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**COMMITTEE ON FINANCE
UNITED STATES SENATE**

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Harry Flood Byrd, *Chairman*

JUNE 24, 1960

**MAJOR DIFFERENCES IN THE PRESENT SOCIAL
SECURITY LAW AND H.R. 12580 AS PASSED BY
THE HOUSE OF REPRESENTATIVES**

S 38376

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OLD-AGE, SURVIVORS, AND DISABILITY INSURANCE

I. COVERAGE

[References are to the sections of the bill as referred to the Senate, and the pages to H. Rept. 1799, 80th Cong., 2d sess.]

Item	Present law	H R 12580
<p>Self-employed: 1. Professional groups.</p>	<p>Covers all professional groups except physicians.</p>	<p>Covers physicians. Effective date: Taxable years ending on or after Dec. 31, 1960. Bill: Sec. 104. House report, pp. 4, 5, 17, 75-77. (Also covers as employees medical and dental interns and medical and dental residents in training who are employed in hospitals of the Federal Government, and interns in the employ of a privately operated hospital who have completed a 4-year course in a medical school chartered according to State law.)</p>
<p>2. Ministers.....</p>	<p>Covers duly ordained, commissioned or licensed ministers, Christian Science practitioners, and members of religious orders (other than those who have taken a vow of poverty) serving in the United States, and those serving outside the country who are citizens and either working for United States employers or serving a congregation predominantly made up of United States citizens. Coverage is available under the self-employment coverage provisions on an individual voluntary basis regardless of whether they are employees or self-employed.</p> <p>Allows election of coverage by filing of certificate for present minister, generally up until Apr. 15, 1959.</p>	<p>Extends the period of time generally through Apr. 15, 1962, within which present ministers may elect coverage. Bill: Sec. 101. House report, pp. 21, 22, 59. Permits the validation of coverage of certain clergymen who filed tax returns reporting self-employment earnings from the ministry for certain years after 1954 and before 1960 even though, through error, they had not filed waiver certificates effective for those years. Waiver certificate must be filed and taxes for these years must be paid by Apr. 15, 1962. Bill: Sec. 101(e). House report: Pp. 22, 59, 60.</p>

OLD-AGE, SURVIVORS, AND DISABILITY INSURANCE—Continued

I. COVERAGE—Continued

Item	Present law	H. R. 12580
B. Employees	<i>Covers employees including certain agent or commission drivers, life-insurance salesmen, homeworkers, traveling salesmen, and officers of corporations regardless of the common law definition of employee.</i>	No change.
1. Domestic workers ..	<p><i>Covers persons performing domestic service in private nonfarm homes if they receive \$50 or more during a calendar quarter from 1 employer. Nonesh remuneration is excluded.</i></p> <p><i>Excludes students performing domestic service in clubs or fraternities if enrolled and regularly attending classes at a school, college, or university.</i></p>	<p>Lowers coverage requirements to \$25 or more during a calendar quarter from 1 employer. Excludes from coverage all earnings of domestic workers who are under the age of 16.</p> <p>Effective date: Jan. 1, 1961. Bill: Sec. 106. House report: Pp. 17-18, 83-84.</p>
2. Casual labor.....	<p><i>Covers cash remuneration for service not in the course of the employer's trade or business if the remuneration is \$50 or more from 1 employer during a calendar quarter.</i></p>	<p>Lowers coverage requirements to \$25 or more during a calendar quarter from 1 employer. Excludes from coverage all earnings of casual workers who are under the age of 16.</p> <p>Effective date: Jan. 1, 1961. Bill: Sec. 106. House report: Pp. 17-18, 83-84.</p>
3. State and local government employees.	<p><i>Covers employees of State and local governments provided the individual State enters into an agreement with the Federal Government to provide such coverage, with the following special provisions:</i></p> <p style="padding-left: 2em;"><i>a. Employees who are in positions covered under an existing State or local retirement system (except policemen and firemen in most States) may be covered under State agreements only if a referendum is held by a secret written ballot, after not less than 90 days' notice, and if the majority of eligible employees under the retirement system vote in favor of coverage. The Governor of a State must personally certify that certain Social Security Act requirements under the referendum procedure have been properly carried out.</i></p> <p style="padding-left: 2em;"><i>In most States, all members of a retirement system (with minor exceptions) must be covered if any members are covered.</i></p> <p style="padding-left: 2em;"><i>Employees of any institution of higher learning (including a junior college or a teachers' college) under a retirement system can, if the State so desires, be covered as a separate coverage group. 1 or more political subdivisions may be considered as a separate coverage group even though its employees are under a statewide retirement system.</i></p>	<p>Permits the Governor of a State to designate a designated State official the making of certifications required under the referendum procedure.</p> <p>Bill: Sec. 102(a). House report: pp. 24, 61, 62.</p> <p>Allows employees of municipal or county hospital to be treated as a separate coverage group if the State so desires.</p> <p>Bill: Sec. 102(g). House report: pp. 25, 67, 68.</p>

OLD-AGE, SURVIVORS, AND DISABILITY INSURANCE—Continued

I. COVERAGE—Continued

Item	Present law	H. R. 12580
<p>Employees—Continued</p> <p>3. State and local government employees—Con.</p>	<p><i>Retroactive coverage.</i>—An agreement, or modification of an agreement, agreed to prior to 1960 could be made effective as early as Jan. 1, 1956. Agreements or modifications made after 1959 could only be made retroactive to the 1st day of the year in which they were agreed to. Coverage must begin on the same date for all persons in a coverage group</p> <p><i>Exceptions to general law authorizing coverage in named States:</i></p> <p>(1) <i>Split-system provision.</i>—Authorizes California, Connecticut, Florida, Georgia, Hawaii, Massachusetts, Minnesota, New York, North Dakota, Pennsylvania, Rhode Island, Tennessee, Vermont, Washington, and Wisconsin, and all inter-State instrumentalities, at their option, to extend coverage to the members of a State retirement system by dividing such a system into 2 divisions, 1 to be composed of those persons who desire coverage and the other of those persons who do not wish coverage, provided that new members of the retirement system coverage group are covered compulsorily. Also authorizes similar treatment of political subdivision retirement systems of these States.</p> <p>(2) <i>Policemen and firemen.</i>—Allows the States of Alabama, California, Florida, Georgia, Hawaii, Kansas, Maryland, New York, North Carolina, North Dakota, Oregon, South Carolina, South Dakota, Tennessee, Vermont, and Washington and all inter-State instrumentalities to make coverage available to policemen and firemen in those States, subject to the same conditions that apply to coverage of other employees who are under State and local retirement systems, except that where the policemen and firemen are in a retirement system with other classes of employees the policemen and firemen may, at the option of the State, hold a separate referendum and be covered as a separate group.</p>	<p>Allows agreements or modifications made after 1959 to begin as early as 5 years before the year in which an agreement is made, but no earlier than Jan. 1, 1956. Where a retirement system is covered as a single retirement system coverage group, permits the State to provide different beginning dates for coverage of the employees of different political subdivisions.</p> <p>Bill: Sec. 102(c).</p> <p>House report: pp. 22-23, 62-63.</p> <p>Provides that where an individual who has chosen not to be covered under the divided retirement system provision becomes a member of a different retirement system group because of the annexation of the employing political subdivision by another political subdivision, or through some other action taken by a political subdivision, such individual will continue to be excluded from coverage.</p> <p>Bill: Sec. 102(b).</p> <p>House report: pp. 23-24, 62.</p>
<p>4. Employees of non-profit organizations.</p>	<p>Covers employees of religious, charitable, educational, and other nonprofit organizations (which are exempt from income tax and are described in sec. 501(c)(3) of the Internal Revenue Code) on a voluntary basis if—</p>	<p>Adds Virginia to the list.</p> <p>Bill: Sec. 102(d).</p> <p>House report: p. 24, 63.</p> <p><i>Validation of coverage.</i>—Validates the coverage of certain teachers and school administrative personnel who, for the period Mar. 1, 1951, to Oct. 1, 1959, were reported under the Mississippi coverage agreement as State employees, rather than as employees of the various school districts in Mississippi.</p> <p>Bill: Sec. 102(h).</p> <p>House report: p. 25, 68.</p>

OLD-AGE, SURVIVORS, AND DISABILITY INSURANCE—Continued

I. COVERAGE—Continued

Item	Present law	H.R. 12580
<p>B. Employees—Continued 4. Employees of non-profit organization—Con.</p>	<p>a. the employer organization certifies that it desires to extend coverage to its employees, and</p> <p>b. at least 1/3 of the organization's employees concur in the filing of a waiver certificate. Employees who do not concur in the filing of the certificate are not covered except that all employees hired after a certificate becomes effective are covered.</p> <p>Waiver certificate may be made effective at the option of the organization on the 1st day of the quarter in which the certificate is filed or the 1st day of the succeeding quarter.</p> <p>Employees of nonprofit organizations who are in positions covered by State and local retirement systems and are members or eligible to become members of such systems must be treated apart from those not in such positions. Certificates must be filed separately for each group and 1/3 of the employees in each group must concur in the filing of its certificate. All new employees who belong to a group for which a certificate has been filed are automatically covered, and new employees who belong to a group for which a certificate has not been filed are not covered.</p>	<p>Eliminates requirement that 1/3 of the employees concur in filing a certificate. Effective date: Certificates filed after date of enactment. Bill: Sec. 106(a). House report: pp. 20, 78-79.</p> <p>Eliminates requirement that 1/3 of the employees in the group concur in filing a certificate. Effective date: Certificates filed after date of enactment. Bill: Sec. 106(a). House report: pp. 20, 78-79.</p> <p>Validates wages for services performed after 1950 and before July 1, 1960, by certain employees of nonprofit organizations where organization has been reporting and paying taxes but did not comply with certain provisions of the law: i.e., failed to file a certificate, filed it too late to cover employees who had left, or failed to obtain the signature of employees who wished coverage. Effective date: No benefits payable or increased for month of enactment or 1st month; no lump sum death payment payable or increased if individual died prior to date of enactment. Bill: Sec. 106(b). House report: pp. 20-21, 79-80.</p> <p>Validates remuneration erroneously reported as self-employment income for taxable years ending after 1954 and before 1962 by certain lay missionaries (and others). Effective date: No benefits payable or increased for months of enactment or 1st month; no lump sum death payment payable or increased if individual died prior to date of enactment. Bill: Sec. 106(c). House report: pp. 20, 80-81.</p>

OLD-AGE, SURVIVORS, AND DISABILITY INSURANCE—Continued

I. COVERAGE—Continued

Item	Present law	H.R. 12580
<p>Employees—Continued 5. Family employment.</p>	<p><i>Excludes</i> persons in the employ of a son, daughter, or spouse; or child under 21, if in the employ of a parent.</p>	<p>Covers parents in the employ of their children, but not if it is domestic service performed in the home of the child or other work not in the course of the child's trade or business. Effective as to services after 1960. Bill: Sec. 105 House report: pp 18-19, 78</p>
<p>Geographical scope.....</p>	<p><i>Covers</i> the 50 States, Puerto Rico and the Virgin Islands, and the District of Columbia.</p> <p><i>Excludes</i> the following from coverage within the United States:</p> <ul style="list-style-type: none"> a. Nonresident aliens engaged in self-employment. b. Employees of foreign governments and their instrumentalities. c. Employees of international organizations entitled to certain privileges under the International Organizations Immunities Act. d. Employees on foreign registered aircraft or ships who also perform services while the plane or ship is outside of the United States, if the employee is not a citizen of the United States or the employer is not an American employer. 	<p>Extends coverage to Guam and American Samoa. Effective for employees, except governmental employees, on Jan. 1, 1960, and for self-employed for taxable years beginning after 1960. Coverage of employees of the governments of Guam and American Samoa—including members of the legislature, their political subdivisions, and their wholly owned instrumentalities—would be on a mandatory basis rather than under the State-Federal agreement method Coverage will not be extended to these employees until the legislatures of those territories express a desire for coverage. In no event can this coverage start before 1961. Filipino workers who come to Guam under contract to work temporarily will be excluded from coverage. The Secretary of the Treasury would have the tax-collecting authority, and would be authorized to delegate this function Bill: Sec 103. House report: pp. 19-20, 68-75. No change except—</p> <ul style="list-style-type: none"> b. Covers U.S. citizens so employed within the United States on self-employment basis. Effective as to taxable years ending after 1960, for retirement test purposes effective for years beginning after date of enactment. Bill: Sec. 107. House report: pp 22, 82-83. c. Covers as in b. (above).

OLD-AGE, SURVIVORS, AND DISABILITY INSURANCE—Continued

I. COVERAGE—Continued

Item	Present law	H.R. 12580
<p>C. Geographical scope—Con.</p>	<p><i>Coverage outside of the United States is limited to—</i></p> <p>a. American citizens either self-employed or employed by an American employer, except ministers outside the United States if they serve a congregation predominantly made up of United States citizens even though their employer may not be a United States employer.</p> <p>b. Citizens of the United States employed by certain foreign subsidiaries of American corporations are covered by voluntary agreements between the Federal Government and the parent American company. The domestic corporation can include some or all of its foreign subsidiaries in the agreement and must agree to pay the equivalent of both employer and employee taxes on behalf of the subsidiaries included.</p> <p>c. Individuals, regardless of citizenship, who are employed on American registered ships and aircraft if either the contract of service was entered into in the United States or the plane or vessel touches a port in the United States.</p>	<p>a. Covers service of U.S. citizens after 1960 working for certain labor organizations organized in the Panama Canal Zone by modifying the definition of American employer to include labor organizations which are chartered by labor organizations created or organized in the United States. Validates certain wage credits for which taxes were erroneously paid for service after 1954 and before 1961 for such employees.</p> <p>Effective date: No benefits payable or increase for month of enactment or prior month. No lump sum death payments payable or increased if individual died prior to date of enactment.</p> <p>Bill: Sec. 106(d). House report: pp. 21, 1-82.</p> <p>b. and c. No change.</p>

II. PROVISIONS RELATING TO PERMANENT AND TOTAL DISABILITY

<p>A. Nature of the Provisions</p> <p>1. Benefits.....</p> <p>2. Disability "freeze"...</p>	<p>Provides an insurance benefit (for months beginning July 1957) for disabled workers between ages of 50 and 65 meeting eligibility requirements. Benefits are computed in the same way as retirement benefits and are payable from the Federal Disability Insurance Trust Fund.</p> <p>Provides that when an individual for whom a period of disability has been established dies or retires on account of age or disability his period of disability will be disregarded in determining his eligibility for benefits and his average monthly wage for benefit computation purposes.</p>	<p>Eliminates the requirement that an individual must have attained age 50 in order to be eligible for benefits.</p> <p>Effective date: 2d month after the month of enactment.</p> <p>Bill: Sec. 401. House report: pp. 12, 102.</p>
<p>B. Eligibility requirements</p> <p>1. Definition.....</p>	<p>For benefits an individual must be precluded from engaging in any substantial gainful activity by reason of a physical or mental impairment. The impairment must be medically determinable and one which can be expected to be of long-continued and indefinite duration or to result in death.</p>	<p>No change.</p>

OLD-AGE, SURVIVORS, AND DISABILITY INSURANCE—Continued

II. PROVISIONS RELATING TO PERMANENT AND TOTAL DISABILITY—Continued

Item	Present law	H. R. 12580
Eligibility requirements—Con. 2. Waiting period.....	<p>A 6 months' "waiting period" is required before disability insurance benefits can begin.</p>	<p>Provides that people who become disabled within 60 months (5 years) after termination of a period of disability would not be required to serve another 6-month "waiting period" before they are again eligible to receive benefits.</p> <p>Effective date: Benefits payable for month of enactment and subsequent months.</p> <p>Bill: Sec. 402.</p> <p>House report: pp. 13-14, 103-4.</p>
3. Work requirement..	<p>To be eligible for disability benefits, an individual must—</p> <p>(1) Have acquired at least 20 quarters of coverage out of the last 40 quarters ending with the quarter in which the period of disability begins;</p> <p>(2) be fully insured.</p>	<p>Provides alternative work requirement for individuals who have (1) 20 quarters of coverage, whenever acquired, and (2) quarters of coverage in all calendar quarters elapsing after 1950 up to the quarter in which they become disabled, but not less than 6 quarters.</p> <p>Bill: Sec. 404.</p> <p>House report: pp. 14, 106-107.</p>
Rehabilitation.....	<p>The policy of Congress is stated that disabled persons applying for a determination of disability be promptly referred to State vocational rehabilitation agencies for necessary rehabilitation services. Act provides for deduction of benefits for refusal, without good cause, to accept rehabilitation services available under a State plan approved under the Vocational Rehabilitation Act in such amounts as the Secretary shall determine.</p> <p>A member or adherent of a recognized church or religious sect that relies on spiritual healing who refuses rehabilitation services is deemed to have done so with good cause.</p> <p>A disabled person who is receiving rehabilitation services from a State vocational rehabilitation agency and returns to work shall not, for at least 1 year after his work first started, be regarded as able to engage in substantial gainful activity solely by reason of such work.</p>	<p>Broadens present provision to allow, in effect, a 12-month trial work period for all beneficiaries (including childhood disability beneficiaries) who attempt to work. If, after 9 months, the beneficiary has demonstrated that he is no longer disabled within the meaning of the law, he will receive benefits for an additional 3 months. (Only 1 trial work period permitted for each period of disability; no trial work period for persons disabled a 2d time within 60 months.)</p> <p>Any beneficiary who has been determined to be no longer disabled within the meaning of the law will be given an additional 3 months of benefits as above.</p> <p>Effective date: Month beginning after month of enactment.</p> <p>Bill: Sec. 403.</p> <p>House report: Pp. 12-13, 104-106.</p>

OLD-AGE, SURVIVORS, AND DISABILITY INSURANCE—Continued

III. ELIGIBILITY FOR BENEFITS

Item	Present law	H. R. 12580
A Insured status	<p>To be fully insured an individual who was living on Sept. 1, 1950, must have either:</p> <p>(1) 40 quarters of coverage, or</p> <p>(2) 1 quarter of coverage (acquired at any time after 1936) for every 2 calendar quarters elapsing after 1950 (or after quarter in which age 21 was attained, if later) and before quarter of death or attainment of retirement age whichever first occurs, but such individual must have at least 6 quarters of coverage</p>	<p>(2) Liberalizes alternative requirement that an individual will need 1 quarter coverage (acquired at any time after 1936) for every 4 calendar quarters elapsing after 1950, or after the calendar year in which he attained the age of 21 (if that was later) up to the beginning of the calendar year in which he attained retirement age or death whichever occurred first, but such individual must have at least 6 quarters of coverage</p>
<i>Number of quarters of coverage required for fully insured status under present law and under H. R. 12580</i>		
<i>Year of death, disability, or attainment of retirement age</i>		<i>Required quarters</i>
		<i>Present law¹ H. R. 12580</i>
1953 and earlier.....		6
1954.....		6-7
1955.....		8-9
1956.....		10-11
1957.....		12-13
1958.....		14-15
1959.....		16-17
1960.....		18-19
1961.....		20-21
1966.....		30-31
1971.....		40
1976.....		40
1981.....		40
1986.....		40
1991 and after.....		40
<p>¹ This column represents the requirement under the basic insured status formula in existing law; for those individuals who meet the "special (continuous coverage) insured status" established by the Social Security Amendments of 1954, the requirement would be somewhat less for persons dying or reaching retirement age before October 1960</p>		

OLD-AGE, SURVIVORS, AND DISABILITY INSURANCE—Continued

III. ELIGIBILITY FOR BENEFITS—Continued

Item	Present law	H.R. 12580
	<p>Persons who died before Sept. 1, 1950, and after 1939 with at least 6 quarters of coverage are considered fully insured for purposes of survivors' benefits (other than for former wife divorced).</p>	<p>Provides that any person who died or attained retirement age before 1951 and had at least 6 quarters of coverage would be fully insured</p> <p>Effective for benefits starting with the month after the enactment of the bill; effective for lump-sum death payments based on deaths occurring after month of enactment.</p> <p>Bill. Sec. 204.</p> <p>House report, pp. 14-15, 86-88.</p>
<p>Survivors of workers who died prior to 1940.</p>	<p>Benefits are not payable to otherwise eligible widows, children, and parents if the wage earner had died prior to 1940.</p>	<p>Allows benefits to such individuals even though earner died before 1940 if he had at least 6 quarters of coverage.</p> <p>Effective for month after month of enactment.</p> <p>Bill. Sec. 205.</p> <p>House report, pp. 16, 88-89.</p>
<p>Widowers of workers who died prior to 1950.</p>	<p>Benefits are not payable to eligible widowers unless the insured worker's death was after August 1950 and she was fully and currently insured.</p>	<p>Eliminates August 1950 cutoff date.</p> <p>Effective for month after month of enactment.</p> <p>Bill. Sec. 205.</p> <p>House report: pp. 16, 88-89.</p>
<p>Children born or adopted after parent's disability.</p>	<p>Benefits are not payable to an otherwise eligible child unless he was born, or adopted, or became a stepchild before the worker became disabled.</p>	<p>Permits payment of benefits to children born or adopted after worker's disability. A child cannot become entitled unless he is the natural child or stepchild of the disabled worker or is adopted within 2 years after the month in which the worker became entitled to benefits.</p> <p>Effective for September 1958.</p> <p>Bill. Sec. 201.</p> <p>House report: pp. 33, 84-85</p>
<p>Dependency of stepchild on natural father</p>	<p>A child is deemed dependent on natural father or adopting father for benefit purposes unless the father is not contributing to the child's support and the child is living with and being supported by the stepfather at the time he files application.</p>	<p>Provides for payment of child's benefit even though the child was living with and receiving more than 1/2 of his support from his stepfather.</p> <p>Effective for month of enactment.</p> <p>Bill. Sec. 202</p> <p>House report: pp. 16, 85</p>
<p>Time needed to acquire status of wife, child, or husband for retirement or disability benefit purposes.</p>	<p>A wife, stepchild, or husband must be in this relationship for 3 years prior to the application for benefits.</p>	<p>Provides that the 3-year duration requirement be changed to 1 year.</p> <p>Effective for month of enactment.</p> <p>Bill. Sec. 207</p> <p>House report: pp. 17, 90</p>
<p>Invalid marriages</p>	<p>The validity of a marriage (under the law of the State in which the worker lives) may determine eligibility for mother's, wife's, husband's, widow's, widower's, and child's benefits</p>	<p>Provides that certain invalid marriages of insured workers will not result in ineligibility. Applicant must have gone through the marriage ceremony with insured worker in the belief that it would create a valid marriage and the couple must have been living together at the time of the worker's death or, be living together at the time of application for benefits.</p> <p>Effective for month of enactment.</p> <p>Bill. Sec. 208.</p> <p>House report: pp. 16, 91-92.</p>

OLD-AGE, SURVIVORS, AND DISABILITY INSURANCE—Continued

III. ELIGIBILITY FOR BENEFITS—Continued

Item	Present law	H.R. 12580
H. Lump sum death payment...	Lump sum death payment paid (in cases where no eligible spouse survives) only after burial expenses are paid.	<p>Allows lump sum to be sent directly to funeral director on application of person who assumes responsibility for funeral home expenses. If any of the lump sum remains, is paid to person who paid funeral bill; if still remains to persons who paid other burial expenses in a certain order of priority.</p> <p>Effective date: For deaths after enactment as for deaths before enactment if no application is filed before the 3d month after month of enactment.</p> <p>Bill: Sec. 203. House report: pp. 30-31, 85-86.</p>

IV. BENEFIT AMOUNTS

A. Computing average monthly wage.	<p>In general, an individual's average monthly wage for computing his monthly old-age insurance benefit amount is determined by dividing the total of his creditable earnings after the applicable starting date and up to the applicable closing date, by the number of months involved. Excluded from this computation are all months and all earnings in any year any part of which was included in a period of disability under the disability "freeze" (except that the months and earnings in the year in which the period of disability begins may be included if the resulting benefit would be higher). Also excluded from the computation are all months in any year prior to the year the individual attained age 22 if less than 2 quarters of such year were quarters of coverage. Starting dates may be last day of (1) 1936, or (2) 1950, or, if later, the year of attainment of age 21.</p> <p>The closing date may be either (1) the 1st day of the year the individual died or became entitled to benefits or (2) the 1st day of the year in which he was fully insured and attained retirement age, whichever results in a higher benefit.</p> <p>Applicable starting and closing dates are those which yield the highest benefit amount. The minimum divisor is 18 months.</p>	<p>Provides for computation of the average monthly wage, in retirement cases, on the basis of a constant number of years, regardless of when, before age 22, the person started to work or when, after age 65 (age 62 in the case of a woman), he files application for benefits. The number of years would be equal to 5 less than the number of years (excluding years in periods of disability) elapsing after 1950 or after the year in which the individual attained age 21, whichever is later, and up to the year in which the person was first eligible for old-age insurance benefits (generally the year in which he attained age 65—or age 62 in the case of a woman). In death and disability cases the number of years would be determined by the date of death or disability.</p> <p>In those cases where a larger benefit would result (because the individual's best earnings were in years before 1951) the number of years would be those elapsing after 1936 rather than 1950; this alternative is similar to the 1936 alternative "starting date" available under present law in such cases. The subtraction of 5 from the number of elapsed years is the equivalent of the present dropout of the 5 years during which the individual's earnings were the lowest.</p>
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OLD-AGE, SURVIVORS, AND DISABILITY INSURANCE—Continued

IV. BENEFIT AMOUNTS—Continued

Item	Present law	H. R. 12580
Computing average monthly wage—Con.	Individuals can "drop out" up to 5 years of lowest or no earnings in computing average monthly wage.	The earnings used in the computation would be earnings in the highest years. Earnings in years prior to attainment of age 22 or after attainment of retirement age could be used if they were higher than earnings in intervening years. The span of years could never be less than 2. Generally, the span of years to be used for the benefit computation in retirement cases could not be less than 5—the number of years that would have to be used under the present law by people who attain retirement age in 1960. Effective, in general, on Jan. 1, 1961. Bill: Sec. 303(a). House report: pp. 28-29, 94-96.
Child's survivor benefit----	Benefit payable to each child is $\frac{1}{2}$ of workers' benefit plus $\frac{1}{4}$ of his benefit divided by the number of children he has (if he has 2 children, each child will get $\frac{1}{2}$ plus $\frac{1}{4}$ ($\frac{3}{4}$) of his benefit).	Benefit payable to each child would be $\frac{1}{2}$ of workers' benefit. Effective for 3d month after enactment. Bill: Sec. 301, House report: pp. 15-16, 93.

V. FINANCING

Investment of the trust funds.	<p>Provides that the managing trustee (Secretary of the Treasury) shall invest such portion of the trust funds as is not, in his judgment, needed to meet current withdrawals. Investments must be made in interest-bearing obligations of the United States or in obligations guaranteed as to both interest and principal by the United States.</p> <p>Such obligations issued for purchase by the trust funds shall have maturities fixed with due regard for the needs of the funds, and bear interest at a rate equal to the average rate of all marketable interest-bearing obligations not due or callable until after the expiration of 5 years from the date of original issue. This interest rate, if not a multiple of $\frac{1}{4}$ of 1 percent, is rounded to the nearest multiple of $\frac{1}{4}$ of 1 percent.</p> <p>The special obligations shall be issued for purchase by the trust fund only if the managing trustee determines that the purchase in the market of other interest-bearing obligations of the United States, or of obligations guaranteed as to both principal and interest by the United States, on original issue or at the market price, is not in the public interest.</p>	<p>No change.</p> <p>Changes interest provision so that obligations shall bear interest at a rate equal to the average market yield (computed by the managing trustee on the basis of market quotations as of the end of the calendar month next preceding the date of such issue) on all marketable interest-bearing obligations of the United States then forming a part of the public debt which are not due or callable until after the expiration of 4 years from the end of such calendar month.</p> <p>Reverses the provision so that the managing trustee is authorized to make purchases in the open market when he deems it is within the public interest.</p>
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OLD-AGE, SURVIVORS, AND DISABILITY INSURANCE—Continued

V. FINANCING—Continued

Item	Present law	H R. 12580
<p>A. Investment of the trust funds—Continued</p>	<p>Bonds purchased may be acquired— (1) on original issue at par or (2) by purchase of outstanding obligations at the market price.</p>	<p>Changes (1) so that bonds may be purchased on original issue at the issue price Effective date: 1st day of the month after the month of enactment. Bill: Sec. 701(d) House report: pp. 26-28, 137.</p>
<p>B. Review of status of trust funds. 1. Board of Trustees—</p>	<p>These funds are administered by a Board of Trustees consisting of the Secretary of the Treasury, as managing trustee, the Secretary of Labor, and the Secretary of Health, Education, and Welfare, all ex officio (with the Commissioner of Social Security as secretary). It shall be the duty of the Board of Trustees to— (1) Hold the trust funds; (2) Report to the Congress not later than the 1st day of March of each year on the operation and status of the trust funds during the preceding fiscal year and on their expected operation and status during the next ensuing 5 fiscal years, (3) Report immediately to the Congress whenever it is their opinion that during the ensuing 5 fiscal years either of the trust funds will exceed 3 times the highest annual expenditures anticipated during the next 5 years, or whenever in their opinion either of the trust funds is unduly small. (4) Recommend improvements in administrative procedures and policies designed to effectuate the proper coordination of the old-age and survivors insurance and Federal-State unemployment compensation programs.</p>	<p>No change No change. (3) Changes requirement so that Board has to report immediately only if it believes that the amount of either trust fund is unduly small. No change. Adds requirements that the Board review general policies followed in managing the trust funds, and recommend changes in such policies, including necessary changes in the provisions of the law which govern the way in which the trust funds are to be managed. The Board is also required to meet at least once each 6 months Effective date: 1st day of the month after the month of enactment. Bill: Sec. 701 (a), (b), (c) House report: pp. 26 28, 137.</p>
<p>2. Advisory Council—</p>	<p>An Advisory Council on Social Security Financing will periodically review the status of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund in relation to the long-term commitments of the programs</p>	

OLD-AGE, SURVIVORS, AND DISABILITY INSURANCE--Continued

V. FINANCING--Continued

Item	Present law	H.R. 12580										
Review of status of trust funds—Continued 2. Advisory Council—Continued	<p>The first such Council will be appointed by the Secretary after February 1957 and before January 1958 and will consist of the Commissioner of Social Security, as Chairman, and 12 other persons representing employers and employees, in equal numbers, self-employed persons and the public. The Council shall make its report, including recommendations for changes in the tax rate, to the Board of Trustees of the trust funds before Jan. 1, 1959. The Board shall submit the recommendations to Congress before Mar. 1, 1959, in its annual report.</p> <p>Other advisory councils with the same functions and constituted in the same manner will be appointed by the Secretary not earlier than 3 years nor later than 2 years prior to Jan. 1 of the years in which the tax rates are scheduled to be increased. These advisory councils will report to the Board on Jan. 1 of the year before the tax increase will occur and the Board will report to Congress not later than Mar. 1 of the same year.</p>	<p>Changes appointment and report dates of advisory councils: will be appointed during 1963, 1966, and every 5th year thereafter and will report not later than Jan. 1 of the 2d year after the year in which they are appointed. The advisory council appointed in 1963 shall, in addition to the other findings it is required to make, include its findings and recommendations with respect to extensions of the coverage, benefit adequacy, and all other aspects of the program.</p> <p>Effective date. Date of enactment. Bill: Sec. 764. House report: pp. 31-32, 138. No change.</p>										
Maximum taxable amount.	\$4,800 a year.											
Tax rate for self-employed.	<table border="0"> <tr> <td>Taxable years beginning after—</td> <td align="right"><i>Percent</i></td> </tr> <tr> <td>1959.....</td> <td align="right">4½</td> </tr> <tr> <td>1962.....</td> <td align="right">5¼</td> </tr> <tr> <td>1965.....</td> <td align="right">6</td> </tr> <tr> <td>1968.....</td> <td align="right">6¾</td> </tr> </table>	Taxable years beginning after—	<i>Percent</i>	1959.....	4½	1962.....	5¼	1965.....	6	1968.....	6¾	Do.
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Tax rate for employees and employers.	<table border="0"> <tr> <td>Calendar years:</td> <td></td> </tr> <tr> <td>1960-62.....</td> <td align="right">3</td> </tr> <tr> <td>1963-65.....</td> <td align="right">3½</td> </tr> <tr> <td>1966-68.....</td> <td align="right">4</td> </tr> <tr> <td>1969 and after.....</td> <td align="right">4½</td> </tr> </table>	Calendar years:		1960-62.....	3	1963-65.....	3½	1966-68.....	4	1969 and after.....	4½	Do.
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MEDICAL SERVICES FOR THE AGED

(New title XVI)

Item	H. R. 12580
I. Purpose.....	<p>The new title XVI provides for Federal payments to States which institute programs to make medical benefits available to aged persons of low income who are unable to meet the cost of their medical needs. Such benefits would be provided only in the form of direct payments to providers of medical services.</p> <p>Federal payments to States would reimburse the States for a portion of their expenditures under approved plans according to the equalization formula now used to compute the Federal portion of old-age assistance payments between \$30 and \$65 per month. The Federal share will range from 50 to 65 percent depending upon the per capita income of the State as related to the national per capita income. As under the public assistance program the Federal Government would bear half of the administrative expenses. (For State matching percentages under public assistance (approximate) see p.—.)</p> <p>In order to be eligible for such payments, the State must operate a program according to a plan submitted to the Secretary of Health, Education, and Welfare, and approved by him which meets the requirements set out in the bill. The administrative provisions are essentially the same as now required for State old-age assistance plans. The requirements relating to medical benefits are outlined below. The Secretary may suspend payments to States, in whole or part, when he finds that the State is not complying with its plan, or that the plan no longer complies with the requirements of the bill.</p>
II. Scope of benefits.....	<p>The State plan may specify medical services of any scope and duration, provided that both institutional and noninstitutional services are included, and provided further that the medical benefits are not greater in scope, amount or duration than those available for old-age assistance recipients in the State. Moreover, the Secretary may not approve any plan which will result in a reduction in old-age assistance, aid to the totally and permanently disabled, aid to the blind, or aid to dependent children.</p> <p>The Federal Government would share in the expense of providing the following kinds of medical services without limit:</p> <ol style="list-style-type: none"> 1. Skilled nursing home services; 2. Physicians' services, 3. Outpatient hospital services; 4. Organized home care services; 5. Private duty nursing services; 6. Therapeutic services; and 7. Major dental care. <p>The Federal Government would share in the expense of providing the following medical services up to the limits stated:</p> <ol style="list-style-type: none"> 1. Inpatient hospital services—up to 120 days per year; 2. Laboratory and X-ray services (other than those included as inpatient hospital services)—up to \$200 per year; and, 3. Prescribed drugs—up to \$200 per year. <p>The Federal Government would <i>not</i> share in the expense of providing the following kinds of medical benefits:</p> <ol style="list-style-type: none"> 1. Services not determined to be medically necessary by a physician; 2. Services rendered to patients in mental or tuberculosis hospitals; 3. Services rendered to persons in hospitals (other than mental or tuberculosis hospitals) on a diagnosis of tuberculosis or psychosis, after the first 42 days; 4. Services rendered to inmates of public institutions (other than medical institutions) and, 5. Any other type of medical service not mentioned above. <p>The State plan must designate or establish an agency which will be responsible for setting and maintaining standards for the providers of hospital, nursing home, and organized home care services. The plan must also include methods for determining rates of payment for institutional services, and methods for determining schedules of fees or rates of payment for other medical services.</p>

MEDICAL SERVICES FOR THE AGED—Continued

Item	H.R. 12580
Scope of benefits—Continued	<p>The State plan must provide medical benefits to all persons who—</p> <ol style="list-style-type: none"> 1. Have attained age 65; 2. Have income and resources, considering their other living requirements, as determined by the State, which are insufficient to meet the cost of their medical services; 3. Are citizens of the United States; and, 4. Are residents of the State (provision must also be made, in accordance with the Secretary's regulations, which will make benefits available to residents of the State who are absent therefrom).
I. Eligibility for benefits-----	<p>The State plan must exclude from eligibility for medical benefits all persons who—</p> <ol style="list-style-type: none"> 1. Are receiving payments, or are having payments made in their behalf, under the programs for aid to the blind, aid to the totally and permanently disabled, aid to dependent children, or old-age assistance; or 2. Are under age 65. <p>The State plan must contain provisions, in accordance with the Secretary's regulations, which will make benefits available to residents of the State who are absent therefrom. The plan may not require a premium or enrollment fee as a condition of eligibility. The State plan must include reasonable standards for determining eligibility, but such standards may not be inconsistent with the above requirements. The plan must provide that no lien may be imposed against the property of a beneficiary prior to his death (or the death of his spouse, whichever is later) on account of any benefit he may have correctly received, and that there may be no recovery of any benefits correctly paid until after the death of the recipient (or the death of his spouse, whichever is later).</p>
J. Beginning date-----	<p>Payments to State will first be made for calendar quarter beginning July 1, 1961. Bill: Sec. 601.</p>
K. Planning grants-----	<p>House report: pp. 2-3, 6-9, 10-11, 129-135.</p> <p>Authorizes appropriation of Federal funds to the States to make plans and initiate administrative arrangements for the new programs under title XVI. Such grants shall be made upon application of the State agency, and may not exceed 50 percent of the cost of planning with the further limitation that aggregate payments to a State may not exceed \$50,000.</p> <p>Effective date: Date of enactment. Funds appropriated would be available for grants to and obligation by the States through June 30, 1962. Bill: Sec. 603. House report: pp. 9, 136.</p>

PUBLIC ASSISTANCE

Item	Present law	H.R. 12580
I. Old-age assistance medical program.	<p>The following formula is applicable for a combined program which includes both money payments and vendor expenditures for medical care.</p>	No change.
A. Matching formula.	<p>Federal matching share is \$24 of the 1st \$30 (% of the 1st \$30) with matching above this amount varying from 50 to 65 percent. States whose per capita income is equal to or above the per capita income for the United State have 50 percent Federal matching, while those States below the national average have Federal matching which varies up to a maximum of 65 percent.</p>	

PUBLIC ASSISTANCE—Continued

Item	Present law	H. R. 12580																																																																																																								
I. Old-age assistance medical program—Continued A. Matching formula—Continued	<p>The Federal percentages as promulgated for the period Oct. 1, 1958, through June 30, 1961, are as follows:</p> <table border="0"> <thead> <tr> <th data-bbox="502 373 556 396">State.</th> <th data-bbox="767 373 895 396">Federal percentage</th> </tr> </thead> <tbody> <tr><td>Alabama.....</td><td>65.09</td></tr> <tr><td>Alaska.....</td><td>50.00</td></tr> <tr><td>Arizona.....</td><td>63.23</td></tr> <tr><td>Arkansas.....</td><td>65.00</td></tr> <tr><td>California.....</td><td>50.00</td></tr> <tr><td>Colorado.....</td><td>53.42</td></tr> <tr><td>Connecticut.....</td><td>50.00</td></tr> <tr><td>Delaware.....</td><td>50.00</td></tr> <tr><td>District of Columbia.....</td><td>50.00</td></tr> <tr><td>Florida.....</td><td>59.68</td></tr> <tr><td>Georgia.....</td><td>65.00</td></tr> <tr><td>Hawaii.....</td><td>50.00</td></tr> <tr><td>Idaho.....</td><td>65.00</td></tr> <tr><td>Illinois.....</td><td>50.00</td></tr> <tr><td>Indiana.....</td><td>50.00</td></tr> <tr><td>Iowa.....</td><td>63.23</td></tr> <tr><td>Kansas.....</td><td>60.78</td></tr> <tr><td>Kentucky.....</td><td>65.00</td></tr> <tr><td>Louisiana.....</td><td>65.00</td></tr> <tr><td>Maine.....</td><td>65.00</td></tr> <tr><td>Maryland.....</td><td>50.00</td></tr> <tr><td>Massachusetts.....</td><td>50.00</td></tr> <tr><td>Michigan.....</td><td>50.00</td></tr> <tr><td>Minnesota.....</td><td>58.57</td></tr> <tr><td>Mississippi.....</td><td>65.00</td></tr> <tr><td>Missouri.....</td><td>53.42</td></tr> <tr><td>Montana.....</td><td>54.07</td></tr> <tr><td>Nebraska.....</td><td>63.41</td></tr> <tr><td>Nevada.....</td><td>50.00</td></tr> <tr><td>New Hampshire.....</td><td>57.91</td></tr> <tr><td>New Jersey.....</td><td>50.00</td></tr> <tr><td>New Mexico.....</td><td>65.00</td></tr> <tr><td>New York.....</td><td>50.00</td></tr> <tr><td>North Carolina.....</td><td>65.00</td></tr> <tr><td>North Dakota.....</td><td>65.00</td></tr> <tr><td>Ohio.....</td><td>50.00</td></tr> <tr><td>Oklahoma.....</td><td>65.00</td></tr> <tr><td>Oregon.....</td><td>52.58</td></tr> <tr><td>Pennsylvania.....</td><td>50.00</td></tr> <tr><td>Rhode Island.....</td><td>50.00</td></tr> <tr><td>South Carolina.....</td><td>65.00</td></tr> <tr><td>South Dakota.....</td><td>65.00</td></tr> <tr><td>Tennessee.....</td><td>65.00</td></tr> <tr><td>Texas.....</td><td>61.36</td></tr> <tr><td>Utah.....</td><td>65.00</td></tr> <tr><td>Vermont.....</td><td>65.00</td></tr> <tr><td>Virginia.....</td><td>65.00</td></tr> <tr><td>Washington.....</td><td>50.00</td></tr> <tr><td>West Virginia.....</td><td>65.00</td></tr> <tr><td>Wisconsin.....</td><td>54.60</td></tr> <tr><td>Wyoming.....</td><td>50.92</td></tr> </tbody> </table> <p>[23 F.R. 7150]</p>	State.	Federal percentage	Alabama.....	65.09	Alaska.....	50.00	Arizona.....	63.23	Arkansas.....	65.00	California.....	50.00	Colorado.....	53.42	Connecticut.....	50.00	Delaware.....	50.00	District of Columbia.....	50.00	Florida.....	59.68	Georgia.....	65.00	Hawaii.....	50.00	Idaho.....	65.00	Illinois.....	50.00	Indiana.....	50.00	Iowa.....	63.23	Kansas.....	60.78	Kentucky.....	65.00	Louisiana.....	65.00	Maine.....	65.00	Maryland.....	50.00	Massachusetts.....	50.00	Michigan.....	50.00	Minnesota.....	58.57	Mississippi.....	65.00	Missouri.....	53.42	Montana.....	54.07	Nebraska.....	63.41	Nevada.....	50.00	New Hampshire.....	57.91	New Jersey.....	50.00	New Mexico.....	65.00	New York.....	50.00	North Carolina.....	65.00	North Dakota.....	65.00	Ohio.....	50.00	Oklahoma.....	65.00	Oregon.....	52.58	Pennsylvania.....	50.00	Rhode Island.....	50.00	South Carolina.....	65.00	South Dakota.....	65.00	Tennessee.....	65.00	Texas.....	61.36	Utah.....	65.00	Vermont.....	65.00	Virginia.....	65.00	Washington.....	50.00	West Virginia.....	65.00	Wisconsin.....	54.60	Wyoming.....	50.92	
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PUBLIC ASSISTANCE—Continued

Item	Present law	H.R. 12580
<p>Old-age assistance medical program—Continued</p> <p>A. Matching formula—Continued</p>	<p>The maximum amount, upon which the Federal Government will match, is \$65 a month, times the number of people on the old-age assistance roll (on an averaging basis).</p>	<p>If a State submits to the Secretary of Health, Education, and Welfare a modification of its plan which satisfies the Secretary that it will result in a substantial improvement in its old-age assistance medical program, it will receive additional Federal matching. An increase of 5 percentage points in the Federal share of the additional vendor medical expenditures up to an average of \$5 a month per recipient would be made. For example:</p> <p>(1) It will increase the Federal share on the additional amount, within the matching maximum of \$65 per month, from 65 to 70 percent in the lowest income States.</p> <p>(2) It will increase the Federal share on the additional amount, within the matching maximum of \$65 per month, from 50 to 55 percent in the highest income States.</p> <p>(3) For States who are over the \$65-a-month matching maximum, the Federal share would be 5 percent of the additional amount.</p> <p>Effective for quarter beginning Oct. 1, 1960. Bill: sec. 602. House report, pp. 9-11, 135, 136.</p>
<p>B. Definition of old-age assistance.</p>	<p>For Federal matching purposes excludes any money or vendor medical care payments for persons who have been diagnosed as having tuberculosis or psychosis and are patients in medical institutions as a result thereof.</p>	<p>Modifies exclusion as to vendor medical care payments to permit Federal sharing as to an individual in a medical institution as a result of a diagnosis of tuberculosis or psychosis for a period of 42 days.</p> <p>Effective date: July 1, 1961. Bill: Sec. 602. House report: p. 136.</p>
<p>Medical care guides and reports.</p>	<p>No provision.</p>	<p>Provides that the Secretary would develop and revise from time to time guides or recommended standards as to the level, content, and quality of medical care and medical services for the use of the States in evaluating and improving their public assistance medical care programs and their programs of medical services for the aged. For this purpose, the Secretary would also be directed to secure information from the States on their medical care and medical services under these programs and to publish these reports and other necessary information.</p> <p>Bill: Sec. 705. House report: pp. 9-10, 139.</p>

PUBLIC ASSISTANCE—Continued

Item	Present law	H.R. 12580
III. Temporary extension of certain special provisions relating to State plans for aid to the blind.	Temporary legislation (sec 344(b) of the Social Security Amendments of 1950) relates to the approval by the Secretary of certain State plans for aid to the blind which do not meet in full the requirements of clause (8) of sec. 1002(a) of title X relating to the "needs" test. Expires June 30, 1961.	Postpones termination date until June 30, 1961. Bill: Sec. 706. House report: pp. 57, 139.

MATERNAL AND CHILD WELFARE SERVICES

<p>I. Maternal and child health services:</p> <p>A. Authorization of annual appropriation-----</p> <p>B. Allotment to States.</p> <p>C. Special project grants.</p>	<p>Authorizes \$21,500,000 per year-----</p> <p>Out of the sum appropriated—</p> <p>1. \$10,750,000 shall be allotted as follows: to each State a uniform base grant of \$60,000 and the remainder in the proportion of live births in that State to the whole United States.</p> <p>2. The other \$10,750,000 is allotted according to the financial need of each State after taking into consideration the number of live births in that State [proportionate reduction in amounts if full authorized sum is not appropriated].</p> <p>No specific provision in the law-----</p>	<p>Authorizes \$25 million per year. Effective date: Fiscal year 1961. Bill: Sec. 707(a)(1)(A) House report: pp. 5, 34, 49, 139. Substitutes \$12,500,000 for \$10,750,000 in both 1 and 2 and also provides that the uniform grant in 1 be increased from \$60,000 to \$70,000. Bill: Sec. 707(a)(1)(B). House report: p. 139.</p> <p>Adds provision that not more than 25 percent of the sums under B-2 (above) shall be available for grants to State health agencies, as to public or other nonprofit institutions of higher learning for special projects of regional or national significance which may contribute to the advancement of maternal and child health. Bill: Sec. 707(b)(1)(A). House report: pp. 34, 50, 139-140.</p>
<p>II. Crippled children's services:</p> <p>A. Authorization of annual appropriation.</p> <p>B. Allotment to States.</p>	<p>Authorizes \$20 million per year-----</p> <p>Out of the sum appropriated—</p> <p>1. \$10 million shall be allotted as follows: to each State \$60,000 and the remainder according to need after taking into consideration the number of crippled children in each State in need of services and the cost of furnishing such services.</p> <p>2. The other \$10 million according to need of State as determined after taking into consideration the number of crippled children in each State in need of services and the cost of furnishing such services to them.</p>	<p>Authorizes \$25 million per year. Effective date: Fiscal year 1961. Bill: Sec. 707(2)(A). House report: pp. 5, 34, 40, 139. Same as B above. Bill: Sec. 707(a)(2)(B).</p>

MATERNAL AND CHILD WELFARE SERVICES—Continued

Item	Present law	H.R. 12580
I. Crippled children's services—Continued C. Special project grants.	No specific provision in the law-----	Same as C above. Bill: Sec 707(a)(2)(B).
II. Child welfare services: A. Authorization of annual appropriation. B. Allotment to States.	Authorizes \$17 million per year. Out of the sum appropriated allots to a State such portion of \$60,000 as the amount appropriated bears to the amount authorized to be appropriated. The remainder of sums appropriated shall be allotted so that each State shall have an amount which bears the same ratio to the total remainder as the product of (1) the population of each State under the age of 21 and (2) the allotment percentage (based on relative per capita income) bears to the sum of the corresponding products of all the States.	Authorizes \$20 million per year. Effective date. Fiscal year 1961. Bill: Sec. 707(a)(3)(A) House report. pp. 5, 34, 49, 139. Changes the \$60,000 to \$70,000. Bill: Sec. 707(a)(3)(A)(B). House report: pp 5, 34, 49, 139.
C. Research and demonstration projects.	No provision.	Authorizes appropriation for grants by the Secretary of Health, Education, and Welfare to public or other nonprofit institutions of higher learning and to public and nonprofit agencies and organizations engaged in research or child welfare activities, for special research or demonstration projects for the demonstration of new methods or facilities which show promise of substantial contribution to the advancement of child welfare. Bill: Sec. 707(b)(3). House report: pp. 50, 140.

EMPLOYMENT SECURITY (UNEMPLOYMENT COMPENSATION)

Item	Present law	H.R. 12580
I. Coverage-----	<p>In general, the unemployment compensation program covers all employees in commerce and industry who are employed by an employer of 4 or more workers on at least 1 day of 20 weeks in a calendar year.</p> <p>17 specific exclusions from coverage are spelled out in the Federal Unemployment Tax Act (sec. 3306(c)).</p>	<p>Coverage is extended, generally effective 1962, to several categories of employees presently specifically excluded. These include:</p> <p>(1) Employees of certain instrumentalities of the United States which are neither wholly or partially owned by the United States, including Federal Reserve banks, Federal credit unions, Federal land banks and others. Employees of partially owned instrumentalities such as banks for cooperatives and Federal intermediate credit banks are brought under the unemployment compensation program for Federal employees effective in 1961.</p> <p>(2) Employees serving on or in connection with American aircraft outside the United States.</p> <p>(3) Employees of "feeder organizations," all of whose profits are payable to a nonprofit organization and employees of nonprofit organizations which are not exempt from income tax.</p> <p>(4) Certain employees of certain tax-exempt organizations, including agricultural and horticultural organizations, voluntary employee beneficiary associations, and fraternal beneficiary societies.</p> <p>Bill: Secs. 531-535. House report, pp. 55-56, 124-126.</p>
II. Extension to Puerto Rico..	<p>The Commonwealth of Puerto Rico has an independent unemployment compensation program. Employers in Puerto Rico are not subject to the Federal unemployment tax and Puerto Rico is not entitled to Federal grants to cover the administrative expenses of its unemployment compensation program. The cost of employment service, however, is covered by Federal grants under the Wagner-Peyser Act.</p>	<p>Puerto Rico will be treated as a State for the purposes of the Federal-State unemployment compensation system beginning Jan. 1, 1962. Federal employees and ex-servicemen will not have their benefits computed under Puerto Rican law until 1966.</p> <p>Bill: Secs. 541-543. House report, pp. 57, 127-128.</p>
III. Administrative financing: A. Federal unemployment tax rate.	<p>Each employer is taxed 3 percent on the 1st \$3,000 of an employees' covered wages, of which 90 percent (2.7 percent of taxable payrolls) may be offset by unemployment taxes paid under State law or tax savings allowed under State law through experience rating. The net Federal tax is 0.3 percent of taxable payroll.</p>	<p>Effective in 1961, the tax rate is raised to 3 percent on the 1st \$3,000 of covered wages, which results in a net Federal tax of 0.4 percent of taxable payroll.</p> <p>Bill: Sec. 523. House report, pp. 55, 118.</p>
B. Unemployment Trust Fund.	<p>Receipts from State taxes go into the various State accounts in the Unemployment Trust Fund. The sums allocated to State accounts are generally available for benefit payments.</p>	<p>No change in State accounts.</p>

EMPLOYMENT SECURITY (UNEMPLOYMENT COMPENSATION)—Continued

Item	Present law	H.R. 12580
II. Administrative financing —Continued B. Unemployment Trust Fund—Continued	<p>Receipts from the net Federal unemployment tax (0.3 percent) are used to pay the cost of administering Federal and State operations of the employment security program. At the end of each fiscal year, after Federal and State administrative expenses have been paid, any excess net Federal unemployment tax receipts are earmarked and placed in the Federal unemployment account to maintain a balance of \$200,000,000 in that account. This account is used to make advances to the States with depleted reserve accounts.</p> <p>Any excess receipts not required to maintain the \$200,000,000 balance in the Federal unemployment account is allocated to the trust accounts of the various States in the proportion that their covered payrolls bear to the aggregate of all the States. These excess receipts may, under certain conditions, be used by a State to supplement Federal grants in financing administrative operations</p>	<p>A new account, called the employment security administration account, will be established in the Unemployment Trust Fund. All receipts from the net Federal unemployment tax (0.4 percent) will be credited initially to this new account. Federal and State administrative expenses will be paid out of this account with a maximum of \$350,000,000 per year allowable for State administrative expenses.</p> <p>At the end of a fiscal year, excess receipts after administrative expenses will be credited to the Federal unemployment account to build up and maintain a maximum balance of \$550,000,000 or 0.4 percent of covered payrolls, whichever is greater, for use in making advances to States.</p> <p>After the Federal unemployment account reaches its statutory limit, any remaining excess of net Federal unemployment taxes over administrative expenses will be retained in the employment security administration account until that account shows a net balance at the close of the fiscal year of \$250,000,000. This net balance is to be used to provide funds out of which administrative expenses may be paid during each fiscal year prior to the receipt of the bulk of Federal unemployment taxes in January and February.</p> <p>Pending the building up of the \$250,000,000 balance in the employment security administration account, advances to the account are authorized from a revolving fund which would be financed by a continuing appropriation from the general fund of the Treasury. These advances will be repaid with interest.</p> <p>After the Federal unemployment account is built up to its statutory limit, and the year-end net balance of the employment security administration account reaches \$250,000,000, and after any advances from the general fund of the Treasury have been repaid, any excess in the employment security administration account will be distributed to the accounts of the various States in the same manner as is provided under present law, except that if any State has outstanding advances from the Federal unemployment account its share of the surplus funds will be used to reduce these outstanding advances.</p> <p>Effective date: Fiscal year 1961. Bill, Sec. 521 House report, pp 51-53, 108, 116</p>

EMPLOYMENT SECURITY (UNEMPLOYMENT COMPENSATION)—Continued

Item	Present law	H.R. 12580
<p>III. Administrative Financing—Continued</p> <p>C. Advances to the States:</p> <p>1. Eligibility for advances.</p> <p>2. Amount of advances.</p> <p>3. Repayment of advances.</p>	<p>A State whose reserve account at the end of any quarter is less than the amount of benefits paid in the last four preceding quarters may apply for an advance from the Federal unemployment account.</p> <p>A State is advanced the amount specified in the State's application but such amount may not exceed the largest amount of benefits paid by it in any one of the last four preceding quarters.</p> <p>The Governor of any State may at any time request that funds be transferred from the State's account to the Federal unemployment account in repayment of part or all of the balance of advances made to the State.</p>	<p>A State's eligibility for advances (applied after enactment) may be determined at any time. Advances will be made only if in the account of the State requesting an advance the sum of reserves on hand plus expected tax receipts will be inadequate to meet the expected level of benefit payments during the current or following month.</p> <p>Bill: Sec. 522(a).</p> <p>House report, pp. 53-54, 116-117.</p> <p>Advances will be made in amounts which the Secretary of Labor estimates will be required to pay compensation during the current or following month, including amounts to cover unexpected contingencies. The aggregate amount of loans approved by the Secretary of Labor may not exceed the amount available for advances in the Federal unemployment account.</p> <p>Bill: Sec. 522(a).</p> <p>House report, pp. 53-54, 116-117.</p> <p>Same as present law.</p>

EMPLOYMENT SECURITY (UNEMPLOYMENT COMPENSATION)—Continued

Item	Present law	H.R. 12580
Administrative Financing—Continued C. Advances to the States—Continued 3. Repayment of advances—Con.	<p>If an advance to any State has been outstanding at the beginning of four consecutive years, the employers' credit in that State against the Federal tax is reduced from 2.7% to 2.55%. This increase in the net Federal tax is used to pay off the advance. During successive years in which the advance is outstanding the employers' credit is reduced by an additional 0.15% a year. If a State repays outstanding advances by Dec. 1 of any year the reduced credit provisions do not come into operation for that year.</p>	<p>If an advance to any State made after enactment is outstanding at the beginning of two consecutive years, the employers' credit in that State against the Federal tax is reduced from 2.7% to 2.4%. During successive years in which the advance is outstanding the employers' credit is reduced by an additional 0.3% a year. If a State repays outstanding advances by Nov. 10 of any year the reduced credit provisions do not come into operation for that year.</p> <p>In addition to the reduction of 0.3% a year in the employers' tax credit against the Federal tax two other possible credit reductions are provided. The first provides that beginning in the third year in which an advance is outstanding the maximum employers' credit is reduced by the amount, if any, by which the average employer contribution rate in the preceding year was less than 2.7%. The second credit reduction provides that in the fifth year in which an advance is outstanding if the State's benefit-cost rate over the preceding five years is higher than 2.7% then the employers' credit shall be reduced by the amount, if any, by which the State's average contribution rate in the preceding year is less than such benefit-cost rate.</p> <p>Bill: Sec. 522(a), 523(b). House report, pp. 54-55, 118-124.</p>

TABLES ON PUBLIC ASSISTANCE MEDICAL PROGRAMS

TABLE 1.—Summary information on medical care available to old-age assistance recipients through federally aided public assistance vendor payments, and other resources (based on information supplied by Bureau of Public Assistance, June 1960)

State	Vendor payment method used	Vendor payments					Other resources for medical care available to old-age assistance (OAA) recipients
		Practitioner	Hospitalization (including controls or limitations on hospital days)	Drugs	Nursing home care	Other	
Alabama.....	No.....	No.....	No.....	No.....	No.....	No.....	Maximum OAA money payment of \$75 may be exceeded up to \$110 for nursing home care. Recipient in hospital continues to receive money payment. State has program of hospitalization for medically indigent, administered by State health department.
Alaska.....	No.....	No.....	No.....	No.....	No.....	No.....	Maximum OAA money payment of \$100 available for nursing home care. For nonnatives, State program of general assistance is used to meet medical needs, including hospitalization and nursing-convalescent home care not met in the money payment to the recipient. For natives, Bureau of Indian Affairs is a resource for medical care including hospitalization.
Arizona.....	No.....	No.....	No.....	No.....	No.....	No.....	Nursing home care provided through money payment up to maximum of \$80 for OAA recipients. Recipients in hospital continue to receive money payment. Hospitalization and general medical care are county responsibility. For reservation Indians, Indian Health Service is a resource.
Arkansas.....	Yes.....	Yes ¹	As recommended by physician for all acute illnesses and injuries. General rule: 30 days a year; extension possible	No ²	\$90 maximum, plus \$5 in money payment for personal needs.	Yes.....	
California.....	Yes.....	Yes.....	No (vendor pay-	Yes.....	No.....	Yes.....	Nursing home care provided through

			days).				
Colorado.....	Yes.....	Yes.....	All recommended by physician, except for purpose of diagnosis only. General rule: 30 days; extension possible.	Yes.....	Money payment \$106, plus \$20 to \$95 vendor payment based on patient's needs.	Yes.....	
Connecticut.....	Yes.....	Yes.....	All recommended by physician for definitive medical treatment. No limitation on number of days.	Yes.....	No.....	Yes.....	Nursing home care provided through money payment to recipient. Pay budgetary deficit up to approved rate. Maximum rate \$212.33.
Delaware.....	No.....	No.....	No.....	No.....	No.....	No.....	Nursing home care provided through money payment. Maximum of \$75 may be supplemented up to approved rate. Hospitalization for indigent persons reported as provided by county governments.
District of Columbia.....	Yes.....	Yes.....	All essential surgical and medical care and treatment. No limitation on number of days.	No ¹	No.....	Yes ²	Nursing home care provided through money payment to \$100 maximum, plus \$10 for personal needs. Drugs available through District of Columbia Public Health.
Florida.....	Yes.....	No.....	Limited to acute injuries and illness. Maximum 30 days a year.	Yes.....	No.....	No.....	Nursing home care provided through money payment to \$66 maximum, which may be supplemented from other sources up to rate determined for community.
Georgia.....	No.....	No.....	No.....	No.....	No.....	No.....	Nursing home care provided through money payment to \$65 maximum, which may be supplemented from other sources up to maximum rate. Limited hospitalization through board of commissioners. Hospital care for medically indigent enacted in 1958, but not in operation.

¹ Applicable only if surgery is authorized by remedial eye services section for cooperating ophthalmologist.

² Some drugs provided by vendor payment when dispensed by hospital for continuation of treatment after discharge of a patient who has received inpatient care for the same condition.

³ Vendor payments may be made for drugs, appliances, dental services, and optical supplies recommended by physician, hospital, or clinic when such are not available without cost to the agency through other services

TABLES ON PUBLIC ASSISTANCE MEDICAL PROGRAMS—Continued

State	Vendor payment method used	Vendor payments					Other resources for medical care available to old-age assistance (OAA) recipients
		Practitioner	Hospitalization (including controls or limitations on hospital days)	Drugs	Nursing home care	Other	
Guam.....	No.....	No.....	No.....	No.....	No.....	No.....	Hospitalization and other medical care available through Government hospital.
Hawaii.....	Yes.....	No.....	All recommended by physician except Hansen's disease (leprosy). No day limitation.	No.....	No.....	Yes.....	Nursing home care provided through money payment. State agency and medical care provisions being reorganized. Outpatient care provided by State paid physicians who also dispense drugs to limited extent.
Idaho.....	Yes.....	No.....	No.....	No.....	\$150 maximum, plus money payment for personal needs; maximum may be exceeded.	No.....	Hospitalization furnished under annual contract with private hospitals in some counties; general assistance used primarily for medical care. Public assistance recipient in a public medical institution can continue to receive assistance grant.
Illinois.....	Yes.....	Yes.....	All recommended by physician. General rule: 2 weeks, with provision for extension.	Yes.....	To meet need for care, not to exceed "going rate" in community.	Yes.....	
Indiana.....	Yes.....	Yes.....	Limited to nonelective surgery, injuries, acute illness, diagnosis. No day limitation.	Yes.....	Money payment or vendor, as determined by county. Rates negotiated in each county.	Yes.....	Scope of medical care determined by individual counties in line with content recommended by State agency.
Iowa.....	Yes.....	Yes.....	No.....	Yes.....	No.....	No.....	Nursing home care provided through money payment to meet rate for needed care; basic rate \$90, plus amounts for additional care needed. Hospitalization available through general assistance and Iowa University Hospital.

			day limitation.				money payment to meet budgetary deficit of recipient up to the local rate. No statewide rates or ranges.
Kentucky	No	No	No	No	No	No	Nursing home care provided through money payment up to \$66 (for total needs). New legislation to start in 1961. Covers all types of medical care to limited amount. Some counties make contributions to local hospitals for care of needy.
Louisiana	Yes	Yes	No	Yes	\$110 maximum, plus \$17 money payment for personal needs. \$105 money payment in home not subject to license.	Yes	Practitioner services paid by vendor payment in nursing home cases only; in other circumstances, provided through money payment. Hospitalization available through State hospital program.
Maine	Yes	No	All recommended by physician. Maximum: 45 days a year.	No	\$65 maximum money payment, remainder by vendor payment up to \$130 or \$165.	No	Other medical care must be met by recipient from money payment. OAA maximum is \$65.
Maryland	Yes	Yes	All recommended by physician; 21 days for illness, exception possible upon medical recommendation.	Yes	No	Yes	Nursing home care provided through money payment up to \$115.50 for total care. Maximums of \$190, \$200, \$210 (according to group into which county is classified) on total money payment for total needs of recipient.
Massachusetts	Yes	Yes	All recommended by physician. No day limitation.	Yes	\$6.50 maximum a day; may be exceeded. All other medical needs are met.	Yes	
Michigan	Yes	Applicable only if connected with hospitalization.	do	Applicable only if connected with hospitalization.	No	Applicable only if connected with hospitalization.	Nursing home care provided through money payment, \$90 maximum; may be supplemented from State and local general assistance funds to maximum regional rate (\$150 to \$175). Practitioner services are in money payment. OAA maximum \$80.

TABLES ON PUBLIC ASSISTANCE MEDICAL PROGRAMS—Continued

State	Vendor payment method used	Vendor payments					Other resources for medical care available to old-age assistance (OAA) recipients
		Practitioner	Hospitalization (including controls or limitations on hospital days)	Drugs	Nursing home care	Other	
Minnesota.....	Yes.....	Yes.....	All recommended by physician. Maximum: 30 days; extension on recommendation of county medical advisory committee.	Yes.....	\$60 by money payment, plus vendor up to \$150, may be exceeded.	Yes.....	
Mississippi.....	No.....	No.....	No.....	No.....	No.....	No.....	Nursing home care provided through money payment, \$33 administrative maximum; may be supplemented from local or private funds to \$150 maximum. Some hospitalization available through State subsidies. Some counties contribute.
Missouri.....	Yes.....	No.....	For acute illness and injury when recommended by physician. Maximum: 14 days per hospital admission.	No.....	No.....	No.....	Nursing home care provided through money payment, \$65 maximum, except \$100 for "completely bedfast and totally disabled." Other medical care by money payment. Provisions being revised.
Montana.....	Yes.....	Yes.....	Limited to remedial eye care.	Yes.....	No.....	No.....	Nursing home care and all other medical care provided through money payment, \$85 maximum. "Medical component" of nursing home care paid through general assistance. Vendor payment method limited to prevention of blindness and restoration of sight.
Nebraska.....	Yes.....	No.....	All recommended by physician. General rule: 31 days; extension possible.	No.....	Meet budgetary deficit up to fee range negotiated in each county.	No.....	Practitioner services and other medical services are in money payment up to \$70 maximum for OAA.

							money payment, \$130 maximum, plus \$8 for personal needs. Hospitalization is responsibility of county commissioners. Hospitalized recipients may continue to receive money payments to \$75 maximum.
New Hampshire.....	Yes.....	Yes.....	All recommended by physician. General rule: 14 days; extension possible.	Yes.....	No.....	Yes.....	Nursing home care provided through money payment, \$150 maximum; may be exceeded in unusual circumstances.
New Jersey.....	Yes.....	No.....	No.....	No.....	\$180 basic; \$190, including physician and prescriptions. Cash payment for personal use.	No.....	All medical care except nursing home provided through money payment. No maximum.
New Mexico.....	Yes.....	Yes.....	All except elective. No maximum; 7 days with reauthorization required.	Yes.....	\$55 maximum on money payment, plus vendor to \$150.	Yes.....	
New York.....	Yes.....	Yes.....	All recommended by physician. No day limitation.	Yes.....	Rates set locally. Personal needs met by money payment.	Yes.....	Counties have option as to method of payment for each of the services provided, subject to State approval.
North Carolina.....	Yes.....	No.....	All recommended by physician. Maximum: 180 days.	No.....	No.....	No.....	Nursing home care provided through money payment, \$175 maximum, applicable only to need for skilled nursing service following hospitalization; limited to 3 months; may be extended 3 times. All other medical care provided through money payment. No maximum. Average OAA payment, \$40.
North Dakota.....	Yes.....	Yes.....	All recommended by physician. Maximum: 60 days.	Yes.....	Meet budgetary deficit up to maximum rates from \$100 to \$175.	Yes.....	

TABLES ON PUBLIC ASSISTANCE MEDICAL PROGRAMS—Continued

State	Vendor payment method used	Vendor payments					Other resources for medical care available to old-age assistance (OAA) recipients
		Practitioner	Hospitalization (including controls or limitations on hospital days)	Drugs	Nursing home care	Other	
Ohio.....	Yes....	Yes.....	All recommended by physician; non-elective surgery only, except after special review; 10 days each admission with possible extension.	Yes.....	No.....	Yes.....	Nursing home care provided through money payment to meet budgetary deficit for care needed up to approved rates, \$65 to \$160.
Oklahoma.....	Yes....	Yes.....	Limited to life endangering conditions and conditions producing or alleviating blindness; 21 days per admission.	No.....	\$66 maximum on money payment, plus \$69 vendor payment.	Yes.....	Hospitalization limited; no specific items of medical care provided in budgeting for money payment.
Oregon.....	Yes....	Yes.....	All recommended by physician. No maximum; reauthorization every 7 days.	Yes.....	\$124 to \$184 according to care needed. Personal items in money payment.	Yes.....	In lieu of nursing-home care, house-keeping or nursing service in own home provided in special payment directly to recipient.
Pennsylvania.....	Yes....	Yes.....	No.....	Yes.....	No.....	Yes.....	Nursing-home care provided through money payment, \$100 to \$165 maximum, according to type of care; plus \$5 for personal needs in money payment. Hospitalization through State-owned and State-aided hospitals.
Puerto Rico.....	No....	No.....	No.....	No.....	No.....	No.....	Medical services of all types available from resources of public health department.
Rhode Island.....	Yes....	Yes.....	All recommended by physician. Gen-	Yes.....	No.....	Yes.....	Nursing-home care provided through money payment, \$182 maximum, de-

			with provision for extension.				clothing and personal needs.
South Carolina.....	Yes.....	No.....	Acute illness and injury. 30 days maximum.	No.....	(1) For continuing care, money payment to \$60, plus supplement to \$150 from other sources; (2) for persons who have been hospitalized, up to \$94 vendor payment, plus \$60 money payment.	No.....	Medicine provided through money payment; OAA maximum, \$60.
South Dakota.....	No.....	No.....	No.....	No.....	No.....	No.....	Nursing home care provided through money payment of \$75 to \$165 depending on type of care needed. Hospitalization provided by county poor relief fund, financed in part by return to county of portion of State taxes earmarked for this purpose. Specified drugs and appliances provided in money payment. No maximum except for nursing home.
Tennessee.....	Yes.....	No.....	Acute illness or injury, and illnesses and injuries requiring hospitalization; 10-day maximum.	No.....	No.....	No.....	Nursing home care provided through money payment of \$60 maximum; may be supplemented from other sources to \$150, plus allowance for personal needs. No other items of medical care specified in provisions for money payment. OAA maximum, \$55.
Texas.....	No.....	No.....	No.....	No.....	No.....	No.....	Nursing home care provided through money payment, \$67 maximum; may be supplemented from county funds up to \$100 for nursing care, plus \$64.50 for maintenance. Limited medical care through money payment. County commissioners generally maintain county hospitals or make payment to private hospitals.

TABLES ON PUBLIC ASSISTANCE MEDICAL PROGRAMS—Continued

State	Vendor payment method used	Vendor payments					Other resources for medical care available to old-age assistance (OAA) recipients
		Practitioner	Hospitalization (including controls or limitations on hospital days)	Drugs	Nursing home care	Other	
Utah.....	Yes.....	Yes.....	All recommended by physician, except elective surgery. General rule: 30 days; extension possible.	Yes.....	No.....	Yes.....	Nursing home care provided through money payment of \$87.50, \$110 maximum, which may be supplemented from other sources to \$200; \$5 allowance for personal items.
Vermont.....	Yes.....	No.....	No.....	No.....	\$165 for skilled nursing care; \$135 for personal nursing service; \$5 money payment for personal needs.	No.....	Hospitalization provided by "town" general assistance; other medical needs included in money payment. OAA maximum, \$75.
Virgin Islands.....	Yes.....	No.....	No.....	Yes.....	No.....	No.....	Other medical treatment through department of health. Hospitalization available under system of municipal hospitals.
Virginia.....	Yes.....	No.....	Extension of vendor payment provisions to hospital care effective July 1, 1960.	No.....	\$150 maximum, plus \$6 money payment for personal items.	No.....	Other medical care provided through money payment; average OAA money payment, \$37. (To July 1, 1960, hospitalization provided through State-local payments, not part of public assistance program.)
Washington.....	Yes.....	Yes.....	All recommended by physician. No day limitation.	Yes.....	\$102 to \$192 according to type of home. Personal items through money payment.	Yes.....	

			ness, immediate surgery, diagnostic services; exceptions if will increase capacity for self-care. Maximum 30 days.				money payment, \$60 maximum a person, \$165 a household, supplemented by general assistance under specified conditions. Practitioner services through money payment.
Wisconsin-----	Yes-----	Yes-----	All recommended by physician. No day limitation; reauthorization stipulated.	Yes-----	Pay budgetary deficit to meet rate for care needed; rates negotiated in each county. Allowance for personal needs in money payment.	Yes-----	
Wyoming-----	Yes-----	Yes-----	All recommended by physician. No day limitation.	No-----	\$85 maximum money payment for maintenance, plus vendor payment up to \$100.	No-----	Other medical services are responsibility of counties.

TABLES ON PUBLIC ASSISTANCE MEDICAL PROGRAMS—Continued

Table 2.—Old-age assistance: Payments for vendor medical bills: Total amount, amount for which type of service was not reported, and amount in all States reporting for specified type of service, by State, fiscal year 1959 (supplied by the Bureau of Public Assistance)¹

State	Total	Type of service not reported	In all States reporting for specified type of service				
			Practitioners' services	Hospitalization	Drugs and supplies	Nursing and convalescent home care	Other
Total.....	\$220, 749, 925	\$24, 953, 705	\$21, 344, 694	\$71, 879, 997	\$31, 877, 084	\$56, 944, 998	\$13, 749, 447
Alabama.....	17, 473	-----	2, 329	15, 144	-----	-----	-----
Alaska.....	-----	-----	-----	-----	-----	-----	-----
Arizona.....	-----	-----	-----	-----	-----	-----	-----
Arkansas.....	2, 989, 720	-----	21, 393	1, 671, 037	-----	1, 294, 030	3, 260
California.....	22, 140, 019	-----	6, 649, 307	-----	13, 100, 862	-----	2, 389, 850
Colorado.....	7, 739, 663	-----	1, 097, 093	4, 878, 353	77, 096	1, 624, 167	62, 954
Connecticut.....	3, 710, 081	-----	453, 372	2, 259, 290	940, 438	1, 494	55, 487
Delaware.....	-----	-----	-----	-----	-----	-----	-----
District of Columbia.....	202, 936	-----	-----	196, 254	-----	-----	6, 482
Florida.....	1, 390, 427	-----	-----	-----	1, 390, 427	-----	-----
Georgia.....	-----	-----	-----	-----	-----	-----	-----
Hawaii.....	99, 977	99, 977	-----	-----	-----	-----	-----
Idaho.....	24, 130	-----	-----	-----	-----	24, 130	-----
Illinois.....	24, 788, 904	-----	2, 022, 275	6, 612, 511	2, 722, 576	12, 541, 541	890, 001
Indiana.....	5, 807, 135	-----	1, 277, 606	1, 619, 147	872, 201	1, 849, 526	188, 655
Iowa.....	667, 938	-----	315, 954	-----	334, 334	-----	17, 650
Kansas.....	3, 913, 454	-----	622, 473	1, 366, 940	795, 779	-----	1, 128, 262
Kentucky.....	-----	-----	-----	-----	-----	-----	-----
Louisiana.....	2, 394, 230	-----	32, 935	-----	115, 304	2, 239, 448	6, 543
Maine.....	1, 354, 849	-----	-----	625, 785	-----	729, 064	-----
Maryland.....	463, 099	463, 099	-----	-----	-----	-----	-----
Massachusetts.....	29, 654, 045	-----	683, 863	10, 306, 418	4, 640, 549	13, 030, 875	992, 340
Michigan.....	4, 985, 744	4, 985, 744	-----	-----	-----	-----	-----
Minnesota.....	14, 723, 821	-----	1, 419, 212	6, 027, 400	1, 536, 242	5, 354, 227	386, 740
Mississippi.....	-----	-----	-----	-----	-----	-----	-----
Missouri.....	-----	-----	-----	-----	-----	-----	-----
Montana.....	17, 855	-----	6, 916	9, 878	17	-----	1, 044
Nebraska.....	3, 391, 745	-----	-----	1, 044, 795	-----	2, 346, 950	-----
Nevada.....	229, 642	-----	79, 443	-----	82, 553	-----	67, 646
New Hampshire.....	1, 222, 136	-----	178, 044	709, 419	274, 920	32, 661	27, 092
New Jersey.....	5, 800, 800	5, 800, 800	-----	-----	-----	-----	-----
New Mexico.....	914, 908	-----	143, 955	420, 400	120, 940	190, 197	39, 416
New York.....	26, 050, 471	-----	-----	14, 766, 084	-----	4, 918, 973	6, 365, 414
North Carolina.....	832, 317	-----	-----	832, 317	-----	-----	-----
North Dakota.....	2, 027, 898	-----	243, 415	1, 086, 083	219, 043	421, 484	57, 873
Ohio.....	9, 402, 926	-----	1, 543, 879	5, 747, 637	1, 753, 514	17, 721	349, 175

Puerto Rico							
Rhode Island	980, 836	980, 836					
South Carolina							
South Dakota							
Tennessee	1, 394, 994			1, 394, 994			
Texas							
Utah	593, 496		71, 664	130, 380	264, 556	88, 099	38, 797
Vermont							
Virgin Islands	3, 657	3, 657					
Virginia	445, 582					445, 582	
Washington	8, 326, 489		1, 843, 036	4, 113, 408	913, 708	1, 071, 204	385, 133
West Virginia	745, 866		113, 924	591, 393	19, 758		20, 791
Wisconsin	12, 619, 592	12, 619, 592					
Wyoming	403, 128		75, 257	178, 078	100, 642	49, 151	

¹ In some instances, figures are presented where no federally aided vendor payments are made; in others, no figures are presented where vendor payment programs are now in existence. These discrepancies are generally the result of the method and of the timing of the State reports. For example, Alabama, although it has no federally approved plan for vendor method payment, reports total payments of \$17,473. This amount, however,

represents payments from local funds only. New York, which has a vendor program for all types of services, reported its payments for practitioners' services and drugs and supplies under the heading designated "Other." Another example is the fact that no hospitalization payments are listed for Florida, because the program did not go into effect until October 1959.

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