

The Administrative Set-Up for Old Age Assistance in Iowa

By BYRON G. ALLEN

Superintendent Old Age Assistance Commission

Given the power and machinery set up in the Iowa Old Age Assistance Act to deal with the problems of old age dependency in this state, the Iowa commission sought help and advice of other states, most of whom have had but little more experience than our own. Next they turned to the skilled advice of an actuary, Mr. Lloyd A. Knowler of Hedrick, Iowa, a graduate assistant in the mathematics department of the State University of Iowa, who has been given a leave of absence from the faculty and loaned to the old age assistance department to help the commission in its many administrative problems.

Before securing the services of Mr. Knowler, the commission had discovered that the problem of insuring the well-being of the state's aged citizenry is a most difficult one.

First, the only available statistics on which we can depend, are those of the 1930 census, which show that we had 184,237 persons in Iowa past 65 years of age. This number has probably slightly increased up to the present time.

Second, but two of the 28 states having old age assistance, Maine and New Hampshire, have a greater percentage of their total population beyond the age of 65 years than does Iowa, where 7.4 per centum of our people are in that elderly group.

Third, though Iowa has a high average per capita wealth, the life savings of thousands of our thrifty, aged citizens have been dissipated by the depressed conditions in this agricultural region from 1920 to the present, largely through declining property values and bank failures.

Fourth, where families once found it comparatively easy to care for the elderly members of their households, the depression, resultant low prices and particularly unemployment have now made the living expense of the immediate family, wife and children a hardship, and the expense of caring for parents and grandparents oftentimes a burden.

Within a short time after the commission had secured the services of Mr. Knowler, he had made a preliminary study of the earliest 2,000 applications in 14 widely scattered counties and had confirmed the commission's belief that the problem was greater than anyone had anticipated at the time of the enactment of the law at the extraordinary session of the Forty-fifth General Assembly.

"It is not strange," said Mr. Knowler, "that the legislators, because they were forced to rely on the very meager statistics of other states where the percentage of elderly people is much less than in Iowa and which were made in a period of comparative normalcy in business, employment conditions and price levels.

"The indications, from the study thus far made, are that the financial set-up of the present law would have been very much more nearly adequate a few years ago.

"Had these legislators attempted to insure against losses to farmers by hog cholera, the state and federal departments of agriculture would have been able to furnish the statistics of years of study. The department of health could have furnished the guiding figures on the prevalence of bad tonsils among school children. The highway commission has traffic counts on almost all of our highways. But, strange to say, no adequate American study, much less Iowa study, has been made on the subject of the social and economic well-being of Iowa's grandfathers and grandmothers."

With this rather disheartening outlook on their task, the commission went to work to make the first comprehensive study of old age dependency in Iowa, at the same time setting about to administer the granting of assistance payments, under the provisions of the emergency section of the old age assistance law, to the most urgently needy of our aged population.

This outlook has been greatly brightened, however, by the splendid spirit with which two out of every three citizens have paid the supporting per capita tax. This is a record which tax and social research bodies tell us is the most remarkable ever made by any state in six months' time. Not only that but it is equal to or better than the payment of other forms of taxes during a financially depressed period.

To date \$977,751 has been paid into the state old age pension fund.

The old age assistance commission is a public institution. As such, the public is entitled to know how it is administering the assistance system. With that in mind and in an effort to "lay all the cards on the table," I will outline briefly the functioning of that department of our state government.

The administrative machinery of the commission's office has been worked out much like that of an insurance company's home office. All the files containing the applications of aged persons making claims for assistance, the investigators' interviews and reports, the recommendations of the county old age assistance boards, supporting affidavits and records of the final action of the state commission are kept at the state office. Finally, the monthly warrants issued by the state comptroller upon order of the old age assistance commission will be mailed from the latter's office.

After an aged and needy person who believes himself to be eligible makes application for assistance, the county old age assistance board has the merits of the application examined by an investigator whose report is divided into two parts: first, he fills out a comprehensive interview which is made a sworn statement of fact by the applicant; and second, remarks are made by the investigator, of his independent finds on the merits and proofs of the applicant's claim and statements. The entire inquiry is relative to the elderly person's earning power and savings; the inability of responsible blood relatives to support the applicant without undue hardship; and the qualifications of the individual as to age, United States citizenship, domicile in the state, and county residence.

After consideration of the case, the county board recommends the re-

... of the application and suggests the amount of assist-
... deems necessary for the well-being of the aged individual.
... application of the individual, interview and report of the investi-
gator, together with the recommendation of the county board, become a
file and are sent to the state office where they are looked over by an
examiner who determines whether or not the file on the particular case
in question is complete, in proper form and ready to be given a state
file number. If this is not the case, the file is returned to the county
for the additional proofs or information which may be lacking.

If acceptable, the file on the individual case is given a number, indexed
in a cross reference system designed to prevent duplication of appli-
cations, and is sent to the analyzing board.

In the latter section of the administrative set-up, the individual's appli-
cation travels a "mill-like belt" so planned that every applicant's case
will be analyzed on a given question by the same person who has or will
examine every other application in the state, thus giving as near a
uniformity of judgment as humanly possible on questions which eventu-
ally hinge on opinion and judgment. The first step here is to see
whether the application should be rejected because the applicant has not
yet attained the age of 65 years, has not been a citizen for the required
15 years, has not deserted his spouse or minor children, has failed to
pay the supporting head tax or is not otherwise disqualified under the
provisions of the law.

The second step is designed to classify the application on a grade
basis of eligibility under a point system. Of major importance is the
individual's lack of income as offset by spouse's, children's and male
grandchildren's ability, without undue hardship, to support the elderly
parent or grandparent. Lack of personal income from personal labor,
property, annuities or the like, fixes the positive points, up to 80, which
will be allowed. Family support, up to 80, are charged against the
applicant in negative terms.

Since the law states that "the amount of assistance shall be fixed
with due regard to the condition of the individual and community in
each case," the analyzing board weighs the infirmities of age, physical
and health condition of the individual as a factor which determines the
individual's ability to become or continue partly self-supporting. Also,
such community situations as drought, industrial inactivity and urban
living conditions and the like are considered as affecting opportunities
for partial self-support and living expense. On these sets of circum-
stances, a total of 20 points are allowable in the classification plan in
use by the commission office.

Inasmuch as the legislature intended the operation of the law from
November 1, 1934, to July 1, 1935, to cover an emergency period and
provided for payments of assistance from a fund financed by a \$1
per capita tax, the state commission is first considering the applications
whose scores throw them into the most needy classifications as shown
by the point system. Assisted by the points allowed by the analyzing
board in the state office, the state commission gives its approval to
applications with the amount of assistance which the point classification
indicates as justifiable, except as they may be altered when it is deemed
proper to adjust the amount thus arrived at by consideration of extenu-
ating circumstances set out by the report of the local investigator and
the recommendations of the county board.

That is, the funds raised by our thoughtful and considerate taxpayers
will be expended in the divisions containing the emergency and most
needy cases and finally in those divisions of less immediate and necessary
consideration, by a plan which the commission believes and intends will
differentiate on a fair and impartial basis. Only such cases as are
clearly ineligible under the exact terms of the law will be formally
rejected at this time. The petitions of those who are immediately and in
degree most needy will be approved and receive assistance payments.
The less needy whose applications cannot at this time be granted because
of the anticipated number of strictly emergency cases, will be held in

abeyance until the Forty-sixth General Assembly meets a future course.

The final approval of the application and the setting of the amount of assistance, together with the individual's name, is entered into the books of the commission, and the applicant is given a county pension number, as 23-14 (Clinton County's 14th approved application), patterned on the Iowa scheme of numbering automobile license numbers. To that person and his account number is allocated the amount of money he is entitled to during the period November 1, 1934, to July 1, 1935, and, since the old age assistance act provides a funeral allowance of not to exceed \$100 where needed by any aged beneficiary of the system, a reserve is set aside to cover that possibility. Thus, based on the experience of life insurance companies, a sum of \$4.26 is set aside as a death reserve from the state old age pension fund whenever the application of a seventy-year-old person is approved.

It is a most difficult task to set out and to clearly explain the administrative mechanism of the Iowa old age assistance system. It seems that one would have to be working in close contact with the details of it to appreciate its intricacies. It seems that one would have to have spent many weeks in Des Moines and traveling over the state to sympathize with the members of the state commission who have studied the problem from every angle, and with the records of successes and failures of other states as a guide, in their effort to set up a workable and just plan of administering a law which the people of Iowa, through their legislators, hope to make an effective system of assurance against dependency in old age.

Much should be said of the 297 socially minded and unselfish men and women who make up the county old age assistance boards of the state. Mind you, these people serve without pay and have, to date, devoted hours and hours of their time to their duties of hearing and studying the pathetic trials and problems of oftentimes unhappy citizens who have unfortunately and helplessly watched the years roll by while both earning power and savings have faded into the mist of the "eveningtime" of their lives, as Governor Herring terms it.

For this devotion to the cause of the aged, and for their long hours of work and consideration of individual cases, there will be but little thanks and much abuse in store for the members of the county boards and their representatives, the local investigators.

With but one thought in mind—the making of the Iowa old age assistance system a benefactor of mankind—the commission asks only that their fellow Iowans be patient as the administrators of it work out its application to the problem of old age dependency and that they be not overly critical while the next and succeeding legislatures improve its mechanism. For, like the automobile, which was once a high-wheeled buggy with a gasoline engine under the front seat, the Iowa old age assistance act represents a new invention in social and economic machinery.

BYRON G. ALLEN.

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