

LUMP-SUM DEATH PAYMENT; PROVISIONS RELATING TO WORK  
INCENTIVE PROGRAM, INTERMEDIATE CARE FACILITIES COVER-  
AGE UNDER MEDICAID, AND PUBLIC ASSISTANCE INCOME  
DISREGARD

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DECEMBER 14, 1971.—Ordered to be printed

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Mr. MILLS of Arkansas, from the committee of conference,  
submitted the following

CONFERENCE REPORT

[To accompany H.R. 10604]

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 10604) to amend title II of the Social Security Act to permit the payment of the lump-sum death payment to pay the burial and memorial services expenses and related expenses for an insured individual whose body is unavailable for burial, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same.

IMPROVEMENT OF WORK INCENTIVE PROGRAM

Amendment numbered 1:

That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with amendments as follows:

On page 3, line 2, of the Senate engrossed amendments, strike out "or".

On page 3, line 4, of the Senate engrossed amendments, after the semicolon insert the following: *or*

On page 3, after line 4, of the Senate engrossed amendments, insert the following:

*"(vi) the mother or other female caretaker of a child, if the father or another adult male relative is in the home and not excluded by clause (i), (ii), (iii), or (iv) of this subparagraph (unless he has failed to register as required by this subparagraph, or has been found by the Secretary of Labor under section 433(g) to have refused with-*

out good cause to participate under a work incentive program or accept employment as described in subparagraph (F) of this paragraph);

On page 3 of the Senate engrossed amendments, after line 9, insert the following:

(3) *Section 402(a) (19) (B) of such Act is amended by striking out "by reason of such referral" and inserting in lieu thereof "by reason of such registration or the individual's certification to the Secretary of Labor under subparagraph (G) of this paragraph,".*

On page 3, line 10, of the Senate engrossed amendments, strike out "(3)" and insert the following: (4)

On page 3, line 11, of the Senate engrossed amendments, strike out "effective January 1, 1972,".

On page 3 of the Senate engrossed amendments, strike out lines 13 through 18.

On page 3, line 21, of the Senate engrossed amendments, after "(6)" insert the following: (i)

On page 3 of the Senate engrossed amendments, strike out "by" in line 22 and all that follows down through line 25, and insert the following:

*by striking out "referred to the Secretary of Labor pursuant to subparagraph (A) (i) and (ii) and section 407(b) (2)" and inserting in lieu thereof "certified to the Secretary of Labor pursuant to subparagraph (G)"*

On page 3 of the Senate engrossed amendments, after line 25, add the following:

*(ii) Section 402(a) (19) (F) of such Act is further amended by adding "and" after the semicolon at the end of clause (iv) thereof.*

On page 4 of the Senate engrossed amendments, strike out "and will" in line 17 and all that follows down through the end of line 19 and insert the following:

*and will, when arrangements have been made to provide necessary supportive services, including child care, certify to the Secretary of Labor those individuals who are ready for*

On page 5 of the Senate engrossed amendments, strike out "by which" in line 9 and all that follows down through the end of line 12, and insert the following:

*by which the number of individuals certified, under the program of such State established pursuant to section 402(a) (19) (G), to the local employment office of the State as being ready for employment or training under part C, is less than 15 per*

On page 5, lines 16 and 17, of the Senate engrossed amendments, strike out ", effective January 1, 1972,".

On page 5, line 19, of the Senate engrossed amendments, after "(d)" insert the following: (1)

On page 5, line 23, of the Senate engrossed amendments, strike out the quotation marks.

On page 5 of the Senate engrossed amendments, after line 23, insert the following:

*"(2) Of the sums authorized by section 401 to be appropriated for the fiscal year ending June 30, 1973, not more than \$750, 000,000 shall be appropriated to the Secretary for payments with respect to services to which paragraph (1) applies."*

(10) Section 407(b)(2)(A) of such Act is amended by striking out "referred" and inserting in lieu thereof "certified".

(11) Section 407(c) of such Act is amended by striking out "refer such father" and inserting in lieu thereof "certify such father".

On page 6, line 9, of the Senate engrossed amendments, strike out "40" and insert the following:  $33\frac{1}{3}$ .

On page 6 of the Senate engrossed amendments, strike out lines 14 through 24 and insert the following:

"(c) Of the sums appropriated pursuant to subsection (a) to carry out the provisions of this part for any fiscal year (commencing with the fiscal year ending June 30, 1973), not less than 50 percent shall be allotted among the States in accordance with a formula under which each State receives (from the total available for such allotment) an amount which bears the same ratio to such total as—

On page 7 of the Senate engrossed amendments, strike out lines 1 and 2.

On page 7, line 3, of the Senate engrossed amendments, strike out "(A)" and insert the following: (1)

On page 7, line 10, of the Senate engrossed amendments, strike out "(B)" and insert the following: (2)

On page 9 of the Senate engrossed amendments, strike out lines 20 and 21 and insert the following:

(i) by striking out "referred to him by a State, pursuant to section 402" and inserting in lieu thereof "certified to him by a State, pursuant to section 402(a)(19)(G)"; and

On page 10 of the Senate engrossed amendments, strike out lines 1 through 10 and insert the following:

for individuals certified to him under section 402(a)(19)(G), shall accord priority to such individuals in the following order, taking into account employability potential: first, unemployed fathers; second, mothers, whether or not required to register pursuant to section 402(a)(19)(A), who volunteer for participation under a work incentive program; third, other mothers, and pregnant women, registered pursuant to section 402(a)(19)(A), who are under 19 years of age; fourth, dependent children and relatives who have attained age 16 and who are not in school or engaged in work or manpower training; and fifth, all other individuals so certified to him."

On page 11 of the Senate engrossed amendments, strike out lines 10 through 24 and insert the following:

"(3) The Secretary shall develop an employability plan for each suitable person certified to him pursuant to section 402(a)(19)(G) which shall describe the education, training, work experience, and orientation which it is determined that such person needs to complete in order to enable him to become self-supporting."

On page 12 of the Senate engrossed amendments, strike out lines 4 through 11 and insert the following:

(ii) Section 433(e)(2)(A) of such Act is amended to read as follows:

"(A) for the payment by the Secretary to each employer, with respect to public service employment performed by any individual for

such employer, of an amount not exceeding 100 percent of the cost of providing such employment to such individual during the first year of such employment, an amount not exceeding 75 percent of the cost of providing such employment to such individual during the second year of such employment, and an amount not exceeding 50 percent of the cost of providing such employment to such individual during the third year of such employment;”.

On page 12 of the Senate engrossed amendments, strike out lines 19 through 21 and insert the following:

(E) Section 433(g) of such Act is amended—

(i) by striking out “referred to the Secretary of Labor pursuant to section 402(a)(19)(A)(i) and (ii)” and inserting in lieu thereof “certified to the Secretary of Labor pursuant to section 402(a)(19)(G)”; and

(ii) by striking out “which referred such individual” and inserting in lieu thereof “which certified such individual”.

On page 13, lines 11 and 12, of the Senate engrossed amendments, strike out “, effective January 1, 1972,”.

On page 13 of the Senate engrossed amendments, strike out lines 22 through 25.

On page 14 of the Senate engrossed amendments, strike out lines 1 through 8.

On page 14, line 9, of the Senate engrossed amendments, strike out “(8)” and insert the following: (7)

On page 14, line 11, of the Senate engrossed amendments, strike out “(9)” and insert the following: (8)

On page 14, lines 14 and 15, of the Senate engrossed amendments, strike out “not later than six months after the date of enactment of the Revenue Act of 1971” and insert the following: *not later than July 1, 1972*

On page 14, lines 16 and 17, of the Senate engrossed amendments, strike out “, as amended by the Revenue Act of 1971”.

On page 15, line 1, of the Senate engrossed amendments, strike out “(10)” and insert the following: (9)

On page 15, line 3, of the Senate engrossed amendments, after the semicolon insert the following: *and*

On page 15, line 10, of the Senate engrossed amendments, strike out “; and”.

On page 15 of the Senate engrossed amendments, strike out lines 11 through 25.

On page 16 of the Senate engrossed amendments, strike out lines 1 through 18.

On page 16, line 19, of the Senate engrossed amendments, strike out “(11)” and insert the following: (10)

On page 16, lines 19 and 20, of the Senate engrossed amendments, strike out “, effective January 1, 1972,”.

On page 17, line 1, of the Senate engrossed amendments, strike out “(12)” and insert the following: (11)

On page 17, lines 1 and 2, of the Senate engrossed amendments, strike out “, effective January 1, 1972,”.

On page 17 of the Senate engrossed amendments, after line 4, insert the following:

(12) (A) Section 444(a) of such Act is amended by striking out "referred" each place it appears and inserting in lieu thereof "certified".

On page 17, line 5, of the Senate engrossed amendments, strike out "(13) (A)" and insert the following: (B)

On page 17, line 9, of the Senate engrossed amendments, strike out "(B)" and insert the following: (C)

On page 17 of the Senate engrossed amendments, strike out "and (iii)" in line 13 and all that follows down through the end of line 14, and insert the following:

*and (iii) by striking out "referred to the Secretary by such agency under such section 402(a) (15)" and inserting in lieu thereof "certified to the Secretary by such agency under section 402(a) (19) (G)".*

And the Senate agree to the same.

Amendment numbered 2:

That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with amendments as follows:

On page 17, line 24, of the Senate engrossed amendments, strike out "period" and insert the following: *semicolon*

On page 18, line 7, of the Senate engrossed amendments, strike out "care." and insert the following: *care;*

And the Senate agree to the same.

WILBUR D. MILLS,

AL ULLMAN,

JAMES A. BURKE,

JOHN W. BYRNES,

JACKSON E. BETTS,

*Managers on the Part of the House.*

RUSSELL B. LONG,

CLINTON P. ANDERSON,

HERMAN E. TALMADGE,

CARL T. CURTIS,

*Managers on the Part of the Senate.*

## JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 10604) to amend title II of the Social Security Act to permit the payment of the lump-sum death payment to pay the burial and memorial services expenses and related expenses for an insured individual whose body is unavailable for burial, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

### IMPROVEMENT OF WORK INCENTIVE PROGRAM

Amendment No. 1.—This amendment made a number of changes in the Work Incentive Program to:

Require an individual, as a condition of eligibility for welfare, to register for the WIN program unless the person is:

- (1) a child under age 16 or attending school;
- (2) ill, incapacitated or for advanced age;
- (3) so remote from a WIN project that his effective participation is precluded;
- (4) caring for another member of the household who is ill or incapacitated; or
- (5) the mother or other relative of a child under the age of six who is caring for the child. Mothers who are not required to register must be told of their opportunity to volunteer to participate.

Increase Federal matching for the WIN program from 80 percent to 90 percent.

Require the welfare agency to designate a separate administrative unit to make arrangements for supportive services needed by welfare recipients in order to participate in WIN program and to refer recipients so prepared to the Labor Department for participation in the WIN program.

Penalize a State if its welfare agency prepares and refers to Labor Department less than 15 percent of registrants in a year by reducing Federal matching one percent for Aid to Families with Dependent Children for every percentage point the proportion of registered individuals the State welfare agency prepares and refers is under 15 percent.

Increase from 75 percent to 90 percent Federal matching for supportive services, including child care, provided to enable welfare recipients to work or participate in WIN program.

Require that not less than 40 percent of expenditures under the

WIN program be for on-the-job training and public service employment.

Provide a formula for allotting WIN funds to the States based on number of registrants for WIN program (in fiscal years 1973 and 1974, formula is based on number of AFDC recipients).

Require Secretary of Labor to utilize existing manpower and training programs to the maximum possible extent in implementing the Work Incentive Program rather than establish new ones.

Require Secretary of Labor to establish in each State, municipality, or other appropriate geographic area with a significant number of WIN registrants a Labor Market Advisory Council whose function is to identify the types of jobs available or likely to become available in the area; no WIN institutional training may be established unless it is related to these kinds of jobs. The Secretary may designate any appropriate body in existence as the Labor Market Advisory Council in its area.

Require Labor Department in handling WIN referrals to accord priority in the following order, taking into account employability potential:

- (1) unemployed fathers;
- (2) dependent children and relatives age 16 or over who are not in school, working, or in training;
- (3) mothers who volunteer for participation; and
- (4) all other persons.

Require Labor Department and WIN unit of State welfare agency to develop joint State operational plan detailing how WIN program will be operated and joint employability plan for WIN participant.

Delete present funding arrangements for public service employment (special work projects) and instead provide for 100 percent Federal funding for the first year of employment and 90 percent for subsequent years (if employment is less than 3 years, the matching for the first year is reduced to 90 percent).

Authorize Federal matching for the costs related to supervision and materials associated with public service employment.

Require Secretaries of Labor and Health, Education, and Welfare to issue joint regulations, which shall provide for the establishment of (1) a National Committee to coordinate uniform reporting and similar requirements for the administration of the WIN program, and (2) a regional coordination Committee for each region to review and approve the Statewide operational plans required elsewhere in the amendment.

Prevent the Labor Department from entering into any contract for the dissemination of information about the Work Incentive Program.

Require Secretary to collect and publish certain statistical information related to the WIN program.

Authorize Labor Department to pay allowances for transportation and other costs necessary for and directly related to participation in the WIN program.

Authorize the Labor Department to provide technical assistance to providers of employment or training in connection with the WIN program.

Set effective date of July 1, 1972, for all changes unless otherwise specified (increased Federal matching for WIN training and supportive services becomes effective January 1972).

The conference agreement includes the Senate amendment with the following changes:

Exempts from the registration requirement a mother in a family where the father registers.

Makes clear that the WIN unit in the State welfare agency is to provide child care and other supportive services to persons required to be registered with the Secretary of Labor, and to certify when such persons are so prepared.

Sets a limit of \$750,000,000 in fiscal year 1973 on appropriations for supportive services receiving 90 percent Federal matching.

Requires that 33 $\frac{1}{3}$  percent (rather than 40 percent) of expenditures under the Work Incentive Program be for on-the-job training and public service employment.

Provides that 50 percent of the WIN funds be allotted under a formula based on number of registrants; the remaining 50 percent would be distributed by the Secretary of Labor based on criteria he develops.

Sets the following order of priority in handling Work Incentive Program participants: (1) unemployed fathers; (2) mothers who volunteer for participation; (3) other mothers and pregnant women under nineteen years of age; (4) dependent children and relatives age sixteen or over who are not in school, working, or in training; and (5) all other persons.

Deletes requirement of jointly developed employability plan for each Work Incentive Program recipient.

Provides 100 percent Federal funding for the first year of public service employment, 75 percent funding in the second year, 50 percent in the third year and no Federal funding thereafter.

Sets effective date of July 1, 1972, for increased Federal matching for WIN training, public service employment, and supportive services (including child care for WIN participants) rather than January 1, 1972.

Deletes requirement to collect and publish certain WIN statistical data.

The conferees agreed to direct the Secretary of Labor to prepare and publish monthly the following information, by age group and sex, about the operations of the WIN program:

(1) the number of individuals registered, the number of individuals receiving each particular type of work training services, and the number of individuals receiving no services;

(2) the number of individuals placed in jobs by the Secretary, and the average wages of the individuals placed;

(3) the number of individuals who begin but fail to complete training, and the reasons for their failure to complete training, and the number of individuals who register voluntarily but do not receive training or placement;



(4) the number of individuals who obtain employment following the completion of training, and the number whose employment is in fields related to the particular type of training received;

(5) the number of individuals who obtain employment following the completion of training, their average wages, and the number retaining employment 3 months, 6 months, and 12 months following the completion of training;

(6) the number of individuals in public service employment by type of employment, and the average wages of such individuals; and

(7) the amount of savings under the AFDC program realized by reason of the operation of the WIN programs.

#### MEDICAID COVERAGE FOR CARE IN INTERMEDIATE CARE FACILITIES

Amendment No. 2—This amendment added to the House bill a new section providing (effective January 1, 1972) for the coverage of care in intermediate care facilities as an optional service under the medicaid program. (Under present law such care is covered instead, in effect, as an optional benefit under the various cash assistance programs.) An intermediate care facility is defined as an institution licensed to provide regular health-related care and services to individuals who need institutional care but do not need the degree of care which a hospital or skilled nursing home provides; and services in a public institution for the mentally retarded could be included if their primary purpose is to provide health or rehabilitation services, the patient is receiving active treatment, and the public agency agrees that non-Federal expenditures for patients in the institution will not be reduced because of the medicaid payments. The need of individuals for care in these facilities would be determined under an independent professional review and medical evaluation program which must be provided for in the State plan.

The conference agreement includes this Senate amendment, with two minor technical changes.

#### PROVISION FOR DISREGARDING OF CERTAIN OASDI OR RAILROAD RETIREMENT INCOME IN DETERMINING NEED FOR PUBLIC ASSISTANCE

Amendment No. 3—This amendment added to the House bill a new section extending for one year (through December 1972) the existing temporary provision which guarantees that an amount equal to the 1969 social security or railroad retirement benefit increase (or \$4 a month, if less) will be passed along, by being disregarded in determining their need or otherwise, to recipients of cash public assistance who are also entitled to social security or railroad retirement benefits.

The conference agreement includes this Senate amendment.

WILBUR D. MILLS,  
AL ULLMAN,  
JAMES A. BURKE,  
JOHN W. BYRNES,  
JACKSON E. BETTS,  
*Managers on the Part of the House.*  
RUSSELL B. LONG,  
CLINTON P. ANDERSON,  
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CARL T. CURTIS,  
*Managers on the Part of the Senate.*

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