The Committee recognized that the extension of the present system of health benefits which these recommendations project, so as to cover the complete range of medical services, must necessarily involve further heavy charges on the Fund, but it assumed that this was contemplated when the Committee was asked to make recommendations whereby adequate specialist medical services should be available free or substantially free of cost to the patient.

GENERAL PRACTITIONER SERVICES: METHOD OF REMUNERATION

12. The Committee reviewed the several existing methods by which medical practitioners are remunerated directly or indirectly out of the Social Security Fund.

Capitation System

13. The advantages and disadvantages of a general capitation system on the lines of that already operating by virtue of sections 13 and 14 of the Finance Act (No. 4), 1940, having been considered, it was agreed that at the present time and under the existing circumstances in this country a renewed attempt to introduce such a system generally could not succeed. The Committee recognized that the capitation system has certain obvious advantages to recommend it, including the very important advantage of budgetary control, and this report is not to be understood as a condemnation of the system. The Committee likewise recognized that the profession has consistently maintained that the system tends to a decline in the high standard of practice, and the fact remains that it at no time attained a measure of popularity with the profession. At most fifty-one doctors entered into agreement to provide medical services under this scheme, and the number has dwindled until at present there are only twenty-three operating under it, most of this number also practising under the general medical services scheme at the same time.

14. The Committee recommends that no practitioner should be permitted to practice under both the capitation system and the fee-for-service system at the same time, but should be required to elect between them. The Committee also considered the administrative difficulties and expense arising from some practitioners practising under the capitation system and others in the same area practising under a fee-for-service system, but does not desire to make any recommendation on this point.

Salaried System

15. A suggestion to adopt a general salaried system of service affords no solution as it does not appear practicable to devise a general system of this kind that is administratively possible and also acceptable to the body of the profession. The Committee agreed that in remote areas remuneration by salary might be the only practical means of securing a medical practitioner's services, giving as it does an assured income from the outset of practice. It appears desirable, however, that as far as possible there should be one uniform system of remuneration from the Fund for general practitioner services, and that when circumstances permit the system of remuneration on a fee-for-service basis recommended by the Committee in this report (para. 19) should replace remuneration by salary.

16. The Committee recommends that the Association be consulted on the setting-up of any special area which it appears must be served by a salaried medical officer. The Association would be expected to give advice as to remuneration and other conditions and generally to assist in obtaining a medical officer for the area.

17. Consideration was given to the possibility of a system combining a basic salary with additional payments according to services rendered and also to a scheme under which a global sum would be allocated to District Medical Committees, who would