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APPOINTMENT AND CONFIRMATION OF ADMINISTRATOR OF  
SOCIAL AND REHABILITATION SERVICE AND CERTAIN SUB-  
ORDINATES

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FEBRUARY 28, 1969.—Ordered to be printed

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Mr. LONG, from the Committee on Finance,  
submitted the following

## REPORT

[To accompany S. 1022]

The Committee on Finance, to which was referred the bill (S. 1022) to provide that future appointments to the office of Administrator of the Social and Rehabilitation Service, within the Department of Health, Education, and Welfare, shall be made by the President, by and with the advice and consent of the Senate, having considered the same, reports favorably thereon with an amendment and recommends that the bill as amended do pass.

*Original bill.*—S. 1022 as introduced required that future appointments to the office of Administrator of the Social and Rehabilitation Service within the Department of Health, Education, and Welfare be made by the President by and with the advice and consent of the Senate.

*Committee amendment.*—The committee amendment requires that three positions subordinate to the Administrator also be appointed by the President by and with the advice and consent of the Senate. These three positions are: Commissioner, Rehabilitation Services Administration; Commissioner, Medical Services Administration; and Commissioner, Assistance Payments Administration.

### GENERAL STATEMENT ON THE BILL

The Social and Rehabilitation Service was established in 1967 by a reorganization within the Department of Health, Education, and Welfare. Its responsibilities are broad, encompassing the Federal welfare programs, medicaid, and programs in the areas of vocational rehabilitation, maternal and child health, aging, and juvenile delinquency. The sums involved are huge; these programs accounted for expenditures totaling \$6 billion in 1968. Expenditures of this agency are

expected to grow to \$8.6 billion in 1970—a 44-percent increase in only 2 years. The bulk of the funds are spent on the public assistance programs. In fiscal year 1970, the budget includes an estimated \$4½ billion in expenditures for the cash assistance programs and \$3 billion for medicaid. Over one-half billion dollars will be spent on grants for rehabilitation services and facilities, while one-quarter billion dollars will be spent on maternal and child welfare programs under the Social Security Act.

The following table shows 1970 expenditure estimates for the programs of the Social and Rehabilitation Service:

*Social and Rehabilitation Service, fiscal year 1970 expenditure estimates*

Social Security Act:	<i>Millions</i>
Medicaid.....	\$2, 971
Work incentive program.....	163
Other public assistance.....	4, 452
Maternal and child welfare.....	261
Subtotal.....	7, 847
Vocational rehabilitation.....	570
Cuban refugee program.....	83
Aging.....	28
Mental retardation.....	22
Juvenile delinquency.....	10
All other.....	33
Total.....	8, 593

These dollar amounts are not the only indication of the responsibilities of the Administrator of the Social and Rehabilitation Service and the commissioners of the bureaus under him. For the Administrator is the agency's top official in formulating policy for such important programs as medicaid and the new work incentive program aimed at helping assistance recipients to become economically independent. It is this official whose signature appears below the new regulations issued in January affecting such areas as the work incentive program, day care standards, family planning, eligibility determinations under public assistance, reimbursement under medicaid, provision of legal services to welfare recipients, and the definition of unemployment for welfare purposes.

At present, three agency heads in the Department of Health, Education, and Welfare with stature equivalent to that of the Administrator of the Social and Rehabilitation Service—the Commissioner of Social Security, the Commissioner of Education, and the Surgeon General of the Public Health Service—all are nominated by the President with the Senate's advice and consent. In fiscal year 1970, the expenditures of the Social and Rehabilitation Service will exceed those of the Office of Education and Public Health Service combined. (Office of Education expenditures are estimated at \$3.9 billion in 1970; Public Health Service expenditures will be \$2.9 billion; estimates for the Social and Rehabilitation Service total \$8.6 billion.) The committee bill would end the present anomaly by treating all four agency heads equally. The bill would upgrade the stature of the Administrator of the Social and Rehabilitation Service by having the President select him and by giving him the support of the Senate that his colleagues now enjoy.

Naturally, the Administrator of the Social and Rehabilitation Service must rely heavily on the recommendations of his principal subordinates. There are five such subordinates. Today, two of them—the Chief of the Children's Bureau and the Commissioner on Aging—presently are nominated by the President with the advice and consent of the Senate. The committee feels that the importance of the rehabilitation, medicaid, and cash assistance programs is as great as that of the programs administered by the Children's Bureau and the Administration on Aging. The committee has therefore amended the original bill to provide that the heads of the Rehabilitation Services Administration, the Medical Services Administration, and the Assistance Payments Administration also be selected by the President with senatorial support. Thus equal stature will be accorded these coordinate bureau heads.

