The White House
Washington
October 15, 1951

Memorandum for: David H. Stowe
From: The President

The attached looks all right to me. I think the best thing to do is to go ahead with it. Let's see if we can find the right people for the Commission.

[Signature]

Very sincerely yours,
Bill Rody

[Handwritten note:]

Great.
DRAFT EXECUTIVE ORDER

ESTABLISHING THE PRESIDENT'S COMMISSION
ON THE HEALTH NEEDS OF THE NATION

WHEREAS the maintenance of the health of its citizens is the
foundation of our nation's strength; and

WHEREAS the demands of military, civil defense and veterans' pro-
grams upon medical personnel and facilities must be met in this emergency
period while at the same time provision is made for adequate medical services
to the general public; and

WHEREAS an objective evaluation of the impact of emergency needs
upon both the immediate and the long-range civilian health requirements of
the nation is essential at this time in order to provide the nation with
counsel and guidance in the continued development of a healthy democratic
society,

NOW, THEREFORE, by virtue of the authority vested in me as President
of the United States, it is ordered as follows:

1. There is hereby created a Commission to be known as the
President's Commission on the Health Needs of the Nation, which shall con-
sist of a chairman and ________ other members to be designated by the
President.

2. The Commission is authorized and directed to inquire into
(a) the immediate requirements of the Armed Forces of
the United States, civil defense organizations, veterans
programs, and related public service groups, for medical
personnel and facilities;
(b) the present status of local public health units and their ability to meet demands imposed both by civil defense programs and health programs for the general public during this mobilization period and by the long-range need of the nation for such services;

(c) the current and estimated supply of physicians, dentists, nurses, medical technicians and public health workers; the adequacy of this supply in terms of the immediate demands for service, and the ability of educational facilities to provide such additional professionally trained persons as may now be required in the national interest and as may ultimately be required to meet long-range national health needs;

(d) the problems which are presented in providing the preventive and curative medical services necessary to maintain an adequate level of health in the United States, while meeting emergency health requirements during this mobilization period;

(e) the impact upon the desirable level of civilian health of the long-range requirements of military, civil defense, veterans, and related public service programs for medical personnel and facilities, including local public health units.

(f) the present status of medical facilities, such as hospitals and clinics, and plans for the development of such facilities to meet the total needs of the nation.
(g) the existing medical research activities and the programs to keep pace with developments in this field;
(h) private and public programs for improving methods of financing medical care for various income groups within
the country and the adequacy of these programs in terms of the level of health required to be maintained in the
national interest; and
(i) the extent to which the Federal and State governments
are meeting obligations in the health field and the desirable
relation of expenditures for such purposes to the over-all
financial obligations of the Federal and State governments.

3. The Commission shall make a report of its studies, as authorized
and directed under paragraph 2 of this Executive Order, to the President in writing
not later than September 1, 1952, including its recommendations for governmental
action, either legislative or administrative. In addition, the Commission is
authorized to make such interim reports to the President in writing, including
its recommendations for governmental action, either legislative or administrative,
on any of the subjects contained in said paragraph 2, which in the judgment of
the Commission warrant immediate action in the national interest.

1. In connection with its studies and inquiries, the Commission is
authorized to hold such public hearings and to hear such witnesses as it deems
appropriate.

5. All executive departments and agencies of the Federal Gover-
ment are authorized and directed to cooperate with the Commission in its work
and to furnish the Commission such information and assistance, not inconsistent with law, as it may require in the performance of its duties.

6. The expenditures of the Commission shall be paid out of an allotment made by the President from the appropriation "Executive Office of the President - Emergencies (National Defense)". Such payments shall be made without regard to the provisions of (a) section 362 of the Revised Statutes of the United States (31 U.S.C. 672), (b) section 9 of the act of March 4, 1909, 35 Stat. 1017 (31 U.S.C. 673), and (c) such other laws as the President may hereafter specify.

7. Thirty days after rendition of its report, as required under paragraph 3 of this Executive Order, to the President, the Commission shall cease to exist unless otherwise determined by further Executive Order.

HARRY S. TRUMAN

THE WHITE HOUSE
October 9, 1951
October 12, 1951

MEMORANDUM FOR THE PRESIDENT

Subject: Administration's Health Program

On several occasions during the past months I have discussed with you the desirability of taking action to push the Administration's health program.

There is general agreement among the White House staff and interested private persons that this subject, including plans for financing costs of medical care, will be a major issue in 1952 whether by choice of the Democratic Party or not. As a result of the effective propaganda machine of the AMA, the Administration's efforts in the health field have been distorted and made to appear as socialistic devices. This line is almost certain to be taken anew against Democratic candidates in 1952. Moreover, there are many who believe that a comprehensive health program, including at the minimum some plan to bring adequate medical care within the reach of the low income groups, will prove a desirable issue in 1952, particularly in view of available documentation pointing out the need for some action in the health insurance field.

I believe that without further delay we should choose a course of action from the following three alternatives:

1. Soft pedal the health issue and rely upon the record to date. The accomplishments thus far include an increase in funds for hospital construction, establishment of additional health institutes, and the expansion of the social security program to increase the aid given to the states for maternal, child health and crippled children's services (all measures passed by 81st Congress). The emergency aid-to-local-public-health bill has passed the Senate, but will not receive House action this session. The emergency aid-to-medical-education bill last week was recommitted to the Senate Labor and Public Welfare Committee after being reported out by the Committee unanimously. The complete reversal of position of Senator Taft on this bill indicates Republican opposition to future efforts in even this limited area. The various bills for medical care insurance and for relief of medical shortages in rural areas await Committee action. The chances for complete House action on any of the measures in the health field during the 81st Congress are very slim.

2. Embark upon an effort to push all features of the health program including the pending proposal for medical aid to the aged with use of OMBF funds,
but not endorse specifically any universal health insurance plan at this time; or include in the comprehensive program which is to be advocated a health insurance system along the lines of either the current proposals for Federal-State aid to voluntary health insurance plans or the original Administration compulsory insurance plan.

3. Initiate a comprehensive study of the health needs of the nation as a means of re-evaluating the Administration's program in light of the impact of the mobilization effort upon civilian health requirements and long-range health objectives. Along this line, a Presidential Commission to investigate objectively the health needs of the nation should be appointed to study the problems in this field and to make a report and recommendations for necessary action to the President. The main task of the Commission would be to report on the long-range objectives of a comprehensive health program including consideration of methods of financing the cost of adequate medical care. If the most effective use of its findings is to be made in 1952, the Commission should be appointed by November 1, 1951, and should complete its work by no later than July 1, 1952. It is believed that a realistic job could be done within this comparatively short period provided the Commission makes use of the various competent studies already prepared in this field for Congressional and private groups. In addition, the Commission should be given authority to make interim reports on emergency problems demanding immediate action. In this respect, the Commission could within 90 or 120 days after its appointment render a report dealing solely with the impact of current mobilization needs upon civilian health requirements, such a report would no doubt recommend immediate action by the Congress on legislation providing federal aid to medical education, thus highlighting the recent turnabout of Republican support for this measure, the need for which is already well documented.

It is agreed among White House staff that the first course of action — soft-pedaling the health issue — contains many dangers. It would give the initiative to the opposition and would put the Administration on the defensive for failing to achieve more of its objectives in this field. The second course of action — an all-out effort for a comprehensive program — is undesirable primarily because of the fact that an Administration position on a program for financing medical care has never been carefully developed and coordinated. Moreover, in light of the present situation in the Congress it is very doubtful that increased pressure at this time for any of the current health insurance proposals would meet with success.

It is therefore concluded that the most desirable action at this time is the appointment of a Presidential Commission to provide a re-evaluation of the objectives of a sound national health program in the light of current conditions. If such course of action is adopted it should be made clear to our friends that the establishment of the Commission with authority to make interim reports on urgent problems is not intended in any way to undercut current efforts to obtain
emergency legislation in the health field. Instead, it should be emphasized that the Commission approach is an attempt to start from a fresh base to obtain the benefit of objective analysis of both immediate and long term health goals, giving due consideration to mobilization problems. Moreover, the Commission, to be effective in its long-range study, must be composed of high calibre personnel representing both professional and lay groups who have not been labeled as extreme advocates of universal health insurance or die-hard opponents to such measures.

Should you agree to this course of action, prior to the establishment of the Commission certain persons who have long been interested in this subject should be contacted, either to obtain their advice or to allay their fears that the Commission is in any way a delaying tactic. Congressional leaders in this field, such as Senators Murray and Hill and Congressman Dingell, should be consulted, in addition to leaders of the AFL and CIO and such organizations as the Committee for the Nation's Health.

A draft Executive Order establishing the President's Commission on Health Needs of the Nation and a roster of proposed members of the Commission have been prepared. It is recommended that if this approach is acceptable to you, immediate steps be taken with a view to putting the Commission into business no later than November 1, 1951.

David B. Stone