



Citizens' Council for Health Freedom

# Health Freedom Minute

February 27, 2020

## How Health Insurance Began

How did health insurance get its start? It began shortly after the 1929 stock market crash when a Dallas hospital noticed that many outstanding bills belonged to school teachers. The hospital started a program that charged teachers 50 cents per month for up to 21 days of care, including operating room, anesthesia and labs. Seventy-five percent of Dallas teachers enrolled.

This “led to the idea of health insurance on which the Blue Cross and Blue Shield of Texas movement was founded,” writes Dan McCoy, a Blue Cross executive. By the 1930’s Blue Cross offered private coverage for hospital care, and in the 1940s, under wage controls imposed by Congress, employers began offering coverage to compete for employees. And that’s how health insurance began.

**“Health Insurance as We Know it Began in Texas 90 years Ago. Now it Must Evolve [Opinion],”** Dan McCoy, Houston Chronicle, December 26, 2019: <https://www.houstonchronicle.com/opinion/outlook/article/Health-insurance-as-we-know-it-began-in-Texas-90-14927935.php>

Presented daily by Twila Brase, President, Citizens' Council for Health Freedom.

*The Health Freedom Minute is now heard in 47 states:  
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