

2. Public and private efforts are needed to preserve health and functional ability in old age.

3. Older people spend more on health care and are less able to afford it than younger age groups.

4. Three basic principles in organization of medical care are (a) high quality of medical care, (b) a satisfactory payment system to support professional, hospital, and supplementary services, and (c) administration guaranteeing proper standards and economy of service.

5. Most older people in the future could readily acquire paid-up health insurance if it were provided through the social security mechanism.

These general considerations lead to the conclusion that the present health care needs of our older citizens are not being met adequately. Furthermore, their health care needs are a growing national problem.

Although about 40 percent of the population aged 65 and over has some kind of health insurance, there is less opportunity for the "over 65" group to get private health insurance for a number of reasons. Elderly people are poor risks for private insurers because their health needs are greater than the needs of younger age groups. Higher premiums charged for greater risk are more difficult to pay when income is reduced by retirement. However, even when elderly people are willing and able to pay the premiums, they frequently are unable to get private health insurance coverage. Further consideration of these greater health care needs and reduced ability to get insurance protection appear below in the discussion of hospital utilization by older people.

TABLE 6.—*Health problems of people aged 65 and over, 1957-58*

Experience	Rate per 100 persons per year		
	Persons aged 65 and over	Persons under age 65	Persons of all ages
Restricted activity days.....	4,730	1,743	2,000
Bed disability days including hospital days.....	1,630	697	780
Days in short-stay hospitals.....	178	76	85
Incidence of acute conditions.....	163	269	260
Persons with 1 or more chronic conditions.....	76	38	41
Persons with activity limited by chronic conditions.....	42	7	10
Persons injured.....	25	28	28
Physician visits.....	680	514	530
Dental visits.....	80	164	160

Source: Tabulation from U.S. National Health Survey in "Hospitalization Insurance for Old-Age, Survivors, and Disability Insurance Beneficiaries," report submitted to the Committee on Ways and Means by the Secretary of Health, Education, and Welfare, Apr. 3, 1959, p. 13.

PUBLIC SPENDING

Public support for health and medical care

A major component of total demand for health and medical care is public spending, which is about a quarter of total spending for this purpose. Public funds from Federal, State, and community sources, almost \$5.5 billion in fiscal 1958, are spent for veterans, military personnel, hospital construction, medical research, maternal and child health services, medical vocational rehabilitation, public assistance medical payments, school health programs, and various other public