

Division is the focal point for liaison between the Public Health Service, the Social Security Administration, and the Bureau of Family Services, Welfare Administration, in the establishment and maintenance of standards for the professional health aspects of the health insurance for the aged program (title XVIII) and the medical assistance program (title XIX).

Health Insurance for the Aged.—The Secretary of Health, Education, and Welfare will enter into agreements with State agencies, under which these agencies will determine and certify that hospitals, extended care facilities, home health agencies and independent laboratories meet and continue to meet conditions for participation in the program. In addition to certification, the State agency, which is usually the health department, will give consultation to assist providers who have difficulty in meeting and maintaining the standards. The State agency will also perform certain coordinating functions to insure that the health insurance program is closely integrated with ongoing or new health and medical care activities within the States.

Standards for the four kinds of providers of service mentioned above are being drafted by joint work groups of the Public Health Service and the Social Security Administration. These work groups are chaired by staff of this Division. After review by appropriate advisory groups and the Health Insurance Benefits Advisory Council, these standards will be revised and subsequently included in regulations promulgated by the Secretary. Another joint staff working group responsible for principles and methods applicable to reimbursement for the health benefits is also chaired by the Public Health Service.

The hospital and home health services benefits of this program will be available on July 1, 1966. The extended care facilities benefit becomes available January 1, 1967. The number of potential beneficiaries in 1966 is 19 million.

Medical Assistance.—Title XIX of Public Law 89-97 makes sweeping changes in the Federal-State medical assistance programs with complementary relationships to the title XVIII program. This Division will give consultation and technical assistance to the Welfare Administration in such matters as:

1. The formulation of standard, and conditions of participation for providers of health services, including the extent to which conditions of participation for title XVIII will be applied in title XIX. Because the latter has a potentially broader benefit structure and involves both State and Federal financing, the standards will not be identical.
2. The development of requirements relating to patient care planning, including transfer agreements, utilization reviews and other mechanisms for assuring use of the most appropriate resource for a patient at a given time.
3. The development of optimal relationships between State health and welfare agencies.

Statistical data on the number of public assistance beneficiaries are not presented. This program, unlike title XVIII, gives States several options and provides for progressive phasing-in features which make such forecasts of doubtful value, especially by an agency whose relationship to the program is largely consultative.