

A NATIONAL HEALTH PROGRAM

America has lagged behind in the provision of adequate medical care for a large portion of the people. There has recently been an upsurge of interest and concern in this problem. This is evidenced not only by an outpouring of speeches, books and articles but also by the remarkable growth in the number of persons participating in purely voluntary group hospital insurance. The number of such persons increased from 300,000 in April 1937 to 1,000,000 in December. A survey just concluded has brought to light the wide prevalence of chronic sickness. Conditions in the South are particularly shocking. There must be hundreds of thousands of cases where a simple operation, say, for hernia, would make people self-sustaining who are now dependent. There is a deficiency of 400,000 hospital beds, (\$1.2 billion) in relation to 1929, when the number was admittedly inadequate. The rehabilitation and conservation of our human resources should certainly come before the rehabilitation and conservation of our physical resources.

Specific Proposals

(a) Increase expenditure for maternal, child and general public health work provided for in Titles 5 and 6 of the Social Security Act. (\$40 million).

(b) Make Federal grants-in-aid to assist states to provide general medical care to needy poor and to others, otherwise self-sustaining, unable to obtain medical care. Such grants would be conditioned on an equal sum being appropriated by states and local bodies. The Federal grant-in-aid could amount to between \$50 and \$100 in the next fiscal year and amount ulti-

mately to between \$100 million and \$150 million.

Proposals (a) and (b) would ensure an additional combined Federal, state and local expenditure of \$150 million- \$250 million in the next fiscal year.

(c) Hospitals. In addition to the deficiency of \$1.2 billion just mentioned, I am informed that \$600 million should be spent for special hospitals for the chronic sick, plus another \$250 million for modernization and needed outpatient clinics of existing hospitals. A program to make up at least a part of this deficiency (which is currently still growing) should be inaugurated immediately. Both W. P. A. and P. W. A. have acquired experience in this special type of work. A formula can be devised of varying the Federal contribution according to need so that, on the average, states and local bodies will contribute about as much as the Federal Government. The Public Health Service could be brought in to provide standards of specification. It is estimated that local bodies could be induced to match \$100 million of Federal money during 1939.

The combined health program would result in an expenditure of Federal funds of between \$200 million and \$250 million next year, which, with local contributions, would result in a total expenditure of between \$350 million and \$400 million.