

PUBLIC ASSISTANCE MEDICAL CARE PROVISIONS

July 5, 1957.—Ordered to be printed

Mr. COOPER, from the committee of conference, submitted the following

CONFERENCE REPORT

[To accompany H. R. 7238]

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 7238) to amend the public assistance provisions of the Social Security Act so as to provide for a more effective distribution of Federal funds for medical and other remedial care, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate to the text of the bill and agree to the same with an amendment as follows:

On page 2, of the Senate engrossed amendments, strike out lines 14, 15, and 16; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate to the title of the bill and agree to the same.

JERE COOPER,
W. D. MILLS,
NOBLE J. GREGORY,
DANIEL A. REED,
THOMAS A. JENKINS,

Managers on the Part of the House.

HARRY F. BYRD,

By K.

ROBT. S. KERR,
J. ALLEN FREAR, JR.,
EDWARD MARTIN,
JOHN J. WILLIAMS,

Managers on the Part of the Senate.

STATEMENT OF THE MANAGERS ON THE PART OF THE HOUSE

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 7238) to amend the public assistance provisions of the Social Security Act so as to provide for a more effective distribution of Federal funds for medical and other remedial care, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

Since the 1950 Amendments to the Social Security Act, Federal financial participation in State expenditures for old-age assistance, aid to the blind, aid to dependent children, and aid to the permanently and totally disabled has been available with respect to unrestricted money payments made to needy recipients of assistance and with respect to payments made directly to suppliers of medical care (vendor payments) on behalf of such recipients. The Federal Government has not participated, however, in that part of the total assistance to an individual (including both the money payment to the individual and any medical care vendor payments made on his behalf for any month) which exceeded a specified maximum. Since October 1, 1956, under the provisions of the Social Security Amendments of 1956 (Public Law 880), this maximum has been \$60 in all of the programs except aid to dependent children (to which different amounts apply).

The 1956 amendments also included (effective July 1, 1957) provisions for the separate matching of vendor payments for medical care and excluded vendor payments for medical care from the formulas applicable with respect to unrestricted money payments made to needy recipients. Under these separate matching provisions the total amount of vendor payments for medical care in which the Federal Government will participate is \$6 times the number of adult recipients and \$3 times the number of child recipients. The Federal Government's share within these limits is one-half. Thus, under the 1956 amendments, no State could receive in Federal funds more than an average of \$3 per adult recipient and \$1.50 per child recipient with respect to its vendor medical-care payments.

H. R. 7238, as it passed the House, in effect, provided the same matching formulas as those provided by the 1956 amendments, except that the matching formulas applicable to money payments applied both to unrestricted money payments to recipients and to expenditures for medical care on their behalf. In determining the amount of the Federal contribution (under the bill as it passed the House) for any assistance program, expenditures for medical care (including expenditures for insurance premiums for such care or the cost thereof) could be taken into account (at the option of the State) (1) under the matching formula applicable to both unrestricted cash payments and medical care, (2) under the medical-care matching formula, or (3) partly under one such formula and partly under the other formula.

Under the Senate amendment to the text of the bill each State has the option of (1) continuing to receive its Federal matching of vendor payments for medical care on behalf of public assistance recipients under the law in effect prior to July 1, 1957 (within the individual maximums on the money payments to and vendor medical care payments on behalf of the individual), or (2) receiving its Federal matching with respect to these vendor payments under the separate matching provisions of the 1956 amendments (which became effective on July 1, 1957), but not both. This choice can be made once a year, or less frequently, as the State desires, and with respect to each of its public assistance programs for which there is Federal financial participation.

The Senate amendment also amended section 218 (p) of the Social Security Act which contains certain special provisions under which coverage under the old-age, survivors, and disability insurance program may be extended, pursuant to agreements between the States and the Department of Health, Education, and Welfare, to policemen and firemen. Those special provisions now apply to five States. The Senate amendment would have made the provisions applicable also to Alabama.

The conference agreement adopts the Senate amendment to the text of the bill (with respect to public assistance vendor medical care payments) but with an amendment deleting the provisions relating to the coverage of policemen and firemen under the old-age, survivors, and disability insurance program. There presently is pending before the Committee on Ways and Means legislation to add a number of named States to the list of States contained in section 218 (p) of the Social Security Act, and also legislation pending to make the provisions contained in such section available generally to all the States. In view of this, it was considered more appropriate to deal with this problem at one time rather than through the addition at this time of a single State. It is the present intention of the Committee on Ways and Means to consider this legislation in the very near future.

JERE COOPER,
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NOBLE J. GREGORY,
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THOMAS A. JENKINS,

Managers on the Part of the House.

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