JOHN P. PETERS SYMPOSIUM

John P. Peters and the Committee of 430 Physicians

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While some think of managed care as a recent phenomenon, the first group practice in the United States began in 1887 at the Mayo Clinic [1]. The Kaiser System, started for shipyard employees in California, dates to 1933 and went public in 1947. But even those examples are relatively modern. Efforts to organize health care delivery actually go back to the beginning of recorded history. In the twenty-first century, B.C., the Babylonians had a managed care system under the code of Hammurabi. It included such elements as a specifically defined rate schedule with a sliding scale based on ability to pay; universal health care coverage for all the population in Babylon; a requirement that owners or employers were responsible for the health care of their slaves or employees; objective outcome measures to assess quality of care; and patient rights that were publically communicated to the entire population. It was, however, a three-tiered system, with distinctions and fee structures based on social standing. Outcome records were inscribed in clay tablets, and physicians were held accountable for the quality of their work. For example, one law stated that: “If a doctor is treating a man with a metal knife for a severe wound and has caused the man to die, or has opened a man’s tumor with a metal knife and destroyed the man’s eye, his hands shall be cut off” [2].

ORGANIZED HEALTH CARE IN TWENTIETH CENTURY AMERICA

Beginning around 1912, some American physicians started developing an enthusiasm for compulsory health insurance modeled after those in Europe, especially Germany and England. These were to be state, not federal, programs funded by employees, employers, and the state and aimed at lower-income people. Initially the American Medical Association supported this idea but lost interest during World War I and voted against it in 1920 [3]. But in Elk City, Oklahoma, in 1929, the first capitated system began. Meanwhile, also in 1929, Blue Cross was founded in Dallas, Texas. The Blue Cross symbol was first used as a corporate logo

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in St. Paul, Minnesota in 1934. Third-party payment for physicians came later and was greatly resisted by AMA and others, but Blue Shield began officially in California in 1939 [1].

In the 1930s the AMA accredited educational institutions, promoted public health, published scientific journals, educated the public about its health, exposed quackery — the kinds of things it does today [3]. But it was uninterested in issues of access to care except for the tradition of physicians’ giving away free care to people in need, which was established in 1847 and still applies [4]. The AMA relied on councils and committees to develop policy. There was no thought of a Washington office, and the House of Delegates in 1937 rejected the suggestion that the AMA should establish a public relations department. But omens of change were easy to read, and in 1932, at the time when United States health care expenditures were down at 3.5 to 4 percent of the gross national product, the Committee on the Cost of Medical Care was created by foundations, independent of the AMA. Although it was chaired by Ray Lyman Wilbur, M.D., who had been president of the AMA in 1923 and later was chancellor of Stanford University, this committee recommended group practice and voluntary health insurance programs, which the AMA opposed. In 1935 there was a proposal to place substantial medical benefits into the original Social Security Act, but that was quickly abandoned by the United States Congress [3].

THE COMMITTEE OF PHYSICIANS AND RESPONSES TO IT

The Committee of 430 Physicians, of which John Punnett Peters was secretary, achieved recognition in 1937 by the primary publication in the New York Times of a paper, signed by the 430 doctors, advocating a radical reorganization of medical care in the United States. This paper was based on 2,000 responses to a simple questionnaire sent to several thousand physicians. It is unknown how many were sent out, to whom they were sent, or what the response rate was, so validity is uncertain. However, from these expressed opinions the committee established four principles: First, that the health of the people is a direct concern of government. Second, that a national health policy directed toward all groups of the population should be formulated. Third, that the problems of economic need and adequate medical care are different and may require different solutions. Fourth, that four entities should be concerned in the provision of adequate medical care for the population: volunteer agencies, and local, state, and federal governments.

There were also at least nine specific proposals that dealt with prevention, the use of public funds for care of the indigent, medical education, medical research, the retention of separation of public health and private institutions, the view that experts — not bureaucrats — should plan and direct the measures proposed, and that health insurance alone would not be enough to take care of all the people.

Opposition came from many, led by Morris Fishbein, who was editor of Journal of the American Medical Association from 1924 to 1949, who wrote about the subject in the JAMA in 1937 [5, 6] and in the New England Journal of Medicine in 1939 [7]. John Peters’ response for the committee appeared in the New England Journal in 1937 [8] and 1939 [9], in the Annals of Internal Medicine in 1938 [10], and in the Medical Annals of the District of Columbia in 1944 [11]. Fishbein’s attack contained many objections. First, that the committee was self-appointed. Second, that the members represented special interests and wanted government money for their own institutions. Third, that it was hazardous for the federal government to control medical education, science, and practice.
Fishbein wrote that these changes would enslave the medical profession and that a free medical profession is fundamental to the life of the American people. He quoted Abraham Lincoln, saying, “A people cannot exist half slave and half free.”

The crux of Peters’ responses was that first, the social responsibility of medicine is to provide to all classes of the population medical care of the highest quality. Second, that since care for the indigent required more than physicians’ giving away free care, some organization must pick up the other expenses. Third, that care of the indigent should be spread fairly, something only government can do. Fourth, that compulsory health insurance has worked in other civilized countries. And finally, that physicians who are expertly trained should determine the proper allocation of resources, responsibility, and control. The 1944 Medical Annals of the District of Columbia article would appear to be the last recognized effort of the Committee of 430 Physicians, World War II having intervened. However, there is evidence that the committee continued to function from 1944 to 1954, with Peters as secretary, but that it mostly worked as a clearing house for information rather than a force for change.

Peters was said to have been ill for some time before he died in December 1955, and it is likely that the committee stopped in 1954 because he became ill and he couldn’t hold it together any longer.

THE AMA PERSPECTIVE

Morris Fishbein’s autobiography states that Eleanor Roosevelt sent a letter to Fishbein in 1937, inviting him to meet with her and Esther Lape in New York City to discuss Ms. Lape’s work about changes in methods of modern medical care [12]. Dr. Fishbein, Mrs. Roosevelt, Ms. Lape, and AMA President Charles Heyd had such a lunch. Fishbein was tentatively invited to meet with President Roosevelt and with a committee of physicians in Washington, but only if he indicated that the AMA would be amenable to reaching some decision for government entering medical practice. Fishbein said he couldn’t make that commitment, nor could anyone else except for the House of Delegates, which makes policy. So the AMA did not meet with President Roosevelt. However, a group of physicians headed by Samuel Kopetsky of the New York State Medical Society and including Yale’s John Peters and also Harvard’s Soma Weiss did have lunch with President Roosevelt. According to Fishbein’s book, from that lunch and further work came the report of the Committee of 430 Physicians.

When Fishbein saw the paper, he noted that there were many leaders, many friends, and many very influential physicians among the 430, and he was bothered by it. Fishbein referred to it as the “American Foundation Report.” According to Fishbein, the report created panic in some parts of medical profession at a time when many other problems were going on, including William Randolph Hearst’s support of a major antivivisection campaign in California [12]. In Fishbein’s 1937 response, he incorporated the instructions of the AMA Board of Trustees, noting it was very unusual for him to obtain board approval on an editorial. Fishbein also lobbied the board to urge for development of a comprehensive system of medical care which would be adapted to the American way of living. But the committee was not satisfied. Opponents in the AMA tried to create the American Medical Student Association to establish an additional powerbase. In a countering move, the JAMA created a special section for medical students, which still exists today.

In February of 1938, a group that included John Peters and other distinguished leaders met with the Board of Trustees of the AMA and expressed dissat-
isfaction with the AMA and the JAMA. Fishbein describes ensuing chaos, one result of which was the creation of a public relations office at the AMA to issue all comments regarding economic and social issues. Prior to that time press relations had consisted of a weekly meeting between Fishbein and Howard Blakeslee, who was the first medical writer for the Associated Press [12]. So, in a sense, the public relations office is one of John Peters’ legacies.

Fortune magazine in November of 1938 reported that the JAMA “excommunicated” the “rebel” committee of physicians from decent medical societies and that its membership fell off [13]. The committee, according to Fortune, had grown from a few hundred to more than a thousand and included not only John Peters, but also Hugh Cabot of Mayo, Soma Weiss and George Minot of Harvard, and Milton Winternetz of Yale. Fortune reported that these people from that committee were anticipating an annual expenditure of $850 million from public funds in 1938 to expand federal and state health services. Fortune also reported that the United States Department of Justice issued antitrust proceedings against the AMA on account of the AMA's action against the Group Health Association of the District of Columbia immediately after Fishbein’s JAMA editorial condemning the national health program.

SUMMARY

John Peters and his committee had a few basic goals. One was that local, state, and federal governments needed to provide money to construct facilities, support medical research and education, and care for the poor. And they wanted experts to call the shots. Over time, Peters and the committee got what they wanted for the most part: Hill-Burton money for building the hospitals, the rise of the National Institutes of Health, Medicare, Medicaid, a Veterans Administration system, and new and expanded medical schools. The experts calling the shots included David Kessler at the Food and Drug Administration and Surgeon General C. Everett Koop.

In the halcyon days of American health system reform, back in 1993, Yale’s Paul Beeson wrote about the Committee of 430 Physicians and its goals in the Pharos of Alpha Omega Alpha [14]. Beeson was optimistic and he quoted from my 1991 JAMA health system reform editorial [15] as a sharp contrast to what Fishbein had written — although coincidentally, we both quote Lincoln. My editorial began, “‘with malice toward none, with charity for all’... so spoke Abraham Lincoln in his second inaugural address recognizing that he had no political consensus regarding either the constitutionality of states seceding or the morality of slavery being abolished. Nonetheless, he knew what was right and was able, through persuasive, often inspiring rhetoric, to conclude a bloody and decisive Civil War and constitute the foundation for this great republic....Yet access to basic medical care for all of our inhabitants is still not a reality in this country. There are many reasons for this, not the least of which is a long-standing, systematic, institutionalized racial discrimination....An aura of inevitability is upon us. It is not acceptable morally, ethically, or economically for so many of our people to be medically uninsured or seriously underinsured. We can solve this problem. We have the knowledge and the resources, the skills, the time, and the moral prescience. We need only clear-cut objectives and proper organization of existing resources. Have we now the national will and leadership?”

Beeson’s answer to that question in 1993 was, “Yes, but not by one comprehensive act.” He quoted Peters from his 1938 Annals of Internal Medicine article:
"a sweeping program suddenly imposed in this country as a whole out of the head of any Jove would undoubtedly create confusion if not chaos. Thoughtful investigation and experiment promises more than grandiose projects born of emotional preconceptions. The programs must be built of an evolutionary manner, step by step."

Very wise, very valid. But how long must our people wait?

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