

3. History

During the depression years and for the duration of World War II, few hospitals were constructed in the United States. For this reason, many hospitals became obsolete and there were manifest shortages in the number of hospital beds and other related health facilities and services. To identify and meet these needs, Congress enacted into law on August 13, 1946, the Hospital Survey and Construction (Hill-Burton) Act (Public Law 725, 79th Cong.). The purpose of the act was to survey needs and to assist the local sponsors in the several States in the construction of public and other nonprofit hospitals. As a result, the United States undertook, for the first time, an orderly appraisal of its existing hospital and public health center resources and developed comprehensive State plans for furnishing "adequate hospital, clinic, and similar services to all their people." Annual revisions of these plans by each State became mandatory by regulation.

Since the original Hill-Burton legislation was passed several major amendments have been enacted. In 1954, the act was amended to assist the several States in the construction of diagnostic or treatment centers, hospitals for the chronically ill, rehabilitation facilities, and nursing homes. In 1958, Congress gave an eligible sponsor the option to take a loan in lieu of a grant. The Community Health Services and Facilities Act of 1961 increase the annual appropriation authorization for nursing homes from \$10 million to \$20 million and liberalized the definition of rehabilitation facilities.

On August 18, 1964, the President signed into law the Hospital and Medical Facilities Amendments of 1964 (Public Law 88-443), extending and revising the Hill-Burton program to keep pace with changing concepts of health facility construction and operation.

The most far-reaching change in the program is the establishment of a new grant program, beginning with fiscal year 1966, for modernization or replacement of public and nonprofit hospital and other health facilities.

In addition to the modernization program, the Hill-Harris amendments also provide:

1. A single category of long-term care facilities, which combines the previously separate grant programs for chronic disease hospitals and nursing homes, and lifts the annual ceiling from \$40 million to \$70 million.

2. The use by the States of 2 percent of their allotments (up to \$50,000 a year) to assist in the efficient and proper administration of the State plan.

4. Level of operations. (See table 1.)

Program: Hospital and medical facilities construction (Hill-Burton program).
Department or agency, and office or bureau: Department of Health, Education, and Welfare; Public Health Service—Bureau of State Services (Community Health).