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Elderly =
Seniors
Citizens

'Younger and Older Ameri

Following is a partial text of President Nixon's prepared address to the White House Conference on Aging:

In recent years a gulf has been opening between older Americans and the rest of our people. This gulf is the product, in large measure, of a great social revolution which has weakened the traditional bonds of family, neighborhood and community. For millions of older Americans, the result has been a growing sense of isolation and insecurity.

We must change that. Younger and older Americans need one another. We must find ways to bring the generations together again.

In addressing the challenges before us, let me begin where most of you begin: with the problem of inadequate income. If we move on this front, all the other battles will be easier. If we fail to move here, the other battles will be impossible.

That is why it is so important that the Congress approve one of the most important bills to come before it in many years—the bill which is known as H. R. 1—and approve it without delay. For this legislation would revolutionize our whole approach to income problems among the elderly.

National Floor

For the first time in our history, it would put a national floor under the annual income of every older American. For the first time in our history, it would make social security benefits inflation-proof.

It would also allow social security recipients to earn more money from their own work. It would raise benefit levels, especially for widows. And I hope the Congress will also include in H. R. 1 my proposal for eliminating the \$5.60 monthly fee now charged for Part B of Medicare.

H. R. 1—as it now stands—would provide some 5½ billion dollars in additional federal benefits to older Americans; 3 billion dollars

in increased social security benefits—and, when it is fully effective—another 2.5 billion dollars in new benefits to persons with lower incomes. My proposal to eliminate the monthly Medicare fee would enrich this 5.5 billion dollar package by an additional 1.4 billion dollars—the equivalent of an additional 5 per cent increase in social security.

As we work to increase federal benefits for older Americans, we must also work to reduce the pressure of taxes. We are therefore supporting a series of tax reform proposals which would enable a single person age 65 or older to receive up to \$5,100 of tax free income. A married couple, both of whom are 65 or older, could receive over \$8,000 in tax-free income if these changes take effect.

However, one of the most onerous of all taxes for older Americans is largely unrelated to income. I refer, of course, to the property tax—which keeps going right on up, even when an older person's income is going down. In fact, property tax collections have increased by some 40 per cent in the last five years alone.

Nearly 70 per cent of older Americans own their own homes. For many, these homes represent a lifetime of careful saving. And yet, because of property taxes, the same home which has been a symbol of their independence often becomes a cause of their impoverishment.

Even older persons who rent their homes often bear an unfair burden, since property tax increases are often passed along in the form of higher rents. And the inequity of the property tax is often all the greater because it takes money from those who have already educated their own children and uses it largely for the education of others.

Empty Dreams

I received a letter recently from a woman whose parents brought her and five other children to this

country from Switzerland many years ago. They settled in California as homesteaders, full of hope and pride. And over the years that followed they made their dreams come true.

But today—many years later—things have changed, so much so that Mrs. Ewing begins her letter to me by asking, "Was it just an empty dream after all?" Her father — at 73 — is too ill and tired to work. His family is grown and scattered. And to meet his real estate taxes he is now being forced to sell the property for which he worked so hard and so long. "If this is really the country I grew up believing it to be," Mrs. Ewing continues, "these inhumane tax laws must be changed ..."

I agree. We need a complete overhaul of our property taxes and of our whole system for financing public education. Our revenue sharing program can help relieve the pressure on property taxes and older Americans have a large stake in its enactment. But additional reform is also needed.

I am therefore preparing specific proposals to ease the crushing burden of property taxes for older Americans, and for all Americans.

The President's Commission on School Finance, which I appointed last year, has been carefully studying a range of possible remedies. It is clear that these remedies will involve large sums of money. We are prepared, however, to make the hard decisions we will have to make. The time has come to stop talking about the impact of property taxes on older Americans and to act in their behalf, and in behalf of other citizens in similar circumstances.

A second major problem affecting the income of older persons is the inadequacy of private pension plans.

I will therefore propose to the Congress a new program to reform our private pension system. This program will include measures de-

signed to expand pension coverage and to ensure that pension funds are soundly and honestly managed. It will also recommend new laws to require the vesting of pensions—to ensure that the benefits which accumulate in a person's working years are paid to him when he is older.

Cost of Living

Lately, of course, we have been giving high priority to another effort that has special meaning for older Americans: the drive to curb the rise in the cost of living. When wages and prices rise unreasonably for the few, the result is an unreasonable decline in the purchasing power of the many. By holding wage increases to reasonable levels for those who are working, we will help protect the incomes of those who are retired.

I have appreciated the support that older Americans have given to this effort — and I am determined that as we achieve our new prosperity, it will be a new prosperity without inflation, and therefore without the hidden tax that hits so cruelly at those on fixed incomes.

As the income position of older Americans improves, so will their ability to cope with many of the other problems you have been discussing. But even with higher income, many older persons will still face problems beyond their individual control.

Take the one million Americans who live in nurs-

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Aging

cans Need One Another...'

ing homes, for example. Many of them — like my 91-year-old aunt in California — receive excellent care in pleasant surroundings. But many do not — and there is little they can do about it. This is why I announced last summer an 8-point program for improving our Nation's nursing homes and for cutting off funds to those which remain substandard.

Our primary objective is the upgrading of nursing homes. But we will not hesitate to cut off funds from homes which are hopelessly substandard. Furthermore, we will take the initiative in making sure that public and private resources are available to provide alternative arrangements for the victims of such homes.

But nursing homes are only one part of the picture. The greatest need is to help more older Americans to go on living in their own homes. Income programs and tax reforms can help us achieve this objective. And so can a number of additional decisions which we already have made.

We want to begin by increasing the present budget of the Administration on Aging nearly five-fold to the \$100 million level. We plan to give special emphasis to services that will help people live decent and dignified lives in their own homes—services such as home-health aides, homemaker and nutrition services, home-delivered meals and transportation assistance. Much of this new money will be used to help marshal existing and ex-

panded resources more effectively at the local level.

Toward this end, I will direct the Social Security Administration to provide an information center in each of its 889 district and branch offices to help explain all Federal programs which aid the elderly.

We have made two additional administrative decisions which will also help older Americans to remain in their own homes. The first will make housing money more readily available to older citizens to purchase homes in a variety of settings, including condominium apartments and retirement communities. The second will require that federal grants which provide services for older persons also provide for the transportation they need to take advantage of these services.

Some of the best service programs for older Americans are those which give older Americans a chance to serve. Thousands of older Americans have found that their work in hospitals and churches, in parks and in schools gives them a new sense of pride and purpose even as it contributes to the lives of others.

Federal programs to provide such opportunities have proven remarkably successful at the demonstration level. But now we must move beyond this demonstration phase and establish these programs on a broader, national basis. I will therefore request that the Retired Senior Volunteers Program be tripled to \$15 million, so that an addi-

tional 50,000 volunteers can be involved, I will request that the Foster Grandparent ~~the the Foster Grandparents~~ programs be doubled to \$25 million and will ask that this program be altered so that foster grandparents can work with older persons as well as with children.

I have also ordered that our jobs program for older persons with low incomes be doubled to \$26 million. Under the program, projects such as Green Thumb and Senior Aides have demonstrated that older Americans can make valuable contributions in health, education and community service projects even as they earn additional income.

Older persons can be proud of how well they have made all these programs work in recent years. These decisions mean they will now be able to work in more places and for more people . . .

Any discussion of recommendations for dealing with the problems of the aging would not be complete without recognizing the strong support expressed at this conference for extending medicare coverage to include prescription drugs, and for accelerating the rate at which the income floor comes into effect under H.R. 1.

As you know, these proposals involve very difficult budgetary problems for the government.

However, because of the interest which conference delegates have expressed in these changes, I have directed the Domestic Council

to carefully consider both proposals and to make recommendations to me at an early date.

Your work is not yet over. You have a message to take home with you from this Conference—a message which must now be heard in every community in this land.

New Attitude

The message is simply this: We need a new national attitude toward aging in this country—one which fully recognizes what America must do for its older citizens, and one which fully appreciates what our older citizens can do for America.

A few months ago I met with a remarkable man by the name of George Black. For more than 80 years, Mr. Black has been making bricks by hand in Winston-Salem, North Carolina. ~~George Black is 93 years old.~~ George Black is 93 years old that his productive days are over.

Recently our government sent George Black to the country of Guyana in South America, so that he could share his skills with people in that land. When he was asked about his trip, Mr. Black made this comment: "I have always asked the Lord," he said, "to let my last days be my best days. I feel like he's answering my prayers."

George Black's prayer is the prayer of millions of Americans—"to let my last days be my best days." And for them—as for him—its answer depends not only on what they are given but on what they continue to give.

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HOLD FOR RELEASE UNTIL 1:00 PM (EST),
THURSDAY, MARCH 23, 1972

Office of the White House Press Secretary

Senior Citizens
Elderly

THE WHITE HOUSE

FACT SHEET

MESSAGE ON OLDER AMERICANS

In his message, the President outlines a comprehensive strategy for the complex problems faced by older Americans.

There are 5 major elements:

1. Improving the income position of older Americans.
2. Upgrading the quality of nursing homes.
3. Helping older Americans lead dignified, independent lives in their own homes.
4. Expanding opportunities for the involvement of older persons in community life.
5. Organizing the Government to meet the changing needs of older Americans.

In 1973, the Federal Government will spend an estimated \$50 billion on behalf of older Americans, nearly 50% more than in 1969. One example of increased concern for the elderly is the increase in overall Federal spending under the Older Americans Act; spending under this Act has risen from \$32 million in 1969 to a proposed \$157 million as announced in the 1973 budget. The President is recommending a further increase of \$100 million for nutrition and related services. This will bring total spending in 1973 to \$257 million -- an eight fold increase.

1. IMPROVING THE INCOME POSITION OF OLDER AMERICANS

- . The President has signed into law social security increases amounting to more than a 26 percent rise since 1969 -- a \$10 billion annual increase in income for the elderly. When the proposed 5% benefit increase in H.R. 1 is enacted, the increase in a 2 1/2 year period would be one-third, the largest such increase in the history of social security.
- . In his message the President urges Congress to enact the new income benefits for older Americans contained in H.R. 1, which would total \$5 1/2 billion when fully effective. This includes \$3 billion in increased social security benefits and \$2 1/2 billion in new benefits for the needy elderly.
- . Other important reforms contained in H.R. 1 include the first national income floor for older Americans; guaranteed inflation-proof social security benefits; a modified retirement earnings test to allow an individual to earn more after retirement without losing social security benefits; increased benefits for delayed retirement; and special minimum benefits for people who have worked for 15 or more years under social security.

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- . The President will propose a program to increase the incomes of military retirees and improve the military retirement system. This includes re-computing retired pay on the basis of January, 1971 military pay scales, and improving the protection of survivors of retired personnel.
- . Older veterans are benefiting from improved medicare care for veterans. In fiscal year 1973, 844,000 veterans will be treated in VA hospitals, and approximately one-fourth of these veterans will be over age 65. Veterans' pensions were increased by an average of 10 percent in calendar year 1971 and are being increased by another 6 1/2 percent in 1972.
- . Benefits for retired Federal employees and their families have been improved by increasing annuities as the cost of living rises, and by liberalizing health and other retirement benefits.
- . The President has submitted a program to reform and expand private pension programs, through:
 - tax deductions to encourage independent savings toward retirement;
 - more generous tax deductions for self-employed persons;
 - vesting of pensions to insure that persons who have worked for an employer for a significant period will retain their pension rights;
 - management of pension funds exclusively in the interest of beneficiaries; and
 - a one-year study of pension plan terminations by the Departments of Labor and Treasury.
- . The President announced (August 1971) a New Economic Policy to help reduce inflationary pressures that are so harmful to older Americans receiving relatively fixed incomes.
- . The President reaffirmed his commitment to relieve the burden of property taxes.
- . Recent and pending changes in income tax laws would provide special help to older persons (a single person aged 65 or older would be able to receive up to \$5,100 of income without paying any Federal income taxes, while a married couple with both husband and wife 65 or older would be able to earn up to \$8,000 of such tax free income.)
- . The President directs his Office of Consumer Affairs to develop recommendations for further action to make older citizens aware of their legal rights under the Interstate Land Sales Full Disclosure Act and to help the States develop consumer education programs specifically designed for older citizens.
- . The President's comprehensive health proposals also can reduce the burden of health costs on the elderly: He has:

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- Requested that the monthly \$5.80 Medicare supplementary premium fee be eliminated, yielding older persons \$1.5 billion.
- Urged several measures contained in H.R. 1 to reduce health costs for older Americans, including extending Medicare to many of the disabled who have been forced to retire early, enabling Medicare beneficiaries to enroll in Health Maintenance Organizations, and clarifying coverage for extended care facilities after hospitalization.

2. UPGRADING THE QUALITY OF NURSING HOMES

The President announced an 8-point plan to upgrade the quality of nursing homes in August of 1971. The Administration has:

- . Trained almost 450 State nursing home inspectors in Federally-sponsored programs;
- . Submitted legislation to provide 100 percent Federal funding of State Medicaid inspections of nursing homes;
- . Established an Office of Nursing Home Affairs in the Office of the Secretary of Health, Education and Welfare;
- . Increased Medical Services Administration personnel by 142 positions to enforce Medicaid standards and regulations;
- . Funded a short-term training program for nursing home personnel (20,000 in fiscal year 1972; 21,000 in fiscal year 1973.);
- . Designated Social Security district offices to receive and investigate nursing home complaints;
- . Initiated a comprehensive analysis of the issues related to long-term care; and
- . Improved the enforcement of nursing home standards, including the decertification of 13 substandard nursing homes.

3. ENHANCING THE INDEPENDENCE OF OLDER AMERICANS

To help older Americans lead dignified, independent lives in their own homes, the President:

- . Increased the 1972 budget of the Administration on Aging to \$100 million for 1973 -- to provide home-maker, transportation, nutrition and community services. He will request an additional \$100 million for funding of increased nutrition and related services.
- . Called for indefinite extension of the Older Americans Act and proposed amendments to strengthen service delivery:

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- HEW would increase its financial support for the State Agencies on Aging and fund up to 90% of services costs and up to 75% of the administrative costs of new Area Planning Agencies on Aging.
- State and Area Planning Agencies would plan to mobilize wide range resources -- public and private -- to enhance the independence of older citizens.
- . Announced new procedures for interagency coordination of Federal resources which aid older persons. Under these procedures Federal agencies will identify each year that portion of their resources they expect to spend the next year to help older persons meet their needs. State Agencies on Aging will use this information for more effective planning and delivery of services.
- . Set up a system whereby nearly 900 Social Security district offices will provide information on benefits available to the elderly;
- . Asked the Domestic Council Committee on Aging to examine ways to use other government offices -- such as the General Services Administration's Federal Information Centers and the Agricultural Extension Service's local offices -- to expand the information and complaint centers;
- . Will launch an outreach campaign (Project FIND) to increase the participation of eligible older persons in the food assistance programs of the Department of Agriculture (i.e., food stamps and surplus commodities). The campaign will be conducted through a network of existing Federally operated or funded field offices and outreach workers;
- . Urged action on the recent legislative proposal of the Secretary of Transportation that some of the Highway Trust Fund be used to finance mass transportation and asked the Secretary of Transportation to develop specific suggestions for helping States and localities use a portion of these resources for the elderly.
- . Announced that the Department of Transportation will give priority to community requests for capital grants that aid the elderly from the Urban Mass Transportation Fund. The President urges States and localities to move immediately to take advantage of available resources.
- . Made housing money more readily available for older Americans. In fiscal year 1972 and fiscal year 1973 HUD will reach an all-time record in producing specially designed, subsidized and insured housing and nursing homes.
 - 66,000 units of HUD-subsidized housing units specially designed for the elderly are planned for fiscal year 1972 and an estimated 82,000 for fiscal year 1973.
 - 14,000 units under the Nursing Home and Intermediate Care Facility Program, are planned in fiscal year 1972 and an estimated 18,000 in fiscal year 1973.

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HUD has also issued guidelines to make the Section 236 subsidized rental program more responsive to the needs of the elderly and to provide technical assistance to non-profit sponsors under the Section 106(a) program.

- . Announced that HUD will extend the mortgage maturity for the FHA insured nursing home program to a maximum of 40 years -- enabling sponsors to "package" residential and nursing home complexes more easily.
- . Requested HUD to work with the Administration on Aging to develop training programs in the management of housing for the elderly.
- . Directed the Secretary of HUD to encourage more space for senior centers in subsidized housing projects for the elderly.

4. EXPANDING OPPORTUNITIES FOR INVOLVEMENT

To expand opportunities for more older Americans to make meaningful contributions in all facets of society, the President:

- . Proposed legislation to expand ACTION's person-to-person volunteer programs to permit low-income elderly persons to work with children of special need in community settings and with older Americans in nursing homes and in the community.
- . Supported a national effort of volunteer organizations designed to help the elderly to remain in their own homes.
- . Tripled the Retired Senior Volunteers Program, to \$15 million, to involve 75,000 volunteers.
- . Doubled the Foster Grandparents Program to \$25 million, providing for 11,500 foster grandparents to serve 23,000 children per day.
- . Doubled the special job projects for older persons, such as Green Thumb and Senior Aides, to \$26 million, to involve as many as 10,000 older persons.
- . Will propose legislation to broaden the coverage of the Age Discrimination in Employment Act to include the fastest growing area of employment -- the State and local governments.
- . Directed the Secretary of Labor to work on expanding employment opportunities for persons over 65 by urging the States and local communities to include older Americans in jobs provided by the Emergency Employment Act of 1971 and working with public employment offices to help open job opportunities in both the public and private sectors.
- . Will send a directive to heads of Federal departments and agencies to emphasize the policy that age shall be no bar to a Federal job which an individual is otherwise qualified to perform.

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5. ORGANIZING THE GOVERNMENT

To better coordinate present and future efforts for older Americans, the President has:

- . Created a new Domestic Council cabinet level committee on aging, chaired by HEW Secretary Richardson.
- . Created the position of Special Assistant on Aging, John Martin.
- . Appointed a Special Consultant on Aging, Arthur Flemming.

To augment these efforts the Administration will:

- . Strengthen the Secretary of HEW's Advisory Committee on Older Americans -- providing it with permanent staff to support its increased responsibilities.
- . Arrange to have the Chairman of the Advisory Committee report directly to the Secretary of Health, Education and Welfare.
- . Create a Technical Advisory Committee on Aging Research reporting to the Advisory Committee to develop a comprehensive plan of social, psychological, health, education, and economic research in HEW affecting the aged.

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THURSDAY, MARCH 23, 1972

Office of the White House Press Secretary

THE WHITE HOUSE

TO THE CONGRESS OF THE UNITED STATES:

When I addressed the White House Conference on Aging last December, I pledged that I would do all I could to make 1972 a year of action on behalf of older Americans. This message to the Congress represents an important step in fulfilling that promise.

Many of the actions which are outlined in this message have grown out of concerns expressed at the White House Conference and at related meetings across the country. The message also discusses a number of steps that have already been taken or that were announced at an earlier date. All of these actions are part of our comprehensive strategy for helping older Americans.

The momentum which has been generated by all these steps -- old and new -- will move us toward the great national objectives which the White House Conference set forth. I pledge that this momentum will be sustained as we follow through on these initiatives and as we keep other recommendations of the White House Conference at the top of our agenda, under continuing review.

This message, then, does not represent the last word I will have to say on this important subject. It does, however, identify those administrative steps which we are taking immediately to help older Americans, along with a number of legislative initiatives which should be of highest priority on this year's Congressional agenda.

We often hear these days about the "impatience of youth." But if we stop to think about the matter, it is the elderly who have the best reason to be impatient. As so many older Americans have candidly told me, "We simply do not have time to wait while the Government procrastinates. For us, the future is now." I believe this same sense of urgency should characterize the Government's response to the concerns of the elderly. I hope and trust that the Congress will join me in moving forward in that spirit.

A COMPREHENSIVE STRATEGY FOR
MEETING COMPLEX PROBLEMS

The role of older people in American life has changed dramatically in recent decades. For one thing, the number of Americans 65 and over is more than six times as great today as it was in 1900 -- compared to less than a 3-fold increase in the population under 65. In 1900, one out of every 25 Americans was 65 or over; today one in ten has reached his 65th birthday.

While the number of older Americans has been growing so rapidly, their traditional pattern of living has been severely disrupted. In an earlier era, the typical American family was multigenerational -- grandparents and even great-grandparents lived in the same household with their children and grandchildren, or at least lived nearby. In recent years, however, the ties of family and of place have been loosened -- with the result that more and more of our older citizens must live apart or alone. The rapid increase in mandatory retirement provisions has compounded this trend toward isolation.

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Under such conditions, other problems of older persons such as ill health and low income have become even more burdensome. And all of these difficulties are intensified, of course, for members of minority groups and for those who are blind or deaf or otherwise handicapped.

The sense of separation which has characterized the lives of many older Americans represents a great tragedy for our country. In the first place, it denies many older citizens the sense of fulfillment and satisfaction they deserve for the contributions they have made throughout their lifetimes. Secondly, it denies the country the full value of the skills and insights and moral force which the older generation is uniquely capable of offering.

The major challenge which confronts us, then, as we address the problems of older Americans is the new generation gap which has emerged in this country in recent decades between those who are over 65 and those who are younger. The way to bridge this gap, in my judgment, is to stop treating older Americans as a burden and to start treating them as a resource. We must fight the many forces which can cause older persons to feel dependent or isolated and provide instead continuing opportunities for them to be self-reliant and involved.

If we can accomplish this goal, our entire Nation will reap immense benefits. As I put it in my speech to the White House Conference on Aging, "...any action which enhances the dignity of older Americans enhances the dignity of all Americans, for unless the American dream comes true for our older generation, it cannot be complete for any generation."

From its very beginnings, this Administration has worked diligently to achieve this central objective. To assist me in this effort, I established a special task force on aging in 1969. In that same year, I elevated the Commissioner on Aging, John Martin, to the position of Special Assistant to the President on Aging, the first such position in history. Later, I created a new Cabinet-level Committee on Aging, under the leadership of the Secretary of Health, Education, and Welfare, to ensure that the concerns of the aging were regularly and thoroughly considered by this Administration and that our policies to help older persons were effectively carried out. To provide greater opportunity for older Americans to express their own concerns and to recommend new policies, I convened the White House Conference on Aging -- which met last December and which was preceded and followed by many other meetings at the grassroots level. I asked the Cabinet-level Committee on Aging to place the recommendations of the Conference at the top of its agenda. And I also asked the Chairman of the Conference, Arthur Flemming, to stay on as the first Special Consultant to the President on Aging, so that the voice of older Americans would continue to be heard at the very highest levels of the Government.

One dimension of our efforts over the last three years is evident when we look at the Federal budget. If our budget proposals are accepted, overall Federal spending for the elderly in fiscal year 1973 will be \$50 billion, nearly 150 percent of what it was when this Administration took office. One particularly important example of increased concern for the elderly is the fact that overall Federal spending under the Older Americans Act alone has grown from \$32 million in fiscal year 1969 to a proposed \$257 million in fiscal year 1973 -- an eight-fold increase. This figure includes the \$157 million I originally requested in my 1973 budget, plus an additional \$100 million which I am requesting in this message for nutrition and related services.

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How much money we spend on aging programs is only one part of the story, however. How we spend it is an equally important question. It is my conviction that the complex, interwoven problems of older Americans demand, above all else, a comprehensive response, one which attacks on a variety of fronts and meets a variety of problems.

This message outlines the comprehensive strategy which this Administration had developed for bridging the new generation gap and enhancing the dignity and independence of older Americans. That strategy has five major elements:

1. Protecting the income position of the elderly;
2. Upgrading the quality of nursing home care;
3. Helping older persons live dignified, independent lives in their own homes or residences -- by expanding and reforming service programs;
4. Expanding opportunities for older people to continue their involvement in the life of the country; and
5. Reorganizing the Federal Government to better meet the changing needs of older Americans.

A SUMMARY OF MAJOR INITIATIVES

In addition to discussing important actions which have been taken in the past or are now underway, this message focuses attention on the following major items of new and pending business.

1. To protect the income position of older Americans,

The Congress should:

-- enact H.R. 1 as soon as possible, thus providing older Americans with \$5-1/2 billion of additional annual income. H.R. 1 would increase social security benefits by 5 percent, make social security inflation-proof, increase widow, widower and delayed retirement benefits, liberalize earnings tests, and establish a floor under the income of older Americans for the first time;

-- repeal the requirement that participants in part B of Medicare must pay a monthly premium which is scheduled to reach \$5.80 this July. This step would make available to older persons an additional \$1.5 billion -- the equivalent of roughly another 4 percent increase in social security benefits for persons 65 and over;

-- strengthen the role played by private pension plans by providing tax deductions to encourage their expansion, requiring the vesting of pensions, and protecting the investments which have been made in these funds;

-- enact revenue sharing proposals designed to provide the opportunity for significant property tax relief; and

-- enact my proposed consumer protection legislation which deals with problems which are especially acute for older citizens.

The Administration will:

-- continue its investigation of alternative methods for financing public education in such a manner as to relieve the present heavy reliance on property taxes;

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-- propose major improvements in the military retirement system, including a one-time recomputation of retired pay;

-- continue the battle against price inflation, with special emphasis in the health care field;

-- develop a program to foster greater awareness among older citizens of their legal rights under the Interstate Land Sales Full Disclosure Act; and

-- develop a program designed to help each State create consumer education programs for older citizens.

2. To upgrade the quality of nursing home care,

The Congress should:

-- make it possible for the Federal Government to assume the entire cost of State inspection of homes receiving payments under the Medicaid program; and

-- approve my request for additional funds for training nursing home personnel.

The Administration will:

-- continue to strengthen and expedite other portions of my 8-point program for upgrading nursing homes, including my commitment to withdraw Federal funds from those homes that refuse to meet standards and to make adequate alternative arrangements for those who are displaced from sub-standard homes; and

-- develop proposals for protecting older persons in the purchase of nursing home services.

3. To help older persons live dignified, independent lives in their own homes or residences,

The Congress should:

-- appropriate the \$100 million I requested for the Administration on Aging in my 1973 budget;

-- appropriate an additional \$100 million for nutritional and related purposes;

-- appropriate \$57 million for other programs under the Older Americans Act, bringing total spending under this act to \$257 million -- an eight-fold increase over fiscal year 1969;

-- renew and strengthen the Older Americans Act, which so many older persons rightly regard as landmark legislation in the field of aging -- extending it for an indefinite period rather than for a specified period of years;

-- create a new, coordinated system for service delivery under this act, so that the Administration on Aging can help develop goals for such services, while State and area agencies create specific plans for achieving these goals; and

-- allow States and localities to use some of the funds now in the Highway Trust Fund to finance their mass transit programs, including special programs to help the elderly.

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The Administration will:

-- ensure that Departments and agencies involved in the field of aging identify the portion of their total resources that are available for older persons and ensure that use of these resources is effectively coordinated all across the Government;

-- strengthen the role already played by local officials of the Social Security Administration and other agencies in providing information about Federal services to older persons and in receiving their complaints;

-- launch this summer a new Project FIND -- a program which will enlist the services of Government workers at the grassroots level in an outreach effort to locate older persons who are not involved in Federal nutrition programs and who should be;

-- step up efforts to meet the special transportation needs of older Americans, giving priority to community requests for capital grants that aid the elderly from the Urban Mass Transportation Fund;

-- provide more and better housing for older Americans by issuing new guidelines for two HUD programs to make them more readily applicable to the elderly, by extending the mortgage maturity for the FHA-insured nursing home program, by drawing upon research of the Law Enforcement Assistance Administration to reduce crime, by encouraging the provisions of more space for senior centers within housing projects for the elderly, and by developing training programs in the management of housing for older persons.

4. To expand opportunities for older persons to continue their involvement in the life of our country,

The Congress should:

-- appropriate the funds I have requested for such action programs as Retired Senior Volunteers and Foster Grandparents;

-- authorize the ACTION agency to expand person-to-person volunteer service programs, helping more older Americans to work both with children and with older persons who need their help; and

-- broaden the Age Discrimination in Employment Act of 1967 to include State and local governments.

The Administration will:

-- work with 130 national voluntary groups across the country in a special program to stimulate volunteer action; and

-- develop a national program to expand employment opportunities for persons over 65, through programs such as Senior Aides and Green Thumb, by urging State and local governments to make job opportunities available under the Emergency Employment Act of 1971, by working through the public employment offices to open part-time job opportunities in both the public and private sector, and by reaffirming Federal policy against age discrimination in appointment to Federal jobs.

5. To improve Federal organization for future efforts,

The Administration will:

-- strengthen the Secretary of Health, Education,



and Welfare's Advisory Committee on Older Americans -- providing it with permanent staff capability to support its increased responsibilities;

-- arrange for the Commissioner of Aging, in his capacity as Chairman of the Advisory Committee on Aging, to report directly to the Secretary of Health, Education, and Welfare;

-- create a Technical Advisory Committee on Aging Research in the Office of the Secretary of Health, Education, and Welfare to develop a comprehensive plan for economic, social, psychological, health and education research on aging.

PROTECTING THE INCOME POSITION OF OLDER AMERICANS

Perhaps the most striking change in the lives of most Americans when they turn 65 is the sudden loss of earned income which comes with retirement. The most important thing we can do to enhance the independence and self-reliance of older Americans is to help them protect their income position. I have long been convinced that the best way to help people in need is not by having Government provide them with a vast array of bureaucratic services but by giving them money so that they can secure needed services for themselves. This understanding is fundamental to my approach to the problems of the aging.

The success of this income-oriented strategy depends in turn on giving effective attention to two factors: first, where older Americans' money comes from and second, what it is used for.

Where the Money Comes From: Reforming and Expanding Government Income Programs

The most important income source for most older Americans is social security. Accordingly, improvements in social security have been the centerpiece of this Administration's efforts to assist the elderly. Today, approximately 85 percent of all Americans over 65 receive regular cash benefits from social security, while 93 percent of those now reaching age 65 are eligible to receive such benefits when they or their spouses retire.

Since 1969, social security cash benefits have been increased twice -- a fifteen percent increase in January of 1970 and another ten percent increase one year later. These increases represent a \$10 billion annual increase in cash income for social security beneficiaries. As I suggested, however, in my 1969 message to the Congress concerning social security reform, bringing benefit payments up to date alone is not enough. We must also make sure that benefit payments stay up to date and that all recipients are treated fairly.

My specific proposals for achieving these ends are presently contained in the bill known as H.R. 1 -- legislation which is of overwhelming importance for older Americans. This bill passed the House of Representatives in the first session of the 92nd Congress and is presently pending before the Senate Finance Committee. I continue to believe firmly that H.R. 1 is the single most significant piece of social legislation to come before the Congress in many decades.

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Let us consider the several ways in which this legislation would help the elderly:

1. An Additional Increase in Social Security. Under H.R. 1, social security benefits would be increased by an additional 5 percent effective in June of 1972. This increase would provide \$2.1 billion in additional income for older Americans during the first full year that it is effective. It would mean that social security benefits would be one-third higher after this June than they were just 2-1/2 years ago. This represents the most rapid rate of increase in the history of the social security program.
2. Making Social Security "Inflation Proof." Under H.R. 1, social security payments would, for the first time, be automatically protected against inflation. Whenever the Consumer Price Index increased by 3 percent or more, benefits would be increased by an equal amount. Payments that keep pace with the cost of living would thus become a guaranteed right for older Americans -- and not something for which they have to battle again and again, year after year.
3. Increased Widows' Benefits. About 58 percent of the population age 65 and over are women, most of whom depend primarily on social security benefits earned by their husbands. Under the present law, however, widows are eligible for only 82-1/2 percent of the retirement benefits which would be paid to their late husbands if they were still alive. H.R. 1 would correct this situation by increasing widows' benefits to 100 percent of the benefits payable to their late husbands. It would similarly expand the eligibility of a widower for benefits payable to his late wife. Altogether, this provision would mean that about 3.4 million widows and widowers would receive increased benefits totaling almost three quarters of a billion dollars in the first full year.
4. Increased Benefits for Delayed Retirement. Under present law, those who choose not to retire at age 65 forfeit their social security benefits for the period between the time they are 65 and the time they finally retire. H.R. 1 would allow retirees to make up a portion of these lost benefits through higher payments after retirement. Benefits would increase by one percent for each year that a person had worked between the ages of 65 and 72.
5. Liberalized Earnings Tests. Like the increased benefit for delayed retirement, the liberalized earnings tests contained in H.R. 1 would encourage more of our older citizens to remain active in the economic life of our country. This is a step which I promised to take in the 1968 campaign and for which I have been working ever since.

It is high time this step was taken. Those who can work and want to work should not be discouraged from working -- as they often are under the present law. By reducing the barriers to work, we can increase the sense of participation among older citizens and at the same time tap their energies and experience more effectively.

Under H.R. 1, the amount that a beneficiary could earn without losing any social security would be increased from \$1,680 a year to \$2,000 a year. That ceiling, in turn, would be automatically increased each time there was a cost of living benefit increase in social security. In addition, for those who earn in excess of \$2,000, the potential

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reduction in social security payments would also be lessened. Under the present law, benefits are reduced by \$1 for each \$2 of extra earnings, but this rate applies only to the first \$1,200 earned above the exempt amount. Additional earnings beyond that level now cause benefits to be reduced on a \$1 for \$1 basis. Under H.R. 1, benefits would be reduced on a \$1 for \$2 basis for all earnings above \$2,000 -- no matter how much more a person earned.

6. Adult Assistance Reform. One of the most important elements of H.R. 1 -- and one of the most under-publicized -- is its provision to place a national floor under the income of every older American. H.R. 1 would replace the present Old Age Assistance program with a single, federally-financed program which would provide a monthly income of \$150 for an individual and \$200 for a couple when fully effective.

This program would assist 4.5 million elderly persons instead of the 2.1 million currently reached. It would also eliminate the practice of placing liens on homes as a condition of eligibility. Eligibility for assistance would be determined on the basis of need without regard to the income or assets of relatives. Relative-responsibility rules would not be a part of this new program.

I believe this reform is particularly important since it channels massive resources -- some \$2.8 billion in additional annual benefits -- to those whose needs are greatest.

7. Special Minimum Benefits. H.R. 1 would also provide special minimum benefits for people who have worked for 15 years or more under social security. The guaranteed minimum benefit would range from \$75 a month for a person who had worked 15 years under social security to \$150 a month for a person with 30 years of such work experience. At maturity, this provision would increase overall benefit payments to \$600 million.

H.R. 1: The Need for Prompt Action

In addition to all of these benefits for older people, H.R. 1 would have enormous benefits for many younger Americans as well. Clearly the passage of this bill is a matter of the very highest priority. I have made that statement repeatedly since I first proposed this far-reaching program in 1969. As I make that statement again today, I do so with the conviction that further delay is absolutely inexcusable. To delay these reforms by even one more year would mean a loss for older Americans alone of more than \$5 billion.

It is my profound hope that the Senate will now carry forward the momentum which has been generated by the passage of H.R. 1 in the House of Representatives, thus seizing an historic opportunity -- and meeting an historic obligation.

Where the Money Comes From: Military, Veterans and Federal Employee Benefits

We are also making significant progress toward improving the retirement income of career military personnel, veterans and Federal employees.

1. To improve military benefits, I will soon submit legislation to the Congress for recomputing retirement pay on the basis of January 1, 1971 pay scales, thus liberalizing annuities for current retirees. I will also submit legislation to provide -- for the first time -- full annuities for retired reservists at an earlier age, and to revise benefit

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payments so that retirees receive their full annuities when they are most needed, at the conventional age of full retirement. I hope these proposals will receive favorable consideration.

In addition, I support legislation to provide military retirees with a less expensive survivor annuity plan -- one which is similar to that now provided to retired civil servants.

2. Benefits for veterans are also improving. Our efforts to improve both the quality of care and the number of patients treated in Veterans Administration hospitals will have a major impact on older veterans, since more than one-fourth of all VA patients are over 65. The staff to patient ratio at VA hospitals will be increased to 1.5 to 1, an all-time high, if our budget proposals are accepted.

The fiscal year 1973 budget also provides for further increases in nursing home care with the result that the authorized number of VA-operated nursing beds will have doubled since 1969 and the number of community contract beds and State home beds built and operated with VA subsidies will have increased by one-third over the same period.

In addition, I have signed into law significant improvements in pensions for elderly veterans which relate benefits more closely to need and protect recipients from income loss because of increases in the cost of living. In January of 1971, pensions were increased by an average of 9.6 percent. One year later, they went up an additional 6.5 percent and a new formula was adopted relating benefits more closely to need for the first time.

3. Federal Employee Benefits are also up. Retirement benefits for Federal employees have been liberalized in several instances, and -- under a more generous formula for determining cost of living increases -- annuities have gone up nearly 16 percent in the last 2-1/2 years. In addition, the Government's contribution to Federal health benefit premiums of current and retired employees has been substantially increased.

Where the Money Comes From: Reforming the Private Pension System

Only 21 percent of couples now on our social security rolls and only 8 percent of non-married beneficiaries are also receiving private pensions. While this picture will improve somewhat as workers who are now younger reach retirement, nevertheless -- despite the best efforts of labor and management -- only half the work force is presently covered by private pension plans. As the White House Conference on Aging pointed out, the long-range answer to adequate income for the elderly does not lie in Government programs alone; it also requires expansion and reform of our private pension system.

Late last year, I submitted to the Congress a five-point program to achieve this goal. It includes the following items:

1. Tax deductions to encourage independent savings toward retirement. Individual contributions to group or individual pension plans should be made tax deductible up to the level of \$1500 per year or 20 percent of earned income, whichever is less. Individuals should also be able to defer taxation of investment earnings on these contributions.

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2. More generous tax deductions for pension contributions by self-employed persons. The annual limit for deductible contributions to pension plans by the self-employed -- on their own behalf and for those who work for them -- should be raised from \$2,500 or 10 percent of earned income, whichever is less, to the lesser of \$7,500 or 15 percent of earned income.

3. Requiring the vesting of pensions. Persons who have worked for an employer for a significant period should be able to retain their pension rights even if they leave or lose their jobs before retirement. Unfortunately, many workers do not now have this assurance -- their pensions are not vested. To change this situation, I have proposed a new law under which all pensions would become vested as an employee's age and seniority increased. Under this law, the share of participants in private pension plans with vested pensions would rise from 31 percent to 47 percent and the overall number of employees with vested rights would increase by 3.6 million. Most importantly, among participants age 45 and older, the percentage with vested pensions would rise from 60 percent to 92 percent.

4. The Employee Benefits Protection Act. This legislation was first proposed to the Congress in March of 1970; it was strengthened and resubmitted in 1971. It would require that pension funds be administered under strict fiduciary standards and would provide certain Federal remedies when they are not. It would also require that plans provide full information to employees and beneficiaries concerning their rights and benefits.

5. A study of pension plan terminations. In my December message, I also directed the Departments of Labor and the Treasury to undertake a one-year study concerning the extent of benefit losses which result from the termination of private pension plans. This study will provide the information we need in order to make solid recommendations in this field, providing needed protection without reducing benefits because of increased costs.

Where the Money Goes: The Burden of Health Costs

Growing old often means both declining income and declining health. And declining health, in turn, means rising expenditures for health care. Per capita health expenditures in fiscal year 1971 were \$861 for persons 65 and older, but only \$250 for persons under 65. In short, older Americans often find that they must pay their highest medical bills at the very time in their lives when they are least able to afford them.

Medicare, of course, is now providing significant assistance in meeting this problem for most older Americans. In fiscal year 1971, this program accounted for 62 percent of their expenditures for hospital and physicians services and 42 percent of their total health payments. In addition, an estimated 40 percent of Medicaid expenditures go to support the health costs of the elderly, while other programs provide significant additional assistance.

But serious problems still remain. Accordingly, this Administration has been working in a number of ways to provide even more help for the elderly in the health-care field. One of our most important proposals is now pending before the Congress. I refer to the recommendation I made more than a year ago that the Congress combine part B of Medicare -- the supplementary medical insurance program, with part A -- the hospital insurance program, thus eliminating the special monthly premium which older persons

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must pay to participate in part B -- a premium which will reach \$5.80 per month by July. I have reaffirmed my commitment to this important initiative on other occasions and today I affirm it once again. Elimination of the premium payment alone would augment the annual income of the elderly by approximately \$1.5 billion, the equivalent, on the average, of almost a 4 percent increase in social security for persons 65 and over. I hope the Congress will delay no longer in approving this important proposal.

Our concern with health costs for older Americans provides additional reasons for the prompt approval of H.R. 1. Under that bill:

-- Provision is made for extending Medicare to many of the disabled (about 60 percent of whom are age 55 and over) who are drawing social security benefits and who have had to give up work before reaching regular retirement age;

-- Medicare beneficiaries would have the opportunity to enroll in Health Maintenance Organizations -- organizations which I strongly endorsed in my special message on health policy because of my conviction that they help to prevent serious illness and also help to make the delivery of health care more efficient;

-- Provision is made for removing the uncertainties relative to coverage under Medicare when a person needs to use extended care facilities after hospitalization.

In my recent message to Congress on health policy, I indicated a number of other measures which will help reduce the cost of health care. I spoke, for example, of the special attention we have been giving under Phase II of our New Economic Policy to the problem of sky-rocketing health costs, through the special Health Services Industry Committee of the Cost of Living Council. I indicated that a number of cost control features would be introduced into the Medicare and Medicaid reimbursement processes -- with the overall effect of reducing health costs. I have also called for new research efforts in fields such as heart disease, cancer, and accident prevention -- initiatives which also promise to reduce health problems -- and health bills -- for older persons.

Where the Money Goes: Inflation

Inadequate retirement incomes are strained even further when inflation forces older persons to stretch them to meet rising costs. Because older persons are uniquely dependent on relatively fixed incomes, they are uniquely victimized by the ravages of inflation. While my proposals for making social security benefits inflation-proof will provide significant help in defending the elderly against this menace, it is also important that we take on this enemy directly -- that we curb inflationary pressures.

This goal has been a central one of this Administration. When I came to office this country was suffering from a massive wave of price inflation -- one which had resulted in large measure from the methods chosen to finance the Vietnam War. The problem of reversing this wave by conventional methods was a more stubborn problem, frankly, than I expected it to be when I took office. By the summer of 1971, it became clear that additional tools were needed if inflation was to be quickly and responsibly controlled. Accordingly, I announced last August a New Economic Policy -- one which has received the strong support of the Congress and the American people.

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I have been especially gratified that older Americans -- whose stake in the battle against inflation is so high -- have rallied to support this new economic program. With their continued support -- and that of all the American people -- we can carry this battle forward and win a decisive victory.

One key element in that battle, of course, is to be sure that Government spending programs, including those which help the elderly, are responsibly financed. If they are not, then inflation will merely be reignited and Government policy will merely be robbing older Americans with one hand of the aid it gives them with the other.

Where the Money Goes: Property Taxes

Two-thirds of all older citizens -- and 78 percent of older married couples -- own their own homes. For these Americans -- and for many younger Americans as well -- the heavy and growing burden of property taxes constitutes one of the most serious of all income-related problems. Even those who rent their homes often bear an unfair burden since property tax increases are frequently passed along in the form of higher rents. The reason these burdens are so onerous, of course, is that the income from which property taxes must be paid by the elderly is usually going down at the very time the taxes are going up.

Property taxes in the United States have more than doubled in the last ten years. The problems which this fact implies are felt by Americans of all ages. But elderly Americans have a special stake in their solution.

I am committed to doing all I can to relieve the crushing burden of property taxes. I have been proceeding toward this end in two ways. First, I am continuing to push for passage of our General and Special Revenue-Sharing proposals, legislation which would channel some \$17 billion into State and local budgets and thus provide a significant opportunity for property tax relief. At the same time, as I indicated in my recent State of the Union Address, I am also moving to change the system through which we finance public education. In developing a new approach, I will draw on the recommendations of the President's Commission on School Finance, the Advisory Commission on Inter-governmental Relations, and other analyses such as those which are being performed under the direction of the Secretaries of the Treasury, and of Health, Education, and Welfare. The purpose of this intensive investigation is to develop ways of putting this Nation's educational system on a sounder financial footing while helping to relieve the enormous burden of school property taxes.

Reducing Income Tax Burdens

Recently approved and pending changes in the income tax laws also provide special help to older persons. Under these provisions, a single person age 65 or over would be able to receive up to \$5,100 of income without paying any Federal income taxes, while a married couple with both husband and wife 65 or over would be able to receive up to \$8,000 of such tax-free income.

Where the Money Goes: Protecting Elderly Consumers

The quality of life for older Americans depends to a large extent upon the responsiveness of the marketplace to their special needs. It is estimated that elderly persons now spend over \$60 billion for goods and services every year -- and they will be able to spend billions more if my proposals for increasing their income are enacted. Our economy should be responsive to the needs of older Americans; they have a high stake in advancing consumer protection.



Through organizational changes, administrative actions and legislative recommendations, this Administration has been working to provide needed protection for the American consumer in general -- and for the older consumer in particular. The several pieces of consumer legislation which I have submitted to the Congress are designed to reduce dangers which are especially acute for older consumers -- and I again urge their enactment.

In addition, I am asking my Special Assistant for Consumer Affairs, in cooperation with the Secretary of Housing and Urban Development, to develop a program for helping to enforce the Interstate Land Sales Full Disclosure Act by fostering greater awareness among older citizens of their legal rights under this legislation.

Recognizing that the complexity of today's marketplace demands great sophistication by the individual consumer, our primary and secondary schools have stepped up their programs for consumer education. Unfortunately, many older Americans have never had the opportunity to benefit from such programs. The Office of Consumer Affairs is therefore developing guidelines for adult consumer education programs with particular emphasis on the needs of the elderly. To carry out these guidelines, I am asking my Special Assistant for Consumer Affairs, working in cooperation with the Secretary of Health, Education, and Welfare, to develop a program of technical assistance to help the States create consumer education programs specifically designed for older citizens.

A Comprehensive Effort for Improving Income

The key characteristic of my strategy for protecting the income position of older Americans is its comprehensiveness. For it would help to augment and protect the income older persons derive from social security, adult assistance, Federal military, veterans and civilian benefits, and private pensions, while at the same time curbing the cruel drain on those incomes from rising health costs, inflation, taxes and unwise consumer spending. I hope now that the Congress will respond promptly and favorably to these proposals. If it does, then the purchasing power of the elderly can be enhanced by billions of dollars a year -- an achievement which could do more than anything else to transform the quality of life for Americans over 65.



UPGRADING THE QUALITY OF NURSING HOME CARE

Income related measures can help more older Americans to help themselves; they build on the strong desire for independence and self-reliance which characterizes the older generation. We must recognize, however, that some older Americans -- approximately five percent by recent estimates -- cannot be primarily self-reliant. These older men and women require the assistance provided by skilled nursing homes and other long-term care facilities. For them, a dignified existence depends upon the care and concern which are afforded them in such settings.

In June of 1971, at a regional convention of the National Retired Teachers Association and the American Association of Retired Persons, I pledged to meet the challenge of upgrading nursing home care in America. I expressed my determination that nursing homes, for those who need them, should be shining symbols of comfort and concern. I noted that many such facilities provide high quality care, but that many others fall woefully short of this standard. I observed

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that those who must live in such facilities are virtual prisoners in an atmosphere of neglect and degradation.

Following that speech, I directed the development of an action plan to improve nursing home care and I announced that 8-point plan in August of 1971. I am pleased to be able to report that we have made significant progress in carrying out that plan. We have delivered on all of the eight promises implied in that program. Let us look at each of them:

1. Training State Nursing Home Inspectors - Through February of 1972, almost 450 surveyors had been trained in federally-sponsored programs at three universities. Contract negotiations are underway to continue ongoing programs and to establish new ones at two university training centers.

2. Complete Federal Support of State Inspections Under Medicaid - Legislation to raise the level of financial participation by the Federal Government in this activity to 100 percent was submitted to the Congress on October 7, 1971, as an amendment to H.R. 1. This proposal is awaiting Congressional action.

3. Consolidation of Enforcement Activities - A new Office of Nursing Home Affairs has been established in the Office of the Secretary of Health, Education, and Welfare. This unit is directly responsible for coordinating all efforts to meet our July 1, 1972, deadline for inspections of skilled nursing homes and for certification of these facilities in accordance with proper procedures.

4. Strengthening Federal Enforcement - 142 new positions have been allocated to the Medical Services Administration to enforce Medicaid standards and regulations. Added emphasis is being placed on the audit process as a tool for enforcement; 34 additional positions are being added in HEW's Audit Agency to perform audits of nursing home operations.

5. Short-term Training for Professional and Paraprofessional Nursing Home Personnel - This program is currently funded at the \$2.4 million level and is scheduled to train 20,000 persons. The fiscal year 1973 budget which I submitted to the Congress contains \$3 million to train an additional 21,000 persons.

6. Assistance for State Investigative Units - A program to develop and test investigative-ombudsman units to respond to individual complaints and to other problems in the nursing home area has also been initiated. As an interim mechanism, nearly 900 social security district and branch offices have been designated as listening posts to receive and investigate complaints and suggestions about nursing home conditions.

7. Comprehensive Review of Long-term Care - The Office of Nursing Home Affairs is now carrying out a comprehensive analysis of issues related to long-term care.

8. Cracking Down on Substandard Nursing Homes - Progress is also being made on this important front. Last December I signed legislation which, among other things, authorizes Federal quality standards for intermediate care facilities, thus giving us additional authority to guarantee a decent environment for those who live in long-term care facilities.

Every State providing nursing home care under the Medicare and Medicaid programs has now installed systems for surveying and certifying nursing homes. In the area of fire-safety and other safety guidelines, a coordinated set of standards for homes providing care under these programs is being put into effect.

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Medicaid compliance activities have also been stepped up. Onsite Federal reviews of State Medicaid certification procedures have been carried out. Deficiencies in those procedures were found in 39 States. These deficiencies were publicly announced by the Secretary of Health, Education, and Welfare on November 30, 1971, along with a timetable for correcting them. Since that time, 38 of the 39 States have made the necessary corrections. We have determined that every facility receiving Medicaid funds must have been inspected and correctly certified by July 1, 1972.

While we prefer to upgrade substandard homes rather than shut them down, we will not hesitate to cut off money when that is necessary. As of February 11, 1972, in fact, 13 extended care facilities had been decertified for participation in Medicare. In such cases, as I have often pledged before, we are firmly committed to seeing that adequate alternative arrangements are made for those who are displaced.

In fiscal year 1971, the Federal Government contributed \$1.2 billion to the cost of nursing home care. We should also remember, however, that more than 40 percent of the annual expenditure for nursing homes is borne by private sources. In addition to seeing that Federal tax dollars are properly spent in this area, it is also important that private individuals are protected when they purchase nursing home services. I have asked the Secretary of Health, Education, and Welfare to develop proposals to deal with this dimension of the nursing home challenge.

SPECIAL SERVICES TO FOSTER INDEPENDENCE

Improving the income position of older Americans and upgrading nursing homes -- these are two concerns which have been of highest priority for this Administration in the past and which will continue to be central in the future. As we work to develop a truly comprehensive strategy, however, other agenda items have also been emerging as areas of special emphasis, particularly those involving public and private services which can help older persons live dignified, independent lives in their own homes for as long as possible.

Increased Resources for the Administration on Aging

Since the passage of the Older Americans Act in 1965, the Administration on Aging has had the lead Federal role in developing and coordinating such services. While that office has accomplished many significant things, the importance and urgency of its mission have outstripped its financial resources.

It was to help remedy this situation that I announced at the White House Conference on Aging last December that I would call for a five-fold increase in the budget of the Administration on Aging -- from \$21 million to \$100 million. As I will discuss below in greater detail, I am now requesting an additional \$100 million for nutritional and related purposes, money which would also be spent through the Administration on Aging.

With this substantial increase in funds, we would be able to step up significantly our efforts to develop and coordinate a wide range of social and nutritional services for older Americans. Our central aim in all of these activities will be to prevent unnecessary institutionalization -- and to lessen the isolation of the elderly wherever possible.

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Extending the Older Americans Act

Since its passage in 1965, the Older Americans Act has served as an important charter for Federal service programs for the elderly. Unless the act is promptly extended, however, the grant programs it authorizes will expire on June 30th. This must not happen. I therefore urge that this landmark legislation be extended -- and that the extension be indefinite, rather than limited to a specific period of time.

Strengthening the Planning and Delivery of Services

In addition, I am asking that the Older Americans Act be amended to strengthen our planning and delivery systems for services to the elderly. Too often in the past, these "systems" have really been "non-systems," badly fragmented, poorly planned and insufficiently coordinated. My proposed amendments are designed to remedy these deficiencies.

We should begin by helping to develop and strengthen the planning capacities of the State agencies on aging and of new area agencies on aging which would be established within each State. Up to 75 percent of the administrative costs of these new area planning agencies would be funded by the Administration on Aging, which would also establish general goals to which activities at the State and local levels would be directed. One of the major priorities would be to enhance and maintain the independence of older citizens.

The State and area planning agencies would plan for the mobilization and coordination of a wide range of resources -- public and private -- to meet such goals. The Administration on Aging would be authorized to fund up to 90 percent of the cost of social and nutritional services provided under plans developed by the area planning agencies. In fiscal year 1973, \$160 million would be allocated in formula grants for nutritional and social services. An additional \$40 million would be allocated in special project assistance to develop new and innovative approaches and to strengthen particularly promising area plans.

By establishing overall objectives and by providing both money and mechanisms for a stronger planning and coordination effort, we can ensure that resources and energies which are now widely scattered and fragmented can be pulled together in ways which will notably increase their impact.

Coordinating Federal Efforts

Even as we strengthen coordination at grassroots levels, so we must do a better job of coordinating Federal programs. As this message makes clear, efforts are being made all across our Government to help older citizens. But if there was one clear message at the White House Conference on Aging, it was that this wide range of Federal resources must be better coordinated. To help achieve this important objective, I have directed my Special Consultant on Aging to work with all these agencies in an intense new effort to develop coordinated services.

As the first step in this effort, I have directed those agencies whose programs have a major impact on the lives of older persons to provide the Cabinet-level Committee on Aging, within sixty days, with the amounts they identify as serving the needs of the elderly. In addition, I am directing that each agency identify, within the total amount it expects to spend for its aging programs, a sum that will be available to the States and localities for purposes related to the Older Americans Act. The Administration on Aging will then provide

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this information to the States so that it can be utilized in the State and local planning process. State aging agencies will also be able to transmit their views on proposed Federal programs, thereby furthering the interchange of information and strengthening overall coordination.

Under these procedures, we can ensure that all resources for helping the elderly are fully marshalled and coordinated, in a way which is responsive to the special needs of every State and locality in our land.

Establishing Information and Complaint Centers

We must also work to improve communications between the Federal Government and older Americans and to alert the Government to areas of special need. Because older persons often have some difficulty moving about conveniently, and because services are often fragmented and channeled through complex bureaucratic mechanisms, it is especially important that the elderly have one place to turn where they can obtain needed information and let their views be heard.

As I have already noted, we have been moving in this direction under my program to upgrade the quality of nursing home care. Following the directive which I announced at the White House Conference on Aging, Social Security offices have also been expanding their information and referral services for the elderly. District and branch offices are now handling more than 200,000 such inquiries each month -- and that number is expected to increase. A task force is now at work within the Social Security Administration to examine ways of improving this service.

As another step in this direction, I have directed the Cabinet-level Committee on Aging to examine ways in which we can use other Government offices -- such as the General Services Administration's Federal Information Centers and the Agricultural Extension Service's local offices -- in further expanding and improving our information and complaint services.

Fighting Hunger and Malnutrition

In addition to our overall funding and coordination proposals concerning Federal services, we are also moving ahead in a variety of specific service areas. One of the most important is the fight against hunger and malnutrition among the elderly.

The thought that any older citizens -- after a lifetime of service to their communities and country -- may suffer from hunger or malnutrition is intolerable. Happily, since I submitted my message on hunger and nutrition to the Congress in May of 1969, we have made significant strides toward eliminating this problem among all age groups in America. Our efforts to increase incomes have been central to this endeavor, of course. But our special food assistance programs have also been substantially augmented.

If my budget proposals for fiscal year 1973 are accepted, overall spending for food stamps will have increased nine-fold since 1969. In the coming fiscal year, an estimated 2 million elderly participants in the Food Stamp Program will receive benefits of \$343.5 million, compared with only \$45.8 million in fiscal year 1969. Virtually every county in the Nation now offers either the Food Stamp or the Food Distribution Program; in early 1969, nearly 500 counties offered neither. In all, 2.5 million older Americans benefit from at least one of these programs.

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Food assistance is important to the elderly. They benefit not only from nutritious food but also from the activity of preparing meals and sharing mealtimes with others. To maximize these benefits, the Department of Agriculture in January revised its regulations to improve the nutrition program and expand participation.

But more needs to be done. Many older persons who are entitled to food stamps or to surplus commodities are still not receiving them. Why is this the case? In many instances, older Americans do not realize they are eligible for participation. The agencies which provide assistance are often unaware of older persons who need their services. Some older persons choose not to participate -- out of pride or out of fear that accepting food assistance may subject them to the arbitrary treatment they associate with the present welfare system. In some cases, older persons want to participate but find that necessary transportation is unavailable.

To overcome the barriers which keep older Americans from full participation in food assistance programs, we are launching this year a major outreach campaign called Project FIND. This campaign will be conducted through a senior citizen awareness network made up of federally operated or funded field offices and outreach workers. It is my hope that Federally-supported personnel will be augmented in this effort by volunteers from State local government offices and from the private sector. For ninety days, all these workers will go out across our country to find those who should be participating in nutrition programs but who are not yet involved.

Last night, I signed into law S. 1163, a new national nutrition program for the elderly. This program will provide prepared meals in a group setting and delivered meals for those who are confined to their homes. I welcome this effort. Because of my strong feeling that this area should be one of priority action, I will submit to the Congress -- as I suggested above -- an amendment to my 1973 budget to provide an additional \$100 million for nutritional and related services. My proposed amendments to the Older Americans Act would further strengthen this effort by ensuring that the Food Stamp Program is planned as part of a more comprehensive service effort.

Other steps will also be taken in this area. In some areas, for example, space at federally-assisted housing projects will be utilized for feeding older persons. The support of State and local governments, of civic and religious organizations and of the food services industry will also be solicited. Maximum use will be made of existing technical resources, including skilled personnel who have worked with the school lunch program and other special programs of the Department of Agriculture. The time has come for marshalling all of our resources in a comprehensive campaign to meet the nutrition needs of older Americans.

Providing Better Transportation for the Elderly

For many older Americans, lack of mobility means poor access to friends and relatives, to government services and to meaningful participation in the community. Unless we meet the challenge of providing better transportation for older persons, our efforts in other fields will not be as effective as they should be. This is why I told the delegates to the White House Conference on Aging that I would, by administrative action, require that Federal grants which provide services for older persons also ensure that the transportation needed to take advantage of these services is available.

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In addition, the Department of Transportation is significantly increasing its program for developing new ways to meet the public transportation needs of older persons. The approaches which are being tested include special new transportation services to take elderly citizens from housing projects and other residential areas to hospitals, senior citizen centers, social service agencies, employment opportunities and the like; and demand-responsive services whereby the elderly are picked up at their doorsteps and taken to specific desired destinations.

Once new ways have been developed for meeting the transportation needs of the elderly, we must also make them generally available. One proposal which could help significantly in this effort is the recommendation recently submitted to the Congress by the Secretary of Transportation under which some of the funds now in the Highway Trust Fund could be used by States and localities to augment resources in the mass transportation area.

I hope the Congress will give prompt approval to this important plan. The flexibility it provides would allow State and local officials -- who know best the transportation needs of the elderly within their own jurisdictions -- to give special consideration to meeting those needs. I am asking the Secretary of Transportation to develop specific suggestions for assisting the States and localities in these undertakings.

In addition, the Department of Transportation is ready to give priority attention to community requests for helping older Americans through capital grants from the Urban Mass Transportation Fund and is willing to commit significant resources to this end. I urge the States and localities to move immediately to take advantage of these resources.

Meeting the Housing Needs of Older Citizens

This Administration has also worked hard to respond to the very special housing needs of older Americans. It is expected, for example, that an all-time record in producing subsidized and insured housing and nursing homes for the elderly will be achieved this year by the Department of Housing and Urban Development. In the current fiscal year, nearly 66,000 units of subsidized housing for the elderly will be funded under HUD's housing assistance programs -- a figure which should rise to over 82,000 in fiscal year 1973. In addition, accommodations for over 14,000 people, mostly elderly, will be provided this fiscal year under HUD's nursing and intermediate care facility programs -- and nearly 18,000 such accommodations will be provided next year. Finally, a large number of elderly citizens will benefit from other housing funded by this year's record number of nearly 600,000 subsidized housing unit reservations. Clearly, we are making substantial progress in this important area.

A number of other administrative steps have also been taken to ensure that this new housing is responsive to the special needs of the elderly. For example, Secretary Romney recently announced new guidelines for the Section 236 subsidized rental program for lower income elderly tenants. These guidelines will help ensure greater variety in building types, including highrise structures, and more flexibility in their locations. As a result of these guidelines, older persons will find such housing arrangements even better suited to their particular needs.

The Department of Housing and Urban Development has also issued initial guidelines for the new Section 106 (a) program which will provide technical assistance to non-profit

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sponsors of low and moderate income housing -- including housing which is specially designed for the elderly.

In addition, the Department will extend the mortgage maturity for its Federal Housing Administration insured nursing home program up to a maximum of 40 years. This decision will not only reduce monthly occupancy charges to patients, but it will also enable sponsors of residential housing to "package" residential and nursing home complexes more easily. The proximity of these facilities will permit elderly persons temporarily to vacate their residential units for short term nursing care -- and at the same time remain close to family, friends, and the environment to which they are accustomed.

I have also directed the Secretary of Housing and Urban Development to work with the Administration on Aging in developing training programs dealing with the management of housing for the elderly.

The Law Enforcement Assistance Administration has undertaken an intensive research effort to determine factors which encourage or inhibit crime in residential settings and to develop total security systems to reduce crime in housing projects. The Department of Housing and Urban Development plans to use the results of this effort in its housing programs. I have also made grant funds available through the Law Enforcement Assistance Administration for reducing crime in areas housing older persons. Already, in two cities, funds have been granted specifically for this purpose.

Crime is an especially serious problem for our older citizens. Through these and other measures, we will continue our strong effort to meet this challenge.

Two years ago my task force on aging observed that "older persons would make greater use of many of the services society intends them to receive if these services were made more accessible to them. One reason that the number of senior centers has increased so fast is because centers facilitate the packaging, marketing, and delivery of services." The task force also noted that, "although the number of senior centers has rapidly grown in recent years, centers are still too limited in number to reach more than a fraction of the older population." In my judgement, a natural location for a senior center is a housing facility occupied primarily by older persons.

The Department of Housing and Urban Development administers two housing programs under which such facilities can be made available to older persons living in the project and in the surrounding neighborhood: the Section 236 Program and the Public Housing Program. Both of these programs provide specially designed housing for lower income older persons. The law under which these programs are administered contains language which allows the financing of facilities designed primarily for use by older persons including "cafeteria or dining halls, community rooms, workshops, infirmaries,... and other essential service facilities."

To increase the supply of well located senior centers, I have instructed the Department of Housing and Urban Development to encourage greater provision of community space for senior centers within subsidized housing projects for the elderly. The Department will consider the community's overall need for these centers in determining the appropriate scale of centers within such housing projects.

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On other fronts, the Farmers Home Administration in the Department of Agriculture is taking steps to meet the housing needs of elderly persons who live in rural areas. Under the Section 502 program, for example, thousands of elderly families have received millions of dollars in loans for home ownership and repair. The Section 515 program, which provides favorable interest loans with repayment periods of up to 50 years to stimulate the development of rental housing in rural areas, has also moved forward. Rental units financed under this program have tripled from 1969 to 1973.

EXPANDING OPPORTUNITIES FOR INVOLVEMENT

It is important that we give sufficient attention to the things our Nation should be doing for older Americans. But it is just as important that we remember how much older Americans can do for their Nation. For above all else, what our older citizens want from their country is a chance to be a part of it, a chance to be involved, a chance to contribute.

I am determined that they will have that chance. For as I told the White House Conference, "we cannot be at our best if we keep our most experienced players on the bench." This Administration is deeply committed to involving older citizens as actively as possible in the life of our Nation -- by enhancing their opportunities both for voluntary service and for regular employment.

Improving Voluntary Service Programs

Voluntary social action has long been recognized as one of the great distinguishing characteristics of America, a force which has helped to unite and focus our diverse people in the pursuit of common goals. And even as the voluntary spirit has helped our country move forward more effectively, it has also provided those who have volunteered for service with a greater sense of fulfillment.

The voluntary spirit is particularly relevant to the lives of older Americans. The White House Conference on Aging, for example, called attention to "ways in which older Americans could fulfill themselves by giving service to one another and to their communities." Delegates to the Conference called for "a national policy...to encourage older adults to volunteer," and urged "that existing national older adult voluntary programs should be expanded and funded at adequate levels in order to serve extensive numbers of volunteers." They urged a mobilization of public and private organizations to strengthen the volunteer movement.

I agree completely with these judgments. That is why, at the time of the White House Conference, I pledged to move successful voluntary programs from demonstration status to full operation on the national level, an expansion effort that is rapidly moving forward.

I requested, for example, that the Foster Grandparent program be doubled to \$25 million, providing for 11,500 foster grandparents to serve 23,000 children each day -- 50,000 children in all each year -- in some 450 child care institutions throughout the country. I also asked that ACTION's Retired Senior Volunteer Program (RSVP) be tripled to \$15 million so that as many as 75,000 senior volunteers could be involved in community services.

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When the RSVP program has developed to the full extent permitted by the new appropriations, as many as 11,000 volunteers will be serving older persons in nursing homes and other extended care facilities, bringing companionship and personal assistance to some 45,000 residents who might otherwise be lonely and isolated. At the same time, as many as 13,000 part-time RSVP volunteers will be serving as homemaker and health aids, enabling thousands of older persons to continue to live in their own homes. By using senior volunteers in a variety of programs, we can foster that human contact which brightens the lives both of those who are served and those who volunteer.

But other new steps are also needed in this area.

As one such step, the Congress should enact legislation which would enable the ACTION agency to expand person-to-person volunteer service programs for older Americans. These efforts would build on the successful experience of the Foster Grandparent program. One important characteristic of such programs is that so much good can be accomplished, so many people helped, for a relatively small dollar investment. It would indeed be tragic if we did not capitalize on this opportunity.

Measures are also needed to improve coordination among the many Federal and non-Federal volunteer activities which affect the aging. As one important step in this direction, the Administration on Aging and the National Center for Voluntary Action have enlisted the cooperation of 130 national voluntary organizations in a program to help older men and women in 300 communities live dignified lives in the familiar settings of their own homes. Too often, older Americans are displaced from such settings simply because small problems such as simple home repairs, shopping and trips to obtain health care have become too difficult. And yet, with only minimal assistance from volunteers, these problems could easily be met.

I have directed the ACTION agency to work in every possible way to help provide such assistance. Already, the RSVP program is moving forward in this area. I am confident that other ACTION program volunteers can also make a major impact in this field. It is my hope, too, that communities will consider the elderly residents of federally assisted housing projects as a source of volunteer manpower for serving other older persons.

As we move ahead with this entire program, we should take encouragement from successes of the past. One which is particularly noteworthy is the program in Mount Vernon and Edmunds, Washington, where local citizens have designed a unique bridge across the generation gap called STEP -- Service To Elderly Persons. Under this program, volunteers from the local high schools have undertaken, on a regular basis, to assist elderly persons in performing small tasks, while at the same time providing them with companionship and renewed hope. Everyone gains from a program of this sort. If leaders at every level are alert to such possibilities, our progress can be enormous.

Often in quiet ways, the people of the United States have been responding to the challenges of our society with compassion and resourcefulness. Now it is for those of us who have the responsibility for national leadership to provide the Federal assistance which can help such voluntary efforts go even further and accomplish even more.

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Employment Opportunities for Older Citizens

Discrimination based on age -- what some people call "age-ism" -- can be as great an evil in our society as discrimination based on race or religion or any other characteristic which ignores a person's unique status as an individual and treats him or her as a member of some arbitrarily-defined group. Especially in the employment field, discrimination based on age is cruel and self-defeating; it destroys the spirit of those who want to work and it denies the Nation the contribution they could make if they were working.

We are responding to this problem in a number of ways. The Department of Labor, for example, has filed over 80 suits under the Age Discrimination in Employment Act of 1967 -- 30 of which have been successfully concluded. I will soon propose to the Congress that this act be broadened to include what is perhaps the fastest growing area of employment in our economy -- the State and local governments. I will also send a directive to the heads of all Federal departments and agencies reaffirming and emphasizing our policy that age shall be no bar to a Federal job which an individual is otherwise qualified to perform.

The Age Discrimination in Employment Act relates to persons between the ages of 45 and 65. I recognize that persons falling within this age group are confronted with special problems in the employment area and that we should do everything we can to resolve these problems. It is also important, however, that we help open employment opportunities for persons over 65. To this end, I have requested the Secretary of Labor to urge the States and local communities to include older persons in the opportunities provided by the Emergency Employment Act of 1971, and to work with our public employment offices so that they will be in a position to help open job opportunities for the over 65 group, including opportunities for part-time employment in both the public and private sectors.

I also asked last fall that funds be doubled for special Operation Mainstream projects for low-income older workers -- such as Green Thumb and Senior Aides. This measure can mean that as many as 10,000 older persons will be employed in activities that provide useful community service.



ORGANIZING FOR FUTURE ACTION

One of the important concerns of the White House Conference on Aging was the way in which the Government is organized to deal with the problems of older Americans. It was because I share this concern that I established my original task force on aging, appointed the first Special Assistant to the President on Aging and the first Special Consultant to the President on Aging, set up a new Cabinet-level Committee on Aging and called the White House Conference.

In a similar manner, the Secretary of Health, Education, and Welfare has taken steps to ensure that the voice of older Americans speaks loud and clear within that Department. He has informed me that he will strengthen the Department's Advisory Committee on Older Americans and provide it with staff capability to support its increased responsibilities. The Commissioner of Aging, in his capacity as Chairman of the Advisory Committee, will report directly to the Secretary.

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Another important organizational concern involves Government research activities which concern the process and problems of aging. It is important that the same scientific resources which have helped more people live longer lives now be applied to the challenge of making those lives full and rewarding for more Americans. Only through a wise investment in research now, can we be sure that our medical triumphs of the past will not lead to social tragedies in the future.

What we need is a comprehensive, coordinated research program, one which includes disciplines ranging from biomedical research to transportation systems analysis, from psychology and sociology to management science and economics. To coordinate the development of such a program, a new Technical Advisory Committee for Aging Research will be created in the office of the Secretary of Health, Education, and Welfare.

A GENERATION NO LONGER FORGOTTEN

We all grow old; the younger generation today will be the older generation tomorrow. As we address the needs of older Americans, therefore, we are truly acting in the best interest of all Americans. The actions and proposals which have been outlined in this message are designed to address those needs and meet those interests.

When I spoke about the problems of the elderly back in 1968, I described our older citizens as "an entire generation of forgotten Americans." But since that time, as this message clearly demonstrates, that situation has sharply changed. Today, it can truly be said that at all levels of Government and in all parts of the country, "the aging have come of age." Much work still remains, to be sure, but we can conclude with assurance that the aging are forgotten no longer.

Just before the First World War, one of the brilliant young writers of that day penned a line which has since become a hallmark of the period: "It is the glory of the present age," he wrote, "that in it one can be young."

Since that time, the generation of which he wrote has come through a troubled and challenging time -- through two World Wars and a Great Depression, through the difficult experiences of Korea and Vietnam. The members of that same generation have led this country through a time of social and economic change unparalleled in world history. And they have come through all of these challenges "with colors flying." Because of their success, we now have the opportunity to complete their quest for peace and justice at home and around the world.

At such a moment, one obligation should be very high on our list of priorities: our obligation to this older generation. Let us work to make ours a time of which it can be said, "the glory of the present age is that in it men and women can grow old" -- and can do so with grace and pride and dignity, honored and useful citizens of the land they did so much to build.

RICHARD NIXON

THE WHITE HOUSE,

March 23, 1972.

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