

### **National Health Insurance**

In a recent session of the Senate Finance Committee, Committee Chairman Russell B. Long (D, LA) and Senator Edward M. Kennedy (D, MA) said that the need to enact a national health insurance bill overrides any pride of authorship. The public impression accentuated by Senator Abraham Ribicoff (D, CT) is that Kennedy is making compromises in such areas as the role of private insurers, the scope of benefits, and the possibility of a phased approach, while Long is willing to provide something beyond catastrophic coverage alone and to consider various Kennedy cost control plans. But there are fundamental differences between the sides, particularly on cost controls. Congressional sources say that the two senators have well-known personal differences as well as differences in philosophy on the issue, and the idea that a Kennedy-Long consensus bill can be developed is viewed on Capitol Hill as extremely unlikely—if not impossible.

Meanwhile, the Carter administration seems to have located a middle ground between the two senators and has made some points considered favorable by the Finance Committee. The Committee has incorporated a number of details from the Carter plan into the design of a federally mandated, employer guaranteed catastrophic protection program. But the legislation still faces many obstacles before it can be approved by Congress.

### **Clinical Laboratories Legislation**

The bill cleared a Senate committee in April, but is being withheld until there is some similar activity in the House. House Commerce Health Sub-

committee Chairman Henry Waxman (D, CA) said that the measure was a priority item, but so far no parallel House bill has been introduced.

### **Hospital Cost Containment**

The House Ways and Means Committee has approved the Hospital Cost Containment Bill (HR 2626) after the Senate Finance Committee had rejected a modified version of the Administration's bill. Revenue increases under the current bill are limited to 11.6 percent per year. Other provisions call for control of all federal hospitals, including Veterans Administration facilities; exclusion of charitable contributions as part of hospital revenue; and exclusion of costs for treating charity patients. Another provision excludes wage increases for nonsupervisory hospital personnel. The proposal adopted by the Administration last year allows for federal controls only if voluntary efforts fail to keep expenses down to predetermined levels.

### **Veterans Administration Budget**

The House and Senate have responded to the pleas of veterans' organizations to reject President Carter's proposed cuts in Veterans Administration medical personnel and to restore some of the reductions already made.

The House would add \$76.4 million to the VA's budget to fill several thousand medical jobs. The Senate, in a move far more acceptable to the Administration, passed legislation that, among other things, mandates staffing increases but provides the necessary funds by restricting certain veterans' benefits—including reimbursement for dental care and prescription drugs.

### **Public Health Service**

The House passed the \$100 million Public Health Service Act Amendments, which will extend PHS Health Information Programs for three years. Included in the budget is \$94.5 million for health information and prevention programs, and over \$5 million for a National Digestive Diseases Information Clearinghouse and grants for education and training in digestive diseases.

### **Mental Health**

The mental health measure, re-drafted from the Administration's original by the Senate Human Resources Health Subcommittee, provides for: meshing the health planning program with the mental health system; establishing a mental health advocacy program independent of the Public Health Service; a bill of rights for mentally ill patients, including the right to informed consent for treatment; an associate director for minority concerns in the National Institute for Mental Health. Community mental health centers, which now receive funding directly from HEW, would apply to the states for funding. The states would then prepare statewide plans for HEW's approval, with the authority to modify proposals before submitting them to HEW. The legislation would also require states to sign performance contracts with HEW, and would require states to spend 90% of their Federal funds locally, avoiding establishment of top-heavy bureaucratic structures to administer mental health programs.

### **Physician Advertising**

The Federal Trade Commission has issued substantially modified rules on physician advertising. The regulations would remove existing barriers against