

A DISCUSSION OF COMPULSORY HEALTH INSURANCE.*

BERNARD FANTUS, M.D.

There are two questions in connection with Health Insurance that must be settled, and which should not be confused with each other. The first question is, whether this form of insurance is necessary or desirable; and the second question, what is the best method of obtaining the result aimed at. Nearly everything that has been said against Compulsory Health Insurance may be characterized as objections to method. Very little has been said against the desirability and the necessity of this protection. To stigmatize this movement as pauperizing or charity is just as erroneous as it would be to stigmatize life insurance or fire insurance in this manner. It would be well if everybody, even the moderately well-to-do, would combine and elaborate a plan for themselves, by means of which they could obtain good medical, nursing and hospital service without additional expense to them when they are sick; for that is the time, when they are least able to pay for it. A plan of this kind has been beautifully elaborated by Richard Cabot in an article entitled "Better Doctoring for Less Money," published in the *American Magazine*, in which the desirability of "group practice" by physicians has been strongly emphasized. The health insurance plan, as proposed, includes the elaboration of group practise to whatever extent practicable. It, indeed, aims at "better doctoring for less money."

Health insurance properly elaborated would be a great thing, not only for the laboring man but for everybody, excepting possibly the extremely rich. I believe no one can dispute the proposition that the time to take care of sickness is while one is well. The provident naturally do this; and ought to be glad to avail themselves of a good system of obtaining this result. The improvident ought to be made to provide. I, therefore, see no possible objection to the desirability and necessity of the proper kind of health insurance.

As to the second question, the one referring to method, a great deal will have to be said. While the public might be provided with better doctoring for less money, this would not necessarily mean that physicians and others such as pharmacists would necessarily receive insufficient pay for their services, for there is at present a great waste of time and effort, a waste of time while doctors are waiting for patients and effort in making long distance calls into territory that should properly be taken care of by one nearer home. Doctors could accomplish a great deal more and would not be obliged to charge as much for their services. There would be no necessity for charity work, and there would be no bad debts; hence, it would be possible to work for smaller fees, and yet earn more in the end. It behooves pharmacists and physicians to study this question of method very carefully indeed. For this reason, I move that a committee be appointed by the chair which is to be charged with the duty of investigating the plan proposed at the present time, and reporting to the society the results of their investigations, in the near future.¹

* Chicago Branch A. Ph. A., January 1917 meeting. See also JOUR. A. PH. A., p. 1166, November 1916 issue; p. 1407, December 1916; p. 41, January 1917 number.

¹ Such a committee was appointed by Chicago Branch A. Ph. A., Dr. J. H. Beal, *Chairman*.

Compulsory Health Insurance coöperatively conducted by all the individuals of a state or nation, it appears to me, should be of the greatest value to the individuals of such state or nation for the following reasons: First, because it should tend to raise the standard of the public health; second, because it should provide the best medical treatment during sickness for each individual of the state; third, because the benefits mentioned under points first and second should be obtained at a low per capita cost.

If all the individuals of a state are not included under the compulsory insurance, class legislation at once results. If the insured are limited to those earning \$100.00 per month or less and the insurance is a good thing, then the person receiving \$105.00 per month thinks he should be included. I have heard mention of pauperism applied to this insurance scheme. If all persons without regard to their property possessions are included, then the charge of pauperizing immediately falls. Furthermore if a very slight percentage tax be placed on every income, the resulting amount would be sufficient to carry the whole insurance scheme without being onerous to the poor or to the rich. Such a tax on the boy or girl earning \$5.00 per week probably would not exceed \$2.50 per year.

Again, I believe that if this is to be a state law that the state should exclusively handle the administration of the whole law. If existing insurance associations among the employees of a certain factory or business are especially worthy they can continue to exist even after the state insurance has been established. State health insurance would not interfere with life insurance nor with pension associations. The payment of the insurance tax by the individual should be collected at the source of income by means of stamps and the tax should be entirely paid by the individual not partly by the state and partly by the employer.

Regarding the second point that all should receive the best medical attention, there seems to be no doubt that if the entire medical resources of the state, including hospitals, asylums, sanitariums, laboratories, quarantine and inspection service, medical, dental, pharmaceutical and nursing service be combined and coördinated into one harmonious whole that every citizen could have the best treatment that medical science affords. Not alone would all receive proper treatment in sickness but the amount of sickness and the death rate from sickness would be materially reduced.

However, the draft of the Compulsory Health Insurance law now under discussion inspires about as much confidence in me as in you. It is distinctly class legislation, drawn in the interests of labor organizations, designed to tax the state and the employer for a large share of the cost of the insurance. It appears to be very complicated in its administrative features and provides for many new political berths which will of course attract the politicians. The proposed bill has most of the features of the English Health Insurance Act which is being much condemned.

As pharmacists, if the English pharmacist's experience is any criterion, we had better stay out of it. For, in England, while it is true that the number of prescriptions compounded is much increased, yet the established prices are so low that the net returns are not adequate, and there is general demand that the pharmacist's position under the law be improved.

JULIUS H. HESS, M.D.

An act for Health Insurance is to be presented in the near future to the legislature of Illinois. Many arguments have been offered by the friends of such an act contending in its favor from the standpoint of the social worker. After attending two meetings in which the proposed measure has been the subject of discussion, I have been impressed by the fact that but few members of our profession have sufficiently interested themselves to ascertain the exact relationship which such an act will bear to the future of the practice of medicine in our State, and moreover, in the United States, as the same bill will be under consideration in the legislatures of most of the states of the Union.

We are told that the subject of social or health insurance has come to stay in this country, and that the medical profession can not afford at the present time to oppose the general subject of health insurance. With the first of these propositions I am inclined to agree; but that, at this moment, we can not afford to oppose the passage of such a bill, more especially in the form in which the present one is drafted, I must disagree.

We are also told that in Germany the law has materially benefited the medical profession. The answer to this argument is best made by quoting from the inaugural address of the president of the University of Munich—the second largest government university in Germany—November 28, 1908, after twenty-five years of trial as such a statute in Germany. He states: "Only a few physicians have benefited by such legislation, that is, those who have been appointed by the insurance organizations. These appointed physicians have fallen into dependence upon these insurance organizations and their managers, and this condition of control of the profession has been further strengthened by the centralization of the insurance organizations. The managers of the insurance organizations, have in many instances, assumed the position of employers toward physicians, and the determination of the fee has been left to the organization and had to be accepted by the physician. Under these conditions the income of many physicians has scarcely been higher than that of the better tradesman, entirely out of proportion to the cost of his education, and insufficient for the social position of the physician. By the faulty legislation which expects everything from the physician's sense of duty, without doing anything for the protection of his rights, and by the terrorism of managers of these health insurance organizations, great humiliation of the medical profession has resulted."

"It is irony when the physician, whose independence in every direction is a condition *sine qua non*, becomes a vassal of the manager of the insurance organization, being subject to his temper and humor."

"Whenever the physician is dependent upon the insurance organization and its members, who very easily imagine that they are wronged or that they are not getting everything they deserve, this condition must have a demoralizing effect."

"For the protection of their interests, which have been considerably endangered by health insurance, the physicians of Germany have joined in the so-called Leipzig Union, an organization to which the great majority of the physicians in Germany belong."

He further states that, while in Germany the wages in all the trades and occupations have considerably increased from the year 1815, being double in many

instances, the physician's fees are not much higher, and in many cases they are even lower than the minimal fees of the Prussian tariff of 1815. And the fees of physicians appointed by the sickness insurance funds are, as a rule, one-half of the minimal fees.

Secretary of State, von Bethmann Hollweg in his speech in the Reichstag on February 9, 1909, said: ". . . the conditions of the medical profession have been gravely affected by our insurance legislation, and by the extension of the field of operation of the insurance companies, these conditions will not be improved."

"The medical profession requires the privilege of activity as free and as extensive as possible. This freedom of movement of the entire medical profession as a whole, and chance of the individual physician for establishment of a secure position of life, becomes considerably narrowed when large groups of the population have been excluded from free competition. It can not be denied that the sickness insurance has contributed to this end by creating and furthering the system of appointment of physicians by sickness insurance funds."

The writer, being interested in this subject, while on a visit to Germany in 1910, collected a considerable number of statistics and monographs bearing upon the subject of health insurance as administered in Germany. The most complete statistics on hand are those of Berlin, Frankfort, and Magdeburg; and in all of these cities the average amount of premiums, as paid per year by the insured, ranges from 32 to 42 marks (or from \$8.00 to \$10.00). In these three large cities the physicians received from 4.63 to 5.07 marks, or from \$1.00 to \$1.25 a year per person insured. This averages from 11 to 16 percent of the total disbursements of the premium as paid in.

In an address before the Chicago Medical Society on January 10, 1917, the Hon. Francis Neilson, M. P. at the present time, and also during the session in which the health bill was introduced in England, speaks as follows: "We want you to be wise in your agitation regarding such legislation as health insurance, and not to make the mistakes we did in Great Britain. We want you to familiarize yourselves with every phase of the subject before securing legislation. After the insurance act went into operation in England, we found there was resentment and dissatisfaction all over the country."

The writer believes that the question of social insurance, or so-called "Health Insurance," has become one of profound interest to the medical profession of this state, and that it will have a great bearing on the future of the whole profession of Illinois, because it involves the question of medical services to all citizens with an earning power of \$100 a month or less, and who may come within its provisions. The workers of this class will represent at least 75 percent of all of the active wage earners of the state, and in all probability will have more or less influence on the practice of every practitioner in Illinois.

When we realize the great havoc caused in the profession of Germany by the insurance companies writing health insurance in a commonwealth in which all forms of professional education are under the direct control of the government, graduation from whose universities and practice under a diploma issued by the government, insures the recipient of a real professional recognition by the people—what might not be the consequences in our own country, where the government has little or no real control over the great insurance corporations, and displays

but little official concern in medical education! One can easily realize the possibilities which could arise to the tremendous disadvantage of the profession by the passing of a health insurance act which has been hastily framed and considered.

I believe that the time is not yet ripe for such extreme legislation and that the profession as a whole is inadequately informed as to the meaning of such legislation, and therefore, I think that if health insurance legislation is to be enacted at all, it should first be given the most careful consideration by all parties who will be directly and vitally affected.

The profession of our state should, therefore, thoroughly organize for a careful study of all of the various phases of this question, not alone as it affects themselves but also the commonwealth as a whole. And until such consideration has been given to the subject, it would be unjust to pass such a law. It should not be done.

CLYDE M. SNOW, PH.G.

It occurs to me that the United States is not in the same need of compelling health insurance as are England and Germany, for we do not have the very poor laborer toiling for the very small compensation. I believe that investigation would reveal that the man earning less than \$1.25 per day does not exist in the United States. The foreign-born, unskilled laborers earning comparatively small wages generally prove to be land holders after a few years' residence. And we generally look upon such property owners as competent to select their own physicians and pharmacists and I believe that it is a matter of record that *they* pay their obligations. A large portion of the taxes now collected go for the care of the poor and sick. If the same effort were bent to obtain economical handling of these funds, as will have to be expended to pass and administer health insurance acts, those who really need such assistance could be amply provided for without added taxation of the more provident.

If health insurance can be compelled, the compulsory saving of a portion of wages can be enforced; with a savings account, the individual would, in my estimation, be endowed with a greater self-respect and be in a position to take care of himself and family without being placed in the light of an object of charity.

With this method the worker would have the protection sought by a health insurance act without the semblance of charity. The man would be a better citizen, because of having savings which would necessarily be invested in bonds for the raising of funds for municipal and federal improvements; he would have an interest in his community that he never had before. Finally, it is my belief that health insurance, as such, will not improve the individual, at whom it is directed, one iota and it will add further burden to the taxpayer.

HUGH CRAIG.

Health insurance or, as it is sometimes called, social insurance, is a subject that is filled with interest to the pharmacist and the medical man; and in view of the fact that, through the agency of the American Association for Labor Legislation, bills to provide state health insurance are to be introduced in many state legislatures this year, the interest has become that of a condition and not of a theory alone. As is customary, pharmacists and physicians, who are vitally

interested in the solution of the problems at which this project is aimed, have left to social workers, more or less of the reformer type, the initiation of an endeavor toward that solution, and even now that the endeavor is under way, have not shown much concern in the matter, albeit the project has the support of some medical organizations or at least of their executive bodies. The big question is: Is governmental paternalism the desirable remedy for the alleged inadequacy of the medical care of the public? I think not.

Ostensibly, the purpose of the projected health insurance plan is to provide better medical service for the general public at a lower cost. In its general aspect, the project savors very largely of socialism, of paternalistic governmental functioning; it would reduce the greater majority of the citizens of the state to a condition of quasi-pauperism in that it would compel them to accept medical aid from the state. It is not justly to be compared to the ordinary variety of insurance against sickness or accident, because it is forced upon the wage-earner, willy-nilly, and as the state and the employer are to pay all, or the larger portion of, the cost, he becomes involuntarily the object of their charity. It is not to be compared justly to compulsory vaccination or quarantine, because it is not a means of safeguarding the general public against contagious disease.

It is only a few days since I succeeded in getting a copy of the Model Health Insurance Bill prepared by the American Association for Labor Legislation. I know that few of you have had an opportunity to become familiar with its provisions, so I shall state some of them. In the first place, the bill provides that every wage-earner whose income is \$100 a month or less must become insured. The cost of this insurance is to be divided among the insured person, his employer, and the state. The state will pay 20 percent. The employer will have to pay on a sliding scale ranging from 80 percent for an employee earning less than \$5.00 a week, to 40 percent for one earning more than \$9.00 a week. The remainder is to be paid by the employee. The insurance may be issued (1) by local funds, that is, coöperative groups of insured persons in any locality; (2) by labor unions or trade organizations; (3) by fraternal societies organized not for profit; and (4) by the employing person or firm. The supervision of the plan is to be in the hands of a state commission, assisted by representative bodies of employees and employers.

Medical attendance under the plan would have to be certified by one physician, and apparently, extended by another. The selection of a physician is partly voluntary with the insured person, but rules for the allotment of patients are provided, and no physician may have more than 500 insured persons in his care. Medical attendance embraces the services of a physician, medical and surgical supplies, nursing, and hospital service. There is also a provision for a maternity benefit and a \$50 funeral fee, and the ailing insured person would receive an additional sick benefit of two-thirds of his wages for a period of not more than twenty-six consecutive weeks. It must be understood that the insuring of a wage-earner provides benefits for all those dependent upon him. This fact is particularly important in connection with the provision for medical and surgical supplies, as the bill specifically limits the cost of such supplies—they include crutches, trusses, sickroom supplies, and so on—to \$50 a year for each insured person and those dependent upon him; therefore, the druggist could supply only

\$50 worth of goods in one year to any wage-earner's family, even though there be ten members thereof. The family or other dependents of the insured person would also receive a cash benefit of one-third of his wages while he is in a hospital.

Some may think it strange—but it is the usual thing—that no mention of the pharmacist or of pharmacy is made in the bill. It is true that there is little mention of the physician other than as an employee of the insuring organization; but it is provided that the state medical society will have advisory duties in connection with questions of treatment, and I have seen in some medical publications that the local medical organizations will be permitted to advise in the selection of physicians.

Nonpartisan reports do not bear out the claims made in regard to the success of health insurance in Great Britain or even under the paternalistic government of Germany. It is difficult to foresee how any such plan will conduce to medical progress, because its obvious influence would be to foster routine treatment. At one time there was some complaint in Great Britain, that seems to set at naught the statement that the insurance plan will eliminate the dispensing doctor. Over there it was found that doctors of that class sometimes advised a patient that they could not cure him with the cheap medicines permitted under the insurance schedule, but that it would be necessary for him to take some of their "specially prepared, high-grade" concoctions. So we should not be too hopeful; for the astute manufacturer of nostrums can also make capital out of the cheapness of the insurance medicine for the exploitation of his high-priced product.

I am of the opinion that, socially and medically, this question deserves a deal of study before such a revolutionary step is taken. I hope that the discussion here may be enlightening, and that it may lead to further fair consideration of the subject, and to some light as to the cost.

SOLUTION OF MAGNESIUM HYPOCHLORITE.

The following solution is isotonic with blood-serum:

Chlorinated lime.....	28 Gm.
Magnesium sulphate.....	18.20 Gm.
Water.....	1,000 Gm.

The two salts are triturated in a mortar, and the water added by degrees; the solution is then filtered through cotton wool. The solution is very stable, much more so than Labarraque's or Dakin's solution. In contact with wounds, it liberates its chlorine gradually, and it retains its antiseptic properties for a long time. It is no way harmful to the cells, for it is free from irritating substances like boric acid and the borates. For use it should preferably be warmed to 95° F.—Duret (*Journ. Med. et de Chir. Prat.*, August 10, 1916; *Practitioner*, October 1916, 392).—Vide *The Pharmaceutical Journal and Pharmacist*, December 2, 1916, page 526.