HEROES AND MARTYRS OF QUALITY AND SAFETY

Advertising, ethics and the competitive practice of medicine: Charles Elton Blanchard MD

D Neuhauser

Qual Saf Health Care 2006;15:74-75. doi: 10.1136/qshc.2005.017376

On 2 May 1902 Charles Elton Blanchard and 34 other students graduated from the medical school which is now called Case Western Reserve University in Cleveland, Ohio. The Dean said "The class of 1902 will be heard from".¹ Dr. Blanchard did his best to fulfil this prediction writing 20 books in his lifetime, mostly published by the press he owned. He was ultimately forgotten, thus failing to fulfil the Dean's promise.

It took Blanchard 6 years to complete medical school because he had no money. He had to work writing advertising copy and at other jobs. When he graduated he did not have enough money to rent office space and open a practice so he worked as a drug company sales representative to doctors, travelling the midwest, learning from practitioners, and saving his money. "It was a royal experience ... my heart warms up to the American doctor".¹

He saved enough money to buy the Cleveland Emergency Hospital for \$4000. He had \$7.50 in cash, a friend loaned him \$150, he put down \$100, and promised to pay the rest at \$200 a month. This is when the trouble started. With this hospital Blanchard bought what today would be called a Health Maintenance Organization (HMO). About 5000 company workers and their families paid \$2-5 each year in exchange for all the medical care they needed. This is called capitation. "It looked like a good scheme to me ... and the amount I had paid for it was but a fraction of what the institution had cost. Besides it smacked of humanitarianism—it was a cooperative brotherhood hospital." The problem was that then the American Medical Association's code of ethics said that such capitation practices were unethical. Dr Blanchard's application to become a member of the local medical society was "blackballed out". "I made good in the hospital work for two years. I paid off the debt in less than a year." He bought other property and expanded to Columbus and Toledo, Ohio. By 1908 this overextended small empire collapsed amid undescribed scandal and on 8 September Blanchard moved about 50 miles away to Youngstown, Ohio and opened a practice there. It was an industrial city of 125 000 people with "both rich and poor—mostly poor. The payday is THE day in a mill town ... pay is often spent before received. A town of this character is a good field for almost any field of business as long as the mills are running full blast. The deadliest place on earth is a dead mill town."¹

During October, November and December "I had not taken in enough money to buy chewing gum for an attractive office girl". He contemplated suicide. His wife worked as a nurse and received a week's pay of \$25. In desperation, Blanchard used this money to pay for advertisements in the local newspaper—another egregious breach of the medical ethics of the day. "I realized that I had come to a parting of the ways. Ethics and I had one spat before, but I had forgiven her ... The solution to my problem meant an eternal good bye."

On 30 December 1908 he placed the first of 175 advertisements over the next 2 years. "On December 31 I had nine patients and on January 1, fifteen patients. I have

never wanted for patients since." Here is part of what he wrote in his first advertisement:

"... why should a doctor advertise? But how shall he gain a practice when a city like this has one doctor to about every 100 families. It has been claimed too, by good authority, that doctors do not collect more than one-half their charges and if this be true, it is up to about every 50 families to support a doctor. To throttle competition the code of the medical trust has made advertising an unpardonable sin for an MD. I have decided to tell the public my name and address ... and sell my services at half the usual price: that is 50 cent office fee, but collect it cash. I am going to throw in the medicine too. I shall claim no unusual power to cure ..."

Blanchard realized that local doctors charged \$1 a visit and ran 50% bad debts. Why not charge 50 cents cash and have no debts, thus undercutting the competition by half and becoming "the people's doctor"?

In his advertisements Blanchard (1) did not promise to cure, (2) promised to do his best, (3) was clear about office hours, location of practice and fees charged, and (4) emphasized his warmth, cheerfulness and kindness. People could be drawn to his office by his advertisements, but they had to experience "personal skill, a modern, clean, orderly well managed office, a stated fee plan, a personality and a reputation that commands confidence and respect, cheerfulness, good humor, tact and a full measure of common sense ... and a heart well filled with the milk of human kindness."

Some of the "cure-selling" "medical pirates" in this tough mill town who were his physician competitors retaliated.

"A conspiracy was hatched by one of these to call me out on a fake telephone message. The street number which was given was a vacant lot where he had secreted among the bushes a couple of ruffians who were supposed to waylay and give me a beating. I went bag in hand, but having an intuitive warning, stopped at the last house to make an inquiry. No such name as I gave was known and the number was the next vacant lot. The people proved to be my friends, since I had already treated the wife. The husband and his brother went with me to investigate" [one imagines they were powerful mill hands who would be welcome on any rugby team] "and as it was rather dark, we stood on the sidewalk peering into the bushes, 'Anybody here want a doctor?' I called. No answer. 'This is some fake' I said in a loud voice 'get your guns ready, boys, and spread out.' Then all at once up jumped our would-be bruisers running helter-skelter, tearing through the brush and tumbling over fences at breakneck speed to get away. However, my two husky helpers soon overtook them. ... After promising to let them go they told us who had employed them Office practice only was my rule from that time on..."²

After his first 64 advertisements Blanchard was busy enough to no longer need this publicity. In 2 years he saw 3500 different patients. He knew that advertisements were not enough. Patients who came had to be convinced to return and tell others about their good care. Blanchard wrote about the importance of keeping good records and having a well organized office.

Bibliographic note

C E Blanchard (1868–1945) obviously enjoyed writing and he used his books to promote the changes he hoped for. Most of his 20 odd books were published through The Medical Success Press, Youngstown, Ohio which he owned. He wrote on medical economics and the future of society: “*A New Day Dawns*” (1932), “*Our Altruistic Individualism*” (1930), and “*Our Unfinished Revolution*” (1933). He hoped for an eclectic mix of capitalism and socialism. He wrote about an idealized medical practitioner in the rural midwest 1868–1910 whom he called Amos Betterman MD, whose warm personal relationship with local farmers and musings about American politics described a lost but better medical world. “*Dr Betterman’s Diary*” (1934, 1937), “*The Letters of Dr Betterman*” (1910, 1931). He wrote textbooks about ambulant proctology, “*A Handbook of Ambulant Proctology*” (1934), “*An Epitome of Ambulatory Proctology*” (1924). He wrote a history of this specialty which is still cited today entitled “*The Romance of Proctology*” (!) (1938). He wrote poetry “*Some Efforts at Verse*” (1944) and “*Letters to My Great Grandchildren*” Jefferson, Ohio Gazette Press (1942). Most of his books had short press runs, are rare, and have little market value today.

“The appalling cost of inefficient phone service, ill kept appointment records, and the bungling management of the patients is beyond compute. Some doctors think any sort of flapper can sit in the waiting room, chewing gum and reading the current trash and answer the telephone well enough.” A sample:

‘May I speak to Doctor Black?’ says a lady’s voice over the wire. ‘Naw, the docs’ out’, replies the girl, thumbing her place in Snappy Stuff Magazine.

‘Can you tell me when he will be there?’

‘Lord knows when he’ll git back. He’s on one of them baby cases. Who is this talkin’, an’ what’ll I tell ‘im?’

‘I will call again later.’

‘All right, lady, suit yourself.’

Can you estimate what such secretarial service costs Dr Black?”³

Blanchard’s playlet makes one envision a cartoon movie starring Betty Boop.

Here is Blanchard on quality improvement and benchmarking:

- “Raise the standard of your work if you are expecting to raise your income”.⁴
- “Ignoring competition and being hypnotized by your own skill is a sure forerunner of a rude awakening”.⁵

By 1920 Blanchard was tired of earning small fees per patient and seeing many patients. He decided to specialize in ambulant proctology in order to earn the higher fees of a surgeon. He wrote several books on this topic, edited a journal,⁶ and designed several surgical instruments. Physicians interested in learning about his success came to see him. In his later years he had prospered well enough so that he and his wife could travel around the world in comfort.⁷

Probably because of his advertising he was never given hospital admitting privileges and not elected a member of the County Medical Society. A history of medicine in Youngstown does not mention his name.⁸

The American Medical Association’s old ethical code that forbade advertising and HMO practice is now seen for what it was—ways to restrain competition between practitioners giving advantage to the senior doctors. Is this economic abuse of medical ethics just a historical curiosity or will ethical codes be used again to shelter economic self interests?

Note: When I had raised enough money at my University to create the endowed chair which I have held since 1995, I could “name the chair”. Thus I am The Charles Elton Blanchard MD Professor of Health Management at the Medical School of Case Western Reserve University, thereby helping to fulfil our former Dean’s promise to the class of 1902.

Correspondence to: Professor D Neuhauser, Department of Epidemiology and Biostatistics, Medical School, Case Western Reserve University, 10900 Euclid Avenue, Cleveland, OH 44106-4945, USA; dvn@case.edu

REFERENCES

- 1 **Blanchard CE.** *Medical dollars and sense.* Youngstown, Ohio: Medical Success Publishing Company, 1912:51–61.
- 2 **Blanchard CE.** *Betterman II on the business of medicine.* Youngstown, Ohio: Medical Success Press, 1926:53–4.
- 3 **Blanchard CE.** *A textbook of ambulant proctology.* Youngstown, Ohio: Medical Success Press, 1928:49.
- 4 **Blanchard CE.** *Medical dollars and sense.* Youngstown, Ohio: Medical Success Publishing Company, 1912:19.
- 5 **Blanchard CE.** *Medical dollars and sense.* Youngstown, Ohio: Medical Success Publishing Company, 1912:151.
- 6 **Anon.** *The Bulletin of Ambulant Proctology changed to The Bulletin of Office Practice,* Medical Success Press, 1927–1937.
- 7 **Blanchard CE (Skipper), Blanchard JM (first mate).** *The log of our round the world voyage.* Youngstown, Ohio: The Medical Success Press, 1937.
- 8 **Melnick J.** *A history of medicine in Youngstown and Mahoning Valley.* Youngstown, Ohio: Ohio Melnick, 1973.