

will continue even if supply expands simply to maintain current levels of availability of medical services.

2. Price inflation in the field of medical care is made more acute by longer training and increased specialization for medical personnel and by increasing utilization of expensive hospital equipment and procedures requiring additional personnel. Medical care is little susceptible to economies of mechanization and automation. Therefore, the rising quantity and quality of medical care will tend to create additional inflationary pressures on the price of medical care.

PROVIDING AN ADEQUATE SUPPLY OF MEDICAL CARE

Decisions of public policy on problems of medical care must recognize the primarily public service nature of medical services. These decisions must encourage and insure an adequate supply of resources available for medical care. The following observations stem from the paramount public interest in maintaining an adequate, rising level of medical care for the Nation in the future.

1. To maintain current physician-population ratios, the output of U.S. medical schools must be increased.

This increase will require expansion of medical school facilities, construction of new medical schools, and greater educational opportunities.

A recent report to the Surgeon General⁶⁰ includes the following recommendations to increase the output of medical schools:

(a) Private support for low-cost loans and scholarships and Federal grants-in-aid for needy medical students.

(b) Establishment of new medical schools and expansion of existing medical schools.

(c) Reconsideration of unreasonably restrictive medical school admissions policies.

(d) Continuing appraisal of the length and content of medical training, including evaluation of experiments to shorten the training period.

(e) Increased public and private support for basic operations of medical schools.

(f) Federal matching grants for construction and expansion of medical schools and teaching hospitals.

(g) Public and private efforts to recruit candidates for careers in medicine and related health services.

2. The supply of health facilities must be increased.

Shortages of health facilities and uneven geographic distribution of hospitals hinder optimum organization and maximum efficiency in the supply of medical services. The existing Hill-Burton program of Federal aid for construction of these facilities has been very successful in stimulating States and communities to increase the supply of hospital beds, public health centers, nursing homes, and other health facilities. In view of the rising needs for health care for older people, there is particular need for greater availability of nursing homes with skilled nursing care. Existing skilled nursing home beds are meeting less than half of the need for such care. The Hill-Burton program

⁶⁰ Department of Health, Education, and Welfare, "Physicians for a Growing America," Report of the Surgeon General's Consultant Group on Medical Education (Bane Committee), Public Health Service Publication No. 709, October 1959.