Preface

Health services in Israel are a mosaic of contrasts in organization and operation. At the outset of the 1970s, Chaim Shlomo Halevi, who served as deputy director-general of the Ministry of Health in the early years of statehood, described the upside and the downside of health services in Israel at the time, saying:

Health services in Israel create a diversified and multicolored picture in their organizational structure and their functional content... Institutes under different ownership operate parallel to one another in the same communities and the same medical branches, without coordination, and at times in conflict with one another, and all this in the absence of an agent with the legal authority capable of coordinating their operations, directing them to sectors in need and preventing redundancy. Controversy surrounding the pluralism in organization of health services has gone on since establishment of the State [of Israel], and it serves as one of the primary barriers on the path to achieving general compulsory health insurance.1

Halevi’s description of the Israeli health care system written some thirty years ago still holds true today. The pluralism of the Israeli health care system is a source of strength, but also one of its primary weaknesses. On the one hand, this pluralism meant the obstruction of health insurance legislation until 1994; on the other hand, it has made possible free competition and the independent development of a host of health institutions available to the public.

The roots of the pluralistic nature of the Israeli health care system were firmly established well before declaration of the State of Israel. The first medical institutions in the Yishuv2—the Jewish community of Eretz Israel3—were founded when the country was still under Ottoman rule. They operated on a philanthropic basis, providing primarily hospitalization services to the urban Jewish community and first aid to Jewish agricultural settlements. Under British rule (1917–48) these services were expanded to the scope of a countrywide network that provided health care to the entire Yishuv in all health and medical domains, from mother and child services (Tipat Chalav) to hospitalization, rehabilitation, and nursing care. When the State of Israel was established, this network of health services for the Yishuv was already a mature, independent system with much experience. Following statehood, the Israeli health care system needed to accommodate new realities and
new legislation appropriate for a sovereign state. This move, which began in the midst of the War of Independence (1947–48), was completed during Israel’s first years of statehood. The final product was considered the fruit of compromise between, on the one hand, David Ben-Gurion’s vision to shape the system along ideological-national lines as a uniform universal system for all citizens; and, on the other hand, the reluctance of health institutions and organizations in the existing system to give up their independence in exchange for state-run health care that would nationalize their facilities. The existing health entities aspired to continue operating with the autonomy they had enjoyed under British Mandate rule. The final compromise led to the creation of a pluralistic health care system, one that laid the foundations for the structural weaknesses and performance problems that face the Israeli health care system even today.

This work seeks to shed light on the factors, the personalities, and the historic events that played a role in the shaping, crystallization, and organization of the Israel health care system in the first years of the State of Israel. The path of its development grew from discussions of ideological, social, and political constraints with which the architects of the health care system were forced to grapple. The objective of this volume is to present an historical picture in a microcosm that can augment existing research literature dedicated to tracing the Yishuv’s development, and to reveal the processes that transformed the Yishuv health institutions in Eretz Israel into a national health network.

The work is divided into five chapters, each devoted to a core issue or episode that had a decisive impact on the shaping of the Israeli health care system. The first chapter deals with a defining event in the development of Kupat Holim that occurred in 1946, two years prior to the establishment of the State of Israel: the doctors’ revolt at Beilinson Hospital. The conflict had a long-reaching impact on a number of key leaders in the formative years of the health care system during the first years of statehood. The doctors’ revolt, in addition to being the first labor struggle by Kupat Holim doctors, also put the question of the future face of public medicine squarely on the public agenda. The issue focused on whether it was right and proper to integrate private practice within a public health care system, to operate two parallel wage scales for doctors in hospitals, and to allow two parallel levels of health services—one available for people of means and the other for members of the community who could not afford such amenities. The matter was considered by Zionist leaders to be a core issue in the shaping of Jewish society and in a Jewish state-in-the-making; the severity of the debate only increased with the arrival of mass immigration. The chapter presents internal conflicts within Kupat Holim’s leadership surrounding this question, and its impact on formulating the founding principles of public medicine that exist to this day. Even in the year 2005,
Beilinson Hospital’s doctors’ demands for integration of private practice within public institutions—raised in 1947—remain largely unresolved, continuing to spark bitter debate on ideological grounds.

The second chapter describes the development of health services during the 1947–48 War of Independence—the ways in which existing institutions dealt with the demands of the army and the needs of the home front, and the horrific scope of casualties sustained in the war, deployment of services under emergency conditions, and resultant structural and organizational changes that took place to meet the exigencies of wartime. This included the establishment of a separate military medicine service, a government military hospital system established in former British Mandate-run facilities, marking the emergence of the large hospital model at the Tel Letvinsky military camp east of Tel Aviv. In time, this facility became the Tel Hashomer–Sheba Medical Center. Against the backdrop of these developments, this volume presents the personal and political-ideological struggles that pitted key figures in the health care system against one another. The three most prominent protagonists in this power struggle were Dr. Meir, the medical director of Kupat Holim and subsequently the director-general of the Ministry of Health; Moshe Soroka, the treasurer and administrative director of Kupat Holim, and Dr. Chaim Sheba, the founder of the MS and a prominent figure within the medical community in the public sector and former leader of the Beilinson revolt.

While the differences among these men reflected clashes in temperament and cultural background as well as professional worldviews, relations among them definitely reflected a residue of bitterness stemming from the Beilinson revolt, which had positioned Meir-Soroka and Sheba on opposite sides of the struggle. The chapter describes the struggle as a combination of competing principles and interpersonal rivalries, and discusses the tremendous impact of these factors on shaping the medical system in its formative years. To a large extent, the adversarial nature of the struggle prevented the establishment of a homogeneous state-controlled health care system present in many other European countries, and led to the pluralistic health care system—a mélange of numerous large and small sick funds, public and private practices, government-run and private hospitals—that characterizes the Israeli system today.

The third chapter addresses the debate about the guiding principles of the health care system and the issue of state health insurance within the framework of the National Insurance Institute. Debates around this issue began in the period leading up to the declaration of statehood. While discussion was suspended for political and budgetary reasons, debate was sparked within Kupat Holim regarding the sick fund’s standing and its role as the major health institution within the country’s emerging health care system. The chapter presents the struggle of Kupat Holim to maintain the
autonomy it had enjoyed since its founding in 1911, against the backdrop of its unique position as a core power base and source of strength for the Federation of Labor, and as the only health institution in the country founded on the principle of equal health services to all, based on mutual assistance and progressive membership dues graduated according to income.

The chapter also presents the government’s position regarding a state-regulated health care system, principally those of Prime Minister David Ben-Gurion, who sought to transfer control of the sick fund from the Federation of Labor to government hands and integrate it into a state framework after the departure of the British. The chapter discusses the arguments raised in favor of a state-run health care system and the respective positions on the issue among physicians, the Federation of Labor, the Israeli Doctors’ Federation, the Ministry of Health, and Kupat Holim management—each with its own worldview and dominant players—positions that reflected both personal and organizational vested interests. The chapter specifically examines debate within Kupat Holim, in which the parties and factions were unable to reach a consensus over whether it was best for the sick fund system to remain as it was—a health organization operating under the aegis of the Federation of Labor—or whether Kupat Holim should embark on a new direction and seek to integrate itself within the framework of the state health care system. Here, as in the previous chapters, the personal positions of those who championed a state health care system are presented together with the positions of those who opposed this move. One encounters considerable ‘emotional residue’ from the Beilinson doctors’ revolt: The former leaders of the struggle played a very active part in debate, championing the establishment of a national health care system and the nationalization of Kupat Holim. Debate began in November 1947 following acceptance of the Partition Plan by the UN, an event that made declaration of a Jewish state a reality, and putting the organization of all future ministries into high gear. The discussion’s momentum fizzled in 1953 due to more pressing issues, and remained unresolved. Although the issue was raised periodically on the public agenda, it was only in 1994—more than fifty years later—that a compulsory national health insurance plan was put into law in Israel, severing the tie between Kupat Holim and the Federation of Labor.

Chapters four and five examine health issues as a whole, and Kupat Holim’s performance in particular, during the period of mass immigration that quickly doubled the population within three years after establishment of the State of Israel. These chapters address health policy in the intake camps (machanot olim), where immigrants were processed upon arrival, and in the transit camps (maabarot), where immigrants were settled after entering the country until permanent housing could be constructed. In addition to a narrative of conditions and events, these chapters discuss the organizational and interpersonal clashes that accompanied endeavors to
meet the health needs of the country under the dire conditions created by mass immigration. It also examines the organizational coping skills of the institutions that were involved in immigrant absorption, and their performance in addressing pressing health needs under almost intolerable conditions of severe food shortages and rationing, overcrowding, and poor sanitation, coupled with political crises, security problems, and the moral dilemmas health personnel encountered. One of the major quandaries was whether to institute a selection process based on medical status, or continue to embrace a policy of unfettered immigration. The chapters also address the complex relationships between the doctors’ professional organizations, rivalries over who would dominate health policy during the period of mass immigration—Kupat Holim, the dominant service-prov-ider, or the Ministry of Health, the political body authorized to formulate policy. Chapters four and five also survey health issues that surfaced during this period and present data on the scope of health work in the intake camps for immigrants and maabarot, geographic distribution of clinics and personnel, and the kind of services offered.

This chapter in the history of medicine in Israel cannot be viewed only in terms of political discord and personality clashes or major organizational change; consequently, chapters four and five also present how the system as a whole sought to address the health needs of immigrants. They also trace the impact of policy formulated by the system on the development of Kupat Holim. Resulting conditions led to the expansion of Kupat Holim’s outreach and hegemony verging on a monopoly on health services, particularly in terms of primary services. The chapters discuss the Federation of Labor’s decision to establish clinics in immigrant neighborhoods and towns throughout the country that led to a virtual Kupat Holim monopoly on health services in many geographic areas that continued for decades. Ultimately, the positive presence of Kupat Holim as an arm of the Federation of Labor and the ruling Mapai party in immigrant communities throughout the country was translated into electoral clout at the polls that helped keep the Labor Party in power for twenty-seven straight years.

The closing chapter of the book, like the first chapter, focuses on a hospital—this time, the Central Hospital of the Negev—today the Soroka Medical Center, in Beer Sheva. Just as Beilinson Hospital was the setting for a struggle whose ramifications went far beyond the employment issue that sparked the doctors’ revolt, the ramification of the struggle to establish a Kupat Holim hospital in Beer Sheva was far reaching, as well. If the opening chapter focusing on the doctors’ revolt takes note of the revolt’s role in sparking debate concerning the role of Kupat Holim in the State of Israel and its health care system, developments that culminated in the establishment of the Central Hospital of the Negev in essence brought this debate about the fate of Kupat Holim to a close, removing the question
mark regarding Kupat Holim’s status as an autonomous body that had lingered during the first decade of statehood.

Victory in the political struggle that surrounded establishment of a Kupat Holim hospital in Beer Sheva put an end to any question about the status of the sick fund as a major autonomous institution in the State of Israel. The opening of the Central Hospital of the Negev marked the sick fund’s changing status not only as a major player in primary community-based health services, but also as a core player in the country’s hospitalization infrastructure.

Chapter six describes in detail the political struggle and conflicting vested interests that accompanied the battle for approval of the hospital. Here as well, the personalities who played a major role on both sides included some of the key protagonists from the Beilinson Hospital doctors’ revolt—Moshe Soroka, David Ben-Gurion, and heads of the Ministry of Health—but unlike the previous round, the system had changed and stabilized: while rivalries and clashes between Kupat Holim and the Ministry of Health continued for decades to come, the intensity of the debate over political and professional issues became far less adversarial and less rigid. Kupat Holim’s clear victory in establishing a major sick fund hospital in Beer Sheva demonstrated that Kupat Holim had a firm hold over its own destiny, putting an end to any thought of nationalizing the sick fund and transferring it to state control.

Thus, 1960 was a watershed year: from this time forth, Kupat Holim’s position, as a wing of the Federation of Labor, was a fact of life within the Israeli health care system, a position that was no longer questioned. Since then, the sick fund has undergone changes and reforms, and despite serious financial crises that led to the severing of the relationship with the Federation of Labor and establishment of a compulsory health insurance system, Kupat Holim continues to maintain its position as an autonomous institution and major player in all aspects of health in the State of Israel.