

ductions which would otherwise have become necessary under terms of the Revenue and Expenditure Control Act of 1968.

Another matter requiring attention in the field of medical benefits is the furnishing of outpatient medical treatment. Under present law, this benefit is generally restricted to service-connected disorders. Thus, with limited exceptions, veterans suffering from totally disabling service-connected disabilities are presently not entitled to outpatient treatment for non-service-connected disabilities.

Because of the excessive reduction in the general health of a service-connected, totally disabled veteran, we think it reasonable that he be entitled to out-patient medical treatment for any disability.

Mr. Chairman, the DAV has recently approved a proposal to provide hospital care to the widows and children of veterans who die of service-connected disabilities and to the wives and children of veterans who have service-connected disabilities rated as total. The U.S. Veterans Advisory Commission, in its report last year to the Administrator, recommended that medical benefits similar to those in the Military Medical Benefits Act be provided for wives and children of veterans who are on the VA compensation rolls as 100-percent disabled. The Commission also recommended that medical benefits under the act be provided for widows and children of veterans who die from service-connected causes.

The rationale for providing medical benefits to the first group is simply that wives of 100-percent disabled veterans, in most instances, are not able to work because of the need for their presence in the home. Neither the wife nor the veteran, who likewise cannot work, is able to have a health insurance policy providing for the care of the family. Moreover, severe illness poses an almost unbearable strain on financial resources in the absence of health insurance.

In the case of the widows and children, it is pointed out that the military medical benefits program provides inpatient and outpatient care (with some sharing of cost by the beneficiary) to the dependents of both those dying in service, and deceased retired personnel. The VA hospital and medical care program, however, applies only to veterans.

The DAV proposal would also permit the Administrator of Veterans' Affairs to furnish hospital care for the dependents described above at VA hospitals on a bed-available basis, or on a contract basis where beds are not available. In any case, there must be absolute controls to insure that no veteran will be deprived of a hospital bed.

Mr. Chairman, I think it may be said without equivocation that the DAV's concern for the medical and financial needs of the service disabled is firmly established. These same needs, as they apply to his dependents, have, throughout our organization's history, drawn a similar reaction and response. Although in the past, we have not advocated a hospital program for the service-disabled veterans' dependents, I think we are now demonstrating the fact that the DAV is capable of the flexibility that these changing times require, and that the programs we are talking about are worthy of serious attention and study by the enlightened, forward-looking members of this committee.

The Disabled American Veterans is seriously concerned about the trend strongly underway to take over VA functions and erode the present structure of veterans' programs. This trend was manifested in