

## Chapter 15:

### Politics, Policies, and Programs

1

Who is more politically  
conservative, younger or older  
people?

2

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....

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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 as more conservative than  
younger persons.

4

	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.

5

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."

6

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?

7

Example of cohort effect:

When the younger cohorts of today (you all) reach old age they may be considered more "conservative" about being in large crowds due to their cohort experience of the coronavirus.

Younger people in the future will not have had the same experiences and so may not worry as much about large crowds.

8

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.

9

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.

10

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).

11

There are several large non-profit organizations focused on issues 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

12

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?

13

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?

14

How large is AARP?

- It has 38 million members who pay dues (56 million Americans are 65+)
- It's annual budget is \$1.98 billion (2021) with members paying about a third of this and the rest products sold by AARP
- It has a staff of roughly 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

15

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.

16

What do you know about the Gerontological Society 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?

17

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.

18

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)
- Largely funded by annual dues of its members & its annual conference

19

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

Social Security  
Medicare  
Older Americans Act

20

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

21

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.

22

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

23

The OAA legally allowed for the 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.

24

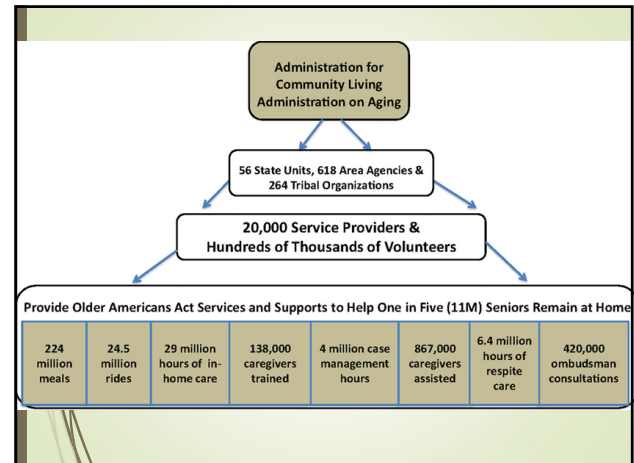
Each state has established Area Agencies on Aging to meet the needs of older persons.

There are 618 AAAs in the U.S.

There are 28 AAAs in Texas.

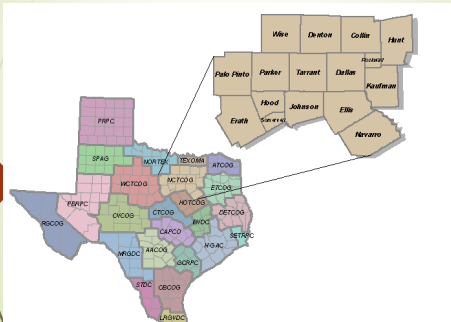
What is the purpose of AAAs?  
What services do they provide?

25



26

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



27

The budget of the AoA is divided into:

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

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

28

Community services include:

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

Nutrition services include:

- Meals on wheels
- Meals in congregate settings

29

Additional services provided include:

1. Friendly visiting,
  1. telephone reassurance
  2. Adult day centers
- Is anyone familiar with these?



30



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?

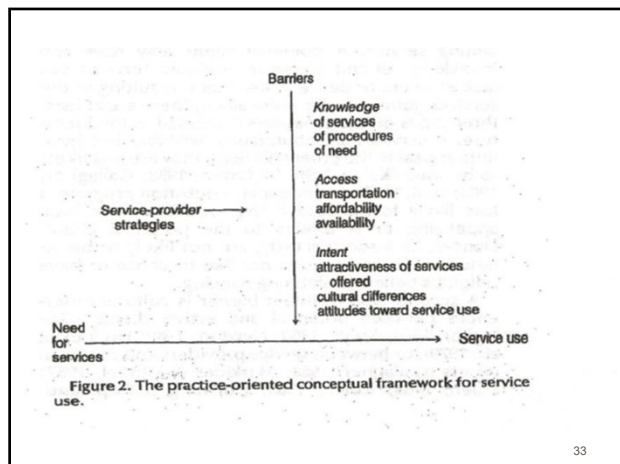
31

## 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](#))

32



33

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

34

Can you name some income sources other than Social Security?

Annuities, Pensions, 401K plans

What is an annuity?

35

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 for the rest of their life

36

Male: 72 years old  
(why should age matter?)

Funds invested: \$450,000

Payout for rest of life w/adjustments for inflation \$2,000/month (\$24K/year)

Person (retiree) would need to live to 91 to break even. After that the insurance company is paying out more than it received.

37

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

38

Describe the difference between pensions and 401K plans

39

#### 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.

What problems exist with pensions?

40

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

If pension payments are not adjusted for inflation, the "purchase power" of the payments are reduced over time.

41

A 401(k) plan is a company-sponsored retirement account created for the employee.

401(k) plans often involve contributions from both employees and employers. The specifics of employer contributions (e.g., matching percentages or fixed amount) depend on the employer's policies.

42

A 401(k) plan gives employees a tax break on money they contribute. 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.

What problems might be associated with 401k plans?

43

If the funds are not invested wisely, a stock market downturn could greatly reduce funds.

Once retired the older person typically invests the funds in "safe" investments that provide an income including:

Any ideas?

44

- U.S. Treasury Bonds or municipal bonds (some adjust payments for inflation)
- Choose funds focused on high-quality, short-to intermediate-term bonds to minimize risk from interest rate changes.
- dividend-focused ETFs or mutual funds to diversify across many companies while receiving reliable income.
- Certificates of Deposit (CDs) offer guaranteed returns for a fixed term
- Inflation-Protected Annuities
- low-risk mutual funds designed for retirees, which invest in a mix of bonds and dividend-paying stocks

45

Aged care workers reveal what it's really like inside nursing homes | Four Corners (hidden camera showing the problem) (show first 12 minutes)

[https://www.youtube.com/watch?v=IQZqpLo\\_cHo&t=906s](https://www.youtube.com/watch?v=IQZqpLo_cHo&t=906s)

Living Without the One You Cannot Live Without - Research on Aging

[https://www.youtube.com/watch?v=xk8PdL\\_PdSo](https://www.youtube.com/watch?v=xk8PdL_PdSo)

Why Families in Europe Are Sending Elderly Relatives To Care Homes in Thailand (show at least 11 mins.)

<https://www.youtube.com/watch?v=P5WaZTPJt6Y>

46

7 Incredible Ways the Area Agency on Aging Can Help You  
<https://www.youtube.com/watch?v=PyyV8cs6ZxY>

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=OCVl3pfDBNo&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](https://www.youtube.com/watch?v=2Zax1rDO_w8)

National Council on Aging: What is Medicare Extra Help  
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47

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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>

48

47

48



