ANNOTATIONS

ENSURING MEDICAL CARE FOR THE AGED[1]

MR. SPIEGELMAN is a respected observer of demographic developments in the United States. His long professional association with the Metropolitan Life Insurance Company provides the base for his special insights and point of view concerning insurance approaches to protection against the economic hazards of living and of dying. His previous publications, long and short, are evidence of Mr. Speigelman's skill in drawing together and interpreting for both the professional and lay reader a wide variety of statistical reports on the facts of life and death. Mr. Spiegelman was therefore an excellent choice by the Pension Research Council for its timely study of the health needs of our growing aged population. This reviewer has been assured that publication in this election year was fortuitous. Nevertheless, the book has a special value this year and period since proposed solutions to the problems of providing and financing health services for the aged will be debated and one or more tried, following the 1960 elections. For the many alert readers who cannot hope to review the voluminous literature of the field, Mr. Spiegelman's synthesis offers much of the background for seeing and understanding reasonable approaches to paying for medical care for the aged.

One added caution seems in order. The author stresses in his preface that he has offered no proposals of his own; that "his purpose was merely to bring together the many specialized studies. . . ." He points out that "in judging a proposed solution to a social problem, it is important to consider its social

[1] Spiegelman, Mortimer: ENSURING MEDICAL CARE FOR THE AGED. Published for Pension Research Council by Richard D. Irwin, Inc., Homewood, Ill., 1960, 280 pp., 80 tables. $5.75.

consequences." That Mr. Spiegelman describes and considers the social consequences from a particular point of view is made clear particularly in the brief introductions and in the final chapter "Toward a Goal." He indicates that "the aged of the present and future have a great stake in a stabilized currency" as if this was the only conceivable solution to the maintenance of adequate purchasing power. This clue prepares the reader for the orientation toward government spending or participation in insurance programs which is implicit in the analysis of proposed solutions. Seven lines, vague in content relative to the explicit detail in other sections of the book, are devoted to the measure of the problem which would remain with an expansion of voluntary health insurance as the approach. Approximately two pages of presentation of the problems of serving the aged follow one page of description of the British National Health Service. Most of the fifteen pages reporting on the provisions of health insurance through the Old Age Survivors and Disability Insurance programs present the problems and criticisms concerning this approach.

This report is conveniently presented in seven major sections which cite close to 400 references and are illustrated with 80 tables. Background on the demographic, social, and economic characteristics of the aged is offered from a variety of sources of uneven merit, especially in the field of economics. There is a tendency to accept and interpret generously those sources which judge the aged to possess significant financial assets. One example is the author's reference to a study showing ownership of life insurance by 56 per cent of spending units at age 65 and over coupled with the hopeful judgment that "such life insurance protection can be a very significant factor in meeting the cost of terminal illness." Seven pages further on one learns that the majority of such "life insurance" is held in amounts under $2,000. The median amount for aged married couples is $1,848, for single retired males is $1,254, for single retired females is $792 and for aged widows is only $744. Two per cent or less of the aged owners of policies borrowed against them. Seventy-one per cent of aged widows owning life insurance, for example, held policies worth less than $1,000—a burial benefit for most of them, hardly to be interpreted as either financial

or psychological support in relation to the costs of even a terminal illness!

Mr. Spiegelman notes that many aged live with families. He fails however to consider the present and future economic needs of the entire family in offering the generally meager financial assets of such families as possible sources of payment for medical care for their aged members. Education, food, clothing, shelter, and even medical care in addition to T-V sets or telephones and other symbols of the American Way of Life may stand in competition for the family assets which total $500 or less for 54 per cent of all spending units according to table 2.9. Recent data from the Social Security Administration indicate that the proportion of families with whom aged parents live is greatest among the lower income groups! (FILIAL RESPONSIBILITY IN THE MODERN AMERICAN FAMILY, by Alvin Schorr, S.S.A. Dept. of H.E.W., GPO, 1960).

Mr. Spiegelman accepts an American Medical Association economist's judgment that lifetime savings are an important resource for the non-working aged person. This may be true for those with savings of significant size. Mr. Spiegelman emphasizes this aspect by pointing out that 40 per cent of spending units headed by aged persons had liquid assets of $2,000 or more. He does not state that 60 per cent have liquid assets of less than $2,000; nor that 44 per cent have liquid assets of $500 or less; nor that 27 per cent had no liquid assets. It is true that he permits the conscientious reader to see the source table from which these data were abstracted by the reviewer.

Mr. Spiegelman points out the inadequacy of uninterpreted data in his introduction and promises appropriate interpretation. In this material on the economic status of the aged there is an unfulfilled obligation to discuss its meaning in terms of patterns of illness and the need for medical care. There is always implicit the idea that all the aged person need worry about is *this* episode of illness and its costs. He is expected, Mr. Spiegelman implies on page 26, to consider as sources of payment for what is obviously his one, only, and also his last illness not only his savings but his house, his farm, and his equities in life insurance policies!

The very lucid and excellent summary of health conditions

among the aged does not appear until the next chapter. From National Health Survey data, for example the author points out that the annual incidence of acute conditions per 100 persons aged 65 and over is 155 for men and 169 for women; that the proportion of aged persons with chronic conditions is over 75 per cent with close to one-third having 3 or more chronic conditions.

Mr. Spiegelman is certainly not alone in his failure to examine the obverse face of data he presents. It is done by authors on all sides of the issues around payment for medical care. But Mr. Spiegelman has claimed objectivity. The reviewer has offered a very few of the many examples of incomplete interpretation and the failure to relate one section of the report to another in order to alert the reader of this prodigious compendium of references to some of the unconscious bias in the author's objectivity. In addition, the section on economic characteristics is marred by a technical failure—several comparisons of recent dollars are made with the dollars of earlier years without any correction for changes in purchasing power. The author calls attention to this failure at one point but, unaccountably, omits any indication of its meaning in connection with the data.

As one might expect, a more competent and less controversial discussion is offered in the brief section on health status and attitudes. There is an interesting analysis of the difference between the chances of survival from one age to another and the average lifetime or life expectancy of the population. Emphasis is given appropriately to the important role of medicine and surgery in improving the chances for survival of "impaired lives." This may account in part for the increased mortality, relative to other countries, noted in the older age groups in the United States. It also must account in part for the rise in medical care demands with age.

Mr. Spiegelman indicates the inherent difficulties in determining the health status of a population by the methods most widely used. He does not attempt to weigh the findings from the different methods nor to relate these findings to a concept of health or medical care needs. There is evidence of recognition of a cohort problem in studying both status and attitudes

(and in later chapters in relation to the demand for medical care.) However, the author does not apply this recognition of the influence of a lifetime pattern to interpretation of specific findings. Thus the author simply accepts a surveyor's analysis that there is increasing dissatisfaction with one's state of health with aging without evidence of any concern with cohort differences (p. 65)—differences related to the different world in which those now 65 and over acquired their health attitudes from the world in which those under 65 have acquired or are acquiring their attitudes.

This chapter calls for another caution to the reader. Approximately equal weight is given by the author to reports from many different studies, without comparison of the populations from which samples were drawn or any indication of the representativeness of the sample for the aged population as a whole. Clinical judgments on unidentified numbers of patients are given equal place with statistical statements concerning obviously unrepresentative samples (such as the 500 aged in the Kips Bay—Yorkville District of New York City.) Nor is there any indication of the replicability or validity of the studies reported upon. All of them, good, poor and indifferent, are credited equally by the author. Unfortunately this lack of critical judgment applies to many areas of the book.

The third section of the book reviews the medical care services of special use to the aged and the extent of utilization. Illustrated is the need for an array of services and a mechanism for bringing them to bear in a coordinated way. This point is not considered in later discussions of proposals for financing on a fragmented basis the medical services for the aged. This reviewer is also disturbed by the uncritical acceptance of the noble objectives of the currently popular graduated patient care programs and home care programs as if these objectives had been widely demonstrated achievements. No evidence is cited in the report—just editorial-like statements. Both programs are developing slowly, face many problems and they offer no assurance of quality service adapted to the patient's current needs by virtue of their mere existence as the titles of programs. The section on nursing homes gently suggests that their quality ranges "from excellent to poor" and devotes most of its

words to a description of what such homes should be like. There is no sense of the evolution of these facilities under the primary stimulus of funds from governmental sources under the Social Security Act and its amendments at the Federal level and through the welfare departments at the local level. This development under public subsidy without the exercise of quality controls is one of the clear demonstrations of a failure in the proper exercise of public responsibility for a necessary expenditure of public funds. The fact is that the level of public payment to nursing homes is tragically low and, in general, the level of care is still far from any reasonable minimum standards of qualitative adequacy.

The brief discussion of mental hospitals confuses demands for care with need since it equates waiting lists with need. A hopeful word about the role of tranquilizing drugs fails to take account of an increase in readmission rates and very great increase in the pressures on inadequate extramural mental health resources resulting from the return to the community of mentally ill patients. Little factual information is given about the availability or use of services for the care of the aged mentally ill patient.

The data on use of services are quite extensive and should provide a reasonable actuarial base for planning care as well as a baseline for observing trends under various systems of payment for care. However, there is no summary statement drawing this information together or relating it to a planning concept. One interesting point is the unexpectedly low rate of hospital utilization by aged non-white persons in terms both of discharge rates and duration of stay. Mr. Spiegelman suggests economic, geographic, educational, and cultural factors as causes. Among these might well be the simple fact that Negro physicians are more often without hospital affiliations, or have fewer affiliations, than their white colleagues. One might also consider the fact that the mortality rates for non-white persons in the oldest age group are lower than for white persons. It might be anticipated that those non-white persons who survive to ages over 65 must be in fairly good health in view of the adverse circumstances of their earlier lives.

Data on utilization and on expenditures tend to indicate

that the aged use much more medical service than do younger people with use increasing with each decade over 65. As with the younger population, the insured aged not only use more medical service but spend more cash out of pocket for such care. Furthermore the expenditures of persons over 65 appear to have increased much more than those of the population as a whole during the five years 1952–1953 to 1957–1958. In the chapter on expenditures, there is an annoying use of the term "free medical care" in several different meanings. Nowhere is it indicated that such care is always paid for by someone. One use of the term includes not only "free clinics" and professional charity but care paid for by casualty insurance, workmen's compensation, or provided in a union health facility! It is noted that O.A.S.I. beneficiaries who are also recipients of O.A.A. have higher levels of medical care utilization and expenditure. Mr. Spiegelman relates this to the larger proportion of persons aged 75 and over in the combined groups. One must add to this the fact that a large part of old age assistance is today used to pay medical costs for the medically indigent. Certainly a large proportion of O.A.S.I. beneficiaries regardless of age frequently find themselves in this category in view of their limited assets previously noted and the low levels of subsistence benefits from O.A.S.I. (averaging about $80–$90 a month). It is said that about 25 per cent of all public medical care outlays are on behalf of the aged. There is an interesting section on attitudes toward financing. The two tables report percentages giving specific responses but offer no clues as to the population base surveyed for each question. In general, attitudes reflect fairly conservative views. Relatively few persons admit to inability to find some way of paying for needed medical care. Most people think that there is some place that will take care of those who can't afford care. But there is no question about whether the respondent would like to go to such a place.

In relation to health insurance, attitude questions indicate that those who have it like it but large numbers terminate their insurance—mostly for economic reasons. Mr. Spiegelman nevertheless feels that it is an "anomaly" that 14 per cent of the aged who believe in insurance are not willing to pay for it. There is no indication of the nature of the question on govern-

ment health insurance but it is reported that "43 per cent of all aged were against it," 53 per cent of those interviewed favored it for some or all persons.

Two chapters discuss mechanisms for financing care. The emphasis throughout is on a traditional insurance philosophy. Benefit structures are described as though they were rationally related to a scientifically determined "need" for services. In fact "insurance principles" are discussed as though they were immutable law. Definitions of economic feasibility, of "unneeded" care, even of growths of plans are from the viewpoint of commercial insurance carriers. Findings in New York State in regard to extension of coverage to retiring and retired workers are declared "indicative of the developing situation." It is quietly noted that "in most instances . . . the . . . companies reduce the scale of benefits for retired employees. . . ." Standard insurance company arguments defend the high cost, low-loss ratio, and right of cancellability maintained for individual health insurance policies. Nor is there any mention of the inadequacies of the benefits in the individual policies.

Similarly, Mr. Spiegelman defends the use of the coinsurance feature to reduce premiums by deterring "unneeded use" of services. No proof is offered that coinsurance has ever accomplished this end. More recent data from the Columbia School of Public Health and Administrative Medicine Study for the Health Insurance Commissioner of New York indicate no significant difference in the use of services by matched samples of persons covered under a coinsurance feature or without it for similar benefits.

Brief but cogent pictures are drawn of public medical care programs. The equally brief summary of foreign medical care programs stresses their variety and understates the role of government. The report points out that these varied systems relate to the particular cultures of the countries concerned. Mr. Spiegelman also notes that his description has "nothing to say concerning the quality of the service. . . ." Both of these statements hold equally true for the United States.

The report concludes with the weighted outline of current proposals indicated in our second paragraph. There are adequate name and subject indices. The book is well printed on

a glare-free paper in a modern type face of adequate size for comfortable reading.

Despite our comments above, we would like to indicate that this report is a scholarly compendium of almost 400 of the most important references in the field. We have selected examples of some of the difficulties faced by the author of this unique and useful review in order to better prepare its many readers for a critical and understanding application of its contents in the formulation of a successful program for "ensuring medical care for the aged."

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NEWCOMERS: THE WEST INDIANS IN LONDON[1]

THE disturbances that took place, chiefly in Nottingham and in the Notting Hill district of London, as a result of the immigration of West Indians, shook the complacency of the English over the whole color question. It had been assumed that the English were a model of easy tolerance, ready to hold out a helping hand to in-comers of every race and creed and color. It was genuinely believed that color prejudices had been buried, when Somerset's Case and the legal decisions which followed in its wake had been absorbed into the code of conduct. In the present century the increasing communication between countries especially within what had become known and widely accepted as the Commonwealth, and the recognition given to troops from many parts of Africa who fought side by side with the British, tended to confirm this easy tolerant attitude.

When the West Indians came to England they did not settle in any special quarters, although in certain areas such as Brixton and North Kensington, there happened to be a fair concentration, but without creating what could be called a "West

[1] Glass, Ruth (assisted by Harold Pollins): NEWCOMERS: THE WEST INDIANS IN LONDON. London, Centre for Urban Studies and George Allen & Unwin, Ltd., 1960, 278 pp. 21s. (It will be published by the Harvard University Press under the title LONDON'S NEWCOMERS: THE WEST INDIAN MIGRANTS. 270 pp. $4.)