

the remainder is not matched and is distributed to the States on the basis of the financial need of each State for assistance in carrying out its plan. State plans for the use of crippled children's funds are made by State crippled children's agencies. Each State law providing for the program either defines the crippling conditions to be included or directs the crippled children's agency to define them.

All States include children who are under 21 years of age and who have some kind of handicap that needs orthopedic or plastic treatment. This means children with cleft lips, cleft palates, or club feet; children with deformed bones; children who have been seriously burned or have been badly hurt in an accident; children with poliomyelitis or bone-and-joint tuberculosis.

All the States include in their crippled children's programs children with cerebral palsy and those with congenital heart disease. Nearly all include children with epilepsy, cystic fibrosis, and serious eye and ear problems.

In the past, crippled children's agencies have done a great deal more for children with handicaps needing orthopedic or plastic treatment than for children with other kinds of crippling conditions. The States are increasingly broadening their programs to include children with any kind of handicapping conditions or long-term illness, including crippled children who are also mentally retarded.

In 1963, 369,000 children received medical services in this program.

3. History

The basic purpose of this grant has remained unchanged since its inception. However, the amount authorized for annual appropriation was increased in 1939, 1946, 1950, 1958, 1960, 1963, and 1965. The increase authorized in 1939 also made available, for the first time in this program, a fund for services for crippled children, commonly referred to as the "B Fund," to be paid to the States without a matching requirement. This provision was the same as had been included from the beginning for the maternal and child health program.

The 1960 amendments to the Social Security Act provided that special project grants (up to 25 percent of the amount available for distribution under section 512(b)) may be made to State agencies (as was previously done), and also directly to public or other non-profit institutions of higher learning for special projects of regional or national significance which may contribute to the advancement of services for crippled children. Section 512(b) was also amended to make clear that the Secretary may make allotments "from time to time," thereby permitting him to allot the funds at such times as will enable him most effectively to consider the financial need of each State.

The 1963 amendments provided authority for research projects relating to maternal and child health and crippled children's services which show promise of substantial contribution to the advancement of these programs. These grants are to help improve the operation, functioning and effectiveness of services by supporting studies that contribute to the advancement of health services for mothers and children. Appropriations have been as follows:

Fiscal year 1964.....	\$1, 500, 000
Fiscal year 1965.....	3, 000, 000
Fiscal year 1966.....	4, 000, 000