

substitute for it. The program very heavily stressed preventive care with annual examinations, immunizations, X-ray and laboratory analyses, as well as industrial safety and protection. One of the most important aspects of the program was that which concerned visual efficiency and eye safety. From the beginning, the program utilized the services of optometrists²¹ for refraction to provide for maximum visual efficiency for the many exacting and highly complex tasks performed by employees. From the standpoint of industrial safety, the program was an outstanding success²² and has been studied and adopted by a host of industries throughout the country. From the standpoint of structure, it should be again noted that industrial group practice is employer sponsored, essentially stressing preventive and safety care, a fringe benefit (no cost to the employee), and it is incorporated by the industry with all the personnel employed.

The third type of group practice likewise employs its health personnel, is incorporated and has as a sponsoring organization a consumer cooperative. This means that the health program is sponsored by the persons who are the recipients of the care. The labor sponsored health centers, former cooperative health programs, teacher guilds, etc., would be examples of consumer cooperatives. Unlike an industry-employer sponsored health group (in which there existed no cost to the recipient of the professional services—the care representing a fringe benefit), a consumer cooperative is prepaid group practice providing comprehensive health care and is sponsored and fostered by the consumer-members. A health cooperative attempts to furnish adequate health care to thousands of families at costs they can afford. Three basic principles apply. The first is economic. The insurance principle involves the determination of per capita costs of care for persons in a group and arranging such costs in regular monthly payments easily budgeted by a family. The second principle is that of financial administration involving consumer cooperation. The persons and family in the cooperative have banded together to meet their health bill by a group purchase of care at a health center which the cooperative owns. Membership fees and monthly budgeted payments meet capital construction and equipment costs and pay for doctors' salaries and for maintenance costs. The third principle is that of group practice involving a team of health personnel employed and performing their services in a centralized health facility. The Group Health Cooperative of Puget Sound is an

outstanding example of this type of prepaid group practice.

A fourth type of group practice is one which utilizes as its focus of centralization a hospital setting. It has already been noted, in a prior discussion, that the hospital may be considered as a valid group effort. This hospital may either be voluntary or proprietary and is determined by its force of sponsorship. An example of this form of group practice is the Webb Community Health Center and Hospital²³ which, through the joint action of the people of the township and the health personnel, utilizes a small community health facility. This means of hospital centered group practice, oftentimes, is beneficial for the people of rural communities who lack even minimum hospital facilities within their immediate environment.

There has been no discussion of labor or union health centers to this point. From the point of view of classification of type, it can be placed with a cooperative with the exception that ownership is by the union or its health and welfare fund. Essentially the same in terms of employed doctors, corporate structure and ownership, the main difference is that the salaries, building and equipment of the health center come generally from joint contributions of labor and management, and administrative organization is directed by labor for both groups. In this case each recipient of professional care is the member of the union (or dependent) and the union owns the facility. In the case of the cooperative, each recipient of the care is a member-owner. However, the operation of the health program as a group practice is essentially the same in both cases.

Deserving of mention, as a type of group practice effort, is the Armed Forces Medical Service providing mass care through a satellite system of group practice. The term satellite has been used to define the place of the general hospital as the center of the system with "feeder" dispensaries and clinics surrounding one geographical area. It is interesting to note that the group practice is well integrated into the hospital system. This principle of satellite structure was utilized by the United Mine Workers Pension Fund which operates a system of clinics and dispensaries, all diagnostic centers "feeding" to general hospitals. In both cases the health personnel are employees, and the overall legal status can be considered corporate.

Legal Status of the Corporate Structure of Group Practice

Horace R. Hanson²⁴, a member of the Minnesota Bar, exhaustively studied the