

Chapter 15:

Politics, Policies,
and Programs

Hillier states in her book that
"older people are neither more
nor less conservative than
younger people."

As evidence she notes that the
elderly are evenly split
between the two political
parties.

However....

Peltzman analyzed the U.S. General
Social Survey data from 1974 to
2018.

He examined both period data, which
compare the answers of people of
various ages during a five-year span,
and cohort data, or how individuals'
political ideologies shift over time
and found that older persons are
(rate themselves) more conservative
than younger persons.

	Liberal	Moderate	Conservative
25 yr olds	34	41	26
45 yr olds	25	40	36
75 yr olds	20	40	41

Percent liberal, moderate, and conservative by age
groups.

It was concluded, on average,
respondents' political ideologies
steadily shifted from liberal to
conservative as they got older, a
pattern that persisted across more
than 40 years of data.

A confounding (troublesome) issue
here is how "liberal" is defined since
the survey asked respondents to rate
their political ideology on a scale
from "extremely liberal" to
"extremely conservative."

Some say the difference is due to a
"cohort" effect.

Do you remember what this is?

Life experiences affect people's
thinking. Similar life experiences of
people born during the same time
period, result in these persons being
socialized similarly and thinking
somewhat similarly.

What are some examples of the
cohort effect?

Example of cohort effect: When the cohorts of today (you all) reach old age they may be more "conservative" about being in large crowds due to Corona V. while younger people in the future will not have had the same experiences and so not worry as much about large crowds.

Example of cohort effect: Older persons who lived through the great depression of the 1930s may have decided never to buy stocks again. Meanwhile, younger persons who never had that experience, have been purchasing stocks and are becoming quite wealthy.

In addition to cohort effects, how might changes in an older person's life affect her/his attitudes regarding social/political issues?

- Changes in health may focus their attention on the U.S. health care system
- Changes in income may bring their attention to social security, taxes, and other financial factors affecting older people. They may become more supportive of government programs.

A higher percentage of older people vote compared to other age groups. **Many people believe older persons vote as a block on issues.**

Do you believe they vote as a block? Why or why not?

No: they are different income levels, live in different parts of the country, are different ethnicities, etc.

Yes: for example: they all care about what happens to Medicare and Social Security and will vote as a block to save it (except perhaps the richest elderly).

There are several large organizations focused on issues affecting older persons such as Social Security and Medicare.

Can you name any of these?

AARP: the largest organization of people aged 50+.

National Council of Senior Citizens

Gerontological Society of America

What do you know about AARP?
What does the acronym AARP stand for?

It was the American Association of Retired Persons but now it no longer refers to itself as this (it simply goes by AARP and doesn't want to be thought of as the American Association of Retired Persons)

Why?

Their membership is no longer limited to retired persons so the original name no longer fits. However, most people are familiar with the acronym AARP so they chose to keep it.

How large is AARP?
Who are its members?
What does AARP do?
Where does it get the funds to support what it does?

How large is AARP?

- ▶ It has 38 million members who pay dues (56 million Americans are 65+)
- ▶ It's annual budget is \$1.7 billion (2019) with members paying about a third of this and the rest products sold by AARP
- ▶ It has a staff of 2,250

What is its purpose? Who are its members?

- ▶ To enhance the quality of life as people age
- ▶ People who are 50+ years old are members

What does AARP do?

- ▶ Lobbies Congress to support programs for older persons. In particular, to support Social Security and Medicare
- ▶ It sells to its members medical, dental, auto insurance, etc.

What do you know about the Gerontological Association of America (GSA)?

- How large is it?
- Who are its members?
- What does it do?
- Where does it get the funds to support what it does?

What does GSA do and how large is it?

- ▶ GSA is an interdisciplinary organization devoted to research, education, and practice in the field of aging.
- ▶ GSA has 5,500 members who include professionals from the social, medical, and biological sciences

What is its purpose?

- ▶ to promote the study of aging and disseminate information to scientists, decision makers, and the general public.

How does it accomplish its goals?

- ▶ Holds an annual meeting where professionals come to share their research
- ▶ Publishes the findings of its members in several journals (The Gerontologist and the Journal of Gerontology)

When considering government programs/policies for the elderly? What are perhaps the three most influential?

Social Security
Medicare
Older Americans Act

What was the importance of the Older Americans Act? What agencies did it allow for?

Administration on Aging
State Office on Aging
Area Agencies on Aging

Administration for Community Living

The Secretary of the Department of Health and Human Services (Kathleen Sebelius, at the time) established ACL using her authority in 2012.

This decision brought together:

- Administration on Aging,
- Office on Disability,
- Administration on Developmental Disabilities.

The Older Americans Act was passed in 1965.
Who was president Of USA then?
Lyndon Johnson.

Do you remember what other programs were passed in 1965 that affect older Americans?

Medicare and Medicaid

The OAA established the Administration on Aging (AoA) and called for the creation of State Units on Aging in order to carry out the policies of the OAA.

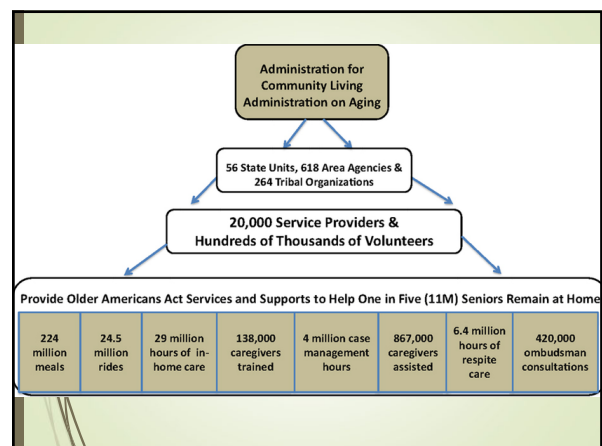
The purpose of the AoA is to meet the diverse needs of the growing numbers of older persons.

Each state has established Area Agencies on Aging to meet the needs of older persons.

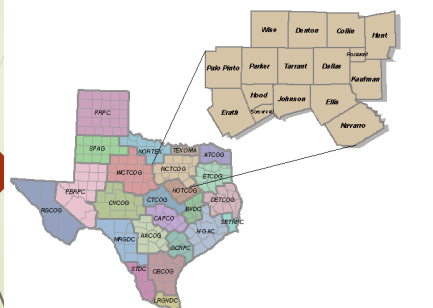
There are 618 AAAs in the U.S.

There are 28 AAAs in Texas.

What is the purpose of AAAs?
What services do they provide?



The North Central Council of Governments has three **Areas Agencies on Aging** serving the locations of: **Tarrant County, Dallas County** and **all the counties surrounding them**



The budget of the AoA is divided into:

(1) **community services for the elderly** (\$200 million)

(2) **nutrition programs for the elderly** (\$480 million)

Community services include:

- Personal care services
- Advocacy
- Legal services
- Case management
- Respite care

Nutrition services include:

- Meals on wheels
- Meals in congregate settings

While the services are particularly targeted to low-income elderly and minority elderly.

Perhaps surprisingly, many low-income, minority elderly choose not to use available services.

Any ideas why?

Knowledge, Access, Intent

Based on one of my first publications:

"Service Use Among the Low-Income Minority Elderly: Strategies for Overcoming Barriers" (published in [The Gerontologist](#))

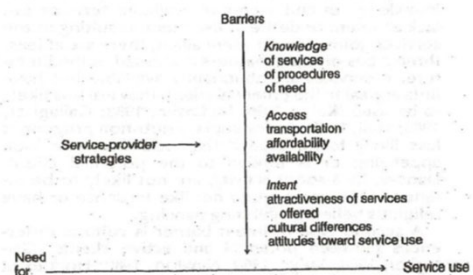


Figure 2. The practice-oriented conceptual framework for service use.

Additional services provided include:

1. Friendly visiting,
1. telephone reassurance
2. Adult day centers

Is anyone familiar with these?



Moving our attention to income of older Americans,

What might older Americans try to determine when planning for retirement, since at retirement they will no longer have their job income?

- ▶ How much Social Security income will they receive
- ▶ When to apply for Social Security
 - ▶ the later one waits to receive Soc Security, the more they will receive each month
- ▶ What other income sources will they have and how much will this be

Can you name some income sources other than Social Security?

Annuities, Pensions, 401K plans

What is an annuity?

An **income annuity** is a **long-term agreement (contract)** between a person and an insurance company.

Savings/funds are given to the insurance company in exchange for a payout in the form of a **guaranteed income** that the person will receive the rest of their life

Male: 69 years old
(why should age matter?)

Funds invested: \$300,000

Payout for rest Of live: \$2,000/month (\$24K/year)

Person (retiree) would need to live to 82 to break even. After that the insurance company is paying out more than it received. (annuity could be taxable if funds given were from retirement accounts)

Annuities can provide: **safety, stability, and certainty** but

The insurance company must be **financially dependable** over time (i.e., doesn't go bankrupt)

There are companies that rate the dependability of insurance companies

Describe the difference between pensions and 401K plans

Pension:

A type of retirement plan that provides monthly income after an employee retires from her/his position and often for the rest of her/his life.

The employer contributes to a pool of funds invested for the employee's benefit. The employee may contribute part of her/his wages to the plan, too.

Pensions have become very expensive for businesses so these days they are often not offered.

A 401(k) plan is a company-sponsored retirement account that employees can contribute income, while employers may match their contributions.

A 401(k) plan gives employees a tax break on money they contribute. Contributions are automatically withdrawn from employee paychecks and invested. The money accumulates over time. When the employee retires, there is a large sum of money for her/his retirement and could be used to purchase an annuity. Why would an employee use the 401K funds to purchase an annuity?

If given the choice of when one can retire, what factors might encourage a person to work longer?

- Need for income
- Enjoy the people at work
- Enjoy the work itself
- The feeling of being useful

If given the choice of when one can retire, what factors might encourage a person to retire early?

- Health particularly if the job is physically demanding (25% of retirees list health as number 1 reason for retirement)
- Have enough savings so don't need the additional work income
- Social Security payments are tied to the inflation rate
- Don't enjoy one's job
- Don't get along with co-workers

- ▶ Incentive programs for early retirement
- ▶ The feeling of being useful
- ▶ Cultural attitudes towards retirement—seen as a positive

Why might inflation have a worse effect on the elderly and how has the Cost of Living Adjustment (COLA) for Social Security helped?

Prior to COLA, the value of a person's monthly Social Security check would shrink as inflation increased.

With the COLA attached to Social Security checks, the monthly payments are adjusted for inflation (What does this mean? What happens?)

What do we mean by social class (how is it related to income) and how might it affect the elderly?

Social class is a category of individuals and families who have similar characteristics in terms of occupation, income, and education levels.

Who has more of the following: upper, middle or working class elderly?

<u>Life expectancy?</u>	Upper class lives longer
<u>Illness?</u>	Upper class is healthier than middle class which is healthier than working class which is healthier than lower class
<u>Prevalence of mental illness?</u>	Upper class has better mental health
<u>Social opportunities of widows?</u>	Higher among middle class than working class
<u>% perceive self as old at age 65+?</u>	$\frac{3}{4}$ of working class see self as old vs 50% of middle class

Who adjusts better to retirement? The upper, middle or lower class and why?

Upper class.

They have more varied interests and more community participation so that it is easier to fill the "void" left by retirement.

Who is looking forward to retirement the least? The upper, middle or lower class and why?

Lower class.

They have financial concerns regarding how they will pay the bills.

Who has more: upper, middle, or working class elderly?

Amount of interaction with family members, middle or working class?

Working class, family is typically more available

Elderly helping children, middle or working class?

Middle class has more to give.

Social participation in community activities?

Upper belongs to more voluntary associations

Life satisfaction?

Upper class happy with life, income appears to affect this

What is meant by social mobility when speaking about social classes?

Movement of persons from one social class to another.

Is social mobility desirable?

If the person is moving down, no. But, if the person is moving up, yes.

7 Incredible Ways the Area Agency on Aging Can Help You
<https://www.youtube.com/watch?v=PyvV8cs6ZxY>

How to Keep your elderly parents safe and in their home longer | Roger Wong | TEDxStanleyPark (show 11:00 min up to 20min)
<https://www.youtube.com/watch?v=0CVI3pfDBNo&t=177s>

What's the Best Age to Claim Social Security 62, 66, or 70? (17 mins)
https://www.youtube.com/watch?v=2Zax1rDO_w8

National Council on Aging: What is Medicare Extra Help
<https://www.youtube.com/@ncoaging>

Millennials Show Us What 'Old' Looks Like | Disrupt Aging (Produced by AARP)
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People Over 40 Denied Free Samples in Social Experiment (Produced by AARP)

Age Discrimination Food Truck Experiment | Disrupt Aging (Produced by AARP)
<https://www.youtube.com/watch?v=UYCxAIqjyCA>

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Thank You.