

SOCIAL SECURITY

ACT

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SOCIAL SECURITY ACT

The Social Security Act contains a total of twenty titles. Since the enactment of the basic law in 1935, numerous amendments have been made as new titles have been added while others have been repealed. While most of the Act is applicable to the States and territories alike, some provisions are applicable only to the States while others remain applicable only to the territories. The Commonwealth of the Northern Mariana Islands, however, is an exception as one of the Act's provisions has been extended to it, but not to Guam, Puerto Rico, Virgin Islands and American Samoa.

Numerous reasons contributed to the establishment of the Social Security Act which was created during the Great Depression of the 1930's reconversion period. While the Depression negatively impacted upon almost everyone, it significantly impacted upon those households in which the breadwinner was missing, handicapped or retired. The Act was created to assist these types of households. In addition, there was concern for the blind and disabled as they were often unemployable and family members were financially unable to care for them. There was also mounting concern to provide services to families with crippled children and mentally retarded persons as the cost of their care placed great financial burdens upon their families. Lastly, research was beginning to demonstrate a correlation between low income families and a high level of premature births which often resulted in death or permanent physical disabilities.

Congress, sensing the need for a national welfare program, outlined several objectives the new social security program was to accomplish:

- to provide economic support to widows who have been deprived of such support by death of their husbands;
- to ameliorate some of life's rigors;

- to protect those workers whose livelihood is dependent on another rather than upon public at large, and who are subject to unemployment disability and old-age insecurity;
- to provide income for ordinary and necessary living expenses to persons of advanced years who would otherwise have to work to obtain them;
- to provide for the economic security of those eligible claimants who are not financially able to provide for themselves and those entrusted to their care.

The Social Security Act provided a system of old-age insurance for persons working in industry and commerce as a long-run safeguard against the occurrence of old-age dependency. In addition, the Act established federal grants to be given to the States for the provision of public assistance to the needy aged, to the needy blind and disabled and to needy families with dependent children.

Since the inception of the basic Social Security Act, hundreds of amendments have been made as new programs have been added, while others have been deleted. In addition, some of the basic programs have been consolidated in an effort to reduce the costs of public welfare and to more effectively administer the various programs.

The following is an explanation of the purpose, benefits, enactment date, date extended to Guam and administering agency for each of the twenty titles contained in the Social Security Act.

TITLE I: GRANTS TO STATES FOR OLD AGE ASSISTANCE AND MEDICAL ASSISTANCE FOR THE AGED

A. Purpose

1. To enable each state to furnish financial assistance to aged, needy individuals.
2. To enable each state to furnish medical assistance on behalf of aged individuals who are not recipients of old age assistance.
3. To encourage each state to furnish rehabilitation and other services to help individuals attain or retain capability for self-care.

B. Benefits

1. Old Age Assistance provides money payments to, medical services in behalf of and any type of remedial care services recognized under State law in behalf of, needy individuals who are 65 years or older. Inmates of penal institutions are not eligible for assistance, however.
2. Medical Assistance for the Aged provides payment for part or all the costs of the following services for those age 65 years or older, who are not receiving Old Age Assistance (except those who are discharged or admitted to a medical institution during that month) and whose income and resources are insufficient to meet all of the costs for the services:
 - a. Inpatient Hospital Services
 - b. Physicians' Services
 - c. Skilled Nursing Home Services
 - d. Outpatient Hospital or Clinic Services
 - e. Home Health Care Services
 - f. Private Duty Nurse Services
 - g. Physical Therapy and Related Services
 - h. Dental
 - i. Lab and X-Ray
 - j. Drugs, glasses, dentures, and prosthetic devices
 - k. Diagnostic, screening and preventive services
 - l. Any other services recognized by the State

C. This title was included in the basic Social Security Act which was enacted August 14, 1935.

D. While the title was repealed by Public Law 92-603 for the States, the title was continued as applicable to the territories of Guam, Virgin Islands and Puerto Rico.

E. The Department of Public Health and Social Services administers this title.

TITLE II: FEDERAL OLD AGE, SURVIVORS AND DISABILITY INSURANCE BENEFITS

A. Purpose

1. To provide funds through contributions by employers and employees for the decent support of elderly workmen who have retired.
2. To protect workers and their dependents from the risk of loss of income due to insureds' old age, death or disability.
3. During 1937 the Act was amended to care for dependent children of those workers who were unable to accumulate an estate sufficient to care for them after their death, rather than to have their children become wards of local welfare or charitable organizations.
4. To provide at least some measure of income security to those dependent children who have lost a wage earner upon whom they depended.
5. To protect children who share in devolution of insureds' interstate personal property, regardless of their parental relationship, by allowing them to enjoy a status which accords them rights identical to those of legitimate, natural children, and who would meet all other requirements as to dependency.

B. Benefits

1. Old Age and Survivors Insurance Benefit Payments and Old Age Insurance Benefits.
 - a. Individuals who are considered fully insured:
 - (1) Anyone who had not less than
 - (a) one quarter of coverage (whenever acquired) for each year elapsing after 1950 or the year a worker attains age 21 if after the year of 1950, until the year before the worker died or the year on which he attained age 62; except, in no instance shall no individual be fully insured unless he has at least 6 quarters of coverage.
 - (b) 40 quarters of coverage.
 - (c) in the case of an individual who died before 1951, 6 quarters of coverage.
 - (2) Anyone who has attained age 62.
 - (3) Anyone who has filed an application for old-age insurance benefits or was entitled to disability insurance benefits for the month preceding the month in which he attained age 65.

b. Other individuals who are covered

- (1) Wives
- (2) Divorced Wives (if marriage lasted for 20 years)
- (3) Husbands
- (4) Children: natural (legitimate and out of wedlock) and adopted who are under age 18 and those who are full time students under age 21.
- (5) Widowers
- (6) Parents
- (7) Widows

c. Special Conditions, those individuals who are excluded

- (1) those who are receiving entitlements under the Railroad Retirement Act.
- (2) those who are in the Uniformed Services.

2. Disability Insurance Benefit Payments

a. Individual is insured if

- (1) he would have been a fully insured individual had attained age 62.
- (2) he had not less than 20 quarters of coverage during the 40 quarter period which ends with the quarter in which the disability occurred.

3. Hospital Insurance Benefits

- a. Those individuals age 65 or older who qualify as they have been entitled to or have received for 24 consecutive months
 - (1) Disability insurance benefits
 - (2) Childs insurance benefits by reason of disability
 - (3) Widows insurance benefits by reason of disability

C. This title was enacted as part of the basic Social Security Law (August 14, 1935). Part 3, Hospital Insurance Benefits, was added later by P.L. 87-97 on July 30, 1975.

D. These provisions were extended to Guam during October 1960.

E. Computational Amount - there is no set formula for computing an amount to States. A certain percentage of the FICA Taxes to the trust funds established by this title. The Secretary authorizes payments to the various Social Security offices, so these payments can be made. Payment to the offices is based on beneficiaries' income and the number of persons eligible for benefits.

F. The Social Security Office, which is located in the PDN Building, administers this title.

TITLE III: GRANTS TO STATES FOR UNEMPLOYMENT COMPENSATION ADMINISTRATION

A. Purpose

1. To assist States in the administration of their unemployment compensations laws.
2. To provide a substitute for wages lost during period(s) of unemployment that are not the fault of employee, to give prompt if only partial replacement of wages to unemployed, and to enable workers "to tide themselves over," until they get back their old work or find other employment.

B. Benefits

1. Provides assistance to those individuals who are unemployed through no fault of their own.

C. This title is part of the basic Social Security Act which was enacted August 14, 1935.

D. This title has not been extended to Guam.

TITLE IV: GRANTS TO STATES FOR AID AND SERVICES TO NEEDY FAMILIES WITH CHILDREN
AND FOR CHILD WELFARE SERVICES

OVERVIEW: There are five Parts to this Title. Part A is the only part originally enacted in the Social Security Act of 1935. The remaining parts were added as additional needs were identified.

TITLE IV, PART A: AID TO FAMILIES WITH DEPENDENT CHILDREN

A. Purpose

1. To provide financial assistance to needy dependent children and their parents or relatives who live with and care for them.
2. To help such parents and relatives to attain or retain capability for maximum self-support and personal independence consistent with the maintenance of continuing parental care and protection.
3. To meet a need unmet by the depression era programs which were aimed at providing work for breadwinners.
4. To protect children in homes without breadwinners, including "military orphans."
5. To provide needy and dependent children with minimum income level sufficient to secure basic necessities of life.
6. To encourage the care of dependent children in their own homes or in the homes of relatives by enabling each State to furnish financial assistance and rehabilitation and other services.

B. Benefits

1. Establishes paternity for children born out of wedlock.
2. Secures parental support for abandoned children.
3. Provides support to children who lack parental support due to parent's death, physical or mental incapacity or unemployment.
4. Provides support to children under 18 years of age or under age 21 if going to school full time.
5. Provides payments to relatives who are assuming responsibility for care of child; payments include money payments and medical care or any type of remedial care recognized under State Law.
6. Provides payments to States for foster care. (Note: this Section was added May 1, 1961).

C. Part A was enacted as a part of the basic Social Security Act.

D. Part A was extended to Guam during October 1958.

E. The Department of Public Health and Social Services administers Part A.

TITLE IV, PART B: CHILD WELFARE SERVICES

A. Purpose

1. To enable the U.S. to cooperate with the State public welfare agencies in establishing, extending and strengthening child welfare services.
2. To require States to furnish a comprehensive plan of social services for each AFDC child to assure the child has the maximum opportunity to become productive.
3. To require State welfare agencies to refer cases of child abuse or neglect to appropriate law enforcement agencies and courts.
4. To provide protective payments and vendor payments when appropriate to protect the welfare of children.
5. To provide for foster care.

B. Benefits

1. It is provided to all children who need it.

C. Public Law 90-248 was enacted and became effective January 2, 1968.

D. The Act was extended to Guam on January 2, 1968.

E. Public Health and Social Services administers this part.

PART IV, PART C: WORK INCENTIVE PROGRAM FOR RECIPIENTS OF AID UNDER STATE PLAN APPROVED UNDER PART A

A. Overview

1. During 1981 the Congress amended Part C to include three new work programs in addition to the long standing work incentive program.

B. Purpose of Work Incentive Program

1. To restore adult members of AFDC families (including those with little or no work experience) to regular employment through counseling, placement services and training, and arranging for all others to get paid employment in special work projects to improve the communities in which they live.
2. It requires States to furnish day-care services and other social services to make it possible for adult members of the family to take advantage of the work and training opportunities under the WIN program.
3. Required States to exempt part of the AFDC recipients earnings to provide incentives to work in regular employment.
4. To assist in providing to adult members of AFDC families a sense of dignity, self-worth and confidence. It is hoped that it will also have beneficial effects on the children.

5. To require the establishment of a program utilizing all available manpower services, including those authorized under other provisions of law, under which individuals receiving aid to families with dependent children will be furnished incentives, opportunities and necessary services in order for (1) the training of such individuals for work in the regular economy, (2) the employment of such individuals and (3) the participation of such individuals in public service employment.

C. Benefits of Work Incentive Program

1. Participants must be 16 years of age.

D. Purpose of the Community Work Experience Program

1. To provide experience and training for individuals not otherwise able to obtain employment, in order to assist them to move into regular employment.
2. To limit the program to projects which serve a useful public purpose in fields such as:
 - (a) health
 - (b) education
 - (c) urban and rural development and redevelopment
 - (d) welfare
 - (f) public facilities
 - (g) public safety
 - (h) day care
3. The program is to provide appropriate standards for health, safety and other conditions applicable to the performance of work.
4. The program is not to result in the displacement of persons currently employed, or the filling of established unfilled position vacancies.

E. Benefits of the Community Work Experience Program

1. The maximum number of hours in any month that a participant may be required to work is that number which equals the amount of aid payable with respect to the family of which the individual is a member divided by the greater of the Federal or applicable State minimum wage.
2. Payment of aid may not be construed as compensation for work performed.
3. Participants are not entitled to a salary or to any other work or training expenses.
4. Provisions are to be made for transportation and other costs not in excess of an amount established by the Secretary, reasonably necessary and directly related to participation in the program.

5. Each public assistance recipient who is required to register in work programs is required to participate in the program unless the recipient is currently employed for no fewer than 80 hours a month and is earning an amount not less than the applicable minimum wage.

F. Purpose of Work Supplementation Program

1. To allow States to make jobs available on a voluntary basis, as an alternative to aid provided by the State.
2. To allow States to provide or subsidize job positions within public or private nonprofit entities for which part or all of the wages are paid by the State or local entity.
3. To allow a State to provide or subsidize any job position under the program as the State determines to be appropriate, but acceptance of the position by a recipient shall be voluntary.

G. Benefits of the Work Supplementation Program

1. States can make adjustments in the amount of aid paid under the State Plan to different categories of recipients.
2. States may reduce or eliminate the amount of earned income to be disregarded under the State plan as the State determines to be necessary and appropriate.
3. Wages paid under this program is considered the same as earned income.
4. Federal funds for the administration of the program is available to States.

H. Purpose of Work Incentive Demonstration Program

1. To allow States to elect as an alternative to the WIN program a program which best addresses their individualized needs, and recognizes their labor market conditions.
2. The project is to take place over a three year period beginning in FY 1982. Proposed project must be initially approved by the Secretary of Health and Human Services.
3. States may include the following activities in their demonstration program:
 - (a) limit maximum periods of participation
 - (b) job training
 - (c) job fund clubs
 - (d) grant diversions to either public or private sector employers
 - (e) service contracts with State employment service, prime sponsors under CETA or private placement agencies
 - (f) targeted jobs tax credit outreach campaigns
 - (g) performance-based placement incentives.

I. Benefits of Work Incentive Demonstration Program

1. All persons eligible for or receiving assistance under the AFDC program are required to participate in the program.
 2. States with a WIN demonstration program will receive the same level of federal funds that they received for Fiscal Year 1981 for the operation of their WIN program.
 3. The federal funds can be used only for administering and operating the program. Funds cannot be used for direct grants of assistance under the AFDC program.
 4. Earnings derived from participation in the demonstration of financial ineligibility for assistance under the AFDC program.
- J. This title was originally enacted January 2, 1968 by Public Law 90-248. It was amended August 13, 1981 by Public Law 97-35 to include the Community Work Experience Program, the Work Supplementation Program and the Work Incentive Demonstration Program.
- K. Public Law 90-248 was extended to Guam January 2, 1968 and Public Law 97-35 was extended to Guam August 13, 1981.
- L. This title is jointly administered by the Guam Department of Labor and the Department of Public Health and Social Services.

PART IV, PART D: CHILD SUPPORT AND ESTABLISHMENT OF PATERNITY

A. OVERVIEW:

One of the major contributors to increased social welfare expenditures is the nonsupport of children by their absent parent. Of the 11 million AFDC recipients, 4 recipients out of 5 are on welfare rolls because of a parent who has absented himself/herself from the home and who has refused to contribute to the support of his/her family.

B. Purpose

1. To partially relieve taxpayers from the burden of providing support to families with a parent who is absent from the home and not contributing to the support of his/her children.
2. To enforce the support obligations owed by absent parents by establishing paternity and by obtaining child support.
3. To allow the State to determine support obligation owed to it in those cases when there is no Court Order which states the amount of child support to be paid by the absent parent.
4. To allow money owed to the State to be considered the same as money owed to a person which will allow the State to go to Court in behalf of persons not receiving child support payment.

C. Benefits

1. Establishes paternity for children born out of wedlock.
2. Locate absent parent and if necessary, use State or Federal Courts to secure support.

D. Public Law 93-647 was enacted and became effective January 4, 1975.

E. Public Law 93-647 was extended to Guam January 4, 1975.

F. The Department of Public Health and Social Services administers this title in cooperation with the Department of Law.

TITLE IV, PART E: FOSTER CARE AND ADOPTIVE SERVICES

A. Purpose

1. To care for children who must be removed from their own home.
2. To lessen emphasis on foster care placement and to encourage greater efforts to find permanent homes for children either by making it possible for them to return to their own families or by placing them in adoptive homes.
3. To encourage States to ensure that a child cannot be returned to his natural parents before he is placed in adoptive or foster homes.
4. To encourage States to find adoptive homes for hard-to-place children who have special needs.

B. Benefits

1. Provides foster care payments to homes that are certified to care for foster children.
2. Provides adoptive assistance payments to families that adopt children.

C. This title was enacted June 17, 1980 and became effective October 1, 1980.

D. The Title was extended to Guam June 17, 1980.

E. The Department of Public Health and Social Services administers this title.

TITLE V: MATERNAL AND CHILD HEALTH AND CRIPPLED CHILDREN'S SERVICES

A. Overview

1. During 1963, mental retardation was a major national health problem. Of the 4.2 million children born each year, it is estimated that 3 percent of them will be classified as mentally retarded. More than 4,000 children will be severely retarded and unable to care for themselves; approximately 12,600 children will have the mental capacity of a 7 year old and approximately 110,000 children will be classified as mildly retarded and can function independently with training.
2. It was found that inadequate prenatal care among low income mothers-to-be existed which contributed to a higher incidence of mental retardation and other physical defects among their children at birth. In addition, it was found that the risk of death, mental retardation and other physical defects was significantly increased for those infants prematurely born and that low income mothers have a higher premature birth rate.
3. In order to reduce the risk of death and the incidence of mental and physical disabilities among low income children, the Act was created to provide the necessary health care to prospective mothers who have, or who are likely to have, conditions associated with child bearing which increase the health hazards of mothers and their infants. The Act was also created to ensure proper health care is extended past birth to low income children to reduce the incidence of future health disabilities and to alleviate the impacts of existing crippling conditions.

B. Purpose

1. To enable States to extend and improve:
 - a. services for reducing infant mortality and for promoting the health of mothers and children.
 - b. services for locating children who are crippled or who are suffering from conditions leading to crippling and for providing to them medical, surgical, corrective and other required services and to provide facilities for the diagnosis, hospitalization and after care.
2. To enable States to participate in special grants
 - a. to reduce incidence of mental retardation and other handicapping conditions caused by childbearing, and to help reduce infant and maternal mortality.
 - b. to promote the health of children and youth of school and preschool age.
 - c. to promote the dental health of children and youth of school and preschool age.

- d. research projects relating to the above.
- e. training of personnel to carry out above.

C. Benefits

Concentration for the administration of these programs is on low income groups, however, the program is not restricted to just low income persons.

- D. Public Law 90-348 was enacted January 2, 1968 and went into effect during October 1968.
- E. Public Law 90-348 was extended to Guam January 2, 1968.
- F. The Department of Public Health and Social Services administers this title.

TITLE VI: GRANTS TO STATES FOR SERVICES TO AGED, BLIND OR DISABLED - REPEALED

TITLE VII: ADMINISTRATION

A. Overview

Basically, this title spells out how the Secretary of the Department of Health and Human Services shall operate the Social Security system. In addition, it sets aside funding for grants to States.

B. Purpose

To authorize the Secretary to make allotments to States based on population, need and financial ability to provide training to those administering public assistance programs.

- a. Provides grants to public or other nonprofit institutions of higher learning for training personnel employed or preparing for employment in public assistance programs.
- b. Provides grants for special short term courses of study or seminars conducted by experts hired on a temporary basis.
- c. Provides grants for establishing or maintaining fellowships or traineeships.

C. Benefits

Anyone who wishes to apply may do so.

- D. This title was enacted as a part of the basic Social Security Act of 1935.
- E. This provision was extended to Guam during October 1958.

TITLE VIII: TAXES WITH RESPECT TO EMPLOYMENT

A. Purpose

1. Describes how the Internal Revenue Service is to collect employer/employee Social Security taxes.

TITLE IX: EMPLOYMENT SECURITY ADMINISTRATIVE FINANCING

A. Purpose

1. To provide a security program for unemployment. Taxes are collected and a percentage is placed in a fund established by the Federal Unemployment Tax Act. Excess tax collections would be earmarked and placed in the Federal Unemployment account. In the event State Unemployment funds were depleted, the money would be used to supplement accounts. A ceiling of \$200 million was placed by Congress on this unemployment account.

B. Benefits

1. The program is extended only to the States.

C. This title was enacted August 5, 1954.

D. This title has not been extended to Guam.

TITLE X: GRANTS TO STATES FOR AID TO THE BLIND

A. Purpose

1. To enable each State to furnish financial assistance to needy individuals who are blind and to furnish rehabilitation and other services to help such individuals attain or retain capability for self-support or self-care.

B. Benefits

1. Medical care
2. Remedial care recognized by State
3. Rent payments to public housing agencies

C. This title was enacted as a part of the basic Social Security Act of 1935.

D. This title was extended to Guam during October 1958.

E. Guam's administering agency is the Department of Public Health and Social Services.

F. This law was repealed with exception to Guam, Puerto Rico, and Virgin Islands (See Title XVI).

TITLE XII: ADVANCES TO STATE UNEMPLOYMENT FUNDS

A. Overview

This Act was created to provide advances to State Unemployment funds for the purpose of preventing the exhaustion of such funds in the event of heavy demands upon them by reason of widespread unemployment during the reconversion period.

B. Purpose

1. To provide for the establishment of an Unemployment Trust Fund.

C. Benefits

1. Advances are made to States and State must reimburse the trust fund the amount advanced without interest.

D. This title was enacted October 3, 1944 and went into effect during January 1945.

E. This title does not apply to Guam.

TITLE XIII: RECONVERSION UNEMPLOYMENT BENEFITS TO SEAMAN - REPEALED

TITLE XIV: GRANTS TO STATES FOR AID TO THE PERMANENTLY AND TOTALLY DISABLED

A. Purpose

1. To provide aid to permanently and totally disabled individuals age 18 or older with the intent of training them to some extent so they may return to self-sufficiency.
2. To ensure those affected have a fair opportunity to be rehabilitated.

B. Benefits

1. Medical care
2. Insurance Premiums from Title XVIII, Part B.
3. Services to help disabled attain or retain capability for self support through rehabilitation.

C. This title was enacted August 29, 1950 and went into effect during October 1950.

D. This title was extended to Guam during October 1958.

E. The Department of Public Health and Social Services administers this title.

TITLE XV: UNEMPLOYMENT COMPENSATION TO FEDERAL EMPLOYEES

TITLE XVI: SUPPLEMENTAL SECURITY INCOME FOR AGED, BLIND AND DISABLED

A. Purpose

1. The Supplemental Security Income program was designed and intended to be a replacement for, and a continuation of, the prior state-federal aid to permanently and totally disabled programs. The plan was originally started to offer States an alternative. If a State elected to use this title it would no longer be entitled for payments under Titles I, X, and XIV.

B. Benefits

1. Blind or Disabled under Age 65
 - (a) referral to vocational rehabilitation
 - (b) cash payments
 - (c) medical payments
2. Aged
 - (a) cash payments
 - (b) medical payments

C. This title was enacted October 30, 1972 by Public Law 92-603 and went into effect during January 1974.

D. This title has not been extended to Guam, but has been extended to the Commonwealth of the Northern Marianas.

TITLE XVII: GRANTS TO STATES FOR PLANNING COMPREHENSIVE ACTION TO COMBAT MENTAL RETARDATION

A. Purpose

1. To provide a means of encouraging States to initiate a systematic follow-up action on the report of the President's panel on Mental Retardation and to determine what further action is needed.
2. To enhance public awareness and understanding of the massiveness of the problem.
3. To assess available resources to meet the problems.
4. To foster the development of education, rehabilitation, welfare, employment, health and recreation programs for the mentally retarded and to protect their legal rights.

5. To promote the coordination of activities relating to the prevention, treatment or amelioration of mental retardation.
- B. Benefits
1. To increase public awareness of the needs of the mentally retarded.
 2. To coordinate State and local activities relating to the various aspects of Mental Retardation and its prevention, treatment or amelioration.
- C. This title was enacted October 24, 1963 through Public Law 88-156 and went into effect during January 1964.
- D. This title was extended to Guam October 24, 1963 by Public Law 88-156.
- E. At this time there is no agency on Guam that administers this title.

TITLE XVIII: HEALTH INSURANCE FOR AGED AND DISABLED (MEDICAID)

- A. Purpose
1. To assist those elderly persons who are unable to meet the financial burdens imposed upon them by the rapidly rising costs of hospital and physician services.
- B. Benefits
1. Part A of this title provides for the basic hospital costs for:
 - a. Individuals age 65 and older who are entitled to retirement benefits under Title II.
 - b. Individuals under age 65 who have not been entitled for not less than 24 consecutive months to benefits under Title II or under the railroad retirement system on the basis of a disability. This title provides:
 1. Inpatient hospital services for up to 150 days.
 2. Post-hospital extended care services for up to 100 days.
 3. Post-hospital home health care services for up to 100 visits.
 4. Hospital Insurance benefits for uninsured individuals not otherwise eligible - individuals eligible to enroll.
 - (a) Has attained age 65.
 - (b) Is enrolled under Part B of this title.
 - (c) Not otherwise entitled to benefits under this part.

2. Part B of this title provides for supplementary medical insurance benefits for the aged and disabled.
 - (a) Provides payments to or on behalf of the beneficiary for medical and other health services.
 - (b) Provides home health services up to 100 visits during a calendar year.
 - (c) Provides for outpatient physical therapy.
3. Part C of this title provides for services which are out-patient or home care services and which are not normally provided while the person is in the hospital.
 - (a) Bed and board
 - (b) Nursing and related.
 - (c) Diagnostic or therapeutic services or items.
- C. This title was enacted July 30, 1965 through Public Law 87-95 and went into effect January 1, 1967.
- D. This title was extended to Guam July 30, 1965.
- E. The Social Security Administration, which is located in the PDN Building, administers this program.

TITLE XIX: GRANTS TO STATES FOR MEDICAL ASSISTANCE PROGRAMS.

A. Overview

1. The initial purpose of the Social Security program was to give money to the needy so that they can, in turn, use it to purchase health care services. Generous federal matching enables States to provide medical care on behalf of aged persons who have enough income for their basic maintenance but not enough for medical care costs. States, however, are given the option to participate in this Title or continue to operate under the vendor payment provision in Titles I, IV, X, XIV and XVI.

B. Purpose

1. To enable States to furnish medical assistance on behalf of families with dependent children and of aged, blind, or disabled individuals, whose income and resources are insufficient to meet the costs of medical services.
2. To enable States to furnish rehabilitation and other services to help such families and individuals attain or retain capability for independence or self-care.

C. Benefits

1. Provides assistance to all individuals eligible for aid or assistance under any plan of the State approved under Titles I, X, XIV, or XVI, or Part A of Title IV of the Social Security Act.

D. This title was enacted July 30, 1965 by Public Law 89-97 and went into effect January 1, 1966.

E. This title was extended to Guam July 30, 1965 by Public Law 89-97.

F. The Department of Public Health and Social Services administers this title.

TITLE XX: BLOCK GRANTS TO STATES FOR SOCIAL SERVICES

A. Overview

When Title XX was originally added to the Social Security Act, it established categorical funding assistance for each of the social services which were established under it. In keeping with the Reagan administration's policy to increase State and local flexibility by allowing them to target federal money to those areas of highest need, Congress, in the Omnibus Budget Reconciliation Act of 1981, consolidated federal assistance to States for social services into a single block grant to increase State flexibility in using social services grants.

B. Purpose

1. To encourage each State to furnish services directed at:
 - (a) Achieving or maintaining economic self-support to prevent, reduce or eliminate dependency.
 - (b) Achieving or maintaining self-sufficiency, including reduction or prevention of dependency.
 - (c) Preventing or remedying neglect, abuse, or exploitation of children and adults who are unable to protect their own interests and for preserving, rehabilitation or reuniting families.
 - (d) Preventing or reducing inappropriate institutional care by providing community based care, home-based care or other forms of less intensive care.
 - (c) Securing referral or admission for institutional care when other forms of care are not appropriate or providing services to individuals in institutions.
2. To establish a consolidated program of Federal financial assistance and to encourage provision of services by the States.
3. To repeal Titles I, X and XIV for the States however, Guam, Puerto Rico, and Virgin Islands were not exempted from participating in these titles.
4. To provide an income source for the aged, blind and disabled whose income and resources are below a specified level.
5. To provide incentives and opportunities for those able to work or to be rehabilitated that will enable them to become independent.
6. To provide an efficient and economical method of providing assistance.

C. Benefits

1. Federal funds may be used to fund the following activities under this title, but are not limited to:
 - (a) Child care services
 - (b) Protective services for children and adults
 - (c) Foster care services for children and adults
 - (d) Home maintenance and management services
 - (e) Day care services for adults
 - (f) Family planning services
 - (g) Transportation services
 - (h) Employment services
 - (i) Training and related services
 - (j) Information, referral and counseling services
 - (k) Preparation and delivery of meals
 - (l) Legal services
 - (m) Health support services
 - (n) Appropriate combination of services designed to meet the special needs of children, the aged, the mentally retarded, the blind, the emotionally disturbed, the physically handicapped, alcoholics and drug addicts.
 - (o) Administration (including planning and evaluation).
 - (p) Personnel training and retraining directly related to the provision of these services (including both short-and long-term training at educational institutions through grants to such institutions or by direct financial assistance to students enrolled in such institutions).
 - (q) Conferences or workshops or through financial assistance to individuals participating in conferences and workshops as long as the conferences and workshops relate to the delivery of the aforementioned services.

2. Total Congressional Title XX appropriations for the fiscal year period of 1982 through 1986 for the provision of services.
 - (a) FY 1982 - \$2,400,000,000
 - (b) FY 1983 - \$2,450,000,000
 - (c) FY 1984 - \$2,500,000,000
 - (d) FY 1985 - \$2,600,000,000
 - (e) FY 1986 - \$2,700,000,000
3. Title XX formula for determining the federal contribution for the provision of services to the territories of Guam, Virgin Islands, Puerto Rico and Northern Mariana Islands.
 - (a) The amount of Title XX assistance to be given to each of the territories for the fiscal year period of 1982 through 1986 is based upon the ratio of FY 1981's Title XX allocation given to each of the jurisdictions to the total Title XX appropriation for that year. This ratio is applied to the total Title XX appropriations for each of the subsequent fiscal years to determine each jurisdiction's allocation.
 - (b) Local match of Title XX funds is no longer required in order for the territories to receive Title XX funds.
 - (c) The decision on how to utilize the funds to provide authorized Title XX services is left to each of the territories so that the funds can be best used to meet individualized needs.
4. Approximate Title XX allocation for Guam for the fiscal year period of 1982 through 1985.
 - (a) FY 1982 - \$413,793
 - (b) FY 1983 - \$422,414
 - (c) FY 1984 - \$431,025
 - (d) FY 1985 - \$448,266
5. Title XX formula for determining the level of federal assistance for the provision of services to the States.
 - (a) The minimal level of federal assistance given to each of the states must be an amount equal to their FY 1981 allocation.
 - (b) The level of assistance to be given is based upon the ratio of the State's population to the total population of all of the States. This ratio is applied to the total Title XX appropriations for the fiscal year period of 1982 through 1985 to determine the amount each State is to receive.

6. State and territory application procedures

- (a) In order to receive the Social Service block grants a report on the intended use of the money, including information on the types of activities to be supported and the categories or characteristics of individuals to be served is required.
- D. This title was originally enacted January 4, 1975 by Public Law 93-647 and went into effect July 1, 1975. It was amended by Public Law 93-35 on August 13, 1981 and went into effect October 1, 1981.
- E. The Title was originally extended to Guam by Public Law 93-647. When the Title was amended by Public Law 97-35, Guam was also effected by the amendment which took effect on October 1, 1981.
- F. The Department of Public Health and Social Services administers this title.