

Medical Care: A Growing Cost Problem

By Philip Stoddard Brown

MANY WASHINGTON families must have saved more this year than last, despite slightly higher prices for some goods and services. Fewer automobiles were bought and less was spent on TV sets and electric household appliances.



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It's too soon for a final tally of personal income and expenditures, but some indications can be cited. Civil Service payrolls have been running appreciably higher than last year. In the private sector, about 7000 more persons had jobs in November than in November, 1955, and earnings of employees in food, printing and other "manufacturing" establishments have been running a couple dollars a week higher than a year ago, even though the average workweek has been shorter.

Retail sales, on the other hand, do not appear to have been much higher. Department

store sales in the first 11 months were 2 per cent higher than in the same period of 1955—an increase equal only to the rise in clothing prices—and passenger car sales have been less. Also, it is indicative that 3400 fewer persons were employed in

the area's retail-trade establishments in November of this year.

Fuel bills have been reduced by the recent run of mild weather. Last year, the total "degree days" for September through Dec. 27 was 1595, compared with only 1361 this year. ("Degree days," which reflect relative coldness, are tallied by subtracting each day's mean temperature from 65 and adding these differences. Mean temperature is half way between the day's high and low.) This saving on fuel consumption is welcome to householders, because it comes at a time of peak fuel prices. Fuel oil is over one cent a gallon higher than last winter, and coal is 50 cents to \$1 more per ton.

The rise in fuel costs in recent years has been steep. Fuel oil and coal are about 30 per cent more expensive than they were in February, 1950. The price of gas for space heating, on the other hand has risen only 13 per cent—slightly less than the 14.6 per cent increase in the over-all consumer-price index.

More Electricity Used

ELECTRIC BILLS continue to grow largely because of amount of electricity used. In the past year, consumption per the steady increase in the residential customer of Pepco averaged 2864 kilowatt-hours, 41 per cent more than in 1950. Rate increases in April, 1951, and in the spring of 1955 also contributed to a rise in the cost of electricity. The average household used 150 to 160 more kilowatt-hours in 1956 than in 1955.

Other costs of household op-

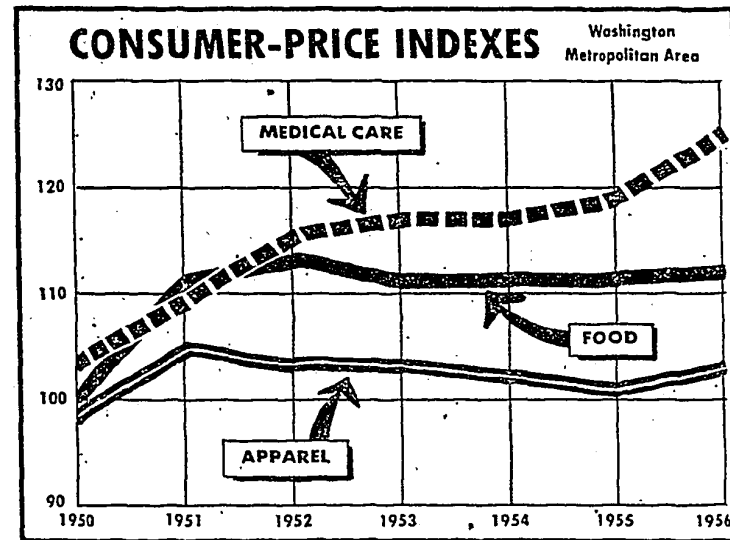
eration have not risen very much in the past year. This is reflected in the housing component of the consumer-price index for Washington, which includes fuel, electricity, telephone, dry cleaning and laundry services, as well as rent and housefurnishings. This index is still slightly below its peak, reached in November, 1953.

Food prices average about 3 per cent higher than a year ago. To what extent people are "eating better" and "eating out" more often and have increased their expenditures for food and drink by more than 3 per cent is not known. For several months, the number of employees of restaurants and bars has been less than in the same months of 1955. This is puzzling because the number of out-of-town visitors, certainly, has been greater, and it is hard to believe that fewer restaurant meals and drinks are being served to residents than a year ago.

Higher Medical Bills

THE cost of medical care rose more in 1956 than any other major component of the consumer-price index. In fact, for the past decade the rise in the price of medical care has been greater than that of any other major category of consumer expenditure, except transportation.

Not only has the price of medical care and of medicines risen sharply, but the amount of medical and dental care per



person is, said to have increased.

People may be healthier than in the past. If so, this is partly because they receive more preventive treatment and more medication in the early stages of illness.

Actually, in the country at large, the proportion of workers home from work on account of illness has been no less this year than in 1947—about 14 out of each 1000 civilian workers, on the average. However, children spend much less time in hospitals than formerly. (The beds at Children's Hospital are only 56 per

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Hospital Expenses

FOR all the United States, hospital personnel per 100 patients has risen about 30 per cent in the past decade. In the 14 nonprofit general hospitals in Washington, there are about 240 full-time em-

D. C. Hospital Facts—1955

	Short-term Nonprofit 14	General & Special D. C. General 1	Long-term General & Special 4	Federal 7
Number of hospitals	14	1	4	7
Number of beds	2,848	1,203	901	9,113
Patients per day (ave.)	1,994	980	774	9,766
Per cent occupancy	70	82	86	107
Admissions in Year	109,571	21,927	566	26,666
Births	20,663	5,692		3,031
Expense per patient—day	\$29.16	\$17.12	\$5.62	\$5.72
Personnel per 100 patients**	242	133	56	58

*Excluding 2 proprietary hospitals that had a total of 258 beds in 1955.

**Includes full-time equivalents of part-time personnel; excludes residents, interns and students.

cent occupied on the average, and facilities elsewhere for children are also underutilized). But children get a lot of medical care. So also do elderly persons outside the labor force—more, probably, than in the past.

The cost of hospital care exceeded \$30 a day per patient in 1956 at the nonprofit short-term general and special hospitals in the District, about 150 per cent more than in 1946. This increase is four times the increase in the over-all consumer-price index. Fortunately, the average stay in this type of hospital is now only 6½ days, compared with 10 or 11 days in the early 1940s, before antibiotics came into general use.

Also, the burden is spread by insurance against hospitalization. Group Hospitalization in Washington has 701,000 participants and its benefit payments exceed \$8 million a year. In addition, there are other insurance plans. All in all, well over half of the bills at private short-term hospitals are covered by insurance.

For Group Health families, payments to that organization for hospitalization and medical care average about \$185 a year. In addition, there are dental expenses and some uncovered expenses for hospitalization and for medicines bought privately. In the past year, 1850 participants were hospitalized at an average cost of \$200, most of which was paid by the organization. The period of hospitalization averaged 6.3 days. Group Health is the only organization in Washington that pro-

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Hospital Construction

THE new \$22 million Medical Center at Soldiers Home, to be opened next summer, will have a patient capacity of 800, about 100 more than the combined total of Garfield, Emergency and Episcopal Hospitals, which it will replace. Its out-patient department will be

able to handle 400 patients a day. There will be dormitory accommodations for 250 student nurses and 50 resident nurses, as well as for interns and house physicians. Its X-ray department will be one of the largest and best equipped in the country and the various clinics and research laboratories will add greatly to the area's medical resources.

At St. Elizabeths, contracts amounting to \$6.4 million have been awarded for a new building that will replace and expand facilities for prisoner patients. Veterans Administration has funds for a 500-bed hospital to replace Mount Alto Hospital.

Doctors Hospital, one of two proprietary general hospitals in the area, plans to begin construction this spring on a new

In Maryland, Suburban Hospital has completed a new wing and steps are being taken to get funds for a new hospital in Silver Spring.

Plans have not been drawn nor are funds yet available for the proposed new Sibley-American University Hospital.

Construction in progress and that planned for the near future will go a long way toward satisfying the emergency, short-term patient needs. The area will still be 500 beds short, according to Dr. Gavens, Secretary of the Department of Health's Hospital Facilities Program. This deficiency may be met in part by the proposed Fairfax and Silver Spring hospitals, and by the conversion of some of the excess facilities for children. Also, the newer

Area Economic Indicators

	Change from 1955 11 % Nov. Months	
Bank Debits (D. C.)	0	+ 8
Employment (Metropolitan area):		
Government	+ 1	
Private	+ 2	
Electric Power (Pepco area):		
Commercial	+ 6	+ 8
Residential	+ 8	+ 9
Gas Sales (Wash. Gas Light)		
Business	- 2	+ 12
Residential	- 4	+ 16
Telephone Service (D. C.):		
Local Calls	+ 2	+ 5
Out-of-town Calls	+ 9	+ 10
Department Store Sales:		
Downtown	- 8	- 5
Metropolitan area	- 1	+ 2
Passenger-Car Registrations:		
Metropolitan area	- 11	- 12
Passenger Arrivals at:		
National Airport	+ 12	+ 10
Postal Receipts (D. C.)	+ 3	+ 5
Newspaper Advertising Lineage	- 1	+ 1
Life Insurance Sales	+ 19	+ 11

wing that will add laboratory facilities and about 79 beds. The Alexandria Hospital has acquired land for a new and larger hospital.

The Arlington Hospital is completing a 70-bed wing and other additions, costing \$1,040,000, and hopes to start construction in the fall on further additions.

Other Expansion

THE Anderson Clinic, also in Arlington, is greatly increasing its capacity and there are plans to build a 300-bed hospital in Fairfax County to cost more than \$3 million.

facilities will permit a higher bed-occupancy ratio. At Garfield, for example, the average occupancy is only 63 per cent, and at Episcopal, 52 per cent, compared with over 80 per cent at some of the other general and special hospitals.

The big deficiency is in facilities to accommodate chronic-disease patients, and for these no adequate plan has even been devised. A 200-bed Catholic Nursing Home in Prince Georges County is in view and Casualty is hoping to build a 50-bed wing for such patients. But the need is said to exceed by far these proposed accommodations.