

million for fiscal year 1979. These figures are not derived from the EPA, and may be further increased during the hearing process should EPA indicate additional funds are necessary. Our efforts to obtain figures from EPA so far have been unsuccessful, in part because of the natural confusion incident to the change of administration. The figures we have arrived at, however, are sound. The fiscal year 1978 figure is based upon an EPA request to the Office of Management and Budget during the Ford administration, which was not approved. The fiscal year 1979 figure is based on authorizations for similar programs.

I am sympathetic to the difficulties in implementing an act so complex as the Toxic Substances Control Act, and the added problems imposed by a change of administrations. I am not willing, however, to allow these problems to cause the vital increases in authorizations to fall between the cracks this year. Congress has imposed a very tight and strict budgetary process upon itself. There are deadlines that must be met, and it is my intention to assure that the deadlines are met for increased funding with respect to the Toxic Substances Control Act.

By Mr. HART:

S. 1071. A bill to establish a national system of child and maternal health care and a system of protection against catastrophic health care costs; to the Committee on Finance.

COMPREHENSIVE MATERNAL AND CHILD HEALTH PROTECTION ACT

Mr. HART. Mr. President, today I am reintroducing the Comprehensive Maternal and Child Health Protection Act which provides for comprehensive health care services for children and pregnant women, and for catastrophic health insurance.

Mr. President, over the past decade, the effectiveness of our Nation's medical care system has ranked among the leading domestic concerns in Congress and throughout the country. Inaccessibility of care, shortages and maldistribution of medical personnel, and skyrocketing health care costs are only a few of the deficiencies which have led many individuals to charge that our health care system is in a crisis. It is widely maintained that the need for a unified, coordinated national health care policy grows increasingly stronger.

As a consequence, in the last few years a large number of national health insurance bills have been introduced in Congress. These bills have been diversely sponsored by organized medicine, the health insurance industry, labor unions, and businessmen. While a sensible national health insurance proposal should be fiscally possible, administratively manageable, politically feasible, and likely to improve America's health without further inflating the already disastrous rate of medical inflation, few—if any—of the existing proposals meet these basic criteria. Despite this, however, each proposal does offer valuable ideas and mechanisms which, when molded together, could help provide the country

with an effective national health care system.

Mr. President, the bill I am offering today reflects the state of learning to date. In particular, my proposal draws on the expertise of Senator KENNEDY who is widely recognized for his contributions and excellence in the health care field. His expertise is reflected in the administrative mechanisms incorporated in my proposal.

The Comprehensive Maternal and Child Health Protection Act initiates a national health insurance program through a comprehensive plan for pregnant women and preschool children, while also providing protection for all Americans against medical expenses that are catastrophically high in relation to family income. I have briefly summarized my proposal below:

TITLE I. MATERNAL AND CHILD HEALTH PROTECTION PROGRAM

COVERAGE

In the first year of the program, all children from birth to six years of age, and all pregnant women will be eligible for comprehensive health care benefits. Each subsequent year, for the next four years of the program, eligibility for child health care services will be expanded by adding two years to the eligibility level, so that by the fifth year of the program, all children fourteen years of age and under would be considered eligible for the program.

BENEFITS

The bill provides for comprehensive health care benefits. Included would be most "preventive" health care as well as a wide range of other services including broken bones, renal dialysis, prenatal and postnatal care for mothers, etc.

REIMBURSEMENT

The only form of payment would be capitation. Physicians, or other qualified health care providers, would sign up eligible children and women annually. The Maternal and Child Health Protection Board (responsible for administering the program on the federal level) would issue an annual lump sum payment to a physician for each eligible individual he or she had enrolled. All those eligible individuals wishing to purchase care in a regular fee for service system would, of course, be free to do so; however, they would not receive federal financial assistance under this program.

FINANCING

The program would be financed from general revenues, and would be partially offset by a reduction in the \$750 personal income tax exemption for children.

COST

The Maternal and Child Protection Board will determine the capitation fees. Such fees will reflect the average yearly cost of health care for the eligible categories. If, for example, the Maternal and Child Health Protection Board were to set the capitation rate at \$200 per child per year on an average (in 1974, per capita expenditures for those under nineteen years of age was \$183), the cost would be \$1.8 billion. If we add prenatal and postnatal care for an estimated 3.2 million births, the cost would be an additional \$4 billion. The total program cost has been estimated to be approximately \$6 billion; however, it is important to remember that this figure is only an estimate.

ADMINISTRATION

At the federal level, the program would be administered by the Maternal and Child Health Protection Board established within the Department of Health, Education and

Welfare. The Board will determine capitation rates; establish systems of quality and program review; be responsible for the formulation of program policy and implementation. The Board will be assisted by a National Maternal and Child Health Protection Advisory Council which will recommend policy and evaluate performance of the program.

On a local level, the program will be administered through HEW regional offices and local health service area offices. Regional advisory councils, similar in nature to the National Advisory Council, will advise the regional offices.

TITLE II. CATASTROPHIC PROTECTION PLAN

COVERAGE

All individuals will be eligible to participate in this program.

BENEFITS

Under this plan, an individual is responsible for those medical expenses amounting to 15 percent of his total taxable income. Any amounts in excess of that amount may either be claimed as a credit against personal income taxes or be refunded to the individual as a cash rebate.

FINANCING

This catastrophic plan will be financed through tax expenditures.

ADMINISTRATION

The Internal Revenue Service will administer the program.

COST

Experts have estimated that this system credits and rebates would cost approximately \$5.5 billion.

TERMINATION OF THE PROGRAMS

The bill includes a provision for the termination of the Comprehensive Maternal and Child Health Protection Program and the Catastrophic Protection Tax Credit after the fifth year of operation unless the programs are continued by Act of Congress.

Mr. President, while neither I nor any other Senator would advocate that Congress move recklessly in its efforts to establish a national health care system, the approach I have just described is well within our current fiscal, political, and administrative grasp. Because this program is limited, it will be very manageable and we will be able to learn from the process of implementation and to expand as appropriate.

COMPREHENSIVE MATERNAL AND CHILD HEALTH PROTECTION PROGRAM

The selection of children and pregnant women as the initial category to be covered by a comprehensive program is logical from a number of standpoints. Children are the citizens and the producers of the future. Investment in their health will result in rich dividends to the Nation in the form of increased productivity and reduced medical care expenditures as they reach adulthood.

The care children most need is readily produceable, predictable, and is most likely to have an improving effect on their current and future health status. It is also relatively inexpensive. Note that in 1974, per capita expenditures for those under 19 years of age was \$183 as compared with \$420 for those aged 19 to 64, and \$1,218 for those 65 and over.

Similarly, good health care for pregnant women is readily produceable, fairly predictable, and though not minimal in cost, has—as we have demon-