

94. Visiting medical officers should be drawn from the medical practitioners practising in the town, and should consist of surgeons, physicians, and specialists, whose services should be honorary as at present, with possible exceptions in certain cases where small honoraria might be desirable.

95. We suggest the formation of a Medical Committee consisting of one or two surgeons, one or two physicians, and a specialist. This committee would act in an advisory capacity to the Board on all technical matters.

96. The foregoing is but a broad outline of the administration we suggest for base hospitals.

97. The staff of district hospitals would vary according to size. In some no Resident Medical Officer would be required, in others, at the most a House Surgeon would be sufficient. There would be no necessity for such a position as Medical Superintendent. The medical work could be done by the practitioners resident in the locality if of good standing. The appointment of a small Medical Advisory Committee to district hospitals might be desirable, to act in an advisory capacity to the Board of the base hospital and to the Manager of the district hospital. As to the cottage hospitals the management of these would be in the hands of a Matron and the medical work would be carried out by the private practitioners in the district.

#### MEDICAL SUPERVISION OF HOSPITAL DISTRICTS.

98. The medical supervision of all hospitals in a district should be in the hands of the Board and its General Manager, assisted by the Base Medical Committee, and we suggest that standards should be laid down as to the particular class of work to be done in the different grades of hospitals. We have already referred to the necessity for keeping exact records of all cases. These should be inspected at regular intervals. We suggest that the Medical Committee, or appointee of such committee, should review the case of every patient who has remained in a cottage hospital for more than one month or a district hospital for more than six weeks, as by this means a much closer supervision could be kept of the work carried out. **We are convinced that considerable savings can be effected by taking adequate steps to reduce the average stay of patients in hospital. The supervision would also eliminate unnecessary operations, prevent hospitals from undertaking work for which they were not suited, enable patients to be quickly sent for diagnosis to the base hospital, reduce the length of stay in hospital, and generally lead to marked economy and increased efficiency.**

#### GENERAL ADMINISTRATION.

99. We have recommended the appointment of General Managers of the Base Hospital District, and would now refer more particularly to the present position and the results which should follow the abolition of the forty-five Boards and the creation of sixteen to eighteen base hospital districts. At present each hospital district has its Board, administrative staff, and Medical Officers and nurses, and it is evident from a glance at a map showing the location of the various hospitals in the Dominion that these are, in many cases, unnecessarily duplicated. The creation of sixteen to eighteen base hospital districts would result in considerable savings in administrative expenses by rendering unnecessary many of the costly administrative machines at present in existence. The supervision of hospital administration by a Board of Hospitals would enable such administration to be placed on a national basis. For instance, the salaries of officials in some relatively small districts are in excess of the salary paid to the Secretary of the Health Department, and the existence of forty-five separate Boards subject to little or no administrative control, must tend to extravagant expenditure. With one Board taking the place of the present two or three, as the case may be, savings must result, and, if a system can be evolved whereby efficiency of hospital administration will not be detrimentally affected, there should be no valid objection to a change. Incidentally, a reduction in the number of Hospital Boards, as recommended, would result in a reduction in the administrative expenses of the Health Department, particularly in the matter of statistical records, &c., while economies due to the more rapid cure of patients, the treatment of others as out-patients where their condition does not really necessitate admission to a hospital, the saving of supplies, and the elimination of overstaffing would naturally follow the rationalization of the hospital system.

#### PATIENTS' FEES.

100. One of the reasons for the rapidly increasing cost of hospital administration in the Dominion is a disinclination on the part of Hospital Boards to charge the full cost of treatment to patients, and the writing-off of fees without regard to the ability of the patient to pay is too readily acquiesced in. The element of local politics operates particularly in the small localities, and, as a result, there is a reluctance to apply pressure in the collection of fees. We believe that a thorough system of costing should be instituted in order that the full cost of treatment might be charged to all patients. That this is not done is evident from the scale of fees adopted by most Hospital Boards, and, indeed, it would be found that were the full cost charged to patients it would probably be cheaper for those patients who can pay their fees to enter private rather than public hospitals.

101. **We are unable to discover any instances right through New Zealand where the full cost of treatment in a public hospital is charged to a patient, whatever his circumstances, and much money which could be collected is lost on this account, consequently the burden on local rates and on general taxation has continued to increase.** The matter is of sufficient importance to justify the appointment of a special official by each Base Hospital Board and the fees payable should be assessed while the patient is in hospital upon the basis of what he can afford to pay, either in a lump sum or by instalments. We would make it clear that the total cost of hospital treatment including overhead expenses and all other charges such as a private hospital would have to meet, should be definitely established, and that the full amount should be collected unless the