member of the National Planning Advisory Committee for the White House Conference on the Aging, held in January of 1961.

Mr. Martin served as legal secretary to the Chairman of the Securities and Exchange Commission in 1936, and as Deputy Chief of the Ohio State Division of Securities in 1941. He helped to organize and served as Deputy Director, U.S. Office of Civilian Defense, 1942-1944. In 1944, he was commissioned in the USNR, served in Europe and was discharged with the rank of Lieutenant Commander in 1946. After the War, he served as a member of the United States Prosecutor's staff at the Nuremberg War Trials.

In 1948, he was elected to the Michigan State Senate from Grand Rapids, and in 1950 was elected State Auditor General, serving until 1954. Mr. Martin was elected Republican National Committeeman for Michigan in 1957, and again in 1960 and 1964. He served as delegate, and as Chairman of the Committee on the Executive Branch, in the 1961-62 Michigan Constitutional Convention.

Federal Council on the Aging

BIOGRAPHY

Name: WINSTON, Nathaniel T., Jr. (Dr.)

born: 10-15-27, Johnson City, Tenn.

Home Address:

Business Address:

2106 Chickering Lane
Nashville, Tennessee 37215

Vice President
Hospital Affiliates Internat'l., Inc.
4525 Harding Road
Nashville, Tennessee 37203

Nathaniel (Nat) T. Winston, Jr. is a psychiatrist currently serving as Vice President in charge of Professional Relations for Hospital Affiliates, Inc. of Nashville, Tennessee. As Commissioner of Mental Health in Tennessee from 1965 to 1969 he showed particular concern about the problems of the aging. He established separate and special programs for the aging in the three large state psychiatric facilities under his jurisdiction. He served his entire time as Commissioner on the Governor's Commission on Aging Panel for the State of Tennessee.

Dr. Winston entered the armed services late in 1944 and served in the infantry in the Pacific theater before returning to Vanderbilt University in 1947. Upon graduation he was elected Phi Beta Kappa and went on to complete medical school at Vanderbilt.

In 1958, he began private practice in his home town of Johnson City serving also as the first director of the Johnson City Mental Health Clinic. In 1960, he was appointed the first superintendent of Moccasin Bend Psychiatric Hospital in Chattanooga. The National Red Cross magazine indicated the hospital had brought about a "quiet revolution in the treatment of the mentally ill".

Dr. Winston has been active in the volunteer senior citizens program throughout Tennessee. He was instrumental in obtaining Federal grants for a number of programs and facilities for the elderly. In 1969, he was selected as the outstanding citizen of Nashville by the Nashville JayCees.

In 1970, Dr. Winston served as the state campaign chairman for the successful senatorial race of Senator Bill Brock. In 1972, he was the national chairman of the Country and Western stars for the re-election of the President. In 1974, he was unsuccessful candidate for the Governorship of Tennessee running on the Republican ticket.



10-18-76

MEMBERS OF THE FEDERAL COUNCIL ON THE AGING

TO BE SWORN IN -

The Honorable Bertha S. Adkins, of Oxford Maryland. Former Under Secretary of HEW. Has served as Chairman of the Council since 1974. To be reappointed.

The Honorable John B. Martin, of Chevy Chase, Maryland. Former Commissioner on the Aging. Special Consultant to the American Association of Retired Persons and the National Retired Teachers Association. Has served for 2 years - to be reappointed.

The Honorable Dorothy L. Devereux, of Honolulu, Hawaii. Former member of the Hawaii State House of Representatives. Has served for 2 years - to be reappointed.

Mr. Harry Holland, of Phoenix, Arizona. Retired Director of Social Security for Arizona. Active in Senior Citizens' activities in Arizona. Sponsored by Congressman Rhodes. New appointee.

Nathaniel Winston, MD, of Nashville, Tennessee. Sponsored by Senators Baker and Brock. New appointee.

Monsignor Charles J. Fahey, of Syracuse, New York. President of the American Association of Homes for the Aging. New appointee, vice Charles J. Turrisi who has resigned.

OTHER MEMBERS

The Honorable Frank B. Henderson, of Worthington, Pennsylvania. Director, Nutrition Services, Armstrong County Community Action Agency.

The Honorable Frell M. Owl, of Cherokee, North Carolina. Retired from Bureau of Indian Affairs. Member of the Indian Advisory Council of the U. S. Senate Special Committee on Aging.

The Honorable Lennie-Marie P. Tolliver, of Oklahoma City, Oklahoma. Professor and Associate Director, School of Social Work, the University of Oklahoma.

The Honorable Selden G. Hill, of Orlando, Florida. Member of the Advisory Board of the Florida State Division on Aging. He was Assistant Director of the War Manpower Commission of the U. S. Civil Service Commission.

The Honorable Nelson H. Cruikshank, of the District of Columbia.
President, National Council of Senior Citizens. Former Director
of Department of Social Security, AFL-CIO.

The Honorable Sharon M. Fukii, of Santa Monica, California. Vice
President of Gerontological Planning Associates.

The Honorable Hobart C. Jackson, of Philadelphia, Pennsylvania.
Executive Vice President, Stephen Smith Geriatric Center and
Administrator of the Stephen Smith Home for the Aged. Mr.
Jackson was the founder of the Caucus of the Black Aged and
presently serves as Chairman.

The Honorable Garson Meyer, of Rochester, New York, former
Chief Chemist, Eastman Kodak and the President Emeritus
of the National Council on the Aging.

The Honorable Bernard E. Nash, of Camp Springs, Maryland.
Executive Director for the National Retired Teachers Association
and the American Association of Retired Persons.

FEDERAL COUNCIL ON THE AGING SWEARING-IN CEREMONY

THURSDAY, OCTOBER 21, 1976



-1-

LET ME WELCOME YOU TO THE WHITE HOUSE THIS MORNING FOR THE
SWEARING INTO OFFICE OF FIVE MEMBERS OF THE FEDERAL COUNCIL ON
THE AGING. THE SIXTH MEMBER, THE HONORABLE BERTHA ADKINS,
WHO IS ALSO THE CHAIRPERSON OF THE COUNCIL, IS BEING SWORN IN
AT THIS TIME IN AUGUSTA, MAINE, WHERE SHE IS ADDRESSING
GOVERNOR JIM LONGLEY'S CONFERENCE ON AGING.

-2-

IN THE TWO YEARS SINCE ITS FORMATION -- THE COUNCIL
HAS MADE SUBSTANTIAL CONTRIBUTIONS TO THE WELL-BEING OF OLDER
AMERICANS -- PARTICULARLY IN MAKING RECOMMENDATIONS
DESIGNED TO IMPROVE TAX POLICY AND COORDINATE BENEFIT PROGRAMS
FOR OLDER PERSONS.

-3-

EARLIER THIS YEAR, I HAD THE OPPORTUNITY TO CALL TO THE
ATTENTION OF ALL AMERICANS -- ONE OF THE COUNCIL'S MOST
SIGNIFICANT ACHIEVEMENTS -- THE BICENTENNIAL CHARTER FOR OLDER
AMERICANS. THE CHARTER IS A "BILL OF RIGHTS" FOR AMERICA'S
SENIOR CITIZENS -- A TESTAMENT OF OUR NATION'S HEARTFELT CONCERN
FOR OUR OLDER CITIZENS.

IT HAS BEEN SAID THAT HISTORY JUDGES A SOCIETY ON HOW WELL
IT CARES FOR ITS OLDER PEOPLE. IN AMERICA -- IN RECENT YEARS,
THE FEDERAL COUNCIL ON THE AGING HAS LED THE WAY TO A RECORD OF
SOLID PROGRESS IN HELPING MANY OF OUR OLDER CITIZENS LEAD
INDEPENDENT, SATISFYING AND HEALTHY LIVES.

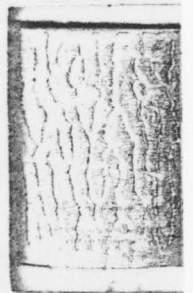
SINCE THE 1971 WHITE HOUSE CONFERENCE ON AGING FIRST
FOCUSED NATIONAL ATTENTION ON THE PROBLEMS AND CONCERNS OF
OLDER AMERICANS:

-- SOCIAL SECURITY BENEFITS HAVE RISEN BY 50 PERCENT.

-- A NEW NATIONAL NETWORK OF STATE AND AREA AGENCIES ON AGING HAS BEEN ESTABLISHED.

-- NUTRITION PROJECTS FOR THE ELDERLY HAVE BEEN ESTABLISHED AND ARE NOW SERVING OVER 300 THOUSAND HOT MEALS A DAY.

-- SPECIAL HOUSING PROGRAMS FOR OLDER AMERICANS HAVE ALSO BEEN SET UP.



IN ADDITION, I WILL SIGN A BILL WHICH GUARANTEES
THAT THE DESERVING AGED, BLIND, AND DISABLED RECIPIENTS OF
SUPPLEMENTAL SECURITY INCOME BENEFITS WILL RECEIVE ANNUAL
COST-OF-LIVING INCREASES FROM THE FEDERAL GOVERNMENT.
THIS IS A VERY IMPORTANT CHANGE WHICH CORRECTS A SERIOUS
DEFICIENCY IN CURRENT LAW.

I MIGHT ADD THAT THIS CHANGE WAS RECOMMENDED NEARLY
A YEAR AGO BY THE COUNCIL.

THIS IS A GOOD START; BUT, OUR EFFORTS IN BEHALF OF
OLDER AMERICANS HAVE ONLY BEGUN.

OUR FIRST PRIORITY MUST BE TO PROTECT THE RETIREMENT
INCOME OF OLDER AMERICANS.

INFLATION -- WHICH HITS THOSE ON FIXED INCOMES HARDEST --
IS THE FOREMOST THREAT TO THE STABILITY AND VALUE OF RETIREMENT
INCOME.

WE HAVE CUT INFLATION IN HALF. BUT, IF OUR OLDER
CITIZENS ARE TO FULLY ENJOY THEIR LATER YEARS -- IT MUST BE CUT
FURTHER -- AND IT WILL BE!

WE MUST STRENGTHEN THE FINANCIAL UNDERPINNINGS OF THE
SOCIAL SECURITY SYSTEM. CONGRESS ADJOURNED WITHOUT ACTING
UPON MY PROPOSALS TO ENSURE THE FISCAL INTEGRITY OF THE SYSTEM.
I WILL URGE THE NEW CONGRESS TO MAKE THIS ITS FIRST ORDER
OF BUSINESS.

I WILL ALSO URGE THE NEW CONGRESS TO ENACT MY PROPOSAL
OF EARLY THIS YEAR TO PROVIDE OLDER AMERICANS WITH PROTECTION
AGAINST THE DEVASTATING FINANCIAL EFFECTS OF EXTENDED ILLNESS.

ANOTHER AREA OF GREAT CONCERN TO OLDER AMERICANS IS THE
SPECIAL THREAT TO THEIR WELL-BEING POSED BY CRIME.

OUR OLDER CITIZENS HAVE EARNED THE RIGHT TO LIVE SECURELY AND TO
WALK THE STREETS WITHOUT FEAR. THAT IS WHY I WAS

PARTICULARLY GRATIFIED BY A PROVISION IN THE CRIME CONTROL ACT
WHICH I RECENTLY SIGNED.

-12-

THIS NEW PROVISION REQUIRES THAT STATE CRIME CONTROL
PLANS / DEAL SPECIFICALLY AND FIRMLY WITH THE CRIMINAL ATTACKS
WHICH ARE MADE AGAINST OUR SENIOR CITIZENS.

-13-

ALL AMERICANS CAN COUNT ON MY ADMINISTRATION AND THE
FEDERAL COUNCIL ON THE AGING TO CONTINUE TO SEE THAT THESE
AND THE MANY OTHER ISSUES WHICH PARTICULARLY CONCERN OUR
OLDER CITIZENS ARE MET HEAD ON.

-14-

I LOOK FORWARD WITH GREAT CONFIDENCE TO THE LEADERSHIP

MISS ADKINS, MR. MARTIN, MONSIGNOR FAHEY (Fay-hee),

MR. WINSTON, MRS. DEVERAUX (Dehver-row), AND

MR. HOLLAND -- WILL PROVIDE IN THE YEARS TO COME.

-15-

AND NOW, JUSTICE STEWART, WILL YOU PLEASE SWEAR IN

THESE DISTINGUISHED MEMBERS OF THE FEDERAL COUNCIL ON THE

AGING.

END OF TEXT



FEDERAL COUNCIL ON THE AGING
WASHINGTON, D.C. 20201

THESE ARE THE MAIN PROJECTS OF F.C.A. IN ORDER OF IMPORTANCE
OTHER THAN THOSE REQUIRED IN THE OLDER AMERICAN ACT.

ALSO, A BIO ON MISS ADKINS WHO WILL BE GIVING THE KEYNOTE
ADDRESS AT THE GOVERNORS CONF. IN AGUSTA, MAINE AT 11A. M. ON THURS OCT 21.
1. A study of asset tests and the treatment of income from assets

as a condition of eligibility for federal benefit programs for
the elderly.

2. Health Manpower needs for services to older Americans.

3. Follow up to recommendations of the White House Conference on Aging.

4. Special problems of older women.

5. Medicare and Medicaid changes (including home health care).

6. Mandatory Retirement.

7. Progress of pension reform.

NOTE: Sara, at this point we are part in one building and part
in another due to our move. Sorry, this not in better form.
It would be good for the record, I think, if the President
could mention why Miss Adkins is not present.

DW.
Dick Williams



Federal Council on the Aging

BIOGRAPHY

Name: ADKINS, Bertha S. (Miss) born: 8-24-06, Salisbury, Maryland
Home Address: Business Address:
P.O. Box 396 (Retired)
Oxford, Maryland 21654

Bertha Adkins, who was appointed Chairman of the Federal Council on the Aging by the President, is serving a one-year term on the FCA to June 5, 1975. *Reappointed Chairman Oct 4, 1976*

Miss Adkins was Under Secretary of Health, Education, and Welfare in 1958-61 during the Eisenhower Administration. During that time, she was the key departmental official involved in planning the 1961 White House Conference on Aging. She has just completed service as a Vice Chairman of the 1971 White House Conference on Aging and was Executive Vice Chairman of the Advisory Committee on Older Americans until it was superseded by legislation establishing the Federal Council on the Aging.

Miss Adkins has a bachelor's degree from Wellesley College in Massachusetts and a M.A. from Columbia University. She also has several honorary doctoral degrees.

She was Dean of Women in Western Maryland College and Dean of Residence at Bradford Junior College in Massachusetts before coming to Washington in 1950 as Executive Director of the Women's Division of the Republican National Committee.

In 1959, she was United States delegate to the United Nations Seminar on the Participation of Women in Public Life, held in Bogota, Colombia. The same year she made an official trip to Poland under auspices of the International Education Exchange Program of the Department of State. She also served on the Defense Advisory Committee for Women in the Service for the Defense Department.

When Miss Adkins left HEW in 1961 she became Headmistress of the Foxcroft School in Middleburg, Virginia. She retired in 1967 to her home in Oxford, Maryland. She is a member of the Talbot County Commission on Aging and is Chairman of the Talbot County Chapter of the American Red Cross. She also has been a member of the Advisory Board to the Social Security Administration.

PLEASE NOTE--Miss Adkins was nominated by President Ford for an additional three year term as a member of the council and as its chairman. The nomination has not yet been confirmed.

- more -

3-26-75

ADKINS, BERTHA SHEPPARD

b. Salisbury, Md, 8 24 06; d. Frederick Paul Adkins and Edna May Sheppard A; single. Educ: Wellesley Col, A.B, 28; Columbia, A.M, 43. Hon. L.L.D., West. Md. Col, 53, Hood Col, 58 and Wheaton Col, 60; hon. L.H.D., Wilson Col, 58. Polit. & Govt. Pos: Rep. Nat. Committeewoman, Md, 48-58; exec. dir, Women's Div, Rep. Nat. Cmt, 50-53; asst. chmn, Rep. Nat. Cmt. and head of Women's Div, 53-58; Undersecy. of Health, Educ. and Welfare, 58-60. Bus. & Prof. Pos: Teacher, private sch, Salisbury, 28-32; secretarial work, 32-34; dean of women, West. Md. Col, 34-42; dean of residence, Bradford Jr. Col, Mass. 42-46; headmistress, Foxcroft Sch, Middleburg, Va, 61-67. Mem: Phi Lambda Theta, Harbor Club (Easton, Md); Sulgrave Club (Wash.). Trustee, Am. Univ. Rel. Methodist. Mailing Add. P.O. Box 396, Oxford, Md. 21654.

R



Massaryle

THE WHITE HOUSE

WASHINGTON

October 20, 1976

1976 OCT 20 AM 10 42

MEMORANDUM FOR: JAMES CANNON

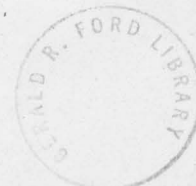
FROM: ROBERT T. HARTMANN

SUBJECT: Swearing-In Ceremony, Federal Council
on the Aging - October 21, 1976

I would like your priority attention and personal response on the attached draft (even if you approve it as is) by 4:00 p.m., October 20, 1976

Please return your comments to Bob Orben in the Editorial Office in Room 115, OEOB (Ext. 6573).

Thank you for your cooperation.



Please check one box and sign below:

- () I approve the draft without changes.
- () Suggested revisions are noted on the draft or attached separately.

Initials: _____

102007

(Denison)

Oct. 19, 1976
THIRD DRAFT

SWEARING IN CEREMONY, FEDERAL COUNCIL ON THE AGING 10/21/76.

It is a great honor for me to have this opportunity of asking _____ to swear into office six members of the Federal Council on the Aging. In the two years since its formation -- the Council has made substantial contributions to the well-being of America's aging -- particularly in the areas of tax policy and coordinating benefit programs for older persons.

Earlier this year, I had the opportunity to call one of the Council's most significant achievements -- the Bicentennial Charter for Older Americans -- to the attention of all Americans. The Charter is a "Bill of Rights" for America's elderly -- a testament to our Nation's heartfelt concern for its senior citizens.

It has been said that history judges a society on how well it cares for its older people. In America -- in recent years, the Federal Council on the Aging has led the way to a record of solid progress in helping the vast majority of our elderly lead independent, satisfying and healthy lives.



Since the 1971 White House Conference on Aging first focused national attention on the problems and concerns of older Americans.

- Social Security benefits have risen by 50 percent.
- A new national network of State and area agencies on aging has been established.
- Special housing programs for the elderly have been set up.

This is a good start; but, our efforts in behalf of older Americans have only begun.

Our first priority must be to protect the retirement income of older Americans.

Inflation --which hits those on fixed incomes hardest -- is the foremost threat to the stability and value of retirement income.

We have cut inflation in half. But, if our elderly are to fully enjoy their later years -- it must be cut further.

We must strengthen the financial underpinnings of the Social Security System. Congress adjourned without acting upon my proposals to ensure the fiscal integrity of the system. I will urge the new Congress to make this its first order of business.

I have also asked the Social Security Administration to carefully review the current retirement earnings test. Today, older persons lose benefits when they earn more than 2,760 dollars a year. The test must be liberalized so that older people -- who need the income -- remain in the work force without losing their hard earned retirement benefits.

To further this objective -- the Veterans Administration is preparing a report on overall pension reform proposals that will deal with the reduced benefits that are paid to retired persons who are eligible for both V.A. and Social Security payments. America's veterans have earned -- with their courage and their sacrifice -- an adequate retirement income. They must not be shortchanged.

Finally, our older citizens have earned the right to live securely and to walk the streets without fear. That is why I was particularly gratified by a provision in the Omnibus Crime Control Act which I recently signed.

This new provision requires that State crime control plans deal specifically and firmly with the criminal attacks

which are made against our senior citizens.

All Americans can count on the Federal Council on the Aging to continue to see that these and other issues which particularly concern our older citizens are met head on.

forward to the leadership Miss Adkins, Mr. Martin, Monsignor Fahey (Fay-Hee), Mr. Winston, Mrs. Deveraux (Dehver-Row), and Mr. Holland -- will provide in the years to come.

THE WHITE HOUSE

WASHINGTON

October 20, 1976

MEMORANDUM FOR:

SARAH MASSENGALE

FROM:

ROBERT T. HARTMANN

SUBJECT:

Swearing-In Ceremony, Federal Council
on the Aging - October 21, 1976

I would like your priority attention and personal response on the attached draft (even if you approve it as is) by 4:00 p.m., October 20, 1976.

Please return your comments to Bob Orben in the Editorial Office in Room 115, OEOB (Ext. 6573).

Thank you for your cooperation.



Please check one box and sign below:

() I approve the draft without changes.

☒ Suggested revisions are noted on the draft or attached separately.

Initials: Sam

SWEARING IN CEREMONY, FEDERAL COUNCIL ON THE AGING 10/21/76.

It is a great honor for me to have this opportunity
of asking Justice Stewart to swear into office ⁵ ~~six~~ members of the Federal
Council on the Aging. <sup>The sixth member, Chairwoman Berntha Adkins, cannot be
here today because she is speaking to the Maine Governor's Conference on</sup> In the two years since its formation -- ^{AGING}

the Council has made substantial contributions to the well-being
of America's aging -- particularly in the areas of tax policy
and coordinating benefit programs for older persons.

Earlier this year, I had the opportunity to call ~~one~~
of the Council's most significant achievements -- the
Bicentennial Charter for Older Americans -- ^{to the attention}
of all Americans. The Charter is a "Bill of Rights" for
America's elderly -- a testament ^{of} to our Nation's heartfelt
concern for ^{our} ~~its~~ senior citizens.

It has been said that history judges a society on how well
it cares for its older people. In America -- in recent years, the
Federal Council on the Aging has led the way to a record of
solid progress in helping ~~the vast majority of~~ our elderly lead
independent, satisfying and healthy lives.



Since the 1971 White House Conference on Aging first focused national attention on the problems and concerns of older Americans;

- Social Security benefits have risen by 50 percent;
- A new national network of State and area agencies on

aging has been established;

- *Special nutrition projects for the elderly have been established and are now serving over 300,000 hot meals a day;*
- Special housing programs for the elderly have been

set up.

This is a good start; but, our efforts in behalf of older Americans have only begun.

Our first priority must be to protect the retirement income of older Americans.

Inflation --which hits those on fixed incomes hardest -- is the foremost threat to the stability and value of retirement income.

We have cut inflation in half. But, if our elderly are to fully enjoy their later years -- it must be cut further.

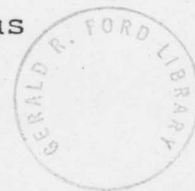
We must strengthen the financial underpinnings of the Social Security System. Congress adjourned without acting upon my proposals to ensure the fiscal integrity of the system. I will urge the new Congress to make this its first order of business.

I have also asked the Social Security Administration to carefully review the current retirement earnings test. Today, older persons lose benefits when they earn more than 2,760 dollars a year. The test must be liberalized so that older people -- who need the income -- remain in the work force without losing their hard earned retirement benefits.

I am also looking forward to receiving
~~To further this objective -- the Veterans Administration is~~
that the Vet. Admin. is preparing
~~preparing~~ a report on overall pension reform proposals that will deal with the reduced benefits that are paid to retired persons who are eligible for both V.A. and Social Security payments. America's veterans have earned -- with their courage and their sacrifice -- an adequate retirement income. They must not be shortchanged.

Finally, our older citizens have earned the right to live securely and to walk the streets without fear. That is why I was particularly gratified by a provision in the Omnibus Crime Control Act which I recently signed.

This new provision requires that State crime control plans deal specifically and firmly with the criminal attacks



which are made against our senior citizens.

All Americans can count on ^{my Administration and} the Federal Council on the Aging to continue to see that these and other issues which particularly concern our older citizens are met head on. I look forward to the leadership Miss Adkins, Mr. Martin, Monsignor Fahey (Fay-Hee), Mr. Winston, Mrs. Deveraux (Dehver-Row), and Mr. Holland -- will provide in the years to come.

THE WHITE HOUSE

WASHINGTON

October 19, 1976

MEMORANDUM FOR:

GEORGE DENNISON
DAVID LISSY
DAN MCGURK
MILT MITLER
✓ DICK PARSONS

FROM:

SARAH MASSENGALE *SM*

SUBJECT:

Presidential Remarks on the Swearing-in
of the Federal Council on the Aging

Attached for your comments and recommendations are suggested remarks by the President for the swearing-in of the Federal Council on the Aging new members, tomorrow at 11:00 a.m.

I would appreciate having your comments and recommendations by 5:00 p.m. today.

Many thanks.





Secretary Mathews and distinguished guests:

I am very pleased to have this opportunity to swear into office six members of the Federal Council on the Aging. In its two years the Council, under the able leadership of its Chairman Bertha Adkins -- whom I am sorry could not be with us today due to a speaking engagement before the Maine Governor's Conference on Aging -- has made important contributions to the field of aging in such areas as tax policy and the relationship of benefit programs for older persons. This past May I had the opportunity of calling the nation's attention to the Bicentennial Charter for Older Americans that was developed by the Council. This Charter should help all Americans recognize that we must make every effort to recognize the worth and dignity of our older citizens.

We have made progress since the 1971 White House Conference on Aging in helping older Americans to lead independent lives. We have reduced inflation, Social Security benefits have risen more than fifty percent, a new national network on aging of State and Area Agencies on Aging and nutrition projects has come into existence, and the Section 202 housing program for the elderly has been reauthorized.

→ It is important as we enter our third century as a nation that we increase these efforts.

I should think our 1st priority would be the provision of adequate health care to the old costs. How about "One of our top priorities"

Our first priority must be to protect the retirement income of older Americans. I reaffirm my commitment to continue to do all I can to insure the integrity of the Social Security system. Congress did not act on my "decoupling" and financing proposals that would have protected the fiscal integrity of the system. I will urge the new Congress to make these proposals a top priority.

In addition, I am asking the Social Security Administration to review ways in which the system can better serve older persons, and to recommend to me changes that can be part of my FY 1978 budget request to the Congress. One item I will ask be given special attention is the retirement earnings test. Presently older persons lose benefits when they earn more than \$2,760. This serves as a disincentive for older people who need more income to remain in the work force, and I believe the law must be liberalized. Older Americans have earned the right to an adequate retirement income. We must insure that our policies are consistent with this objective.

To further this objective, I am also requesting the Veterans Administration to review and submit to me legislative proposals that will deal with the problem of high reduction rates in retirement benefits older persons suffer caused by a simultaneous receipt of veterans benefits and Social Security benefits. This is an unfair situation. Veterans have earned with their courage and sacrifice an adequate retirement income for their families. We must insure that our policies protect their income against inflation.

I'd leave this
91 out.

Our older citizens have also earned the right to live securely and without fear. That is why I was delighted to sign recently legislation extending the Omnibus Crime Control Act. This legislation includes a new provision that State crime control plans must give specific attention to dealing with criminal victimization of older persons. You can be assured this provision will be vigorously administered. Our nation can^{not} and will not tolerate its older citizens, who have contributed to our growth and prosperity all their lives, fearing for their physical and financial well-being because of the actions of criminals. ✓

I know that the Federal Council on the Aging will continue to give these and other issues their close attention. I look forward to the leadership Miss Adkins, Mr. Martin, Monsignor Fahey, Mr. Winston, Mrs. Deveraux, and Mr. Holland will provide the field of aging.

Sarah -

I leave the "editorials"
to the poets on the
first floor.

Dick





DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

OFFICE OF THE SECRETARY

WASHINGTON, D.C. 20201

Office of Human Development
Administration on Aging

aging
SPECIAL

October 11, 1976

TO : Sarah Massengale

FROM: Decker Anstrom *DA*



Sorry we missed Saturday.

Attached is a draft outline of proposed remarks for the President to make after swearing in the new members of the Federal Council on the Aging.

Dr. Flemming has reviewed them and believes the outline represents a good positive statement in the field of aging. Several of the items do (or would) represent new initiatives. Specifically, they are:

- ... II.B.2.a - Full FY 1978 Social Security cost-of-living increase.
- ... II.B.2.b - Liberalize retirement earnings test.
- ... II.B.2.c - Eliminate benefit reduction when beneficiaries remarry.
- ... II.B.3.a - Sign SSI "pass-through" legislation.
- ... II.B.3.b - Request VA to study interrelationship of benefit increases.

As you will appreciate, this outline only represents a substantive outline. The specific language, style and rhetoric need to be worked on by White House Staff. Dr. Flemming indicated that he very much wants to be involved in developing the actual text, however.

This outline should form the basis for a fifteen minute statement. To cut it to five-seven minutes we would recommend the remarks be limited to Parts I, II.A, II.B, II.C.1 and III.

I am available at any time to work further with you on this.

Attachment

OUTLINE OF PROPOSED REMARKS BY THE PRESIDENT
UPON SWEARING INTO OFFICE NEW MEMBERS OF
THE FEDERAL COUNCIL ON THE AGING

- I. I am pleased to have this opportunity to officially swear into office new members of the Federal Council on the Aging.
 - A. In its two years the Council has made important contributions to the whole field of aging.
 - B. It has served as an effective advocate for the needs of today's older persons.
 - C. The Council has, under the very able leadership of its Chairman Bertha Adkins, provided some major insight into ways in which the problems of older persons might be better addressed.
- II. I am fully committed to insuring that older Americans are able to lead dignified and independent lives.
 - A. I will continue my fight against inflation--the greatest threat to the quality of life of older persons.
 1. We have reduced by nearly half the double digit inflation experienced in 1974.
 2. I will continue to reduce taxes, cut Federal spending, and balance the budget in order to further reduce inflation.
 - B. I will continue to take steps to protect the integrity of and to improve the Social Security system.

1. As I indicated in my Special Message on Aging to the Congress last February, "Maintaining the integrity of the system is a vital obligation each generation has to those who have worked hard and contributed to it all their lives. I strongly reaffirm my commitment to a stable and financially sound Social Security system."

a. To further that objective I introduced legislation to increase payroll taxes that would raise needed revenues necessary to stabilize the trust fund.

(1) This proposal would cost no worker more than \$1 a week.

(2) It will stabilize the trust fund.

(3) Yet Congress took no action on this legislation either.

b. I also introduced legislation designed to "decouple" wage and price increases in computing future Social Security benefits .

(1) This legislation would have solved this problem, and thereby protected the integrity of the Social Security system.

(2) The Congress also took no action on this proposal.

(3) I agree with the Council and others who conclude this problem must be promptly resolved in order to assure the soundness of the Social Security system, an objective to which I am completely committed.

2. I will take several actions designed to increase Social Security benefits, and make the system more equitable.
 - a. I will, as part of my FY 1978 budget, request full cost-of-living increases in Social Security benefits.
 - (1) This will help protect the elderly's budgets against the hardships of inflation.
 - (2) It will maintain the purchasing power of older Americans.
 - b. I intend to request legislation that will further liberalize the Social Security earnings test.
 - (1) Currently an older person loses \$1 in benefits for every \$2 earned above \$2,760.
 - (2) While this figure does change to account for inflation it is too low.
 - (a) It only serves as a disincentive for older persons to continue working.
 - (b) It penalizes those who need more income the most.
 - (c) We can afford to encourage older persons to continue to be involved.
 - (d) We can't tolerate policies that put our Nation's older persons on the shelf.
 - c. I will also request legislation that will eliminate the loss in benefits that occurs under Social Security when older people remarry.

- (1) Currently if two beneficiaries remarry their benefits as a couple are less than what they received as individuals.
 - (a) We know two cannot live more cheaply than one.
 - (b) Most importantly, we should not as a Nation force older people who wish to remarry to live on lower incomes.
 - (2) We must do all we can to preserve the dignity and independence of older people.
 - (3) We must also encourage in every way we can the institution of the family.
 - (4) This legislation will do just that.
3. Finally, I am taking two other actions designed that when Social Security and Supplemental Security Income benefits increases take place to help offset inflation, the benefits in other programs do not decrease.
- a. I am signing H.D. _____ which mandates that State supplements to the Supplemental Security Income not be reduced when Federal SSI benefits are increased due to increases in the cost-of-living.
 - (1) Presently many States that supplement these Federal benefits lower their supplement every time the Federal benefit is increased to account for inflation.
 - (2) Older persons never, as a result receive an increase in their net Federal/State benefit.

(3) This legislation insures that older persons will be protected against inflation, and share in future benefit increases.

(4) I appreciate the Federal Council's leadership in helping identify this issue.

b. I am requesting the Veterans Administration to study the problem of high reduction rates in retirement benefits older persons suffer caused by simultaneous receipt of veterans benefits and Social Security benefits.

(1) This is an unfair situation, also identified by the Federal Council, and it should be corrected as soon as possible.

(2) Veterans and their families must be protected against inflation.

C. I will continue to take other actions that will contribute to maintaining the independence of older persons.

1. I will continue to support the Older Americans Act.

a. This Act supports the national network on aging.

(1) This network, which is composed of 56 State and 500 Area Agencies on Aging, and 800 Nutrition projects provides a firm foundation for providing services to older persons.

(2) These services, such as the more than 300,000 meals served a day in the national nutrition program, will help older persons to remain in their own homes.

2. I recently signed the FY 1977 appropriations bill for the Department of Housing and Urban Development that includes \$750 million for the 202 housing program for the elderly and handicapped.
 - a. This appropriation will support more than 30,000 new housing units for the elderly.
 - b. By providing this kind of support we can help maintain the independence of older persons by providing alternative living arrangements.
3. I will continue to support volunteer programs for older Americans such as the RSVP Foster Grandparent, and Senior Companion programs.
 - a. More than 200,000 older persons currently are involved in their communities as a result of these programs.
 - b. They enable older persons to share their talents and skills with all of us, and help keep older persons involved in our society.
4. I fully support two initiatives of the Administration on Aging designed to provide more opportunities for older persons to be involved.



- a. The Administration on Aging, working with the Office of Education, has been working to open up opportunities for older persons in public schools.
 - (1) Schools can help to serve older persons, for instance by encouraging older people to participate in school lunch programs.
 - (2) Older people can make rich and valuable contributions to schools by acting as teacher aides and special instructors.
 - (3) I call on all educators to open their doors to older persons and help not only to use this community resource, the school, more effectively, but also to bring young and old together.
- b. The Administration on Aging, working with the President's Council on Physical Fitness, and the National Association for Human Development, has also been developing and promoting physical fitness programs for older Americans.
 - (1) I believe that all Americans should make efforts to become and remain physically fit, healthy, and active.
 - (2) Physical fitness programs designed for older Americans make good sense as a means of helping older persons to remain healthy, active involved members of our Nation.

D. I am especially concerned about the impact of crime on our older citizens, and will do everything in my power to insure that no older American lives her or his last days in fear of being victimized.

1. Our Nation can and must not tolerate its older citizens, who have contributed to it all their lives, fearing for the physical and financial well-being because of the actions of criminals.
2. I have proposed legislation designed to deal in a firm, tough manner with criminals.
3. I also just recently signed legislation extending the Omnibus Crime Control Act.
 - a. This legislation mandates that State crime control plans must give specific attention to dealing with the problem of criminal victimization of older persons.
 - b. I am delighted this legislation is now on the books.
 - c. You can be assured it will be vigorously administered.

III. I am pleased to have this opportunity to meet with the Federal Council on the Aging.

- A. I look forward to your contributions to the field of aging.
- B. I look forward to working with you and with all the American people to assure that our older citizens are treated with dignity and respect.



UNIVERSITY OF SOUTHERN CALIFORNIA

ETHEL PERCY ANDRUS
GERONTOLOGY CENTER
UNIVERSITY PARK
LOS ANGELES, CALIFORNIA 90007

(213) 746-6060

September 28, 1976

Mr. H. P. Goldfield
The White House
Washington, D.C. 20500

Dear H. P.:

This is simply a quick memo about the information that you requested by telephone today. Should you need greater information, please let me know. Just holler if you have any questions.

See you in D.C. on the 7th.

Take it easy,

Ira S. Hirschfield
Assistant Dean
Continuing Education

ISH:cw



UNIVERSITY OF SOUTHERN CALIFORNIA

ETHEL PERCY ANDRUS
GERONTOLOGY CENTER
UNIVERSITY PARK
LOS ANGELES, CALIFORNIA 90007

(213) 746-606

Ideas Relating to Programs and Issues Confronting Older Americans

1. There presently exists legislation that enforces an earnings limitation for senior citizens receiving social security benefits. An older american between 65 and 72 years of age is allowed to earn a salary of no more than \$2760 without losing a portion of his social security benefits. Simply stated, for every two dollars earned over this amount, he loses one dollar of his benefits.

However, this is applicable only for those individuals who continue to work for a salary. Those deriving income from investments are not penalized, and therefore this legislation primarily affects the worker who is trying to augment his salary while also continuing to remain active.

Unfortunately, this legislation adds to the series of policies and attitudes that discourage the senior citizen from remaining a part of the work force.

It would be helpful either to elevate this earnings limitation to \$3,600-4,000 or to eliminate it completely.

According to the 1974 enclosed document of the Congressional Record, there are at least 2.5 million Americans aged 65 to 72, or their dependents, who are directly affected by the earnings ceiling.

2. The issue of tax relief for older american home owners and renters is worthy of careful consideration. Although this concern would cost the Administration considerably more energy in terms of time and fiscal resources, many senior citizens are being forced to give up their homes and apartments since their fixed incomes cannot cover the increased rental costs being assessed to them. Some states are issuing a deferred tax which is subject to acquisition at the time after which the person is deceased and while his estate is being settled.
3. The field of aging is growing at an overwhelming pace. There exists little good coordination at the national level of all activities, programs and policies transpiring throughout the country. A task force in this regard merits reflective thought.
4. When someone reaches the age of 65 there are a variety of benefits and policies about which they need to become informed. A booklet detailing all of this information in clear and easily understandable form would be of help to this "at risk" population.

September 16, 1974

CONGRESSIONAL RECORD—SENATE

S 16665

S 16665

SENATOR GOLDWATER AND THE EARNINGS LIMITATION

Mr. PERCY. Mr. President, I am sure my colleagues are aware of the leadership of the Senator from Arizona (Mr. Goldwater) on behalf of the repeal of the social security earnings limitation.

Not long ago the distinguished Senator wrote a guest editorial for the News Bulletin of the American Association of Retired Persons in which he set out in no uncertain terms the case for repeal of this outrageous provision of the Social Security Act.

This essay was condensed and republished in the August 1974 Reader's Digest.

I want to take this opportunity to associate myself with the Senator's position. I have long advocated repeal or, at the very least, liberalization of a restriction which works against an individual's ability to live with comfort and dignity during retirement.

And progress has been made. In 1972 the ceiling was raised from \$1,680 to \$2,100; as of last January it went up to \$2,400. Future increases will occur automatically as the cost of living increases. Finally, the Senate voted last year to raise the ceiling immediately to \$3,000, but the other body has refused to go to conference on this amendment.

Mr. President, I favor immediate repeal of the earnings limitation, but I know this stands little chance of approval. So I have introduced a bill, S. 3427, which provides for the gradual elimination over 10 years of this unfair restriction. We are moving in that direction by bits and pieces; let us make the commitment once and for all that we do indeed intend to go all the way and let us set the timetable now.

I ask unanimous consent that Senator Goldwater's article, "This Law Robs Our Senior Citizens," be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THIS LAW ROBS OUR SENIOR CITIZENS (By Senator BARRY GOLDWATER)

The earnings limitation for Social Security benefits should be repealed. The operation of the penalty imposed on individuals who are otherwise eligible for Social Security but who earn more than \$2,400 per year. As the law now stands, an individual receiving Social Security is denied one dollar for every two dollars he earns over this \$2,400 exempt amount, until his benefits are cut off completely. The only exclusion is for persons 72 and older.

This restriction is an outrage against millions of citizens who have made years of Social Security contributions from their hard-earned salaries. It is wrong morally, because each citizen should be able to earn an income, without unfair restrictions, to the full limit of his ability and initiative. Social Security should not be a contract to quit work.

Did you know that income from investments—stocks, bonds, rentals and so forth—is not counted in determining where benefits shall be reduced? It is only the individual who continues to work for a salary who is penalized. Here we have the utterly immoral situation where a really wealthy person might draw tens of thousands of dollars a year from his investments and, at the same time, receive his full Social Security check. Yet the man who has worked for a salary all of his life, and who might need to continue working as a matter of economic survival, cannot do so under the law without being penalized.

According to the Social Security Administration, there are at least 2.5 million Americans aged 65 to 72, or their dependents, who are directly affected by the earnings ceiling. Nearly a million of these individuals earn enough so that they receive no benefits at all, and most of the rest earn enough so that their benefits are reduced. Another 500,000 may be receiving full benefits, but are intentionally holding their earnings down because of the limitation.

It is true that some progress has been made in liberalizing the restriction. In 1972, for example, an amendment passed which lifted the ceiling from \$1,680 to \$2,100. This followed a motion by me to abolish the ceiling entirely, which was defeated on a voice vote. Then, in June 1973, Congress raised the ceiling to \$2,400. It is now past time to remove this statutory shackle completely.

Supporters of the earnings limitation attempt to justify it mainly on two grounds. First, they say it would cost money—approximately \$4 billion—to pay those people 65 and over who still work. I doubt this statistic. I have asked the Social Security Administration for the basic assumptions used in computing their cost estimate, and have requested that an independent study be made by the Government Accounting Office. Taking account of increased income and Social Security payroll taxes paid by older workers, the true cost is likely to be under \$2 billion. If necessary, I would take the money out of the general treasury by cutting wastes elsewhere, in order to give these people the benefits they have earned over an entire working life.

The second argument for the earnings limitation is equally weak. Supporters say that Social Security was set up to insure against the loss of earnings. Thus, if a person does not—or cannot afford to—retire at 65, he suffers no loss of earnings and is therefore entitled to no benefits.

This is preposterous. Social Security payments are not gratuities from a benevolent government. They are a repayment of our own earnings, which we have deposited in

I propose that we make these payments truth by repealing the earnings test for all our older citizens.

Ira

"Retirement"

file

FACT SHEET: PRESIDENT FORD'S RELATIONSHIP WITH THE FEDERAL COUNCIL
ON THE AGING

The Federal Council on the Aging has submitted several recommendations to the President. The following is a summary of these recommendations and the President's response to each recommendation.

1. The Council recommended "legislative action to develop high standards of safety and care in nursing homes."

The President responded, on July 24, 1975:

"The Department of Health, Education, and Welfare has set high standards of nursing home care and safety that must be met by nursing homes participating in the Medicare and Medicaid programs. The enforcement of these standards is one of my Administration's highest priorities. Federal funds pay 100 percent of the costs of inspection to monitor compliance with these standards. The Federal government pays its share of the costs of meeting nursing home standards through health care financing programs, primarily Medicare and Medicaid. Financial assistance is also made available by the Department of Housing and Urban Development to assist nursing homes in meeting selected fire safety standards."

2. The Council requested an extension of the due date for two studies mandated by the Older Americans Act.

The Administration proposed and signed legislation that extended these due dates. The studies were completed, forwarded to the President, and the President forwarded them to the Congress with favorable comments.

3. The Council expressed concern about the level of funding in the FY 1975 and 1976 budgets for programs for the elderly, and recommended that the President reconsider the impact of these fiscal proposals on older Americans.

The President responded, on July 24, 1975:

"I sympathize with this concern, but I am determined to reduce the burden of inflation on our older citizens, and that effort demands that government spending be limited. Inflation is one of the cruelest and most pervasive problems facing older Americans, so many of whom live on fixed incomes. A reduction of inflation, therefore, is in the best interests of all Americans and would be of particular benefit to the aging."



4. The Council recommended that the Administration develop an amendment to the Social Security Act that would "decouple" price increases from wage increases in computing future benefits, thereby protecting the fiscal stability of the social Security system. The Council also asked that this amendment, and its effect on future outlays, be reflected in the Social Security Trustees Annual Report on the system.

The President responded in a February 3, 1976 letter to Miss Adkins, the Council chairman: "I agree entirely with your assessment of the short-term deficit and the future adverse effects of the "coupled" system. I believe that legislative action must be taken as soon as possible to increase trust fund revenues and to "decouple" with a minimum of disruption to beneficiaries. Therefore... I have announced and will send a proposal to eliminate the double indexing for inflation in the calculation of future benefits, thus "decoupling" the system.

Secretary Simon also wrote noting that this approval would be reflected in the Trustee's Annual Report.

5. The Council recommended that legislation be enacted that would mandate continuance of State Supplements to Federal Supplemental Security Income payments.

The President responded on August 3, 1976:

"The Federal Government took over this program from the States on January 1, 1974, and provided a basic payment level to recipients. For those individuals who received benefits under the State programs in December 1973 that were larger than the basic Federal payment level, and who continue to be eligible for SSI, States are required to supplement the basic Federal payment up to the level of the December 1973 payment to such recipients. The requirement does not apply to new recipients who became eligible after December 1973. The Council's legislative proposal would require that the size of the State supplementation to recipients carried over for the State programs on January 1, 1974, could not be reduced. Thus, whenever the basic Federal payment level is increased, this proposal would allow States to continue to maintain a disparity in the benefits for the carried over recipients versus those recipients who came on the rolls after December 1973 -- a disparity equal to the amount of the original State supplementation.

Adoption of this recommendation would have two effects. First, it would dictate to the States how they should spend the taxes they assess on their residents. Such action would distort the original concept of the program of separate but complementary roles of the States and the Federal Government. Second, it would require the States to maintain payments to people based on the date they started receiving assistance, even though other residents of the States may have equivalent needs and incomes."

6. The Council recommended that the Veterans' Administration be directed to study the problem of benefit reduction rates caused by simultaneous receipt of benefits from pensions for veterans and other Federal benefit programs, such as Social Security.

The President responded on August 3, 1976:

"We share the concern of the Council. This problem is being studied by the Veterans' Administration within the context of total reform of the veterans' pension program. The Agency has discussed pension reform with both the House and Senate Veterans' Affairs Committees, and is committed to continuing these discussions with Congress this year. The relationship of veterans' pensions to other Federal benefits can best be addressed in the course of these discussions."

7. The Council prepared a Bicentennial Charter for Older Americans, and recommended that the President issue it in relation to Older Americans Month.

The President, in a signing ceremony in the Rose Garden on April 5, 1976 issued a 1976 Older Americans Month Proclamation, and at that time urged that public forums be held during Older Americans Month to discuss the Charter. The President also commented: "This Charter sets forth principles to guide us in evaluating our Nation's response to the problems facing older persons and appreciating the response to the problems now confronting our nation."

The President met with the members of the Federal Council on the Aging in the Cabinet Room on May 16, 1975. At that time the Council briefed him on its work. The President indicated he was looking forward to receiving the Council's studies on the impact of taxes on the elderly and the interrelationship of benefit programs for older persons.

After receiving those studies the President commented:

"The Federal Council on the Aging Annual Report and attendant studies reflect an earnest effort to deal with the lack of equity and efficiency in the present patchwork of income security programs. This unfortunate situation, which has developed over the years, presents problems not only to the elderly and other population groups, but to the taxpayer who must pay the added costs resulting from such inefficiency. My legislative proposals reflect careful consideration of how best to resolve these issues, and I urge prompt action on them by the Congress. Since many of the tax recommendations of the Council are directed towards State and local government, consistent with the enabling authority I am also transmitting this study to the Governors and legislatures of the States for their consideration.



Additional mention should be made of the substantial contribution of the two studies undertaken by the Federal Council on the Aging. The efforts of those that participated in the studies will contribute to our effort to provide necessary income and services to our less fortunate elderly citizens in an efficient manner.

These reports will be sent for review and analysis to those Federal agencies serving older persons. After this review, decisions on the recommendations contained in the Council's report will be reflected in future legislative proposals and administrative actions of this Administration."

The Chairman of the Council remains in steady contact with the President.



AUGUST 3, 1976 ✓

Office of the White House Press Secretary

THE WHITE HOUSE*Sarah Messing*

TO THE CONGRESS OF THE UNITED STATES:

I am transmitting herewith the Annual Report of the Federal Council on Aging, together with two studies undertaken by the Council as required by sections 205(f-h) of the Older Americans Act (P.L. 93-29).

Last year I indicated that I was looking forward to receiving then two studies from the Federal Council on Aging. The Council recognized its responsibilities and undertook the task in a forthright manner. I appreciate the fine work that the Council has done, particularly with the severe time constraints imposed upon it.

The Council's report and studies provide documentation from the viewpoint of our elderly citizens, which support the need for legislation along the lines of my proposed Financial Assistance for Health Care Act and the Income Assistance Simplification Act which I will be proposing shortly. My proposals would permit both Federal and State programs to be simplified and integrated into a coordinated system that would best meet the needs of our citizens.

Council Recommendations

With respect to the Supplemental Security Income (SSI) program, the Council has recommended in its program report that legislation be passed that mandates continuance of a specific State supplementation for certain recipients. The Federal Government took over this program from the States on January 1, 1974, and provided a basic payment level to recipients. For those individuals who received benefits under the State programs in December 1973 that were larger than the basic Federal payment level, and who continue to be eligible for SSI, States are required to supplement the basic Federal payment up to the level of the December 1973 payment to such recipients. The requirement does not apply to new recipients who became eligible after December 1973. The Council's legislative proposal would require that the size of the State supplementation to recipients carried over from the State programs on January 1, 1974, could not be reduced. Thus, whenever the basic Federal payment level is increased, this proposal would allow States to continue to maintain a disparity in the benefits for the carried-over recipients versus those recipients who came on the rolls after December 1973 -- a disparity equal to the amount of the original State supplementation.

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Second, it would require the States to maintain payments to people based on the date they started receiving assistance, even though other residents of the States may have equivalent needs and incomes.

The Council also recommends that the Veterans' Administration (VA) be directed to study the problem of benefit reduction rates caused by simultaneous receipt of benefits from pensions for veterans with nonservice-connected disabilities and other Federal programs. We share the concern of the Council. This problem is being studied by the Veterans' Administration within the context of total reform of the veterans' pension program. The Agency has discussed pension reform with both the House and Senate Veterans' Affairs Committees, and is committed to continuing these discussions with Congress this year. The relationship of veterans' pensions to other Federal benefits can best be addressed in the course of these discussions.

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In recognition of the Bicentennial and the many contributions made by older Americans to the welfare of the nation, the Council's annual report requests the promulgation of a Bicentennial Charter for Older Americans. I have asked Secretary Mathews of the Department of Health, Education, and Welfare, in consultation with the Administration on Aging, to promote discussion of these vital matters at forums of older persons organized by Advisory Committees to the Area Agencies on Aging.

The Federal Council on Aging Annual Report and attendant studies reflect an earnest effort to deal with the lack of equity and efficiency in the present patchwork of income security programs. This unfortunate situation, which has developed over the years, presents problems not only to the elderly and other population groups, but to the taxpayer who must pay the added costs resulting from such inefficiency. My legislative proposals reflect careful consideration of how best to resolve these issues, and I urge prompt action on them by the Congress.

Additional mention should be made of the substantial contribution of the two studies undertaken by the Federal Council on Aging. The efforts of those that participated in the studies will contribute to our effort to provide necessary income and services to our less fortunate elderly citizens in an efficient manner.

These reports will be sent for review and analysis to those Federal agencies serving older persons. After this review, decisions on the recommendations contained in the Council's report will be reflected in future legislative proposals and administrative actions of this Administration.

GERALD R. FORD

THE WHITE HOUSE,
AUGUST 3, 1976

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AUGUST 3, 1976

Office of the White House Press Secretary

THE WHITE HOUSE

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The Council's report and studies provide documentation, from the viewpoint of our elderly citizens, which support the need for legislation along the lines of my proposed Financial Assistance for Health Care Act and the Income Assistance Simplification Act which I will be proposing shortly. My proposals would permit both Federal and State programs to be simplified and integrated into a coordinated system that would best meet the needs of our citizens.

Council Recommendations

With respect to the Supplemental Security Income (SSI) program, the Council has recommended in its program report that legislation be passed that mandates continuance of a specific State supplementation for certain recipients. The Federal Government took over this program from the States on January 1, 1974, and provided a basic payment level to recipients. For those individuals who received benefits under the State programs in December 1973 that were larger than the basic Federal payment level, and who continue to be eligible for SSI, States are required to supplement the basic Federal payment up to the level of the December 1973 payment to such recipients. The requirement does not apply to new recipients who became eligible after December 1973. The Council's legislative proposal would require that the size of the State supplementation to recipients carried over from the State programs on January 1, 1974, could not be reduced. Thus, whenever the basic Federal payment level is increased, this proposal would allow States to continue to maintain a disparity in the benefits for the carried-over recipients versus those recipients who came on the rolls after December 1973 -- a disparity equal to the amount of the original State supplementation.

Adoption of this recommendation would have two effects. First, it would dictate to the States how they should spend the taxes they assess on their residents. Such action would distort the original concept of the program of separate but complementary roles of the States and the Federal Government.

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The Federal Council on Aging Annual Report and attendant studies reflect an earnest effort to deal with the lack of equity and efficiency in the present patchwork of income security programs. This unfortunate situation, which has developed over the years, presents problems not only to the elderly and other population groups, but to the taxpayer who must pay the added costs resulting from such inefficiency. My legislative proposals reflect careful consideration of how best to resolve these issues, and I urge prompt action on them by the Congress.

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These reports will be sent for review and analysis to those Federal agencies serving older persons. After this review, decisions on the recommendations contained in the Council's report will be reflected in future legislative proposals and administrative actions of this Administration.

GERALD R. FORD

THE WHITE HOUSE,
AUGUST 3, 1976

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FEDERAL COUNCIL ON THE AGING
WASHINGTON, D.C. 20201

August 5, 1976

PRESIDENTIAL RESPONSE TO THE 1976 FCA ANNUAL REPORT

We thought you might be interested in the enclosed copy of the President's reply to the Annual Report of the Federal Council on the Aging for 1975. You should have received a copy of the report itself some months ago, but if you would like additional copies, please call or write:

Mrs. Alice Freer
Federal Council on the Aging
Washington, D. C. 20201

Telephone: 245-0441



Cleonice Tavani
Cleonice Tavani
Executive Director

Enclosure

Office of the White House Press Secretary

THE WHITE HOUSE

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The Federal Council on Aging Annual Report and attendant studies reflect an earnest effort to deal with the lack of equity and efficiency in the present patchwork of income security programs. This unfortunate situation, which has developed over the years, presents problems not only to the elderly and other population groups, but to the taxpayer who must pay the added costs resulting from such inefficiency. My legislative proposals reflect careful consideration of how best to resolve these issues, and I urge prompt action on them by the Congress.

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GERALD R. FORD

THE WHITE HOUSE,
AUGUST 3, 1976

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THE WHITE HOUSE
WASHINGTON

Sarah: Attached is the package I sent to Jim Cavanaugh. Also attached is a copy of the April O'Neill memorandum and suggested transmittal message to the Governors. It is important that Steve transmit on behalf of the President.
Judy 7/28

Sarah: the transmittal message says the President is transmitting report to Governors, does that need to be changed since Steve will be doing it on the President's behalf.

THE WHITE HOUSE

WASHINGTON

July 28, 1976

MEMORANDUM FOR

JIM CAVANAUGH

FROM:

JUDY JOHNSTON *Judy*

SUBJECT:

Aging Reports

The attached Federal Council on the Aging Report was due to the Congress in March. The two studies were due January 1.

1A51 In April, OMB sent you the attached memorandum which on the original Paul O'Neill indicated "hold until after SSI message is sent". You advised me to hold the package on April 27.

Since there is no date for the the submission of the SSI message, Sarah asked me to staff a revised version of the message, indicating that the President would submit the Income *Prop* Simplification Act shortly.

Also, for your information one of the studies, the tax study needs to be transmitted to the Governors and the Legislatures of the States. John Ratchford indicates that it would be proper for Steve McConahey to transmit the studies on behalf of the President as Sarah suggests.

If you need any more information, please give me a call. Sarah also has a copy of the package. If you now want the package to go to the Hill, a routine memorandum is attached.



R2-2

APR 16 1976

MEMORANDUM FOR JAMES B. CAVANAUGH

Subject: Comments on the Annual Report of the Federal Council
on Aging and Mandated Studies

The Federal Council on Aging was established pursuant to the Older Americans Act, P.L. 93-29, to advise and assist the President on matters relating to the special needs of older Americans. The Council is required to make an annual report of its findings and recommendations to the President not later than March 31 of each year. The President is required to transmit each report together with his comments and recommendations.

The statute, as amended, mandates the completion of two studies by January 1976--one on the impact of taxes on the elderly, and one on the interrelationships of benefit programs serving the elderly. The statute requires Presidential comments and recommendations on the "benefits" study, but they are not necessary for the tax study. The results of the tax study must be transmitted to the Governors and legislatures of the States.

Since the annual report contains the study findings, we recommend all three reports be transmitted simultaneously.

Attached is a synopsis of various subjects treated in the annual report and comments with respect to present policy.

We recommend transmittal of the annual report and studies as required by law. My staff has prepared draft transmittal messages to the Congress and Governors.

(Signed) Paul H. O'Neill

Paul H. O'Neill
Deputy Director

Attachments

cc: Official file - DO Records ✓
Director - Director's chron
Deputy Director
Mr. Hanna
Mr. Kleinberg

Mr. Fairley
Ms. Sweeney

HR/IM:PLFairley:jcs:bjg 4/5/76

APR 16 1976
DAB

THE WHITE HOUSE

WASHINGTON

July 28, 1976

ACTION

MEMORANDUM FOR THE PRESIDENT
FROM: JIM CANNON
SUBJECT: Annual Report

Attached for your consideration is a proposed message to the Congress transmitting the second annual report of the Federal Council on the Aging, together with two studies undertaken by the Council to fulfill the legislative mandate of the 1973 Amendments to the Older Americans Act. One of the studies deals with the impact of taxes on the elderly and the other on the interrelationships of benefit programs serving the elderly.

A summary of the recommendations of the Council is provided in the transmittal message.

OMB, Max Friedersdorf, Counsel's Office (Lazarus) and I recommend approval of the message to the Congress which has been cleared by the White House Editorial Office (Smith).

RECOMMENDATION

That you sign both originals of the message at Tab A.



A



To the Congress of the United States:

I am transmitting herewith the Annual Report of the Federal Council on Aging, together with two studies undertaken by the Council as required by Sections 205(f-h) of the Older Americans Act (P.L. 93-29).

Last year I indicated that I was looking forward to receiving then two studies from the Federal Council on Aging. The Council recognized its responsibilities and undertook the task in a forthright ^{manner, &} fashion. I very much appreciate the fine work that the Council has done, ^{particularly with the same} especially within the time constraints imposed ^{upon} it.

The Council's report and studies provide documentation, from the viewpoint of our elderly citizens, which support the need for legislation along the lines of my proposed Financial Assistance for Health Care Act and the Income Assistance Simplification Act which I will be proposing shortly. My proposals would permit both Federal and State programs to be simplified and integrated into a coordinated system that ^{would} best meet the needs of our citizens.

Council Recommendations

With respect to the Supplemental Security Income (SSI) program, the Council has recommended in its program report that legislation be passed that mandates continuance of a specific State supplementation for certain recipients. The Federal Government took over this program from the States on January 1, 1974, and provided a basic payment level to recipients. For

those individuals who received benefits under the State programs in December 1973 that were larger than the basic Federal payment level, and who continue to be eligible for SSI, States are required to supplement the basic Federal payment up to the level of the December 1973 payment to such recipients. The requirement does not apply to new recipients who became eligible after December 1973. The Council's legislative proposal would require that the size of the State supplementation to recipients carried over from the State programs on January 1, 1974, could not be reduced. Thus, whenever the basic Federal payment level is increased, this proposal would allow States to continue to maintain a disparity in the benefits for the carried-over recipients versus those recipients who came on the rolls after December 1973 -- a disparity equal to the amount of the original State supplementation.

Adoption of this recommendation would have two ^{affects} defects. Z
First, it would dictate to the States how they should spend the taxes they assess on their residents. Such action would distort the original concept of the program of separate but complementary roles of the States and the Federal Government.
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The Council also recommends that the Veterans' Administration (VA) be directed to study the problem of benefit reduction rates caused by simultaneous receipt of benefits from pensions for veterans with nonservice-connected disabilities and other Federal programs. We share the concern of the Council. This problem is being studied ~~in some detail~~ by the Veterans' Administration within the context of total reform of the veterans' pension program. The Agency has discussed pension reform with both the House and Senate Veterans' Affairs Committees, and is committed to continuing these discussions with Congress this year. The relationship of veterans' pensions to other Federal benefits can best be addressed in the course of these discussions.

To assess the tax burden on the elderly, the Older Americans Act also required the Council to undertake a study of the combined impact of all taxes on the elderly. Since many of the tax recommendations of the Council are directed towards State and local government, consistent with the enabling authority^x I am also transmitting this study to the Governors and legislatures of the States for their consideration.

In recognition of the Bicentennial and the many contributions made by older Americans to the welfare of the nation, the Council's annual report requests the promulgation of a Bicentennial Charter for Older Americans. I have asked Secretary Mathews

of the Department of Health, Education, and Welfare, in consultation with the Administration on Aging, to promote discussion of these vital matters at forums of older persons organized by Advisory Committees to the Area Agencies on Aging.

The Federal Council on Aging Annual Report and attendant studies reflect an earnest effort to ^{deal} grapple with the lack of equity and efficiency in the present patchwork of income security programs. ^{This unfortunate} ~~The~~ situation, which has developed over the years, presents problems not only to the elderly and other population groups, but to the taxpayer who must pay the added costs resulting from such inefficiency. My legislative proposals reflect careful consideration of how best to resolve these issues, and I urge prompt action on them by the Congress.

^{Additional mention should be made of}
~~I greatly appreciate the substantial contribution made by~~
of the two studies undertaken by the Federal Council on Aging ~~and made~~
~~Their efforts, and the efforts of those that participated in~~
- ~~the studies will contribute materially to our effort to~~
~~their efforts, will be a valuable asset to us in providing~~
^{provide} ~~provide~~ necessary income and services to our less fortunate elderly citizens in an efficient manner.

^{sent for review and analysis}
These reports will be ~~disseminated~~ to those Federal agencies serving older persons, ~~for their review and analysis.~~
After this review, decisions on the recommendations contained in the Council's report will be reflected in future legislative proposals and administrative actions of this Administration.

To the Congress of the United States:

I am transmitting herewith the Annual Report of the Federal Council on Aging, together with two studies undertaken by the Council as required by Sections 205(f-h) of the Older Americans Act (P.L. 93-29).

insert #
The Council's report and studies provide documentation, from the viewpoint of our elderly citizens, which support the need for legislation along the lines of my proposed [Income Assistance Simplification Act and] Financial Assistance for Health Care Act, *and the IASA which I will be proposing shortly* My proposals would permit both Federal and State programs to be simplified and integrated into a coordinated system that best meets the needs of our citizens.

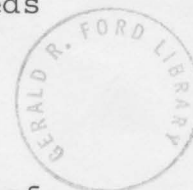
Council Recommendations

Supplemental
With respect to the Social Security Income (SSI) program, the Council has recommended in its program report that legislation be passed that mandates continuance of a specific State supplementation for certain recipients. The Federal Government took over this program from the States on January 1, 1974, and provided a basic payment level to recipients. For those individuals who received benefits under the State programs in December 1973 that were larger than the basic Federal payment level, and who continue to be eligible for SSI, States are required to supplement

(level of of the
the basic Federal payment up to the December 1973 payment to such recipients. This requirement does not apply to new recipients who became eligible after December 1973. The Council's legislative proposal would require that the size of the State supplementation to recipients carried over from the State programs on January 1, 1974, could not be reduced. Thus, whenever the basic Federal payment level is increased, this proposal would allow States to continue to maintain a disparity in the benefits for the carried-over recipients versus those recipients who came on the rolls after December 1973--a disparity equal to the amount of the original State supplementation.

Adoption of This recommendation ~~has~~ *would have* two ~~effects~~ *would*. First, it dictates to the States how they should spend the taxes they assess on their residents. Such action would distort the original concept of the program of separate but complementary roles of the States and the Federal Government. Second, it would require the States to maintain payments to people based on the date they started receiving assistance, even though other residents of the States may have equivalent needs and incomes.

The Council also recommends that the Veterans' Administration (VA) be directed to study the problem of benefit reduction rates caused by simultaneous receipt of benefits from pensions for veterans with nonservice-connected disabilities and other Federal programs. *We share the concern of the Council.* This *is being* problem has been studied in some detail by the Veterans'



Administration within the context of total reform of the veterans' pension program. The Agency has discussed pension reform with both the House and Senate Veterans' Affairs Committees, and is committed to continuing these ^{discussions} dialogues with Congress this year. The relationship of veterans' pensions to other Federal benefits can best be addressed in the course of these discussions.

To ~~better~~ assess the tax burden on the elderly, the Older Americans Act also required the Council to undertake a study of the combined impact of all taxes on the elderly. Since many of the tax recommendations of the Council are directed towards State and local government, consistent with the enabling authority, I am also transmitting this study to the Governors and legislatures of the States for their consideration.

In recognition of the Bicentennial and the many contributions made by Older Americans to the welfare of the nation, the Council's annual report requests the promulgation of a Bicentennial Charter for ⁱⁿolder Americans. I have asked Secretary Mathews of the Department of Health, Education, and Welfare, in consultation with the Administration on Aging, to evaluate and refine this charter, and to promote discussion of these vital matters at forums of older persons organized by Advisory Committees to the Area Agencies on Aging.

The Federal Council on Aging Annual Report and attendant studies reflect an earnest effort to grapple with the lack of equity and efficiency in the present patchwork of income security programs. The situation, which has developed over the years, presents problems to not only^{JP} the elderly and other population groups, but to the taxpayer who must pay the added costs resulting from such inefficiency. My legislative proposals reflect careful consideration of how best to resolve these issues and I urge prompt action on them by the Congress.

I greatly appreciate the substantial contribution made by the two studies undertaken by the Federal Council on Aging. Their efforts, and the efforts of those that participated in their efforts, will be a valuable asset to us in providing necessary income and services to our less fortunate elderly citizens in an efficient manner.

These reports will be disseminated to those Federal agencies serving older persons for their review and analysis. After this review, decisions on the recommendations contained in the Council's report will be reflected in future legislative proposals and administrative actions of this Administration.

Last year I indicated that I was looking forward to receiving ^{such} ~~the~~ studies from the Federal Council on Aging. ^{The Council} ~~They~~ recognized their responsibilities and undertook the task in a forthright fashion. I very much appreciate the ^{fine} work that the Council has done, especially within the time constraints imposed on ~~them~~ it.





FEDERAL COUNCIL ON THE AGING
WASHINGTON, D.C. 20201

file

July 28, 1976

TO : FCA Executive Mailing List

FROM: Cleonice Tavani
Executive Director

INFORMATION MEMORANDUM

To keep you posted on activities of the Federal Council on the Aging, we recently sent you copies of monthly summaries for May and June. Enclosed are minutes of the May quarterly meeting of the Council. We have also sent you a copy of the Bicentennial Charter in its 11 x 14 inch red, white and blue format (suitable for framing). If you would like more copies, either folder or not folded, please contact the FCA Secretariat.

The next quarterly meeting of the Council will be held on Monday, September 13 and Tuesday, September 14. Major agenda items will be critiquing of 1971 White House Conference on Aging recommendations, proposed study of assets and asset testing for income conditioned benefit programs and recommendations for services to the frail elderly.

The FCA Secretariat is expected to move with AoA in the next month or so to the HEW North Building. We hope to have the same telephone number, namely, 245-0441. There will be no change in our mailing address: Federal Council on the Aging; Washington, D.C. 20201.

Hope you are enjoying the bicentennial summer.

Cleonice Tavani



Enclosure

Minutes of May 27-28, 1976



FEDERAL COUNCIL ON THE AGING
WASHINGTON, D.C. 20201

SUMMARY MINUTES

Meeting

May 27, 1976	9:30 a.m. - 5:00 p.m.	Donohoe Bldg., Rm. 3563
May 28, 1976	9:00 a.m. - 3:00 p.m.	400 Sixth Street, S.W.
		Washington, D.C. 20201

Chairman Bertha S. Adkins presided at a regular meeting of the Federal Council on the Aging. Executive Director Cleonice Tavani served as the recorder.

The meeting was open to public observation and notice was published in the Federal Register.

Attendance

Members

Bertha S. Adkins	Frank B. Henderson
Nelson H. Cruikshank	Hobart C. Jackson
Dorothy L. Devereux	John B. Martin
Charles J. Fahey	Garson Meyer
Selden G. Hill	Bernard E. Nash
Lennie-Marie P. Tolliver	

Ex Officio Members

Arthur S. Flemming (5/27)

FCA Staff

Cleonice Tavani	Robert M. Foster
Alice B. Freer	F. Richard Williams
Leonard D. Cain (Consultant)	

Agency

George E. Murphy	- SRS/HEW	Muriel Shurr	- AoA/HEW
Phyllis Jones	- OCA/HEW	Phyllis Rosenberg	- NIH/HEW
Juanita Yates	- OCA/HEW	Mercia Decker	- AoA/HEW
Roberta Brown	- AoA/HEW	Sherry Hiemstra	- AoA/HEW
Eleanor O'Mara	- AoA/HEW	Yvonne Willis	- AoA/HEW
Marvin Taves	- AoA/HEW		

Guest Speaker

Dr. Robert N. Butler - Director
National Institute on Aging

Public

FCA Minutes - May 27-28, 19761. Approval of Minutes of Meeting, March 16-17, 1976

The minutes of the meeting of March 16-17, 1976, previously mailed to members, were approved.

2. Progress Report from Task Force on the Frail Elderly

As chairman of the Task Force on the Frail Elderly, Msgr. Fahey described the work involved with producing the draft report entitled "A Conceptual Base for a National Policy and Program for Services for the Frail Elderly" which had been sent to members before the meeting. He said that this working document attempts to identify and clarify some of the basic concepts involved with the "frail elderly project" as a prelude to a "program paper" which will contain the nuts and bolts of policy and program to be forwarded as part of the FCA annual report to the President for implementation. The major concepts in the paper developed by consultant Leonard Cain under the direction of the Task Force and Executive Director Cleonice Tavani are that of the notion of "entitlement" and of an identifiable group, namely the "frail elderly". The concept of a "floor" of services must be further developed by the Council.

Ms. Tavani used a chart to describe the total national policy framework within which the Council formulation for the frail elderly is being developed beginning with the "floor" of income which is now provided through Social Security and the Supplemental Security Income programs and the provisions for catastrophic medical care by means of Medicare and Medicaid. An incremental approach to the development of floor of services is the essence of the frail elderly concept. It begins with those aspects which will enhance the functioning of the natural support systems - starting with the family. When this level is not able to function, there should be the triggering of the formal set of services which the Council is postulating for the frail elderly.

Dr. Cain reviewed the variety of existing Federal programs which use a certain age as a "trigger" for eligibility. He said that as far as is known, there is no trigger eligibility on the basis of change in social circumstances such as death of a care-giving spouse which is often an immediate cause of "frailty". It was agreed that chronological age be it 75 or any other age is not of itself a positive indication of frailty but the data would suggest that some age, set at 75 or nearby, is a fairly accurate indicator of a substantial number of persons having one or several chronically debilitating conditions. Msgr. Fahey summarized that the use of a particular age is really to establish a point at which "presumptive" eligibility is said to take place based on certain indicators with the goal of effecting administrative ease and economies in administering a benefit. It was agreed that it will be the work of the Committee on Research and Manpower to collect additional demographic data before the Council adopts a stand on a certain age. Particular attention will be given to collecting all available statistics regarding any ethnic differences.



FCA Minutes - May 27-28, 1976

At the same time, there was general agreement that, if feasible, the FCA position would include a recommendation for permitting access to the same floor of services for those under this certain age if they meet certain specific eligibility criteria.

The specific set of services which is being forwarded by the Council is being characterized by the Task Force as an attempt to enhance or assist any available family resources or to replace when necessary but in a "familial fashion". Considerable debate ensued about the changing role of the family today and just how much family, friends, neighborhood and church - society's traditional institutions - can be looked to either for assistance or as a model for helping the frail elderly. This is to be an area for further exploration by the Senior Services committee.

Msgr. Fahey said that Dr. Cain would proceed to revise his paper and complete the sections that had been previously outlined. This second draft will be utilized by each of the Council standing committees at their scheduled meetings this summer to complete the aspects of the overall project which come under their scope of interest. Msgr. Fahey will work out the specifics with staff including recommendations for use of consultants by each committee to assist with their specific assignments. Dr. Cain will then be available to integrate and edit the work of each of the sub-units into a third draft to be reviewed by the Council at its September meeting, further revised by the Task Force with the possible assistance of an invitational seminar and a session at the Gerontological Society in October, then given final approval by the Council at its December meeting. The session at the Gerontological Society annual meeting in New York would be a presentation by certain members of the Council - not an official Council function.

3. Status of FCA Aging Manpower Projects

Council member Bernard Nash and FCA staff Robert Foster reported for the Research and Manpower Committee, first on the postponement of the hearing on health manpower needs, in favor of a gathering of data. Letters were sent to the Secretary of HEW, the Secretary of Labor, other Federal agencies and national organizations asking for their assistance. They were asked for data on health manpower training programs, short and long-range planning to meet projected manpower requirements and asked to designate a contact person for any needed follow-up. After the material is all collected and given general analysis by staff, the committee will meet to determine further action. Mr. Nash is to testify at the Administration on Aging hearing on social services manpower needs on May 28, in behalf of the Council.

4. Status of Assets Project

Nelson Cruikshank, Chairman of the Economics on Aging Committee reported that FCA staff had set up a meeting on June 14 for him to meet with Dr. Robert Lampman, Professor of Economics, University of Wisconsin to obtain his views on FCA plans for the asset study. It is hoped that Dr. Lampman

FCA Minutes - May 27-28, 1976

will have time available during the summer to develop a study plan for the project. Several other economists and experts, primarily from within HEW have also been invited to obtain their views on procedures for implementing the recommendation contained in the FCA Benefits study regarding the way in which assets and asset income should be considered in determining eligibility for benefits.

5. Presidential Proclamation - Older Americans Month - FCA Bicentennial Charter

Mrs. Alice Freer, Assistant to the Executive Director, reported that the President proclaimed May Older Americans Month in a White House Ceremony on April 5, 1976. He urged the marking of the month by arranging public forums on the Bicentennial Charter for Older Americans which was developed by the Federal Council. Mr. Martin and Ms. Tavani represented the Council at the ceremony. Announcement of the Charter and the Charter itself were published in May - June 1976 Aging magazine. The Administration on Aging has established procedures for distribution of the Charter, guidance on the holding of forums and means whereby any resultant recommendations will ultimately reach the Council for action.

The Charter will be used by the National Commission on the Observance of International Women's Year, as discussion material in 50 State conferences. The FCA Secretariat will distribute the Charter to major national organizations while the National Clearinghouse on Aging handles all other distribution.

6. President's Response to Annual Report and Council Studies

No response has been received from the White House to the Annual Report and/or the two Council studies - The Interrelationships of Benefit Programs for the Elderly and The Impact of the Tax Structure on the Elderly.

7. FCA Participation in FTC Hearing

Miss Adkins reported that she had accepted a request to represent the Council at hearings to be held by the Federal Trade Commission on proposed regulations for the hearing aid industry. Miss Adkins would testify on June 9 in Chicago.

The proposed rule allows cancellation of a purchase of a hearing aid within 30 days, with most of the purchase price refunded. The rule also requires written consent obtained prior to any sales visit to the home or place of business of the prospective customer, and provisions are designed to ensure that consumers have accurate and adequate information on the hearing aid.

The Council authorized Miss Adkins' appearance and testimony in favor of the proposed regulations. Miss Adkins read to the Council the advance statement which she had submitted to the FTC. The Council generally

FCA Minutes - May 27-28, 1976

agreed that insofar as possible during any colloquy following her formal presentation, Miss Adkins should reflect the Council's concern for professional technical consultation being available to the older person in making a decision to obtain a hearing aid.

Mrs. Muriel Shurr, Program Analyst, Office of Planning and Evaluation, Administration on Aging brought to the attention of the Council information about rules being proposed by the Food and Drug Administration, for "Professional and Patient Labeling and Conditions for Sale for Hearing Aid Devices". The rules have two parts with the major one being a requirement of a medical examination. This requirement can be waived by anyone over 18; those under 18 must have a medical examination prior to purchase of a hearing aid. If a hearing aid dealer talks to a prospective user and finds any one of seven medical conditions, the person must be referred to an ear specialist or to a physician. The second part of the proposed regulation is more technical involving labeling and communication between the hearing aid dealer and the prospective buyer.

The Council voted to comment on the Food and Drug Administration Rules, recommending that a medical evaluation be required of a prospective purchaser of a hearing aid in all cases except when religious beliefs preclude medical assistance from a physician.

Recess for Demonstration, President's Council on Physical Fitness

Dr. Richard O. Keelor, Director of Program Development, President's Council on Physical Fitness and Sports gave a status report on a demonstration program on physical fitness for older Americans which is being funded by AoA. He led Council members through some of the exercises being used in the project and distributed training kits which have been developed.

8. Status of AoA Activities regarding the Frail Elderly

Dr. Arthur Flemming, Commissioner on Aging had been asked to comment on the basic concepts of the frail elderly project of the Council as contained in the FCA annual report and Dr. Cain's paper and how AoAs current and future efforts related to the FCA activity. Dr. Flemming said he had trouble with the term "frail elderly" because it contributes to stereotypes about older persons. He also expressed concern about using an age cutoff. He found the concept of "a floor of services" as a challenging one. These are questions which Dr. Flemming wants to be considered, through his executive staff in connection with the whole forward planning process of AoA.

Commissioner Flemming said that it is entirely possible that out of AoA exploration of the frail elderly concept there may emerge some very specific ideas for research proposals, and out of Council dialogue with Dr. Butler, (Director of National Institute on Aging), as well as the people at NIMH and their associates other ideas may emerge.

FCA Minutes - May 27-28, 1976

Dr. Flemming then provided for Council members an overview of the second supplemental appropriations bill, which contains money not for just fiscal 1976, but also the transition quarter to October 1976. By the end of the transition quarter, AoA will be allocating around \$300 million to States.

9. Monitoring of Continuing Policy Issues

a. Funding of Section 202 Housing

Mr. Martin, Mr. Cruikshank, Msgr. Fahey and Mr. Jackson provided a general status report of the funding of housing under Section 202 of the Housing and Community Development Act. An authorization of \$750 million for FY 1977 has been proposed by the House Appropriation Committee. There was agreement that Secretary Carla Hills has evidently become a champion of 202 and such other aids for housing for the elderly once she learned about its good track record and its real need.

A continuing problem is providing much needed "soft" social services along with a physical home. There are certain provisions for allowing construction costs to include, for instance, space for health care in congregate senior housing. The problem is in paying for staff to conduct even a modest health screening program. There is an AoA - HUD staff committee and working agreement in this area which Council members agreed should be monitored for appropriate FCA follow-through on this issue of the relationships of social services to subsidized congregate housing.

Hobart Jackson discussed his continuing concern that the 202 housing program does not provide for any special access to reduce the inequities that currently exist in the program with reference to its services to minorities. Only 3 percent of the tenants of these 202 housing developments are black despite the fact that the black elderly represent 8 percent of the elderly population. He believes there should be special efforts to develop minority sponsors in minority communities. It was agreed that working through the Economics Committee, Mr. Jackson would prepare a position for Council approval to be conveyed to the Secretary of HUD containing specific action steps for improving minority access to HUD - assisted housing for the elderly.

9b. HUD Proposed Rules on Low-Income Public Housing Income Limits

The Council approved a draft letter prepared by staff and distributed at the meeting supporting proposed rules by the Department of Housing and Urban Development regarding income limits for residents of low-income public housing. The Council expressed its particular support for a provision restricting eviction of families based on income because of its particular importance to low-income elderly whose limited assets might increase in value based solely on inflation with no increase in "real" income.

FCA Minutes - May 27-28, 19769c. Follow-up to National Policy Concerns for Older Women

The Chairman had asked Mrs. Tolliver to serve as coordinator for follow-up to Council activities during 1975 marking International Women's Year. Mrs. Tolliver distributed a memo reporting that she had reviewed the publication "Commitment To A Better Life" which had resulted from the Council hearing in September 1975. The Council approved Mrs. Tolliver's recommendation to ask the Administration on Aging, the National Institute on Aging, and the Social Security Administration to review the report and the recommendations contained therein to determine what areas they would be able to follow up, and also to seek for their inclusion certain recommendations in their program and research plans in the future.

The Council also agreed to Mrs. Tolliver's proposal to cooperate with the National Commission on the Observance of International Women's Year on their planned series of state conferences. This continuing IWY activities have been funded by Congress for \$5 million. The FCA would ask that the Commission consider that the "Commitment To A Better Life" become a part of their deliberations and also that older women be included in both planning and implementation.

9d. Follow-up to WHCOA recommendations

Cleonice Tavani, Executive Director, FCA, reported that the Administration on Aging is still working on preparing a report for Congressman Randall on the responses to the recommendations made by the White House Conference on the Aging. It is hoped that this material will be available as a resource to the Council project of analyzing and critiquing the implementation. At the staff level, the recommendations will be divided into appropriate sections for review by each of the Council committees.

Concern was expressed with the feasibility of this project because of the great number of recommendations. It will be up to the Committees working with staff during the summer to determine which recommendations should be stressed as a base for still needed priority actions. It will also be necessary to further develop the overall format and scope of the project.

9e. Social Security - Decoupling and Long Term Financing

Nelson Cruikshank reporting on the Social Security Trustees report, said that the Council could claim some modest success with respect to this report. (SSA staff briefing notes which had been prepared for Mr. Cardwell were distributed at the meeting. The Trustees reports were available as desired by members.)

The FCA had asked that the Administration proceed with decoupling legislation. The White House has yet to act but Senator Bentsen has introduced a bill which would carry out essentially what the FCA supports. There is considerable difference of opinion within the Administration.

FCA Minutes - May 27-28, 1976

Social Security wants to decouple, maintaining the replacement ratio in benefits. There are pressures, largely from Treasury, to cut down the replacement ratio and make it a part of the decoupling. There is also an issue as to whether the ratio of increases should be tied just to wages, which is what most people want who want to preserve the system, or tied to the price index. If benefits are related to past wages one more nearly assures that the standard of living on the part of the retiree is maintained, rather than if it coupled to the price index. The FCA Committee on the Economics of Aging will continue monitoring Social Security including studying the implications of a seeming increase in withdrawals and intent to withdraw from the Social Security system by local government employee units.

9f. Medicaid Cost Reimbursement Regulations

FCA staff in conjunction with several members had prepared a draft commentary for the Council on proposed HEW rules to amend regulations to the Medicaid programs regarding reimbursement for long-term care. This draft proposal was a point-by-point response and upon further consideration, the Council decided that it would be more effective to phrase an FCA position in general terms urging that the final regulations embody the following principles:

1. Modest cost associated with the social and human support of the long-term care patient should be construed as reasonable and be reimbursed.
2. No State should be allowed to develop reimbursement techniques which result in payment less than that which is reasonably incurred. Federal and State codes should be the minimum basis of such reasonableness.

The letter to the Secretary of HEW will conclude with an affirmation that this policy should be the basis for equal access to quality care for all persons and that the special problems associated with long-term care of minority groups deserve special consideration and initiatives.

9g. Proposed Regulation on Proprietary Home Health Care Agencies

At the last Council meeting, a letter was authorized to the Secretary of HEW supporting the position of the Commissioner on Aging on proposed HEW regulations regarding the use of proprietary home health services. The matter is still pending and there is a possibility public hearings will be held before the Secretary makes a final decision.

The Council agreed to delegate to the Senior Services Committee responsibility to testify at any possible hearings before the next Council meeting if the Committee comes up with a position.

FCA Minutes - May 27-28, 19769h. Incorporating Elderly Concerns in New Health System Network

Father Fahey said that the health systems agencies are now coming into being at the local level under the National Health Planning and Resources Act of 1974. These will have major impact on older people who consume so much of health care. It was agreed that a letter should be sent to the Secretary of HEW to urge that when HSA funding requests are reviewed by the Department, that particular attention should be given to their responsiveness to the health needs of their older citizens. Also that the technical assistance programs for HSAs contain a component on the health needs of the elderly.

10. Director of NIA as FCA Ex Officio Member

Upon Miss Adkins recommendation, the Council agreed to recommend that the Director of the National Institute on the Aging should be an ex officio member of the FCA. An amendment to the Older Americans Act is required to fulfill this action. The NIA Director would have the same status as the Commissioner on Aging and the Secretary of HEW.

11. Report on National Institute on Aging

Miss Adkins introduced Dr. Robert N. Butler, newly appointed Director of the National Institute on Aging, recently awarded a Pulitzer prize for his book "Why Survive: Being Old in America".

The mission of the Institute, said Dr. Butler, is a broad-based one for bio-medical, behavioral, and social research and also to be available to examine in a precise, reproducible way studies that are related to health delivery and social care delivery. The Institute on Aging is very much like the traditional institutes at NIH like Cancer and Heart. NIA is the smallest institute. The Gerontology Research Center begun by Dr. Nathan Shock at Baltimore City Hospital in 1941 is now part of NIA as the major component of its intramural program. Dr. Butler invited the Council to visit the Baltimore facility.

Addressing the particular concerns of the FCA regarding the frail elderly, Dr. Butler said Dr. Cain's work on the two-tier system is very useful. Dr. Butler is attuned to the functional definition of frailty rather than one that is chronologically age bound. He believes functional impairments or frailty go on through the course of life. He supports more effective care systems but at the same time he urged the Council to be concerned about the basic civil rights of the frail, preserving for them the opportunity of choice.

Dr. Butler commented on senile dementia as one of the most common causes of frailty in the later years. He said there is some promising evidence that it may be related to auto-immune phenomena and any program on the frail elderly has to involve effective research in this area.

FCA Minutes - May 27-28, 1976

With respect to the health manpower project of the Council, NIA is interested in cooperating but with its limited staff is concentrating on trying to understand aging research manpower need. Dr. Butler believes there should be a speciality of geriatric medicine. He suggested the Council support clinical gerontology in general including not only geriatric medicine but geriatric nursing, geriatric social work and other such specialties.

Father Fahey described areas of study related to the frail elderly which he thought might impinge upon the work of NIA. There is the question of identifying frailty. Another is the criteria that would trigger some battery of fundamental services being available. He described the particular services which the Council is proposing as this floor of services.

Dr. Butler thought studies of family lifestyles should be undertaken through NIA to determine, for instance, how different ethnic groups care for their elderly. On the threshold question, Dr. Butler expressed his concern with global definitions such as "frailty". He believes in a multi-causal threshold theory.

Speaking of the HEW Research Plan in Aging, Dr. Butler said it contained a list of long-term needs in four major categories: social and psychological sciences, biology of aging, investigative medicine and training. The report is titled "Our Future Selves" and will be available to the Council as soon as it goes from the HEW Secretary to Congress. Three appendix volumes will accompany the basic summary document.

12. Review of FCA Committee Plans for 1976

Miss Adkins listed the assignments given to each standing committee from the frail elderly project and the review of the implementation of the 1971 WHCOA recommendations. Garson Meyer said he was troubled that the Council might be sidetracking all of the other subjects by reason of the frail elderly project. He wondered if the Council should not be taking a little more positive action on other matters that had been brought up during the meeting. Miss Adkins replied that there was a need for additional staff which was being pursued so that other priorities could be more fully addressed by the Council.

Dorothy Devereux, reporting for the Research and Manpower Committee, said that a meeting was tentatively planned for July on the West Coast to review the progress on and further planning for the health manpower project. The committee will also review the research plan on aging being prepared by the National Institute on Aging.

John Martin, chairman of the Senior Services Committee, described the continuing work of his committee in implementing the FCA "action" step which was contained in the Benefits study for "a minimum and internally consistent set of income-conditioned benefits and services for the elderly". In this connection, they will begin by examining existing service programs

FCA Minutes - May 27-28, 1976

such as are provided by Titles III and VII of the Older Americans Act, the means test and Title XX and the relationship of services to subsidized housing.

The Committee on the Economics of Aging, under the chairmanship of Nelson Cruikshank, is meeting on June 14 with economist Robert Lampman of the University of Wisconsin and with several economists in HEW to further develop a work strategy on the assets project. This activity, for implementing the action step contained in the Benefits study for a study of the way in which assets and asset income are considered in determining eligibility for benefit programs, was assigned to the Economics Committee for monitoring. Dr. Lampman's report will then be considered at the meeting of the Economics Committee on August 5-6. The committee will also continue their observations on the settlement of the "decoupling" issue in Social Security as well as its long-range financing aspects. Their overall agenda includes: the impact of employment retirement income as a result of the enactment of ERISA (Employment Retirement Security Act) and on the continuing need for subsidized housing for the elderly with particular concern for the low-income minority elderly.

Mr. Jackson and Mrs. Tolliver expressed their concern that with the full agendas of the committees and the very way in which they were structured around general issues such as health or housing often precluded an emphasis on special concerns and special groups of the elderly such as minorities. Miss Adkins urged each committee to consider the concerns for the problems of minorities which have been expressed from time to time and to bring their recommendations for further appropriate Council action to the September meeting.

Recorder:

Cleonece Tavani

Cleonece Tavani
Executive Director
Federal Council on the Aging

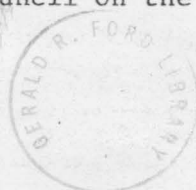
Certified:

Bertha S. Adkins

Bertha S. Adkins
Chairman
Federal Council on the Aging

Materials distributed at Meeting

Letter to Dr. Robert Lampman on assets project, 5-11-76
Memo from FCA Chairman to members on FTC hearing
Letter to Secretary Hills on proposed rules on public housing
Memo from Mrs. Tolliver to members on follow-up to IWY
Letters to AoA, NIA, SSA requesting comments on FCA report on Older Women
SSA briefing notes on Trustees Report, 5-24-76



Linda Folks
2941

R Bertha Adkins

R Dorothy Devereux

R* Carl Eisdorfer

← nursing home rep

R* Mrs. Chas. Fahey

← local church

R John Martin

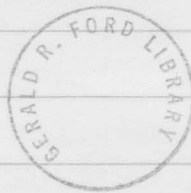
altern Winston (Brook)

Holland (Rhodes)

is on Hill for clearance

Javits is upset about Fahey

have not been announced or sent to Hill
for confirmation



Linda
Folk

appointments to Fed'l Council on Aging
names have to be approved by Senate

act until are replaced by confirmed replacement

are dropping 2 prestigious people

5 vacancies coming up in June -
could be others on them

Chas Carizi Va political, lay people
(Fed'l employees)

Fuel Al NC
(nuclear)

Frank Henderson Penn (Smith/Scott)

Lenny Tolliver (black)

Hill Pa (Gurney in promotion)

Cleo Tavano

11/14

Fedl Council on Aging

Annual report due

deliver to WH 1/1/76

will be 2 studies & other

mtg: Dec. 3, 4, 5 to review report

met w/ Klenberg, Fairley

income maintenance coordination

SSI food stamps medicaid

how maintain equity

tax study - re property tax

not in favor of Fedl Assistance to states
to help w/ property tax relief program
(as ~~the~~^{long} proposed)

do favor subsidized housing

elderly don't do badly re tax system

low income cd do better

elderly as group are ok

NOTE.—DO NOT USE THIS ROUTE SLIP TO
SHOW FORMAL CLEARANCES OR APPROVALS

DATE

7/19/76

TO:

AGENCY BLDG. ROOM

Sarah Massengale

- | | | |
|---|--|---|
| <input type="checkbox"/> APPROVAL | <input type="checkbox"/> REVIEW | <input type="checkbox"/> PER CONVERSATION |
| <input type="checkbox"/> SIGNATURE | <input type="checkbox"/> NOTE AND SEE ME | <input type="checkbox"/> AS REQUESTED |
| <input type="checkbox"/> COMMENT | <input type="checkbox"/> NOTE AND RETURN | <input type="checkbox"/> NECESSARY ACTION |
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| <input type="checkbox"/> PREPARE REPLY FOR SIGNATURE OF _____ | | |

REMARKS:



(Fold here for return)

To

From

Cleotavani

PHONE

245-0441

BUILDING

Donohoe

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4022



FEDERAL COUNCIL ON THE AGING
WASHINGTON, D.C. 20201

AGENDA

SENIOR SERVICES COMMITTEE

Presiding: John B. Martin, Chairman

Members: Charles J. Fahey
Frank B. Henderson

Lennie-Marie P. Tolliver
Frell M. Owl (not attending)

Chairman, FCA Bertha S. Adkins

Consultant: Leonard D Cain

Staff: Cleonice Tavani, Executive Director



MEETING

Room 4559

Donohoe Building

Washington, D. C.

Thursday, July 22

9:30 a.m. - 4:00 p.m.

1. Approval of Minutes of November 6,7, 1975
2. Development of Recommendations for a Senior Services System
3. Critique of 1971 White House Conference on Aging Recommendations

Friday, July 23

9:30 a.m. - 4:00 p.m.

1. Review of Recommendations for Services to the Frail Elderly

R
send allen

a copy of
Adkins ~~letter~~
letter -

then file all
in "Fell Council
on Aging"



FEDERAL COUNCIL ON THE AGING
WASHINGTON, D.C. 20201

March 23, 1976

The Honorable William E. Simon
Secretary of the Treasury
U.S. Department of the Treasury
Washington, D.C. 20220



Dear Mr. Secretary:

At the recent meeting of the Federal Council on the Aging on March 16-17, the members discussed your response of the 16th of February to our concerns about the Social Security program. We sincerely appreciate your interest in our views regarding the future of the system.

As you know, the well-being of senior citizens of this country is heavily dependent upon benefits received from the Social Security program. Recent attacks on the soundness of financing arrangements, both in the short run and in the long run, have aroused deep apprehensions which we believe are not only detrimental to an individual's sense of security, but also to his confidence in his government. It is, therefore, of crucial importance to both current retirees and workers and to future generations that the ill-founded predictions of alarmists be counteracted by carefully reasoned forecasts in the Trustees' Report and in related press releases. In particular, the press releases should indicate the assumptions used to develop the forecasts.

We understand that there are two distinct aspects to the financing difficulties. First, there is the short-run problem of benefit payouts in excess of current contributions which adversely affect the level of the trust fund. Second, there is a projected long-run difficulty attributable in part to an unintended but easily correctable error in the computation of cost-of-living increases in benefits which, under certain wage and price relationships, may over-compensate future retirees. Additionally, the projected long-run difficulty is attributable, in part, to the anticipated change in the future proportion of retirees in the population.

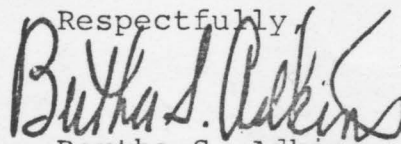
We are, of course, pleased that the President has affirmed his support in regard to "decoupling" the system. We are also delighted that both the tone of the President's response to our letter of December 23 and the language of his budget proposals in this regard indicate that he is in favor of maintaining the present relationship of benefits to earnings over time.

Your letter indicates that there is a related concern arising out of the projected change in composition of the population; that is, benefits can only keep pace with earnings in the long run if payroll tax rates are raised sharply, with the result that intergenerational equity is violated by differing rates of return. It is not clear that intergenerational equity is the most prominent issue. Although it merits consideration, any reconciliation of this issue must be consistent with the primary goal of social insurance which is to provide adequate replacement of income which is lost due to retirement, death or disability. In this regard, it appears desirable to re-examine the assumption of complete reliance on exclusively internal pay-as-you-go financing in future years.

Forecasts are only as reliable as the validity of the assumptions upon which they are based. Therefore, we believe forecasts for the Trustees' Report must represent a variety of reasonable assumptions about rates of growth in GNP, wages, prices, labor force participation rates, fertility rates, and so forth. It would appear equally desirable, given the current concerns of the American people of all ages, to include varied financing options as well.

Additionally, since the "decoupling" issue is a major part of the President's Social Security financing proposals, and since Congress will most certainly "decouple" the system in ample time to prevent super-indexing of future benefits, we would urge that the forecasts of the Trustees' Report include the assumption of a decoupled system. We understand that the President's position with respect to the decoupling issue, with which we are in accord, is to adopt the recommendations of the Advisory Council of 1975 which would preserve on into the future the present relation of benefits at the time of retirement to wages recently earned.

We hope these views will be of value and look forward to a continuing dialogue with you on the long-term financing of Social Security. We echo the sentiments of the President in emphasizing the importance of restoring public confidence in a sound social insurance program.

Respectfully,

Bertha S. Adkins
Chairman



FEDERAL COUNCIL ON THE AGING
WASHINGTON, D.C. 20201

March 18, 1976

Honorable David Mathews
Secretary
Department of Health,
Education, and Welfare
Washington, D.C. 20201

Dear Mr. Secretary:

At the March 16-17 meeting of the Federal Council on the Aging, discussion was held on the question you are facing in establishing regulations for the use of health service organizations and profit-making agencies to provide home health services.

Some of our Council members believe strongly that this is an area of service in which proprietary groups should not have a function. There are other members who sincerely believe that in our free society-if the service is of equal quality and equal cost-both proprietary and non-proprietary groups should be involved in providing home health care.

We are all agreed, however, that if satisfactory answers are found to the questions raised by the Commissioner on Aging in a previous communication to you on these regulations, then you will have criteria for a successful program which will avoid many of the problems created in the nursing home field by the enactment of Medicare and Medicaid.

Sincerely,

Bertha S. Adkins
Chairman

Opinions

President Ford recently named Dr. Nat Winston and Mr. Harry Holland to the Federal Council on the Aging, ending a long battle to determine the future balance on that critical government agency.

You and many of our best Members of the United States House of Representatives and the U.S. Senate sent strong messages of support for Dr. Winston to the President, and succeeded in winning the battle for these crucial seats on the Council.

The Alliance had fought to remove two men from the Council in this reappointment period, Monsignor Charles J. Fahey and Dr. Carl Eisdorfer, due to their liberal ideology and use of the Council to promote their views and their special interests. The President failed to reappoint either of them, and deserves our strong demonstration of appreciation in this most important matter.

This model of support for balance on the Council has turned the tide in favor of Alliance ideas, and will now truly succeed if we can continue to replace the extremists on the Council with responsible persons such as Dr. Winston.

Mr. Holland was not supported by Alliance members and their favorable Representatives, but was nominated by Congressman John J. Rhodes. Mr. Holland should, therefore, be the same calibre individual with similar views to those of Dr. Winston, and his nomination represents an additional victory for the balance team.

The nominations have been made by the President, and already the time for us to act has again arrived. Each of us must now urge Senator Thomas Eagleton (D, Missouri) to hold hearings for the confirmation of these fine gentlemen. There is a natural tendency for persons with views other than those of the liberals in control of the Congress to be held up from confirmation by the Senate, and the only way to move these hearings is by writing to Senator Eagleton, United States Senate, Washington, D.C. 20510, and to urge him to move speedily on the nominations of Dr. Winston and Mr. Holland.

We have won the first major battle of the long struggle, and must not allow the short term victory to cause us to rest. Please write today to Senator Eagleton. Congratulations to each of you for your first major national victory.

THE SENIOR INDEPENDENT

Editor: Wesley W. Lee

A bi-monthly publication of the National Alliance of Senior Citizens, Inc., 1300 35th Street, N.W., Washington, D.C. 20007. Distributed to general membership and specified groups by second and third class mail from Washington, D.C.

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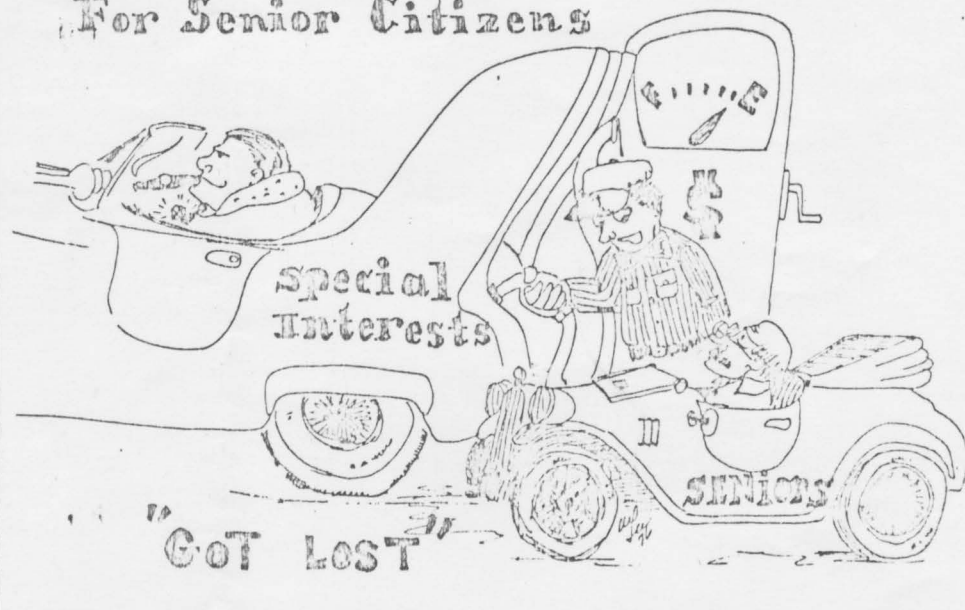
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John Flynn
Mrs. Edna Miller
Woody Lee

Government Programs For Senior Citizens



Alliance Membership Drive Nearing National Goal

The annual membership drive is nearing its goal of establishing new charter chapters in every major community in the nation, and building memberships in every area of the nation.

Since its beginning late in 1974, the Alliance has established more than 200 Charter Chapters throughout the nation, and is in the process of expanding that number even more.

Recent membership trips have taken National Director, Curt Clinkscales to Wyoming, Texas, Louisiana, Arkansas, Tennessee, Alabama, Georgia, South Carolina, North Carolina, Virginia, Maryland, New Jersey and New York.

Trips are currently being planned to Florida, Texas, Ohio, Missouri and Arizona. If you are a resident of those states and would like to welcome Mr. Clinkscales to your city to speak with your friends and to organize an Alliance Charter Chapter, please write to the Alliance to set a time for his arrival. We can and will gladly assist you in setting up the meeting, and will contact local television, radio and newspapers to inform them of his arrival so that they may assist in informing the public of a meeting.

Mr. Clinkscales regularly appears on local television programs and radio talk shows, and is interviewed by many local newspapers. In this manner he is able to assist in building strong local organizations by interesting new persons in the Alliance and the Charter Chapter.

We have not yet heard from many of you regarding the friends and relatives you have who should have joined the Alliance, or at

least should know of its work so that they may help in other ways. Please use the clipout in this paper to inform our headquarters of their names and addresses so we may send them membership information. Through your efforts to date we have brought our membership drive to its advanced stage, and with your final effort, we can certainly turn it into a complete success. Please send in those names today.

Several persons should be recognized for their outstanding work for the Alliance Charter Chapters at this time. They are Mr. Jim King of the Memphis,

Tennessee chapter, Mr. Nat Jensen of the Dallas, Texas Chapter and Mr. L.C. Keading of the Walnut Creek, California Chapter. Mr. Keading has begun the framework of this new Charter Chapter by sending us the names of the persons he would like to see join his group, and now we follow this with a letter to each of them with complete Charter Chapter information.

The assistance each of you has rendered to our work has made it far easier to achieve the great expansion of chapters we have made, and your every help is sincerely appreciated.

Noted Americans Elected to Alliance Board of Directors

(Continued from Page 1)

Committee as National Committeewoman from California, and is currently a member of the Citizens for Reagan Committee as a national co-founder. Eleanor Ring brings to the Board of Directors a deep concern for the direction and future of our nation. Her dedication to the principles of sound fiscal policy and the betterment of all the citizens of the country will enhance her tenure on the national body.

Mrs. Callaway has a long personal history in working directly with the older American in her career. She served as Field Consultant to the Governor's Committee on the Aging in Texas, and in this capacity organized R.S.V.P. chapters statewide. She was RSVP resource specialist. In this same effort, she worked directly with the extension service for the Texas A & M University to build the

RSVP network. Mrs. Callaway assisted in the establishment of the Regis Retirement Residence in Waco, Texas under the Alan McDonald Foundation, Catholic Diocese of Austin.

She has also acted as a Volunteer with the Red Cross Youth Volunteer programs for the aging.



Theda Callaway

These new Board Members possess the finest credentials for service to the National Alliance of Senior Citizens.

Washington Report on

LONG TERM CARE

A MCGRAW-HILL PUBLICATION • EDITORIAL OFFICE: NATIONAL PRESS BUILDING, WASHINGTON, D. C. 20045 • TELEPHONE (202) 347-4424

Ronald Schwartz, *Editor*
Jerome F. Brazda, *Executive Editor*
Dale R. Bauer, *Publisher*

February 11, 1976 - Vol. 5, No. 7

Senior Citizen Groups Do Not Buy President's Pitch for
Their Vote....Political Appointments Made to Federal Aging
Council....Effort Is Underway in HEW to Repeal Medicaid Cost-
Related Reimbursement!....Medicare Hearings Begin

DEAR READER



Washington Report on Long Term Care - 2

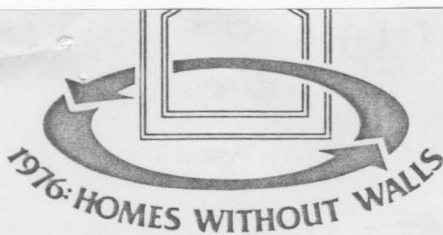
FORD SEEKS TO DEFUSE AGING COUNCIL WITH NEW APPOINTEES

President Ford has nominated two new members of the Federal Council on Aging who, when confirmed by the Senate, would replace two of the more outspoken members of the group that advises the President on matters concerning the elderly. The two new appointees are Dr. Nat T. Winston Jr., a Nashville psychiatrist and vice president of Hospital Affiliates International, a multifacility, proprietary hospital firm; and Harry Holland of Phoenix, president of the Arizona Council for Senior Citizens.

The two would replace Rev. Charles Fahey and Dr. Carl Eisdorfer, whose three-year terms on FCA will expire. However, President Ford did re-appoint Bertha Adkins, Dorothy Devereaux and John B. Martin, former Commissioner on Aging. Both Fahey and Eisdorfer were strong forces behind FCA's recommendations to President Ford opposing his cutbacks in social services and health programs (see LTC 8-1-75). The call for replacing Fahey, president of the nonprofit American Association of Homes for the Aging, was made this summer by the conservative National Alliance of Senior Citizens.

Winston's nomination was pushed by this Washington-based organization and Sen. Bill Brock (R-Tenn.), while Holland's was backed by House Minority Leader John Rhodes (R-Ariz.). Winston was formerly chairman of the Brock re-election campaign committee and ran unsuccessfully as the Republican gubernatorial candidate in 1974. He was also national chairman of the Country and Western Stars for the Re-election of President Nixon.

HEW IS DEBATING BILL TO THWART



NEWS SCENE

AMERICAN ASSOCIATION OF HOMES FOR THE AGING

VOL. II, NO. 1

NEWS FROM THE NONPROFITS

MARCH, 1976



AN INTERVIEW WITH AAHA'S NEW PRESIDENT MONSIGNOR CHARLES J. FAHEY

Monsignor Fahey took office on the first of January, 1976, as president of the American Association of Homes for the Aging (AAHA). He is also executive vice president of the Catholic Charities, Diocese of Syracuse, New York.

When did your interest begin in the field of the aging and also in work with AAHA?

Actually when I first entered social work in 1961. Monsignor Daniel Lawlor, then director of Charities in Syracuse, asked me to learn as much as I could about gerontology. This led to a field work placement with the Baltimore City Commission on the Aging and from there my professional career was fairly well determined. Certainly serving as secretary for the Commission on Aging of the National Conference of Catholic Charities introduced me to some of the best thinking on the psychosocial model of care which I have since preached consistently. I also owe much to **Ted Munns**, AAHA's fifth president, who encouraged me to become active in AAHA. Without a doubt, this decision changed my life. It opened broad national horizons. It has given me a platform from which to articulate the rich values of the religious traditions

Continued on page 2, col. 1



Administration

Sitting, left to right: Gale Adams, secretary; Kathy Wilson, administrative assistant; Nancy Fister, receptionist. Standing left to right: Zelma Simmons, secretary; David Crowley, executive vice president; Chris Nelson, conference coordinator.



Housing

Left to right: Bill Hughes, director; and Bettye Collins, secretary.



Public Policy

Left to right: Constance Beaumont, director; Lois Wasser, special assistant; Tom Gutner, legislative assistant; Margie Tivol, secretary.



Membership

Left to right: Elaine Minor, secretary; Leslie Knight, assistant; and Don Mulcahy, director.

REORGANIZATION AND EXPANSION OF AAHA STAFF

The internal functions of the national office are now guided by Kathy Wilson, the new office manager and administrative assistant to David Crowley, executive vice president. Assisting her are two new staff members, Gale Adams, secretary; and Nancy Fister, receptionist.

The office has been restructured to include a full-time conference coordinator, Chris Nelson. Moving into a new position as secretary to the conference coordinator is Zelma Simmons. Bill Hughes is now heading the newly created housing department. Assisting him as secretary is a new staff member, Bettye Collins.

Expanding departments to insure greater membership services has resulted in the addition of a new staff member, Margie Tivol, as secretary for public policy. She will be assisting public policy staff Lois Wasser, who has assumed additional responsibilities as special assistant for the department; Tom Gutner, legislative assistant; and Constance Beaumont, director.

Membership services department staffed by Don Mulcahy, director, and Elaine Minor, secretary, has increased in size with the move of Leslie Knight into the position of membership assistant.



**FROM THE DESK OF THE
EXECUTIVE VICE PRESIDENT
DAVID C. CROWLEY,
ACSW**

This issue of *NewsScene* announces a major restructuring in AAHA's staff. Involved is the formation of one new department and the strengthening of each existing department. Our intention is to create a staff sufficient in competency and number to serve the membership more adequately. We feel we shall now be in a much better position to accomplish this.

Behind our action has been the careful work of both the House of Delegates and the Executive Board in identifying AAHA's major goals for 1976. These bodies have established such priorities as an increase in membership, more intensive activity in public policy, and greater development of services to housing. Both groups are unanimous in accepting the responsibility which these decisions imply. AAHA's staff will work vigorously to implement these commitments.

**AN INTERVIEW WITH
AAHA'S NEW PRESIDENT
MONSIGNOR
CHARLES J. FAHEY**

Continued from page 1, col. 1
concerning older citizens. My membership in AAHA has brought me many friends from every area of the country. I have admired their complete commitment to the nonprofit approach.

Your predecessor, Mr. Richard A. Short of High Point, North Carolina, recently reported his very favorable impressions of the many homes and facilities in the Diocese of Syracuse. Is this a mutual admiration society?

Well, certainly I admire Dick Short and his work for AAHA and at the Presbyterian Home in High Point. The fact is my bishop in Syracuse, Bishop David F. Cunningham, has given the Syracuse Charities staff the strongest support to develop services for the aging. This together with high caliber volunteer help and the progressive staff itself has enabled our diocese to sponsor the development of over \$100 million in new construction. More important, the programs of service offered by these many organizations reflect a systemic approach to care of the aging from outreach service, social service and nutrition, to day care, to housing, to intermediate care facilities, to skilled nursing facilities. Our emphasis has been on the psychosocial-medical model. Because of this experience, the Syracuse staff has been able to offer consultative services to other communities planning new nonprofit programs for the elderly. This has been most gratifying.

You seem to follow the principle, All work and no play make Jack a dull boy, or should we say, *mens sana in corpore sano* (a sound mind in a sound body).

I have a great father (mother too) who among many things introduced me to golf. Later I took up skiing. Both demand commitment, which I also try to apply to other activities. I also read voraciously. Otherwise it would be difficult to keep up with all that is happening in this field, as well as others to which I relate. My joy, however, has been to conceptualize the thinking of many sound approaches to care as expressed by my colleagues in the nonprofit field. This was of particular help during my term on the Federal Council on Aging. The concept of the "frail elderly" will undoubtedly be incorporated into public policy.

Now that we have explored a little of Monsignor Fahey the man, what can we learn about Monsignor Fahey as president of AAHA?

Well I can tell you of my hopes during my presidency. Of greatest urgency is that we should look for closure on the debate concerning AAHA's iden-

tity. At the end of 1976 we will have a better sense of who we are.

In 1974 at San Antonio we began a process which was furthered by the House of Delegates at San Diego. After a provocative and fruitful discussion, the house instructed us to refer the matter to committee for further refinement. A committee, chaired by Reverend Jerry D. Smart of Cincinnati, will follow through on this, and we should have a report by the spring meeting of the house. During 1976, AAHA will work even more closely with the state associations. Our members need both a strong, viable AAHA as well as their own state associations. Our approaches are complementary. The very vitality of the nonprofit field depends upon strong collaboration. Both AAHA's staff and our officers will be most available to each state association. Our goal also is to promote further growth in the numbers of homes and facilities affiliating jointly with us.

Do you feel the member homes and facilities can expect more services from AAHA this year?

Definitely. AAHA's board has authorized a significant investment in additional personnel in Washington. This was done with a firm charge to move in offering more direct services to the members and with increased efforts to work for policies which so vitally affect the members.

Can you say more about these services for members?

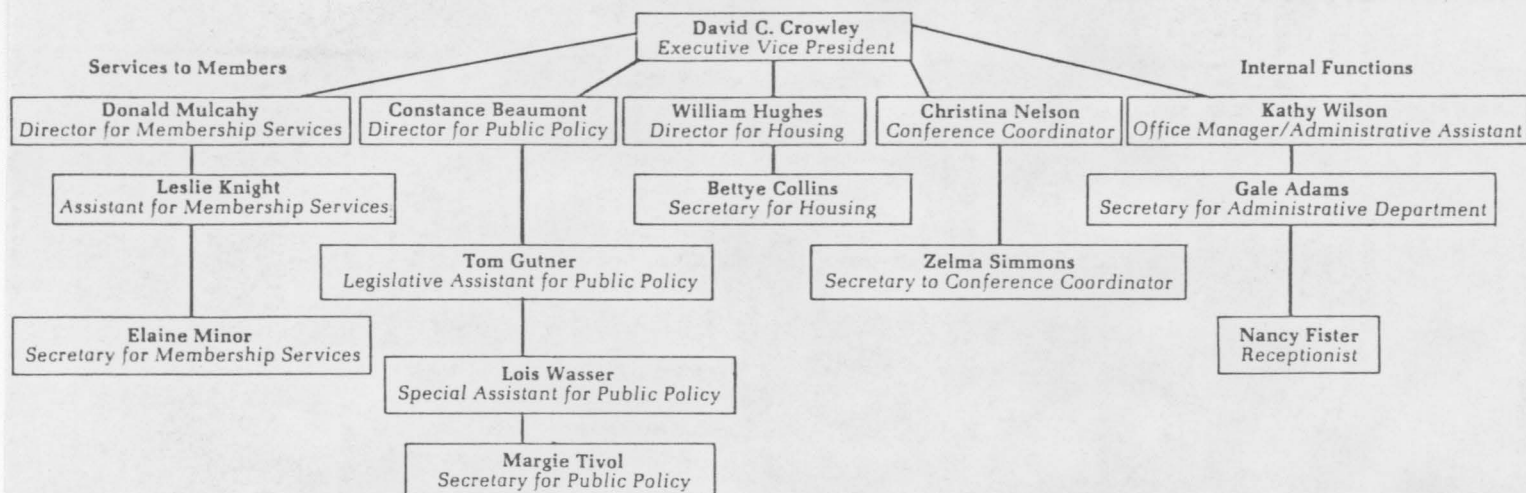
Yes, in addition to regular services, we are exploring the feasibility of a variety of insurance packages for the members; obtaining a grant to publish a manual on funding mechanisms; updating the best thinking regarding life care arrangements; developing a stronger service for our housing components.

You have always had a special interest in the development of public policy. What will be your emphasis this year?

It will continue in this direction. If we fail to contribute significantly to the debate on public policy as it affects our residents, one could question the

Continued on page 3, col. 1

STAFF
TABLE OF ORGANIZATION
AMERICAN ASSOCIATION OF HOMES
FOR THE AGING



AN INTERVIEW WITH
AAHA'S NEW PRESIDENT
MONSIGNOR
CHARLES J. FAHEY

Continued from page 2, col. 3

very vitality of AAHA. Both the house and the board recognize this. As president, I intend to work whenever possible with AAHA's officially designated policy making group (the house), and only when impossible because of the urgency of time, then with the elected Executive Board. Both of these bodies will receive recommendations through committees which have framed the issues and suggested solutions. As an example of this approach, the Public Policy Committee will receive the considered judgments of three sub-committees: (1) Life Safety Code; 2) Medicare/Medicaid; and 3) Cost-related reimbursement. This should help us to deal more responsibly as we contribute to the national debate on policy.

After careful deliberation, because of the economic factor, we have decided to convene the House of Delegates into special session this summer to deliberate AAHA's posture regarding the many issues concerning our members. We intend to set basic policy through this process.

As a clergyman, do you have special concerns this year?

A major element in the social components of care is the reli-

gious element. It is also a fact that a majority of our members are religiously sponsored. The rest recognize the "religious" dimension of care. It seems timely then that we reaffirm an emphasis on the pastoral aspect of care. Certainly the resident deserves this as his innate right just as much as he needs good medical and social service. Our annual conference might reflect this approach by offering a special seminar open to all and by an ecumenical service as a symbol of our commitments.

Finally, on the personal level, what kind of president do you hope to be?

I hope I can continue the good work of my predecessors. I would like to lead AAHA and to articulate clearly and forcefully the message that "nonprofitism" is a mission meaning quality care for older Americans.

EXCLUSIVES FROM
THE FIELD

The Illinois Association of Homes for the Aging (IAHA) Institute on Aging will present its annual conference, "Aging-1976," April 1-2, 1976, at the Sheraton-Chicago Hotel (fee: \$60.).

Sessions will include "Update: Implications of Recent Research for Services to Older People;" "Update: Community Responses to the Greatest Needs of Elderly;" "Strategies for Education in the Later Years;" "Drug Abuse and Alcoholism Among the Elderly;" and "An Overview on Working with the Dying and their Survivors."

For further information contact: IAHA Institute on Aging, 3300 West Peterson Avenue, Chicago, Illinois 60659, (312) 583-9850.

Continued on page 4, col. 1

AAHA ON THE MOVE

AAHA is on the move the first of May. The national office is relocating due to the need for larger office space to effectively accommodate additional staff. Please note, as of May 1, our new address will be: AMERICAN ASSOCIATION OF HOMES FOR THE AGING, 1050 SEVENTEENTH STREET, NORTHWEST, WASHINGTON, D. C. 20036.

AAHA Future Conferences and Meetings

Annual Conference

1976: Orlando, Florida
1977: Phoenix, Arizona

November 14-17, 1976
October 26-30, 1977

Legislative Workshop

1977 Washington, D.C.

March 22-23, 1977



FEDERAL COUNCIL ON THE AGING
WASHINGTON, D.C. 20201

The enclosed material is sent to you because
of your interest in the work of the Council.

Cles Taroni



FEDERAL COUNCIL ON THE AGING
WASHINGTON, D.C. 20201

Sarah Massengale ✓

Meeting

March 16, 1976 9:30 a.m. - 5:00 p.m. Donohoe Bldg. 400-6th St., S.W.
March 17, 1976 9:00 a.m. - 3:00 p.m. Room 4549 Wash., D.C. 20201

Chairman

Bertha S. Adkins

Executive Director

Cleonice Tavani
400-6th St., S.W.
Room 4022 - Donohoe Bldg.
Washington, D.C. 20201
(202) 245-0441

Vice Chairman

Garson Meyer

Agenda



Tuesday, March 16, 1976

- *9:30 a.m. 1. Approval of minutes of December 3-5, 1975 Council meeting, (previously mailed to members.) Adkins
- 9:45 a.m. 2. Status of FCA Annual Report and Studies on Taxes and Benefits. Adkins - Tavani
- 10:30 a.m. 3. Report on Assets Study Adkins - Duskin
- 12:30 p.m. LUNCHEON RECESS
- 1:30 p.m. 4. Review of Presidential Message on Elderly Flemming
- 3:00 p.m. 5. Status of Hearings on Health Personnel Needs in Aging Eisdorfer - Foster
- 4:00 p.m. 6. Status of Aging Research Plan. Eisdorfer

*Times subject to change

Wednesday, March 17, 1976

- 9:00 a.m. 7. Briefing on Implementation of Housing Program for the Elderly
William S. Warfield, Special Assistant to Assistant Secretary for Housing Production, Mortgage Credit, HUD
- 10:00 a.m. 8. Further Action on Frail Elderly Priority
Fahey - Cain
- 12 noon LUNCHEON RECESS
- 1:00 p.m. 9. Status of Policy Issues and Publication Regarding Older Women.
Tolliver
10. Review FCA 1976 Schedule and Agenda
Adkins - Tavan



FEDERAL COUNCIL ON THE AGING
WASHINGTON, D.C. 20201

file

Bi-Monthly Report - January and February 1976

1. 1975 Annual Report to the President

The Annual Report of the Council for calendar 1975 was submitted to the President on January 16, 1976 with copies to the Secretary of HEW, Assistant Secretary Thomas, Commissioner Flemming and Council members.

Following transmittal of the report to Congress with the President's recommendations, it will be widely distributed. Ten thousand printed copies are to be ready in mid-March. The assistance of staff of the National Clearinghouse on Aging and a contractor for graphic design was utilized.

The report contains summaries of the two mandated studies: The Impact of the Tax Structure on the Elderly and The Interrelationships of Benefit Programs for the Elderly as well as a "Bicentennial Charter for Older Americans" for suggested proclamation by the President.

The report also highlights the Council priority on the "frail elderly". The Council postulates that there are a basic core of supportive social services - rather than primarily health services - which are needed by many of the oldest of the old. The following services should be available to all frail older persons as an entitlement, regardless of the ability to pay:

1. A professional psycho-social-environmental assesment.
2. A skilled person to assist in securing the services and benefits to which an older person is entitled and who would arrange for and supervise personal care from a "significant other".
3. The provision of the physical presence of a "significant other" to assist in simple daily coping.

The Council urges the President to assign to the Domestic Council Committee on Aging responsibility for coordinating efforts for viable legislative and administrative proposals for the care of this population based on working models.

The annual report also describes the Council's concern about due attention being given to older women as part of the observance of International Women's Year in 1975 and into the proposed International Women's Decade. (The publication of the highlights of the hearing on older women conducted by the Council in September 1975 is in its final stages).

2. Studies on Taxes and Benefits

The Government Printing Office has delivered completed copies of the Congressionally-mandated studies. Although these documents were

reproduced by offset methods, considerable FCA staff time was spent in arranging for the printed covers and keeping straight the two main reports and the three appendices of the benefits study. It is hoped that distribution of the studies to State and area agencies, national organizations, Federal staff and individual requesters can be coordinated with the issuance of the President's response to the studies to the Congress. The White House has indicated that the response should be forthcoming before mid-March.

3. Regular Council Meeting, March 16-17, 1976

A main agenda item for the quarterly Council meeting of March 16-17 to be held in Room 4549 of the Donohoe Building is a review of the President's message on the elderly. There will also be a review of the President's comments of the FCA studies if that is available. A mailing to Council members on the meeting contained copies of the President's message and reactions to it by the major national senior citizen organizations. The Federal Register notice for this meeting was sent to certain Senators and Congressmen, their staffs, certain Federal employees, and almost 100 national organizations.

4. Decoupling in Social Security

The letter of 12-24-75 of the Council Chairman to the President on the "decoupling issue" in Social Security was answered by the President on February 3. He indicated that the Administration will submit legislation to Congress to correct the funding problems caused by coupling of a continuing additional add-on to the cost-of-living increases granted to Social Security beneficiaries. Chairman Adkins followed up with a letter to Social Security Commissioner Cardwell notifying him that the Council was encouraged by the President's affirmative response and that the Council trusted that the President's statement that "a minimum of disruption to beneficiaries" means no interruption in the present relationship of benefits at the time of retirement to wages recently earned.

Treasury Secretary Simon responded to the decoupling letter on 2-16-76. He expressed interest in the Councils' views on the question of the long-term relation of benefits to pre-retirement benefits.

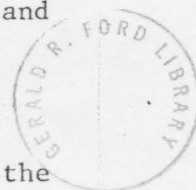
5. Council Nominees

On January 23, in Presidential Documents: Gerald R. Ford, 1976, Vol. 12 - No. 4, The President announced his intention to nominate five persons to be members of the Federal Council on the Aging for terms expiring June 5, 1978. The are:

Bertha S. Adkins, of Oxford, Md., retired. This is a reappointment.

Mrs. John William Devereux, of Honolulu, Hawaii, retired community worker and former State legislator. This is a reappointment.

John B. Martin, of Chevy Chase, Md., legislative consultant, American Association of Retired Persons and National Retired Teachers Association



and former United States Commissioner on Aging, Washington, D.C. This is a reappointment.

Harry Holland, of Phoenix, Arizona, President, Arizona Council for Senior Citizens and Chairman, Governor's Task Force on Retirement and Aging. He will succeed Monsignor Charles J. Fahey whose term has expired.

Nat T. Winston, Jr., of Nashville, Tenn., Vice President, Hospital Affiliates Inc., Professional Relations. He will succeed Dr. Carl Eisdorfer whose term has expired.

As of March 1, the confirmation of these persons was still pending in the Senate Committee on Labor and Public Welfare. Under the Council's enabling legislation, the members currently filling this term remain in office until their successors are confirmed by the Senate.

The FCA Secretariat has completed the paper work incidental to the June 6, 1976 term expirations of FCA Council members.

6. Proposed Aging Personnel Hearing

At its December meeting, the Council approved a hearing in March on "Manpower Needs for Services to the Frail Elderly". During January and February, contacts were made with all members of the Research and Manpower Committee to review what appeared to be problems in most effectively implementing this Council action. It was the consensus that the planned format of the hearing was too broad to accomplish the goals of the hearing; the frail elderly definition on age base for entitlement needs further study and the Council has to study further the components of the frail elderly programs prior to considering hearings on manpower needs for services to the frail elderly.

The views of the Committee members were presented to the Council Chairman and it was agreed to postpone the hearing until further work can be completed by the Committee.

Dr. Eisdorfer, Chairman of the Committee, will present a report to the Council in March based on suggestions from Committee members and will recommend a hearing focused on health manpower needs for the elderly. The plan will provide coordination and avoidance of duplication with AoA in the Hearings they plan on "Social Service Manpower Needs for Older Americans." The FCA will attempt to solicit testimony related to the frail elderly in both the FCA and AoA Hearings.

7. Meeting on Preliminary Work on Assets Study

As a required followup to recommendations in the tax and benefits studies the Council Chairman, FCA staff and Council member, Nelson Cruikshank met with Mrs. Elizabeth Duskin, consultant to the Council, on February 26 to review a preliminary paper on "Asset Tests as a Component of Income Conditioned Programs."

Highlights of the report include: wealth holdings are usually considered in determining eligibility - but not benefit levels, except as an asset

produces income for most services and income maintenance programs.

Income is usually measured as a cash flow over a given period of time. Assets are a list of the stock of items of value on hand that have been accumulated over a period of time. Assets are more difficult to measure than income. At present, we measure an income and an asset level below which an economic unit is eligible for income maintenance programs. A problem here is that low income slightly above allowed assets results in disqualification.

Mathematically, all assets could be considered as a flow of income by treating the dollar value of assets like a lifetime annuity. This would then provide a measure of income and the annuity value of assets. This allows a rational way of distinguishing between the economic status of two households with different incomes and asset levels.

An obvious failure of assets tests is that they favor the non-frugal individual and thus, for low income units work against self-sufficiency. They also result in under reporting and transfer of assets.

Another problem in considering assets is how to measure their differences in liquidity, rates of return, divisibility to different owners, manner of acquisition, legal manner in which owned (singly or jointly), extent value fluctuates and ease in assigning a dollar value.

The preliminary paper will be expanded and will contain recommendations for Council action at the March meeting.

8. Meeting with Consultant for Frail Elderly Task Force

Msgr. Charles Fahey, Bernard Nash and FCA staff met on February 24 with Leonard Cain who is to serve as senior consultant to the Council on the "frail elderly" issue. Dr. Cain is on sabbatical leave from his position as Professor of Sociology and Urban Studies at Portland State University. He is a nationally prominent gerontologist and has written extensively on a variety of issues. His particular interest in the legal status of age will be especially pertinent to the definition of the frail elderly and the Council's proposal that entitlement to a floor of basic services be based on the attainment of a certain age such as 75.

9. Briefing on Federal Advisory Committee Act

Robert Tarr, Committee Management Officer, Office of the Secretary, conducted a briefing on February 18 attended by FCA staff on the Annual Comprehensive Report on Advisory Committees for submission from advisory bodies to the Committee Management Office in the Office of Management and Budget.

Mr. Tarr reported on S.2947, a bill to amend the Federal Advisory Committee Act sponsored by Senator Metcalf, which would extend the Acts' coverage to additional units of government, open the advisory committee selection of membership to public scrutiny and further limit closed meetings. As of October 1, 1975 the number of Federal advisory bodies was 1,341.

This required report on FCA's calendar year activities, roster, meeting, and budget is being prepared for March 15 submission to OMB.

10. Meeting with Staff from The Institute of Medicine of the National Academy of Sciences

On February 23, the FCA staff met with staff from Institute of Medicine regarding the work the Institute is doing on care of the elderly. They have planned an Anglo-American Conference on Care of the Elderly: Meeting the Challenge of Dependency, to be held in Washington, D.C., May 17-19, 1976. The Conference is jointly sponsored by The Royal Society of Medicine of England. Two Council members are on the program - Carl Eisdorfer, Ph.D., M.D. on Mental Health of the Elderly and Nelson H. Cruikshank as one of the Commentators for the Conference. The Council Chairman has been sent a personal invitation to attend and has been offered time to give a presentation at the Conference. In addition to discussion of the Conference, staff of the Institute were notified of the responsibilities, program and plans of the Council. They were especially interested in the progress we have made in developing a proposed program for the frail elderly and a continuing liaison with Institute staff has been established.

11. Publication on Older Women

Under contract with the Federal Council, Dorothea Lewis has prepared a publication summarizing the testimony received in connection with the hearing on the special needs and concerns of older women which was conducted by the Council in September. The printing should be completed in the latter part of March. Council staff has continued liaison with staff of the Commission on International Women's Year to assure their continued attention to older women in planning for the proposed International Women's Decade (IWD).

12. Activities of Chairman

Chairman Bertha Adkins spoke at a luncheon session of the annual meeting of the Legislative Council of AARP-NRTA. She gave an overview of the functions of the Council and its current activities. Considerable interest was evidenced in the studies of taxes and benefits.

13. FCA Staff Activities

Executive Director Cleonice Tavani participated in a panel discussion on "Trends in Public Social Services for the Aged" at the Annual Southern Conference on Gerontology held in Gainesville, Florida on February 11 and 12 under the auspices of the Center for Gerontological Studies and Programs at the University of Florida.

At a Conference on Total Health and Aging held at Eckerd College in St. Petersburg, Florida, Ms. Tavani spoke on "The Well-Being of Older Americans at the Bicentennial". The meeting was held February 18-20 and was jointly sponsored by Eckerd College and the Gerontology Research and Education Center at Bay Pines Veterans Hospital. On the panel with Ms. Tavani were Dr. Alfred Lawton and Dr. Fred Cottrell.

On February 29, Ms. Tavani presented a paper on "Training Needs for Personnel in Services to the Frail Elderly" at the Annual Program Meeting of the Council on Social Work Education in Philadelphia. The session was chaired by John Price, Aging Program Director in the Philadelphia Regional Office of HEW.

Ms. Tavani and F. Richard Williams, Assistant to the Chairman, attended the annual meeting of the National Association of State Units on Aging, February 9-10, 1976 at the Sheraton Park Hotel, Washington, D.C.

Robert Foster attended a meeting of the Ad Hoc Coalition for Housing for the Elderly to review problems in the implementation and funding of Sec. 202.

14. FCA Program Analyst Position

Selection for the Program Analyst Position has been made from the Office of Human Development Personnel List of screened applicants. Papers are being processed for Civil Service Commission approval.

Cleenice Tavani, *Executive Director*
Federal Council on the Aging HEW
400 6th Street S.W.
Washington, D.C.

Enclosed info
on F C A
members whose
2-year terms
are expiring
June 5, 1976

Cleo Tavani

ROSTER

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Council on Aging

Chairman

Bertha S. Adkins

Vice Chairman

Garson Meyer

Executive Director

Cleonice Tavani
Federal Council on the Aging
Room 4022, Donohoe Building
400 - 6th Street, S.W.
Washington, D.C. 20201



Members of the Council

Bertha S. Adkins, of Oxford, Maryland, former Under Secretary of the Department of Health, Education, and Welfare.

Nelson H. Cruikshank, of the District of Columbia, President, National Council of Senior Citizens. Former Director of Department of Social Security, AFL-CIO.

Dorothy L. Devereux, of Honolulu, Hawaii, former Member of the Hawaii State House of Representatives.

Carl Eisdorfer, M.D., Ph.D., of Seattle, Washington, Professor and Chairman, Department of Psychiatry and Behavioral Sciences, University of Washington and Past President of the Gerontological Society; Member, Institute of Medicine, National Academy of Sciences.

Charles J. Fahey, The Reverend Monsignor, of Syracuse, New York, Director of the Catholic Charities for the Roman Catholic Diocese of Syracuse and President of the American Association of Homes for the Aging.

Sharon M. Fujii, Ph.D., of Santa Monica, California, Vice President of Gerontological Planning Associates.

term exp 6-5-76 Frank B. Henderson, of Worthington, Pennsylvania, Director, Nutrition Services, Armstrong County Community Action Agency; Chairman, Building Committee, Board of Directors of Armstrong County Health Center.

6-5-76 Selden G. Hill, of Orlando, Florida, Member of the Regional Area-Wide Planning Council on Aging; Past President and Board Member, Retired Citizens' Association; has TV series for senior citizens in Orlando.

Hobart C. Jackson, of Philadelphia, Pennsylvania, Executive Vice President and Director, Stephen Smith Geriatric Center. Founder and first Chairman of the National Caucus on the Black Aged and presently a member of its Executive Committee.

John B. Martin, of Chevy Chase, Maryland, former Commissioner on Aging, Legislative Consultant to the National Retired Teachers Association and the American Association of Retired Persons.

Garson Meyer, of Rochester, New York, retired Executive of Eastman Kodak; President Emeritus of the National Council on the Aging; Chairman, Advisory Committee, New York State Office for the Aging; Chairman of the Board, Genesee Savings and Loan Association.

Bernard E. Nash, of Camp Springs, Maryland, Program Consultant and former Executive Director of the National Retired Teachers Association and the American Association of Retired Persons; President, International Federation on Ageing.

6-5-76 Frell M. Owl, of Cherokee, North Carolina, Retired from the Bureau of Indian Affairs; Member of the Indian Advisory Council of the United States Senate Special Committee on Aging.

6-5-76 Lennie-Marie P. Tolliver, of Oklahoma City, Oklahoma, Professor and Associate Director, School of Social Work, the University of Oklahoma; Member, Salvation Army Senior Centers Board of Directors-Oklahoma City.

6-5-76 Charles J. Turrisi, of Norfolk, Virginia, retired as General Superintendent of Mails of Norfolk. He is legislative chairman for the Norfolk Chapters of the National Association of Retired Federal Employees and the American Association of Retired Persons.

Ex-Officio Members

The Secretary of Health, Education, and Welfare

The Commissioner on Aging

JANUARY 23, 1976

Office of the White House Press Secretary

THE WHITE HOUSE

The President today announced his intention to nominate five persons to be members of the Federal Council on the Aging for terms expiring June 5, 1978. They are:

Bertha S. Adkins, of Oxford, Maryland, retired. This is a reappointment.

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The President also announced his intention to redesignate Bertha S. Adkins as Chairman of the Council upon confirmation by the Senate.

The Council meets at the call of the Chairman but not less than 4 times a year to advise and assist the President and the Commissioner on Aging on matters relating to the needs of the elderly and to serve as a spokesman on behalf of the elderly by making recommendations to the President, the Secretary of HEW, the Commissioner on Aging and the Congress.

The Council consists of the Secretary of HEW and the Commissioner on Aging serving as ex-officio members together with 15 members appointed by the President with the advice and consent of the Senate.

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JANUARY 23, 1976

Office of the White House Press Secretary

THE WHITE HOUSE

file
Sarah
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ACTION MEMORANDUM

THE WHITE HOUSE

WASHINGTON

LOG NO.: ✓

Date: 1/20

Time: 1200noon

FOR ACTION: James Lynn

cc (for information): Sarah Massengale ✓

FROM THE STAFF SECRETARY

DUE: Date: January 26

Time: 400pm

SUBJECT:

Annual Report- Federal Council on Aging

ACTION REQUESTED:

☐ For Necessary Action☐ For Your Recommendations☐ Prepare Agenda and Brief☐ Draft Reply☒ For Your Comments☐ Draft Remarks

☒ Transmittal Message (last
REMARKS: year's message attached FYI) ☒ 1-page summary of
report

I understand that a copy of the report has already been
transmitted to Paul Fairley.

Please return to Judy Johnston, Ground Floor West Wing



PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a
delay in submitting the required material, please
telephone the Staff Secretary immediately.



FEDERAL COUNCIL ON THE AGING
WASHINGTON, D.C. 20201

January 16, 1976

The President
The White House
Washington, D.C. 20500

Dear Mr. President:

On behalf of the Federal Council on the Aging, I have the honor of presenting the second annual report of the Federal Council on the Aging.

In this year of the bicentennial of the founding of these United States, we ask that you lead the way in honoring that group of Americans who have contributed so much to the strength of this nation and now deserve a status and role of worth and value. We look forward to working with you and the Congress towards a better life for older Americans in 1976.

Sincerely,

Bertha S. Adkins
Chairman

I am transmitting herewith the Annual Report of the Federal Council on Aging, together with my comments and recommendations.

The Federal Council on the Aging was established by the 1973 amendments to the Older Americans Act of 1965 to advise and assist the President on matters relating to the special needs of older Americans, and for other purposes specified in the enabling legislation. Members of the Federal Council on the Aging were confirmed by the Senate on June 5, 1974.

As the annual report indicates, the Federal Council on the Aging has undertaken a number of advocacy activities pursuant to its legislated mandate. The report, as submitted to me by the Secretary of Health, Education, and Welfare for transmittal, does not include supporting data or analysis which would provide the basis for a detailed review of policy positions and recommendations.

Since the Council was only recently formed, the Administration, on behalf of the Federal Council on the Aging, has requested that the Congress authorize an extension until January 1, 1976, of the date for submission to the Congress of the two legislatively mandated studies.

One study calls for a review of the interrelationships of all benefit programs -- Federal, State, local -- serving the elderly. Such information could be useful to the Executive Branch and the Congress to identify duplicative and overlapping programs and to propose the necessary reforms so that our resources may be more effectively applied to help those most in need.

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ANNUAL REPORT

to the President - 1975



Federal Council on the Aging



ANNUAL REPORT
FEDERAL COUNCIL ON THE AGING
WASHINGTON, D.C. 20201

January 16, 1976

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The White House
Washington, D.C. 20500



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Sincerely,

Bertha S. Adkins
Chairman

ANNUAL REPORT

1975

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Federal Council on the Aging
Washington, D.C. 20201

Preface

Legislative Mandate

The Federal Council on the Aging was created by the Congress under provisions of the Older Americans Act, Public Law 94-133, 42 U.S.C. 3051. For the purpose of the Act, the Secretary of the Department of Health, Education, and Welfare, the Comptroller General of the United States, and the Congress on Aging and the Congress on matters relating to the needs of older Americans.

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Preface

Legislative Mandate

The Federal Council on the Aging was created by the Congress under provisions of the 1973 amendments to the Older Americans Act, for the purpose of advising the President, the Secretary of the Department of Health, Education, and Welfare, the Commissioner on Aging and the Congress on matters relating to the special needs of older Americans.

The Older Americans Act directs the Federal Council on the Aging to perform the following functions:

1. Advise and assist the President on matters relating to the special needs of older Americans;
2. Assist the Commissioner in making the appraisal of the Nation's existing and future personnel needs in the field of aging;
3. Review and evaluate on a continuing basis, Federal policies regarding the aging and programs and other activities affecting the aging conducted or assisted by all Federal departments and agencies for the purpose of appraising their value and their impact on the lives of older Americans;
4. Serve as a spokesman on behalf of older Americans by making recommendations to the President, to the Secretary, the Commissioner, and to the Congress with respect to Federal policies regarding the aging and federally conducted or assisted programs and other activities relating to or affecting them;

5. Inform the public about the problems and needs of the aging, in consultation with the National Clearinghouse on Aging, by collecting and disseminating information, conducting or commissioning studies and publishing the results thereof, and by issuing publications and reports;
6. Provide public forums for discussing and publicizing the problems and needs of the aging and obtaining information relating thereto by conducting public hearings, and by conducting or sponsoring conferences, workshops, and other such meetings.

Membership

The Council is composed of fifteen members nominated by the President and confirmed by the Senate. The Secretary of the Department of Health, Education, and Welfare and the Commissioner on Aging serve as ex-officio members of the Council.

Nine members of the Council are themselves older persons. They and the other members fully represent older Americans, national organizations with an interest in aging, business, labor, and the general public as called for in the law.

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Council Members

Chairman

Bertha S. Adkins

Vice Chairman

Garson Meyer

Executive Director

Cleonice Tavani

Federal Council on the Aging
Room 4022, Donohoe Building
400 - 6th Street, S.W.
Washington, D.C. 20201

Members of the Council

BERTHA S. ADKINS, of Oxford, Maryland, former Under Secretary of the Department of Health, Education, and Welfare.

NELSON H. CRUIKSHANK, of the District of Columbia, President, National Council of Senior Citizens; former Director of Department of Social Security, AFL-CIO.

DOROTHY L. DEVEREUX, of Honolulu, Hawaii, former Member of the Hawaii State House of Representatives.

CARL EISDORFER, M.D., Ph.D., of Seattle, Washington, Professor and Chairman, Department of Psychiatry and Behavioral Sciences, University of Washington and Past President of the Gerontological Society; Member, Institute of Medicine, National Academy of Sciences.

CHARLES J. FAHEY, The Reverend Monsignor, of Syracuse, New York, Director of the Catholic Charities for the Roman Catholic Diocese of Syracuse and President of the American Association of Homes for the Aging.

SHARON M. FUJII, Ph.D., of Santa Monica, California, Vice President of Gerontological Planning Associates.

FRANK B. HENDERSON, of Worthington, Pennsylvania, Director, Nutrition Services, Armstrong County Community Action Agency; Chairman, Building Committee, Board of Directors of Armstrong County Health Center.

SELDEN G. HILL, of Orlando, Florida, Member of the Regional Area-Wide Planning Council on Aging; Past President and Board Member, Retired Citizens' Association; has TV series for senior citizens in Orlando.

HOBART C. JACKSON, of Philadelphia, Pennsylvania, Executive Vice President and Director, Stephen Smith Geriatric Center; founder and first Chairman of the National Caucus on the Black Aged and presently a member of its Executive Committee.

JOHN B. MARTIN, of Chevy Chase, Maryland, former Commissioner on Aging, Legislative Consultant to the National Retired Teachers Association and the American Association of Retired Persons.

GARSON MEYER, of Rochester, New York, retired executive of Eastman Kodak; President Emeritus of the National Council on the Aging; Chairman, Advisory Committee, New York State Office for the Aging; Chairman of the Board, Genesee Savings and Loan Association.

BERNARD E. NASH, of Camp Springs, Maryland, Program Consultant and former Executive Director of the National Retired Teachers Association and the American Association of Retired Persons; President, International Federation on Ageing.

FRELL M. OWL, of Cherokee, North Carolina, retired from the Bureau of Indian Affairs; member of the Indian Advisory Council of the United States Senate Special Committee on Aging.

LENNIE-MARIE P. TOLLIVER, of Oklahoma City, Oklahoma, Professor and Associate Director, School of Social Work, the University of Oklahoma; member, Salvation Army Senior Centers Board of Directors, Oklahoma City.

CHARLES J. TURRISI, of Norfolk, Virginia, retired as General Superintendent of Mails of Norfolk; legislative chairman for the Norfolk Chapters of the National Association of Retired Federal Employees and the American Association of Retired Persons.

Ex-Officio Members

The Secretary of Health, Education, and Welfare
The Commissioner on Aging

1975 Overview

Annual Reports

This second annual report of the Federal Council on the Aging is presented in accordance with provisions of the Older Americans Act. The Council is required to transmit "... findings and recommendations to the President not later than March 31 of each year. The President shall transmit each such report to the Congress with his comments and recommendations."

The first report of the Council was issued in March 1975, some ten months after confirmation by the Senate of nominees for this newly established body. It is our intent to issue our reports on a calendar year basis from now on thus there will be some overlap between these first two reports.

A major concern expressed by the Council in its initial report was about the level of funding for programs to assist the elderly. We stated that "... their urgent humanitarian needs require special attention in strategies by both the executive and legislative branches of government to offset the effects of recession and inflation."

On July 24, 1975, the President transmitted this report to the Congress indicating sympathy with this concern but with a determination "... to reduce the burden of inflation on our older citizens, and that effort demands that government spending be limited."

The Presidential response concluded, "The perspective and recommendations of this report are limited to a particular area of interest and advocacy. The report does not reflect the Administration's policies, which must reflect a broader range of responsibilities and priorities."

The Council respectfully submits that it has a legal responsibility to speak out in a particular area of interest and advocacy, namely the national concerns for the elderly of this nation. At the same time, the Council is cognizant that the needs of the elderly must be seen in the perspective of other groups within the population who have urgent humanitarian needs.

Studies of Benefits and Taxes

We believe that the intent of the Council to serve as advocate for the elderly in both a thoughtful and sensitive manner is reflected in the two Congressionally-mandated studies which were recently completed and submitted to the President. (Summaries of these studies are included in this second annual report.)

Among the recommendations that are being suggested are several which call for government aid to be directed to the poorest among the elderly and, indeed, to the poor of all ages and that this aid—be it in cash or kind—be more efficiently and effectively directed to its intended beneficiaries. We hope that we have also provided sufficient data of such quality that our conclusions and recommendations will be given full and careful consideration.

Frail Elderly

This report also highlights a group among the elderly whose needs are not necessarily financial. The Council is still developing recommendations for national policies for a system of care for those whom we call the "frail elderly." These are the elderly—usually the oldest of the old—who require support from society because of an accumulation of the debilities of increasing age. We do suggest some needed national actions which will move us towards the goal of a rational system of care for the frail elderly.

Also included in the report are a number of other recommendations for action in 1976 with special sections on a Bicentennial Charter for Older Americans and on the needs of older women.

State Formulae Study

It is in order at this point to review the reception of the first Congressionally-mandated study of the Federal Council. This study on State formulae for funding programs under the Older Americans Act was duly completed and submitted on December 30, 1974 to the Commissioner on Aging, the Secretary of Health, Education and Welfare and the Committee on

Labor and Public Welfare of the Senate, and the Committee on Education and Labor of the House of Representatives. In addition, the Chairman of the Council reported on the study in testimony before the respective House and Senate committees.

The Council is pleased that one of the major recommendations of the study does appear in the Older Americans Act Amendments of 1975 as finally enacted. The Council advocated an increase from \$160,000 to \$200,000 for the minimum allotment to each State for State administrative costs. The Council also highlighted direct funding for Older Americans Act programs to federally recognized Indian tribes and a provision to this effect has now been enacted. We would hope that the Council had some role in bringing about this needed change. However, there is no reflection in either the law or the reports on the legislative deliberations which indicate that the executive or legislative branches gave attention to the other major findings and recommendations of this Federal Council report. We would suggest that they are still significant and we would hope that further attention will be given to the Council study on State formulae for funding programs under the Older Americans Act.

Policy positions have also been taken on the following matters during 1975:

Appointment of Advocates for Elderly to Health Advisory Bodies

On April 30, Chairman Bertha Adkins wrote to Secretary of Health, Education, and Welfare Caspar Weinberger concerning appointments of advocates for the elderly to advisory bodies; specifically the appointment of a physician with expertise in the field of geriatrics to the National Professional Standards Review Council and the appointment of one or more persons with expert knowledge of the special health needs of the elderly to the new National Council on Health Planning and Development.

Coordinated Social Service Planning For the Elderly

Following the Council meeting of May 15-16, the Chairman communicated to Secretary Weinberger the Council's interest in having regulations for Title XX of the Social Security Act specify that the State plans for social services must show close coordination with the State plan required for Title III of the Older Americans Act. Senator Frank Church was also informed of Council interest in his amendment to this effect and letters were sent to Senators Williams, Javits and Eagleton containing the Council recommendation that the provision of S. 1426

calling for these strong linkages be adopted.

Also recommended was that, whenever any human services legislation affecting the elderly is proposed which calls for planning at the State level, a requirement should be included whereby coordination with the Older Americans Act Title III State plan be mandated.

Construction Loans for the Elderly and Handicapped

On July 29, the FCA Chairman wrote members of the Senate and House Appropriations Committees for Housing and Urban Development notifying them of the Council's concern that the proposed Sec. 202 regulations for the Housing Act of 1959 on construction loans for the elderly and the handicapped did not provide to non-profit organizations adequate access to permanent financing and therefore would not meet the needs of poor and minority elderly. The Council recommended that the Conference Committee approve the Senate version of the HUD appropriation bill as it related to the implementation of Section 202. Favorable response to this recommendation was received from 18 members of the Conference Committee.

A similar letter was sent to Secretary Carla Hills of HUD. Her reply indicated her concern with the housing needs of the elderly and the prospect of a modification of the final regulations which would assist sponsors in obtaining financing under HUD's mortgage insurance programs.

Foster Grandparents Program

The Council's recommendation that there be no change in the basic concept of the Foster Grandparents program as a service solely for children was communicated to the Director of ACTION. This recommendation was occasioned by proposals to expand the role of Foster Grandparents to the care of the adult retarded. The Council indicated their support for expanded services to the adult retarded through other senior programs under ACTION such as Senior Companions and R.S.V.P.

The Director of ACTION replied expressing his appreciation of the support of the Council in their recommendation which coincided with the position taken by ACTION on the Foster Grandparents program.

Committee on Mental Health and Illness of the Elderly

As a result of Council action at its September 26-27 meeting, Chairman Adkins extended to the Secretary of Health, Education, and Welfare an offer of assistance and cooperation in the work of the Committee on Mental Health and Illness of the

Elderly established under the Health Revenue Sharing and Health Services Act of 1975. In a similar vein, a letter was sent to the Senate and House Appropriations Committees recommending an appropriation for the Committee on Mental Health and Illness of the Elderly of sufficient proportion to accomplish its legislated goals.

Secretary Mathews, in his reply to the Council on October 3 indicated that HEW was moving in a positive manner to implement the legislation but that their actions were limited due to funding uncertainties "... at the present time." He concluded, "I am sure at the appropriate time, the Committee and its staff will take advantage of this offer."

Women and Social Security

At the request of the Special Committee on Aging of the United States Senate, the Council reacted at its December meeting to the working paper on "Women and Social Security" which had been prepared by the Committee's Task Force on Women and Social Security. The Council endorsed all the recommendations of the Task Force and suggested that the highest priority for change be given to those recommendations that eliminate sex discrimination.

The Council urged particular attention to the following matters:

- An age-62 computation point be made applicable for men born before 1913.
- The substantial recent current work test to qualify for disability insurance should be eliminated.
- The duration of marriage requirement should be reduced from 20 to 15 years for a divorced wife (or husband) to qualify for benefits on the basis of the spouse's earnings record, and the consecutive years requirement should be removed.
- The computation of primary benefits and wife's or husband's benefits should be adjusted to increase primary benefits for workers by approximately one-eighth and to reduce the proportion for spouses from one-half to one-third, thus, maintaining the present total benefit of one hundred and fifty percent for a couple, and at the same time improving the protection for single workers, working couples and widows.
- The Council did not agree with adding a dependency test for women the same as the present one for men, since this action would represent a program deliberalization and is therefore regressive.

- The Council concurred with the goals of the Task Force Report and recommended further study for indexing earnings before retirement to changes in average earnings and indexing benefits after retirement to changes in prices.
- The Council recommended additional study of the Social Security problems relating to the homemaker. "We recognize the problems but question the appropriateness of using an earnings replacement system to provide benefits when no actual earnings have been lost."
- The Council also recommended further study on the special problems of older minority women and Social Security in regard to low lifetime earnings, years of uncovered employment and a lifetime expectancy that is less for women who are not from minorities.

Social Security and the "Decoupling Issue"

At the Council's December 3-5 meeting, it was agreed that the Administration should be asked to develop an amendment to the Social Security Act to correct the "decoupling" problem. Under the present automatic benefit provisions of the act, in a situation where both wages and prices had risen steadily, future workers would get in effect a double upward adjustment of their retirement. This would occur because the impact of the rising wages and rising prices would be entered twice in the computation of the benefit—once in the determination of the average wage on which benefit amounts are based and again by adjusting the amount for rising prices.

This would result in the long run in paying present workers unjustifiably high (and costly) benefits when they retire—a situation which the Congress did not foresee and certainly never intended.

In a letter to the President on December 23, 1975, Chairman Bertha Adkins further stated,

"While this desirable correction runs to the longer range problems of the Social Security system it has an immediate urgency. In the absence of a positive position by your Administration, the Trustees in their Annual Report will have no alternative to basing their central set of estimates to the soundness of the system on provisions of the Act as it now stands. With an Administration position calling for correction of this technical error, the Trustees would have a basis for reassuring the public of the essential strength of the program. This is especially important in view of the wave of unfounded and irrational attacks on

Social Security which have emerged in recent months in the press and television. These attacks have caused unnecessary worry especially among the elderly which you, Mr. President, by taking action now, can do much to allay.

The Federal Council's action contained one further point which the members were most anxious for me to emphasize in my communication to you. That was that this decoupling issue, an easily correctable feature of the program, should be kept separate from other changes in the program which would not enjoy the unanimity of support that it does. Any attempt, for example, to combine the decoupling issue with a proposal to reduce the long term basic wage replacement ratios would not only confuse the issue but most likely make impossible early action on the technical correction."

Study of the Impact of the Tax Structure on the Elderly

On December 29, 1975, the Council submitted to the President their study of the combined impact of all taxes on the elderly thereby fulfilling a mandate given by the Congress in the 1973 amendments to the Older Americans Act. The law further directs the President to "... submit to Congress, and to the Governor and legislatures of the States, the results thereof and such recommendations as he deems necessary."

The report* consists of a description and analysis of various taxes which impact on the elderly as well as recommendations from the Council for the consideration of the President. Elizabeth T. Duskin served as consultant to the Council for this study. She carried out the research; the conclusions and recommendations which are included in the following excerpt from the report reflect formal Council action. It should be noted that approval was unanimous on the recommendations except for D-2 on property tax on which there was one dissenting vote.

The Secretary of the Department of Health, Education, and Welfare and the Commissioner on Aging are ex-officio members of the Council but they do not participate in the development of recommendations by the Council because of the fact that such recommendations are made, under the law, to them, to the President, and to the Congress.

* Copies of the full report will be for sale from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

I. OBJECTIVES OF THE STUDY

This Congressionally mandated study assesses the impact of the tax structure at the Federal and State-local levels on the income position of the population aged 65 years and older relative to the non-aged population. Philosophically, the study is not directed towards the question of adequacy of income or well-being of the elderly. Instead, with implicit recognition of the unmet needs of the elderly, two related questions are asked:

First, given that many elderly are in the unfortunate circumstances of poverty or near-poverty, is it the fault of the tax structure? The simplified answer derived from the study is, on balance, the tax system is not a significant contributor to the relatively low-income position of the elderly as a group.

Second, are specific taxes, tax preferences, and tax relief programs equitable and adequate for the job which they are intended to do? Do they shield lower income households, among which the elderly are disproportionately represented, from undue hardship and provide for a fair sharing of tax burdens? Evidence is presented that this is not always the case.

The recommendations advanced by the Federal Council on the Aging are presented in the spirit that where a goal is to be achieved, the path to be taken should be the most equitable, efficient and adequate for the intended purpose.

II. SUMMARY OF FINDINGS AND RECOMMENDATIONS

Primary emphasis of this study is directed towards the burden placed upon lower income elderly households. Since an overall view based on average measures may not clearly picture either the contribution of specific taxes to the total impact, or the burden placed on families in the lower end of the income distribution, several taxes have been selected for individual study:

- The individual income tax;
- The Social Security payroll tax;
- The sales tax;
- The property tax.

In general, the initial findings of the study are that:

- The overall effect of the tax structure appears to have no greater impact on the aged than the non-aged, subject to one qualification. If the corporate income tax and the property tax are assumed to be "progressive,"¹ then the

¹ With a *progressive* tax, the ratio of taxes to income rises as income rises; with a *regressive* tax, the fraction of income extracted is the same at all income levels.

burden on the aged population is slightly greater than that of the non-aged.

- The elderly are treated preferentially across all income levels by the Federal individual income tax and State and local individual income taxes, separately and combined. This is primarily due to the double exemption allowed and the preferential treatment of retirement income.
- The elderly as a group pay lower payroll taxes than the non-elderly, largely due to their lower rate of labor force participation.
- The elderly, on average, spend slightly less than the non-elderly on sales taxes. This is in part due to the constraint imposed by low current incomes, and in part due to lower consumption of highly taxed items. Nevertheless, the sales tax is judged to be unduly burdensome to all lower income groups.
- Property tax liabilities disproportionately impact the current incomes of the aged relative to the non-aged; property tax burdens are also more heavily directed towards the elderly, regardless of shifting assumptions.¹

To place these findings in an operational policy context, several distinct aspects of the tax structure and tax-related relief programs were examined to determine the effect of these elements on the distribution of income between the aged and the non-aged and among the aged. The elements examined include:

- the design of the structural provisions provided to raise revenues;
- the system of preferences, or "tax expenditures" grafted on to the basic structure, which are designed to provide financial assistance through a reduction in tax liabilities;
- related tax relief programs, outside of the tax structure itself.

Therefore, both the level of tax impact and the redistributive aspects of the tax system and its appendages are considered. A summary of the major points of the study follows:

Income Characteristics of the Elderly

More so than any other age class, the elderly are disproportionately represented at the lower end of the money income

¹ A *tax liability* is a legal obligation to pay, but the *burden*, in the first round of effects, may be shifted forward to consumers through higher prices, or backward to producers through lower profits. A *tax burden* refers to the actual reduction in real income of an individual or family; *whose* real income is reduced as determined by the shifting process.

distribution. Almost 50 percent of elderly units are represented among households receiving less than \$5,000 census-defined money income; aged blacks are significantly less well-off than aged whites.

It is important to note that money income is but one dimension of judging economic circumstances. Net worth is also a significant determinant, and average net worth among the elderly is greater than the average for the population as a whole. However, evidence suggests that although asset ownership is important among the elderly as a group, significant asset holdings are concentrated among a small proportion of the elderly.

The Aggregate Picture of Tax Impact: The General Population

Two major general conclusions emerge from consideration of the tax system as a whole:¹

- The tax structure has very little effect on the relative distribution of income for almost 90 percent of all families. For this majority, the total system is proportional to income.
- Both the rich (upper three percent of the income distribution) and the poor (lower ten percent of the income distribution) pay higher effective tax rates than the large middle range—regardless of shifting or incidence assumptions. However, the conclusions regarding whether the rich pay higher rates than the poor or vice versa, is sensitive to the assumptions made about the incidence of certain taxes—particularly the corporate income and property tax.²

The Aggregate Picture of Tax Impact: The Elderly

Using a comprehensive definition of income, which includes both current money income plus the potential claims on income represented by asset holdings, the aged fare no worse, on average, than the non-aged. This conclusion is reached under the assumption that the corporate income tax and the property tax are "regressive," that is, they impact lower income groups more heavily than upper income groups. On the other hand, if the reverse is assumed, the elderly pay a slightly larger proportion of income in taxes than the nonelderly.

The explanation for this perhaps unexpected result is that the asset position of some elderly shows up significantly when

¹ Joseph A. Pechman and Benjamin A. Okner, *Who Bears the Tax Burden?* The Brookings Institution, 1974.

² There is general agreement on the direction of shifting in the case of most other taxes.

a comprehensive measure of economic circumstances is used. This is particularly obvious when the corporate income tax—which is an indirect "wealth" tax, and the property tax—which is direct "wealth" tax, is under consideration. The elderly, on average, pay more of both these taxes; the above average amount is sufficient to outweigh the lower average payments of income, payroll, and sales taxes. This is merely a restatement of the previously noted observation: average net worth among the elderly is greater than the average for the general population.

Clearly, this is not the same as saying that the tax structure does not harshly impact the income position of *all* the aged. Instead, it points out that an overview of the *average* effect of the tax structure on the elderly is insufficient to determine its impact on lower income elderly. Several taxes are therefore examined individually.

The Individual Income Tax: Federal and State-Local Levels

The aged as a group are treated more favorably than the non-aged by the individual income tax, particularly at the Federal level. This is due in large part to the double exemption, the retirement income credit and the exclusion of certain forms of retirement income, such as Social Security benefits, from taxable income. These preferences, in conjunction with the low-income allowance, effectively shield low-income elderly from undue burdens from the income tax system.

However, under existing preferential provisions in the income tax structure, middle and upper-income elderly receive greater per capita benefits than lower income elderly. A substantial number of elderly, those whose income is too low to require filing a tax return, receive no benefits at all.

Recommendation A

No further preference for the elderly should be sought via the existing individual income tax system. Cash or in-kind benefits or a negative income tax system are better suited to attaining redistributive goals.

The Payroll Tax

The elderly as a group pay lower payroll taxes than the non-elderly, largely due to their lower rate of labor force participation. For those who are subject to payroll taxes—particularly the Social Security payroll tax, suggestions to excuse post-retirement earnings from further contributions must be evaluated in the light of many complicated issues.

- How many elderly depend upon post-retirement earnings and contributions to obtain eligibility? (This may be particularly important to women who either enter the labor force later than men or have interrupted work histories.)
- How would benefit levels of workers currently past retirement age be affected in the future?
- Would benefit levels of future retirees be affected?
- How would this affect the long-term actuarial balance of the system?
- Will the method of financing Social Security be altered?
- How will payroll tax relief affect labor force participation by the elderly? By the non-elderly?
- Would selective taxation on the basis of age be constitutional?

Consideration of each of the above issues in light of the functioning of the Social Security system leads to the following observations:

- Relief from payroll taxes on post-retirement earnings on a voluntary basis would introduce an element of uncertainty to Social Security financing; hence, compulsory termination of payments at and above a specified age is preferable from the point of view of program administration.

Under compulsory termination of payroll tax obligations—

- Some small number of workers in covered employment might not obtain sufficient quarters for eligibility. This assumes that the system would continue the current practice of not counting untaxed earnings towards eligibility.
- Payroll tax relief on current (higher) wages may act to reduce benefit levels from what they might otherwise have been. Therefore, such relief may not be in the best interest of all those who voluntarily postpone benefits to remain in the labor force. This assumes that untaxed earnings are not included in benefit calculations.
- The short-run problem of a shortfall in revenues relative to benefit payout will be aggravated.
- Relief would act to raise tax rates, taxable income ceilings, and possibly reduce benefits of future retirees.
- In a slack labor market, providing an incentive for the elderly to participate in the labor force may displace younger workers, so that no net gain to the economy would result.

Therefore, it is not clear that relief from payroll tax obligations on post-retirement age earnings would be beneficial to all elderly, to the Social Security program or to the nation.

Further study should be directed towards comparisons of the costs to the system and the fairness to participants under various options—

1. The payroll tax is *terminated* on post-retirement age earnings
 - credit is given on such untaxed earnings towards eligibility and benefit payments;
 - no credit is given for untaxed earnings;
 - no credit is given on untaxed earnings but an actuarial increase in benefit levels is included to compensate for the shorter period of benefit collection.
2. The payroll tax on post-retirement age earnings is *continued*
 - both post-retirement earnings and an actuarial increase in benefit levels to compensate for the shorter period of benefit collection are included in benefit calculations.

Within each of these options, it is important to know who among the employed elderly will benefit most. Additionally, options should be studied within the larger context of the impact of the payroll tax on lower income workers of all ages.

Recommendation B

Action to relieve the elderly worker of the payroll tax should be deferred: further study should be directed towards alternative means of relieving the burden of the payroll tax on all lower income earners, taking into account the impact on the elderly worker and the costs to the system.

The Sales Tax

The elderly as a group are more lightly burdened by the sales tax than the non-elderly. This is in part due to the constraint of low incomes and in part to lower consumption of highly taxed commodities such as liquor, tobacco, gasoline and automobiles. Nevertheless, *the sales tax does adversely affect the ability of all lower income groups, among which the elderly are disproportionately represented, to purchase the basic essentials of living.*

The alternatives to the inherently regressive sales tax at the State-local level are (1) increasing reliance on State income taxes, and (2) reducing the regressivity of State and local sales

taxes. These options, however, present their own difficulties to the fiscal structure of States.

In the case of the income tax—

- Higher marginal tax rates are required by income taxes to collect the same amount of revenue as broad based sales tax, thus providing an incentive for out-migration of higher income residents.
- Revenues from a graduated income tax are less stable than sales tax revenue. They automatically increase during prosperous times, but automatically decrease during economic declines when demands for public assistance and unemployment compensation rise.

The widespread adoption of the individual income tax at the State level (as of 1972 six States did not have an income tax) operates against the possibility of significant out-migration of high-income residents, but the problem of the instability of this source of revenue remains.

The difficulties present in reducing the regressivity of the sales tax by exempting basic essentials such as food and drugs include loss of substantial revenues and poor targeting of benefits since both needy and non-needy households consume exempted items.

Since the sales tax is a relatively stable source of revenue, among other features which may be attractive to burdened State and local governments, elimination of this fertile revenue source is probably not feasible under present circumstances.

Recommendation C-1

The Federal Council on the Aging recommends that encouragement should be given to States to place greater reliance on the income tax rather than the sales tax.

Steps which might be taken by the Federal government to encourage States to move in this direction include the following:

- Disallow deductibility of State and local sales taxes in calculating Federal liabilities. This would deny States a subsidy and provide an incentive to decrease reliance on sales taxes.
- Accompany the above action by using the revenue gains to the Federal government to provide a *credit* based on State income tax liabilities with a maximum ceiling per household which declines as income rises. This would provide an incentive to States to increase reliance on the personal income tax.

- The Federal government could institute a program of countercyclical¹ revenue sharing. This could take the form of a revision of current general revenue sharing.

- Because of its very important relationship to the matter of the stability of States' fiscal structure, careful consideration should be given to the federalization of responsibility for such income maintenance and related programs as Aid for Dependent Children, Medicaid and Unemployment Compensation. Further inquiry is required to determine the most desirable form of Federalized provision and the consequent net costs, considering the potential offsets of current outlays.

Independent of Federal action, States could reduce the regressivity of the sales tax in the following manner:

Recommendation C-2

A credit or rebate against State and local taxes targeted at lower income households, including both sales and property taxes, should be considered as a replacement for existing "circuit-breaker" and homestead exemption programs. Such a credit or rebate should gradually diminish as income rises. Consideration should be given to provision of rebates to family units whose State income tax liability is less than the amount of credit entitlement. Equity requires that both the aged and non-aged be included.

The Property Tax

The unpopularity of the property tax rests on the belief that the tax is regressive, administered unevenly and particularly burdensome to older people with low incomes. Property tax relief at the State and local levels, particularly for the elderly, has increased significantly in recent years. Federal intervention in property tax relief is a current issue.

Alternative propositions are examined in this study with the conclusion that property tax liabilities are a burden to lower income aged—as well as to all lower income persons but property tax relief in existing forms is inequitable and an inefficient means of attacking the underlying problem of current income inadequacy.

Neither the claim that the property tax is regressive nor that it is progressive can be resolved due to lack of data availability

¹ "Cyclical" refers to recurring periods of economic prosperity and recession; counter-cyclical programs are intended to act as offsets to recession and inflation, in turn.

and hence, empirical support. If the proper concept of "income" (average income over five years or more) is employed in measuring property tax burdens, however, the tax appears to be roughly proportional to income.

Evidence further supports the view that property tax *liabilities* do impact the elderly disproportionately in terms of *current income*; property tax *burdens* have a disproportionate impact on the elderly regardless of whether the tax is viewed as regressive or progressive.

However, current forms of property tax relief are not consistent with any existing theory of property tax burdens, but are analogous to "backdoor" income maintenance or housing allowance programs. As such, they are seriously flawed.

As long as property tax liabilities enter into the calculations, greater benefits from such programs go to those with greater net worth within any income class; this is not consistent with equity considerations. Other inequities exist which violate the principle of ability-to-pay, the equal treatment of households in similar circumstances (horizontal equity), and the notion that households in greater need should receive greater benefits (vertical equity). Attempts to correct the "unfair" program elements result in unfortunate trade-offs—either other inequities result or the programs may become administratively complex and unwieldy or excessively costly.

In any case, average annual benefits (\$143 for circuit-breakers; \$173 for homestead exemptions) are not sufficient to merit a program with this degree of complexity.

When property tax relief programs are considered as housing allowances or income maintenance programs, it is less clear why one particular cost of housing has been singled out for relief. In fact, property tax relief does not require that benefits, i.e., funds that are freed for other uses, be spent in any particular manner. Hence, income maintenance, which provides assistance to those deemed needy and deserving, to purchase adequate housing or other basic essentials may be a more direct, efficient and equitable form of relief from undue burdens for the elderly poor as well as other lower income groups.

If the popular acceptance of State and local property tax relief programs rests on the basis that it helps in reforming the regressive tax structures at the State and local level, then why exclude other more obviously regressive taxes such as the sales tax? Presently, New Mexico does include all State and local taxes in its Low Income Tax Credit (LITC). Although the political acceptability of property tax relief is a reasonable rationale for the continuing existence of present programs in

the short-run, the unique effort of New Mexico should be considered as a more equitable alternative to States in the future.

Recommendation D-1

A credit or rebate against State and local taxes targeted at lower income households, including both property and sales taxes, should be considered as a replacement for existing "circuit-breaker" and homestead exemption programs. Such a credit or rebate should gradually diminish as income rises. Consideration should be given to provision of rebates to family units whose State income tax liability is less than the amount of credit entitlement. Equity requires that both the aged and non-aged be included. (This was also presented in the context of the sales tax as Recommendation C-2.)

Recommendation D-2

At the national level, adequate income maintenance or housing allowances to all lower income households is a preferred vehicle for Federal aid. Therefore, Federal intervention is *not* recommended in the form of property tax relief assistance, since—in addition to the poorly focused benefits of existing programs—Federal action in this area would encourage States to change their tax structure to gain maximum Federal dollars and, therefore, to *increase* reliance on the property tax.

Study of the Interrelationships of Benefit Programs

On December 29, 1975, the Council submitted to the President their study of the interrelationships of benefit programs for the elderly operated by Federal, State and local government agencies. This study was mandated by the Congress in the 1973 amendments to the Older Americans Act which also directs the President to "... submit to Congress recommendations for bringing about greater uniformity of eligibility standards, and for eliminating the negative impact that one program's standards may have on another."

The Council contracted with the Urban Institute on June 25, 1975 to carry out the study under contract #HEW-100-75-0120. The conclusions and recommendations (a summary of which follows), while based upon the findings of the Urban Institute study, reflect the formal unanimous action of the Federal Council on the Aging.* The staff of the Human Resources and Income Security Project of the Institute compiled the supporting data for this activity which is contained in the three appendices described briefly as follows:

APPENDIX I

Handbook of Federal Programs Benefiting Older Americans presents each of 34 programs in a consistent framework based primarily upon common program elements, such as mode of

* The main report and its appendices may be purchased individually or together from the Superintendent of Documents, Government Printing Office, Washington, D.C. 20402.

financing, eligibility criteria, benefit formulae, magnitude of program cost and number of beneficiaries.

APPENDIX II

Programs for Older Americans in Four States: A Case Study of Federal, State, and Local Benefit Programs reports on visits to four States for the purpose of identifying and describing benefit programs for the elderly which would be illustrative, although not necessarily statistically representative of State-level activities nationwide.

APPENDIX III

The Combined Impact of Selected Benefit Programs on Older Americans: A TRIM Analysis focuses on the interrelationships among selected benefit programs for the elderly and attempts to measure the level and extent of these interrelationships. It contains the results of the computer simulation model utilized for the analysis.

I. PHILOSOPHY AND SCOPE OF WORK

Over the past 15 years government expenditures on social welfare programs have increased dramatically. Much of this growth has been due to increased participation in and the expansion of coverage of the public assistance programs enacted in the 1930s. Equally important, however, has been growth resulting from the creation of new programs. While new programs have most often been established in response to a real need, very little concern has been shown for the relationships among programs. Not only is each individual program complex, but each program's specific provisions are often unique, even though its goals might be similar to those of another program. This has led to administrative complexity and expense, and confusion among the potential recipients. Indeed, in some cases there has been great divergence between planned and actual impact. The situation has been made even more complicated and confusing by the tangled mix of benefits, which now include cash, food, housing, and medical care, as well as a long list of services. Different kinds of benefits flow from different programs.

Clearly the present situation should be improved. However, no simple solutions are available. One major difficulty is the lack of information about the extent and, in some cases, the nature of the problem.

The objective of this study is to provide information and make recommendations regarding the effects of the interrelationships of benefit programs for the elderly. The elderly are a

particularly significant group to consider because they have special needs, a high incidence of poverty, are the focus of several programs, and are particularly likely to participate in more than one benefit program. Having surveyed Federal programs nationwide and State programs in four States, and after analyzing the interaction of the major Federal programs affecting the elderly (via the Transfer Income Model¹ and other analysis), we have now developed a set of recommendations which would mitigate or eliminate the most serious problems arising from the complex of overlapping programs for older Americans.

Our recommendations flow largely from the nationwide study since the State studies were limited to four States. TRIM analysis has demonstrated that in 1975 approximately 22 percent of older Americans will receive assistance from at least one of the three income-conditioned programs—SSI, Food Stamps and Medicaid. Of these beneficiaries, 49 percent are estimated to participate in only one program, 34 percent in two programs and 17 percent in all three programs. The most significant overlap is between SSI and Medicaid with 41 percent of the recipient units receiving assistance from both. The Food Stamp/Medicaid overlap affects 26 percent of the recipient units while the Food Stamp/SSI overlap involves only 18 percent. Thus, considerable overlap exists between programs. Over 50 percent of the participants, nearly 3.5 million units, receive benefits from 2 or more programs, and all of these units are likely at some time to be affected by program interactions.

We have, therefore, limited the scope of our work to the existing framework of programs. In particular, we have not attempted to design a new set of programs to provide income and services for the elderly. The set of recommendations given here is far more modest.

We have made no effort to address the issue of what constitutes a fair share of the national income for the elderly. Wherever possible, the recommendations made in this report are intended to be neutral with respect to this issue. In no case have we made a recommendation whose sole purpose was to increase or decrease the fraction of national income going to the aged population. Whenever accurate data were available either from outside sources or from analysis performed by the Urban Institute, we have made estimates of costs associated with our recommendations.

Our underlying philosophy has been to make recommenda-

¹ See "The Combined Impact of Selected Benefit Programs on Older Americans," Appendix III for a description of the Transfer Income Model.

tions which would move our society towards a system in which all elderly individuals in similar economic circumstances would be treated the same. Often the failure of the existing set of programs to meet this standard is caused by the interrelationships among the programs.

The issue of racial and other discrimination in administration of benefit programs was beyond the scope of this study. This is not to say that there is no racial discrimination in the provision of benefits to the elderly. Indeed, the Federal Council is continually concerned with examining Federal programs to assure equity for all older Americans.

Our recommendations fall into five broad areas.

First, we consider the implications of the ways in which some programs count income received from other programs. Some programs reduce their benefit as benefits from other programs increase. While the principle underlying this benefit reduction is sound, it can lead to (1) the failure to pass through cost-of-living adjustments, and (2) high cumulative benefit reduction rates on earnings and other non-transfer income. In some cases (the State supplements to the Supplemental Security Income (SSI) program), this may have been intentional. However, where the benefit reduction rules have led to inequity, we have recommended changes in the rules.

Second, we consider the income tests used in the program for older Americans with low incomes. Currently some of the tests (1) do not always take into account changes in the cost of living, (2) vary substantially (even in their definition of income) from program to program and (3) do not always phase out benefits smoothly as income increases. In some programs, the standard income test is waived entirely if a person is already receiving benefits from another program. We recommend changes which would at least partially remove inequities caused by the income tests currently used.

Third, we consider the asset tests in most programs for older Americans with low incomes. Currently the tests (1) do not phase out benefits smoothly as assets increase, (2) treat homeowners and renters differently, (3) may discriminate against the elderly versus the nonelderly and (4) vary substantially (both in the treatment and definition of assets) from program to program. We recommend study of changes which would at least partially remove the inequities caused by the asset tests currently used.

Fourth, we note that several programs have low rates of participation. This leads to a situation where some persons are getting benefits, while other similarly situated persons are not.

We recommend study of changes which should bring about increased participation and, thus, diminish the degree of inequality.

Fifth, we consider administration and program evaluation. Currently, the application process for the needs-tested programs is spread across several agencies. We recommend consideration of consolidating this process. In addition, we recommend that a study be undertaken to consider the larger issue of what an ideal set of programs for the elderly should be.

II. RECOMMENDATIONS

A. Reduction in Benefits in One Program Resulting from Increasing Benefits in Another

Introduction

Many of the programs which provide income for older Americans reduce their level of support as the individual's income from other sources increases. Usually benefits are reduced by less than a dollar for every dollar of income from other sources. There are even cases where benefits are reduced by more than one dollar when income from other sources rises by one dollar. Benefits must be reduced as income rises if the program is to be restricted to the low-income group. However, high rates of benefit reduction discourage a person from helping himself.

Cancelling Out Cost of Living Increases

During periods of price stability, the level of benefits received by participants from all programs would remain the same—barring a change in the laws or a change in individual circumstances. During periods of price inflation, however, the total benefits of some recipients rise at the same rate as the Consumer Price Index (CPI), while the total benefits of other recipients do not increase at all. The latter happens to all persons who receive benefits from two or more programs, one of which does not automatically increase its benefit levels and, in addition, reduces its benefits by one dollar for every dollar of benefits received from other programs which *are* indexed to the CPI.

One important example of this situation is the relationship between SSI State supplements, on the one hand, and the Federal SSI payments and Social Security retirement benefits on the other. The SSI State supplements are not as a rule increased at the same rate as the CPI. Furthermore, SSI Federal

payments and Social Security payments are considered to be part of countable income. The result is that as long as the individual is entitled to a supplement, that supplement will be reduced by the amount of his SSI Federal payment and Social Security income is increased (except for the few states where the supplements themselves are indexed). In other words, every additional dollar the Federal government gives to the recipient to compensate him for the increase in the cost of living is taken away by the State government.

Recommendation 1.

We recommend that mandatory SSI State supplements remain unchanged when benefits from Federal social insurance and needs-tested programs (including SSI and Social Security) are increased due to increases in the cost of living.

If mandatory SSI payments had not been reduced due to cost-of-living adjustments in the Federal SSI program, the total cost of mandatory SSI payments would be at most \$150 million per year greater in 1975 than it is without them. Over time, annual costs of this change will rise as the amount of inflation experienced since the program's inception rises. However, by the year 2000 the annual cost of this change will have fallen to near zero since the mandatory supplemental payments are made only to persons receiving payments from the State-administered Old Age Assistance programs before SSI began.

High Cumulative Rates of Benefit Reduction

High cumulative rates of benefit reduction can occur when two programs simultaneously reduce their benefits as a third source of income increases. A further complication occurs if one of the two programs reduces its benefits as benefits from the other program increases. This study has found that this occurs when a person is receiving Social Security and a Veteran's Pension for a Non-service-connected Disability.

High benefit reduction rates discourage the elderly from working to support themselves. Benefit reduction rates which exceeds 100 percent actually punish persons who work to help themselves.

Recommendation 2.

We recommend that the President direct the Veterans Administration to study the problem of the high benefit

reduction rates caused by simultaneous receipt of benefits from Pensions for Veterans with Non-service-connected Disabilities and other Federal programs (particularly Social Security payments) because in our findings there appears to be an inequity.

Whatever changes are made, the benefit schedule should be modified in such a way as to keep total costs of the program the same as they are now.

B. Income Tests

Adjusting for Changes in the Cost of Living

Many of the transfer programs for the elderly do not adjust their allowable levels of income or their benefit levels for changes in the cost of living. Since benefit levels usually depend upon the level of countable income (with benefits eventually reaching zero when countable income reaches a certain point), these two problems can be considered together.

If benefits and allowable levels of income are fully adjusted for changes in the cost of living, the real level of income being paid to recipients remains constant regardless of what is happening in the rest of the economy. However, if benefits and allowable levels of income are not adjusted for changes in the cost of living, all recipients will experience a decline in their real level of income during periods of inflation, and some recipients will lose eligibility altogether.

Recommendation 3.

We recommend that the income standards, benefit schedules, income disregards, allowable asset levels, and exclusions from assets of the SSI, Food Stamps, Medicaid, Pensions for Veterans with Non-service-connected Disabilities, and Pensions for Widows and Children of Veterans programs be increased at the same rate as the cost of living.

Programs providing particular types of goods or services rather than money should use the increase in the price of goods or services they provide rather than the overall Consumer Price Index. According to the Transfer Income Model, SSI would cost about 2 percent more (an increase of about \$72 million) in 1976 if the amount of earned and unearned income which is not counted by SSI for purposes of the income test had been increased at the same rate as the cost of living since the program's inception. The cost of Pensions for Veterans with Non-service-connected Disabilities and Pensions for Widows and

Children of Veterans programs would probably be *less in 1975* if automatic adjustments for the cost of living were made. This is because legislated changes in the benefit schedules have exceeded changes in the cost of living.

The increased cost of Food Stamps resulting from the proposed change was not calculated, but we estimate the percentage increase to be about the same as for SSI—namely about 2 percent in 1976.

Because of the diversity of Medicaid rules, we have been unable to estimate the increased cost resulting from the recommendation. Since Medicaid income standards are not generally increased at the same rate as the cost of living currently, the percentage increase in costs would probably exceed 2 percent.

To adjust allowable levels of assets, ideally one would use a price deflator particular to the type of asset being deflated. For example, the \$25,000 limit on owner-occupied housing in SSI would be increased by the same percentage as a housing price index (preferably an index specific to the area where the person lived although currently separate indexes do not exist for all areas). However, in the interests of simplicity the Consumer Price Index (CPI) would probably suffice. According to our analysis, if the SSI homeowner exemption had been increased at the same rate as the overall cost of living, total benefits paid out by the Federal SSI program would have increased in 1975 by about 1.6 percent (approximately a \$58 million increase). Although we have not calculated the increase in costs resulting from similar changes in the other benefit programs, the percentage increase in costs should be roughly the same.

Uniformity in Definition of Income

Uniformity Across Programs

An additional problem with income tests of the low-income programs is the lack of uniformity of the definition of countable income for purposes of the income test. This lack of uniformity complicates the application process and, in addition, results in persons in similar economic circumstances but receiving benefits from different programs being treated differently.

The philosophical justification for exclusions is that certain expenditures of income (e.g., food, medical expenses, educational expenses) are essential or highly desirable and should, therefore, not be included as part of countable income. Since the programs were designed by different Congressional committees at different times under different Administrations, it is

not surprising that the lists of exclusions are not identical nor defined in the same way.

However, the widely varying rules have created a very confusing and complex situation from the standpoint of administration. While we recognize that some heterogeneity among the programs may be necessary, we feel that all of the programs should be viewed together and that adjustments in definitions of countable income be made to achieve greater uniformity wherever possible. One promising way to deal with this problem is to allow a "standard deduction" from income in lieu of a set of particular exclusions. This approach is being recommended in currently pending legislation to alter the Food Stamp program.

Recommendation 4.

In order to reduce complexity as well as improve equity, we recommend that what is included in countable income and allowable exclusions be made more uniform across the income-conditioned programs.

Links in Eligibility Between Programs

Another problem with the income tests occurs because in certain cases with Medicaid and Food Stamps the program's income standards are entirely ignored in establishing eligibility. In most States, receipt of SSI payments results in automatic eligibility for Medicaid. In all States, receipt of SSI payments results in eligibility for Food Stamps if all members of the household are eligible for SSI. This means that a person whose income is comprised of earned income and Social Security benefits might fail to qualify for Medicaid or Food Stamps, while a person with equal total income comprised of SSI and earned income would qualify for both programs.

If the link between Medicaid and SSI were broken, one consequence would be a dramatic increase in lack of uniformity among the States of eligibility criteria for Medicaid. This is because the States have a great deal of leeway in establishing eligibility for Medicaid for persons who are not receiving benefits from SSI or the Aid to Families with Dependent Children (AFDC) program. The result would be a large decline in persons eligible for Medicaid. In order to prevent this from happening while, at the same time, treating persons similarly who are in similar economic circumstances, uniform national income standards could be established to determine eligibility for Medicaid. However, the costs, changes in caseloads, and distribution of benefits of taking this step are not known.

Recommendation 5.

We, therefore, recommend that the Department of Health, Education, and Welfare study the advisability of breaking the eligibility link between SSI, on the one hand, and Food Stamps and Medicaid on the other; the administrative complications of breaking these links; and—in relation to such removal of links—the advisability of establishing uniform national standards for determining eligibility for Medicaid.

Smoothing the Phase out of Benefits

In all means-tested programs there are income tests which result in all benefits being cut off if income rises above some level. In some cases, notably the Federal SSI program, benefits decline smoothly as income rises. In other programs, including Medicaid, Food Stamps, Pensions for Veterans with Non-service-connected Disabilities, Pensions for Widows and Children of Veterans, Low Rent Public Housing and the Rent Supplement programs, a benefit ranging from a few dollars up to hundreds of dollars per year can be cut off if income increases by a small amount (in some cases even by one dollar). Changing benefit schedules slightly can smooth the phase out of benefits.

C. Asset Tests

How Programs Treat Assets and the Resulting Inequities

Several programs which help older Americans, including SSI, Medicaid, Food Stamps, Pensions for Veterans with Non-service-connected Disabilities, and some housing programs, use asset tests as well as income tests in determining eligibility for participation. The rationale for employing an asset test is that persons with substantial wealth should not be helped even if their measured income is low since assets can either be sold and used for support or be converted into income-producing assets (if they are not already).

Asset tests as presently used cause four types of inequities. First, a small increase in a person's assets (in theory even one dollar) can result in loss of eligibility for a program yielding sizable benefits. For example, an individual with \$1,500 worth of stocks and bonds and no other assets would be eligible for SSI provided he met all the other tests, while an individual with \$1,501 worth of stocks and bonds and no other assets would be ineligible even though his income might be the same or lower than the first individual's income. Second, because there is usually an exception for owner-occupied housing, asset tests dis-

criminate against persons who rent rather than owning housing. Third, asset tests discriminate against the aging *vis a vis* the non-aging since elderly persons of a given economic status are more likely to have accumulated wealth than the young and middle-aged and are more dependent upon wealth income. Finally, definitions of countable assets vary among the programs, leading to inconsistencies and complexities among the programs.

As long as there is a limit to total assets there will be an abrupt cessation of benefits as assets rise in value, and, as long as certain types of assets are excluded, persons in similar economic circumstances will be treated differently.

Reducing the Inequities of Asset Tests

In all of the above cases applying a cost-of-living adjustment to the asset limitation would keep constant over time the relationship between real asset levels and benefit levels. This was recommended as part of Recommendation 3 (above).

While this recommendation would prevent persons from creeping across asset limits with no change in real asset holdings, it would not address the more fundamental problems caused by the absolute limit to assets and the exclusions, as well as the unfair treatment of the elderly *vis a vis* the remainder of the population.

FCA ACTION 1.

The Federal Council on the Aging will initiate a study of the philosophical and administrative rationale connected with the way in which assets and asset income are considered in determining eligibility for benefit programs and the various options available to reduce the inequities in the existing asset tests.

In carrying out this study, the Federal Council on the Aging will draw upon existing analyses and data and work closely with concerned Federal departments and agencies.

D. Participation of Eligibles

Programs for the elderly can be grouped under three broad categories: retirement programs (including Social Security), other entitlement programs which are categorical in nature (e.g. one must have low income, or be disabled, or be a veteran to qualify), and programs which have closed-ended funding and thus must ration their benefits to less than the number eligible. In the latter two groups of programs, the issue of participation

arises.¹ Consider first the entitlement programs which have categorical eligibility requirements. These include SSI, Food Stamps, Pensions for Veterans with Non-service-connected Disabilities, Pensions for Widows and Children of Veterans, Medicare and Medicaid. All have open-ended funding, and those who qualify are legally entitled to benefits. Yet a large number of eligible older Americans do not receive benefits from some of these programs. The two most outstanding cases are the SSI and Food Stamp programs.

When SSI was implemented in January 1974, DHEW estimated that about 3.8 million non-institutionalized units (families or single individuals) age 65 or over would be eligible for Federal benefits. However, about half this number actually received SSI benefits in the first six months of operation (January-June, 1974). Our analysis using the TRIM model suggests that there will be about a 65 percent participation rate (ratio of recipients to eligibles) in 1975.² A large number of older low-income people who are eligible for SSI are not receiving benefits.

Estimates of participation in the Food Stamp program by eligible households have ranged from 30 to 60 percent, though there is evidence that some of the nonparticipants are eligible for only short periods of time during any given year.

With the exception of Medicare, there is little information on the participation rates in the other entitlement programs.

For entitlement programs, we hold the view that all families or individuals eligible for benefits from programs with open-ended funding should have the *opportunity* to receive those benefits.

Information

There is a need to know not only how many eligibles do not participate in these entitlement programs, but who they are and why they don't participate. One would like to know how participation rates are related to: (1) knowledge of programs;

¹ There is a set of issues which might be broadly regarded as participation issues involving retirement programs for older Americans, such as vested rights, the relationships of contributions to benefits, and whether everyone who is entitled to benefits actually receives them. However, the scope of this section will be limited to the more common concept of participation, that being in the other types of programs available to the elderly.

² This figure is not directly comparable to the former because it is for 1975. Also, the CPS does not provide the value of owner-occupied homes, a critical factor in the number eligible for SSI (persons with homes valued in excess of \$25,000 are ineligible for SSI payments). We therefore used the 1970 Census Public Use Sample, which has information on the value of owner-occupied homes, to make adjustments to the number of eligibles calculated from the CPS.

(2) attitudes towards programs; and (3) availability of the program.

All of these types of Federal programs are State or locally administered, and in many cases there are insufficient data at the national level to know who among the eligibles apply for the services and, among those that apply, who receive benefits. In other words, we do not have sufficient data to construct profiles of those receiving services, those on waiting lists, and those who for one reason or another do not apply at all. Lack of such information also limits the ability to determine how many of these recipients participate in other programs, and therefore does not allow an assessment of the magnitude of the problems, if any, of deleterious program interactions.

Recommendation 6.

We recommend that the Administration on Aging conduct a study to determine the magnitude and the distribution (by age, sex, education, income, race, health status, size of community, urban versus rural, region) of (a) eligibles, (b) participants, and (c) eligible non-participants for all of the Federal income-conditioned benefit and service programs for the elderly; and to determine the reasons for nonparticipation of those who are eligible.

This study should build upon the work which has already been done in this area. However, it should pay particular attention to programs which have not already been studied.

Outreach

There is a need for a careful evaluation of a wide variety of outreach methods. Relative effectiveness can best be measured in a controlled experiment, and such an experiment could explore the effectiveness of utilizing existing institutions as well as alternative methods of outreach (e.g. radio, TV, mail, personal contact by peers, personal contact by agency personnel).

Recommendation 7.

We recommend that the Administration on Aging conduct a series of controlled experiments to test the relative effectiveness of various methods of outreach, by socio-economic-demographic subgroups of the population.

As with the preceding recommendation, this study should build on existing information wherever possible.

It is essential that the study address the issue of the effectiveness of alternative methods of outreach for minority groups and for various age cohorts of the elderly (e.g., different methods for persons who are 85 than for persons who are 65).

Finally, the study should focus on attitudinal issues. No outreach effort will work effectively unless the climate of the agency is perceived by the elderly to be encouraging and sympathetic.

E. Administration and Program Assessment

Central Determination of Eligibility and Benefits

Our study of programs for older Americans has shown that an elderly individual or family could conceivably receive benefits *at the same time from* a social insurance program (Old Age, Survivors, and Disability Insurance), five separate income-conditioned Federal programs (Supplemental Security Income, Medicaid, Food Stamps, Pensions for Veterans with Non-service-connected Disabilities, and one of several housing programs)—not to mention State-level income-conditioned programs and other State and Federal programs for which eligibility is not conditioned on income. If benefits were only received from the Federal social insurance and income-conditioned programs mentioned above, an elderly person would have to deal with four or five separate agencies,¹ be certified for initial eligibility six separate times, and report back to these four or five offices at various (and different) times throughout the year to report income and assets for recalculation of benefit levels. Finally, in determining benefits each of the programs has different definitions of income and assets, different income and asset disregards, and, in some cases, different accounting periods (the length of time income is averaged for calculating benefits).

The practice of having separate agencies to administer each program and the diversity of practices and procedures across agencies is confusing, if not bewildering, to even the most sophisticated potential beneficiary—and it is inefficient, imposing an unnecessary expense on taxpayers. Separate administering agencies exist presumably because the programs are funded by separate Federal agencies under different legislation. Furthermore, the income-conditioned programs have a means test while the social insurance retirement benefit is dependent on one's covered employment record. But this need

¹ Social Security and SSI are administered by the same office, and, in most States, Medicaid and Food Stamps are administered by one agency.

not necessarily lead to separate administration of determination of eligibility.

The administrative expenses could be shared by the separate funding agencies (much like the Food Stamp program and AFDC now share administrative costs). Such centralization would benefit both the "givers" (taxpayers) and the "receivers" (aging beneficiaries).

Thus, while we endorse in principal the notion of some centralization of local administration of a number of Federal programs, we recognize that the issue must be given further study to arrive at the most efficacious organizational structure.

Recommendation 8.

We recommend that the executive branch should study the desirability, feasibility, cost effectiveness, and convenience to the elderly of having a simplified system at the local level to determine eligibility and benefit levels for all federally funded income-conditioned programs (including services) for those age 65 or older. The relationship to the administration of the social insurance programs should also be considered.

The study should bear in mind the important human element as well as cost-effectiveness. The study should look at a wide range of options for local organization, should develop a set of administrative proposals, and should bear in mind that enabling legislation may be required for many of the changes which are recommended. While all programs should be included, the study may show that not all of the programs should be incorporated in a new local system.

While the FCA strongly endorses information and referral services, they should not be considered a substitute for the simplified system approach contained in recommendation 8.

Reassessment of Programs for the Elderly

A number of programs for older Americans are designed for, and available to, those at all income levels. Some of these are recreational in nature, others attempt to mitigate loneliness or insecurity, still others are designed to convert the free time of retired people into productive uses, beneficial to both the elderly and the community. Another set of programs are available only to elderly individuals or families who are in economic need. Their purpose is to provide in-kind benefits or services which the more financially secure can afford to purchase and which society deems as necessities (food, medical care, housing), or to provide cash to buy these and other necessary goods and services.

This latter set of programs—available only to those in economic need—are commonly called income-conditioned programs; the level of cash or in-kind benefits are highest for those with the most need (lowest incomes), and are less for the less needy (i.e., decline as income rises, with benefits diminishing to zero at modest levels of income). All of these programs are intended to raise the economically deprived to a standard of living which society deems as “minimally acceptable.”

Some argue that there should be only one program for the elderly who are in economic need, that being an income-conditioned cash program which raises the income level of all older Americans to a minimally acceptable standard. Others argue that such a simple approach is unsatisfactory because (1) the elderly may not have sufficient knowledge to spend the money in a way to maximize their own well-being (e.g. spend too little on food), or (2) they may not spend the money in a way which those who are providing the money (taxpayers) would like them to spend it (e.g. not enough on housing, resulting in unsightly neighborhoods), or (3) that the needs of the elderly vary so much due to health, initial housing facilities, etc., that one program cannot adequately take account of their special needs, or (4) that it is inefficient for the private market to provide their special needs on a pay-for-service basis.

For whatever reason, or combination of reasons, there are at least eleven Federal and federally-subsidized State benefit programs,¹ plus a number of social service and health programs designed to assist the low-income and vulnerable elderly. There is some question as to whether the Federal monies for all of these programs are best spent in such a variety of programs; whether the same amount of Federal funds would be more effective if devoted to fewer programs, since most of the programs have the same basic objective, namely to help those older Americans who have insufficient resources to help themselves.

FCA Action 2.

Studies will be initiated by the Federal Council on the Aging to develop recommendations for a minimum and internally consistent set of income-conditioned benefits and services for the elderly to replace the current set of overlapping, often-inconsistent set of State and Federal programs now in existence.

¹ These include Medicaid, SSI, Food Stamps, four different housing programs and four separate programs for veterans.

Bicentennial Charter for Older Americans



Upon the request of the Commissioner on Aging, the Federal Council has prepared a revision of the Senior Citizens Charter developed by the 1961 White House Conference on Aging. In developing this new Charter, the Council has drawn on many resources including the objectives of the 1965 Older Americans Act. Dr. Flemming has further asked the Federal Council to transmit this statement to the President so that it might be incorporated in a Presidential proclamation during the Bicentennial Year of 1976.

It is the Commissioner's hope that this new statement, which we are calling the "Bicentennial Charter for Older Americans," will be considered at forums of older persons organized by Advisory Committees to the Area Agencies on Aging in order (1) to determine progress or lack of progress at the Federal, State and local levels in implementing the Charter's goals, and (2) to recommend specific action programs at Federal, State and local levels in both the public and private sectors, designed to accelerate the implementation of both the rights and responsibilities contained in the Charter.

These action recommendations are to flow from local to State and then to the Federal Council on the Aging. The Council hopes that at the time of our next annual report, we shall be able to close the bicentennial year with a set of recommendations which will focus on needed national actions to enhance the lives of all older Americans.

The Federal Council on the Aging, therefore, requests that the President promulgate the following Bicentennial Charter for Older Americans in 1976:

BICENTENNIAL CHARTER
FOR
OLDER AMERICANS

Two hundred years ago, a new nation was founded based on the self-evident truths that all men—and women are created equal and that they are endowed by their Creator with certain inalienable rights. A Constitution was set forth for governance of these new United States of America with the goal of forming a more perfect union, establishing justice, insuring domestic tranquillity, providing for the common defense, promoting the general welfare, and securing the blessings of liberty to ourselves and our posterity.

In the two hundredth year of this nation's existence, it is good and well that we call special attention to a group of citizens which literally did not exist at the time of our Revolution. The approximate life span in 1776 was 32 years. In 1976, it is projected to be 71 years and we now have a virtual "generation" of older Americans whose roles, contributions, rights and responsibilities need to be given particular attention at this time in our history.

Americans of all ages have the ultimate responsibility to be or become self-reliant, to care for their families, to aid their neighbors and to plan prudently for their old age. Older persons have the responsibility to make available to the community the benefits of their experience and knowledge. Society—be it through the institutions of the public or the private sector—has the responsibility to assist citizens to be prepared for their later years as well as to assist directly so many of the very old who for one reason or another cannot cope with the burden of increasing physical, mental, social and environmental debilities.

There follow certain basic human rights for older Americans based on the "laws of nature and of nature's God" as set forth in the founding documents of this nation some two hundred years ago.

I. The Right to Freedom, Independence and the Free Exercise of Individual Initiative.

This should encompass not only opportunities and resources for personal planning and managing one's life style but support systems for maximum growth and contributions by older persons to their community.

II. The Right to an Income in Retirement Which Would Provide an Adequate Standard of Living.

Such income must be sufficiently adequate to assure maintenance of mental and physical activities which delay deterioration and maximize individual potential for self-help and support. This right should be assured regardless of employment capability.

III. The Right to an Opportunity for Employment Free from Discriminatory Practices Because of Age.

Such employment when desired should not exploit individuals because of age and should permit utilization of talents, skills and experience of older persons for the good of self and community. Compensation should be based on the prevailing wage scales of the community for comparable work.

IV. The Right to an Opportunity to Participate in the Widest Range of Meaningful Civic, Educational, Recreational and Cultural Activities.

The varying interests and needs of older Americans require programs and activities sensitive to their rich and diverse heritage. There should be opportunities for involvement with persons of all ages in programs which are affordable and accessible.

V. The Right to Suitable Housing.

The widest choices of living arrangements should be available, designed and located with reference to special needs at costs which older persons can afford.

VI. The Right to the Best Level of Physical and Mental Health Services Needed.

Such services should include the latest knowledge and techniques science can make available without regard to economic status.

VII. The Right to Ready Access to Effective Social Services.

These services should enhance independence and well-being, yet provide protection and care as needed.

VIII. The Right to Appropriate Institutional Care When Required.

Care should provide full restorative services in a safe environment. This care should also promote and protect the dignity and rights of the individual along with family and community ties.

IX. The Right to a Life and Death With Dignity.

Regardless of age, society must assure individual citizens of the protection of their constitutional rights and opportunities for self respect, respect and acceptance from others, a sense of enrichment and contribution, and freedom from dependency. Dignity in dying includes the right of the individual to permit or deny the use of extraordinary life support systems.



We pledge the resources of this nation to the ensuring of these rights for all older Americans regardless of race, color, creed, age, sex or national origin, with the caution that the complexities of our society be monitored to assure that the fulfillment of one right, does not nullify the benefits received as the result of another entitlement. We further dedicate the technology and human skill of this nation so that later life will be marked in liberty with the realization of the pursuit of happiness.

National Policy for the Frail Elderly

In its first annual report, the Federal Council on the Aging identified as a priority concern, that group among the elderly who with advancing age are beset with increasing physical, emotional, social, economic and environmental debilities. Many need almost daily—but not 24-hour-aid, to enable them to cope with the world around them. While no one age group among the elderly is necessarily frail, we note that the dependency creating elements are more likely to occur among the older of the old.

While some elderly do enjoy the support of families or neighbors, many are isolated in contemporary circumstances. As past generations revered and cared for their elders, so too does the array of new national, State and local government and voluntary programs show increasing concern for the aged. In the aggregate, the programs do not match the total need. But then, there has not been an examination of the various caring and supporting programs to determine which are most effective at reaching the subgroups among the elderly most in need of services.

In essence, the Federal Council on the Aging is saying that the "frail elderly" should receive a first priority on services and that a thoughtful process should be undertaken to determine the "floor" or "basic core" of such social services. This process should include a review of these premises, the definition of the target group, and an assessment of the effectiveness and cost of services of varying packaging and levels.

During this past year, the Council has consulted with leading scholars, government officials—both past and present—as well as leaders from practice and consumer groups in the field of aging to identify the national policy issues in developing a system to meet the unique combination of needs of this growing segment of the aging population.

These deliberations, including an invitational seminar with some of these leaders and a roundtable at the annual meeting of the Gerontological Society, have been useful in building a base of knowledge. But there is still much more thinking and testing that must be done at a national level before we can be assured that every frail older American will have available the kind of loving and long-term care that many families could provide in a less complex and urbanized society.

The “frail elderly” is a working “term of art.” It does not imply that all elderly are frail. As a matter of fact, the modifier “frail” was to indicate that this was a subgroup within the elderly. (There is indeed a group of “frail” persons under sixty-five who are beyond our purview).

Entitlement At a Certain Age

There are problems with using age, particularly when subgroups such as minorities are considered, but the age seventy-five is being studied by the Council to determine if correlations with other indicators are sufficient to utilize it as a threshold for entitlement to a set of specifically defined services and as the population for public policy purposes.

Several Care Systems Impact Frail Elderly

Many of the frail elderly need and are receiving aid for their acute and episodic medical conditions from this nation's health care system. There is need for increased home health services as part of recuperation from such medical incidents. But the Federal Council feels that the American health care system cannot deal with the *chronic* conditions of an increasing number of the elderly population. They need ongoing and less structured social care arrangements and the Council is reluctant to add these essentially social services to the health care system. Effective application of sophisticated medical technology requires precisely defined and costly treatment methods and highly skilled and compensated practitioners. The health care system is not designed—nor should it be the Federal Council believes—to deliver the long-term social supports needed by the frail elderly to enable them to cope with everyday living, to say nothing of negotiating the various programs available in the community for them.

We appreciate the flexibility of the nation's emerging community mental health system and the new interest in the elderly on the part of National Institute of Mental Health. But many of the mental frailties of our target group of elderly are going to require ongoing support primarily of a social, environmental nature which do not gibe with the major treatment goals of psychiatry. Then, too, there is the stigma of being labeled mentally ill when it is the world around you that cannot adjust to your being a “normal” eighty year old person.

Existing public social services are not amenable to a focus on the frail elderly. These services are characterized by eligibility linked to income and assets while a system of social intervention and support is needed by many older persons who are not impoverished. The availability and level of public social services is highly discretionary on the part of State and local government. Channeling aid to the frail elderly on a universal basis would require radical restructuring.

The Council lauds the valuable “laundry lists” of services which have been developed in a number of recent research and demonstration efforts by the gerontological community under projects designed with such goals as “alternatives to institutionalization.” They range from day care to mobile medical vans to telephone reassurance. Hopefully, the day will come when many of these admirable services will be more widely available—perhaps with some Federal funding, perhaps with the involvement of State and local government and certainly within this country's long history of private philanthropy.

Basic Core of Social Services Needed

However, at this time, the Council postulates that there are a *basic core* of supportive social services which are needed by many persons within the “frail elderly” categorization. The following services should be available to all frail elderly as an entitlement, regardless of their ability to pay:

1. A professional psycho-social-environmental assessment.
2. A skilled person to assist in securing the services and benefits to which an older person is entitled and who would arrange for and supervise appropriate personal care from a “significant other.” This person could be considered a broker, case manager or an individual advocate.
3. The provision of the physical presence of a “significant other” to assist in simple daily coping. This would be a non-professional and perhaps even a relative or friend of the older person.

This entitlement to the assessment, case management and “significant other” would serve as a floor of services which, while

not sufficient in and of itself to solve all the problems of the elderly, could spell the difference in the instance of many elderly between a life that is basically satisfying and one that is not; between living in a community-based housing arrangement and institutionalization.

Planned Federal Council Actions

The Federal Council will continue its Task Force on the Frail Elderly in 1976. During this year, the Council will move forward in its exploration of national policy issues concerning the frail elderly, particularly in these areas:

1. The notion of "frailty" and the relationship of "frailty" with age.
2. Models of social intervention including the scope of services; the sponsorship and the systemic implications; and the cost factors of creating such services as an entitlement and the various schemes of co-insurance, deductibles, as well as the overall philosophy of payment.
3. The relationship of these services to such other programs as subsidized housing, multi-generational social services, aged-only social services, health care, transportation and income maintenance.

It is the intention of the Federal Council to present these concepts to a variety of academicians, practitioners, policy makers and consumer groups so that the concepts might either be verified, modified, or perhaps discarded as being impractical or too costly. The products of these efforts will be continually communicated to the executive and legislative branches for appropriate implementation such as new experimentation or new laws.

Preliminary discussions with these experts and concerned citizens support the Council's priority on the "frail elderly" and on this method of developing national policy for them. Such an approach is felt to be timely because human services resources are becoming ever more precious. Hopefully, a number of persons served by such a system would be maintained in dignity in their own homes without the need of premature and costly institutionalization. Philosophically, the desired goal of normalcy would be furthered.

These efforts of the Federal Council will, at the very minimum, introduce fresh and potentially very important concepts into the public policy debate in such a way as to be amenable to rational treatment both in legislation and administration.

Recommendations to the Administration and Congress

Finally, the Council calls upon the executive and legislative branches of government to give priority to the frail elderly in the following ways:

1. The Federal Council on the Aging urges the President to assign to the Domestic Council and its Committee on Aging responsibility for coordinating efforts of at least the Departments of Health, Education, and Welfare, Housing and Urban Development and Transportation towards the goal of a social support system for the frail elderly. This effort should begin by identifying the interrelationships between the social and health care services available under HEW auspices with such non-HEW activities as the housing programs of HUD and the ever-growing transportation services of DOT.
2. The Federal Council recognizes the value of considering the elderly within policy studies of the long term care needs of the disabled and chronically ill of all ages. We urge the continuation and extension of such activities within HEW.
3. The Council urges priority emphasis and appropriate funding, over a three-year period, for such research, demonstration and evaluation efforts as required to develop viable legislative and administrative proposals for the care of this population based on the feasibility of working models. There should be full funding of existing research and demonstration authorities in such laws as the Older Americans Act, the Social Security Act, and the Health Planning and Health Revenue Sharing Act. However, additional funding would be needed during this period of time and should be made available. We would want to see an essential difference in future efforts, namely, that there be coordination of plans for these research efforts, full evaluation methods and elimination of projects of such limited scope that usable data for this national policy effort would not be produced.

The Federal Council will serve in an advisory capacity to these efforts in addition to the monitoring role already set forth in the Council's very establishment by the Congress.

Focus on Older Women— International Women's Year

The Federal Council on the Aging is charged with advising the executive and legislative branches of government on matters relating to older American women and men. But in observance of International Women's Year, the Council has tried to draw national attention to the particular concern and problems of older women.

The Council's main effort was a hearing on September 28, 1975 in Washington, D.C. on "National Policy Concerns for Older Women" held in conjunction with the annual meeting of the National Council on the Aging. Over three hundred persons heard some twenty leaders from national aging organizations and the women's movement testify to the special problems of older women. Highlights of their testimony will be contained in a publication which will be issued by the Council in early 1976 and given wide distribution. The testimony will be further analyzed for future Council action.

1975 was marked as International Women's Year in declarations issued by the United Nations, the President of the United States and many governors and mayors. This year of women has been spent in efforts to promote equality between men and women, integrate women into the total social and economic development efforts of nations and recognize women's increasing contribution to strengthening world peace.

A World Plan of Action was adopted by the United Nations sponsored World Conference of the International Women's Year which was held in Mexico City from June 19 to July 2. The World Plan of Action provides a set of guidelines and timetables for action to improve the status of women throughout the world. Its purpose is to stimulate national and international action to help solve the problems of underdevelopment and existing socioeconomic conditions that place women in an inferior position.

Many of these recommendations were developed in the context of the needs of and opportunities for the young and middle-aged woman. Even though we are the Federal Council on the Aging, we urge the United States government to work vigorously to achieve the goals set forth in the World Plan in such areas of education, employment, and parity in the exercise of civil rights. These efforts can prevent the problems faced by so many of today's older women who are the victims of past discrimination.

It is incumbent upon the United States of America to assume leadership among the developed nations to address the phenomenon of a sizable elderly population. The IWY World Plan of Action gives but fleeting specific reference to older women in its 206 sections. Number 157 states:

Special attention should also be given to the needs of elderly women who frequently receive less protection and assistance than men. They predominate numerically in the age group of 50 years and over, and many are indigent and in need of special care.

This hardly describes the dimensions of the situation. The elderly are becoming an increasing proportion of the American population because of major changes in fertility, mortality and immigration. The age and sex composition on the elderly has changed dramatically since 1900 with females benefiting more than males in greater life expectancy during the 20th century. For females, the average length of life increased from 48 years in 1900 to 75 years in 1973, an increase of 56 percent; for males, the increase was from 46 to 68 years, only 46 percent. Between 1900 and 1974, the percentage of the U.S. population aged 65+ more than doubled (4.1% in 1900 to 10.3% in 1974) while the number increased sevenfold (from 3 million to 22 million).

In looking towards the future, highly significant projections have been developed regarding women over the age of 75. They constituted only one-tenth of the elderly population in 1900 and one-sixth in 1974 but they will be one-fifth of the elderly in the year 2000. There are presently 169 women per 100 men

in the 75+ group.*

The Federal Council on the Aging has a particular interest in this predominantly female segment of the aging population. Many persons over the age of 75 are apt to be frail and require continuing intervention by society in their daily lives. The Federal Council on the Aging has been developing policy recommendations for the frail elderly as a priority concern and during 1976 hopes to bring to national debate and attention some of the key policy issues which must be resolved in order to meet the physical, social, economical, psychological and environmental needs of so many in this population.

During 1975, the Federal Council gave strong support to the work of the United States Commission for International Women's Year and encouraged their special interests in older women. In a statement on December 29th to a meeting of the Committee on the Special Problems of Women of the U.S. Commission, FCA Chairman Bertha Adkins indicated her pleasure with the continuation of IWY concerns into 1976. She said that the Council looked forward to participating in these activities to assure a focus on older women.

Miss Adkins explained the interest of the Council in the problems of the elderly, especially the frail elderly. But she also stressed the positive aspects of aging.

Growing old presents certain problems, it is true. But there are compensations as well. There is a freedom to speak and act without the inhibitions of youth that brings a pleasure in becoming a "character." There are tax benefits, reduced fares for transportation, opportunities for continuing in education. There are opportunities for making new friends in community centers with a variety of activities to stimulate one's interest in life.

Miss Adkins explained how older people with training could well provide services to the frail elderly to enable them to remain in their homes instead of going into institutions. "This activity will enable them to earn some additional income as well as benefit from the psychological awareness of being needed. All of us need to remember—We make a living by what we get. We make a life by what we give."

* Statistics cited were developed by the Administration on Aging, *Facts About Older Americans 1975*, Statistical Memo No. 31, DHEW Publication No. (OHD) 75-20013, May 1975 and by Herman B. Brotman, Consulting Gerontologist.

Personnel Needs in the Field of Aging

The Older Americans Act directs the Federal Council to assist the Commissioner on Aging in appraising the nation's existing and future personnel needs in the field of aging and the adequacy of efforts to meet these needs. The Council has established a standing Committee on Research and Manpower in the Field of Aging to give leadership to such Council efforts. Among the pertinent activities undertaken under Council auspices during 1975 are the following:

1. Reviewed and made suggestions to the Commissioner on Aging on a report on "Manpower Needs in the Field of Aging: The Nursing Home Industry" which had been prepared by the Department of Labor for the Administration on Aging.
2. Approved plans for a hearing on manpower needs for services to the "frail elderly" to be held in early 1976 in Washington. Policymakers will be asked to testify on personnel needed to serve this target group. Statements will be requested from relevant organizations. The testimony and statements will be analyzed to present recommendations on national policy for manpower needs of the frail elderly to the Council.
3. Will assist the Commissioner with projected hearings on social services manpower needs in the field of aging.
4. Offered assistance to the new HEW Committee on Mental Health and Illness of the Elderly in studying manpower needs in mental health services for the elderly.

Personnel Needs in the Field of Aging

The Older Americans Act directs the Federal Council to assist the Commissioner on Aging in assessing the nation's existing and future personnel needs in the field of aging and the adequacy of efforts to meet those needs. The Council has established a standing Committee on Research and Manpower in the Field of Aging to give leadership to such Council efforts. Among the past and present activities undertaken under Council auspices during 1975 are the following:

1. Reviewed and made suggestions to the Commissioner on Aging on a report on "Manpower Needs in the Field of Aging: The National Home Industry," which had been prepared by the Department of Labor for the Administration on Aging.

2. Approved plans for a hearing on manpower needs for activities in the "field of aging" to be held in early 1976 in Washington. Policy-makers will be asked to testify on personnel needed to serve this target group. Statements will be requested from relevant organizations. The testimony and statements will be analyzed to present recommendations on national policy for manpower needs of the field of aging to the Council.

3. Will assist the Commissioner with projected hearings on social services manpower needs in the field of aging.

4. Offered assistance to the new HEW Committee on Mental Health and Illness of the Elderly in studying manpower needs in mental health services for the elderly.

1976 Agenda

Other sections of this report deal with a number of national policy and program matters affecting the elderly to which the Federal Council on the Aging will be giving continuing attention during the coming year. We shall want to give attention to the implementation of the recommendations that were included in our recently completed studies on benefits and taxes. We look forward to reviewing the response of the President to these studies and our annual report.

We shall begin in the immediate future our study on the treatment of personal assets of the elderly in the determination of eligibility for various government benefits and services. The Council will continue its priority concern for the frail elderly.

But there are a number of other matters which the Council has identified as being of serious impact on the elderly and deserving of the attention of a body which is to advise the executive and legislative branches of government. This list will increase as the year progresses but, at this time the following are issues that will receive major attention of the Council. Included are certain recommendations which we hereby commend to the attention of the President and the Congress.

Funding of Programs Affecting the Elderly

In its concern that the elderly have an adequate income capable of withstanding the effects of inflation, we urge the President and the Congress to consider the special needs of the elderly—so many of whom are poor—as funding levels are set for programs of substantial benefit to older Americans.

Subsidized Housing for the Elderly

Far too many older people today are living in housing that is substandard, difficult to maintain, too expensive, or not designed for their age and condition. The Federal Council urges a continuing and expanded Federal role in improving the living arrangements of the elderly. Of particular importance, at this time, is the most effective use of the \$375 million appropriation for the program of Construction Loans for Housing for the Elderly and Handicapped pursuant to Section 202 of the Housing Act of 1959 as amended by the Housing and Community Development Act of 1974. Coupled with the Section 8 program providing housing assistance payments, there is the opportunity for beginning to meet the severe housing needs of older Americans.

The Council will monitor the implementation of these programs to evaluate their impact and benefit to the elderly. In addition, the Council will work towards the assurance of access to this housing for poor and minority older persons.

Administration of Supplemental Security Income Program

The Council supports those efforts of the Social Security Administration and the Congress for improvement of the administration of the Supplemental Security Income program. In addition, we hope that these activities might be aided by the findings and recommendations contained in the benefits and tax studies recently completed by the Council.

Aging Research Plan

The Federal Council on the Aging has had early involvement on the part of members and staff in the development of the aging research plan which is mandated by the Research in Aging Act. The Council's committee on Research and Manpower in Aging will review the plan and draft a position for the Council's consideration. The Council has a continuing interest in the implementation of the plan.

Mental Health Needs of the Elderly

The Council has communicated to the Secretary of Health, Education, and Welfare, its offer of support for the Committee on Mental Health and Illness of the Elderly which was established under provisions of the Health Revenue Sharing and Health Services Act. The Council also supports the provisions of such monies as are required for this advisory body to carry out its functions. We trust that the Committee will be granted

at least a period of one year after it takes office in which to complete its assignments.

Reimbursements for Nursing Home Care

The Federal Council strongly supports high standards of safety and care in nursing homes and recognizes that such standards can only be implemented and maintained if there is full reimbursement to providers on a reasonable cost related basis.

On July 1, 1976, amendments to the Social Security Act passed by Congress in 1972 (P.L. 92-603) become effective requiring States participating in Medicaid to reimburse skilled nursing and intermediate care facility services on a reasonable cost-related basis.

State plans to carry out the new requirements of the law are to be sent to the Department of Health, Education, and Welfare in early 1976. The Council will monitor the State plan review process in HEW to assure that the intent of Congress is carried out which would link costs reasonably incurred for providing quality care to reimbursement rates. The Council will also evaluate the impact this legislation has on generally improving nursing home care.

National Health Insurance and Long Term Care

The Federal Council on the Aging is watching with great interest the National Health Insurance debate. The recommendations of the 1971 White House Conference on Aging continue to have validity and can serve as criteria against which the various proposals should be judged.

We have particular concern about the area of long term care. While disclosures during 1975 continue to raise questions as to the adequacy and quality of long term care in the United States, there is little indication from current legislative proposals that a coherent national policy on long term care will evolve under the framework of a national health insurance scheme. Yet, there is no group in our country more at risk and more in need of a rationalized, accessible system, than those with chronic health problems.

Federal Council deliberations regarding the frail elderly give rise to the conviction that for many of the "old-old" a complementary but separate system of social intervention is a necessary and more appropriate and economical strategy than providing essentially social services through a health care system.

Activities under the auspices of the Federal Council on the Aging are underway to test the validity of this approach and are described in greater detail in another section of the annual report.

Viability of Area Agency on Aging Concept

The 1973 amendments to the Older Americans Act established the area agency on aging as a new concept for providing a focal point at the community level for planning and coordinating services to the elderly. During this coming year, the results of various evaluation efforts as well as a solid body of experience will be available with which to make some determination of the validity of the basic philosophical concepts behind the area agency on aging. The Council will review these findings and determine if recommendations are in order to the executive and/or legislative branches.

Relationship Between Title XX of the Social Security Act and Titles III and VII of the Older Americans Act

The resolution of the controversy over the use of the group means test in social service programs for the elderly funded under Title XX of the Social Security Act is of great concern to the Council. We would hope that such a determination of eligibility could be continued. However, the Council recognizes that there are broader issues regarding the very use of the means test for social services for the elderly which must also be addressed. Obviously, the use of the means test in the Social Security Act and not in the Older Americans Act for some of the same kinds of programs reaching the same kinds of older persons must also be examined and will be by the Council. This effort will also be related to the broader endeavors of the Council contained in its study of benefit programs whereby all benefit and service programs for the elderly will be examined with a goal of elimination of overlapping and confusing programs.

Review of Private Pension Plans

In this coming year, the Council will examine the effectiveness of private pension plans in contributing towards the economic security of the elderly. A part of this review will involve an assessment of the first years of experience with the provisions of the Employees Retired Income Security Act (ERISA) with respect to its effect on improving the retirement income of present and future retirees.

Council Stewardship

The Council strives to carry out the spirit and the letter of the various Federal laws which affect its operation, particularly the Older Americans Act and the Federal Advisory Committee Act. The Older Americans Act defines our mission of advocacy for older Americans and certain specific operating procedures. The Federal Advisory Committee Act sets forth standards to insure the effective use of all advisory bodies within the Federal government.

Accordingly, the Council held the four quarterly meetings called for by the Older Americans Act on March 13-15, May 15-16, September 26-27 and December 3-5. These meetings were duly announced in the Federal Register but, in addition, some 300 notices were sent to representatives of national organizations and staff of various Federal agencies, Congressional members and committees with a special interest and responsibility in the aging field. A number of these persons as well as the general public do attend Council meetings and minutes are sent upon request. AGING magazine, the publication of the Administration on Aging, regularly carries stories on Council activities. All documents relevant to Council official actions are maintained in the office of the FCA Secretariat and are available for public inspection and copying.

The Council was received by President Gerald R. Ford at the White House on May 16 as part of the observance of Older Americans month. Miss Adkins summarized the current major activities of the Council for the President. He expressed particular interest in the Council's study of the interrelationships of benefit programs. He noted that his Cabinet-level Domestic Council was continually surveying existing programs to assess

their merit and that the Council's efforts could lead to recommendations for improving programs for older Americans. The President reiterated that he did not consider the Council as "window dressing" and that its recommendations would get high-level attention.

Council members received briefings during the year on legislation and issues affecting the elderly from a number of Federal officials including the Commissioner on Aging and the Commissioner of the Social Security Administration, the Director of Income Security Policy—DHEW, and representatives of the National Institute on Aging and the Department of Labor.

Council Sub-Units

In order to expedite the work of the Council and the most effective use of the quarterly meetings, members participate in a range of other activities both individually and in groups. There are three standing committees. Each met twice during 1975.

The Committee on Senior Services headed by John Martin had as its major responsibility during 1975 the liaison and supervision of the study on the interrelationships of benefit programs. Nelson Cruikshank is the chairman of the Committee on the Economics of Aging to which was assigned the conduct of the study on the impact of taxes on the elderly.

Dr. Carl Eisdorfer serves as chairman of the Committee on Research and Manpower in the Field of Aging. He thereby is an ex-officio member of the advisory body to the National Institute on Aging. This provides liaison for the Council not only to this new Federal agency but also to the national aging research plan which the NIA has been asked to prepare for the Secretary of HEW.

To launch the Council's identification of the frail elderly as a priority concern, a seminar was held on March 14, 1975. Nationally known experts were invited to share their thinking with Council members. Out of this process it was decided to establish a task force to provide a focus for the Council's work in this area. Monsignor Charles Fahey was named chairman of the Task Force on the Frail Elderly by Miss Adkins.

This task force met in April in Washington and in October at Louisville, Kentucky during the annual meeting of the Gerontological Society. Taking advantage of the gathering of leading gerontologists, the task force members conducted a roundtable discussion on "Developing National Policy for the Frail Elderly." Over forty persons participated.

The Chairman appointed an ad hoc committee on the Bicentennial Charter on Older Americans, chaired by Garson Meyer, to review the statement of rights and obligations of older persons which was adopted by the delegates to the White House Conference on Aging in 1961. This committee met on November 11 to draft the Bicentennial Charter for Older Americans which is conveyed in this annual report to the President.

On September 28, the Council held a hearing on "National Policy Concerns for Older Women" to mark the observance of International Women's Year. Chairman Bertha Adkins chaired the panel which heard the views of some twenty invited leaders from national aging organizations and the women's movement testify to the special problems of older women. In addition to Council members Garson Meyer, Dorothy Devereux, Lennie-Marie Tolliver and Sharon Fujii, the hearing panel included Margaret Long Arnold representing the U.S. Commission for International Women's Year and Patricia S. Lindh, Special Assistant to the President. The Council plans to issue a publication with the highlights of the hearing early in 1976.

Activities of the Chairman

As part of the general responsibility of the Federal Council on the Aging to inform the public of the needs and contributions of older Americans, the Chairman participated in a number of activities. Miss Adkins' major appearances included:

- Testimony before the Select Subcommittee on Education of the House and Labor Committee, January 31, 1975, on extension of the Older Americans Act.
- Testimony before the Subcommittee on Aging of the Senate Committee on Labor and Public Welfare, April 23, 1975 on extension of the Older Americans Act.
- Address before the Sixth International Congress in Social Gerontology, Paris, France June 2, 1975 on "The Relationship of the Federal Government to the Older American."
- Received National Retired Teachers Association/American Association of Retired Persons award for outstanding contributions in service to her community by helping the elderly, the disabled or poor; and by raising public consciousness about such issues. October 1, 1975.
- Keynote Speaker—"Quality of Life for the Aging Seminar" University of Tulsa—Tulsa County Medical Association, Tulsa, Oklahoma December 11, 1975.
- Keynote Speaker—"Federal Perspectives on the Aged" Governor's Committee on Aging, Austin, Texas December 12, 1975.

Staff Support

According to provisions of the Older Americans Act, the Secretary of the Department of Health, Education, and Welfare and the Commissioner on Aging are to make available to the Council such staff, information, and other assistance as it may require to carry out its activities. This is done in a variety of ways.

The Secretariat for the Federal Council on the Aging is located in the Administration on Aging. Staff is composed of four professional persons—one of whom is a re-employed Federal annuitant, an administrative aide and a secretary. FCA staff attend a wide range of meetings in various parts of the country both to learn about developments in the field as well as to disseminate information about the Council.

The placement of the Secretariat in AoA and the Office of Human Development provides informal as well as formal utilization of their staffs and supportive services. The Committee Management office in the Office of the Secretary aids in carrying out the provisions of the Federal Advisory Committee Act. Various units within departments other than HEW have given ready response to FCA requests for resource speakers and materials.

Short-term employees and contractors have been utilized to assist with certain FCA projects such as the Congressionally mandated studies, the preparation of the Bicentennial Charter for Older Americans and the publication of the hearing on older women. The FCA budget for FY 1976 of \$500,000 is provided as part of the AoA appropriation. The President's FY 1977 budget proposes the same level of funding as the previous year.

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