

THE
American Forum
OF THE AIR



Vol. XIII

Sunday, January 29, 1950

No. 5

**“Do We Want National Health
Insurance In The United States?”**

HAROLD E. STASSEN,

President, University of Pennsylvania

CLAUDE E. PEPPER

United States Senator, Democrat, Florida

THEODORE GRANIK

Founder and Moderator of the American Forum of the Air

Announcer: The National Broadcasting Company presents The American Forum of the Air, founded 21 years ago by Theodore Granik and dedicated to the full and public discussion of all sides of all issues, coming to you today before a large crowd in the famous Continental Room of the Wardman Park Hotel in Washington, D. C.

Now here is your Moderator, Theodore Granik.

Chairman Granik: The current issue of Reader's Digest Magazine carries to its 50 million readers throughout the world a vital and dramatic report, the second of a series of articles on the British National Health Program written by Harold E. Stassen, former Governor of Minnesota, and now President of the University of Pennsylvania. Commenting on the services performed by London hospitals Governor Stassen says:

"The conclusion would be that Londoners are now getting less than they once did and at higher costs."

He quotes a British doctor as saying, and I read from the Digest:

"Please tell our friends in America, 'Never, never, never adopt such a program.'"

However, Oscar Ewing, United States Federal Security Administrator, while in London recently, heard that most of the critics tried to mislead the American people on facts about the British National Health Service. "What we have seen in England," said Mr. Ewing, "confirms my deep conviction that the National Health Insurance proposal will be good for America."

So today The American Forum of the Air, in cooperation with Reader's Digest, presents a discussion on this timely subject. We are privileged to have as our speakers Governor Stassen and Senator Claude Pepper, Democrat of Florida, member of the Senate Committee on Labor and Public Welfare, and co-author of the Administration bill proposing National Health Insurance for the United States.

Now, Senator Pepper, if you met this British doctor, what would be your answer to his "never, never, never"?

SENATOR PEPPER: Mr. Granik, in the first place, I would tell the British doctor that we do not propose to adopt the British plan in the United States. Under the British plan the government pays about 90 percent of the cost of the medical care dispensed under the plan. In this country about eight-ninths or seven-eighths of the cost of the plan would be paid for by those who are covered, who pay the required payments periodically.

In the second place, I would say that our plan is not state medicine or socialist medicine. It is a National Health Insurance plan, which the British plan is not.

Then I would say to this doctor that in the United States there are about 40 million people, roughly, who are part of income groups who make less than \$2,000 a year, and about 60 million people who are part of income groups who make less than \$3,000 a year; that all our data show that these people and many more simply cannot pay,

without ruinous cost to themselves, the cost of the hospital and medical care they require in this expensive age of excellent medicine.

Chairman Granik: Would you care to comment on that, Governor?

SENATOR PEPPER: Therefore, what we propose to do, in the language of Winston Churchill, who proposed the basis of the British plan in the House of Commons in 1911, to use his words, is "to bring the magic of averages to the rescue of millions," through giving an opportunity to participate in national health insurance to these people who need the care they don't now generally get.

Chairman Granik: Governor Stassen.

GOVERNOR STASSEN: Of course I immediately would have to say that Senator Pepper has misquoted Mr. Churchill. In other words, he has gone back to the Lloyd George proposal of 1911, which was something entirely different, which was private and not governmental in its nature. So I first want to clear up his misquotation.

Then I want to point out that the statement that they are not trying to copy the British program is definitely not correct. In fact, Mr. Ewing, the Commissioner, has indicated that that is the program they are following.

Senator Pepper's statement simply was that they are going to raise the money in a different way. It doesn't change the nature of the program whether you collect the taxes one way or another.

The key point is that under the program that President Truman and Senator Pepper have presented for adoption by the American Congress, you would bring a large sum of money, perhaps \$6 billion to \$8 billion, under the direction of a national committee appointed by the President, of different men, and you would bring all the doctors and the nurses and the hospitals and dentists under the thumb of this committee of five. All the experience in the world says when you do that you injure the health of the people rather than promote the health of the people.

Chairman Granik: How about that, Senator?

SENATOR PEPPER: In the first place, I am quoting from the Evening Star in Washington, excerpts from the text of Churchill's broadcast on war progress and postwar hopes, March 22, 1943. This is Mr. Churchill's language in 1943, when he thought what he said in 1911 was pertinent because here is what Mr. Churchill said:

"Here is a real opportunity for what I once called 'bring the magic of averages to the rescue of millions.' Therefore, you must rank me and my colleagues as partisans of national compulsory insurance for all classes, for all purposes, from the cradle to the grave."

Furthermore—

Chairman Granik: Do you want to comment, Governor?

SENATOR PEPPER: Let me continue. Furthermore, this same Honorable Winston Churchill in a radio speech on January 23, 1950, said the following:

"As head of the wartime government I proclaimed the four-year plan of social reform, education, family allowances, and the national

health scheme. Although mulled and twisted a bit by ministerial ineptitude, this program has now largely been carried through."

The first sentence under the title "The Health Service," in the pamphlet "This Is The Road," of the Conservative and Unionists Party for the elections of this year, which is Churchill's party, reads:

"We pledge ourselves to maintain and improve the health service."

So they are not going back on their national health service.

MR. STASSEN: The Senator is very clearly quickly shifting between talk of the health service or talk of the national compulsory insurance system. I think that when we definitely analyze what has happened under the British system, we realize that it is a system that we should never, never follow. The facts are that the death rate has increased in England under this new national health program. It went up rather sharply. The facts are that illness and sickness and absence for illness increased in the first year of the plan.

It is true that the coalition government during the war appointed the so-called Beveridge Commission, and that out of that arose in the postwar situation the adoption of the plan. It is also true that they clearly aren't going to make any major change in their plan until they have tried it out for a few years, certainly not in the first year. But there has been one significant reversal already which the coalition or both parties have already adopted, and that is when they started out to give away all medicine, they found the abuses so extensive that Mr. Attlee on October 24 reversed that policy and began to make a change.

I think in quoting specific Britishers we are getting a bit off the point. The point is, we want to advance the health of the American people. We want better health in America. How can we get it? The main point would be some constructive moves, but definitely we do not want to take the move that has caused so many other countries to go down in their health programs.

I have here the statistics of all the nations in the world, a report presented by the United Nations. These statistics show that the United States today has the best health record of any major country in the world; in other words, more favorable death statistics, better situations as to maternal deaths, as to illness, and all of those major factors of health. When we have the best health record in the world, why don't we improve the system we have rather than start to copy countries with records not as good as ours.

Chairman Granik: Senator? Go ahead, Senator.

SENATOR PEPPER: Let me say in the first place that we are talking in respect to Mr. Churchill and the British Health scheme which the Governor had so severely criticized in his two articles in Reader's Digest. We are both talking about the same thing.

In the second place, the Governor in his Reader's Digest article has attributed to the health insurance service of Great Britain greater sickness and more deaths. The distinguished Governor pointed dramatically at the conclusion of his first article to 72,000 more tomb-

stones in the cemeteries of Britain, which he clearly inferred, if he didn't charge, were attributable to this national health service. The Governor and I are in politics, or we have been. He may still be—both of us. I would like to ask my distinguished friend if it is likely that Winston Churchill, slashing as he is at the Labor Government, if he believes and if the British people believe that a national health scheme in effect was causing more tombstones in the cemeteries and more illness, if the British Conservative Party which Churchill leads would have said "We propose to maintain and improve the national health service," and if Dr. Charles Hill, who is to the British medical profession what Dr. Fishbein used to be to the American, before the American Medical Association let him out, if Dr. Charles Hill would say that no political party dares to propose the repeal of the national health service.

MR. STASSEN: Senator, may I point out when you quoted Mr. Churchill, he said, "We will improve the health service of the British people." He did not say "We will hold onto this complete compulsory system that was put in." The manner in which the British will proceed, in my judgment, will be that after they have had two or three or four years' experience, they will again appoint a coalition commission, which is the way the British do things, and on a bipartisan basis they will review and study what has happened, and then you will begin to see the major change in the British approach. They never have and they do not make issues in their campaigns of things of this kind. They study them. Then they move together and then if they find they are mistaken they will study them again under a bipartisan commission and move again.

Let me point out that it was the Churchill Government that received the Beveridge Commission report. Obviously, as I say in those articles in the Reader's Digest, you shouldn't expect a conclusive judgment in one year's time, but when President Truman and yourself are proposing that we should copy the British, then I say let's look at the one-year record, and when the one-year record shows more deaths than the year before, shows more illness than the year before, shows this discontent among the doctors and hospitals and nurses, then I say that means, let us not do it. Let's continue to watch the British, but let's move on some of the problems that definitely need action in America and upon which we can all agree and upon which we can cooperate with the American doctors.

SENATOR PEPPER: The Governor means that the British political parties don't raise issues when they don't think it would be politically wise to raise those issues.

MR. STASSEN: That isn't what I mean, Senator, and you know it.

SENATOR PEPPER: You as Governor know that the British Conservative Party issued this statement on the health service, and then we will pass on.

MR. STASSEN: Let's get to our own pattern here. Do we want it here?

SENATOR PEPPER: Let's get one fact. Do you say that the British Conservative Party proposes to repeal the compulsory health service in existence at the present time?

MR. STASSEN: Of course not. Neither party proposes it now. I merely say—

SENATOR PEPPER: Having settled that, now let's go.

MR. STASSEN: —there are other important issues in this British election that is coming up. They will reexamine their health plan in a few years by a commission similar to the Beveridge Commission.

SENATOR PEPPER: We are examining ours, and having examined it, we are discovering the deficiencies we are trying to correct by national health insurance. That is where we are today. As I said a while ago, ours is a national health insurance program. It is not state medicine; it is not charity. The individual covered under our proposal would simply pay, as he does under Social Security coverage at the present time a percentage of his income up to a maximum amount. For example, it is proposed now that a covered worker would pay when the program is in operation one and one-half per cent of his income, not to exceed \$400 a month. The maximum he would pay would be \$6 a month, if he made \$400 a month income. If he made \$100 a month in income, he would pay \$1.50, one and one-half per cent of the \$1. His employer would pay the same amount. That fund would go into the health fund, as it were, out of which hospital and medical costs would be paid, with the distinct and the very clear reservation that the covered individual, the patient, would have the free choice of his doctor, and the doctor would have the free choice of determining whether he would accept a given patient or not.

I ask the question, if it is found important and no political party proposes to repeal it, to establish social security, where in order to provide retired people something like an annuity at 65, we require them to make a periodic deduction from their income, then surely the importance of life and health to those people would justify the extension of that social security principle so that they would always be assured of adequate hospital and medical care.

Chairman Granik: Governor Stassen.

MR. STASSEN: Senator, you present of course President Truman's and your own proposal in a very appealing way, and it sounds good on the surface, but this is what actually happens. When you provide a central fund which is billions of dollars, and you say you are going to pay all the hospital and medical bills out of that fund, the experience in every country in the world has been that then abuses arise; in other words, that a small percentage of the people who are malingerers or hypochondriacs, clog up the hospitals, clog up the doctors' offices, and the doctors cannot perform as good service as they did before. The result of these abuses is that rather than having better health service, you have a depreciating health service, and, as I said, a higher death rate and more illness. So the people who think they are going to get something better and cheaper find that actually they are paying

through taxes a higher cost for something available in greater quantity but of lower quality, and that that has been the result throughout the world. That is the evil of your compulsory health service.

The other thing is that you bring all the doctors under the politicians. You bring the political situation into the patient-doctor relationship. I say that clearly under such a system it would become more important for a doctor in Florida to know Senator Pepper or for a doctor in Missouri to know the Democratic leaders there, than it would be for him to make progress in his own profession and do a better job. When that political situation comes about, when you bring the political aspect into medicine, then the health of the people suffers.

SENATOR PEPPER: I think the quality of medical service that we get out at Walter Reed and at the Naval Hospital at Bethesda and generally the quality of medical service being given in the Veterans Administration hospitals over the country and in the Public Health hospitals, it might be called political in that it is provided by the Government, but is of a quality that I think commends itself to the people.

The Governor has stated the assumption that the quality of British medical service was impaired by this plan. I have here a letter dated the 20th of January 1950, from the Secretary of the British Medical Association. When I quoted to him the Governor's statement about "more medical care, lower quality for more people at higher cost," here is what Dr. Hill, who, as I said, corresponds to what Dr. Fishbein was in this country, said:

"Lower quality. We do not admit this."

The gist of the whole matter is that we have all readily admitted that there would be many administrative problems to be overcome. I have here what the British Conservative Party proposes to do. It proposes to improve the administration of this bill, but not to change its basic essentials, so that all the British people will get the medical and hospital care they require. But surely it is easier to overcome that than the people to be denied service they need and can't pay for.

Chairman Granik: Let's take some questions from our audience. Miss Penuel has a gentleman there with a question.

QUESTION: Senator Pepper, basically isn't the shortage of hospitals, clinics, nurses and doctors the fundamental problem facing us today, and not the need for compulsory national health insurance, in your opinion?

SENATOR PEPPER: No, that is not the exclusive problem. However, the Senate passed a bill—and I was the principal author of the bill and handled it in the Senate, which is now awaiting passage by the House—under which for the first time the Federal Government gives aid in the establishment of medical schools, and I hope Florida will get one from it, and I hope some Florida people are listening in. It provides a federal assistance fund to aid in the operation of medical schools so as to train more personnel, and other aid to train more dentists and nurses and hospital administrators and technologists.

However, even when we have more professional people and more hospitals—and the Federal Government is now contributing 150 million dollars a year to do that, and I am one of the authors of that bill, and that is in effect—we are also expanding vastly our research programs, and I have been identified with nearly everyone of them. But when we get the doctors and professional people, the hospitals and these expensive drugs, I say to you that the simple income facts of the people of this country show that the major part of our people simply cannot pay the cost without being ruined or without having to accept charity.

Chairman Granik: Governor Stassen?

MR. STASSEN: The facts of the matter are that the greatest deficiency in medical service now is for the Negro population of the South. Those are the people who are most being denied health services, and that rests directly with the discrimination on the part of the leaders of the Senator's party in the South. That is one of the problems that we ought to move on to correct.

In this matter of providing facilities for them, the facts are that the great advance that has been made is under the Hill-Burton Act. The Hill-Burton Act was a bipartisan act passed some five years ago and of course when Senator Burton, now a Justice of the Supreme Court, was in the Senate. That was a bipartisan measure upon which everybody agreed, and 1,000 local hospitals and facilities have been increased through it. That is the kind of constructive American type of action I want to see.

Likewise, we have this measure to assist in medical education, and yet it doesn't get passed. Why don't the President and Senator Pepper, instead of asking for something which all the doctors and all the experience of the world say is bad, bring through some of these constructive measures for improvement of medical education, for more medical education and opportunities in hospitals for the Negroes of the South, and for an advance in the sound medical program in mental health which we all agree is a governmental problem, instead of trying to upset the whole medical profession and the whole, great, magnificent health service in this country?

SENATOR PEPPER: The Governor is certainly overlooking the obvious non sequitur which must appear in my distinguished friend's argument. We are not trying to upset anything, unless it upsets the doctors a little to have to agree to a reasonable schedule of fees if they perform services for this health insurance fund. They are performing services already for the Veterans Administration. They are working on salary at Walter Reed and at the Naval Hospital. I find Senators and Congressmen who speak very loudly against national health insurance are quite ready to go out and take the services of a salaried doctor at Walter Reed.

Chairman Granik: A question from a lady over there.

QUESTION: Governor Stassen, can there be an effective alternative to a national health insurance program?

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MR. STASSEN: Yes, definitely. We can move on a constructive program, and it could be worked out on a bipartisan basis and with the doctors. In fact, the third and fourth articles in the Reader's Digest will come forward strong on the constructive side. The important thing is first to conclude that we don't want to go into a program which causes all these other countries to have bad health statistics. We want, rather, to work out an American-type program. When Senator Pepper speaks as if the veterans' medicine program is an example for it, he knows that that is not a correct example. In the first place, you are talking about a service limited in a total free profession, and the voluntary deans committees and things of that kind that have helped in the veterans' medical program have built it up. But the facts of the matter are that the great advances in medicine in the United States have not come under Government medicine. They have been made by the free medical profession and by the great universities of the country, such as Harvard Medical School, Chicago Medical School, and our own University of Pennsylvania Medical School, which was the first one established in this country. We will give due credit for a fairly good job in the veterans' hospitals, but that is certainly not any argument for taking over the whole of the medical profession and putting them under the thumb of a group of politicians appointed by the President.

SENATOR PEPPER: Nobody proposes to take over any part of the medical profession or any hospital in the country. Contrasting our proposals with that of Britain, they have taken over practically all the hospitals, but we do not propose to take over a single hospital. We only give federal assistance in the establishment and in the construction or in the enlargement of hospitals. So, if doctors didn't wish to come under the other plan by accepting a reasonable schedule of fees, they could stay out from under it.

MR. STASSEN: Senator, may I pick you up on that?

SENATOR PEPPER: Just one minute. You made a statement or two, Governor. Allow me to speak of one other fact.

The Governor has mentioned the question, why do we fly in the face of experience. I am prepared to show here that even Sweden who, like most other countries, started off with the ordinary private fee for service system, finally moved along to the next step, the voluntary system, as England did for a while, found those were inadequate because the people who needed to be in it didn't join or they dropped out before they should have. Then they moved on to the compulsory, and that is exactly the evolution here. Now we are up to the voluntary stage, and we are seeing the necessity, as the American Medical Association did in 1932, of moving on to the compulsory to protect the masses of the people.

Chairman Granik: I am sorry, gentlemen, we just have time for summaries. I understand you want to comment. Will you comment in your summary, Governor?

MR. STASSEN: Yes. First of all, your reference to Sweden. The

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facts of the matter are that under the semi-socialistic medical program in Sweden, they are not making as good a record as they are in a similar place in the United States. Let me put it this way so you understand it. A Swede in Minnesota lives longer and is healthier than a Swede in Sweden. That is an extreme way of putting it, but it is true. In other words, an American of Swedish background in Minnesota has a better health record under the American system than do the Swedes in Sweden under the semi-socialistic system which doesn't even go as far as the Senator's proposal.

Now on your statement that you were not taking over the professions, let me quote you Section 717 of the bill which you and President Truman are proposing. This says that every doctor, every nurse, every individual, every hospital that comes under this act shall enter an agreement "which shall contain an undertaking to comply with this title and with regulations prescribed by the National Health Board thereunder."

In other words, everybody in all these professions would have to comply with all the regulations and rulings of this five-man board appointed by the President. If that wouldn't bring them under the thumb of the politicians, I don't know what would.

Chairman Granik: Thank you, Governor. Your summary, Senator.

SENATOR PEPPER: Governor, it has been made very clear in the hearings and in the discussion of this measure that the administration of this measure will be in local hands, not only the state levels but down at the local level, and affecting all professional matters that every local committee which has decisive authority shall be composed of a majority of professional people.

MR. STASSEN: The bill does not so provide.

SENATOR PEPPER: There is a sentence in there that would not allow any other effect? All your Republican member has to propose is to amend it, and he will have a sympathetic hearing. On the subject of Sweden, the Governor evidently didn't recall that the Swedish system, the voluntary plan, goes into effect in 1951, so he is not talking about the same thing that they are going to have over there a little bit later.

MR. STASSEN: Semi-socialist system, I said.

Chairman Granik: I am sorry, gentlemen, the time is up.

Our speakers have been Governor Harold E. Stassen, President of the University of Pennsylvania, and Senator Claude Pepper, Democrat, of Florida, who have been discussing the question, "Do We Want National Health Insurance in the United States?"

Thank you, gentlemen.

Announcer: For reprints of this discussion, send 10 cents to Ransdell Inc., printers and publishers, Washington 18, D. C. That is 10 cents to R-a-n-s-d-e-l-l, Ransdell Inc., Washington 18, D. C.

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The Proceedings of

THE AMERICAN FORUM OF THE AIR

As broadcast simultaneously over the coast to coast radio network and through the television network facilities of the National Broadcasting Company, Inc., are printed and a limited number are distributed free to further the public interest in impartial radio discussions of questions affecting the public welfare.

by

PRINTERS **RANSDALL INC.** PUBLISHERS

810 Rhode Island Avenue, N. E.

WASHINGTON 18, D. C.

(When requesting copies by mail, enclose ten cents to cover mailing)

The proceedings of the American Forum of the Air are held every Sunday evening from 4:30 to 5:00 o'clock, Eastern Standard Time, in the Metronome Room of the Wardman Park Hotel, Washington, D. C., before an audience. The public is cordially invited to attend these broadcasts and to submit questions from the floor to the participants. Admission is free and no tickets are required.



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