MEMORANDUM FOR: Matthew J. Connolly
FROM: Charles E. Murphy

It seems to me that it would be out of the question for the President to follow the suggestion of Mr. Connorton. His suggestion is, in effect, that the President openly abandon his recommendation for national health insurance for the time being.

I suggest that Mr. Connorton be substituted for Oscar Davis as the Administration spokesman on this subject.
THE WHITE HOUSE
WASHINGTON
June 27, 1949

MEMORANDUM FOR

MR. MURPHY

The attached letter, addressed to
me by John V. Connorton, is referred for
your advice.
June 27, 1949

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MR. MURPHY

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let. June 21 to Mr. C. from John V. Connorton, Exec. Dr. Greater NY Hospital Assoc., 72 Wall St., NYC—send memo on health bill
June 21, 1945

Mr. Matthew Connolly
Secretary to the President
The White House
Washington, D.C.

Dear Matt:

Enclosed is a memorandum in which you displayed some interest. I hope that it may be effective since I believe that both sides should get busy in achieving those things in which they are both in agreement.

I expect to be in Washington next week for the meeting with Mr. Swing and I shall try to get in touch with you at that time. If you think that I should talk to any of the legislative leaders, I shall be happy to follow out any suggestions you might care to make.

Have there been any further developments as to my candidate?

Kindest regards.

Sincerely,

[Signature]

John V. Connorton
Executive Director
CONFIDENTIAL MEMORANDUM

Subject: Status of health bills

The Administration health bill contains many points which the national hospital associations approve. The hospitals will not accept compulsory health insurance, however, nor will the Administration relinquish this as its ultimate objective.

Several health bills advocating greater support for voluntary insurance, contain many of the points outlined in the Administration's bill, e.g., grants for hospital construction, nursing and medical education.

At present, it appears that no action will be taken on any of these bills during this Congress. In fact, well informed Congressional leaders have said that there will be no health bill passed this year.

It appears, therefore, that the health problem will be a major factor in the political campaign of 1952. The Administration will have to take up the 1953 campaign in either one of two of the following positions:

a) It can enter the 1953 campaign without having made any progress along the lines of the President's health program. It cannot make this fact known to those who refuse to go along with the compulsory insurance plan,

b) It can in 1952 urge the adoption of legislation which has been agreed upon by all the national hospital associations. This will permit the Administration to go into the 1953 campaign prepared with the enormous advances which have been made in the health field during the past few years. It can then ask for the election of new members of the House and the Senate who are in sympathy with the further extension of its plan.

It is suggested that Position B is more advantageous than Position A. If Position A is followed the Administration will not receive full credit for the many excellent ideas it has proposed and with which the hospital authorities and many leaders of the medical profession are in complete agreement. Furthermore, by the Administration's continuing in Position A, members of the opposing political party are gaining national recognition for their individual efforts which are more limited in scope and, therefore, more easily understood than the present ambitious health bill of the Administration.

It is suggested that the Administration modify its position at this time and introduce some new bill or modify its present bill so that the many points on which agreement can be reached will be put into effect. Thus, compulsory health insurance will still remain an objective for the Administration but the attempt to achieve it will be postponed for a more opportune time.

If this suggestion is adopted it is believed that both sides will look at the situation as follows:

A) The Administration: At least 60% of the Administration's program will have been achieved with the complete backing of the hospital associations. The one point which will not have been enacted into law will be the compulsory health insurance feature. The Administration will continue its fight to achieve this. It may have to look in doing so, with the strong support of those who will benefit from the health features which will be enacted into law as a result of moving for speedy action on all provisions except compulsory health insurance.
Continued........

3) The Hospitals: The Administration has been responsible for enactment of many worthwhile health provisions which we have approved. We believe that the operation of these facilities will prove so beneficial and provide for so many of the people that there will no longer be a demand for compulsory health insurance.

On June 29th the presidents of the Greater New York Hospital Association, the American Hospital Association, the Catholic Hospital Association and the American Protestant Hospital Association meet with Mr. Oscar J. Bing. This is the second meeting of a Committee appointed by President Truman last year with Mr. Bing as his personal representative. It is suggested that the recommendations of this Committee, including the many points of the President's program with which they are in agreement, be submitted to President Truman in a joint statement by Mr. Bing and the four presidents.

It is suggested further that these recommendations be accepted by the President who might then treat them as a basis for a message indicating his desire that another enabling administration bill be introduced which would contain all the recommended points except compulsory health insurance. The President could point out that he has not changed his mind on the desirability of compulsory health insurance, just as the hospital people have not changed their position to it.

This plan as outlined above might bring much favorable attention to the President's program and to the cooperation of both the Administration and hospital associations. It should lead to much support from the medical profession. Finally, it should be of considerable advantage to the Administration in the 1940 campaign.
Mr. Matthew Connelly
Secretary to the President
The White House
Washington, D.C.

Dear Matt:

Thank you very much for granting me so much of your time. I enjoyed talking with you again and was very pleased to have the opportunity of meeting Mr. Connelly. I hope that on my next trip you may be able to arrange to have yourself and Mrs. Connelly have dinner with me. I expect to get down in a few weeks.

Thanks to your beneficent interests, I had a very nice talk with Cesar Ewing and we are arranging to have the Presidents of the three national associations and my own Association confer with him on either June 25th or 30th. After we have some preliminary discussions, I hope that we can come out with a joint report that the hospital associations approve practically all the points of the President’s health program except the issue of compulsory health insurance. I do not think our people will change their views in this regard nor do I anticipate that the President will change his views on that point either. However, the hospital people are far removed from the extremist position adopted in some quarters which will have nothing at all to do with cooperation with the government.

I have already mentioned that once some joint recommendations can be achieved it would be advantageous to have a brief meeting with the President for the sake of pictures and stories which could be distributed through the national hospital magazines. The event would be the conclusion of the conversations with Mr. Ewing and his representatives and the presentation of the joint recommendations to the President. The fact that the American Hospital Association, the Catholic Hospital Association, the American Protestant Hospital Association, and the Greater New York Hospital Association would be represented would bear considerable weight with the representatives of the voluntary non-profit institutions throughout the nation.

May 9, 1949
May 9, 1949

I hope to talk about this with you soon. Until then, thank you again for your sympathetic consideration of this and other suggestions.

Kindest regards.

Sincerely,

John W. Connorton
Executive Director