

News from Senator

BOB DOLE



(R - Kansas)

2213 Dirksen Building, Washington, D.C. 20510

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CONTACT: SCOTT RICHARDSON
202/224-6521

DOLE CALLS FOR RESPONSIBLE ACTION IN HEALTH CARE CUTS

WASHINGTON -- In remarks to the National Mental Health Association today, Senate Finance Committee Chairman Robert Dole (R.-Kan.) said the recent budget agreement calling for a \$3.8 billion reduction in Medicare and Medicaid will be "extremely difficult to accomplish," and that all program areas will have to be closely scrutinized.

"It is clear that reform is long overdue in the way we pay for health care services," Dole said. "Our current methods provide no incentives for efficiency and continue to encourage inappropriate utilization of institutional services.

"The concept of prospective payments holds out the promise of a system that encourages institutional efficiency. I would hope that such a system could be made to be sensitive to the differing case loads in institutions so as not to do unreasonable harm to those who care for mentally ill, as opposed to physically ill, individuals."

Dole said that it is unlikely that the Congress will consider any expansion of the Medicare program in light of the projected deficits in the trust funds. As for Medicare, the Kansas Republican said that this year's budget cuts should be designed to "create incentives for the States, rather than to simply reduce Federal funding."

"For example, I would prefer allowing States to impose patient cost sharing in a manner which reflects the needs in a particular State, rather than having the Federal Government dictate what the copayment amounts should be and to what services they should be applied," Dole said.

Dole called mental health services "essential services -- whether provided by Medicare, Medicaid, or from other sources. However, I believe every attempt should be made to utilize private resources wherever possible before turning to public resources."