Minority Report of Committee on Costs of Medical Care Favor Private Practice. "The minority report recommends that united attempts be made to restore the general practitioner to the central place in medical practice. It opposes all forms of medical practice which make it difficult to maintain the personal relationship of physician and patient. It disagrees with the majority report that savings in the cost of medical care are to be made by eliminating the general practitioner or submerging him in a group. The great majority of illnesses and injuries (about 85%) are of such nature that they can be treated efficiently by any able practitioner with very simple equipment."

Extracts from Minority Report of the Committee on the Costs of Medical Care, Reprinted in Congressional Digest, August, September, 1935, p. 815.

System of Private Practice Too Costly. Reflect on the extravagance of the present incoherent, multifarious health agencies in our commonwealth. Second, the federal health services, public health, child welfare and maternity, and also various private national societies and institutes of hygiene and medicine with state branches. Third, the local boards of health with their hospitals for contagious diseases, and the school health department, police and private ambulance services, diverse hospitals, municipal as well as private, charitable and industrial, general and special, different health centers, district nursing societies, Red Cross workers, private physicians, and nurses, pharmacists, masseurs, cultists of nearly the fifty-seven proverbial varieties, mediums, quacks, abortionists, herbalists, fakers, and dispensers of "patent" medicines.

"In Defense of State Medicine" New England Journal of Medicine, p.1678, May 29, 1930 by G. W. Haigh. Reprinted in the Handbook of Sickness Insurance, State Medicine, and Costs of Medical Care published by the American Medical Association, p. 126, 1934.

PROMOTE VOLUNTARY GROUP MEDICINE OR INSURANCE

Types of Group Medical Service. There are various methods of providing medical care other than through a continuation of the present system of private practice.

1. Group Medicine proposes that groups of medical men co-operate to give medical services to people of moderate means on an easy payment contractual basis. (This plan has been recommended by the Committee on Costs of Medical Care. Some 350 of these plans are in existence at the present time.)

2. Health Insurance is an extension of the insurance principle to medicine. It has various forms, some of which are the workman's compensation service, industrial insurance, and health and accident insurance. The greatest objection to health insurance is that it is generally organized on a profit basis. Health insurance may be either voluntary or compulsory.
Historical Aspects of Medical Care. The importance of medicine for the community has long been recognized by society. Although the Greek world 500 B.C., knew comparatively little about medicine, Plato advocated a form of community medicine. Among the early Greeks, medicine was commonly practiced by wandering doctors who went from place to place knocking on doors, peddling their services. In some cases in the larger communities a permanent physician was retained by a small public tax. His income was augmented by gifts which he was permitted to accept from the more wealthy patients. The Greeks perhaps gave us an example of the first attempt at organized medicine.

Several centuries later Christianity introduced the attitude that the sick and afflicted should be viewed with a spirit of charity. This attitude had its influence in medieval times among the guilds. The wealthier guilds owned and operated a form of hospital service for their own members and organized mutual sick benefit societies with special funds which were used only for emergencies such as severe illness and death.

During the last century and a half the principle of health insurance spread rapidly throughout most of Europe but the movement had its strongest following in Germany. It took such a widespread calamity as the cholera plague of 1851 to arouse the masses to the appalling conditions of health. Under the Public Health Act in 1848 Germany became a leader in sanitary improvement and in founding medical societies that became patterns of socialized medicine in many communities. By 1900 nearly all European countries had established some kind of social insurance and it is significant to note that there is practically no important opposition to the principle of health insurance in any country where it now exists.

In the United States, since the Civil War, various forms of group medicine, private clinics, pay clinics, free clinics and sickness insurance have been formed. In 1890 through the Workmen's Compensation Laws and voluntary action by many corporations medical care had been made available to more than a million men on a small fee basis. Many communities have through voluntary associations and hospitals made much progress in distributing the burden of medical costs among the people. We can see the evidence of an unmistakable trend towards various types of experimentation in medical economics.

Examples of Group Medicine Colleges. In more than 150 colleges and universities there are student health services, some of which have been functioning for fifty years or more. Some of these furnish complete medical services. Well over a million students and teachers are included in such groups, a good share of the grand total. At the University of California complete care—physicians' services, dental work, hospitalization, physical-thorapy, x-ray and drugs—is furnished to ten thousand students at a cost, including capital charges, that averages $18 per year per eligible student. At the University of Michigan the needs of more than 12,000 students are looked after at a total cost to each student of $10 dollars a year. The University of Wisconsin also has a system of student health which serves its students at a nominal cost.
Rural Communities. A number of rural communities, faced with the plain fact that if they wanted medical care they would have to assure a competent man a fair income or go without it, have organized themselves as consumer groups. By guaranteeing a doctor a good salary a district is assured adequate care. The rural group plan is often somewhat disguised by the fact that a competent man will remain in a locality because he is paid by the local government for treating the indigent or for public health work. But he is a group physician in fact if not in name.

In Saskatchewan and Manitoba, Canada, nearly fifty rural areas have group plans in which physicians are paid through general taxation. These physicians are usually health officers as well, and the system has been operating successfully since 1921. The doctors are assured from $3,000 to $5,000 net income each year, and both patients and doctors appear well satisfied with their bargain. Freed from the necessities of bill collecting, the doctors report that they are able to do better work. Unfortunately most rural areas are without adequate hospitals and such costs come extra. The present service, if paid for direct instead of through taxation, would cost each family from $7.50 to $10 per year. Of such plans H. L. Monckton once wrote: "A few unusually enlightened rural communities have induced doctors to settle in them by offering guaranteed incomes to competent men, but it must be plain that such communities are too intelligent to be numerous."

No Laymans View About the Costs of Medical Care, p. 8-10, March, 1935. Reprinted from "Cutting the Cost of Sickness" by J. H. Chamberlin, World's Work, June, 1934.

Cities. Group medicine is continually growing in this country. A few of the cities in which various forms of group medical service are operating are:

Los Angeles, California--Ross-Iocs Medical Group; Organized April 1929; serving 40,243 persons.
Sacramento, California--Superior California Hospital Association; Organized June, 1932; serving 5956 persons.
New Orleans, Louisiana--Hospital Service Association of New Orleans. Organized April, 1934; serving 35,000 persons.
St. Paul, Minnesota--Hospital Service Association. Organized April 1934; serving 8380 persons.
Newark, New Jersey--Associated Hospitals of Essex County, New Jersey. Organized January 1935; serving 6,000 persons.
Durham, North Carolina--Hospital Care Association, Inc. Organized November, 1933; serving 4,989 persons.
Cleveland, Ohio--Cleveland Hospital Service Association. Organized July, 1934; serving 11,000 subscribers and dependents.
Houston, Texas--Hospital Service Association, Inc. Organized January 1933; serving 5,987 persons.
New York City--Associated Hospitals, Inc. Organized May, 1935; serving 7000 subscribers.


Elk City, Oklahoma--Community Hospital; organized 1929, serving 1800 families.

Layman's View About the Costs of Medical Care, p. 30. Julius Rosenwald Fund, March, 1935.
Group Hospitalization. Another development of late years has been the establishment of "group payment" plans by hospitals and other agencies. Through the payment of a flat sum each month, the patient is assured complete hospitalization, and in some instances the services of a physician when he becomes ill. This charge may vary from fifty cents to two dollars depending upon the type of care rendered.

About thirty cities have group payment plans in operation and about fifty more are in the process of formation. For a small sum the patient is guaranteed hospital care which might cost him $300. The idea is growing rapidly, and several state medical societies have approved group pay plans. They have the active support of the American Hospital Association and the Western Hospital Association. One thing is certain: the hospitals have been helped to weather troublesome economic runs, and so have the patients.

The Layman's View about the Costs of Medical Care, p. 8-10, March 1935. Reprinted from "Cutting the Cost of Sickness" by Jo H. Chamberlin, World's Work, June, 1934.

Industrial Medicine. Group medical care under industrial supervision has been carried on to a great extent in this country. The plans in operation in the Homestake Mining Company of South Dakota, the Endicott-Johnson Company of New York, and the Goodyear Tire and Rubber Company of Ohio, are but a few of the numerous instances in which industrial workers have been benefited by this form of medical service.

Insurance Medicine. Insurance medicine has also found some favor in this country, but is opposed by many, because:
1. Profit to insurance companies is an essential factor.
2. Politics will surely enter. Insurance companies maintain expensive lobbies.
3. Insurance companies will control the medical policies.
4. Competition by doctors for jobs with insurance companies will be a certainty.
5. The doctor will be insecure in his position and earnings.
6. Medical insurance is not applicable to all patients, but only to those who are able to pay for the costs of insurance.
7. Experience with the present compensation law yields poor results to both patient and doctor.