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### Report to the People Vol. 9 No. 4

Florence P. Dwyer

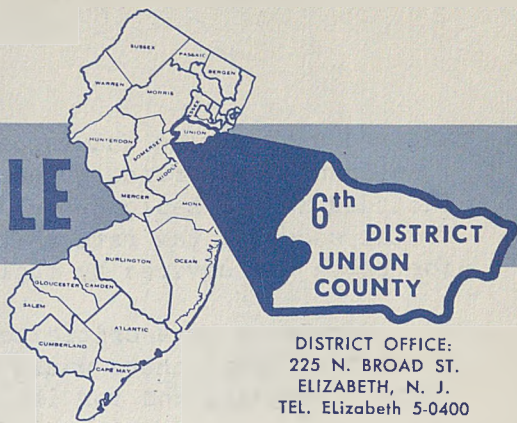
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CONGRESSWOMAN DWYER'S

# REPORT TO THE PEOPLE OF UNION COUNTY



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## HEALTH CARE FOR THE ELDERLY -- WHAT KIND?

Seldom in the history of Congress has a single legislative issue been so little understood and so hotly controversial for so long a time as the issue of health care for older people. Now the struggle is nearing its climax.

Here is an issue of immediate and personal concern to just about all our people -- directly, of course, for those who are 65 or older, but equally important to the children and families of elderly persons who, frequently -- if they are able -- are required to pay the costs of medical care. The all-embracing character of the controversy accounts for all the heat that has been generated, and where there is so much heat there is usually too little light.

Although many of the disputants don't seem to have recognized it, a rather remarkable degree of agreement has been reached about the need for and scope of a health care program for the elderly. For instance, there is virtual unanimity on the proposition that existing plans, both public and private, are far from adequate to meet demonstrated needs arising from the combination of lower incomes, more frequent and prolonged illnesses, and higher costs of care and private insurance on the part of those over 65.

### AREAS OF AGREEMENT

There is also general agreement on these points: that no insurance system can provide needed coverage at premiums the elderly can afford to pay; that the Federal Government has an obligation to assist in the financing of an expanded program; that such a program should provide for sufficiently comprehensive medical/hospital/nursing home care to cover the special needs of older people; and that all persons over 65 should be eligible to participate in the program.

Finally, just about everyone concedes -- even the opponents -- that Congress will pass a health care bill this year.

Until this past week, the major alternatives facing the House Ways and Means Committee, which has devoted the last seven weeks to an intensive closed door study of the health care problem, were these: the Administration's revised version of the King-Anderson bill (better known as "Medicare"); the bill sponsored by Rep. John Byrnes, ranking Republican member of the Ways and Means Committee, and endorsed by the House Republican leadership and most Republican members of the committee; and the American Medical Association's "Eldercare" plan introduced by Reps. Tom Curtis and A. S. Herlong.

### WHAT THEY WOULD DO

Each of these proposals, though they have attractive features, has been subject to strong criticism. Very briefly, here is what they would do:

The King-Anderson Bill would provide for limited hospital, post-hospital, home visit and certain outpatient services with the cost of the first day of hospital care and an equivalent portion of outpatient care to be paid by the patient. Substantially different from earlier versions of medicare, this program attempts to meet criticism by (a) covering all persons over 65 instead of being limited to social security beneficiaries alone, (b) separating the trust fund from the regular social security trust fund to eliminate any possibility that other social security benefits might be jeopardized,



and (c) authorizing insurance companies to pool resources in order to provide a non-profit supplemental insurance program covering health costs (doctors' fees, drugs, etc.) not included in the basic program. It would be financed principally by an increase in the social security tax rate up to a maximum amount of \$25.20 a year per employee. Benefits for those not covered by social security would be paid from general tax revenues.

Opponents have criticized the King-Anderson Bill chiefly for its limited benefits, especially since there would be no assurance private companies would offer the supplemental coverage, and for its inclusion in the social security system.

#### AN EXPENSIVE PROGRAM

The Byrnes Bill would be the most expensive program of the three, providing such benefits as 100 percent of the first 50 days in a hospital or 100 days in a nursing home, 80 percent of the balance of these costs, 80 percent of other doctors', drug, surgical, etc. fees, and up to \$40,000 in total benefits for catastrophic illnesses. All persons over 65 would be covered though participation would be voluntary. Participants would pay premiums based on income up to a maximum of \$9.50 and \$11.50 a month for individuals and married couples respectively. The major share of the cost would be paid by the Federal Government from general tax revenues with State governments also contributing.

Principal criticism of the Byrnes Bill has been aimed at its high cost, estimated at between \$3.4 and \$4.5 billion annually.

The Curtis-Herlong-AMA Bill would be very similar to the existing Kerr-Mills program of medical care for persons receiving public assistance. Individual States would decide whether to participate and would determine specific benefits and premium rates for those electing to join; States would also administer the program, either directly or through private insurance companies, though the Federal Government would make grants from general tax revenues of up to 84 percent of a State's costs. Participants would have to certify their incomes on the basis of which they would pay all, part, or none of the premium costs. All persons 65 and over would be eligible, and benefits would be comprehensive including hospital, nursing home, surgical, drug and doctors' costs.

Critics of the eldercare plan strongly oppose the "means test" it would require and contend that a collection of differing State plans rather than a single national program would be unfair and discriminatory.

#### A COMPROMISE SOLUTION?

Faced with these three alternatives -- none of them entirely acceptable to a workable majority -- the Ways and Means Committee last week achieved what may be a major breakthrough. Chairman Wilbur Mills, who, almost singlehandedly, has blocked health care legislation for years, announced that the committee would favorably report a compromise bill, probably by the end of this week, and he made it clear he would place his enormous influence and prestige solidly behind it.

Although details of the compromise bill are not yet available, the committee appears to have decided to broaden the Administration's King-Anderson Bill by adding to it certain features of the Byrnes Bill. The revised measure would provide full medical protection for all over 65. While the basic hospital and nursing home benefits would be financed under a separate social security fund, those who want additional insurance against drug and doctors' bills could buy it -- on a voluntary basis -- for \$3 a month, which sum the Federal Government would match from general revenues.

Ironically, perhaps -- at least for those who remain adamantly opposed to any kind of health care program for older people -- the way was cleared for compromise when the AMA and others who had traditionally fought against medicare offered their own solutions. By doing so, they tacitly acknowledged the need for more adequate health care, recognized the responsibility of the Federal Government to help provide it, and agreed to the participation of doctors in some kind of program.

Details are vital, however, so it now remains to be seen whether, and to what extent, the compromise program can succeed in overcoming the objections which have stymied health care for the elderly for so many years.