Doctors' Strike Over, Problem Remains

Insurance Companies Unscathed

By Rob Baker

Gone but not forgotten is the malpractice insurance crisis—gone, because of a Feb. 2 decision by United Physicians of California (UPC) members to end a weeks-long "strike" that finally pushed county health facilities just beyond the crisis point without having much effect on the soaring insurance rates.

But not forgotten, because no solution has been found here or in Sacramento to the year's first major numbers game. "The strike cost us $1.35 million," a county health officer griped, "and it netted the doctors nothing."

Would-be solutions are numerous enough to paper Gov. Edmund Brown's meditation room, but in slightly surreal Sacramento there are but three top contenders in the legislative hopper. The UPC bill, introduced in the State Senate by Sen. Alfred Song (D-Monterey Park), balances Gov. Brown's scheme, introduced in the Assembly by Howard Berman (D-Los Angeles).

It's not just a choice between Tweedle-Dum and Tweedle-Dee, but neither measure relates the malpractice insurance crisis to malpractice. A third bill, introduced in mid-February by Art Torres (D-East Los Angeles), calls for a substantial effort to curb malpractice, takes a slap at the insurance companies who monopolize the malpractice business — and, in sharp contrast to the other bills, represents the views of "health consumers" groups, one of which sprang up during the crisis itself.

Digging into the malpractice problem itself, there's a question about why the insurance companies got such even-handed treatment by the UPC. It did not tell the story that needed telling, perhaps, because doctors and insurance company executives share common interests.

Actually, the state auditor general did the job that striking doctors should have done. The auditor general's 1975 report titled "Doctors' Malpractice Insurance," unravelled several mysteries about the realtions between big insurance writers and Wall Street.

One truly eye-popping statistic — 43% — appeared in the report's pages. That's the percentage of a heart-stopping drop in solvency of insurance firms attributed to bad stock market ventures in 1975 alone, according to the state's insurance commissioner.

In fact, the commissioner's study made it crystal clear that the reason giants like Travelers Insurance demanded 530% hikes in malpractice premiums had little to do with allegations of excessive, fat malpractice settlements — a claim the companies make no serious effort to authenticate. Like other big investors, the insurance companies simply took a bath on the stock market last year, facing "liquidity" problems that fattened malpractice premiums might help solve.

Since the insurance companies still haven't released specifics about state malpractice settlements and convictions, we have to use the Auditor General's numbers. In a recent two-year period, he found that only about $200 million of $450 million in collected malpractice premiums was paid out — about half of the $200 million was pure overhead.

That left $250 million in somebody's bank account — and if the Auditor General's charges about big losses on the stock market are recalled, it gives you some idea of what kind of bucks the insurance companies are playing for. After all, if they want out of malpractice insurance underwriting because it isn't profitable enough — having salted away $250 million in just two years — then perhaps we've found another reason why health should not be another salable commodity.

Look at state-funded "free clinics" as a case in point. In 1974, only one malpractice court conviction was chalked up in the state against a clinic. Less other settlements and overhead, untold millions went to spendthrift Signal-Imperial Insurance Co. owners, principally, who squandered it on the stock market. Signal's parent firm, Teledyne Corp., allegedly poured millions into Signal in a vain fight for solvency — but Signal officers don't admit that stock losses are their motive for leaving the malpractice business. It's "deceptive packaging," health consumer groups charge, obscuring more fundamental problems.

The situation prompted Consumers for Medical Accountability — a key non-legislative sponsor of Torres' malpractice bill — to ask why hundreds of thousands of working poor, retired and unemployed people, already immersed in a treacherous health care system, have to pay for some faceless corporation's huge stock market losses.

And they will have to pay, as many of the Southland's doctors made clear Jan. 29, the day after thousands of them succumbed to Travelers' deadline demand for 328% premium hikes. Several UPC and California Medical Association leaders told reporters, patients would have to help pay the higher rates through steep fee increases.

But what about malpractice itself? Dr. Roberta Ritter, a founder of Consumers for Medical Accountability — and an unusually skilled person, with both medical and legal degrees — turned her Westwood office into a "movement center" of sorts during January. Ritter is one of a handful of doctors who insist that malpractice insurance reform can't be discussed without publicly opening the books on malpractice itself — a thoroughly taboo subject for the UPC and CMA, whose leaders still recite the flagrantly erroneous dictum that ours is the best health care system in the world.

Dr. Ritter raised a startling statistic that further parts the curtains shrouding the malpractice controversy, and that figure is 1. It's the total number of doctors whose licenses were revoked through State Board of Medical Examiners malpractice investigations in 1974, out of 243 cases filed. What that shows, Dr. Ritter claims, is the inability of doctor-dominated state agencies to prevent or curb malpractice.

How common is malpractice? The federal Dept. of Health, Education & Welfare estimates one occurrence in every 226,000 patient visits, with perhaps 30% of those cases undiscovered. And in Los Angeles County Superior Court's central section last year, only 42 malpractice cases went to court (for just 13 convictions). But hundreds more, perhaps, were settled out of court.

In handling malpractice problems the old Board of Medical Examiners — recently restructured by Gov. Brown, but dysfunctional owing to Brown's slow appointment process — was, if anything, more incompetent than the physicians it investigated. Of 315 cases before it in March, 1975, one-third had been gathering dust up to five years, and some of these, 105 cases, were unresolved as much as nine years after the first discovery of a malpractice.

Now, how do the bills treat these problems?

Sen. Song's UPC-backed bill, the Brown-Berman measure and Torres' bill all share the concept of a state malpractice insurance fund. But Torres' plan, with the need to curb malpractice as a basic assumption, could reduce premiums up to 15% annually (after three years of paying premiums at the old 1975 level) if a doctor's record is clean, until a $3,500 average yearly figure is reached.

Both the Song and Brown-Berman bills would establish a state-wide malpractice insurance pool, run by doctors. The bills differ on the number of physicians needed to float the schemes — Song says only 7,500, Brown-Berman requires 18,000 — but both have doctors paying 1975 level premiums to start. Brown-Berman would fatten the fund annually by cost-of-living premium hikes plus a straight 15% assessment, and physicians must pay a "deductible" equal to 25% of the premium for each malpractice settlement or judgment against them. In ten years, average premiums might be a whopping $55,000.

The UPC-conceived fund in the Song bill, however, is preferred by many doctors because it makes the ordinary taxpayer responsible for picking up the malpractice tab under certain circumsta[nces]. Even Sen. Son[g] admitte[d his] scheme would probably go [broke] within eight years becau[se] underfinanced. And when it d[oes], if a pro-rated payment sche[me for] all settlements is voided b[y the] courts — the state's taxp[ayers] must cough up the money.

Commenting on this "[...] financing of malpractice" fe[ature], Assembly Speaker Leo McC[arthy] (D-San Francisco) predicte[d the] Song bill would only pas[s the] legislature "over my dead b[ody]."

While the Torres bill features the state malpra[ctice] insurance fund, financing [would] come from the sale of ta[x] bonds in addition to doc[tors'] premiums. Bond revenue mi[ght be] re-invested to further fatte[n the] fund, and no state liability co[uld be] incurred, except for the fund's cash reserves.

Insurance companies get a [...] splash in the Torres bill, too, [...] proposes a sweeping "indepe[ndent] study" of insurance com[panies'] (often huge multinat[ional] conglomerates) profits and l[osses] dating from 1969 to the pres[ent].

Focusing on malpractice i[tself], the Torres measure req[uires] continuing education for all [doc]tors — to be spelled out lat[er] — makes all physicians' malpra[ctice] records open to public scrutin[y for] the very first time, and co[mmands] the State Medical Qu[ality] Assurance Board to thoro[ughly] check every single doctor w[ith a] malpractice claim against [him]. The bill would make a majo[rity of] MQAB members consumer[s, on] the theory that a doctors' [board] won't police other doctors.

In addition to Consumers [for] Medical Accountability, the [bill is] also backed by the National H[ealth] Federation, Committee for P[ublic] Health, the state Trial Law[yers] Assoc., the Committee on [...] and the Doctors Defense Le[ague].

Only time will tell if these [con]sumers' groups don't get lost i[n the] labyrinthive corridors [of] Sacramento legislative house[s, or] discouraged from trying to tal[k to] the enormously pow[erful] insurance companies and California Medical Associatio[n].

Inside the Company In Angola

By Rodney Larson

The Central Intelligence Agency appears to have escalated its covert operations in Angola at least four months before the reported build-up of Soviet involvement, according to a study of official records from the American Embassy in neighboring Zaire.

These records show conclusively that by November 74, if not before, the CIA had at least eighteen undercover officials in Kinshasa, the capital of Zaire and the chief base camp for sending American military supplies over the border to the UNITA and the FNLA, the pro-Western groups in the Angolan civil war.

It is possible that this expanded CIA presence related only to events within Zaire itself, where the Agency has been active since the early 1960's. But if the build-up was aimed at Angola, as it seems more likely, it would have come before — rather than after — the reported escalation of Russian support to the rival MPLA, which official American estimates have placed in March-April 1975.

President Gerald Ford and Secretary of State Henry Kissinger have repeatedly defended the increased American intervention as a response to Soviet initiatives.

The official Amerian records from Zaire, which date from November 1974, show an unexpectedly large American presence, including diplomats, military advisers, and employees of the Agency for International Development. But of those named in these various posts at least eighteen can be identified as members of the CIA team, which is headed by a long time veteran of Agency operations in Laos and Indonesia, Mr. Stuart E. Methvin.

The eighteen include six "case officers" and two secretaries working under cover of the political section of the American Embassy, with an additional ten handling top secret telecommunications.

Still other suspected, though not positively identified, CIA employees appear to be working in the American Consulate in Bukavu, in the so-called Regional Security Office, and among a group of civilians in a military mission nominally run by the big American defense contractor, Lockheed.

The identification of the known CIA people can be confirmed by official State Department biographical records, such as those that led to the public exposure of the recently assassinated CIA Station Chief in Athens, Mr. Richard Welch.

Former CIA officer Philip Agee, who has been attacked publicly for alledgedly helping to identify Mr. Welch, has verified the identifications of the eighteen in Zaire and has turned over their names and addresses to representatives of the MPLA in London.

The MPLA, which has won the support of nearly half of the African nations, has received Soviet support since the beginning of its independence struggle against the Portuguese.

The Americans, on the other hand, strongly backed the Portuguese until the 1974 coup in Lisbon, and are now allied with Zaire and South Africa in support of the anti-MPLA factions.

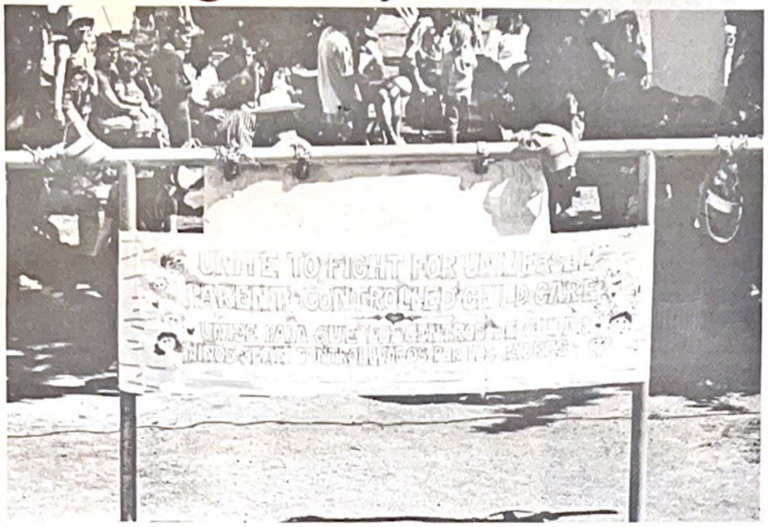
Official American sources have also admitted that since 1961 the CIA has given a secret $10,000 a year subsidy to FNLA leader Holden Roberto, reportedly for "intelligence collection purposes."

Stuart E. METHVEN, (Chief of Station), 3124 Avenue de la Caisse d'Epargne, Gombe
Robert BENEDETTI, 150, Boulevard du 30 Juin
Bruce BRETT, 872, Avenue Nicole, Djelo Binza
Nancy BUSS, Apt. 15C, 11 Republique
Peter T. HANSON, 66 Boule[vard] Colonel Tahatshi, Gombe
Samuel L. MARTIN, 39, Aven[ue de] l'Ouganda
Jeffrey PANITT, 35 Ave[nue] Pumbu, Gombe
Vickie VIGER, Apt. 13B, [...] Republique
Bruce BARNARD, 3709 Avenu[e] Madrigal, Joli Parc
Robert W. CARMEN, 711 Av[enue] Lt. Mpia, Joli Parc
Peter W. COMAR, Apt. 76C, [...] Republique
Wilfred GAGNON, 3378, Avenu[e] Ring, Joli Parc
William HARNER, 4, Avenu[e du] Port, Gombe
Richard J. HARRISON, [...] Avenue de l'Eglise, Joli Parc
Martin R. McFARLANE, [...] Avenue de l'Eglise, Joli Parc
David S. MARKEY, 3275, Che[min] de la Plaine, Joli Parc
Thomas T. MIX, Apt. 44B, [...] Republique
Nick E. UNGER, 120 Blv. d[u 30] Juin

COPING

Starting A Day Care Center

"Coping" will be a regular Vanguard feature. Knowing what's wrong is only half the job. The other half is finding alternatives that work.



PICNIC FUNDRAISER — The slogan of the Silverlake Peoples Playgroup stands in Vendome St. Park during picnic fundraiser.

y Dorothy Thompson

laving a community children's nter for pre-schoolers means re than a ready-quick baby-ting service. It means the ation of a total environment in ich children learn not only gnitive skills, but how to relate to ople in their community and derstand that community.

The center often must become extension of the child's family d a source of assistance in eking health care, problem unseling and many other family eds. As one school director ated, "A vital part of a com-unity child center is helping ople gain control over their lives d providing support for fighting ck."

The first step in organizing a ildren's center is to bring gether concerned, perceptive lults, who can openly and alistically assess their values, als, resources and needs, cause this will determine what nd of environment they will eate.

Values and Goals. Is there to be n emphasis on cognitive skills or n socialization? Will there be open ecision-making or a more ierarchal structured rganization? Is there a desire to elp parents and children to uestion society and raise con-ciousness? These are some of the uestions that must be discussed. good way to help find answers is visit different types of schools. he following are suggested: acific Oaks College, Pasadena. his is a teacher-training college mphasizing humanistic ducation. A community college hildren's service, such as the ampus Children's Center at alley College in Van Nuys. A ooperative nursery or playgroup uch as the Silverlake-Echo Park eoples' Playgroup or the Rose harlin Cooperative Nursery in os Angeles. Other approaches nay be to observe an adult ducation parent observation class n which parents and children ttend school together. Many high chools, El Camino and Reseda, or example, have such programs. Or visit one of the Headstart schools, which are located throughout the L.A. Unified School District.

Resources. The availability of resources goes hand in hand with clarifying values and goals. From a realistic point of view, this inevitably means money, because that will determine whether the values and goals can be achieved, what kind of physical facility and equipment there can be, the parameters of the program, the hours the center can be operated and, most importantly, the ability to attract energetic, resourceful and capable personnel. Investigate sources of funding, including colleges, non-profit community service organizations, industry sponsorship, community action agencies, liaisons with private schools, government and foundation grants. A college child care center can often increase enrollment enough to justify a college's funding all or part of the operation.

Be aware that government funding usually includes testing programs that some educators feel undermine family relationships in low income families where need for financial and emotional support is greatest. (See **Spying on Kids**, this issue.) If no funding is available, a very positive alternative to consider is having a playgroup. This can be an enriching experience for a small number of two to five year olds a few hours a week. Children at this age need consistency, though, and for this reason a fixed time should be set aside for getting together and sporadic drop-ins should be discouraged.

Whether to charge fees and how high to make them must be considered also. Any child care center which charges a fee, even a private home, must comply with regulations governing physical space, equipment, food service, safety and is subject to inspections by the Department of Public Social Services. Fees could be calculated on a cost-per-hour basis or a sliding scale based on family income. A registration fee may be necessary to cover intake and processing costs.

Needs. Site, staffing, curriculum, equipment and hours of service must be determined.

Site. Consider parks, community buildings, churches, non-profit organizations which use only part of their facilities and store fronts. The physical space affects costs, nutritional facilities, the type of program that can be offered (i.e., open space, self-contained classrooms, playground accessability, number of adults required for supervision, toileting, etc.) and determines the number of children that can be served.

Staff. A good, professional director is an absolute necessity and the key to the whole program. This should be someone who knows something about the community and the children's basic needs. The job does not necessarily require a great deal of formal education. Look for personal qualities of resourcefulness and optimism. People to be served should be happy with the choice. The teaching staff may be composed of all paid staff, parent volunteers or mandatory parent participation, or junior high, senior high and college student-trainees. It is extremely important that the staff reflect the cultural balance of the parents and children served. Fifty percent of parents are men and should be represented on the staff. Senior citizens also lend balance.

Program. The 2.5 to 5 years old group is most ready for group experiences and can be served by a very flexible program. Younger children require special staffing. In designing a program, it is very important to achknowledge the value system of the parents and their participation in developing a program for their children should be encouraged. The program should also be anti-racist and anti-sexist. Parent groups or seminars may be a desired part of the program.

Equipment. Telephone, tables and chairs, and resting places are desirable. Many good schools have been started with a bare room and concerned parents, according to Carol Rookstool, director of the Campus Children's Center in Van Nuys (from whom much of the information for this article was obtained).

Hours of Service. Hours should reflect the needs of the population served. Drop-in care is not advised. Use "block" scheduling. Recommended minimums for children 2 to 5 are three hour periods, two days per week. Maximum hours depend on need.

These are some of the basic considerations which must be undertaken to have a child center that is responsive to community needs and the welfare of the children it serves. Additional sources of help suggested by Rookstool include: California State Dept. of Education, 721 Capitol Mall, Sacramento, CA 95814; Dept. of Social Welfare, 107 S. Broadway, Los Angeles, CA 90012; Southern California Assn. for Education of Young Children, 16225 Moorpark Street, Encino, CA 91316; Parent Cooperative Pre-Schools International, P.O. Box 40123, Indianapolis, Indiana 46240.

CONSUMER BEWARE

By Jan & Mallory Geller

The lecithin-cider vinegar-vitamin B-6-kelp combination tablet is an attempt to capitalize on Mary Ann Crenshaw's heavily promoted best seller, **The Natural Way to Super Beauty**, subtitled, "Featuring the Amazing Lecithin, Cider Vinegar, B-6 and Kelp diet," which is essentially another new reducing plan.

Smelling big money, the vitamin manufacturers quickly produced various versions of the tablet that combined all four ingredients. Basically, Crenshaw's diet makes a lot of sense. The idea is that lecithin breaks up fat; vitamin B-6 is a diuretic; cider vinegar contains potassium, another diuretic, as well as an essential tissue-building mineral; and kelp contains essential iodine, which acts as a metabolic regulator. So, if we eat a low calorie diet, break up our fat (lecithin), pass this fat from our bodies (vinegar and kelp) and have just the right metabolic rate (vitamin B-6), we ought to lose weight and feel much better. All we have to do is take the right dosages of these four fabulous friends.

The diet may, indeed, have been able to succeed where other methods had failed. The only problem was dosages. Nobody seemed to have read the book. Crenshaw recommends two tablespoons of granular lecithin daily (Adele Davis indicates that one tablespoon equals 15,000 mg). However, all the combination supplements now on the market offer a total of only 600 mg in a daily dose. That means it would be necessary to take 150 of the combination tablets to follow the diet's instructions.

Vitamin B-6 is the only ingredient that differs from brand to brand in the daily dosages of the popular combination tablets (the range is 20 mg to 50 mg). Crenshaw calls for 50 mg per day for use in weight reduction, though individuals differ and more or less may be required.

Apple cider vinegar is the most difficult element to assess because it is a liquid, but is solidified in the tablets. The diet recommends one teaspoon in water after each meal with kelp and B-6. The combination tablets are rated at 240 mg in a daily dose (equal to 12 ml of liquid), and again far too little for the intended purpose. Also, cider vinegar has some important side effects. It can damage the teeth and Ms. Crenshaw suggests drinking it through a straw or brushing your teeth immediately after swallowing. If in doubt, ask your doctor before you experiment.

How much does it cost? If you take the combination tablets, you will spend about three cents each, or eighteen cents per day, and you won't be getting nearly enough supplement to make the diet work. If you select the brand that contains less vitamin B-6 (20 mg) but a better balance between the ingredients, you'll need fifteen tablets and spend 45 cents per day. And, you'll still have far too little of everything except B-6.

If you take your ingredients separately, you'll find that B-6 costs $2 per hundred for 50 mg tablets (two cents per day), lecithin is priced at about $3 per hundred (three cents each, six needed, eighteen cents per day), kelp sells for $3 per thousand (three tenths of a cent each, eighteen needed, about five and one half cents per day), and cider vinegar can be bought at discount at **Civic Center Sales**, on San Fernando Road, downtown, for nineteen cents per bottle (a two week's supply costs less than two cents per day).

You can follow the diet for twenty-eight nts per day. That's twenty-eig en's to do it right versus eign en cents for the rip-off tablets or up to forty-five cents to try to do it better with the rip-off tablets, and you'll still be painfully short of everything e [illegible] B-6 (which you can g [illegible] cents per day anyway).

You'll still need to make sure you're getting the proper amounts of the other vitamins and minerals essential to good health, since they all work synergistically. Take a good B-complex, calcium (to offset the high phosphorus content of lecithin), magnesium, vitamins A, D and E, and the trace minerals.

But whatever you do, don't be ripped off.