Compulsory Insurance Help to Medical Science

It Would, the Writer Says, Give New Impetus to That Most Important Work in Medicine, the Prevention of Disease

When a community is attacked by an epidemic disease, especially like infantile paralysis, which has dramatic elements of mystery and terror, a score of accusations and many ill-founded fears are aroused to meet it. Physicians and hospitals do their part. Charitable organizations try to help in direct treatment or in providing funds. Experts, public health officers, and investigators commissioned by endowed institutions seek for cause and cure. Society excoriates its public function in the form of quarantine. But there has never been in America, even during the recent panic, any broad or deep public consideration of the economic problem of health and disease.

There have been in New York, New Jersey, and New England probably as many as 12,000 cases of infantile paralysis, and the end is not yet. About one-fourth of all cases are fatal; about one-third of the rest result in permanent invalidity; and many of the cases that recover follow a long and uncertain struggle.

Aside from the burden of grief and pain of the loss of life, the cost of an epidemic is enormous. The expense of medical attendance and of burials, the loss involved in the death or disablement of potential workers, the arrears due to the transient condition of wage-earning parents, would add to an incredible amount. How is this loss paid? How is it distributed? In America this is almost a new question.

How new it is is indicated by the fact that the few American contributions to the problem of health insurance the three most authoritative have been published within a few months. These are "Standards of Health Insurance," by Dr. I. M. Rubinstein, "A Brief for Health Insurance," issued by the American Association for Labor Legislation, and a Bulletin of the United States Public Health Service. The final report of the United States Commission on Industrial Relations, published last year, recommended a Federal system of sickness insurance. During the present year bills for compulsory insurance have been presented to the legislatures of Massachusetts, New York, and New Jersey.

In Massachusetts and California commissions have been appointed to study the question. But we have not passed beyond the first stage of discussion. In this country no State has an insurance which is comparable to the unit of Government, provided for, or aids, health insurance. In this matter America has the dubious distinction of standing alone. Every other important industrial nation has in force some form of health insurance subsidized by the Government.

The tentative draft of an act prepared by the Committee of the American Association for Labor Legislation embodies the main principles of health insurance, which may be briefly summarized as follows: All compulsory insurance plans, however, must extend to all persons employed at manual labor under any form of wage contract and to other employees who earn less than $100 a month. Persons exempt from compulsory insurance are provided for under a system of voluntary insurance. Beneficiaries to be paid in case of sickness, accident, or death, not covered by workmen's compensation. Medical benefits include surgical, medical, and nursing services of approved physicians or hospitals. Cash benefits amount to two-thirds of the weekly wage of the insured during the period of disability, but it is provided that no person shall receive a cash benefit for more than twenty-six weeks in a year. The maternity benefit includes medical service and cash payments for insured women and wives of insured men. There is also a funeral benefit of $50.

The committee proposes that the cost of the program be borne by the State, the employers, and the employee, the State to pay 20 per cent. and the rest to be equally divided between employer and employee, except that when the worker receives less than $9 a week, the employer's contribution shall be increased. The question of the distribution of the cost of insurance has no paramount importance, and many states of affairs differ. In Great Britain employers pay one-third, employees four-ninths, and the Government two-ninths. In Germany employers contribute one-third and employees two-thirds; the Government bears the cost of supervision and administration. In Hungary employees pay 45 per cent. and the employer 55 per cent. Employers in Norway contribute equal amounts of experience, but obviously there is no absolute "justice" or "right" to determine how the infinitely absolute 100 per cent shall be divided. It is not at all clear how much capital or labor shall contribute.

Though there may be doubt as to how the cost shall be distributed, there seems to be no doubt as to the three units that should contribute: employers, employees, and Government (the State's, the nation's, and each of the two, the individual's, the community's, and the country's.)

For all three are immediate or ultimate beneficiaries.

That the insured should participate in the cost of insurance seems self-evident, and only extreme radicals have suggested that the working class be insured without direct payment of premiums. The expense would not be great. The total cost of all the items that can properly be included in health insurance is less than 3 per cent. to 5 per cent. of the total wages. This is Dr. Rubinstein's estimate for America and it is the fact for Germany, which has had the longest experience.

The working class as a whole would pay only two-fifths of the whole cost, and the poorest paid workers would pay less. The contribution of the workers to health insurance would not be a great additional charge, for they now pay, and pay in cash, for hospital, medical, dental, medical aid, funeral insurance, and insurance due to disability. Health insurance would give them better service for less money. Aside from the cash question of value received for money spent, there are psychological and social advantages which a society such as ours would gain by paying their part. A service that is paid for is free from the taint of charity. A worker would regard his weekly income in the same light as the premium of his own insurance.

Furthermore, the poor will be helped in the work of preventing disease. If society constitutes itself a health insurance company on a practical business basis, the dollar motive will impel it to organize its limitless resources to exterminate disease and so to make such gains in human happiness as cannot be measured by dollars. If that is too vast to be convincing, advocates of health insurance are content to point out two or three obvious ways in which it will add to the quality of life and health.

It will give the employer, who must contribute to the insurance funds, an added reason for keeping his shops safe and clean. The money benefit will enable the sick worker to take plenty of time to recover. The uninsured worker, burdened by poverty, often goes back to the factory without a full recovery. Many of the poor do not receive medical aid even in severe cases, and they are easy victims of quacks and nostrum vendors. A survey of the city of Rochester, made by two physicians for the Metropolitan Life Insurance Company, showed that two-fifths of the sick poor had no physician in attendance. However low one rates the skill of the average doctor, it is probable that a hard-earned insurance annuity would place his bet on the 60 per cent. cases where there was some sort of medical attendance. Insurance at least gives the doctor a chance to do what he can.

Health insurance would go far toward making the physician what he ought to be and tries to be—a public servant. Pretending to no monopoly, he would agree with Surgeon General Rupert Blue, President of the American Medical Association, that "health insurance is the real, the only, the saving, social legislation." An adequate system of assured medical aid would help to liberate the doctor, both as a breadwinner and as an investigator and contributor to his science. The spectacle of the young doctor, or the less brilliant doctor, scrambling to make a living from his private practice, and at the same time giving service and receiving necessary experience at semi-public dispensaries and hospitals, is not reassuring. The problem is to make sure that the physician shall reach the patient who needs him and treat that patient under reasonably good conditions either at home or in hospital.

Individual hospitals may be perfect, but the hospital service as a whole in our industrial centres is far from adequate, and that means that patients are neglected and are being cared for in an inadequately, if not inefficiently. Though health insurance would not solve the problem of the physician as a social servant, it would tend to make the physician a social person instead of a private person, and a community, and a public institution.