

THE DUTY OF THE STATE TOWARDS THE HOSPITALS

A Reprint of the Paper Delivered
before The B. C. Hospital Association
on the Evening of July 9th,
1919, by Mr. J. J. Banfield, Mem-
ber of the Board of Directors,
The Vancouver General Hospital



INTRODUCTION

As the time has come to pass when certain reconstruction problems in hospital management face us, and as today many of the Directors and Trustees of our various hospitals of the Province are passing through great anxiety over financial problems connected with their Institutions, I have endeavored to outline a new system of Hospital financing which would relieve and make our institutions more efficient. As this is a somewhat extreme departure from the present state of administration, and as it may affect other bodies not directly concerned in hospital financing, it is deemed advisable that my paper should be put into print and widely distributed throughout our Province; accordingly several hundred copies will be sent out.

I invite every person's keenest consideration of this paper and their criticism or approval thereof. Any information desired further or any remarks or comments may be mailed to my address, 327 Seymour Street, Vancouver, or to Mrs. M. E. Johnson, Secretary of The B. C. Hospital Association, 786 Bute Street, Vancouver, B. C.

Yours respectfully,

J. J. BANFIELD.

July 21st, 1919.

To the Members of The British Columbia Hospital Association.

Ladies and Gentlemen:

Last year I had the honor of reading a paper before your Convention on "The Duty of the State to the Individual." This year I will endeavor to show the Duty of the State towards the Hospitals.

The work which was formerly left to philanthropy is coming to be accepted as an integral part of social politics. At the beginning of the Nineteenth Century all hospitals were private. This century notes a great change, and now over two-thirds are either maintained or assisted out of public funds. The state is slowly recognizing that the individual is a most valuable asset, for without the individual the natural resources of the country would lay dormant and, without the individual is kept one hundred per cent. efficient, best returns are not obtained. To be worthy of our Province is to be efficient, and to be efficient is to be healthy. The wealth of the Province is subordinate to the health of the Province and dependent upon it.

I appreciate the financial demands made on the Government and Municipalities for hospital purposes, and while the amounts are large, yet they are not sufficient to meet the requirements. The present system of per capita grant is wrong in principle, being upon a sliding scale; as applied to The Vancouver General Hospital, forty-five cents per diem, and with a maximum of \$1.00 per diem. The large hospitals offering equipment and service are penalized for doing good work and as a consequence are losing money on every patient, the large amount of non-pay work produces every month the usual deficit. During the last session numerous delegations approached the Government asking for a broadening of taxation. I would suggest that the Provincial Government take over the total expenditure of our Hospitals and Schools and make them Provincial Institutions. This would give the necessary relief required by the Municipalities and, by the levy of a special tax for Hospitals and Schools, no extra burden would be placed on the Government. Some individuals might object to further taxation, but, in the case of our Hospitals, about \$6.00 a year levied on all persons over eighteen and under fifty would meet our requirements. The Province had last year 730,757 days treatment at an estimated cost of \$2.00 per day, \$1,461,514.00. Estimating our population at the present time as when the census was taken in 1911, we then had between the ages of eighteen and fifty, 247,586; of Orientals, Chinese and Japanese, 23,028, giving a taxable population of 270,614 at \$6.00 a year, \$1,623,684.00 or \$161,170.00 surplus. This extra amount would meet the cost of operating the department.

Speaking for The Vancouver General Hospital, last year our non-pay work amounted to \$140,000.00, while the increase in wages due to the recently formed Minimum Wage Act, made an addition of about \$7000.00 a year. Extra cost, food-stuffs and material will force a greater deficit upon us. Hospitals, like the Schools are justly a Provincial charge, and to meet this charge it is fair and reasonable to the citizens at large that all should contribute. The Trustees and Directors would welcome Government control as the financial worries would then be eliminated and a proper system inaugurated to carry on the work at a minimum cost. At the present time the cost providing for the sick is excessive and inadequate. I find a large number of our hospitals not equipped with such facilities as are needed, whereas others have them but their charges are high owing to the maintenance cost, and the patients cannot afford to indulge in this or take upon themselves additional expense to their ordinary care and, therefore, we find that such special advantages belong only to two classes of people. First, a very poor man because he cannot pay, and secondly, the very rich man because he can pay. Thus the worthy middle class is left out as their income will not stand such expense. What is the result? They may forego some test which might very materially enlighten the doctor on a diagnosis and possibly save an operation or even save a life. Numerous instances of such might be quoted in any hospital. What do those conditions lead to? Simply that the patient suffers in both cases and possibly a more protracted and complicated illness. We have only to scan medical science for the past four years and follow our soldiers from time of enlistment until time of civil re-establishment and we find the highest grade of efficiency in our medical service, due of course, to the accessibility or use of all the special facilities whether they be diagnostic, preventative or curative. The medical record of this War is unsurpassed. The men got what they desired and what our citizens considered they were entitled to. We must, therefore, extend our services along these lines and depart from the present defined policies and customs.

In this Province we have ninety-four hospitals, almost all of which receive Government support. The location of them is usually influenced by various factors. First, population; second, industries; third, transportation facilities. These are essential and important factors in this case. A remarkable, but yet unfortunate and possibly unbusinesslike, feature of our Hospitals is that although the British Columbia Government, the Municipalities, private individuals and the patients contribute about \$1,500,000.00 per annum, the Government makes no provision in checking up the measure of the service rendered and the results obtained for this expenditure. Our Schools are inspected but many of our hospitals are suffering from lack of inspection. Inspection not only checks up inefficiency but brings enlightenment to many hospitals and solves problems thereof. Under Government control our Institutions, large or small, would be under a uniform inspection, and this as often as it can be carried out.

There is a great need for Standardization today. Standardization, Reconstruction and Nationalization are all with us. The Army has Standardization at every hand. They went so far as standardizing the health and physical ability. Hospital equipment and supplies today are exceedingly diversified. What efficiency could be gained and money saved if we were all agreed to the best kind of instruments, the most efficient piece of apparatus and most useful and serviceable supply, etc. In addition, the service must be standardized so that the hospitals can guarantee the patients that certain service will be carried out. Every department should be standardized with desired efficiency throughout and economic administration. It is most difficult to have every hospital equipped for everything, but every hospital should be able to handle all medical, obstetrical and a great portion of surgical cases, excepting where the work is of such major character that it requires special equipment and the services of specialists, which are not in connection with every hospital. It is considered that one person out of every ten will have to go to the hospital. During the coming year thirty thousand (30,000) will need hospital care and will stay in the hospital anywhere from one to twenty days. These figures show what a scope there is for work along the lines I am adjutating, namely:

First—A better financial basis.

Second—A better medical service to our patients.

Third—A better hospital organization.

Fourth—Greater economy.

Fifth—Greater hospital research both along technical and administrative lines.

Sixth—Careful hospital inspection throughout the Province.

The Province of British Columbia will be required to face this problem and make provisions for the adequate care of the sick. The burden of taxation will require to be broadened. Service such as I have outlined that shall be participated in by one and all, rich and poor, should be supported likewise. The purpose of this paper in advocating this ideal scheme is placed before our citizens as a duty of our Province.

- (a) To have standardized hospital service for each hospital community, to be decided upon as the hospital area selected upon such influential factors as transportation, population and industries.
- (b) To make such service free to every patient so far as the public ward service is concerned. In addition, all possible means for diagnosis and proper treatment, and the patient to pay the difference for private accommodation or luxury above what is essential.
- (c) To put all hospitals on a reasonable and business-financial basis with proper inspection, thorough organization and systematic development.

What does this mean? Simply that all the support needed for each hospital must be supplied from a common source, namely, the Provincial Government Treasury. I would recommend the following:

- (a) A Hospital Commission of three members appointed by the Lieutenant-Governor in Council
- (b) A Director who should have inspection over all hospitals and should be executive head responsible to the Hospital Commission, and under the Executive head there should be three officials:
 - First—A Business Manager or Controller,
 - Second—Medical Director, and
 - Third—Directress of Nursing.
- (c) Boards of Trustees and Directors to remain as at present organized.

This would mean there will be no disturbance in the local management of our various hospitals, but they, through their Executive Head or Superintendent, would be responsible to the Commission through the Executive Officer of the Province.

The business manager or controller should keep careful inspection over the financial affairs of our hospitals and the expenditure of money. The medical director keep careful inspection over the quality of the work done and the efficiency of the medical service throughout. The directress of Nursing likewise to keep careful observance over nursing matters, and in this way there should be no chance for inefficiency. These three officers would be responsible to the chief executive officer who in return would be responsible to the Hospital Commission. The Commission would at various intervals take up what matters are necessary.

I have endeavored to place before you a concrete scheme which I believe the citizens of this Province want; also a proposition that will relieve our financial troubles, increase the efficiency of all our hospitals, and finally, be a great economic factor in the administration of a public service.



This paper, after being read before The B. C. Hospital Association, aroused a great deal of discussion. At the same time a resolution was presented by The Prince Rupert General Hospital Association through Mr. D. G. Stewart, President of The Prince Rupert General Hospital Association, reading as follows:

"WHEREAS in our opinion the duty of providing adequate hospital accommodations, medical services and nursing services for the needs of the people should rest upon the Governmental bodies,

AND WHEREAS it is becoming more and more difficult to finance hospitals and to staff and equip them up to the high standard of efficiency required, due to the ever increasing demands upon the hospitals and the increased cost of help, supplies and materials, and the acute shortage of nurses,

AND WHEREAS general hospitals, particularly in outlying centres such as Prince Rupert, administer to the needs of a very large territory, and it is inequitable that these hospitals should continue to operate on the present financial basis, viz.: By private financing, supplemented by a per capita grant from the Provincial Government, a special grant from the Provincial Government and a grant from the local municipality, which assistance (except in the case of the Government per capita grant) does not bear any direct relation to the expense of the services rendered,

AND WHEREAS the Government of British Columbia, notwithstanding this increased cost of operating, has reduced its special grant during the last few years and has not increased its per capita grant.

NOW THEREFORE BE IT RESOLVED that we recommend that the Prince Rupert General Hospital be taken over by the Government of British Columbia absolutely, and that the Government operate same for the benefit of the people.

AND BE IT FURTHER RESOLVED that we go on record as advocating that the Government of British Columbia take over all general hospitals of the Province for the following reasons:

- (a) A more efficient management should be adopted.
- (b) A more up-to-date equipment could be procured.
- (c) A common standard of training could be adopted for pupil nurses and uniform examinations could be given.
- (d) Nurses could be transferred from one hospital to another in cases of emergency and for the purpose of receiving a thoroughly balanced professional training.

AND WE FURTHER RECOMMEND that in connection with each general public hospital that the Government provide a free dispensary, free medical examinations, and that all nursing and medical services provided by the Government be free. Patients occupying private rooms paying for the rental of the rooms only.

AND WE FURTHER RECOMMEND that in connection with this change the Government immediately establish isolation hospitals at different points throughout the Province, and sanitoriums for the treatment of tuberculosis and other infectious and contagious diseases, and in particular, that a sanitorium be established in the vicinity of Hazelton for the treatment of tuberculosis, same to serve the requirements of the Northern Pacific portion of British Columbia, and that said sanitorium consist of two buildings, one for the treatment of the natives and the other for other patients, all expenses in connection with the former to be borne by the Federal authorities.

AND WE FURTHER RECOMMEND that the Provincial Government finance said undertaking as follows: One half of the expenses to be raised by a per capita tax upon all residents between the ages of twenty-one and sixty-five years, and the balance by imposing a property tax, a portion of which should be levied against municipalities.

AND WE FURTHER RECOMMEND that the Government appoint a general supervisor and staff whose duties it would be to supervise all hospitals in the Province, said supervisor and staff to be attached to the Public Health Department."

A somewhat similar request came from Windermere District Hospital Association.

The subject matter of this paper, together with the discussion which followed and the Resolutions, were referred to the Resolution Committee of The B. C. Hospital Association to bring in a report at the Business Session on the following day. After considerable discussion the Resolution Committee brought in the following recommendation

THAT a Committee be appointed consisting of Mr. J. J. Banfield, Vancouver; Mr. R. S. Day, Victoria and Mr. Charles Graham, Cumberland, to thoroughly investigate the financial standing of the various hospitals of the Province; to take up Mr. Banfield's paper and the Resolutions for further consideration; to get all the information possible, and to co-operate with different parties or organizations interested, with a view to establishing a better scheme of hospital financing; this scheme to be submitted to the Executive of the B. C. Hospital Association, and through them to the Provincial Government.

This Committee was to report to the Executive before November 1st, 1919.