"Our goal must be— not peace in our time— but peace for all time." — Harry S. Truman

CAPITAL COMMENT

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The American Medical Association has announced an advertising campaign of $1,100,000 to attack the President's national health program as "socialized medicine" (which it is not!) and to argue that Blue Shield plans make national health insurance unnecessary.

The lever advertising fund of the AMA will be spent in newspapers, magazines, and on the radio. Undoubtedly it will be designed to confuse the American voter about what the Administration's national health program is and about the extent of Blue Shield coverage.

So that Democratic workers can give the voters the true facts, here are the highlights from a study prepared by the Committee for the Nation's Health of what voluntary plans are accomplishing:

A Blue Shield plan is an organization run by a medical society which proposes to provide "voluntary medical care insurance" but which actually covers only part of your doctor bills — usually only surgery and often not all of that. Despite many claims of 10 years' prove in organized medicine, Blue Shield covers less than 1 out of 10 persons in the U.S.

In some states Blue Shield provides no medical services at all. It merely turns its members over to an "approved list" of commercial insurance companies. These companies, operating for profit — they call all benefits paid to subscribers "losses" — pay back to the average 54 cents in benefits for each 100 cents the subscriber pays in.

Blue Shield plans are merely a referral agency to commercial insurance companies in such states as Ohio, Illinois, Tennessee and Wisconsin, where over 20,000,000 people live.

This table compares the benefits of Blue Shield and the Administration's program:

<table>
<thead>
<tr>
<th>Blue Shield</th>
<th>National Health Insurance</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>People</strong></td>
<td></td>
</tr>
<tr>
<td>Protected</td>
<td>98%</td>
</tr>
<tr>
<td>Unprotected</td>
<td>95%</td>
</tr>
<tr>
<td><strong>Amount</strong></td>
<td></td>
</tr>
<tr>
<td>of Protection</td>
<td></td>
</tr>
<tr>
<td>Doctor at Home</td>
<td>No</td>
</tr>
<tr>
<td>Doctor at Office</td>
<td>Rarely</td>
</tr>
<tr>
<td><strong>Expensive Drugs</strong></td>
<td>No</td>
</tr>
<tr>
<td><strong>Preventive Medicine</strong></td>
<td>No</td>
</tr>
<tr>
<td><strong>Surgeon and Specialist</strong></td>
<td>Yes (partial)</td>
</tr>
<tr>
<td>Hospitalization</td>
<td>No</td>
</tr>
<tr>
<td>Annual Cost Per Average Family (of Blue Shield and Blue Cross together)</td>
<td>$80-$85</td>
</tr>
<tr>
<td>Other facts about Blue Shield plans: Small and Beaver Coverage. At the end of 1949 the Blue Shield medical insurance plans, sponsored by medical societies, had an enrollment of 125 million people. This is only 9% of the population. The enrollment is mostly in a few industrialized and relatively wealthy states -- 82% are in six states, California, Massachusetts, Michigan, New York, Ohio, Pennsylvania. Over 95 million are concentrated in 10 states, while four million are scattered among the 71 million people of the remaining 37 states.</td>
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</tbody>
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What Does a Blue Shield Plan Cover? A single worker $10 to $15 a year; a family $20 to $25 a year. The exact amount varies with different plans and the particular benefits that they offer.

What Would You Get for Your Money? In general, limited protection against the costs of surgery and maternity care in hospital cases only. Few Blue Shield plans cover any doctor services except in hospitalization incidents.

What you get for your money also depends on your income. If your income is below a certain amount — usually $1,000 to $2,000 a year for an individual, $3,000 to $5,000 a year for a family — you will have your full bills paid for any surgery performed while you are in a hospital. In addition, some Blue Shield plans would pay some of your bills for some other professional services. Some plans are undertaking experiments in more comprehensive care, such as home and office medical services and broader age and income limits.

Income Limits. If you or your family are above the income limit, you will not be guaranteed any services, but will be paid a part of the Blue Shield plan at a fixed amount for each operation or other professional service. The surgeon or physitian can charge you his regular fee or whatever fee you and he might agree upon. These fees may exceed your cash indemnity from the plan.

About 1/3 of the Blue Shield plans offer only cash indemnities regardless of the subscriber's income.

The following shows Blue Shield or similar coverage by states:

Over 25 percent, 1 state: Delaware.


10-20 percent, 10 states: California, Massachusetts, Montana, Missouri, New York, North Carolina, Ohio, Oregon, Wisconsin, Washington.


Under 5 percent, 11 states: Arkansas, Idaho, Illinois, Kentucky, Louisiana, Mississippi, New Mexico, North Dakota, Tennessee, Texas, Utah.

No Blue Shield Plan, 7 states: Georgia, Maine, Maryland, Nevada, Rhode Island, South Carolina, South Dakota.

These are the facts about what Blue Shield and similar plans are accomplishing. These plans provide much less protection than national health insurance would provide.

As to the charge of 'socialized medicine,' next week 'Capital Comment' will discuss the charge in detail and give you the facts about the health program that the AMA is fighting with a million-dollar advertising campaign.

Only two Republicans voted against the broad increase in Social Security passed by the Senate this week. This shows how much times have changed since 1935 when the Republicans thought that their opposition to Social Security might elect Alfred M. Landon President.

On Monday, November 2, 1936, Hearst newspapers ran a picture purporting to show the 'dogtailed' that the Hearst papers said Americans would be required to wear under the Social Security Act, which these papers called a 'trust buster.' The Republican National Committee participated in this effort to pull off the 'dogtailed' hoax.

Business concerns supporting the Republican ticket passed out to their employees attacks on Social Security of which this is a typical example:

"YOU'VE BEEN PRESENTED WITH A 'CAT IN A BAG!'"
"We think it has some long claws, but that is for you to judge. It's called the Social Security law. Here are the facts about this strange animal that the Roosevelt New Dealers passed on to you:

This Company on January 1, 1937, will be assessed a 1% tax on every dollar that goes into your pay envelopes. Beginning January 1, 1937, the Administration now at Washington also requires us to deduct 1½ from your weekly pay envelope and turn it over to them. It doesn't stop there, however, as time goes on the deductions from your pay envelope may go to 25 weekly, according to this Enraged, undemocratic legislation...

"WE, TOO!"

...you have no guarantee of ever getting that money back. No policy, no contract, nothing binding however from the Government...

"We thought you ought to know these facts. They worry us because some of our payroll tax will have to be absorbed in a higher price for our products. That curtails the consumption. And the minute we sell less, we're compelled to manufacture less. Anvrya you look at it, the worker gets the worst of it."

Here is another example:

"Sincerely, the heavy tax thus imposed on the Company must have an adverse influence on what it might otherwise do in employee benefits of one form or another. Like all taxes, it also has the undesirable effect of increasing selling prices."

This week, with business recognizing the merits of the Social Security Act it attacked so bitterly 15 years ago, only Republican Senators Coin of Washington and Butler of Nebraska voted against expansion of coverage and benefits. The other Republicans were eager to show their support for the program they once fought so bitterly.

The Senate measure, which differs in minor details from expanded coverage already voted by the House, makes these changes:

About 10 million more persons are brought under the program.

Benefits to nearly 3 million retired workers are about doubled, with the primary benefit going from $60 a month to $120.

The tax base has been raised from the first $3,000 of a worker's pay to $3,900. The present 1½ percent deduction now levied on employer and employee will remain in effect until 1968.

The beneficiaries of this expanded program will remain free of compulsion to wear "daggers."

A simple formula for victory in Ohio this Fall was drawn at a two-day conference in Columbus last week.

In two full days of meetings, party officials, labor leaders, farm leaders and representatives of business agreed that the guarantee of Democratic success was to get out the enormous potential of unregistered voters which exists in the state.

Women's groups participated actively and will take a very important part in the campaign to see that every voter's home is visited, that every voter is registered, and that every registered voter VOTES.
I was greatly pleased by the enthusiasm and determination shown by all present. The plans have now been laid. N piled the National Committee will support the Democratic campaign in Ohio with every resource at our command. The carrying out of these plans is now in the hands of the political shock troops: the county leaders and their precinct workers along with the great mass of volunteer workers who wish to register their protest against Republican reaction.

I am confident that these plans mean a Democratic victory for Joseph T. Ferguson in the Senatorial race, the election of a strong Fair Deal Congressional delegation, and victory for the Democratic state ticket headed by Governor Lawshe.

William M. Boyle, Jr., Chairman

We hope you are passing "Capital Comment" around among your friends.