

C. OF C. REPORT OPPOSES GROUP HOSPITAL PLAN

Committee Urges Private Firms Be Used to Furnish Insurance.

(Continued from Page One)

In case of extensive local epidemics or disasters.

A bill, sponsored by Indiana medical and hospital associations, to provide for establishment of community non-profit hospital service under State Insurance Department supervision, was passed by the last Legislature.

It was declared unconstitutional by the Attorney General "on the grounds that the title of the bill did not cover sufficiently the provision of the act," the report stated.

Governor M. Clifford Townsend vetoed the bill. He appointed a committee June 23 to plan for establishing group hospitalization under existing laws, but the committee recommended postponement of any action until the next Legislature.

Dr. Norman M. Beatty is chairman of Commerce public health committee chairman, Samuel R. Harrell and Dr. Russell S. Henry are vice chairmen. Dr. Beatty, James H. Ruddell and Wendell P. Coler are members of the subcommittee which prepared the report. The board of directors approved it.

There are 41 private insurance companies licensed in Indiana to issue casualty plans against costs of hospitalization, the report stated. "There are no community hospital service plans in operation, although a step in that direction has been taken recently."

The Public Health Committee said it completed the association Hospital Service of New York, a community group, and an insurance company which it did not identify. It reached these conclusions:

1. "For a lower monthly rate it (community hospital service) provides benefits for the entire family while the insurance company places age limits upon the insured, particularly children, and charges the same rate for each individual in the family. It is this family coverage feature which is pointed out as one most favorable for general acceptance of the community hospital service plan because it provides a monthly rate more favorable to the man who needs insurance against hospitalization most."

2. "Under the community service plan, the hospital is a direct party to the contract and receives directly the benefits for services rendered. Under the insurance company plan, the cash indemnity is paid to the insured. It is left to the hospital to collect the indemnity once the benefits become definitely known. As a social service institution, hospitals carry a large amount of charitable and benevolent work, financed largely from endowments and with other forms of income, have decreased so materially during recent years as to place many hospitals in difficult financial straits."

Discusses Rate Setting

3. "The matter of rates would be an important consideration of the employee with a family and also for the employer considering the establishment of group hospital insurance plan in his business for the benefit of his employees. It is not, however, the sole consideration."

4. "Rates established in many instances (in community hospital insurance) are not sufficient to cover claims. Hospital insurance is a comparatively new endeavor, extending back for only five or six years. This short span of time hardly warrants a long enough experience upon which both insurance and hospital service plans can accurately base rates. This is particularly true where a large number of women are insured."

5. "The private insurance company is bound under insurance laws by the terms of its contract. Regardless of the adequacy of rates, the justified claim must be paid. Any difference is made up from reserves or guarantee funds of the insurance company. The community hospital service plan—in the face of inadequate premium or too expensive coverage—may reduce benefits paid to the hospitals. In the face of increasing financial difficulties, the Associated Hospital Service of New York has announced that it was forced to cut benefits by 25 per cent."

Considers Stability of Plan

6. "It is said that the reduction in benefits made by these community plans will not affect the status of the insured, since the hospital must fulfill its obligations and live up to the terms of the contract. It is extremely doubtful that such a condition could long be continued."

7. "To the employers considering the adoption of group hospital insurance for their employees, the stability of the plan is a matter of utmost importance. Obviously, any reduction in benefits or increase in rates following a period of financial stress or the part of the insured is liable to reflect against the judgment and integrity of the person or firm responsible for accepting the hospital insurance plan."

8. "The ability of hospital insurance plans to finance claims during an epidemic is another important feature. Insurance companies protect their risks through reinsurance and guarantee funds. It should be imperative that any local community hospital insurance plans with all its risks centered in one locality be protected in a comparable manner."

9. "Parenthetically, the insurance business is well established and employs thousands of people who are experts in this field."

SEARCH IS WIDENED FOR THREE BANDITS

SEYMOUR, Ind., Sept. 30 (U. P.).—State Police and County authorities today widened a search for three bandits who donned chauffeur's uniforms, attached a siren to their car and robbed a truck of \$1700 in cigarettes early yesterday.

Ernest Horne, 42, of Louisville, Ky., reported he was bound and left in the truck when the bandits drove away. He escaped, he told police, by forcing a hole through the roof of the truck.

1904—But Even Then Streetcars Were Veterans



Streetcars had been operating at Washington and Illinois Sts. for 40 years when this picture of the intersection was taken in 1904. Today the horses are gone, the buildings have changed, but the cars are still doing business at the same old stand.

POLICY WHEEL 'LOST' IN RAID

37 Arrested as Police Enter Vermont St. Establishment.

Police today sought a policy wheel that vanished last night as they raided a place in the 200 block, W. Vermont St., and arrested 37 on gambling charges.

The raid, conducted after a special investigation into Indianapolis "policy racket" on orders of Police Chief Michael Morrissey, was under supervision of Detective Ferdinand Holt.

When he and Sgt. Otis Baker went to count money found in the raid, a wheel, on which the alleged policy was determined, was taken from the place, together with some of the alleged policy slips.

Produces Wheel

The police entered the fourth-floor flat and seized the Earther Edelem, 39, of 2132 Boulevard Place, said he would produce the wheel if police would arrest only him.

He produced the wheel, they said, together with a cigar box of money and some slips. At that time a Negro politician entered the hall and demanded that police count the money before taking it to Police Headquarters.

Count Money

Detective Holt and Sgt. Baker counted the money in the presence of the politician leader, and when they turned to get the wheel and slips found the wheel and some of the slips were gone.

They charged Edelem with operating a lottery and gift enterprise and keeping a gaming house. They charged the others with visiting and keeping a gaming house; 21 with visiting a gaming house, and 11 with visiting and gaming.

PICKETING IN MILK STRIKE RESTRAINED

A temporary order restraining striking Milk Co. drivers from secondary picketing was issued yesterday by Judge Herbert Spencer, Superior Court Room 2.

Petition for the injunction was filed by Gustave Irrgang, proprietor of the Irrgang Food Market, 3621 E. Michigan St. Mr. Irrgang set out in his complaint that three union members were causing his store to be picketed. Pickets appeared at his store Sept. 21, the complaint said, displaying signs reading: "Do Not Buy Milk's Milk." There will be a hearing on the order Tuesday.

The Indiana Political Scene—

McHale Calls Halt in McNutt Campaign Until Congress Settles Neutrality Issue

By NOBLE REED

ACTIVE CAMPAIGNING will be postponed by the McNutt-for-Freeman headquarters until the present neutrality legislation issue is settled in Congress, Frank McHale, campaign manager, announced today.

Mr. McHale had scheduled a second tour of states during October in the interests of presenting Paul V. McNutt as the Indiana "favorite son" for the Democratic Presidential nomination.

"The tour will be postponed indefinitely or at least until neutrality legislation is passed by Congress," the campaign manager said.

"Campaigning during the debate in Congress would bring pressure from party groups for our stand on neutrality legislation and that is an issue on which we necessarily will not make a stand," he said.

"There may be no neutrality issue before the public in 1940."

The states included in the next tour by Mr. McHale will include: Missouri, Kansas, Oklahoma, New Mexico and Louisiana. He recently completed a tour of the northwestern states, including California.

AN INDIANA REPUBLICAN delegation headed by State Chairman Arch N. Robbitt went to Vienna, Ill., today to attend a four-state G. O. P. conference, apparently to form a bloc of delegates in the national convention next year.

Non-Partisan-Group Here Favors Arms Ban Repeal

Several Indianapolis Republicans and Democrats today said they consider the so-called Neutrality Act a non-partisan issue and that they favor repeal of the arms embargo.

A letter, sent to newspapers and to Congressmen, read: "The undersigned Republicans and Democrats note with gratification the clear-cut stand taken by the League of Women Voters concerning our so-called Neutrality Act, and assert their strong belief that the vital interests of the United States demand immediate repeal of the arms embargo, and further, that the risks involved in doing so are slight indeed compared to the risks in not doing so."

"Because of the extreme importance of this non-partisan question it is urged that those who hold similar views express them to their Congressmen."

The statement was signed by the following: Joseph J. Daniels, Clarence E. Merrell, Roy Falvey, Hugh McK. Landon, Judge Herbert E. Wilson, Clarence Keen, Dr. W. L. Wright, D. L. Chambers, Frank C. Dailey, George S. Dailey, Frank W. Quinn, Thomas Stevenson.

D. J. McVey, Frank Lewis, Charles L. Reid, Warrack Wallace, Garrett Olds, Alex. Clark, Howard C. Cress, Donald Jameson, Ralph Henderson, Herman C. Wolff, A. M. McVie, T. E. Killia, James Crawford, Howard Travis, Ernest Baltzell, Perry O'Neal, D. L. Chambers Jr., R. W. Hobson, R. W. McDowell, James B. Minor, Thomas D. Sheerin, Howard T. Averitt, Walter P. Ellis, J. H. Copeland, Ralph Henderson, Kenneth Ogle, Ralph R. Kemp, James H. Brayton, Stanley Coulter, John G. Coulter, Dr. Thomas L. Sullivan, John K. Ruckelshaus, Austin Clifford, A. C. Sinclair, Andrew H. Hepburn, Julius Birge, Carl E. Eveleigh, Ralph F. Thompson, Rowland Allen, Edward I. Mayer and Dr. Jean Milner.

Edict of Chief Misses Home

GREENCASTLE, Ind., Sept. 30 (U. P.).—Police Chief Ed Maddox wasn't sure today whether college students lean toward official advice or not.

He warned DePaul University students against carrying any considerable cash in their pockets or leaving sums of money in rooms or lockers.

Yesterday a student called to inform him \$14 was stolen from her gymnasium locker. The caller was Miss Maddox, his daughter, a sophomore.

DIES AT HOSPITAL HERE

Mrs. Martha Dennis, 65, of Noblesville, died today at St. Francis Hospital. She was brought here last night for treatment of an illness from which she had been suffering for several days.

WITH INDIANA DEMOCRATIC leaders declared in a deadlock over candidates for the gubernatorial nomination next year, party workers are turning their attention to the task of recapturing at least three of the five congressional districts lost to Republicans in 1938.

These are the Seventh, Tenth and Fifth Districts. In the Seventh District where Rep. Gerald Landis, Republican, won last year with a following of Townsend old age pensioners, at least three Democratic candidates are being boomed for Congress.

They include State Senator Charles Bedwell, of Sullivan; Professor Preston Foster, of Indiana University and Judge Donald Rogers, of the Monroe Circuit Court. Party leaders have expressed confidence of winning in this district next year.

In the Tenth District, Judge Claude Ball, of Muncie; Mrs. Emory Scholl, of Connersville and Samuel Trabue, of Rushville, former Public Service Commission member, are being mentioned for the race. Rep. Raymond Springer, of Connersville, twice a G. O. P. candidate for Governor, was elected last year.

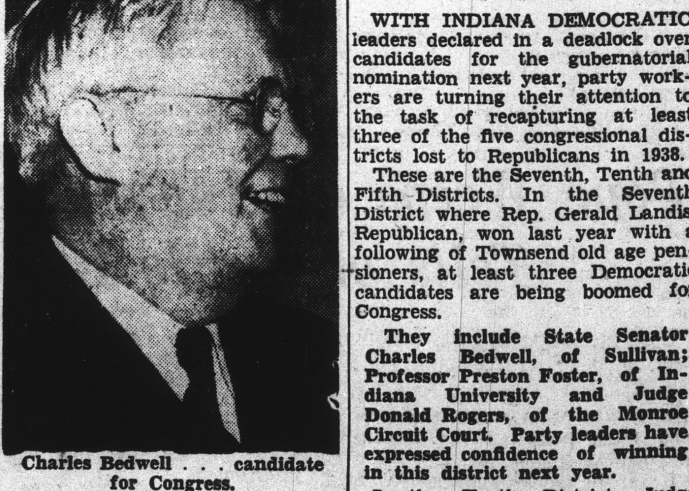
In the Fifth District, George Wolf, of Peru, is being groomed for the nomination to run against Rep. Forest Harness (R. Kokomo).

States to be represented are Indiana, Illinois, Kentucky and Missouri.

Some doubts have been expressed, however, on the harmony possibility of such a combine since U. S. Senator Robert Taft (R. Ohio) and Homer E. Capehart, Washington, Ind., are scheduled to headline the speaking program tonight. Both

have been declared candidates for the G. O. P. Presidential nomination.

CHARLES BEDWELL, candidate for Congress.



States to be represented are Indiana, Illinois, Kentucky and Missouri.

LIONS PREPARE 20-ACT SHOW

40 Concerns Co-operating in Ticket Sales of Charity Fete.

Arrangements for a 20-act program lasting two hours is expected to be completed by the end of next week for the Lions Club All-Charity show Wednesday night, Oct. 25, at the Butler Fieldhouse.

Co-operating in ticket sales are 40 concerns. Five of those in charge of ticket sales for these concerns are Ruth Yungmans, U. S. Rubber Products, Inc.; Elsie Sheets, Fame Laundry; Dorothea M. Pyle, Indianapolis Power & Light Co.; Miss K. Pavlak, RCA Manufacturing Co., and Joyce Bogard, E. C. Atkins & Co.

Frank N. Daniel is entertainment committee chairman, assisted by R. G. Hesseldenz, Albert O. Evans, Walter L. Shirley and L. G. Ferguson.

Mayor Reginald H. Sullivan is to crown a "perfect baby," to be selected in the contest preceding the show. He also is to distribute awards and crown the girl representing the organization selling the most tickets.

Louise Lowe's orchestra is to play for dancing and Bob McKittrick's orchestra for the show. The Butler University band and majorettes are to open the performance.

Officials expect an attendance of 15,000. Profits will be used for the benefit of under-privileged and blind children in Marion County.

As the show is being assembled, Lions Club executives are making final preparations for the clinic at the Claypool Hotel to select the perfect Marion County baby.

4 NAZI ARISTOCRATS DIE ON EAST FRONT

BERLIN, Sept. 30 (U. P.).—The Polish campaign cost the lives of at least four of Germany's leading aristocrats. They are:

Prince Oskar Jr. of Prussia, eldest son of the fifth son of former Kaiser Wilhelm, 24-year-old lieutenant in the 51st German Infantry.

The son of Baron Ernst von Weizsaecker, German Secretary of State.

Col. Gen. Werner von Fritsch, former commander-in-chief of the Army, who died in action before Warsaw, Sept. 22.

Victor, 23-year-old hereditary prince of Ratibor and Corvey, heir to one of Germany's greatest estates.

A French casualty on Germany's Western Front was Lieut. Louis Paul Deschanel, 30, son of the former French president, Paul Deschanel.

GOSHEN LABOR CASE APPEALED TO COURT

CHICAGO, Sept. 30 (U. P.).—The National Labor Relations Board began action today in the Circuit Court of Appeals to force the Goshen Rubber & Manufacturing Co., Goshen, Ind., to obey an order issued last March 23 in connection with a labor dispute hearing.

The NLRB filed a petition in review seeking enforcement of the order's mandates that the company cease discouraging membership in the United Rubber Workers of America, a C. I. O. affiliate, halt alleged discriminations against union members and that the company reinstate two union members, and reimburse them for wages lost during the period of suspension.

NAVY IMPOSES SECRECY

WASHINGTON, Sept. 30 (U. P.).—The Navy imposed secrecy today on the movement of scores of warships in an effort to tighten efficiency of its neutrality patrols and thwart the work of sabotage agents.

PEEK'S JEWELRY Watch Repairing 9 S. ILL. ST.

Hoosiers in Washington—STOREN SLATED AS NEW CHOICE FOR COLLECTOR

Observer Sees 'Doghouse' For Greenlee if Local Banker Is Chosen.

By DANIEL M. KIDNEY Times Staff Writer

WASHINGTON, Sept. 30.—Senators Frederick Van Nuys and Sherman Minton are expected to get together shortly to recommend William Storen (Indianapolis banker) for the Internal Revenue Collectorship post at Indianapolis. This will leave Pleas Greenlee in the political doghouse, since he tried and failed to replace Will Smith in that job.

Commenting on this situation, one of the Democrats here said that he thought Pleas could "take it." "Being in the doghouse wouldn't be bad anyway, if it is like the one Pleas has on his new place at Shelbyville," he pointed out. "For that doghouse cost \$5000."

WHEN THE SPECIAL session of Congress opened last Monday, Rev. ZeBarney T. Phillips, Senate Chaplain, offered a prayer which began: "O God of Love, Lord of our unrecorded days, who standest as the doors of desire and obedience, shame us with the sense of our misspent efforts in which fret and strain have but wrought confusion."

Since the special session was called by President Roosevelt to rectify the legislative mistakes in the Neutrality Law, which he sought to change at the regular session, the last line quoted above could be interpreted with considerable political significance.

Which recalls an old-time Hoosier here the Indiana Senate in pre-prohibition days when Lieutenant Governor William P. O'Neill was presiding. A state dry law was up for debate and one of the visiting ministers was called upon to say the opening prayer.

He injected a long-pace for God to give the solons light so they would support the dry bill. Midway in this passage, however, Lieutenant Governor O'Neill brought down the gavel with a great bang and ruled the preacher out of order. "We want no propaganda in the prayers," he said.

SOME OF THE Republicans who returned from the Indianapolis rally brought back a story, which they said was quite generally whispered out there, to the effect that the G. O. P. editors endorsed Homer E. Capehart as Indiana's "Favorite Son" candidate.

They also reported that Mr. Capehart checked out on a plan concocted by Jim Watson to make him (Capehart) Indiana state chairman. Robert W. Lyons, national committeeman, and Mr. Watson himself the senatorial nominee.

It seems to be conceded here that Raymond E. Willis, the Angola editor who claims to have been counted out in the 1938 Senate race, will be nominated and run against Senator Minton (D. Ind.).

MEMBERS OF THE Washington Press Gallery this week received a release from McNutt for President Headquarters in Indianapolis headlined "McNutt to Be Nominated as President of the Nation." There follows a column story about Frank M. McHale's Western trip, adorned by a handsome picture of the McNutt campaign manager.

According to the text, Prospector McHale found plenty of McNutt for President gold in "them thar Western hills."

W. A. S. DOUGLAS, the veteran journalist whose column "Rollin' Along" appears in the Patterson papers here, toured through Indiana recently and found ample material for a story down in Salem.

"The most prominent, beloved and respected citizen of Salem, Washington County, Indiana, is not, as you might well suppose, the banker, the leading merchant, the Circuit Judge, one of the doctors or one of the lawyers," Mr. Douglas reported.

"He is the whistle-tooter at the cabinet works, Del Straine, fiftyish, grained, dry, humorous and a firm believer in the theory that all joy should find its expression in noise—the more noise the more joy—and vice versa."

Then follows the story of Del and the whistle and just what each toot means to the town.

CHAIRMAN ARCH N. BOBBITT of the Republican State Committee wrote Rep. Charles A. Halleck, dean of the Indiana G. O. P. Congressmen, a letter of congratulation on his backing Alfred M. Landon's proposal for President Roosevelt to check-out now on a third term.

He particularly agreed with Rep. Halleck that the time has not yet arrived in this country when the two-party system of American Government should be abandoned.

START POSITIONWARD ENTER OCTOBER 2....

Business is definitely on the up-grade. All kinds of reports and graphs show this. The trained stenographers, secretaries and accountants are creating. In some types, there's men and women who are promising positions would do a lot of training immediately. Time is a vital element. This is the story.

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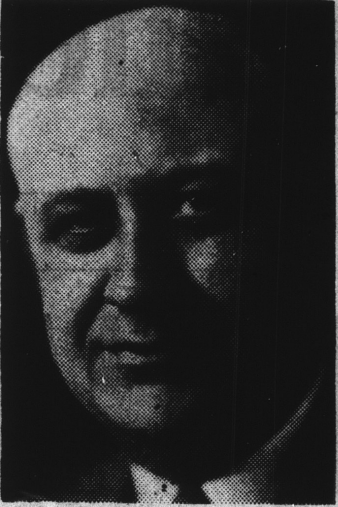
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May Get Call



William Storen... on political horizon.

URGES SALE OF BETTER APPLES

Society Asks Growers to Offer Only High Grades To Housewives.

Indiana housewives will be offered only the best apples from Hoosier orchards, according to plans of an Indiana Horticultural Society executive committee which met yesterday at the Hotel Lincoln.

Monroe McCown, Purdue University extension horticulturist, said the apple crop in the state is estimated at one million bushels and is of unusually good quality. "In fact," he said, "it is one of the finest apple crops ever grown in the state."

The committee, headed by L. V. Dowd of Denver, Ind., plans to send letters to apple growers asking them not to sell the poorer quality apples but use them in some way other than disposing of them on the retail market.

"By so doing," Mr. McCown said, "the consumer will get the best product, and ultimately the apple growers will benefit, too."

CALLS EMBARGO STAND 'GESTURE'

Gen. Butler Says F. D. R. Neutrality Position Is 'About Face.'

FRENCH LICK, Ind., Sept. 30 (U. P.).—The Administration drive toward repeal of the arms embargo is simply a political gesture aimed at victory in the 1940 election, Smedley D. Butler, retired Marine Corps general, told members of the Indiana Electric Association here last night.

"The President may not want war but he does want us to get all the trade we can without bloodshed," he said. "But the World War taught you cannot deal in blood money without getting smeared. We got into that war because the Allies owed us several billion dollars and were going to get licked so we went across to save our investment."

He praised the present neutrality law and called the President's stand an "about-face."

"I don't believe they'll shoot at each other over there unless we lift the arms embargo," he asserted.

He classed the CAA program to train college students as aviators as "a clever move to create the impression of an emergency so that Administration can cover up our own political situation and stay in the saddle."

CAB DRIVER ROBBED; STORE, AUTO LOOTED

Charles Harney, 3831 N. Layman Ave., reported that a fare he picked up in his cab last night robbed him of \$4.85.

P. J. Bulger reported that someone entered his grocery at 3811 Broadway and took \$10 in cash.

Mrs. B. E. Buckman, 3608 Balsam Ave., said someone entered her parked car at 139 W. Washington St., and stole merchandise valued at \$140.

DESIRE FOR WAR TRADE SLOWING PANAMA TALKS

South American Countries Balk on Definition of Contraband.

By THOMAS L. STOKES Times Staff Writer

PANAMA CITY, Sept. 30.—The desire of South American countries, especially Argentina, Chile and Uruguay, to capitalize every advantage from war trade, is slowing down the inter-American conference of foreign ministers. Adjournment, originally sought for today, has been delayed until next week.

The stumbling block is a disagreement over a definition of contraband. Argentina and Uruguay propose that foodstuffs for civilians and raw materials not for war purposes be exempted from contraband lists, while Chile goes a step further, demanding that contraband include only "articles destined specifically to be used for military purposes."

U. S. Undersecretary of State Sumner Welles is believed to be supporting the Argentina-Uruguay position, but it is said that he refuses to go along with Chile, which in recent years has done a flourishing business with Europe in nitrates, wool, hides, beeswax, agricultural products, fresh and dried fruits, with Germany a leading customer.

Blockade Is Felt

The voluminous trade which these three countries have built up with Germany has been all but destroyed by the British blockade. Their domestic economy, already affected by a general depression, requires an intense effort to make up for the trade loss due to war. That explains their attempt here to get a liberal interpretation in the conference declaration.

Britain's contraband poses a delicate problem for Mr. Welles, since it is virtually identical to the American contraband list for the World War. The United States as yet has not taken any action on the British contraband, although Secretary of State Cordell Hull, in a recent statement, reserved for the United States the right to commercial rights under international law.

The concept of cash-and-carry and no loans to belligerents, accepted as a fundamental of the United States' policy in the current deliberations of the Senate, is in striking contrast to the general Latin American attitude. Argentina's proposal to the conference here would permit the extension of credits to purchasers of foodstuffs and raw materials, wherever the laws of any American republic authorize business on that basis.

U. S. Support Sought

The manifest co-operation of Latin American countries with the United States on its revolutionary proposal for the extension of territorial waters evidently is inspired by the desire to get the United States' support for a broad interpretation of legitimate war trade, and to obtain financial assistance in building up inter-American commerce.

In some respects acquiescence in the creation of the proposed big neutral zone, which the U. S. Navy would help patrol, is quite a departure for South American countries, which are very jealous of their rights.

Final approval of the neutral zone plan seems assured, Mr. Welles has been especially active on this issue. Likewise approval is expected of the detailed regulations and precautions which have been drafted and embodied in a general neutrality declaration. The economic subcommittee has completed the draft of another declaration, proposing numerous avenues for the development of inter-American trade. This, too, is ready for final and favorable conference action.

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