Address by Senator Murray Before Medical Society of County of Monroe, Rochester, N. Y.

EXTENSION OF REMARKS

OF

HON. ROBERT F. WAGNER
OF NEW YORK

IN THE SENATE OF THE UNITED STATES
Tuesday, December 21 (legislative day of Wednesday, December 19), 1943

Mr. WAGNER. Mr. President, I ask unanimous consent to have printed in the Appendix of the Congressional Record a very timely address delivered by the distinguished Senator from Montana [Mr. MURRAY], on November 17, 1943, before the Medical Society of the County of Monroe, Rochester, N. Y. It deals with a subject which is vital to our country: the expansion of our present social security program in order to bring about a wider and more equitable distribution of medical care and hospitalization for the American people.

There being no objection, the address was ordered to be printed in the Record, as follows:

Gentlemen and members of the Medical Society of the County of Monroe, I appreciate the opportunity of discussing with you tonight the problems of hospital associations and some method of making medical science and hospitalization more available to the masses of the American people. I think I should first explain how I came to be interested in this question.

Several years ago, I was made chairman of a Senate subcommittee to study the subject of social security, including plans for a system of insurance for medical care and hospitalization. At that time, I conducted extensive hearings. Senator Wagner introduced, in June, 1940, a bill which was reported to be slightly less than half of the families in what Dr. Smillie called the average income group ($1,300 to $1,999) among families and individuals had membership. It was introduced in 1939 and designed to establish a national health program. A vast amount of testimony was then taken showing a real lack of adequate medical care available to people in the lower income brackets. In some sections of the country, we discovered that there were not enough doctors or hospitals. We found also in the crowded industrial areas of the Nation a serious lack of medical care and hospitalization available, particularly to the people of the lower income brackets. During the course of the hearings, we heard a great deal about the necessity for legislation of some kind to make medical care more accessible to the masses of people. In this connection, I am reminded of the American Bar Association's recent decision that delay resulted in serious complications and much greater expense in the end. We found from those hearings that generally those people who are able to make the higher bracket in the income scale or who have more sickness than the well to do or wealthy, yet it was clear that they received less care than was necessary.

From all those studies, I became quite familiar with health problems and conditions in the country, and I concluded that the necessity for legislation of some kind to make medical care more accessible to the masses of people is compelling. The hearings held, demand for legislation to meet the problem of providing a more adequate system of medical care has steadily grown throughout the country. In many sections voluntary health insurance plans and prepayment methods have undertaken to provide ways of meeting this situation, but these group insurance plans and prepayment methods appear to be reaching only an insignificant proportion of the population.

With these undisputed facts before me, I joined with Senator Wagner recently in presenting Senate bill 1161, for providing an expanded system of general welfare, including a Federal system of medical and hospital benefits.

My contacts and experience with the medical profession in connection with the hearings on the original Wagner bill and the national hospital associations have convinced me that we would have the cooperation of the medical profession and the representatives of the several hospital associations of the country in working out sound legislation of the purpose and character designed by this bill. In the time of these hearings, which we have mentioned, I had many contacts with the medical profession, as well as with representatives of the hospital associations of the country. I found them uniformly cooperative and helpful in our studies. At that time, I stated generally that the advice of the medical profession regarding amendments to the bills we had under consideration. The original health bill was supplanted by the national hospital bill and when it was finally reported, it included all of the suggestions and recommendations of the medical profession and representatives of the hospital associations. So, I want it understood here that I have always cooperated with the medical profession in the study of these problems. We all have a high respect for its great contribution to medical science, and if I considered that this proposed legislation now before the Congress would do an injustice or injury to the medical profession or cause any deterioration in the quality of medical service, I certainly would not want to advocate it or support it. I am convinced from my studies that it will not do anything like that. On the contrary, it will improve the quality of medical service. It is merely the method by which the masses of our people will be protected against the dangers of sickness and injury and will have the best medical service that can be provided. That is the sole purpose and object of this proposed legislation.

With all this previous experience in mind, I have been greatly surprised to find that a large section of the medical profession is opposed to and extremely critical of the present bill. Of course, I could have avoided this task, but I believe that a problem existed which called for remedial legislation and I expected the aid of the medical profession in developing a proper program.
young men examined by selective service were not considered truly fit, and many had serious defects which, with proper care, could have been prevented or relieved. Of course, some of those who were declared not fit didn't bother to secure treatment, but much of it was certainly due to the fact that they and their families just did not have the money.

The national health bill of 1959, which stands as a national health planning, was laid aside after the outbreak of the World War. Since 1939, the Congress has been moving toward the solution of this problem. Certain groups in the population are prospering today, it is true, and doctors are sharing in their prosperity. But, when the war ends, there will be suddenly reduced incomes for many and downright unemployment for millions. Now this period of prosperity is a strategic period to plan for the dangerous period we all know will soon come.

Some medical societies, as I have already said, have shown their realization of the need of setting up voluntary plans. Unfortunately, these plans are not comprehensive enough nor do they reach enough people of how cost too much to be within the means of the people who most need insurance against the costs of medical care. Even the hoboes who roam reach only about one-tenth of our population.

Gentlemen, voluntary plans simply won't meet the problem. We have not and do not hope to have, a large enough coverage—a wide enough spread of risks and costs.

The experience in Germany through a voluntary stage and found that they had to come to compulsory insurance. In fact, the hospitals not only in Germany, but everywhere, indicates that a compulsory system was adopted because the voluntary system had failed. A new plan is now under consideration in a number of European countries.

Third, it interferes in no way in the practice or the interests of any group or corporation. It wisely provides, just as the Blue Cross Plan does, that hospitalization will be on the recommendation of the attending physician.

Second, contributions for all forms of so-called "insurance" under S. 1161 will be levied by means of a single contribution, thus greatly simplifying the employer's work in making payments, and result in saving in low administractive costs. No contributions will be levied on that portion of wages, salaries, and incomes which is in excess of $3,000 per year.

Third, aside from the other social-security benefits, the following important medical benefits: General practitioners' services, specialists' services; X-ray and laboratory services for nonhospitalized patients, hospitalization up to 30 days in any 1 year.

Fourth, the freedom of choice of doctor, so often prized by physicians, is guaranteed under the bill. Even more important, freedom of change is also asured to the patient.

Fifth, these methods are based on recommendation of the general practitioner. When circumstances make it advisable, specialists' services may be obtained directly.

Sixth, patients will be as free to enter the determination of their choice as they are today and, because of the costs of the bill will no longer be involved.

WHAT DO THE BILLS DO FOR THE DOCTORS?

First, it improves the opportunity of the doctor to select him without any financial problem being intruded. The patient pays for services in advance through an insurance fund built up under the act.

Second, the relation of physician and patient is not governed by the money under the act, as it is as free as he is today to accept or reject patients and is also free to enter the insurance fund in whole or in part.

Third, the method of payment of the general practitioners is left to the choice of the majority of physicians in the local area (sec. 905, subsec. 7, p. 46).

Fourth, the bill explicitly states that remuneration must be adequate, such as to "provide professional and financial incentives for the professional advancement of specialists and to encourage high standards in the quality of services furnished."

Fifth, through their representation on the National Advisory Medical and Hospital Council, physicians will have a voice in the determination of all important policies (sec. 904, p. 41).

Sixth, specialists will be entitled to higher fees than general practitioners if their training and experience measures up to the standards established by the Surgeon General after consultation with the advisory council, utilizing the standards already established by professional agencies and organizations. This provision will encourage the protection of physicians and patients alike.

WHAT DOES THE BILL DO FOR THE HOSPITALS?

First, it permits free choice of hospitals to the patient, as free a choice as he has today. It wisely provides, just as the Blue Cross Plan does, that hospitalization will be on the recommendation of the attending physician.

Second, it guarantees a fair and reasonable payment to the hospitals, the method of payment to be either on a cash indemnity or service basis, as may seem best after consultation with the advisory council, on which the hospitals will have adequate representation.

Third, it interferes in no way in the management of the hospital. The type of reports and records that will be required are no more than well-administered hospitals are accustomed to keeping. A good deal has been said about the control which the Surgeon General would exercise over the voluntary hospital system if the bill became law. This is nonsense. Nothing in the bill states or implies that. The standards used in setting up hospital lists will undoubtedly be such as are already recognized by hospital authorities, such standards as the American Medical Association utilizes in determining or whether not a hospital is to be included in its register. Provision is made, however, for the establishment of professional standards in communities where hospitals are scarce or limited in the scope of their activities. No hospital meeting professional standards, need have any fear that its name will be left out. On the other hand, hospitals should have quite as much freedom of choice as they have today—indeed, more, and hospitals will have a strong incentive which they have not heretofore possessed.

Let us now turn to the subject of standards:

WHAT CAN WE EXPECT FOR MEDICAL CARE IF S. 1161 BECOMES LAW?

I am convinced that the provisions of title IX, research and development in the field of medical care, should do much to stimulate its progressive improvement. Paragraph (6) of section 1002, "Grants-in-Aid for Medical Education, Research, and Prevention of Disease and Disability," will provide a much-needed stimulus for hospitals and for hospitals. In writing the bill, every effort was made to meet the objections raised against the 1899 bill, to incorporate suggestions by critics of that bill. The objections to 51 varieties of health insurance are recognized in the 1939 bill. The 1899 bill became law were remodeled and therefore a national system is still advocated. Section 1111, making provisions for funds for research, was included as a result of medical criticism of this lack in the earlier bill.

The provisions for hospitalization benefits in our bill, as methods of administering an insurance plan, follow the points on which there was agreement at a joint meeting of representatives of the American Hospital Association, the Protestant Hospital Association, and the Catholic Hospital Association with members of the staff of the Social Security Board a year ago as given in the approved summary of that meeting. Of course, we do not consider the bill perfect. No bill ever is. Bills are usually improved as a result of criticisms which come after the discussion is over. I do not believe that criticism to be helpful must be constructive. I must say I have been astonished by most of these criticisms of this bill.

The attitude of the Committee of Physicians for the Improvement of Medical Care, of which Dr. Charles E. Good, of Boston is chairman, and Dr. John Peters of New Haven is secretary, is a notable exception. In a letter to Senator Westcott, Dr. Peters said, and I quote:
The Committee of Physicians for the Improvement of Medical Care writes to congratulate you on the presentation of H. R. 1161, the Federal Social Security Insurance Act. We have written to the committee broadly conceived in a spirit of service. With its general provisions, the committee is hoped to improve medical and health care of the American people may be developed. If the medical profession should accept the responsibility, we have the expert knowledge required to implement the measure. This knowledge should be placed unrestrainedly at the disposal of the legislature.

A letter of this kind gives me courage to hope that the responsible and effective hand can be worked out. This letter does not mean that the members of that committee approve everything. This knowledge should be placed unrestrainedly at the disposal of the legislature.

The science of medicine has made tremendous strides forward. The distribution of medical care, its availability, has not kept pace with the complexities of modern industrial life. The public has become educated to know a great deal about what it can expect from modern science, modern medicine. It wants better medical care and hospitalization without imposing upon anyone. Here is an opportunity for the medical profession to contribute to the establishment of a system of health insurance which will make America the healthiest, in addition to being the most prosperous, Nation that the world has ever seen. Let us not allow this to pass without action.

China and the Cairo Parley

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HON. CHARLES O. ANDREWS
OF FLORIDA

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But this fell flat in the eyes of the Chinese, according to Gripsholm repatriates. In the first place, these rights had not been fully enjoyed in Japanese-occupied China, where the majority of Allied economic interests and personnel were concentrated in the treaty ports, like Shanghai.

And we must consider the law as it stands. The terms of the Cairo statement are very clear. They do not mean that the Cairo conference will do more than any other single factor to give the Chinese greater confidence in themselves, their cause, and their future.

This is a big order.

China fought alone for more than 4 years. Germany and Japan pushed China back repeatedly that Japan would attack the democracies of the west. After Pearl Harbor, the Chinese watched with bitterness as their predictions came true—basilisks of the British Empire crumbled before the Japanese and the United States and Britain could not prevent the conquest of the Philippines and the Dutch East Indies.

Allied prestige fell to an all-time low in Chungking as the Burma road was lost and China's last great supply contact with the outside world fell into Japanese hands.

Chinese saw change

Chiang's own prestige fell in the minds of some Chinese. The old rift between his Government and the Communists was ex-

Then in August 1943, American marines landed on Guadalcanal in the South Pacific. Though this was 4,460 miles from Chungking, the Chinese knew it was the beginning of the road back to Tokyo.