

## The high cost of health

Medicare and Medicaid cost too much. Together, the two health care programs are draining Federal and state treasuries while feeding the upward spiral of hospital and doctor's bills. And as governments feel the pinch in these programs that cover health costs for individuals over 65 years of age and for the medically needy, citizens covered by private insurance plans such as Blue Cross-Blue Shield face a steep rise in premiums for protection that, at best, meets only a portion of medical expenses.

From the White House to Congress, from the medical profession to private groups, a variety of solutions is being proposed. Some would alleviate crises for the short-haul, others propose changing the entire system.

A probe of Medicare and Medicaid operations, made by the staff of the Senate Finance Committee, uncovered widespread administrative laxity with little attention to economy as well as outright cases of abuse (SN: 5/24, p. 497). In its final report, released this week, the committee urged changes in procedures for reimbursing hospitals, nursing homes and other institutions providing patient care and recommended that limits be set on physicians' fees.

**It found**, for example, that physicians' bills are generally paid as rendered. In many cases, that means that a doctor can receive considerably more money for services to Medicare or Medicaid patients than for patients whose bills are paid by private insurers. For performing a cataract operation, Illinois surgeons receive an average payment of \$444 from Medicare; Illinois Blue Shield pays the same surgeons an average of \$165 for the same operation. In Texas, the going rate for gall bladder operations under Medicare is \$303. Texas Blue Shield pays a maximum of \$95 in surgeon's fees. In each case, the insurer administers the Federal program, and approves the differing fee schedules.

A survey of 1968 Medicare and/or Medicaid payments to physicians revealed that 4,300 individual practitioners and 900 physician groups drew more than \$25,000 each. At least 68 of the solo doctors got \$100,000 or more. The Finance Committee staff has called on Health, Education and Welfare Secretary Robert H. Finch to appoint an advisory board to assist in setting fixed fee allowances for various types of medical services. The fee schedule would vary within nine census regions in the United States to accommodate reasonable price differences from area to area.

Medicare and Medicaid combined cost more than \$10 billion a year, nearly twice as much as Congress anticipated when the programs went into effect, the former in 1966, the latter a year later. And while the Senate committee proposes reforms that would cut costs essentially by tightening and streamlining current operations, the Nixon Administration hopes to slice millions from the bill by shifting the emphasis at certain points. It will, for example, introduce legislation to permit a reduction in spending under Medicaid for long-term stays in hospitals and mental institutions (SN: 2/7, p. 145).

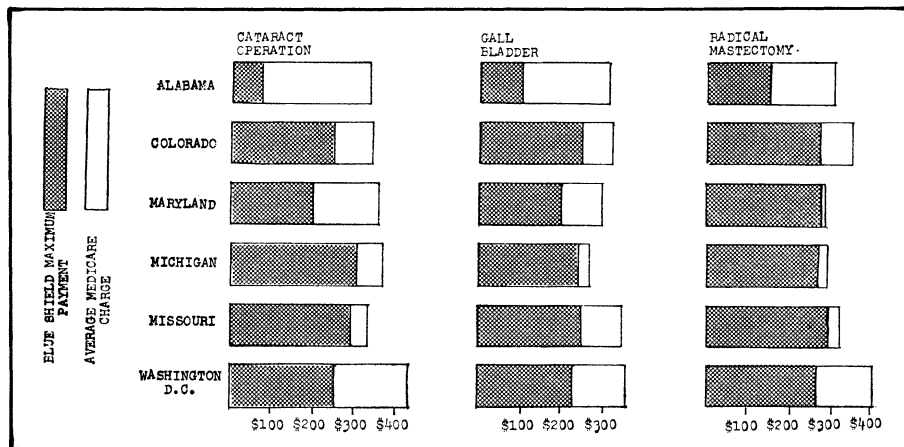
**In addition**, it will seek changes in taxing procedures. By Jan. 1, 1971, 5.2 percent of taxes on an individual's first \$7,800 in income will go to the Medicare treasury. To gain an additional \$3 billion, the Administration hopes to raise the tax base to the first \$9,000 by 1972.

For the longer haul several groups look to national health insurance programs (SN: 11/15, p. 453), as the long-term solution. At the conservative end of the scale, the American Medical Association has proposed a voluntary plan to encourage individuals to purchase private insurance by offering tax incentives. Sen. Paul J. Fannin (R-

Ariz.) and Rep. Richard D. Fulton (D-Tenn.) introduced the AMA legislation in Congress.

One of the most liberal of programs up for consideration is that introduced this week by Rep. Martha W. Griffiths (D-Mich.). It would cover all persons who have been residents of the United States for a year or more and encompass hospital and doctor's bills, dental care, eyeglasses and prescription drugs. If it were put into effect, Medicare, Medicaid and private insurance plans would go. To finance the plan, which is modeled on a comprehensive care program established by Kaiser Industries in California, during World War II, individual employes would pay one percent of their wages up to a specified maximum, employers would pay three percent and the Federal Government would contribute three percent from the general revenue.

**In hearings** slated to begin soon, the House Ways and Means Committee will consider the Griffiths bill as well as one introduced by Rep. John D. Dingell Jr. (D-Mich.). The Dingell bill calls for a health insurance program run at the state level but financed by the Federal Government. Other national health insurance proposals are in preparation. □



Robert Trotter/Senate Finance Committee data

Physician payments for Medicare patients surpass those from private insurers.

### TIDAL MONITORS

## Tracking the moving earth

Tidal movements are most obvious in the oceans, but stretching of the solid globe also occurs on a small, but measurable, scale. On the average, a point at a middle latitude on the surface of the earth might be about 12 inches farther from the earth's center at high tide than at low tide.

Since land under the influence of the tide is slightly farther from the center of the earth than normal, gravity at that point is diminished by about one or two parts per 10 million. In the

last decade, tidal gravimeters have been developed that can detect variations of one part in a billion, well beyond the necessary sensitivity.

In the last two years a group at Columbia University led by Dr. John T. Kuo, a geophysicist and professor in the School of Engineering and Applied Research, has installed 13 of the instruments at locations along a transcontinental profile from New York to California, and analyzed the data recorded.