



Altenheim Resource Services

Timely Resources DEEPER DIVE



Benefits for Older Adults Part 2
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“Saving for a rainy day” is an expression many of us have heard. Some of us may even do it. In 1929 (our richest year to date at that time) The Brookings Institute released a survey of income in the United States. A moderate income for a family in 1929 was \$2,500. Approximately 70% of Americans were at or below this level. Brookings found that expenses for a family at this level far outweighed their income. Feeding, housing, and clothing a family from day-to-day was such a challenge that people didn’t think about how they would provide for their needs when they aged. In 1935 the first [Social Security Act](#) authorized the federal government to enable the states to broaden and extend regular allowances for needy mothers, the needy blind, and the needy aged. In addition, the Act established a system of Federal old-age benefits which provided monthly payments, in 1942 and after, to many workers when they reach the age of 65.

So much has changed in our world in the past ninety-one years. Social Security has undergone [many changes](#) in those years as well. Today, Social Security plays a crucial role in the financial well-being of older adults in the United States. [Statistics from December 2024](#) indicate that approximately 56 million people aged 65 and older were receiving Social Security benefits. For 40% of the elderly, these benefits prevent elderly Americans from falling below the poverty line. But those laws didn’t do much to help older adults with medical expenses.

It wasn’t until 1965 that President Lyndon B. Johnson signed into law the bill that led to [Medicare and Medicaid](#). The original Medicare program included hospital insurance and medical insurance. Over the years, Congress has made changes to make more people eligible for Medicare. Medicaid has expanded to include low-income families, pregnant women, people of all ages with disabilities, and people who need long-term care. In 2003 Medicare Advantage Plans were introduced along with a prescription drug benefit (Part D). In 2010 the Affordable Care Act brought health insurance to a “marketplace” where individuals could apply for and enroll in private health insurance plans.

The need for services for older adults goes beyond retirement benefits and medical care, and these services were not always provided by law. Since 1973, one source for finding resources for older adults throughout the country has been the [Area Agencies on Aging](#). While each AAA provides resources and assistance based on local needs, these federally funded programs can be a good clearing-house for a wide variety of services to older adults. With the passage of the Older Americans Act in 1965 many states, including [Ohio](#) and [West Virginia](#), established state-level departments to deal with all matters related to aging, and thus bringing services to a more localized level.

The story of how we provide services and assistance for older adults isn’t ending. In fact, it is just beginning. The [most recent estimate](#) of the number of Baby Boomers indicates that 20% of our population falls into this category. The oldest are turning 80 years old this year. The next generation (GenX) is rapidly approaching “old age”. [The oldest in that group are already 63 years old and preparing for retirement!](#) Looking back on the history of services to the elderly and evaluating what has been successful, which programs were effectively funded and the way services were provided on a local level will help shape the future of services and assistance for the elderly.