

FOR IMMEDIATE RELEASE

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OFFICE OF THE WHITE HOUSE PRESS SECRETARY

THE WHITE HOUSE
PRESS CONFERENCE
OF
FORREST DAVID MATHEWS
SECRETARY
DEPARTMENT OF HEALTH, EDUCATION AND WELFARE
AND
WILLIAM A. MORRILL
ASSISTANT SECRETARY
FOR PLANNING AND EVALUATION
OF THE
DEPARTMENT OF HEALTH, EDUCATION AND WELFARE
THE BRIEFING ROOM

2:06 P.M. EST

MR. CARLSON: As many of you just saw, the President has signed the Financial Assistance for Health Care Act, and here to summarize the legislation and take your questions is Secretary Mathews and other officials from the Department of Health, Education and Welfare.

Secretary Mathews.

SECRETARY MATHEWS: I think it might serve your purposes best if I answered your questions. The President made the essential statement and I would be pleased to respond to any questions that you have.

Sarah says we will have a statement shortly.

Q What are the 100 new positions? This is supposed to cut out red tapes and Federal bureaucracy.

SECRETARY MATHEWS: If this block grant is accepted by the Congress and if Congress accepts our recommendations on the public health service hospitals, we will be able to make some reductions in personnel. There are points in the total departmental budget, however, where we have special responsibilities.

For example, we are making a major increase in the Office of Civil Rights, the addition of 150 people. We are making a major addition in the Social Security Administration to deal with the problems of the SSI program. So even though the total department budget stays relatively level -- as a matter of fact, it comes down a bit -- there are points in the budget where we will have increases to contend with specific problems.

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Q Mr. Secretary, my question goes to the second paragraph on page 2 of the President's statement, in which he says his proposal eliminates the requirements for State matching. Now I presume he is saying that for all 16 of the programs.

My question is: Is State matching required in all of those programs and, if it is not, which ones is it not required in?

SECRETARY MATHEWS: As you know, there is a general requirement for State matching across all of the three block grant proposals. As to the specific proposals, the programs here where we have matching -- Bill Morrill, where are you? Bill is just about to make a statement on that.

MR. MORRILL: I was just checking with the health people. I think on almost all of the programs there is matching. I was just double-checking as to whether immunization -- perhaps not immunization but essentially the rest.

Q And the matching now under Medicaid, as I understand it, is about 55-45 Federal-State on a national average.

MR. MORRILL: On a national average. It varies among the States.

Q What is the current Medicaid cost total?

SECRETARY MATHEWS: Point two is what we are spending in fiscal 1976 -- \$8.262 billion, just to throw out a number.

Q That \$10 billion figure, then, is really a decrease.

SECRETARY MATHEWS: Depending on where you start. It is an increase certainly over the President's recommendations for 1976 and I believe the \$10 billion may be an increase over -- certainly the Medicaid program is an increase of a billion dollars.

As for the particular line item, since Congress has now enacted a new appropriation level, there are discrepancies and I think the total discrepancies, the difference is around \$500 million.

Q A half a billion decrease, then, in programs other than Medicaid?

SECRETARY MATHEWS: From Congress' recent budget, yes.

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Q From the appropriation by Congress?

SECRETARY MATHEWS: That is right.

Q So you are actually cutting the spending capability in these programs?

SECRETARY MATHEWS: The President has a difference with Congress over what the total Federal budget should be. His policy decision in this field was to make a major increase in Medicaid and to follow the same policy that he followed in the past in which he proposed level funding compared to what he had proposed for the past year.

So in terms of the President's policy, he has made no policy decision to de-emphasize any of these programs. He does have a difference with Congress on the appropriate level of Federal spending which is reflected in any and all of the programs.

Q But actual spending to his proposal, there is a decrease of half a billion dollars in programs other than Medicaid?

SECRETARY MATHEWS: Not in actual spending, Bill says.

MR. MORRILL: It is about \$9.5 billion in 1976; that is actual funding. It is proposed at \$10 billion in 1977. If the programs were left unconstrained, as they now stand, in 1977, they would run out to more than \$10 billion -- about \$10.3 billion.

Q So that is really \$800 million rather than \$500 million?

SECRETARY MATHEWS: If you assume the programs would run out without any restraints to the \$10.3 billion.

MR. MORRILL: \$10.3 billion versus \$10 billion budgeted.

Q Okay.

SECRETARY MATHEWS: In regard to the State participation, often there is some concern that by removing the requirement for State matching that States would participate less and any assertion that they would not is usually regarded as a matter of conjecture.

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I think it is, though, instructive to remember that before we had matching requirements, the States were supplying about \$13 out of every \$100 in these fields. After 10 years of requiring matching, the States are now furnishing about \$13 out of every \$100.

Are there any other questions?

THE PRESS: Thank you.

END (AT 2:13 P.M. EST)