

WASHINGTON, Aug. 23--Senator Strom Thurmond urged his Senate colleagues in a speech today to reject the compulsory Forand approach for providing medical benefits for the aged. He labeled any move to tack the proposal onto the Social Security program as being "ill-timed, premature, not needed, socialistic," and as a serious threat to the solvency of the Social Security program.

The South Carolina Democrat chided the proponents of immediate enactment of such a program for exaggerating and distorting in the "extreme heat of the political arena" the need for a medical aid program. He asserted that more facts are needed before the Congress approves a medical aid program, pointing out that "many facts which will contribute to a knowledgeable decision on this issue will be forthcoming in the White House Conference on the Problems of the Aged to be held next January."

On the point of need, Thurmond discussed a number of what he called "misconceptions as to the problems of the aged." One of his main points was that 40 States now have some form of medical care provisions in their old age assistance plans and that 16 States have direct or money payments for all essential items of medical care. He said his own State of South Carolina provides for direct payments for hospital and nursing home care.

The Senator then gave an extensive discussion of the operation of the Social Security program. He said the program, unlike an insurance program, meets current benefit liabilities with current contributions, resulting in 1959 in a deficit of \$275 million.

With increased political and inflationary forces repeatedly demanding further increased benefits, Thurmond predicted that soon the Congress will reach the "breaking point" in contributions, which are already scheduled to reach nine per cent of the first \$4,800 of wages. He made the further point that the Old Age and Survivors Insurance trust fund will decrease from a maximum of about \$55 billion in 20-25 years from now until it is exhausted in 1997.

Thurmond's major objection to the Forand approach centered around his charge that the program constitutes socialized medicine. He said it would "completely change the original concept of the OASDI program from one guaranteeing fixed dollar benefits to one which guarantees specified services."

In denouncing the Forand proposal, Thurmond made these remarks:

"I cannot comment on this Forand proposal, Mr. President, without restating that it is socialized medicine, for it seeks to provide, not the funds with which to obtain medical care, but, on the contrary, it seeks to provide medical service

itself. In any approach of this sort, the federal government must control the disbursement of funds. It must decide the benefits to be provided. It must set the rates of compensation for hospitals, nursing homes, dentists and doctors. It must audit and control government expenditures to hospitals, nursing homes and patients. It must establish and enforce standards of hospital care and medical care. These are but the basic and usual safeguards that accompany the spending of tax funds. Is anyone so naive as to believe that the national government could exercise these responsibilities without affecting the quality of medical care received? The government and not the patient and physician will determine the quality and extent of medical care under the Forand proposal, and this is socialized medicine.

The disadvantages of socialized medicine are not merely reprehensible because there is a bad connotation placed on the ~~word~~ 'socialized.' The evil lies in the deterioration of the quality of service which inevitably results, to the detriment of the patient, from the government's efforts to standardize a service which is by its very nature a personal service, and must so remain if it is to be of a high quality."

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