STATEMENT OF SENATOR STROM THURMOND (D-SC) ON THE SENATE FLOOR WITH REFERENCE TO PROPOSED LEGISLATION AMENDING INTERNAL REVENUE CODE SO AS TO ALLOW DEDUCTIONS FOR MEDICAL ASSISTANCE TO PARENTS OVER SIXTY-FIVE, MAY 11, 1960.

Mr. President, it is a basic moral obligation of a people and a country to insure that its elderly citizens do not want for medical care when they have reached the stage of life when medical care is most needed. Nothing short of callousness could describe the attitude of those who view with unconcern the plight of "Senior Citizens" who have reached the twilight zone of life and who are faced with financing burdensome medical bills with only limited means. Admonitions that such citizens should have foreseen the inevitable and made preparations accordingly afford little comfort to those who are faced with such financial burdens in this area and offer no solution to this vexing problem. It is encouraging to note that many of our elder citizens have made preparations for this period of life to insure against financial ruin by catastrophic illnesses. According to the Health Insurance Association of America, about 43 per cent of our over-65 people are now covered by health insurance. It is estimated by this organization that the proportion of coverage for those who want and need it will reach 75 per cent by 1965, and 90 per cent by 1970.

It is at once apparent, Mr. President, that much is being done in this area by those who will be directly affected -- namely, the elderly themselves, and those who foresee the day when the age of retirement has been reached. However, much more can be done to assist the elderly in a manner which reflects dignity on those who are receiving such assistance.
It would be extremely unwise for the Congress to seek a solution in this area which will result in the expansion of the present Social Security program. The so-called Forand Bill, which would bring old age health insurance into the Social Security program, is, in my opinion, an extremely unwise approach. The first objection to such a proposal is that the Federal Government would once again embark on a program which would carry this country closer to a socialistic form of government. Washington would irrevocably be placed in the health insurance business on a massive scale, for no private insurance company could compete against the Government. The second objection is that the Social Security program would be converted into something for which it was never intended. Up until the present time, the program has provided benefits in money alone. The effect of the Forand Bill would be to convert the program into one of a compulsory health insurance nature, and, in effect, reduce the money benefits in proportion to the individual's and employer's investment.

Mr. President, a judicious legislative approach to the solution of assisting our elderly citizens with onerous medical expenses which I have advocated for some time is the easing of the tax burden, not only on those who have attained the age of 65, but also on those who would assist those who have attained that age.

At the present time, there is a bill awaiting the President's signature which adopts the approach that I have advocated and which would go far in providing for the health care of the aged. H. R. 9660, which passed the Congress on May 5 of this year, contains provisions which will be a further inducement to those who are presently assisting their aged parents with medical expenses.
Section 3(a) of the legislation which is awaiting Presidential signature would amend Section 213(a) of the Internal Revenue Code so as to allow a taxpayer to deduct without regard to a 3 per cent medical and dental limitation expenses incurred by the taxpayer for the care of his dependent mother or father or the dependent mother or father of his spouse, if such dependent has attained the age of 65 before the close of the taxable year.

In approaching the problem of medical care for the aged in this manner, individual independence is preserved, better medical care is afforded, and the government is not launched into a new program which will initially cost an estimated $2 billion a year.

I urge the President to affix his signature to this legislation.