

**CONFIDENTIAL**

Dear Mr. Young:

Thank you for your letter of 15 December 1954 inviting our review and comment on the report and proposed bill concerning medical benefits of overseas employees and their dependents which were prepared by your White House Overseas Personnel Staff.

We have reviewed this material with considerable interest. We are in favor of increasing medical benefits to employees and their dependents and will generally support such legislation as is required to attain this end. Special administrative problems arising out of some of the more unusual activities of this Agency may require that we seek exception or exclusion with respect to certain details of the final proposal, however. We believe that further comment on this particular point may be deferred until the proposal is presented in a final draft so such comment may be related to specific elements of the plan.

A few minor points which we would like to mention in connection with the report will be discussed informally with Mr. Brown by [redacted] who has been designated as liaison for this Agency in accordance with the final paragraph of your letter. [redacted] is a member of my Office of Personnel and can be contacted on code [redacted]

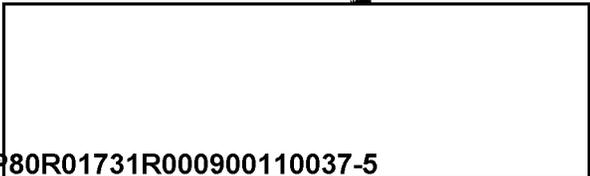
In reviewing the Bill, we have noted a few points which we believe might be considered in revising it for presentation to the Bureau of the Budget:

a. The scope of the Bill with respect to illnesses and injuries covered is not completely clear. For example, it is not clear that maternity cases would be covered by the present provisions.

b. Although the report indicates that the determining factors will be the availability of facilities and health conditions in the particular area, the latter factor is not reflected in the Bill (section 102d). We agree that health conditions should be a factor and suggest that they be specifically included in the Bill.

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*White House*

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c. The provision for an attendant to accompany an employee or his dependent who may be returned to the United States for care is limited to the authority to pay the cost of transportation only. If a professional attendant is required, additional authority would be required to pay for the services (section 203c).

d. Definition of "incurred overseas" to indicate whether the phrase means "clinically incurred" or "medically diagnosed" would be helpful (section 204a).

With respect to the additional information which will be required before this Bill is presented to the Congress, I regret that for security reasons, we will be unable to furnish the statistical information, including case histories, and cost estimates. The statutory authorities for our present program are contained in the Central Intelligence Agency Act of 1949, as amended, 50 U.S.C. 403c(a)(5) and in 5 U.S.C. 150. In this regard, we should like to emphasize that the language of the final Bill should not impair any of the authorities already granted to this Agency by the Central Intelligence Agency Act of 1949, as amended.

*Honorable Philip Young*  
*Presidential Adviser on Personnel Management*  
*The White House*  
*Washington, D.C.*

Allen W. Dulles  
Director

Originator: *fo*



Chief, Planning and Analysis Staff

Date: \_\_\_\_\_

Distribution:

- 0 & 1 - Addressee
- ✓ 1 - Signer - *my name*
- 1 - Medical Office
- 1 - General Counsel
- 2 - OP

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6-4671

MEMORANDUM FOR: Director of Central Intelligence

SUBJECT: Report and Proposed Bill Concerning Medical Benefits

1. In accordance with the request of your Office, there is attached a proposed reply to a letter addressed to the Director of Central Intelligence from Mr. Philip Young, dated 15 December 1954, concerning the subject indicated above. This reply has been prepared in collaboration with representatives of the Office of General Counsel and the Medical Office.

2. The proposed reply has been coordinated with [redacted] of the Office of General Counsel and has his concurrence. The Chief, Medical Staff has concurred except for the comments made concerning the proposed Bill in the fourth paragraph of the attached reply. He has indicated that he considers it inappropriate to comment on these items although he has expressed no disagreement with the thoughts reflected. It is the opinion of this Office that the comments presented do not revolve around professional medical issues and that they are appropriately made. We consider it particularly important that the apparent oversight in providing for non-employee attendants be brought to attention.

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3. The third paragraph of the letter indicates that a few minor points concerning the report will be discussed informally with Mr. Brown of Mr. Young's Staff by our liaison representative.

[redacted]

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[redacted]

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Assistant Director for Personnel

Attachments

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CENTRAL INTELLIGENCE AGENCY  
OFFICIAL ROUTING SLIP

SUSPENSE: 23 December 1954

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FROM		INITIALS	DATE
1	Assist. to the Director	RWF <i>[Signature]</i>	16 Dec
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Remarks:

Preparation of reply for DCI's signature.



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THE WHITE HOUSE  
WASHINGTON

DEC 15 1954

Dear Mr. Dulles:

In my report of April 30, 1954, on overseas pay and personnel practices to the Chairman of the Subcommittee on Manpower Utilization of the House Post Office and Civil Service Committee (House Report No. 1760), I enumerated certain problems relative to health and medical services for overseas employees. I stated that a review of health and medical needs should be made before specific legislative proposals were submitted.

Over the past several months I have had my White House Overseas Personnel Staff making such a review. There is enclosed herewith for your consideration:

Enclosure 1 - A report which (a) discusses present agency practices, (b) isolates and examines the problems, and (c) makes specific recommendations for their solution;

Enclosure 2 - A proposed bill embodying the major portion of the recommendations.

We have found that Federal employees stationed abroad are frequently subjected to health hazards not encountered in the United States. While at some overseas posts health conditions and available medical and hospital facilities are comparable to those in the United States, at many posts in the more backward countries health and sanitary standards are far below those found in the United States. Various communicable diseases not met with or rarely met with in this country are common and frequently the hospital and medical facilities available are quite inadequate when judged by United States standards. To obtain effective and efficient service from employees, as well as to make overseas service more attractive, steps should be taken to guard the health of employees and their dependents and to make available to them necessary health services.

To this end, the report contains recommendations that (1) rigid pre-departure physical examinations be given dependents, as well as employees, (2) the Government undertake to provide at Government expense health and medical care for all overseas employees and their dependents, (3) the Government pay medical travel for employees and

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their dependents, (4) the Secretary of Defense be authorized to provide care in military medical facilities for all Federal employees and their dependents, (5) the Secretary of State be authorized to permit small agencies to use the Foreign Service Medical Program and (6) an Overseas Medical Advisory Board be created to assist in coordinating agency medical programs. The draft bill embodies these six recommendations.

The above mentioned enclosures are being forwarded for informal comment by your agency before submission to the Bureau of the Budget for official clearance. I am desirous of obtaining your comments and suggestions on both the report and the proposed legislation.

We are particularly interested in learning whether your agency will generally support these proposals or, if not, what specific changes you would suggest. I will appreciate receiving your views on this matter not later than January 1, 1955, if possible.

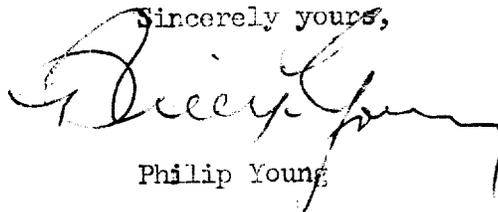
We will need additional information before the bill finally goes to Congress, including:

1. A listing of statutory authorities which agencies are currently using for medical care of their personnel and which would be affected by the proposed legislation.
2. Additional statistical information and case histories.
3. Estimates of what the proposed program would cost each agency.

While we would like information on the three above mentioned areas from your particular agency as soon as possible, we realize that asking for this part of the information by January 1, 1955 would be too short a notice and therefore we request that this data be forwarded to us by January 21, 1955.

We will also appreciate it if you will include in your reply the name and telephone number of the individual(s) available for liaison. Such individuals within your agency may contact either Mr. Henry Du Flon or Mr. Harvey Brown of my staff on Code 160, Extension 305, for any additional information or explanation that may be necessary.

Sincerely yours,



Philip Young

Mr. Allen W. Dulles  
Director  
Central Intelligence Agency  
Washington 25, D. C.