By JOHN SIBLEY

The nation's Medicare and Medicaid programs have been challenged as unconstitutional in Federal court here because they specifically exclude the one million Americans who are treated each year in public institutions for the mentally disabled.

The suit asks the court to order both programs halted until a patient with a mental disorder can receive the same benefits as one with, say, a broken leg.

It was instituted by two mental patients on behalf of "all those similarly situated" in institutions across the country. minority in the United States guaranteed by the 14th Amend-gation that patients have this ment. "John Legion," a 30-year-old Extending Medicare and Med-

'The Most Hopeless'

plained yesterday, as a way of showing that "legions" of men-One of Dr. Birnbaum's basic mentally retarded people are his clients have a constitutional vitally affected.

most chronically ill, the sickest, committed to an institution in-the most rejected, the most de-voluntarily and then does not fenseless, the most abandoned, receive the best of professional

patient at the Brooklyn State icaid benefits to these patients, Hospital for the mentally ill, Dr. Birnbaum estimated, would and "Lillian Hosts," a 10-require about \$1-billion in new year-old mentally retarded girl Federal funds. This would mean the release of mental patients ance programs — including willowbrook State an increase of roughly 13 per who were being held against those put forward by President

the care provided in states' patients in a state mental hos-mental institutions. Under the current programs, Federal funds the court that they were not He selected his clients' pseu- for patients go into the states' receiving adequate care. donyms, Dr. Birnbaum ex-general funds and can be di-

tally ill patients and "hosts" of contentions in the suit is that right to "adequate care and

the poorest, the most hopeless care, the legal argument goes, he and the most discriminated is being deprived of his liberty against discrete and insular without the due process of law

THE NEW YORK TIMES, SATURDAY, JUNE 24, 1972

In a number of unsuccessful suits, Dr. Birnbaum has invoked

Voicing hope for success in his New York case, Dr. Birnbaum said the Alabama case had "marked the first time an American court not only clearly recognized this right, but also the first time that Amer-His suit describes these peotreatment."

If a mentally ill person is some have agreed during liti-

He said also that a favorable court decision was urgent because all of the current propos-