

APPENDIX A

The Committee on the Costs of Medical Care

Ray Lyman Wilbur, the chairman of the Committee on the Costs of Medical Care, wrote the following words in the final report of the committee, which was published by the University of Chicago Press in 1933.

Pain, sickness, and bereavement have shadowed mankind throughout the ages; today there is a vast amount of unnecessary sickness, and many thousands of unnecessary deaths. Each year, over a hundred thousand babies die during the first year of life, many of them needlessly. Of the many thousand victims of tuberculosis, over 88,000 died in 1930 alone. Pellagra and hookworm disease reduce the economic efficiency of a large proportion of the people of the South. Syphilis and gonorrhea destroy fertility, deform babies, and wreck homes. Over one-third of a million persons are mentally diseased. The death rates for cancer, diseases of the heart, and diabetes are rising. A large portion of the people, young and old, are handicapped by one or more defects—particularly by decayed teeth, enlarged or diseased tonsils, defective vision, partial deafness, and weak feet. For the hundreds suffering from specific diseases, thousands are rendered inefficient for their various occupations because of common colds, constipation, headaches, rheumatism, and other minor ailments.

In a more hopeful expression, the report enumerated the many advances in the previous half-century, much of it based on the work of Louis Pasteur, Robert Koch, and Joseph Lister. Scientific advances brought many communicable diseases under control and helped lengthen the average life span. The feared scourges such as yellow fever and bubonic plague had been virtually wiped out by the 1930s. In addition, typhoid fever and smallpox had been greatly diminished.

Considering the advances that had been made by then in the knowledge, technology, and equipment to improve the health of the public, Wilbur looked ahead 50 years (to our present time) with great anticipation. In spite of the advances, Wilbur stated, the knowledge, technology, equipment, and trained personnel that were available were not being used to full capacity. Those advances that he saw 50 years in the future could be attained, at least partially, fairly soon with the proper use of present resources. Two reasons were mentioned for the lack of use of those resources. One was the cost involved. The other was the poor distribution of services.

The cost of medical care was not only an important factor in keeping some patients from seeking health care, it also affected physicians' incomes, and the quality of the hospitals where they worked.

Wilbur heard the concerns of leaders in medicine, public health, and social science about the problems of delivering adequate health care. He invited many of them to a meeting in Washington, D.C., on April 1, 1926. The problems discussed at that meeting resulted in the appointment of a Committee of Five to investigate the possible need for a course of action. The committee questioned about 75 prominent citizens by mail. Their responses almost unanimously favored establishing an organization to carry out extensive research, particularly about the economic problems of the delivery of medical care.

As a result of the mail survey, a conference was called in Washington on May 17, 1927, to coincide with the annual meeting of the American Medical Association. About 60 persons, comprised of physicians, public health officers, social scientists, and representatives of the public, attended. The Committee on the Costs of Medical Care was created, and an executive committee was appointed. Subsequently a study director was named to develop a proposed course of studies. On February 13, 1928, a five-year program of research in 17 areas was adopted by the executive committee. (As the studies progressed, some changes were made.)

For most of the five-year period, the CCMC consisted of 50 members from private medical practice, medical institutions, the social sciences, and the general public. The committee met twice a year to study data developed in the research. During the final year there were three meetings to consider drafts of the committee's recommendations.

The executive committee met monthly, except during the summer. This committee examined all research reports before they were submitted to the general committee. Wilbur praised the executive committee for having "given freely of their time at a sacrifice of personal obligations. The total value of the work done by the General and Executive committees, if paid for in money, would have cost many thousands of dollars."

The research staff and supporting professional and technical personnel proved to be very efficient. Twenty-six reports of studies were produced during the allotted period. At the beginning of the research, the executive and general committees tended to take responsibility for the details of the reports. As the work progressed and the staff demonstrated their skills, the committees gave the staff members increasing freedom in their work decisions and reports.

The CCMC developed a public relations staff to keep the public up to date on the results of the committee's work. Although the 26 study reports were written for health professionals,

the public relations staff circulated abstracts to various other interested persons.

The five-year program was made possible through the financial support of eight foundations: the Carnegie Corporation, the Josiah Macy, Jr., Foundation, the Milbank Memorial Fund, the New York Foundation, the Rockefeller Foundation, the Julius Rosenwald Fund, the Russell Sage Foundation, and the Twentieth Century Fund. Special studies were supported separately. The Social Science Research Council gave a grant for a special study, as did the Vermont Commission on Country Life for a research project on a subject of special interest to it.

The American Medical Association, the American Dental Association, the National Bureau of Economic Research, the Metropolitan Life Insurance Company, and the National Tuberculosis Association all did supplementary studies that assisted the CCMC greatly. The U.S. Public Health Service also helped, by tabulating the mass of data gathered by the CCMC in family surveys about the incidence and costs of sickness. Other groups aided in the field work of the CCMC research. These groups included state and local departments of health, visiting nurse associations, and others that collaborated in many studies without cost to the committee. The work contributed by these groups would have cost the committee thousands of dollars to complete.

The study of the CCMC was scheduled for completion by January 1, 1933. The final output was 27 volumes, consisting of 26 study reports and a summary volume containing the committee report and recommendations. There were also reports of two minority groups of the committee.

Working on the assumption that the physical and mental health of the people were the country's greatest asset, the CCMC recommended future action that it believed to be, according to Wilbur, "a scientific basis on which the people of every locality can attack the perplexing problem of providing adequate medical care for all persons at costs within their means."

The Committee on the Costs of Medical Care

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