

# Social Insurance and the Dentist

By ROBERT MAJOR

*"Socialized medicine is the keystone to the arch of the Socialist State."*—Lenin.

I REMEMBERED the Hungary of twenty years ago as I read in The Henry George News Dr. Henry George's alarming article on compulsory health insurance (December, 1949). Twenty years ago health insurance was to be made available to the poorest class—the agricultural laborer, who could not afford to see the doctor or buy medicine. Their confederation asked the help of the press, and I began writing an article. At the same time an agricultural worker complained to me that he could not afford a dentist—so I began to think over the process an uninsured person might follow in going to a dentist.

To get rid of a bad tooth is a simple matter—one visits a dentist, has the tooth extracted, pays and leaves. Many agricultural laborers, however, did not have the half dollar in Hungarian money to pay for this service, so they wanted an insurance plan. That much was clear. Then I thought: now that they are to be insured, what have they to do? This is what I found out twenty years ago—and these were only the most important steps—those directly connected with the worker's dental treatment.

- 1) The employer registers the worker with the Insurance.
- 2) The Insurance fills in two forms, one for the employer, the other for the worker.
- 3) The insurance fee is calculated.
- 4) The sum is charged against the employer's account.
- 5) A request for payment of the sum is sent to the employer.
- 6) This acknowledges receipt and pays the fee.
- 7) The fee is accounted for in the records of the Insurance.

8) The worker buys a "record of illness" form, fills it and has it signed by the employer.

9) The worker submits the form to the Insurance to have it checked.

10) The worker goes to the dentist. There he is registered and his tooth is extracted.

11) Follows accounting, bookkeeping and checking; too complicated to be related here.

According to my estimate, more than fifty clerical employees had a direct "opportunity to deal" with one case, not counting those in other government departments who had to do with it only indirectly. Fifty employees—if everything went well. Otherwise their number might have easily doubled.

All that paper work had to be paid for—because he could not afford the dentist—by the worker. Of course, the dentist too wanted to be paid. The result was that the worker paid more, in some cases two to four times as much, as he would have paid without "social insurance," and not for the same medical care.

For medical care under social insurance can hardly be as good as that given by a private doctor. The chief interest of the latter is to have as many patients as possible—whereas doctors of the Hungarian Social Insurance were public servants on the public payroll. Patients were required to visit the physician in their territorial zone, whether they had confidence in him or not. The result was that in Hungary, as in other countries, those who could afford it, did not make use at all of their membership and free treatment privileges. They went to private doctors.

Because of these shortcomings the workers' representatives advocated a system of free choice of doctors. But they did so rather publicly. They remained silent during board meetings of the Insurance, as they knew well that with a free choice of doctors, the institute would pronounce a quick death sentence on the insurance scheme as a whole. If the sick can choose their doctor and the doctor's income increases proportionately with the number of his patients, he must compete with his colleagues in granting as much medicine, sick relief and sanatory treatment as possible. Particularly in Hungary where there was, and is, no unemployment relief, everybody out of a job tries to get as many sick benefits as possible. An army of agents and supervisors was and is at work in Hungary to track down "crimes" committed against the Insurance, and the stiffest sentences were passed against "insurance saboteurs."

Advocates for the insurance scheme may point out that the worker has to pay only part of the expenses. True, directly he pays only a part—the state and the employer paying for the rest. But the employer passes these expenses on, including his own administrative costs, to the consumer—no matter if it is a private, state or communal enterprise, thus aggravating the economic situation and unemployment. The state does the same, with ever-increasing taxes.

... So—unable to keep my promise to advocate social insurance—I wrote this article twenty years ago in Hungary [the author is now living in Rome]. I felt that this was not the way to benefit the working men.

What I wrote in the twenties in Hungary is very timely for the United States in 1950. Should we write in vain again?