

# Doctor Dispels Fog On Insurance Plan

BY IRA DEAN MCCOY, M. D.  
(Second of 2 Articles.)

Washington. — A continuous smokescreen has been laid down by special interests to befog the public's mind on what National Health Insurance is and what it would mean to the doctor and the patient.

Proponents of National Health Insurance cherish the freedom and intimacy of the doctor-patient relationship as much as our die-hard opponents. Patients, as now, would select their own doctors; doctors, as now, would accept or reject patients. National Health Insurance is just a method of paying for medical care.

The only change proposed by advocates of National Health Insurance is that, instead of the patient paying when and if he has money available, the doctor or the hospital of his choice would be paid by the insurance system at a rate and by a method to which the doctor had agreed.

Those who support National Health Insurance are keenly aware that our nation has fewer physicians and hospital beds than we need, and these so poorly distributed that in some rural counties there are no resident physicians at all, and little or no hospitalization accessible.

Nevertheless, it is unrealistic to argue that National Health Insurance should be delayed for the years required to train many more doctors and build many more hospitals. The supply of medical personnel and facilities will expand only when, through insurance, the money to pay for them is guaranteed. This demand depends on families' purchasing power for medical care. This is the simple principle of supply and that administrative

costs would be excessive.

The first answer to this objection is that the nation needs to spend more for health. Too many of us have been doing without for too long. Moreover, a large part of the expenditures under National Health Insurance would not be new or added expenditures. Money now expended in direct payments for medical care by sick persons would be distributed under the plan in small regular payments from all people. Consequently, the costs of sickness—ordinarily concentrated upon a small part of the population in any given year—would be spread over the whole year and over all the people.

As for administrative costs, it is worth noting that expenses of voluntary, nonprofit plans run to 12 percent or more in comparison with the premiums collected. An important part of these administrative expenses is the cost of soliciting and retaining members, a task that would be eliminated by National Health Insurance.

Many other costs would also be eliminated by National Health Insurance. It might at this time be interesting to note that the Blue Cross of Michigan has approximately 1,500,000 policy holders, or subscribers, as they choose to call the people who are buying Blue Cross Insurance.

From January 1 until June 30, 1949, the Blue Cross of Michigan had a total earned income of \$12,399,566.37. But during that same period of time their operating expense was \$1,135,477.46. Of that \$1,135,477.46 are some interesting items of expense: \$711,990.07 was paid out in salaries; \$47,547.09 was paid out in travel and other expenses; and \$79,783.54 was paid out in "sundry" expenses (of which

no explanation is made.)

By these few figures I have given, it is very plain to be seen that the administrative costs of the Michigan Blue Cross are tremendous in comparison to the amount of money collected from their policy holders. It is, however, a nonprofit corporation. A great many patrons who are using the Blue Cross learn to their sorrow its services are limited. This could be due to the huge expenses I have already cited.

As a result of the very cunning, insidious, and extremely expensive propaganda campaign carried on by the medical lobby, the American Medical Association and its National Physician's Committee, most people think that all doctors, or nearly all, unqualifiedly follow the AMA "party line" in opposition to National Health Insurance.

The dictatorial, undemocratic rule of the AMA's House of Delegates imposes its policies practically by fiat on a hapless and helpless membership. Serious disagreement by an individual doctor with the policies laid down by the House of Delegates or by his local medical society may result in unpleasant economic and professional consequences for that doctor. Few doctors dare risk these consequences.

But opposition to AMA reaction has been growing and has expressed itself in several organizations of doctors who are in favor of National Health Insurance and who say so openly. These organizations—the Committee of Physicians for the Improvement of Medical Care, the Physician's Forum, and the Committee for the National Health, composed of both laymen and doctors—are becoming growing spearheads of opposition to the entrenched leaders of the AMA.

The American Medical Association has been spoon-feeding the American people a terrific amount of propaganda against National Health Insurance; but I can cite the bill itself and tell you as well as anyone just what it is and what

it will do for you.

1. It would make available to you and all other employed and self-employed persons (with few exceptions) all the care you need from physicians, both family doctors and specialists, hospital, laboratory and X-ray services, unusually expensive medicines, eyeglasses, and appliances; and dental care and home nursing to a limited degree.

2. It would also cover the dependent members of your family.

3. You would be free to choose your own doctor, hospital, etc., and to change your selection. Actually countless individuals would have greater freedom of choice than they have now, because the prepaid plan of health insurance would help assure a better supply of physicians in many areas where there are not now enough doctors, and because the prepayment plan would enable millions who cannot now pay, to have the services of a doctor of their choice for the first time.

4. Your doctor's professional freedom would be fully protected. He would not become a government employe. He would remain a practitioner, free to accept or reject patients, to locate wherever he wishes, to participate in, or stay outside, the insurance plan. He would be paid by the insurance funds in amounts and methods which he or his own representative would negotiate.

5. It would cost you 1 1-2 percent

of your earnings (up to \$4,800 of income). Your employer would pay an equal amount. You would pay 3 percent (up to \$4,800) if you are self-employed.

6. If you are a member of a voluntary health insurance plan that meets minimum standards, this plan could continue to provide you with services and your premiums would be paid from the national insurance fund.

7. Health insurance would not be run from Washington. It would be managed by local areas under a plan adopted by each state.

In view of the above-mentioned facts it is almost impossible to understand the American Medical Association's bitter opposition especially when the AMA House of Delegates in 1916 petitioned the Congress to spread a universal health insurance over all the American people. This petition was recalled or withdrawn in 1920.

Many of us fear the threat of Communism but do we all realize the best way to combat the scourge of Communism is to increase the opportunities of the ordinary individual? America is great enough and rich enough that we should have equal opportunity insofar as public school education is concerned in this country for all our children whatever their color or creed. All children have a right in this great country of ours to healthy and sound bodies insofar as our medical

science can give it to them.

These are not visionary ideals. We can and must find a way for their fulfillment. "He stands straight who stoops to help a child."

### GAINS AVERAGE 3 CENTS.

San Francisco.—The California Federation of Labor reports that wage and other gains won by AFL unions during December 1949 averaged 3 cents an hour for 19,000 workers covered. The average gain for 9,000 of the total was 6 cents

### PLAN CONFERENCES.

Washington.—A national conference on workmen's compensation and rehabilitation will meet here March 22 and 23. William Connolly, director of the Labor Department's Bureau of Labor Standards, heads a planning committee representing various interested groups. Members of this committee include Lewis G. Hines, of the American Federation of Labor.

The AFL supports the American Heart Association drive.

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