

CONCERNING PROPOSED COMPULSORY HEALTH INSURANCE
LEGISLATION.*

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The professed objects of compulsory health insurance must command the cordial sympathy of every right-minded citizen. Every one will readily grant that the loss of wages due to illness, and the cost of medical treatment either of himself or of members of his family constitute a grievous burden upon the poorly paid wage earner, and that the alleviation of such burden is a proper subject for state legislation.

It does not follow, however, that the first remedy suggested is the proper one, or that we should accept any proposed remedy without careful scrutiny of its provisions, and without thorough consideration of its probable effects both upon the classes sought to be benefited and upon the state and society at large.

The so-called "model" or "standard bill" for Compulsory Health Insurance proposed by the *American Association for Labor Legislation* is a lengthy document, consisting in all of 59 sections, many of them containing provisions which interlock with the provisions of various other sections, so that only by careful and critical study is it possible to become acquainted with the purport of the measure as a whole or to form any intelligent judgment of its probable effects upon the persons to be benefited or upon the persons who are to bear the burdens imposed.

The nature of compulsory health insurance.—As set forth in the standard bill, compulsory health insurance is the insurance by act of law of certain classes of wage earners and their families against sickness—including maternity—and the payment of certain cash and death benefits.

It is "compulsory" because all of the workers to whom it applies are to be insured by act of law without the exercise of option on the part of the individual insured.

Who are to be compulsorily insured.—Compulsory insurance is to apply to "every worker at manual labor," no matter what his wage income may be—and to every other employee whose wage compensation does not exceed \$100.00 per month.

The only persons to be exempt under the law are employees of the United States Government and also such state and municipal employees as are otherwise insured "through legally authorized means," *i. e.*, those who are insured under some other form of law. (Sec. 2.)

When the benefits are to accrue.—The benefits are to apply to every case of sickness of employees, or members of their families, and to accident or death not covered by workmen's compensation acts. (Sec. 6.)

What the benefits are to consist of.—The minimum benefits are to consist of—

- (1) All necessary medical, surgical and nursing attendance for the employee and dependent members of his family.
- (2) All medical and surgical supplies to the extent of \$50 in any one year.
- (3) For female employees or the wives or widows of employees a maternity benefit for six months of the year preceding confinement.
- (4) A cash payment to the employee during sickness, equal to two-thirds of his weekly wage, for 26 weeks.

* An address before the Illinois State Pharmaceutical Association, June 20, 1917.

(5) In place of home treatment, the sick employee may be given treatment in a hospital, in which case his family is to receive one-third of his weekly wage.

(6) In case of death of the employee or of a dependent member of his family, a funeral benefit of \$50. (Sec. 7.)

Additional benefits may be paid under certain conditions. (Sec. 20.)

How the expense is to be met.—The expense of compulsory health insurance is to be contributed jointly by employers, employees and the state. The employer and employee are each to contribute 40 percent of the cost, and the state 20 percent. The state is also to pay the salaries and expenses of the State Social Insurance Commission and its employees, and also various other expenses of administration.

If the earnings of the employee are below \$9 a week, the contribution of the employer is increased proportionately and that of the employee correspondingly decreased. If the weekly wage is \$5, or less, the employee is relieved of all contribution.

The limit of the amount of money which may be spent.—According to the standard bill there is no limit on the amount of money which may be collected and spent. It must be *sufficient* to discharge the obligations created by the law. (Sec. 23.)

How the money is to be collected and paid.—The employer must pay into the fund at least monthly the total contribution due from him and his employees, and must notify his employees of the amount paid on their behalf. (Sec. 33.) The state contribution is to be paid from the state treasury.

The machinery of administration.—The machinery of administration is partly local and partly state. At the head of the system there is to be a "Social Insurance Commission," appointed by the Governor and paid by the state, having general charge of the administration of the law and supervision over the local societies. (Sec. 43.)

The Social Insurance Commission is to be advised by a "Social Insurance Council" (Sec. 52) and by a "Medical Advisory Board," chosen by the state medical societies. (Sec. 56.)

The local machinery is to consist of local or trade societies known as "Funds" or "Carriers," each of which is to be controlled by a "Committee of the Fund" and a "Board of Directors."

Creation of the local societies or funds.—The state is to be divided into districts containing not less than 5000 persons subject to compulsory insurance, in each of which there is to be one or more local or trade funds which are the direct carriers of the insurance in such district. (Sec. 25.)

By act of the law every person in the district subject to compulsory insurance and every employer thereof is made a member of these local or trade funds. (Sec. 34.)

The first step in the organization of a fund is the election of a "Committee of the Fund" of not less than 20 nor more than 100 members, who are to be elected jointly by the votes of the employee and employer members. (Secs. 29-30.)

The Committee of the Fund in turn is to elect a Board of Directors of not less than 8 nor more than 18 members, which is to direct the administration of the Fund. Members of the Board are to receive \$5.00 per day while attending meetings. (Sec. 31.)

The above is a very imperfect review of some of the principal provisions of the bill. Other sections will be referred to subsequently.

CHARACTER OF THE BILL, IN GENERAL.

Apparent discrimination against certain classes of workers.—A peculiar feature of the bill is the apparent discrimination against certain varieties of labor in favor of others.

Section 3 provides, among other things, that compulsory insurance shall apply to every person "employed at manual labor," and to every other employee whose remuneration does not exceed \$100 per month.

That is, a railroad engineer or high grade mechanic earning perhaps \$2,000 to \$2,500 per year would be entitled to receive free medical, surgical and nursing attendance and supplies for himself and family, and two-thirds of his weekly wages while ill, while an employee at any other kind of labor who might receive a few dollars in excess of \$100 per month would not be entitled to any of these benefits, although as a citizen and taxpayer he would contribute to the maintenance of the health insurance of the more highly paid manual worker.

The reason for this discrimination between employees at manual labor and other employees is not clear. The only information given in the pamphlet accompanying the bill issued by the *American Association for Labor Legislation* is the statement that "German and English precedents are followed by including under compulsory insurance all manual workers, whatever their earnings, and in limiting compulsory insurance for other employees, mostly clerks and foremen, to persons earning less than \$1,200 a year."

According to all accounts there are but few manual laborers in Germany and Great Britain who receive wages comparable to those paid to specialized mechanical laborers in the U. S., and if this be true something more than a bare quotation of European precedents would seem to be necessary to establish the justice of what, at least on its face, appears to be a gravely unfair discrimination in favor of one class of wage earners as against all others.

Indefiniteness of certain provisions of the standard bill.—Advocates of the standard bill have had much to say concerning the simplicity of the language employed, and of the absence of involved and obscure phraseology, but such praise must be accepted with some qualification. At least a part of its apparent simplicity seems to have been gained by the avoidance of problems troublesome of solution, or by the use of general terms for the designation of functions which would show themselves to be incapable of practical application if they had been described in detail.

For example, Section 4 provides that "Special regulations shall be made by the Social Insurance Commission for the insurance of home workers and casual employees, or for their exemption from compulsory insurance."

The insurance of the casual worker, usually one who works at odd jobs or irregularly, has not been satisfactorily accomplished by the German and British social insurance schemes, because there is no regular employer to contribute the employer's proportion or to be responsible for the contribution due from the employee.

The use of the word "shall" in Section 4 would indicate that such insurance is to be imperative, but this conclusion is destroyed by the qualification that the Commission may exempt them from compulsory insurance. In other words, these workers may be either compulsorily insured or exempted from insurance as the Social Insurance Commission pleases.

Another example of simplicity obtained by the avoidance of embarrassing details is found in the provisions for the insurance of self employed persons (*i. e.*, the huckster, small shop-keeper, etc.) for whom it is simply provided that they "may insure themselves voluntarily in the local or trade funds of the locality in which they live, or of the trade at which they are employed, subject to the conditions of this act." This language seems to indicate that such persons may obtain insurance on the same terms as other wage earners, but on examination of another section (Sec. 35) we find that the by-laws of a fund may refuse insurance to any person "who has not passed a satisfactory medical examination," and that an application for admission to voluntary insurance "shall be subject to the same conditions as an application for ordinary life insurance."

Under compulsory health insurance it is not to be expected that employers will hire, or will continue the employment of persons whose age or physical condition indicates that they will soon be in need of relief. Such persons will thus become either casual workers who may be exempted from insurance by the Commission, or self-employed persons to whom voluntary insurance may be denied because of their inability to pass a medical examination. In other words, the insurance of these two classes of workers, the most necessitous of all wage earners is, so far as this bill is concerned, only a hollow pretense.

If the framers of the standard bill knew of any effective and practicable method of providing health insurance for casual workers and self-employed persons they should have inserted sections showing how this might be done, or at least should have furnished us with a sample of the special regulations by which the Insurance Commission can effectively deal with a subject which so far has not been satisfactorily handled in the countries where health insurance laws are in force.

No restriction upon the character of the illness compensated for.—It will be observed that there is no restriction upon the character of the illness, or of the cause from which it resulted, so far as entitlement to benefits is concerned. The man whose damaged health is due to his own negligence or fault, the sufferer from vicious habits or from gross neglect of the rules of health, and the victim of venereal disease are equally entitled to medical benefits with the man whose illness grows directly out of the nature of his employment or is due to some reason or misfortune for which he is in no wise responsible.

The healthy employee of careful habits, the employer and the state are all to be called upon to soften the way of the transgressor and to contribute not only to the medical care and treatment of the vicious and undeserving, but also to pay them a cash compensation equal to two-thirds of their wages during their enforced vacations.

The medical provisions of the bill.—The provisions regulating medical, surgical and nursing services are fairly elaborate, comprising about one-eighth of the entire text of the bill, and are as follows:

"Section 10. MEDICAL SERVICE. The carriers, subject to the approval of the Commission, shall make arrangements for medical, surgical and nursing aid by legally qualified physicians and surgeons, and by nurses or through institutions or associations of physicians, surgeons and nurses. Provision for medical aid shall be made by the carriers by means of either:

- (1) A panel of physicians to which all legally qualified physicians shall have the right to belong, and from among whom the patients shall have free choice of physician, subject to the physician's right to refuse patients on grounds specified in regulations

made under this act; provided, however, that no physician on the panel shall have on his list of insured patients more than 500 insured families nor more than 1000 insured individuals;

- (2) Salaried physicians in the employ of the carriers, among which physicians the insured persons shall have reasonable free choice;
- (3) District medical officers, engaged for the treatment of insured persons in prescribed areas;
- (4) Combination of above methods."

"Section 11. MEDICAL OFFICERS. Each carrier shall employ medical officers to examine patients who claim cash benefit, to provide a certificate of disability, and to supervise the character of the medical service in the interests of insured patients, physicians, and carriers."

"Section 13. HOSPITAL TREATMENT. Hospital or sanatorium treatment and maintenance shall be furnished, upon the approval of the medical officer of the carrier, instead of all other benefits (except as provided in Section 16), with the consent of the insured member, or that of his family when it is not practicable to obtain his consent. The carrier may demand that such treatment and maintenance be accepted when required by the contagious nature of the disease, or when in the opinion of its medical officer such hospital treatment is imperative for the proper treatment of the disease or for the proper control of the patient. Cash benefit may be discontinued during refusal to submit to hospital treatment. Hospital treatment shall be furnished for the same period as cash benefit. This benefit may be provided in those hospitals with which the funds and societies have made satisfactory financial arrangements which have met the approval of the Social Insurance Commissioners, or in hospitals erected and maintained by the funds and societies with the approval of the Commission."

From this section it is evident that if the patient refuses to accept hospital treatment the payment of cash benefit may be discontinued, which should prove effective in compelling adherents of Christian Science, osteopathy or other drugless cults to accept the treatment proposed by the regular medical officers.

"Section 14. ARBITRATION COMMITTEE. All disputes between the insured and physicians, or between funds and physicians concerning medical benefits shall be referred to special committees composed of representatives of the interests concerned with an impartial chairman appointed by the Commission, with an appeal to the Commission."

"Section 56. MEDICAL ADVISORY BOARD. The state medical societies shall choose a medical advisory board which shall be consulted on medical matters."

The number of members to constitute the medical advisory board is not specified, nor is there any mention of the term of office.

There is no definition provided for determining what shall be considered a state medical society within the meaning of the act, nor is there any statement of the manner in which the election shall be held.

This suggests the query, whether a society of osteopathic practitioners would be considered a state medical society, and also whether the medical societies are to hold joint meetings for the selection of members of the medical advisory board, or are to act separately.

"Section 58. MEDICAL DISPUTES. All disputes regarding medical benefits which have been appealed to the Commission shall be referred by the Commission to the medical advisory board, which shall report to the Commission, and the Commission shall not decide any such dispute until after a report has been made by the board."

Since all disputes affecting the interests of physicians must first be tried by an arbitration committee on which the physician is represented, and since all appeals from the decision of an arbitration committee must be passed upon by the Medical Advisory Board before the Insurance Commission can decide the matter in dispute, it is evident that the physician's side of the controversy will have ample opportunity of presentation before it is decided against him.

To an outsider it would appear that the interests of the physician are abundantly cared for, especially those who might be fortunate enough to obtain employment under the provisions of the law.

It is stated on good authority that in Great Britain one-fifth of the doctors are in many towns treating one-half of the insured population. German experience is quite similar. In both countries a few physicians enjoy a majority of the insurance practice.

We cannot help but believe that a similar result would follow the general adoption of compulsory health insurance laws in the United States, in spite of all efforts to prevent it. Employment under a health insurance law is public employment, and public employment is only another name for political employment. In every age and in every country political preferment has most frequently come to the best politicians, and I know of nothing in our political history to indicate that the case would be otherwise in the United States.

No basis or rate for the physician's compensation.—It will be observed that there is nothing in the bill to indicate the rate or basis of compensation for medical and surgical services.

A physician friendly to the measure has explained to the writer that this omission was intentional, because it was feared that if a proper rate of compensation for medical services was included it would increase the opposition to the bill's enactment, and that after the bill becomes a law the physician's remuneration can be made satisfactory through the joint action of the arbitration committee and of the state Medical Advisory Board, both of which must pass on all disputes between physicians and the funds before they can be acted upon by the Insurance Commission.

If this be the true reason for the omission, then it can be regarded only as an unworthy subterfuge, and one which is very likely to defeat its own purpose.

All fair-minded men will agree that if medical service is taken by the state it should be properly compensated for, but certainly the taxpayers are entitled to all possible information as to the probable cost of the legislation which they are asked to adopt.

If the bill is put through without the giving of such information and the expense proves greater than was expected, the taxpayers will have the right to feel that they have been tricked, and will demand amendments which will probably be less favorable to the medical servitors than if a fair basis for medical compensation had been plainly stated in the bill in the first place.

The relation of the pharmacist to health insurance.—Provisions for the recognition of the pharmacist's right to existence are conspicuous by their absence from the standard bill. The words pharmacy and pharmacist do not appear in any of its provisions, and the only reference to pharmaceutical interests is in Section 12, which provides that "Insured persons shall be supplied with all necessary medicines, surgical supplies, dressings, eye-glasses, trusses, crutches, and similar appliances prescribed by the physician, not to exceed \$50 cost in any one year;" but no mention is made of the manner in which these supplies are to be obtained or furnished.

Section 13 provides that hospital or sanatorium treatment shall be given whenever in the opinion of the medical officer such treatment is necessary, and also that hospital treatment may be given in existing institutions or in hospitals

erected and maintained by the funds and societies with the approval of the Commissioner.

It does not require any great gift of prescience to realize that persons receiving hospital treatment will receive their medical supplies from the hospital dispensary, and that in all human probability patients receiving home treatment will also obtain their supplies from the same source.

A London correspondent to an American medical publication (*J. A. M. A.*, Feb. 5, 1915, p. 441) has the following to say of the operation of the act in Great Britain as it affects the pharmacist:

"Considerable dissatisfaction exists among pharmacists as to the working of the insurance act. It may be remembered that a capitation fee of half a dollar per annum was allowed by the act for the cost of medicines. The pharmacists claim that this amount is quite sufficient if the act is worked properly and physicians exercise due economy. Unfortunately some do not, and if the amount of money allotted in a particular district on this basis is not sufficient to pay for the medicines, the pharmacists have to submit to a reduction of their bills. These bills are calculated according to a prescribed system—so much for the cost of the drugs according to the market prices, so much for establishment charges (something under 2 cents per prescription) and a dispensing fee (4 cents per prescription). Naturally the pharmacists object to having to pay the penalty of extravagance committed by physicians. * * * There is a deficiency in the drug fund of about \$35,000 for the year. But while it is easy to bring home cases of gross extravagance, it is obvious that a good deal of extravagance may be practiced without the possibility of a proof. Another form of extravagance more difficult to detect is due to complaisance in ordering medicine for patients over long periods, after it has become unnecessary, or ordering it for patients who never required it at all. In the perfunctory work which all forms of contract practice encourage, there is a strong tendency simply to write prescriptions after the most hasty examination, or, indeed, simply on the basis of the patient's complaints. As has been pointed out in previous letters, the insurance act in many ways provides an object lesson in the evils of socialism."

How can the just rights of pharmacy be guarded?—If compulsory health insurance is to become a fact in this country, the least that pharmacists can demand is that their just interests shall be as fairly treated as those of the physician. That they will not receive such treatment is tolerably certain unless proper provisions for pharmaceutical service are made a part of the law. So far as practicable, therefore, the provisions for pharmaceutical services should parallel the provisions for medical services. That is, there should be a provision for Panels of Registered Pharmacists to furnish medical supplies and medicines, a provision for representation on Arbitration Committees to pass on disputes between pharmacists and the funds, a provision for a State Pharmaceutical Advisory Board, chosen by the State Pharmaceutical Association, to advise the Social Insurance Commission on pharmaceutical matters, and to pass upon appeals from the decisions of arbitration committees on disputes regarding pharmaceutical services.

If some such provisions are not inserted, and if the present medical provisions remain unchanged, it will not be many years after the general adoption of health insurance laws until the woodbine will be twining above the last resting place of dispensing pharmacy.

Effect of compulsory health insurance upon voluntary health insurance.—In addition to the various private corporations which write sickness and burial insurance for profit, there are in the United States numerous fraternal societies, labor organizations, etc., which provide such benefits for their members, and "establishment societies," as that maintained by the Pennsylvania railroad, which provides similar benefits for the employees of particular establishments.

This system of voluntary efforts to provide against the contingencies of sickness and death by wage earners is constantly growing, and if not forcibly interfered with by law is likely to reach a very much greater development.

Judging by the experience in Great Britain, the general adoption of a system of Compulsory Health Insurance will have serious results upon all such voluntary efforts at self-help.

Certain sections of the standard bill (Secs. 35 to 40) purport to provide for voluntary insurance by labor unions, fraternal societies, establishment societies, and the like, provided such societies meet certain specified requirements, and provided also that their "operation will not, in the opinion of the Commission, endanger the existence of any local or trade fund."

The inference is plain. If any of the competing voluntary societies are unable to meet the specified requirements, they will go out of business automatically. If they are able to meet the requirements and continue successfully in business and thereby attract those who would otherwise be insured in the local or trade funds it will only be necessary for the Commission to rule that the voluntary society endangers the existence of the local or trade fund, and their competition will be promptly extinguished.

The elimination of these voluntary societies will also be aided by the provision (Sec. 39) that the employer of those voluntarily insured shall pay to the state fund the same contribution he would have been required to pay if his employees had been members of the compulsory insurance fund. If the employer contributes to a voluntary society or to an establishment fund he will thus have to pay double, and consequently, his interests will lie in the discouraging of all attempts at self-insurance on the part of his employees.

Effect of compulsory health insurance on sickness prevention.—One of the arguments upon which the advocates of compulsory health insurance legislation place great stress is that it will have a great effect in improving general health conditions of the community and in decreasing the morbidity and invalidity rates of the industrial classes. Thus, in the pamphlet setting forth the "Standard Bill" we find the following:

"Unfortunately, although much of it is preventable, there are no signs that sickness in America is diminishing. Instead, the deaths in middle life, due to degenerative diseases, have increased during the last twenty-three years in the United States by 40 percent, whereas during the same period, Prussia, under compulsory health insurance, has markedly improved its national vitality and increased the average span of life. * * * *

"Why should not the general public, through the state, contribute to what has proved in other countries the most powerful agency for sickness prevention, Health Insurance?"

These claims do not seem to be borne out by the evidence of the improvement in the morbidity and mortality rates in Germany and Great Britain as compared with similar periods in the United States.

In an address before the National Civic Federation in New York City (*Compulsory Health Insurance*, pp. 27-28), Mr. Frederic L. Hoffman, statistician for the Prudential Life Insurance Co., made the following statement:

"In so far as the statistical evidence can be relied upon the anticipated results of social insurance in its relation to the health of the adult population have been far from realized. From the introduction of social insurance in the city of Berlin to the present time the mortality rate at ages over ten years has practically remained unchanged. The reduction in the general death

rate has, almost exclusively, affected the population under ten, and chiefly the children under five years. * * * * Considered by quinquennial periods, there has practically been no perceptible change in the rate during the long period since social insurance has been in operation, including insurance against invalidity. Evidence of this nature can neither be contradicted nor gain-said. * * * *

"There has been a greater reduction in the tuberculosis death rate in this country than in Germany, regardless of the enormous governmental machinery serving social insurance purposes."

In support of these statements Mr. Hoffman quotes figures (*ibid.* p. 30), showing that in 13 years the percentage decrease in the tuberculosis death rate in Prussia was 51 percent, while in the same period the percentage decrease in the tuberculosis death rate in Massachusetts was 57 percent. He further states that the death rate from tuberculosis in England has increased since 1912 under compulsory insurance, and this fact is borne out by the official reports.

In another place (*J. A. M. A.*, Feb. 10, 1917, p. 480), Mr. Hoffman makes the following comparison between health improvement in Europe and the United States through corresponding periods:

"The mortality from pulmonary tuberculosis in the city of New York decreased * * * * during the first five years of the twenty-year period * * * * 44.1 percent. The corresponding decrease in the pulmonary tuberculosis death rate of Berlin was * * * * 36.7 percent. The actual as well as the relative decrease in the pulmonary tuberculosis death rate was therefore more pronounced in the city of New York *without* compulsory health insurance, than in the city of Berlin, where practically the entire wage-earning population is subject not only to the provisions of the compulsory health insurance law, but also to the even more drastic provisions of a compulsory invalidity insurance law. * * * *

"The mortality from typhoid fever, which is perhaps the most sensitive index of sanitary progress, decreased in New York City from 2.5 per 10,000 to 1.1 * * * * per 10,000, equivalent to 56 percent. The corresponding decrease in the typhoid fever death rate of the city of Berlin was from 1.4 per 10,000 to 0.3, or 1.1 per 10,000, equivalent to 78.6 percent. The actual reduction in the typhoid fever death rate of the city of New York was therefore greater than the corresponding reduction in the typhoid fever death rate for Berlin. * * * *

"However, it requires to be considered that the city of New York has had to assimilate an enormous immigrant population, aside from the fact that large numbers annually go on vacation and contract typhoid fever in unsanitary resorts, etc. It is a safe assumption that a large proportion of deaths from typhoid fever in the city of New York at the present time are cases contracted outside of the city.

"An equally sensitive index of effective sanitary progress and control is the mortality from diphtheria and croup. The death rate from these diseases in the city of New York decreased * * * * 75.9 percent. The corresponding decrease in the death rate of Berlin was * * * * 60.2 percent. The mortality from diphtheria and croup is now almost exactly the same in the two cities, and it may safely be asserted that the reduction has been achieved in both cities without any reference whatever to compulsory health insurance."

From the report of a Commission appointed to investigate the results of Compulsory Health Insurance in Great Britain (*J. A. M. A.*, April 7, 1917, p. 1054), the following is abstracted:

"(c) The tuberculosis scheme cannot be regarded as a success; in all probability much better results would be obtained were the existing system of over-lapping control brought to an end and the whole responsibility vested in one public health authority. (d) It is impossible to expect fully satisfactory results from any of the health services unless and until housing conditions, both urban and rural, are improved. * * * *

"The results of the act as regards sanatorium benefit are looked on as disappointing. The problem was largely miscalculated, and the results fall far short of the expectations raised. Better access to early cases and isolation of late and infectious cases are regarded as essential. Most of

the evidence was in favor of handing over the whole treatment of tuberculosis to the public health authorities. Unless housing conditions are substantially improved, which means a large expenditure, 'it is impossible to expect really satisfactory results from any national health insurance scheme.' "

Compare the last quotation with a statement by a prominent labor leader before the National Civic Federation (*Compulsory Health Insurance*, p. 15), as to the improvement in health and longevity of cigar makers and printers in the United States effected through the betterment of sanitary and working conditions:

"What have the trade unions such as cigarmakers and the typographical accomplished in extending the life of their members by improving working conditions? I know of no more striking results than that has been obtained by these two organizations. For example, the cigarmakers: In 1888, 51 percent of their membership were tubercular; in 1911, 21 percent. In 1888 the average age at death of their members in the cigarmakers was 31 years, 4 months and 10 days; in 1911, the average age of their membership at death was 50 years, one month and 10 days. Take the printers: In 1900 the average age at death was 41 years and 3 months; in 1915 the average age at death was 50 years and 4 months—all brought about by improved sanitary and better working conditions, and better hours."

The expense of compulsory health insurance.—Even a casual study of the standard health insurance bill serves to show that the cost of operation will be something enormous when compared to the expenditures which have hitherto been made for public health purposes. Closer study confirms this first impression and although no one can yet calculate the amount it will cost the public purse, there is reason to believe that the state's share alone will be as great, if not greater than its entire expenditure, in normal times, for all the ordinary purposes of civil government.

In the first place, in addition to its normal contribution of 20 percent for benefits, the state is chargeable with the general expenses of administration. The Insurance Commission is authorized to establish as many branch offices, and to employ as many officers, employees and other assistants as may be necessary, all of whose salaries, traveling and other expenses must be paid from the state treasury. In addition to the various commissions, councils, advisory boards, boards of arbitration, and medical officers mentioned in the standard bill there will necessarily be an army of pay-roll inspectors, cashiers, auditors, bookkeepers, claims investigators, work inspectors, branch office managers, collectors, adjusters, stenographers, clerks, etc., etc.

And this is not all; the state itself, either directly or through its subdivisions, is the employer of an army of servants of various kinds, all of whom would come under the operation of the law, and on whose behalf the state would be required to pay the employer's contribution of 40 percent in addition to its normal contribution of 20 percent.

Some estimates of the costs of these various activities have been prepared by William Gale Curtis, an insurance expert of Detroit, Michigan.

His estimates for the State of Illinois, using the state tax of 1915 as a basis, are as follows:

Number of wage earners subject to the law.....	2,400,000
Number of state employees for which the state would pay 40 percent as employer.....	15,000

The State Contribution of 20 percent would be.....	\$11,520,000
Whole cost to the state, including expense of administration.....	12,500,000
Whole cost to employers, wage earners and the state.....	57,600,000
Of this enormous total, the employers would pay.....	35,500,000
The wage earners would pay.....	23,040,000

I have not been able to check these estimates, but considering them in the light of the cost of health insurance in Great Britain, they do not seem wildly improbable.

In a communication from a London correspondent appearing in an American medical publication (*J. A. M. A.*, July 10, 1915, p. 185), it is stated concerning the cost in Great Britain that:

"Experts have calculated that national insurance for the current year will cost the state \$30,300,000, which is no less than \$7,500,000 more than that originally anticipated by the government. This excess * * * arises principally from subsequent additions to the benefits—particularly the medical and sanatorium benefits—and from the concessions granted to contributors falling into arrears with their payments on account of unemployment. The total cost to the state on account of national health insurance for the year is \$37,000,000. It must be remembered that this is quite apart from the contributions payable by the insured persons themselves and their employers. Accounts do not yet show the amounts received in contributions, but it is probable that the total sum will not be much less than \$92,000,000 for the year in question. On this assumption, the total cost to the nation for the national insurance scheme is no less than \$130,000,000.

The burden of proof rests on the advocates of state insurance.—If compulsory health insurance will accomplish what its enthusiastic advocates claim for it—will secure proper medical care and treatment for the classes of wage earners who do not now receive them, will bring about the promised improvement in sanitation and living conditions and the consequent improvement in the general health of the community, and at less expense than other methods which would produce the same results—then as good citizens we are bound to favor the proposition whether it affects our individual interests adversely or otherwise.

However, those who propose changes in civil institutions thereby assume an obligation to show by a clear preponderance of evidence and argument that the proposed changes will accomplish what are claimed for them. When, as is the case with compulsory health insurance, the change will amount almost to a revolution in our industrial system, in the methods of poor relief and in public health activities, and will cause an increase in tax burdens never before heard of except in case of war, it behooves us more than ever to proceed with caution, and to insist upon the fullest consideration of a step which if once taken may be irrevocable, and if unwisely taken may be ruinous.
