Medical Care for Aged Program Said To Be Center of Confused Controversy

Washington -(CQ)- President Kennedy's proposal for Social Security - financed health benefits for the aged, submitted to Congress in February, has unleashed again the confusing torrent of arguments that arose over similar proposals in 1960.

In addition to the President's health plan, he has proposed a five-point liberalization of other Social Security benefits. Together, the two plans eventually would increase individual Social Security taxes by as much as $106 annually, adding cries of "over-taxation" to the protests of "socialized medicine" which came in 1960.

The American Medical Association, leader of the opposition to Kennedy's health care plan, said in its Feb. 20 issue of the AMA News that doctors "must be willing to face up to the deadly seriousness of the challenge to free medicine." The AMA offered for use in physicians' offices a ful-page poster, entitled "An open letter to my patients: Socialized Medicine and You."

The poster says the freedom of a patient to choose his own doctor and of the doctor to give individual confidential treatment are at stake. It urges patients to tell their Congressmen that "socialized medicine is not for us." The News suggested doctors use the poster as a "conversation piece."

Ribicoff Cites 'Guarantee'

Asked for comment on the poster campaign, Secretary Abraham A. Ribicoff of the Department of Health, Education and Welfare Feb. 25 said he could see no relationship between the poster and the Administration program. "Our measure has nothing to do with doctors whatsoever. The doctor - patient relationship is guaranteed," he said.

The "guarantee" Ribicoff referred to is covered in the Administration bills introduced Feb. 13 by Rep. Cecil R. King (D-Calif.) and Sen. Clinton P. Anderson (D-N.M.). The bills specify that benefits do not include doctors' or surgeons' fees except in such areas as radiology and administration of anesthetics.

Doctors would have to examine and refer patients in order for them to be eligible for their hospitalization and other Social Security benefits, but this referral would be paid for by the patients themselves.

Fee-Setting Feared

Critics say that what the AMA fears most is not that the Social Security plan would bring in doctors in its present form, but that it might be amended to do so in future years. What this would mean, among other things, is that the doctors could no longer set their fees at will for millions of Social Security beneficiaries. Instead, they would be paid by the government on a "reasonable cost" basis, with the amounts determined through negotiations, as would be the case with other sections of the proposed program. Such payments to doctors were included in the original "Forand bill" for Social Security medical care last year, but were knocked out of later bills sponsored by Kennedy in the Senate.

What is covered

President Kennedy's 1961 medical care proposals would cover the cost of the following for Social Security recipients, excluding the cost of doctors' and surgeons' fees:

Hospitalization – Up to 90 days for each illness, with the patient paying the first $10 each day for the first nine days, with a minimum payment by the patient of $20, and with no coverage for private duty nurses or for TB and mental institutions.

Nursing homes – Up to 180 days care after hospital discharge, but somewhat less if the patient remains in the hospital the full 90 days.

Outpatient care–Charges of more than $20 for any one required diagnostic study.

Home care–Up to 240 visits a year for such purposes as nursing care and therapy.

The benefits would go into effect Oct. 1, 1962, except for nursing home care which would begin July 1, 1963.

Who Is Covered

An estimated 13,750,000 Social Security recipients over 65 and a half million railroad retirees would be eligible for benefits, provided a doctor certified that they needed them. Payments would be made directly to the hospitals and other institutions from the Social Secuity trust. Participating institutions would have to meet state licensing criteria and be acceptable to the HEW Secretary, and would provide services on the basis of agreements with him. Patients would have a free choice among the institutions signing such agreements.

While the AMA opposes this program, it does support a medical care program enacted as part of the 1961 Social Security amendments and known as the Kerr-Mills plan. This plan provides for federal-state matching grants for old persons who cannot afford to pay for medical care. The states may set up programs to meet some of these costs, including the payment of doctors' bills, if they choose to do so.

Advocates of the Social Security approach term the program inadequate on grounds that many states cannot implement it for lack of ample resources, and that benefits would vary greatly from state to state. So far, six states have set up programs under the Kerr-Mills provisions.

Critics of the AMA say the organization is inconsistent in supporting a plan that can cover doctors' bills and opposing a plan that does not, while complaining that the latter interferes with doctor-patient relationships.

Other Benefits

In addition to health benefits, President Kennedy is proposing the following changes in general Social Security benefits:

A monthly increase from $33 to $43 in the minimum benefit for the retired worker.

Permission for men as well as women to begin collecting benefits on a permanently reduced basis at the age of 62.

Increase in widow's benefits from 75 per cent to 85 per cent of husbands' benefits.

Broadening of disability insurance to provide benefits after a worker had been totally disabled six months, instead of only when disability was expected to result in death or to last for a long, indefinite period.

A change in the requirement that, to get benefits, an employee must have held Social-Security-covered jobs for one out of every three calendar quarters after 1950 to one quarter out of every four.

These benefits would go into effect April 1, 1961 if enacted that soon.

Cost of Programs

Together, the two programs would cost over $2 billion annually.

HEW experts have calculated the costs over an indefinite number of years, and the taxes proposed by President Kennedy are geared exactly to cover these costs. An additional ¼ of 1 per cent Social Security payroll tax would be levied on both employers and employees and ⅜ of 1 per cent on the self-employed. The taxes would cover the first $5,000 of wages rather than the first $4,800 as at present.

The new rates would be in addition to increases already scheduled to go into effect in 1963, 1966 and 1969. The present rate is 3 per cent each for employees and employers–a maximum of $144 a year each on $4,800 in wages. On Jan. 1, 1963 the tax would go to 4 per cent under the new proposals and the taxable wage base to $5,000–a maximum of $200 a year. In 1966, the tax would be raised to 4½ per cent, and in 1969 to 5 per cent–a $250 maximum annual payment by both employees and employers.

The increased revenues would go into the Social Security trust funds, from which the benefits are paid. These funds currently total some $22.5 billion. Under current proposals they would dip about $2 billion in the next two years, and then increase to many times their present size over the years, based on projected tax rates.

The ultimate result of the program would be to spread the costs of aged medical care among the younger working population and over the life-span of the individual recipient through compulsory taxation. Experts agree that this is the only way to solve on a national basis whatever problems exist in this area.

Arguments are expected to continue in Congress, however, whether the flat rate Social Security tax or the graduated income tax is the best financing mechanism, whether the states should continue to have a major responsibility, and whether the tax money should be used to subsidize private health insurance policies as an option to paying for benefits directly, as the Eisenhower Administration proposed last year.

STAR GAZER

By CLAY R. POLLAN

Your Daily Activity Guide According to the Stars.

To develop message for Saturday, read words corresponding to numbers of your Zodiac birth sign.

ARIES MAR. 22 – APR. 20	35-37-40-45-60-73-75
TAURUS APR. 21 – MAY 21	4-15-29-34-42-53-87-89
GEMINI MAY 22 – JUNE 22	2-8-14-28-32-43-56
CANCER JUNE 23 – JULY 23	17-20-36-57-71-74-88-90
LEO JULY 24 – AUG. 23	3-6-19-22-27-61-78
VIRGO AUG. 24 – SEPT. 22	12-26-38-49-51-76-79-86
LIBRA SEPT. 23 – OCT. 23	7-10-13-31-52-55-66
SCORPIO OCT. 24 – NOV. 22	23-39-44-50-69-70-83-84
SAGITTARIUS NOV. 23 – DEC. 22	11-16-18-46-48-58-63
CAPRICORN DEC. 23 – JAN. 20	21-24-41-47-65-67-72
AQUARIUS JAN. 21 – FEB. 19	5-9-30-54-62-68-81-85
PISCES FEB. 20 – MAR. 21	1-25-33-59-64-77-80-82

1 Today	31 Anything	61 Act
2 Caution	32 Possessions	62 In
3 Harmonious	33 Bring	63 Today
4 You	34 Surprised	64 A
5 Don't	35 You've	65 Attracting
6 Aspects	36 Fortunate	66 Lending
7 Go	37 Strong	67 Needed
8 Required	38 Receive	68 Pushing
9 Be	39 Of	69 Events
10 Slow	40 Support	70 To
11 Hold	41 Successful	71 Gaining
12 You	42 At	72 Assistance
13 In	43 Are	73 Well wishers
14 If	44 Conditions	74 Approval
15 May	45 From	75 Today
16 Fast	46 Your	76 Regarding
17 You	47 In	77 Token
18 To	48 Preferred	78 Aggressively
19 Smooth	49 Important	79 Personal
20 Seem	50 Promise	80 Of
21 You'll	51 News	81 Financial
22 Your	52 Pertaining	82 Love
23 Change	53 Information	83 Your
24 Be	54 Timid	84 Liking
25 May	55 To	85 Matters
26 May	56 Unprotected	86 Matter
27 Path	57 In	87 Reaching
28 Your	58 Place	88 Of
29 Be	59 You	89 You
30 Too	60 Certain	90 Plans

Good · Adverse · Neutral 3/11