

A scheme for the provision of nursing homes at moderate prices for the middle classes, and for the relief of the financial difficulties of provincial hospitals : a paper read before the Bristol and Bath Branch of the British Medical Association / by J.R. Benson.

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Benson, John Robinson, 1869?-1952.
Royal College of Surgeons of England

Publication/Creation

London : Scientific Press, 1904.

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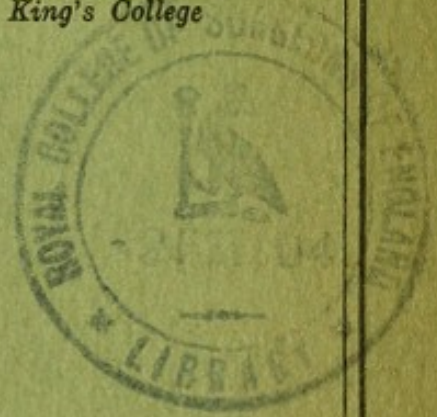
**A Scheme for the Provision of Nursing
Homes at Moderate Prices for
the Middle Classes, and for the Relief of
the Financial Difficulties of Provincial
Hospitals**

A PAPER READ BEFORE
THE BATH AND BRISTOL BRANCH OF THE
BRITISH MEDICAL ASSOCIATION

BY

J. R. BENSON, F.R.C.S. Eng.

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Hospital, &c.*

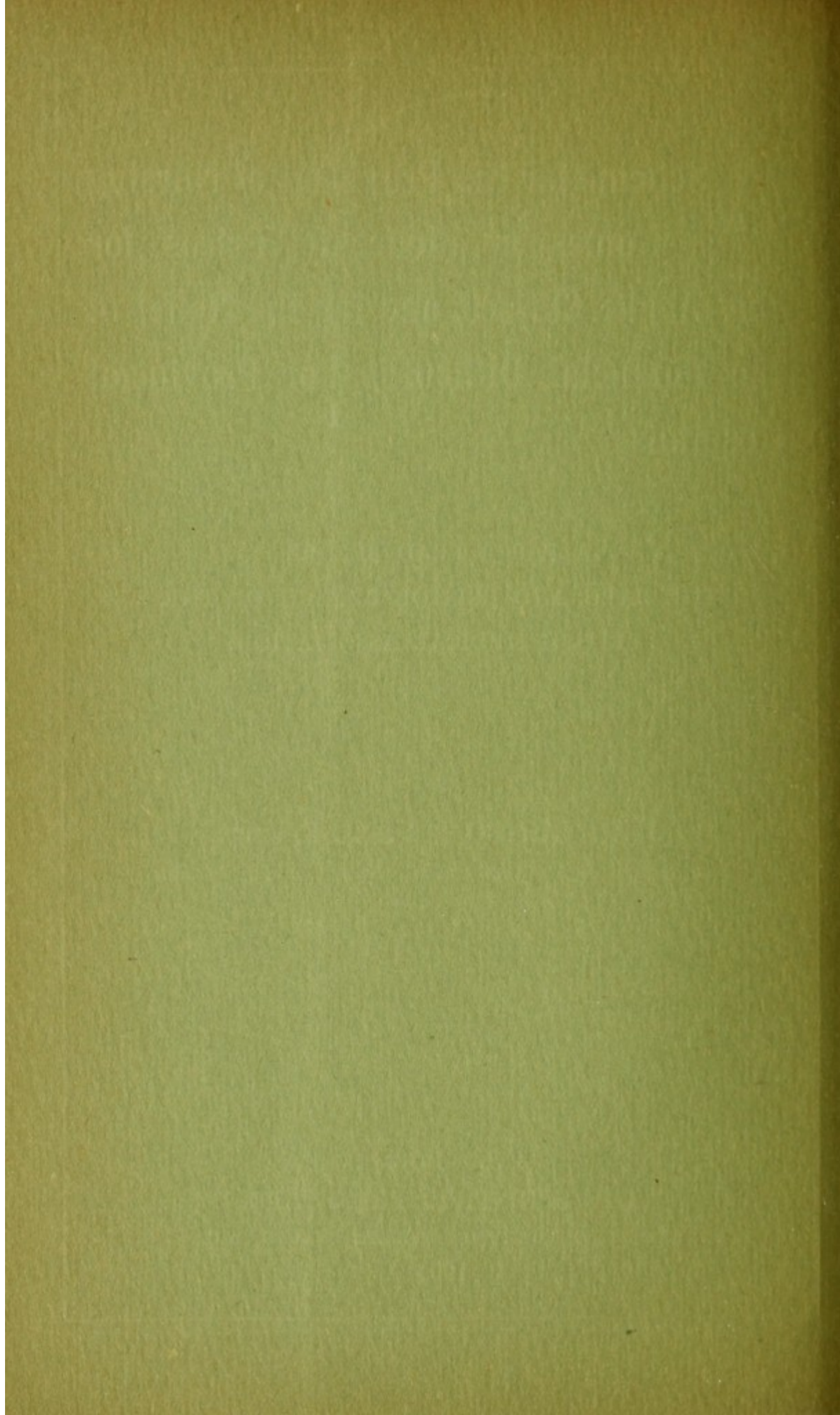


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THE SCIENTIFIC PRESS, LTD.

28 & 29 SOUTHAMPTON STREET, STRAND, W.C.

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MR. CHAIRMAN AND GENTLEMEN,—

The subject I bring forward for discussion to-night is of such vast importance to the medical, as well as the non-medical community, and its treatment is so rapidly becoming imperative, that some definite steps must be taken to solve the problem in the near future. The sooner, therefore, we can make up our minds as to the best way of doing this, as well as to what action we, as leaders of things relating to health, mean to adopt, the better.

The rapid increase of Homes and Institutions which only exist to make money out of the sick, especially those of the poorer classes, and which add so greatly to the expense of even ordinary illnesses, cannot be regarded with equanimity by any thinking person, especially one who has had any experience of what increased expense really means when the family is least able to bear it.

It is for this, as well as many other equally important reasons, that I suggest to-night a scheme that will provide those who are too poor to pay the somewhat high fees of the existing Nursing Homes with all the benefits of skilled nursing and hospital treatment at practically cost price, and will at the same time do a great deal to remedy another defect in our present system, namely, the abuse of Hospitals, and the failure of the voluntary system of Hospital support.

With the time at my command it is impossible to go into the question as deeply as it deserves, but I will put before you briefly a scheme for the provision of an efficient Nursing Home whose charges will range from 10s. to 30s. per week, and which will at these prices almost, if not entirely, make up the yearly loss which a very great proportion of the medical charities all over the kingdom have unfortunately to face. The scheme should work well in all

provincial Hospitals where there is no teaching school, but in those places where there is a regular teaching staff there may be objections which would render its adoption undesirable.

In all towns, however, where the charity Hospitals are being carried on at a loss, and where there is no place open for those who are unable to pay from £3. 3s. to £5. 5s. a week for nursing and board—that is, in practically every town and city in England—it could be worked with the greatest benefit to the public and the charity.

The value of such a place to the medical men and the public is so obvious that I will not waste time dilating upon it.

It is sufficient to say that at the present day, when we know that the course and results of an illness depend so largely upon the nursing and surroundings of a patient during that illness, and when the enhanced prospects of a speedy recovery which are offered by the discipline, nursing, and special appliances of a modern Nursing Home or Hospital are so widely recognised, there will be few who will question the desirability of putting such advantages within the reach of all classes.

At the present time there is no suitable provision whatever for such people as professional men, junior Navy and Army officers, clergymen, students of science or arts, ladies in reduced circumstances, annuitants, commercial and bank clerks, smaller business men, all young men and women in the earlier days of their working life, &c. All these people, who go to make up the great workers and thinkers of our Society, are more subject to the dangers of accident and infection, the inroads of disease or nervous breakdown, by reason of their vocation and the constant worry and stress of business, and yet are put *hors de combat* less often than any class in consequence of their follies, or as a result of their vices.

The need for such a Home should be obvious to any thinking person, but probably no one but the doctor realises

how very urgent it really is. For the rich we have the private Nursing Homes, for the poor we have the charity Hospitals, both of which are most excellent institutions, and do such good work that it would be difficult to improve upon them; but for the great body of workers, who are too poor to pay the fees of the private Nursing Homes, and too honourable to allow themselves to become a burden upon any institution supported by charity, there is no provision whatever.

There are but three courses open to such as these: (a) They must cripple themselves financially, for years perhaps, by undergoing a lengthy treatment in one of the private Homes, and by paying fees much beyond their means; (b) be treated in their own houses with innumerable disadvantages, such as finding accommodation for the nurses as well as the patient, special cooking and unusual times for meals, ever-present worries of the household or of business, noise of the children or inmates, besides all the other inconveniences and expense which so often retard a recovery; (c) be compelled eventually to sacrifice their pride and throw themselves, after all, upon the funds of some charity.

It must be to the interest of the whole community that all the assistance that skill and careful training can achieve, together with all the appliances which human ingenuity can devise for the alleviation of suffering, should be made easily available for the speedy restoration to health of those upon whom our national prosperity so largely depends. Any scheme for a Nursing Home which aspires to fill such a lofty ideal must adapt itself to the widely-varying circumstances of the classes for whom it is intended. There must be no absolutely fixed charge, and there must be no extra expenses. It must work for the good of its patients, and not to provide a profit for its supporters. It can only do this by some system of mutual assistance whereby those in a more enviable position may help their less fortunate fellow-sufferers.

To ensure the widest possible sphere of usefulness it is very important that we should keep the average cost per bed in such a Home as low as possible. In fact, the lower our average cost per bed the greater the range of patients we will be able to cater for, and the lower our minimum charges will be, as will be shown in my following remarks.

As it would defeat our aims to receive as patients those who can afford to go to the existing Homes, with which it would be undesirable for many reasons to enter into competition, our maximum charge must not be more than £2. 10s. per week per patient. If, then, the average cost per patient to the Home were £2. 2s. per week, as we shall presently see would be the case if we simply took a house and opened it as a Home, it would only leave a profit of 10s. for each that paid full fees to go towards the support of those patients who could only pay part of their cost. Therefore only a very few low-priced beds could be maintained, and these only when a good many full-paying beds were occupied. On the other hand, if we could keep a patient at the average cost of £1 per week, the profit would be £1. 10s. per week ; in other words, each patient paying the maximum fee would help to support three others who could each only afford 10s. per week. Consequently, if we only had one patient paying maximum fees we should still be able to continue our mission without loss to the institution.

If we were to attempt to alter an ordinary house and open a Home in the ordinary way, it would be of but little more use than those already existing, because by the time rent, rates, taxes, interest on capital, expenditure, the nurses' and servants' wages and food bills, the lighting, heating, and all such expenses, which we can group under the term "Administration Expenses," had been paid, the average cost per bed could not be brought much below £2. 2s. per week, which, as we have seen, is too near our maximum charges to allow the necessary elasticity for our graduated scale of fees, and therefore does not leave scope

for a very wide range of usefulness. The question arises as to how can we reduce this cost price per bed sufficiently to make the Home of real use to those people most in need of it? The only answer that can be given is that we must share the expenses of administration and upkeep generally with the existing charity Hospitals.

In practically every town in the kingdom the story is the same. There is an urgent need for such a Nursing Home as is here suggested. The demands on the Hospitals are, and have for some time been, increasing out of all proportion to the increase of revenue. In nearly every case there are in these institutions vacant wards and beds which the charity is unable to use, and it is by putting these to profitable use that we believe we can solve the problem satisfactorily to everyone concerned.

I propose to-night to take the City of Bath as my example, and to illustrate my scheme by means of the figures of the Institution to whose hospitality we owe this place of meeting—namely, the Royal United Hospital of Bath. Here the suggested Home can be carried out all the more easily, as there are at least three small wards, making up from two to six beds each, which could be kept quite separate from the charity beds. Here, too, we have all the advantages of an experienced committee of management, a well-organised administration, an efficient nursing staff, and, in fact, everything tending to an economic and efficient working of the scheme.

There need be no interference whatever with the present charity arrangements. The private Home would be quite distinct, although under the same management and regulations, except in one important particular, namely, that all registered medical men in the district *must* be allowed to continue their attendances upon their patients while in the Home.

As it would be unfair to use the funds collected for charitable purposes to finance a commercial undertaking in competition with private enterprise, so also it would be

equally unfair to expect the Hospital to undertake this responsibility without recompense.

This recompense the scheme supplies by sharing with the Hospital the establishment expenses, such as rents, rates, taxes, salaries and food of doctors, nurses and servants, as well as all the other fixed charges—an arrangement which must be beneficial to both concerns, because the Hospital must in any case keep an administration equal or almost equal to its bed capacity.

For instance, if a ward in a Hospital has but one patient in it, it will cost as much for lighting, heating, and the salaries and food bill of its attendants as if there were twenty patients, but the cost per bed in the latter case would be very much less; but if, as in the case of the suggested Home, some of these beds were self-supporting, the proportion of expenses which the self-supporting beds contributed towards the fixed charges would obviously be a clear profit to the parent institution, as they would help to pay expenses which would otherwise be entirely chargeable to the charity beds.

Before dealing with this point more fully let us first set forth a rough sketch of the suggested scheme.

1. The Hospital shall open as many beds as it can spare for the admission of patients who cannot afford to pay the fees of the existing Nursing Homes, but are yet able to pay at least something towards their support.

2. The patient's medical attendant shall be privileged to continue his attendances upon the patient in the Home.

3. Paying patients must be introduced by their doctor only, and in order to prevent abuse of the Home the medical man introducing patients will assist the Committee in deciding a fair weekly charge for each patient he recommends for admission.

4. The maximum charge will be £2. 10s. per week, so as not to compete with the existing Nursing Homes

whose minimum charge is £3. 3s. per week. The minimum charge will probably be about 10s. per week. The AVERAGE of all occupied beds will be at least 30s. a week.

5. The scale of charges will vary according to the resources of the patient, the probable duration of the illness, the number of profitable beds already occupied, or the profit standing to the credit of the Nursing Home after deducting Hospital charges.

6. The drugs, bandages, &c., shall be supplied by the Hospital at cost price.

7. The number of beds occupied by the patients of any one doctor shall be limited.

8. The Committee shall have the right of extending the number of paying beds when they think fit.

9. The number of beds at higher prices to be limited, so that those who can pay but little may not be crushed out; unless, of course, there should be no demand from the latter, in which case it will only be necessary to keep a couple of reserve beds in case of emergency.

10. The balance-sheet of the Home shall be kept separate from the Hospital account, and shall be published in detail.

11. All patients shall be subject to such rules and regulations as the Committee deem necessary.

It would probably be as well for the Committee to take a certain amount per bed as profit to the Hospital funds, and if at the end of the year the Home shows a balance, such balance, after putting aside a small amount towards the following year's contingency account, would be handed over to the funds of the Hospital. This would guarantee that the Home was fairly carried on for the benefit of the patients, and not only as a source of revenue to the Hospital.

However, all such details can easily be arranged if the Hospital Committee will admit the possibility of adopting this or some similar scheme.

To return to our example, the Royal United Hospital of Bath, assuming the administration to be equal to the demands of the Hospital accommodation, a few beds more or less cannot affect the cost of this administration. This charge is really a fixed charge, however many or however few beds are occupied. It must follow, then, that the fewer the beds occupied the higher the cost price per bed to the Hospital, and, *vice versa*, the more beds occupied, the lower will be the cost per bed; therefore, if these extra beds are only barely self-supporting, the Hospital must gain to the extent of the reduction in the average cost per bed. It is necessary to grasp this fact in order to appreciate the considerable benefit likely to accrue to the Hospital by adopting this scheme, for thereby we not only pay a profit per bed, but also share the expense of the charity beds.

As a matter of fact, the actual cost per patient after the payment of these fixed charges is comparatively little.

Under the system of accounts at present in vogue at this Hospital it seems to be impossible to obtain the cost per patient apart from that of the administration; we must, therefore, resort to less satisfactory and more indirect methods in order to obtain some idea of what that cost is.

According to the figures obtained from the Secretary, there are some fifty people living in the Hospital, in attendance upon a daily average of ninety patients—that is, 50 non-patients to 90 patients, or, in other words, 35·7 per cent. of the residential population are non-patients.

The food and washing (which latter is done on the premises and comes under the head of “General Administration”) would be the only items of expense beyond the administration, at any rate in the proposed Nursing Home department. Therefore at least 36 per cent. of the food

must be consumed by the non-patients; but it is more, because these non-patients are healthy, robust individuals, in contrast to the invalided and bedridden patients. Moreover, twenty of the beds are occupied by children, who naturally cost less in food.

Taking these facts and others into consideration, it would not be unfair to estimate the cost of food of the non-patients at 45 per cent. of the whole, leaving 55 per cent. for the patients.

The Hospital food bill for 1902 amounted to £2,050, and if 55 per cent. of this is taken as consumed by patients, it amounts to £1,182. 10s., or roughly £13 per patient per year, which is practically 5s. per week.

Now this estimate is about what one would expect it to be, and if we consult the *Commissariat*, which is a reprint of articles from the *Hospital*, on page 165 we find:—

“The cost for boarding patients in well-conducted Hospitals varies from £10. 10s. to £14. 10s. per patient per year.”

As ours is a provincial Hospital, we should expect the cost to be somewhere below the maximum.

We may take it, then, that 5s. or 6s. a week would represent the actual out-of-pocket expenses our scheme would entail upon the Hospital for each patient.

Of course this estimate is only made for the purposes of showing the benefit of the Home to the Hospital, for, as a matter of fact, the cost price of each bed to the Hospital must be something over £1 per week, because each bed whether self-supporting or charitable must pay its quota to the general administration of the Hospital.

The only point one wishes to demonstrate is that as the administration charges would not be increased by the comparatively few beds necessary for the Home, and as the extra charges entailed by the new beds would be but little more than the charge for food consumption, the amount these self-supporting beds would pay to the

general maintenance would be entirely to the good of the Hospital.

In no other way does it seem possible to benefit the Hospital to such a great extent and at the same time to give to the public at these low prices the inestimable advantage of well-trained nurses, an experienced administration, and buildings and appliances of the very best description.

Applying this principle to our suggestion, let us estimate what the gain to the Hospital would be.

The Hospital has a yearly average of ninety occupied beds per day.

It can put up a maximum of 130 beds, including isolation and sick beds for the nursing staff. This gives us an average of forty possible vacant beds. Allowing twenty for the fluctuations above the average and those necessary for isolation and sick nurses, it leaves twenty beds unused at present in the Hospital.

It is these beds which we suggest should be opened for the reception of paying patients, in the interests of the public and the charity.

The Hospital spends £6,700 a year on an average of ninety occupied beds, or £74. 10s. per bed per annum, which is about 30s. per week per bed. If we deduct the cost of the dispensary, which is united with it, the expenses are £5,978, or an average of, roughly, £66. 8s. 6d. per bed per year, or £1. 6s. 6d. a week.

As has been seen, the extra cost per bed is, roughly, 5s. per week, so that fifteen beds would cost the Hospital £190 a year in actual out-of-pocket expenses.

This would bring the total Hospital yearly expenditure from £5,978 to £6,168, but for this £6,168 it would have fifteen more beds, or an average of 105 occupied beds, costing roughly £58. 14s. 6d. per bed per year; in other words, a saving of £7. 14s. per bed per year, and in respect of the ninety charity beds of £693 per annum.

This is assuming that the paying beds only paid the

Hospital their actual cost price, that is £1. 2s. 6d. per bed per week, or £58. 14s. 6d. per annum. But, as it is proposed that the charge for the beds in the Nursing Home should average at least 30s. to 35s. per week each, it is not too much to expect an actual profit to the Hospital of at least 6s. per bed per week, which amounts to a yearly profit of £234 on fifteen beds. Should the Committee be able to give up twenty beds, instead of a lesser number, then the average per bed would be further reduced to £56. 14s. per bed per year, or £1. 1s. 9d. per week, leaving a profit of 8s. 3d. per bed per week. In addition to this the Nursing Home would pay at least one-fifth of the fixed charges now borne entirely by the charity beds—charges which amount to no less a sum than £1,134 per annum. If we add to this the 8s. a week per bed profit, the net gain to the Hospital would be £1,550 per annum, or more than sufficient to wipe out their present yearly deficit of at least £1,000 a year. By this means the Hospital would be enabled to continue its great work without anxiety in the future, as well as to gradually pay off its heavy liabilities.

From these figures it will be seen that the more beds the Hospital can give to the Nursing Home the less in proportion will the charity beds have to pay towards the maintenance expenses, and that the actual profit per bed will therefore increase in direct ratio with the number of paying beds accommodated.

These figures are based upon the assumption that the beds will be kept continually full, and the question arises as to how we can keep them full. The outlook is very favourable, because if about thirty beds or more can be kept profitably full in the private Nursing Homes of this city at prices varying from £3. 3s. to £5. 5s. per week, surely with the assistance of all the doctors we could count on fifteen being kept fairly full at an average of 30s. per week.

Even if the scheme had no further inducements than

those already set forth, it would be well worth the attention of all who have the interest of the Hospital and the community at heart, but there are other advantages equally real, though perhaps more indirect, to be obtained.

In the first place, we note in the Hospital Reports for 1902 that £50 was earned by the nurses for private nursing. If we had all the busiest medical men brought into connection with the Hospital by business as well as sentimental ties, it would be only natural that they would employ the nurses of whose work they had had personal experience in the Home, for most, if not all, of their private work, and would thus open up a considerably larger field of revenue from this source; in fact, there is no reason why the Hospital should not provide all the private nurses needed in the city.

Again, as the medical men would have a more intimate interest in the prosperity of the Hospital than formerly, so also a person who had been nursed back to health in the Institution would be more likely to remember its needs and the magnificence of its work, than one who only knows of its value by hearsay.

Moreover, we might expect an appreciable decrease upon the demands for charity beds, because many borderland cases, who have up to the present time been (against their will) entirely chargeable to charity, would be admitted as paying patients.

That such cases are so admitted is proved by the experience of many medical men, or by a cursory glance at the statistics of our charities.

In Bath and the district around there is a population of about 75,000 people. If we exclude such places as the Mineral Water Hospital, which is recruited greatly from outside the boundaries, and all the private and semi-private Institutions of which it is difficult to get statistics, and take only the six main charities, we shall find that nearly 22,000 people a year are in receipt of medical charity, that is to say, that one in three-and-a-half of our

population are apparently unable to pay for even a part of the medical attention necessary.

Surely none will contend that in a residential city like ours, with practically no ill-paid factory hands, and very few really poor, there is such an amount of distress.

The only conclusion we can draw from this is that, owing to the advance of science, the complexity of appliances, and the expenses of treatment, together with the more general recognition of the great benefits to be derived from skilled nursing and judiciously applied restraint, a large number of people are compelled, whether they like it or not, to seek relief from our charities.

Many of these persons, if we give them the opportunity, would prefer to pay for the benefits received.

It seems difficult to devise any better means of strengthening the interest of the public, medical and general, in the Royal United Hospital, or of improving the prestige and financial position of the Hospital, while at the same time decreasing the demands made upon it, than by the adoption of some such suggestion as that which I have endeavoured to put before you.

And before closing my remarks I should like to emphasise the fact that the voluntary system of Hospital support, upon which we have relied so long, is hopelessly breaking down. The demand of the Hospitals has so increased (out of all proportion to the increase in revenue), that nearly every charity Hospital in the Kingdom is being carried on at a heavy loss. The only alternative would appear to be either compulsory support (*i.e.* rate support), or some such modification of the present voluntary system as that suggested.

The voluntary system, which is that now in vogue, has the advantage of ensuring that the control of the charity shall be in the hands of those personally interested, and not at the mercy of a faction; and a more efficient and economical working than would be the case if the management merely had to call upon the public funds for supplies;

it ensures also a progressive competitive policy upon which our medical teaching depends, instead of having a staff of public officials whose election is perhaps the reward of political service, and whose claims for promotion are those of years of service, rather than intellectual capacity, besides many other advantages too numerous to mention. Should the Hospitals ever come upon the rates, let us not forget that they will do so not as going concerns, but as hopelessly bankrupt and insolvent institutions.

It is for these and other reasons that I would earnestly ask you to give your serious attention to this matter, for surely such a scheme as this, fraught with issues of such far-reaching importance to all of us—which not only aims at the alleviation of pain, the minimising of the loss of energy due to illness amongst our most active members, rescuing the noblest and most useful of our charities from disaster, putting the facilities for the continued study of the great problems of disease in the hands of all medical men, instead of confining them to a few chosen arbitrarily by a lay committee—cannot fail to be worthy of the most serious consideration, whether looked upon from the standpoint of the philanthropist or the political economist.