

"To place in a fund to be known as the 'Medical Expense Fund' the sum of *twelve cents* (monthly) for each and every member entitled to the above-mentioned attendance and medicines as shown by the books of the Alliance, and to divide the sum total (monthly) by the total number of visits made and reported by the physicians of the district, which division will show the actual amount due each physician for each call made; but in no case shall any physician receive an amount in excess of two dollars (\$2.00) for each house visit and one dollar (\$1.00) for each office call (which amount will include the cost of medicines furnished), and the excess, if any, will be carried over to the succeeding month: and if, on the first day of January of each year there still remains a surplus, the same will be divided equally between all the physicians employed by the Alliance *pro rata* to the number of calls reported during the preceeding year."

As will be seen by carefully reading over this part of the contract, the physician is not guaranteed anything—he is to receive whatever remains of the twelve cents a month per member after the medicines have been paid for, and although this may amount to a dollar or more per visit, it may, on the other hand, only amount to twenty five cents or even less. Granting, however, that twelve cents a month per member is sufficient to pay the physician at least a dollar a visit, what becomes of the other thirty-one and one-third cents collected from each member? At the end of a year each member has paid to the society \$3.76 cents over and above what goes to form the "medical expense fund," and the society guarantees (?) to return at the end of ten years the full amount of \$52.00 paid in. Now, leaving out of consideration all expenses connected with the collection and investment of the money, \$3.76 a year invested at five per cent. compound interest (a rate it is impossible to obtain at the present time) will only amount at the end of ten years to \$47.28, so that for every member who faithfully lives up to the terms of the contract, the society at the termination of ten years will be \$4.72 out, besides the expenses incurred in paying the promoters', agents', and collectors' salaries. How then, one asks, is it possible to do a paying business on this basis? For answer we turn to the agreement entered into between the Alliance and the member, in most cases a poor working man. This reads:—

"In consideration of the prompt payment of \$0.10 weekly. shall be entitled to medical attendance and medicines from any of the physicians of the Alliance in case of sickness or accident of any kind, except chronic or venereal diseases or diseases not common to both sexes. And in further consideration of the prompt payment of the amount above mentioned for a period of or exceeding ten years, the said member will upon surrender of this book at the office of the company be entitled to a sum in cash not exceeding the amount stated in the following 'table of values' (\$52.00 at the end of ten years) as his or her proportion of the profits of the Alliance."

Note, that here there is again no guarantee to pay any amount; the only definite point being that the amount is *not to exceed* \$52.00. The secret of the whole scheme is, however, contained in one of the rules printed on the back of the member's contract, which reads:—