PRE-PAYMENT PLANS FOR HOSPITAL AND MEDICAL CARE

Are health facilities and medical care available to me at a price I can pay? What can I do to secure myself and family against large hospital and medical care bills? These and similar questions are being considered seriously by American people, both in the towns and in the rural areas.

As a result a number of group pre-payment hospital and medical care plans are receiving attention and support. Whether the American people get the kind of services they really want depends on how well they size up the possibilities and how solidly they support the plan which they think seems best for them.

Rural people especially should take an immediate, active, and informed part in discussing the problem and ways of meeting it. The present medical situation puts rural people particularly at a disadvantage. To help the residents of the State's farms and small towns to begin an informed discussion of ways of meeting the problem, this information offers some basic facts that should be considered, and outlines several plans for improving the situation, some of them already in operation, others proposed for action.

- Voluntary Versus Compulsory Approach -

There really are only two major ways of providing health insurance. One is on a voluntary basis, the other is compulsory. Under the first, a person may be covered by an insurance program, or he need not be, depending upon his own or his employer's individual preference. Under the second, each person in the population is required to participate in the program, regardless of his personal preferences, so that the costs of the program may be spread evenly throughout the population, and each person may receive care when he needs it.

Neither the voluntary nor the compulsory approach is perfect. Each has some important advantages, but each also has some offsetting disadvantages. Voluntary group health insurance, for example, has such advantages as these:

(1) It enables neighbors, organized groups, and business or other associates who want good medical care to band together as a group and secure services where as individuals they might be unable to obtain services.
(2) It is based on the sound principle of spreading the cost of medical care and pooling the risks of illness over a large group of people.

(3) It allows flexibility to meet local situations, since the actual operation and administration of the program are locally controlled.

A voluntary program, on the other hand, has disadvantages such as these:

(1) It is difficult, first to gain, and then to hold, a membership large enough and differing enough in age composition and illness risks to give sound insurance coverage on an equitable basis.

(2) It tends to attract people with high or above-average sickness rates and need for medical services.

(3) It does not cover the needs of low-income families who cannot afford the membership dues necessary to provide an adequate health insurance program.

A compulsory form of government health insurance has a number of advantages, among which are these:

(1) The cost of medical care could be distributed more evenly among all the people, and so services could be assured to all needing them.

(2) It would be possible to provide services in areas which otherwise could not support them, since wealthier areas would help to carry the costs of poorer areas.

(3) Medicine organized under a governmental compulsory program could give better service to families by: (a) tying both preventive and curative services into one program; (b) offering the skills of specialists associated together in a "group practice"; and (c) permitting referral of difficult cases, regardless of economic status, to specialized medical centers for most advanced care.

(4) Medical education and research could be organized and directed to meet the most pressing needs.

Offsetting these potential advantages of a government compulsory health insurance program are disadvantages such as these:
The personal relationship between the physician and his patients might be destroyed.

The initiative, enterprise, and willingness of medical practitioners to serve the public might be broken down if they came under a compulsory governmental program.

The public may tend to abuse the privilege of health care when the cost is low.

Governmental programs are adapted only with difficulty to meet the differing needs of local areas. It may be more costly to operate than the same program under governmentally-regulated private auspices.

Unless administered by socially-minded leaders and continuously responsible to public pressure, any governmental agency may begin to demand that the public conform to its program rather than alter its own program to serve the public.

Only a small fraction of the American people today are receiving care through voluntary medical insurance. Most of them are workers covered by health insurance programs operating in the plants where they work. Others are serviced through programs sponsored by consumer organizations, medical societies, other private groups, and governmental agencies. The national health insurance legislation now pending in Congress has been introduced as a means of guaranteeing needed medical services to each man, woman, and child in the United States. It is based on the assumption that unless they are compelled to, most people either cannot or will not participate voluntarily in a health insurance program that would both protect them against disastrous medical costs and at the same time guarantee them adequate medical care.

Questions and Principles to Consider

Any program, whether voluntary or compulsory, runs up against difficulties that must be overcome, and questions that must be answered satisfactorily if the program is to be successful. These difficulties perhaps can best be illustrated by five questions.

(1) How shall needed medical services be paid for?

(2) How can doctors, dentists, hospitals, and related health agencies be made available to everyone, rural as well as urban?

(3) How can a high quality of health services best be guaranteed?

(4) How can the continuation of research progress toward improved information about health needs be insured?

(5) What kind of a health education program can be worked out to inform all the people on ways of maintaining good health?
As they begin discussing and weighing the different medical care programs which might meet their needs, the farm and town people of every community ought to consider carefully the twelve basic points that the Bureau of Research and Statistics of the Federal Security Agency, Social Security Board, recently outlined as being essential guiding principles for a successful medical care insurance program. Stated briefly, these essential principles that should be considered are:

(1) Provision of adequate medical care for all persons in the United States is essential to national health and well-being.

(2) Preventive and curative services should be closely coordinated.

(3) The quality of the services provided should not be sacrificed to economy.

(4) Medical and other practitioners, hospitals, and agencies concerned with providing medical and health services receive adequate remuneration.

(5) To the greatest extent feasible, medical care should be provided for the dependents of insured workers on the same basis as for the workers.

(6) As far as practicable, the insurance program should be extended by agreement to cover all noninsured groups who are in need of protection against the costs of medical services.

(7) The patient should have essentially free choice of practitioner and hospital. Likewise, practitioners and hospitals should be free to accept or refuse patients in accordance with their customary practices.

(8) Existing personnel and facilities should be utilized to the maximum degree. In localities where these are lacking, it should be the responsibility of government to insure that necessary personnel or facilities are provided.

(9) Policies should be determined by joint consultation of representatives of the public and of the professional groups. The medical profession should participate responsibly in policy decisions which concern the professional aspects of the provision of medical care. There should be professional supervision of all professional activities and personnel.

(10) Regulation and supervision of the qualifications of medical and other practitioners and of institutions should continue to be public functions.

(11) The costs of sickness should be distributed over all groups in the population that need insurance protection. An insurance system should not be "a poor man's system."

(12) Adequate provisions should be made to stimulate professional education, research, and prevention of disease and disability.