

# THE GREEN SHEET

News About the U.S. Department of Health, Education and Welfare

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## X-RAY SCANNERS

WASHINGTON (AP) -- CONGRESSIONAL INVESTIGATORS SAY NEW GOVERNMENT REGULATIONS ARE NEEDED TO CONTROL INTRODUCTION OF COSTLY EQUIPMENT INTO THE NATION'S MEDICAL SYSTEM.

TO EMPHASE THE POINT, CONGRESS' OFFICE OF TECHNOLOGY ASSESSMENT REPORTED SUNDAY ON COMPUTERIZED X-RAY MACHINES THAT COST \$400,000 EACH.

MORE THAN 1,000 COMPUTERIZED TOMOGRAPHY OR AXIAL TOMOGRAPHY SCANNERS HAVE BEEN INSTALLED SINCE THEY WERE INTRODUCED COMMERCIALY IN 1973, THE REPORT SAID.

THE SCANNERS TAKE X-RAY IMAGES OF THIN CROSS SECTIONS OF THE HEAD OR BODY. THE IMAGES ARE RECONSTRUCTED BY COMPUTER INTO THREE-DIMENSION SLICES DISPLAYED ON A TELEVISION SCREEN. MEDICAL AUTHORITIES SAY THE IMAGES OFTEN ARE SUPERIOR TO CONVENTIONAL X-RAY FILMS.

THE STUDY SAID, "AS IS TYPICAL FOR MEDICAL TECHNOLOGIES, WELL DESIGNED, PROSPECTIVE STUDIES OF THE EFFICACY OF CT SCANNERS WERE NOT CONDUCTED PRIOR TO DIFFUSION."

THE REPORT SAID THERE IS GOOD EVIDENCE THE SCANNERS IMPROVE DIAGNOSIS OF PROBLEMS WITH THE HEAD, SUCH AS TUMORS AND BLOOD VESSEL DISEASE.

BUT THE REPORT ADDED THAT MAY MORE SCANS ARE PERFORMED THAN NECESSARY TO SIMPLY REPLACE OTHER DIAGNOSTIC PROCEDURES.

CONGRESS WAS GIVEN ALTERNATIVES FOR CONTROLLING INTRODUCTION OF NEW TECHNOLOGY.

FOR INSTANCE, THE REPORT SAID MEDICARE AND MEDICAID PAYMENTS COULD BE LINKED TO EFFICIENCY OF THE EQUIPMENT.

OR CONGRESS COULD GIVE A REGULATORY AGENCY POWER TO LIMIT ALLOWED USES OF SOME TECHNOLOGY.

ALSO, A FORMAL PROCESS COULD BE ESTABLISHED FOR EXAMINING EFFECTIVENESS AND SAFETY OF MEDICAL TECHNOLOGY BEFORE IT GETS WIDE USE, WITH DECISION-MAKERS HAVING EARLY ACCESS TO THE INFORMATION.

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*News About the U.S. Department of Health, Education and Welfare*

## SOVIET-US SCHOOLS

MOSCOW (AP) -- A "WIDESPREAD IDOLATRY OF SPORTS" SEEMS TO BE THE CHIEF PURSUIT OF THE AMERICAN SCHOOL SYSTEM, SAYS A SOVIET ECONOMIST STATIONED IN THE UNITED STATES WHO SENT HIS 12-YEAR-OLD SON TO SCHOOL IN WASHINGTON, D.C.

"AMERICANS APPARENTLY DO NOT MIND THE FACT THAT PARTICIPATION IN SPORTS LEAVES YOUNGSTERS WITHOUT ENOUGH TIME FOR DOING HOMEWORK ASSIGNMENTS, READING BOOKS, VISITING MUSEUMS AND ENGAGING IN OTHER ACTIVITIES THAT ARE ESSENTIAL TO CULTURAL AND INTELLECTUAL DEVELOPMENT," YURI MALOV WROTE IN THE MONTHLY YOUTH MAGAZINE YUNOST.

HE SAID MANY YOUNGSTERS ARE LED TO PUT ALL THEIR HOPES IN A CAREER IN PROFESSIONAL SPORTS, BUT THAT MOST ARE NOT TALENTED ENOUGH AND ARE LEFT AFTER THEIR GRADUATION "TO THE WHIMS OF FATE."

MALOV SAID HIS SON FOUND THAT "CHILDREN IN THE LOWER GRADES OF AMERICAN SCHOOLS SPEND MOST OF THE SCHOOL DAY OUTSIDE OF THE CLASSROOM, EITHER OUTDOORS OR IN GYMNASIUMS, ENGAGED IN ATHLETIC GAMES...."

"I CAME TO THE CONCLUSION THAT THE PRIMARY BUSINESS OF AMERICAN SECONDARY SCHOOLS IS PHYSICAL EDUCATION."

IN THE SOVIET UNION, SECONDARY SCHOOLS DEVOTE TWO 45-MINUTE PERIODS A WEEK TO ATHLETIC TRAINING IN GYMNASIUMS. DURING THE WINTERS, ONE OF THESE PERIODS IS SPENT OUTDOORS IN WINTER SPORTS.

SOVIET YOUNGSTERS WHO SHOW EXCEPTIONAL ATHLETIC TALENT ARE PUT INTO SPECIAL SCHOOLS AT AN EARLY AGE, WHERE MOST OF THEIR TIME IS SPENT IN SPORTS.

MALOV WROTE THAT IN AMERICA "A SECONDARY-SCHOOL GRADUATE MAY NOT EVEN KNOW HIS MULTIPLICATION TABLES AND MAY BE BARELY LITERATE, BUT IF HE IS A TOP ATHLETE HE WILL BE ACTIVELY RECRUITED" BY COLLEGES.

BUT HE ADDED, "ONE MUST ADMIT THAT NOT ALL U.S. COLLEGES AND UNIVERSITIES ADMIT STUDENTS MERELY BECAUSE THEY ARE GOOD ATHLETES. THE COUNTRY HAS A NUMBER OF PRIVILEGED PRESTIGIOUS UNIVERSITIES TO WHICH APPLICANTS ARE ADMITTED ESSENTIALLY ON THE BASIS OF THEIR FAMILY'S SOCIAL STATUS."

FOR THE URBAN POOR, HE SAID, PROFESSIONAL SPORTS CAN PROVIDE THE ONLY MEANS OF SUCCESS. "BUT OF THE VAST FLOOD OF ASPIRING ATHLETES, PROFESSIONAL SPORTS SKIN OFF THE TOP PROSPECTS AND LEAVE THE REST TO THE WHIMS OF FATE."

"ALAS," HE SAID, "FATE IS UNKIND TO MOST OF THEM," AND MANY "TURN TO CRIME ONCE THEIR HOPES OF BECOMING PROFESSIONAL ATHLETES ARE DASHED."

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# THE GREEN SHEET

News About the U.S. Department of Health, Education and Welfare

Balt. Sun; 8/17/78

## The AMA and Compulsory Health Insurance

### Almost Persuaded

Madison, Wisconsin.

THE greatest obstacle to the passage of compulsory health insurance legislation today is organized medicine. But American physicians have not always opposed this method of paying for medical care. When Americans first began debating the merits of compulsory health insurance two-thirds of a century ago, doc-

By Ronald L. Numbers

tors were among its most visible and vocal proponents. Their support, however, did not last long. Within a few years scarcely a doctor could be found who was willing to endorse such a "socialistic" notion.

Widespread interest in health insurance did not develop in the United States until the 1910s, after rising costs and increased demands for medical care had prompted many European nations, beginning with Germany in 1883, to provide industrial workers with compulsory insurance against sickness. Americans, however, paid little attention to these foreign experiments before 1911 when the British parliament passed a National Insurance Act.

Inspired by developments abroad and by the spirit of progressive reform at home, the American Association for Labor Legislation in 1912 created a Committee on Social Insurance to prepare a model bill for introduction in the legislatures of industrial states. The AALL, founded in 1906 by a group of reform-minded social scientists, had already scored a number of victories that resulted in laws compensating workers for industrial accidents and protecting them from industrial diseases.

By late 1915, the committee had completed a tentative draft of an insurance bill and was making plans for an extensive legislative campaign. Its bill required the participation of virtually all manual laborers earning \$100 a month or less, provided both income protection and complete medical care, and divided the payment of premiums among the state, the employer, and the employee. It left open the question of how doctors would be paid.

The initial response of the medical profession to this proposal bordered on enthusiasm.

When he saw a copy of the AALL's bill, Dr. Frederick R. Green, secretary of the American Medical Association's Council on Health and Pub-

lic Instruction, informed the bill's sponsors that their plan for compulsory health insurance was "exactly in line with the views that I have held for a long time regarding the methods which should be followed in securing public health legislation. . . . Your plans are so entirely in line with our own that I want to be of every possible assistance."

THE *Journal of the American Medical Association* (JAMA) hailed the appearance of the model bill as "the inauguration of a great movement which ought to result in an improvement in the health of the industrial population and improve the conditions for medical service among the wage earners."

And at the AMA's annual session in 1916, Dr. Rupert Blue, the AMA president, called compulsory health insurance "the next step in social legislation." Dr. Alexander Lambert, as chairman of the Committee on Social Insurance, presented a report to the session that stopped just short of endorsing the measure.

Medical opinion at the state level was similarly positive. In 1916 the state medical societies of both Pennsylvania and Wisconsin formally approved the principle of compulsory health insurance, and the council of the Medical Society of the state of New York did likewise.

Reasons for favoring health insurance varied from physician to physician. According to JAMA, the most convincing argument was "the failure of many persons in this country to receive medical care." But to the average practitioner, who earned less than \$2,000 a year, the prospect of a fixed income and no outstanding bills probably held greater attraction. Besides, the coming of health insurance appeared inevitable, and most doctors preferred co-operating to fighting.

"Whether one likes it or not," wrote the editor of the *Medical Record*, "social health insurance is bound to come sooner or later, and it behooves the medical profession to meet this condition with dignity. . . . Blind condemnation will lead nowhere and may bring about a repetition of the humiliating experiences suffered by the medical profession in some of the European countries."

By early 1917, however, medical opinion was beginning to shift, especially in New York, where the AALL concentrated its efforts. One after another of the county medical societies

voted against compulsory health insurance until finally the council of the state society rescinded its earlier endorsement.

Both friends and foes of the proposed legislation agreed on one point: The medical profession's chief objection was monetary in nature. As the exasperated secretary of the AALL saw it, the crux of the whole problem "was that physicians were constantly hearing the lie that the model bill would limit them to 25 cents a visit or about \$1,200 a year. "If you boil this health insurance matter down, it seems to be a question of the remuneration of the doctor," observed one New York physician, who believed that 99 out of 100 physicians had taken up the practice of medicine primarily "as a means of earning a livelihood." Another New York practitioner, who opposed the AALL's bill, described all other objections besides payment as "merely camouflage for this one crucial thought."

THE medical profession was, of course, not alone in opposing compulsory health insurance. Commercial insurance companies, which would have been excluded from any participation, were especially critical; many druggists feared they would be driven out of business; and some labor leaders, like Samuel Gompers, preferred higher wages to paternalistic social legislation.

America's entry into World War I in April, 1917 not only interrupted the campaign for compulsory health insurance but touched off an epidemic of anti-German hysteria. Patriotic citizens lashed out at anything that smacked of Germany, including health insurance, reputed to have been "made in Germany."

As the war progressed, Americans in increasing numbers began referring to compulsory health insurance as an "un-American" device that would lead to the "Prussianization of America." Many feared that the United States might unwittingly be "making the world safe not only for democracy but for socialism."

Shortly before the close of the war, California voters, in the only known referendum on compulsory health insurance in the United States, soundly defeated the measure by a vote of 358,324 to 133,858 and dampened the hopes of insurance advocates. Their spirits revived briefly in the spring of 1919 when the New York Senate passed a revised version of the model

bill; but the bill subsequently died in the Assembly. By 1920 even the AALL was rapidly losing interest in an obviously lost cause.

As the prospects for passage of the model bill declined, the stridency of anti-insurance doctors increased. "Compulsory health insurance," declared a bombastic Brooklyn physician, "is an un-American, unsafe, un-economic, unscientific, unfair and unscrupulous type of legislation."

In 1919 he and other critics launched a campaign to have the AMA's House of Delegates officially condemn compulsory health insurance. They failed on their first attempt, but the following year the delegates overwhelmingly approved a resolution stating "that the American Medical Association declares its opposition to the institution of any plan embodying the system of compulsory contributory insurance against illness, or any other plan of compulsory insurance which provides for medical service to be rendered contributors or their dependents, provided, controlled, or regulated by any state or the federal government."

Dr. Lambert, who had served the previous year as president of the AMA, tried to be optimistic in the face of defeat. "I think my profession will get over its present state of hysteria just as my ancestors got over the Salem witchcraft," he wrote a discouraged friend at the AALL.

Many factors no doubt contributed to organized medicine's repudiation of compulsory health insurance. Opportunism undoubtedly motivated some persons, and the political climate surely affected the attitudes of others. But more important, it seems to me, was the growing conviction that compulsory health insurance would lower the incomes of physicians, rather than raise them, as many practitioners had earlier believed. Also, with each legislative defeat of the model bill the coming of compulsory health insurance seemed less and less inevitable, and the self-confidence of the profession grew correspondingly.

Dr. Numbers is chairman of the department of the history of medicine at the University of Wisconsin and the author of "Almost Persuaded: American Physicians and Compulsory Health Insurance, 1912-1920" recently published by the Johns Hopkins University Press. This article appeared in a longer form in *Hospital Progress* and is reprinted with permission.

## Editorials & Op-Ed

Wall St. Jnl.; 8/17/78-

### Private Colleges, Free Markets

By JONATHAN KAUFMAN

Private universities and private corporations, the educator Milton Eisenhower once noted, are basically interdependent: "One needs money to produce educated people, and the other needs educated people to produce money."

Scidom has the first part of Mr. Eisenhower's observation been as true—or as costly—as it is today. More than 75 private universities are currently in the midst of capital campaigns aimed at raising a total of \$5 billion. Yale University alone is trying to raise \$370 million. M.I.T. is trying to raise \$225 million. Stanford just finished raising \$300 million.

Private college alumni, responding to the call of their alma maters, last year gave a record \$150 million to private universities. But even that wasn't enough to meet the apparently insatiable needs of many schools. "Many colleges have found that they've pushed their alumni as far as they can push them," says Theodore Bracken, of the Consortium on Financing Higher Education, an organization of private universities. "They're casting about for other sources of money. And corporations are an important factor."

Important because they are largely untapped. Last year, American corporations gave a record \$206 million to private colleges and universities—35% more than the alumni gave. Yet this represents only a small fraction of what corporations could have given to private higher education. Under federal tax law, a corporation can deduct up to 5% of its pre-tax income as gifts to charity or to educational institutions. Most corporations, however, donate only 1% of their pre-tax income to charity—and less than half of that 1% goes to private colleges.

#### A Common Enemy

In other words, there is well over a billion dollars out there in potential corporate contributions—and private colleges are beginning to pursue that money with newfound academic rigor. "For a long time we wouldn't touch corporate money because we didn't want some corporate executive coming in here and telling us how to run the curriculum," says one college fundraiser. A poll two years ago, however, found that 72% of all college administrators favored greater reliance on corporate rather than on government money. Over the past few years, universities across the country have opened special offices designed to solicit corporate donations. A seminar on corporate fundraising held in Washington last year drew representatives from over 100 colleges.

The growing affection of private universities for corporations has its roots in money, of course. The corporations have it

and the universities want it. But the search for corporate contributions has been spurred by what many educators and businessmen see as a common enemy: the federal government.

Federal grants to private universities this year total almost \$1 billion. That money has allowed universities to continue and expand their research, but it has also brought with it a wide variety of federal regulations, ranging from demands for campus affirmative action programs to guidelines on the participation of women in college sports. While many of the government's goals are laudable, the trend toward more and more federal regulation disturbs many college officials because there is no limit to how many strings Congress can attach to education grants.

Indeed, last November 15 private medical schools threatened to reject some fed-

*"The ancient ballet of mutual antagonism between private businesses on the one hand and private educational institutions on the other is not to anyone's interest."*

eral funding rather than acquiesce to a regulation that would have required them to accept a certain number of American transfer students from foreign medical schools. A last minute compromise averted a confrontation.

Such federal intrusion in campus affairs, combined with the growing need of private universities for money, has led many colleges to reevaluate their traditional distrust of corporate donations.

"Private educational institutions must realize that they are part of the private sector," says Yale President A. Bartlett Giamatti. "The ancient ballet of mutual antagonism between private businesses on the one hand and private educational research institutions on the other is not to anyone's interest. That ballet of antagonism must give way to a more mutual dance. There is a metaphor that informs the private business sector as it informs the private educational sector, and that metaphor is the free marketplace. Whether the free marketplace involves the competition of commodities or of ideas, it is a common metaphor and a precious asset."

Steven Muller, president of Johns Hopkins University, expresses the change in attitude more bluntly. "Those of us in the leadership of American colleges and universities understand your viewpoint on

taxes," he told a group of businessmen recently. "We understand your viewpoint on profits. We understand your viewpoint on profits because if you don't make profits, you can't help us."

Private universities, then, are facing a serious dilemma, but one which presents corporations with a unique opportunity. Unless private universities can draw on new sources of funds, they will be forced either to seek greater subsidies from the federal government (and accept greater federal intervention in academic affairs) or to curtail their research and teaching. In either case, the marketplace of ideas runs the risk of losing a valuable contributor and competitor.

#### Reaping the Benefits

By increasing their support of private universities, corporations can ensure that they will continue to reap the benefits of university-sponsored research and teaching. Even more importantly, as the comments of Mr. Giamatti and Mr. Muller suggest, business will gain an important philosophical ally in the battle against government regulation.

The possibility of an alliance between business and private higher education will be dashed, however, if corporations insist on supporting only "pro-business" programs—endowing only Adam Smith Chairs in economics, for example. University officials are becoming indignant over the strings attached to federal grants; they cannot be expected to accept strings attached to corporate contributions. Moreover, as Louis Catot, chairman of Cabot Corp., points out in the current issue of the Harvard Business Review, "Nothing is better calculated to drive a wedge between the corporate community and our universities than efforts on the part of business to dictate to a community of scholars how it shall fulfill its mission. Such efforts play right into the hands of critics, who jump on every opportunity to charge that the enterprise system is so flawed it wants to substitute indoctrination for the free exchange of ideas."

Any increase in the level of corporate support of higher education must recognize the interdependence of businesses and universities: It must not seek to make one dependent on the other. Private educators are prepared to support the free enterprise system and the corporations that profit from it. In return, however, corporations must acknowledge that the free marketplace of ideas is also worth supporting—without any interference from those who support it.

Mr. Kaufman is a member of the Journal's New York bureau.