A DECADE OF HEALTH SERVICES
Social Survey Trends in Use and Expenditure

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During the decade 1953–1963, the Health Information Foundation and the National Opinion Research Center conducted three area probability sample surveys of the country's civilian noninstitutionalized population to determine their utilization of personal health services, expenditures for services, methods of meeting the cost of services, extent of coverage under voluntary health insurance and the relationship of these factors to certain characteristics of individuals and families such as age, sex, place of residence and family income.

The present volume is a detailed report of the results of the 1964 survey, reflecting the experience of the population for the year 1963, with some comparative data from the 1953 and 1958 surveys. The sample size was 2,852, with 17 per cent nonrespondents.

There were a few surprises: 41 per cent of the sample still considers a general practitioner its regular source of care; of those families who have a personal physician as the regular source of care, 56 per cent have a general practitioner, 12 per cent use a general surgeon and only ten per cent use an internist and eight per cent a pediatrician; only nine per cent of ambulatory patients, aged 65 years and over, are seen in hospital clinics, whereas 81 per cent are seen in the office (and this figure has not changed since 1958, although fewer home visits are made than formerly).

As expected, a strong positive correlation was found between income level and percentage of individuals seeing a physician, par-

ticularly at the younger ages. The correlation between income and use is even stronger for dental services, with only 16 per cent of low-income families (less than $2,000) consulting a dentist in 1963.

One surprise in the expenditure data was the deceleration in *rate of increase* in expenditures between 1958 and 1963 (26 per cent), as compared to the 1953–1958 period of 42 per cent. Rice and Cooper,[1] using secondary data from several sources find a different pattern: a 36 per cent increase in per capita expenditures for personal health services between 1950 and 1955; a 40 per cent increase between 1955 and 1960; and a further 40 per cent increase between 1960 and 1965. In constant dollars, Rice and Cooper found a 12 per cent increase from 1950 to 1955, a 14 per cent increase between 1955 and 1960, and a 22 per cent increase between 1960 and 1965.

The distribution of expenditures among classes of services changed little, except that expenditures for dental care increased less than those for other categories. Aggregate outlay as a percentage of aggregate family income for all income levels changed very little during the ten-year period (approximately five per cent); but, for families with incomes under $2,000, the outlay increased from 12 per cent to 16 per cent.

Insurance coverage increased little for poor families (from 41 per cent to 51 per cent). Sixty-three per cent of *all* families had some kind of hospital insurance in 1953, and 74 per cent were insured in 1963. Twenty-four per cent had major medical coverage in 1963. Health insurance benefits in 1953 paid about 15 per cent of the total costs of health care, whereas, in 1963, almost 22 per cent of these costs were covered by health insurance. In both 1953 and 1963 about two-thirds of the health insurance benefits were for hospitalization.

These examples illustrate the wealth of data contained in this monograph and point up some of the advantages and limitations of such national surveys in describing the characteristics and operation of the health care system.

The most obvious advantage is the provision of comparable national data for three time periods. For this reason, the results of a

fourth survey, to reflect the extent that new federal programs passed by the 89th Congress have influenced patterns of financing and utilization, would be of unique interest.

It is also possible to study some of the interrelations between the demographic characteristics and economic status of families, expenditures for care and effective demand (utilization). Although the sample size precludes very detailed analyses, more information could almost certainly have been gained regarding the relative impact on utilization and expenditure on characteristics of persons and families, such as age, sex, educational level, family size and income, as well as residence in central city, suburb or rural area. The authors' argument against more sophisticated data analysis (page 121) is not totally convincing.

Apparently, information on race was not obtained. Information on attitudes toward doctors, sickness and medical care were obtained but were not reported.

The authors attempt to identify the "price" and "use" components of expenditure increases over the decade, using the medical care component of the Consumer Price Index to estimate price increases. The odd finding that most of the increased expenditure for physician and hospital services represents increase in price, whereas nearly all of the increase in drug expenditure can be attributed to increased use, probably has a simple explanation—the failure of the drug price component of the Consumer Price Index to reflect rapid changes in prescribing habit and the high price of new drugs. Another, and far more important, limitation in calculations of this sort is the inability, in the absence of measures of quality, to estimate the part of the price increase attributable to product improvement.

The data from these surveys do confirm the widely held belief that the health care system is relatively unresponsive to increases in demand. With a doubling of expenditures during the decade, the mean number of physician visits increased by only 0.2; the hospital days per 100 person-years increased by nine; and the percentage of persons receiving any dental care increased by four per cent.

Despite the inherent limitations in the method and the imposed limitations of incomplete reporting and restricted analyses, this

remains a useful document—useful as a monitor of trends and as a source of primary data—for administrators, educators and practicing professionals.

It is unfortunate that, for these three surveys, between three and four years elapsed between the actual survey and the publication of results. If a post-Medicare survey is done, its usefulness will be greatly enhanced by prompt reporting.

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REFERENCE

[1] Rice, D. P. and Cooper, B. S., *National Health Expenditures, 1950–1966*, Social Security Bulletin, Washington, Social Security Administration, April, 1968.