A QUARTER CENTURY OF PROGRESS
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A HISTORY OF BLUE CROSS IN FLORIDA
1944 - 1969

by
Ernest R. Gibson
Public Relations Department

BLUE CROSS OF FLORIDA, INC.
Jacksonville, Florida
Preface

The intent of this publication is to present a written history of the first twenty-five years of Blue Cross of Florida, Inc., by recording historical information by subject rather than in strictly chronological order. For ready reference and for the convenience of those who prefer history recorded in orderly sequence, a chronology of major events has been included. Compilation and editing has been under the direction of the Plan's Public Relations Department.

Historical information has been gathered from official records, which are somewhat incomplete for the earlier days, and from the recollections and impressions of individuals long associated with the Plan and largely instrumental in its development. Personal interviews have been recorded on magnetic tape and permanently stored in the Plan's archives.

Gratefully acknowledged are invaluable contributions by Chairman of the Board Frank J. Kelly, Miami; President H. A. Schroder, Jacksonville; Past President and Honorary Chairman of the Board, C. Dewitt Miller, Orlando, and Edward Jelks, M.D., Jacksonville, charter members who have served continuously on the Board of Directors throughout this entire period; charter members Walter C. Jones, M.D., Miami, and Wilmer A. Nelles, Kissimmee; Sister Loretto Mary, Tampa, who has been a Board member continuously since 1947; and from H. Plant Osborne, Jacksonville, the Plan's legal counsel and first contract holder. Excerpts from the minutes of meetings of the Florida Hospital Association for the period immediately prior to establishing Blue Cross in Florida were graciously provided by the Association's executive director, Jack F. Monahan, Jr., Orlando.

Special gratitude is due Mrs. Edwina Thornton, secretary to President H. A. Schroder and recording secretary for the Board of Directors, for her wealth of information and meticulous reviewing of the manuscript.

Jacksonville, Florida

April 26, 1969
**Contents**

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>I. Capsule Review</td>
<td>8</td>
</tr>
<tr>
<td>II. Solution to a Crisis</td>
<td>10</td>
</tr>
<tr>
<td>III. Development in Florida</td>
<td>10</td>
</tr>
<tr>
<td>IV. Launching Woes</td>
<td>14</td>
</tr>
<tr>
<td>V. Growth and Development</td>
<td>20</td>
</tr>
<tr>
<td>VI. Subscriber Services</td>
<td>23</td>
</tr>
<tr>
<td>VII. Government Programs</td>
<td>27</td>
</tr>
<tr>
<td>VIII. Physical Expansion</td>
<td>30</td>
</tr>
<tr>
<td>IX. Preparing for the Future</td>
<td>34</td>
</tr>
<tr>
<td>Chronology of Major Events</td>
<td>36</td>
</tr>
<tr>
<td>Members of the Board of Directors</td>
<td>39</td>
</tr>
<tr>
<td>What the Blue Cross Emblem Means</td>
<td>43</td>
</tr>
</tbody>
</table>
W. E. Arnold, Jacksonville
President 1944-1950
Honorary Chairman of the Board 1950-1965

C. Dewitt Miller, Orlando
President 1950-1966
Honorary Chairman of the Board from 1966
I Capsule Review

On April 27, 1944, Judge Bayard B. Shields of the Circuit Court of Duval County granted a charter to the Florida Hospital Service Corporation.

On July 11, 1944, the Florida State Insurance Commissioner, J. Edwin Larson, approved the statewide operation of the corporation, which, on June 19, 1951, was to become Blue Cross of Florida, Inc.

On July 15, 1944, the first hospital service contract in Florida for prepayment of hospital care was issued to H. Plant Osborne, Jacksonville, the Plan’s legal counsel.

On September 4, 1944, the first claims payment of $35.52 was paid to Orange Memorial Hospital, Orlando, on behalf of subscriber Willie West.

The rapidity and extensiveness of Plan growth during its first twenty-five years is sharply revealed in a comparison of the first “annual” report on December 31, 1944, after six months’ operation, with that for 1968.

During this period Blue Cross in Florida grew:

- From a floundering fledgling in the harried days of World War II to an expanding multimillion dollar organization;
- From a one-man staff with a desk in the offices of the Plan’s legal counsel at the outset to some 1,700 employees in 1968 housed in a ten-story home office building and 19 branch offices throughout the state;1
- From the issuance of the first contract on July 15, 1944, to over one million subscribers;
- From the limited, low coverage hospital benefits of the first contract to an average payment in 1968 of more than 80 percent of the hospital charges for necessary care for a Blue Cross subscriber;
- From the beginning income during the first six months’ operation of $7,978, less than one-half the amount needed to meet claims and operating expenses, to a total income from fees paid in by Florida subscribers in the calendar year of 1968 of over $50 million, with operating expenses approximately seven percent of income.
- From claims payments of $1,445 after six months’ operation, with an average payment of $6.73 per patient day, to a total claims payment in 1968 to Florida hospitals for Blue Cross subscribers of over $60 million, with an average payment per patient day of $41. This total payment includes some $13 million for subscribers of other Plans visiting in the state, for which Florida Blue Cross is reimbursed by the subscriber’s home Plan. In addition, over $162 million was paid out for beneficiaries of Medicare hospital insurance (Part A).

The rapid growth and extensive improvement in contract coverage over the years by Florida Blue Cross closely approaches the ultimate goal set by first President W. E. “Ted” Arnold at the 1945 annual meeting of the Florida Hospital Service Corporation, when he said, “Ultimately, we must reach the point where we can say to the prospective member, ‘Blue Cross covers your complete hospital care with no limitations or restrictions.’”

1 At the time of the occupation of the eight-story addition to the home office building in early 1968, space was not available to accommodate all Jacksonville employees. By May, 1969, approximately 600 Jacksonville employees are to be housed in rented quarters outside the main building complex.
Frank J. Kelly
Chairman of the Board
Miami

H. A. Schroder
President
Jacksonville

J. W. Herbert
Senior Vice President
Jacksonville
FIRST FINANCIAL STATEMENT

FLORIDA HOSPITAL SERVICE CORPORATION

DECEMBER 31, 1944

Cash advanced by 24 hospitals* .......... $22,052.00
Subscription income ..................... 7,978.32
Total cash received ....................... 30,030.32
Disbursements .......................... 16,893.88
Cash on hand 12/31/44 .................. $13,136.44

* Contributed by hospitals without interest for initial operating capital. Later repaid in full.

II Solution to a Crisis

The economic plight of the country in the late nineteen-twenties and early thirties created a desperate need for some method of counteracting the financial disaster likely to result from an unexpected serious illness or injury. From the days of the great depression came the stimulus to develop a practical, inexpensive method of prepaying hospital bills, which would be available to individual members of a group or "community."1

In 1929, faced with the possibility of inability to meet hospital expenses, a group of school teachers in Dallas, Texas, made arrangements with the Baylor University Hospital whereby, in return for small periodic payments to the hospital, they would be assured of stipulated hospital services when needed. This single-hospital, one-group program was the beginning of the Blue Cross movement in the United States.

As of December 31, 1967, the latest date for which national figures are available at press time, there were 76 Blue Cross Plans in the United States, including one Plan in Puerto Rico, with 65.7 million members or about one out of every three Americans. This enrollment figure includes the largest single voluntary health prepayment group in the world: the 4.5 million federal government employees and their dependents who have individually chosen Blue Cross as their hospital care plan under the Federal Employees Health Benefits Program.

In addition, Blue Cross serves 18.2 million beneficiaries of federal, state and other government programs by serving in an intermediary, administrative or agency role, making a total of some 88.9 million residents of the United States served by Blue Cross Plans, or more than 42.3 percent of the population.2

III Development in Florida

Credit is due hospital administrators, physicians and other civic minded persons in Florida for commendable foresight in anticipating the surge of public demand for adequate hospital care stimulated by the hospital and medical care advances developed during World War II. Blue Cross protection is available to over one million Floridians today because these leaders found time and inclination to initiate a

1 A "community" as used by hospital service benefits Plans is a geographic, political or economic area in which residents of that area are offered individual coverage at uniform rates. Actuarial determination of rates and benefits are based on spreading the risk throughout the entire "community."

2 National enrollment statistics from the "1968 Blue Cross and Blue Shield Fact Book" published by the Blue Cross Association and National Association of Blue Shield Plans, Chicago, Illinois.
hospital prepayment plan in the midst of war demands and obligations.

The first plan in Florida for the prepayment of hospital expenses was at St. Lukes Hospital in Jacksonville. This was a one-hospital plan conceived, organized and operated by the hospital's administrator, W. E. "Ted" Arnold, who was to become the first president of the statewide nonprofit Florida Hospital Service Corporation (Blue Cross).

Arnold, convinced of the soundness of the prepayment philosophy, considered it impracticable and financially precarious unless most general hospitals were willing to participate in a joint statewide program. Many hospital administrators were skeptical as to the wisdom of the venture, but as early as 1941 Arnold was able to instill interest and initiate consideration by the Florida Hospital Association. For some time acceptance of the proposal was questionable, but on November 22, 1943, the Association passed a resolution approving the establishment of a hospital prepayment Plan in Florida.

In January of 1944, representatives of the Florida Hospital Association met in Jacksonville to consider hospital prepayment contracts, benefit patterns and rates as recommended by the American Hospital Association, which as early as 1933 had endorsed the concept of prepayment and had established basic principles for the partnership of hospitals in the negotiation of contracts with prepayment plans. Tentative plans for establishing a hospital service organization in Florida were drafted.

Obtaining Operating Capital
The first problem facing the newly organized Plan was to obtain sufficient operating capital to meet the requirements of the state insurance department. On April 16, 1944, H. A. Cross, administrator of the Good Samaritan Hospital in West Palm Beach, Florida, began his duties as the Plan's first executive director. On the following day, Cross, Arnold and W. A. Nelles, administrator of the Riverside Hospital in Jacksonville, began a tour of the state soliciting financial contributions from major hospitals in Miami, Orlando, Pensacola, Tampa and St. Petersburg. Twenty-four hospitals provided $22,052 in noninterest bearing contributions which were later repaid in full. Of the hospitals contacted, only one decided against participation at that time.

Organizational Activities
The Florida Hospital Service Corporation, the original name for the Florida Blue Cross Plan, was granted a charter on April 27, 1944, by Judge Bayard B. Shields of the Circuit Court in Duval County.

The subscribers to the original charter were:
- W. E. Arnold, St. Lukes Hospital, Jacksonville
- Wilmer A. Nelles, Riverside Hospital, Jacksonville
- H. A. Cross, Good Samaritan Hospital, West Palm Beach
- Florence M. Jones, Brewster (now Methodist) Hospital, Jacksonville
- H. P. Osborne, 1625 Barnett Bank Bldg., Jacksonville

On May 16, 1944, following an annual meeting of the Florida Hospital Association, Arnold presided at an organizational meeting of the corporation in Jacksonville. Present were representatives of member hospitals from various areas of the state and of interested hospitals not yet members.

1The registered Blue Cross name and emblem are the property of the Blue Cross Association. Each year the Association authorizes their use by qualifying local Plans and issues a certificate of approval.
First Officers and Board Members

Elected as officers and members of the Board of Directors were the persons named in the charter:1

**OFFICERS**

President ................. W. E. Arnold, Jacksonville
Vice President ............ Rev. Paul L. Manning, Miami
Vice President ............ Walter C. Jones, M.D., Miami
Secretary-Treasurer ........ H. A. Cross, West Palm Beach

**BOARD OF DIRECTORS**

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<thead>
<tr>
<th>Name</th>
<th>City</th>
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<tr>
<td>W. E. Arnold</td>
<td>Jacksonville</td>
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<tr>
<td>H. A. Cross</td>
<td>West Palm Beach</td>
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<tr>
<td>Phil G. Howe</td>
<td>Jacksonville</td>
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<td>Edward Jelks, M.D.</td>
<td>Jacksonville</td>
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<tr>
<td>Walter C. Jones, M.D.</td>
<td>Miami</td>
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<tr>
<td>L. H. Kramer</td>
<td>Miami</td>
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<tr>
<td>Rev. Paul L. Manning</td>
<td>Lake Wales</td>
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<tr>
<td>Sister Margaret, R.N.</td>
<td>Jacksonville</td>
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<tr>
<td>Raymond I. Matthews</td>
<td>St. Petersburg</td>
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<tr>
<td>T. J. McGinty</td>
<td>Pensacola</td>
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<tr>
<td>C. Dewitt Miller</td>
<td>Orlando</td>
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<tr>
<td>W. A. Nelles</td>
<td>Jacksonville</td>
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<tr>
<td>Gertrude Overstreet</td>
<td>Gainesville</td>
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<tr>
<td>H. E. Post</td>
<td>Miami</td>
</tr>
<tr>
<td>Leigh F. Robinson, M.D.</td>
<td>Fort Lauderdale</td>
</tr>
<tr>
<td>Harold L. Sebring</td>
<td>Tallahassee</td>
</tr>
<tr>
<td>T. D. Sloan, M.D.</td>
<td>St. Augustine</td>
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**EXECUTIVE COMMITTEE**

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<thead>
<tr>
<th>Name</th>
<th>City</th>
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<tbody>
<tr>
<td>W. E. Arnold</td>
<td>C. Dewitt Miller</td>
</tr>
<tr>
<td>Edward Jelks, M.D.</td>
<td>W. A. Nelles</td>
</tr>
<tr>
<td>Rev. Paul L. Manning</td>
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At Arnold's request, H. Plant Osborne of Jacksonville, legal counsel for the St. Luke's Hospital prepayment plan, had been serving as legal counsel for the proposed Florida Hospital Service Corporation. He advised the Plan officers and directors that a charter had been granted under the provisions of a general law of Florida providing for nonprofit corporations and under a special act governing the incorporation of a nonprofit hospital service plan. This being an act restricting operation to Duval County, it was Osborne's opinion that it would be necessary to seek enabling legislation for statewide operation at the 1945 session of the state legislature. Also, with all legal aspects cleared, Plan operation could begin only upon approval by the state insurance commissioner.

Osborne's prediction was borne out when the Plan was advised by State Insurance Commissioner, J. Edwin Larson, that it was the opinion of the Attorney General that the Plan could not legally operate statewide under the 1941 statute which limited activity to Duval County. This meant that unless special court permission could be obtained Plan operation could not begin until corrective action by the state legislature, nearly a year hence.

**Court Approval**

Following a hearing before Circuit Judge Bayard B. Shields in Jacksonville on July 8, 1944, permission was given the Florida Hospital Service Corporation to operate statewide. Judge Shields' decision was predicated on the understanding that designated changes in the charter would be made to show clearly that operation was to be statewide, and that corrective legislation would be sought at the next session of the state legislature.

1 City of residence is that listed in the charter.
Seated on the left edge of the table is John F. Wymer, Jr., West Palm Beach; on the right, Pat N. Groner, Pensacola. First row, left to right: Sister Loretto Mary, Tampa; C. DeWitt Miller (Honorary Chairman of the Board), Orlando; Frank J. Kelly, Miami; H. P. Osborne (Legal Counsel), Jacksonville; Edward Jelks, M.D., Jacksonville. Second row, left to right: J. A. Mease, Jr., M.D., Dunedin; B. P. Wilson, Ocala; Ernest C. Nott, Jr., Miami; C. Sweet Smith, Jr., Cocoa; J. W. Herbert (Senior Vice President), Jacksonville; Warren W. Quillian, M.D., Coral Gables. Back row, left to right: Roy Armstrong, Jacksonville; Michael J. Wood, Jacksonville; Samuel Gortner, Miami Beach; Sherwood D. Smith, Lakeland; Joseph M. McAloon, Coral Gables; S. K. Bronstein, Miami; H. A. Schroder, Jacksonville; Don Laurent, Sarasota; C. T. McCrimmon, Miami; G. Emerson Tully, Ph.D., Tallahassee; Eugene G. Peek, Jr., M.D., Ocala; James A. Cranford, Jacksonville; Henry J. Babers, Jr., M.D., Gainesville; Leo Wotitzky, Punta Gorda. (Inset) Board member W. R. Hancock, Leesburg, unable to be present for photograph.
Prepayment in Florida Begins

Officially and legally in business, the first hospital service benefit contract was issued to H. Plant Osborne on July 15, 1944. On September 1, 1944, the first claims payment of $35.52 was paid to C. Dewitt Miller as superintendent of Orange Memorial Hospital on behalf of Willie West, an employee of the First National Bank of Orlando.

Obtaining Corrective Legislation

At the time that the Florida Hospital Service Corporation was preparing a bill for necessary corrective legislation to be proposed to the state legislature in 1945, the Florida Medical Association was seriously considering legislation to provide for a companion Plan for the prepayment of charges for physician services. Primarily, through the efforts of Florida Hospital Service Corporation Board member Dr. Edward Jelks, a past president of the Florida Medical Association, and Plan legal counsel H. Plant Osborne, a bill was prepared which would authorize statewide nonprofit plans for the prepayment of hospital and medical-surgical expenses.

It was mutually agreed to have the proposed legislation sponsored primarily by the Florida Medical Association. Heavy opposition developed, mainly from commercial insurance interests which were rapidly becoming active in the health insurance field. Passage of the bill was accomplished only through the persistent interest and efforts of the medical profession, hospital administrators and trustees, and other interested individuals and organizations. From within the legislature, crucial assistance was provided by the Honorable Loomis Leedy, Sr., Orlando, chairman of the House of Representatives insurance committee. Dubious legislators were finally convinced that programs for the prepayment of health care expenses were essential to the welfare of Florida citizens. The 1945 enabling act, Chapter 641 of the Florida Statutes, Hospital and Medical Service Plans, was passed by the legislature in the final minutes of the session and became a law without the governor's signature on June 11, 1945. It is this law under which Blue Cross of Florida, Inc., and Blue Shield of Florida, Inc., operate statewide today.1

IV Launching Woes

Office Facilities: World War II scarcities and government restrictions presented a critical problem to the Plan as it attempted to begin operation. Office space, equipment and personnel were virtually unobtainable. Fortunately, on September 1, 1944, the Plan was able to move from desk space in the Osborne law offices to the St. James building in downtown Jacksonville, now occupied primarily by May-Cohens department store. Applications for telephones had to be made to the federal government in Washington, D. C.

Financial Difficulties: It had been anticipated that early operating expenses and claim costs would exceed subscription income, but by early 1946 the apparent lack of financial stability had reached such alarming proportions that the state insurance department was seriously considering closing

1 In 1946, under sponsorship of the Florida Medical Association, Blue Shield of Florida, Inc., began operating a Plan for the prepayment of charges for surgical services by doctors of medicine. A contract was negotiated with Florida Blue Cross to perform the business functions necessary to operate Florida Blue Shield, utilizing Blue Cross personnel and physical facilities. A modification of this arrangement is in operation today.
the Plan. A temporary reprieve was granted the new executive director, H. A. Schroder, whose responsibility began on September 1, 1946. On the basis of Schroder's experience as a former banker and ten years in executive capacity with the New Orleans Blue Cross Plan, the insurance commissioner granted additional time for the Plan to be restored to sound financial condition.

The factual presentation of the early problems of the struggling corporation and their resolution tend to pass too lightly over the interest and efforts of those dedicated individuals responsible for its ultimate success. Their faith and persistence in the face of setbacks and discouragement are portrayed in President Arnold's report to the membership on the Plan's fifth anniversary in 1949.

A MESSAGE FROM OUR PRESIDENT

This month marks the fifth anniversary of the Florida Blue Cross Plan—five years of steady progress and growth. When one considers the standing that Blue Cross has in our community today, and the part that it plays in the lives of so many people of this state, it is hard to realize that only a little over five years ago Blue Cross was struggling for existence. We, who took part in the organization of the Florida Blue Cross Plan, remember only too well the obstacles which were encountered and had to be overcome, and the efforts which were put forth before final approval was received on July 11, 1944, for the operation of a Blue Cross Plan in the State of Florida and before actual operations got under way. My first annual report to the Active Members of the Corporation on February 20, 1945 gives a chronological picture of the formation of our Florida Blue Cross Plan and it seems timely to quote it in part in order that all may be informed of what transpired before the Blue Cross Plan in Florida began operations.

"At the mid-year meeting of the Florida Hospital Association in Orlando on November 22, 1943, there was passed a resolution approving the formation of a statewide Blue Cross Plan to be sponsored by the Association. The president of the Association was authorized to appoint a committee to formulate plans and organize a corporation to carry out the purposes of this resolution." (Committee was appointed.)

"... In January, 1944, this committee held an all-day session at the George Washington Hotel in Jacksonville. Information concerning contracts, rates and benefits, furnished by the American Hospital Association were studied and a tentative plan decided upon. An attorney was then retained to draw up the legal forms and secure proper permits for operation.

"After working as a committee for several months, the committee members decided that a fulltime paid executive must be employed to handle the ever increasing details." (Executive Director was selected and began duties as such on April 16, 1944.)

"... Between the meeting in January and the appointment of the Executive Director considerable work had been done on the legal forms and contracts and many hospitals had come in as participating members. It was felt, however, that more hospitals must be secured as members, and on April 17 and 18, 1944, two members of the committee and the Executive Director made a trip down the east coast as far as Miami. This was successful, so on April 20, 21 and 22 hospitals in Orlando, Tampa and St. Petersburg were contacted, most of which became participating members.”

"... On April 27, 1944, a charter was granted to the
Florida Hospital Service Corporation, as a corporation not for profit and on May 16, 1944, the organization meeting was held and officers and directors elected.

"Early in June everything was in shape to begin operations—or so we thought. The necessary capital was in the bank, the information required by law had been submitted to the Insurance Commissioner and we awaited only the permit to operate, which we had been assured by the Insurance Commissioner would be issued as soon as the capital was in hand. Much to our surprise, the Insurance Commissioner advised us that he had received a ruling from the Attorney General that under the law we could not operate on a STATEWIDE basis. Our attorney, the Executive Director and I went to Tallahassee immediately and, after a long session with the Insurance Commissioner, Attorney General and members of their staffs, we were told that they would issue permit if we would change our Charter so that it would show clearly that our corporation would operate a hospital service plan on a statewide basis and that we have such change approved by the Judge of the Circuit Court in Duval County. This required a special meeting of the Board of Directors and attendance of two-thirds of its members. Because our directors were widely separated over the state, we found that we could not hope to secure such attendance on short notice. We therefore were forced to request resignations from certain of these directors who could not attend and to elect local hospital people to replace them. This we did after much confusion and the amendment to the Charter was duly voted and subsequently approved by the Court.

"We thought we were set now, but no permit was forthcoming from the Insurance Commissioner. Finally, on July 7, 1944, we received a call from the Attorney General that he had arranged a hearing before Judge Bayard Shields of the Circuit Court for the next morning to secure his ruling on whether or not our corporation, under its Charter and under the State law, could operate a hospital service plan on a statewide basis. We were expected to be represented, and we were. The outcome was a statement by Judge Shields that, in his opinion, we could operate statewide. On July 11, 1944, more than seven months after we started work on the plan, we received a permit from the State allowing us to commence operations.

"But our troubles were not over. Up to this time we had used an office in the suite of our attorney's firm as our headquarters, not feeling justified in securing permanent offices until our permit was granted. We found it difficult to secure other space adequate for our needs and not until September 1 did we really begin to operate from offices in the St. James Building. We had difficulty in securing telephones—application had to be made to Washington."

You can see from the foregoing that Florida Blue Cross had many obstacles to overcome before it became a reality. The results have, however, justified the effort and today we can proudly point to the fine service Blue Cross is rendering to the citizens of our State. But let us not become too complacent. As with all successful enterprises, Blue Cross is the target for some who would like to see its effectiveness legislated away. We must be on watch and continue to vigorously defend our firm conviction that Blue Cross is an answer to the needs of our citizens for protection against the economic strain of sickness and injury. Let us keep it so.

W. E. ARNOLD
Above: President C. Dewitt Miller, subscriber Mrs. Anne C. Kimrey, and Past President W. E. Arnold, at the Florida Blue Cross Tenth Anniversary Dinner in 1954.


Left: Emmett Kelley, world-renowned clown, and two young patients at the Miami Variety Children's Hospital helping Florida Blue Cross in 1963 celebrate one million days of paid hospital care.

Below: Unveiling of a plaque on April 27, 1968, by State Insurance Commissioner Broward Williams, dedicating the Blue Cross and Blue Shield buildings to continued health service to the people of Florida. From left: Frank J. Kelly, Chairman of the Board, Florida Blue Cross; Warren W. Quillian, M.D., President, Florida Blue Shield; H. A. Schroder, President, Florida Blue Cross; and Williams.
V Growth and Development

In the annual report of the Plan for the fiscal year ending June 30, 1968, President H. A. Schroder observed:

"The two major criteria for measuring the growth of the Plan in any given time segment is its growth in the number of Floridians protected (its membership) and the amount of money paid to providers of care. On both counts we have the statistics that show a marked growth in the operation of the Plan."

At the end of the 1968 calendar year, the membership totaled 1,147,839, a 7.06 percent increase over the previous year. During this same period total claims payments to hospitals came to $223,647,379. This figure includes payments for the hospitalization of Florida Blue Cross subscribers, for care rendered to Blue Cross subscribers from other states, and for payments to hospitals under Medicare.1

Blue Cross Features

As previously noted, the Blue Cross movement began in response to an urgent need for a prepayment program that would provide acceptable protection against possible heavy expenses from an unexpected serious illness or injury. To make such a program available to the general public at a permissible cost requires the application of principles and practices differing from those common to the health insurance industry. These unique features of service benefits, community rating, first-day, first-dollar coverage, continuity of coverage and a high return in benefits of the subscriber's health care dollar through a nonprofit corporation working in close partnership with Florida hospitals distinguishes Blue Cross from commercial health insurance.

Service Benefits:2 Although comprehensive coverage is provided under most Blue Cross contracts, some modifications of the basic principle of service benefits have been necessary. Full service benefits have given way to a limited degree to various control provisions in the face of increasing hospital costs, new and expanded hospital services, and the troublesome trio of increasing utilization, overutilization and misutilization.

Among the most common and most effective contract cost and utilization control measures are: dollar limitations such as a maximum hospital room allowance or a set allowance for maternity care, time limits such as a 72 hour limit for emergency care services, low deductibles and coinsurance, and the complete exclusion of specific noninsurable services or conditions. Where limitations are in effect, the service benefit principle applies up to the maximum allowance, after which the benefit becomes an indemnity against the total charge.

Community Rating:3 Another Basic Blue Cross feature which was a major factor in the early success of the movement, community rating, has also given ground in large groups to meet the demands of big business and industry to be rated solely on the basis of their own experience, and to meet competition from commercial carriers eager to provide this type of health care program. Even so, two-thirds of the Plan's subscribers are still on community rating. The

1 This $223,647,379 payment to hospitals in 1968 was for:
Florida Blue Cross subscribers  $ 47,820,605
Subscribers of other Plans (Bank) 13,022,061
State Welfare  501,503
Medicare Part A 162,303,210

2 Service Benefits: Payment in full for charges for covered services received rather than a cash indemnity to be applied toward those charges.

3 Community Rating: Rates for individual contracts based on the claims experience of all subscribers covered by the same contract in any "community" such as the State of Florida.
intent of community rating originally was to provide individuals in a geographic, political or economic area the same opportunity for prepayment of hospital care as was available to occupational groups. To this extent it is still functioning successfully.

Merit Rating was introduced into the Florida Plan in April, 1963, replacing community rating for groups of 100 or more members. Presently, all groups of 50 or more members are merit rated. Under merit rating, each group is rated annually by a formula which takes into consideration various factors in addition to claims experience.¹

Continuous Coverage: Although concessions to the demands of changing conditions have modified slightly some of the basic principles which distinguish Blue Cross from commercial health insurance, most have been effectively retained. Florida Blue Cross continues to demonstrate its interest in the individual subscriber by providing him with the opportunity for continuous coverage when he leaves a group or transfers to or from another Plan area, regardless of age or health condition. Continuous coverage is assured also by a Plan policy of cancelling individual contracts only for non-payment of subscription fees or fraudulent statements on an application, unless the cancellation option is exercised simultaneously against all subscribers having the same contract.

Instant Coverage: Generally, a Blue Cross subscriber is assured of first-day, first-dollar coverage for hospital care. In addition, after using all or part of his basic benefits, they are restored in full provided the number of continuous days specified in the contract have elapsed between previous discharge and readmission to a hospital (currently 90 days).

Nonprofit: Foremost among the unique Blue Cross features which have been carefully preserved is the nonprofit status which, combined with efficient operations, permits return to subscribers of over 90 cents out of each subscription dollar received.

In a period of rapid — often spectacular — advances in medical care and the hospital services necessary to provide them, the greatest increase in coverage to Blue Cross subscribers has been through a built-in escalator—the service benefit feature. Developments in medical care and hospital services, new and advanced hospital techniques, and new or improved equipment automatically become additional benefits to subscribers under the service benefit principle. The comprehensive care of the modern hospital, and what it costs to provide it, is as far advanced over the low cost, limited care available in the early days of Blue Cross in Florida as outer space travel over the island hopping tactics of World War II.

The ultimate goal of complete coverage envisioned by Ted Arnold no longer seems an idealistic dream with Florida Blue Cross paying an average of more than 80 percent of the necessary services billed for inpatient care for its subscribers.

Expansion in Coverage
From the first service benefit contract issued by the Florida Hospital Service Corporation in 1944 have evolved a series of improved basic benefit contracts, riders, endorsements

¹Rate Increases: The continuing rapid rise in the cost of providing constantly improving hospital care has meant a continuous battle to maintain sufficient subscription income to keep the Plan financially sound. Periodic increases in rates is the only means a nonprofit service benefit plan has of assuring adequate revenue to meet advancing costs. Rate increases have been kept to a minimum, added as infrequently as possible and applied only to contract classifications with a persistent unfavorable loss ratio. Except for merit rated groups, all rates increases must be approved by the state insurance commissioner.
and special programs for specific groups or purposes. In addition, in response to requests for coverage supplementing that provided by basic Blue Cross and Blue Shield contracts, Extended Benefits and Master Medical Endorsements were made available to groups in January, 1960.

**Package Programs**

The increasing tendency for business and industry to favor combining insurance programs provided for their employees into a single package led to the establishment on June 26, 1965, of the Florida Combined Insurance Agency. Through this separate corporation, employers are offered a combination of basic and supplemental Blue Cross and Blue Shield coverage plus life and disability insurance underwritten by the American Bankers Life Assurance Company of Miami, Florida.

**Basic Contract Development**

In 1945, the original contract underwent its first major revision by increasing the coverage from 21 to 31 days per contract year and increasing the room allowance from $4.50 to $5.00 per day. A few benefits were again added in 1947 at a slight increase in rate and with the introduction of minor utilization control features. This contract gave way to the Series 7 ($7.00 per day hospital room allowance) in 1950, which was, in turn, replaced by the Type J in 1955. The Type J contract permitted groups the option of higher room allowances. Updated periodically, it is still in limited use today.

The "Preferred" (Type P) contract designed solely for group coverage was first offered in 1951. An improved Type P contract with basically the same benefit pattern, still serves as the primary contract for basic coverage for franchise groups.²

To meet the special requirements of groups of national or regional scope, the "Preferred" contract has been modified into the Type R and Type S contracts.

**Improved Benefits:** The growth yardsticks of membership and claims payments may be said to be directly related to the types and extent of coverage available. Neither would likely have shown the healthy increases throughout twenty-five years had not the benefits been improved and the coverage expanded as rapidly as experience and sound underwriting practices permitted. With the coverage available today, particularly to large groups which consider health care coverage an important part of the employee's fringe benefits package, Florida Blue Cross closely approaches the ideal of complete protection predicted by President Arnold at the end of the first year of operation.

The necessity for certain cost and utilization controls has not precluded additional or expanded benefits when experience has indicated them to be feasible and actuarially sound. When possible, benefits have been expanded or new ones added at no increase in rate. While improvement of benefits have not always been possible without additional cost to the subscriber, rate increases have been made only as a last resort.

¹Franchise Group: A group in which coverage is essentially individual and contracts are issued to each enrolled person. The carrier selects the individual risk by some modification of individual underwriting rules, recognizing that a number of like contracts are being written simultaneously on persons having some type of group relationship which reduces individual selection.

²True Group: A group in which a master contract is issued to the employer (corporation, proprietorship or partnership) covering regular, full-time employees. In lieu of individual contracts each subscriber receives detailed information in a special benefits brochure.
Foremost among the improvements in contract benefits throughout the years are:

*Increases in hospital room and board allowances* from a maximum of $4.50 per day in the beginning to full coverage for semiprivate accommodations in many group programs, or a maximum room allowance based on the average hospital charge in the area for semiprivate room accommodations.

*Increases in days covered:* The first contract provided up to 21 days of inpatient care per contract year. This was increased to 31 days in February, 1945. This normally adequate period of coverage has been retained in direct payment and nongroup contracts. Groups, however, have the option of purchasing additional days of coverage.

*Modifications of coverage within the maximum period:* In October, 1956, the 31 days of basic coverage per contract year was liberalized to provide up to 31 days for each hospital confinement. A confinement is considered to be continuous and constitutes a single confinement unless at least 90 days have elapsed between discharge and readmission.

*Coverage for inpatient drugs* and for most ancillary services routinely provided with hospital care — many of which were unknown in the early years of the Plan;

*Emergency room services* in connection with accidents increased from a maximum of $5 per accident to full coverage today, with the time limit for seeking care following an accident increased from 18 to 72 hours or entirely eliminated in contracts for large groups.

*Expansion of hospital outpatient services,* virtually unknown until recent years, today provides the same benefits in the outpatient department of a hospital for minor surgery and emergency care as are available to inpatients;

*Newborn children covered from birth* and unmarried dependents to the end of the year in which they reach age 19, with groups having the privilege of purchasing a rider increasing this age limit for eligible dependents pursuing higher education or disabled and incapable of their own support.

**Special Contracts**

Evidence of the fundamental flexibility of health care prepayment programs provided by Florida Blue Cross is demonstrated in the special contracts or programs developed today for specific groups, for special conditions or to meet group specifications. Within the limits imposed by sound underwriting, a group may virtually write its own program, assuming it is willing to pay the necessary rate.

*Early Federal Group:* Among the first of the large groups to be enrolled in Florida Blue Cross was that of the civilian employees of the Naval Air Station in Pensacola in 1946. Because the federal government at that time did not participate in health care programs for employees or permit payroll deductions, group business at the activity had to be handled by the employees themselves. Unfortunately, this group encountered persistent utilization difficulties from the beginning. One of the measures introduced to endeavor to correct the situation was the development of a special Type H contract, with cost and utilization control provisions, exclusively for this group.

Today, a different Type H contract, essentially identical to the Type J, except that it is guaranteed renewable and noncancellable, is available to subscribers leaving the Blue Cross and Blue Shield Service Benefit Plan of the government sponsored Federal Employees Health Benefits Program.
Florida Farm Bureau: Members of the Florida Farm Bureau formed one of the larger groups in the earlier days of the Plan. Today, over 12,000 Floridians who meet the Farm Bureau enrollment requirements are protected by a special contract issued exclusively to Farm Bureau members.

Nongroup Program: One of the major advances by Florida Blue Cross came in April, 1950, with the opening to the general public of individual enrollment on a direct payment basis. From the beginning, continuous coverage had been available to subscribers through conversion from group enrollment to direct payment, or transfer from or to another Plan. This was the first time, however, that Blue Cross coverage became available to nonsubscribers in the state who were ineligible for group enrollment.

At first, application for the nongroup contract could be made only during special open enrollment periods in selected areas of the state. Later, as experience demonstrated the soundness of the program, enrollment was opened statewide on a continuing basis. Careful medical underwriting has been a contributing factor to the success of this program, along with continuous subscriber education on the proper use of benefits.

The Series 7 contract then being universally used was issued initially to nongroup subscribers. Later, the Type F was developed. On a community rating basis, the first nongroup coverage cost $4.70 for a one-person contract and $10.60 for a family every three months, with a $7 per day hospital room allowance. Today, the rate is $11.64 for one person and $23.02 for a family every two months, with a $24 per day room allowance. Although the rate has been increased periodically when necessary over the years, the 1969 Type F contract provides far more comprehensive coverage than the Series 7 of 1950.

College Student Program: In 1962 Florida Blue Cross, in conjunction with Florida Blue Shield, offered for the first time a broad coverage, low cost program for full-time students enrolled in an accredited college or university. As with other contracts, students enrolled in this program may convert to other standard Blue Cross coverage without proof of insurability when leaving college.

Senior Citizen Programs: It is traditional with Blue Cross that subscribers are able to continue coverage indefinitely regardless of age or health condition. Thus, prior to Medicare, older persons already members of a Blue Cross Plan could have protection. Also, any nonsubscriber resident of Florida could apply for nongroup membership, although the medical underwriting requirements made it difficult for many older applicants to qualify.

Knowing there was a sizable number of older Floridians who could not obtain protection against the expenses of a serious illness or injury, Florida Blue Cross joined with Florida Blue Shield in offering a Senior Citizen program beginning December 1, 1962. This was a one-time offer to Florida citizens age 65 or over with high or low benefit options and without medical underwriting. Some 2,067 older citizens took advantage of this opportunity.

Complementary Coverage: When the government sponsored Medicare program for the aged began on July 1, 1966, it became necessary to adjust contracts for group and direct payment subscribers age 65 or over to eliminate duplication of Medicare benefits. Recognizing the need for a supplementary privately financed health care program in addition to Medicare, Florida Blue Cross, in conjunction with Florida Blue Shield, decided to offer a Supplemental Coverage Plan for subscribers age 65 and over.

1 In 1963, for greater convenience to subscribers, the payment period for direct payment subscribers was changed from three to two months, at the same monthly rate. Option is given to pay in multiples of two months up to one year.
Blue Shield, eliminated the Senior Citizen contracts and developed a Complementary Coverage contract to begin on the effective date of Medicare. This is a combined contract to which subscribers reaching age 65 and eligible for Medicare are required to convert if they wish to continue Blue Cross coverage.²

Complementary Coverage was offered also to Florida residents age 65 or over, eligible for Medicare but not enrolled in any Blue Cross Plan, immediately prior to the effective date of July 1, 1966. Eligible Blue Cross subscribers converting to Complementary Coverage plus new enrollees produced an initial enrollment of 107,008 subscribers. It was offered again to nonsubscribers in the latter part of 1967 and early 1968, with some 15,000 new contracts being issued. It is being opened again in April and May of 1969. As of January 31, 1969, this program had 122,745 contracts in effect, covering approximately 132,668 older subscribers.

Florida older citizens who are members of any Blue Cross Plan may enroll in Complementary Coverage, when eligible, regardless of health condition. Nonmembers, however, are required to furnish limited health information, on which acceptability of the application is based.

Primarily, Complementary Coverage pays for hospital and other specified services to the extent they are not covered by Medicare hospital insurance (Part A). Also for physician and other specified services to the extent not covered by Medicare medical insurance (Part B), up to a lifetime maximum of $5,000 and subject to an annual $50 deductible.

Benefits were increased on July 1, 1967, and again on January 1, 1969. On April 1, 1968, at the time the government increased the beneficiary's portion of the premium for Medicare medical insurance from $3.00 to $4.00 per month, the rate for Complementary Coverage was reduced from $5.50 to $4.50 per person per month.

Many measures have been utilized to help keep the cost of providing Blue Cross benefits from becoming prohibitive. These include various contract cost and utilization controls such as benefit maximums and other contract limitations, low deductibles and coinsurance, hospital audits, utilization reviews, and antiduplication and subrogation provisions.²

A continuous educational program is directed at physicians, hospital administrators, employers, the public and individual subscribers emphasizing the advantages of the wise use of benefits, and the adverse effect on rates of overutilization and misutilization.

VI Subscriber Services

The principle of sincere interest in its subscribers has contributed appreciably to the success of Florida Blue Cross. Services have been expanded and new ones added as their need became manifest. One of the largest administrative departments, with 159 employees constantly serving group and individual subscribers, is appropriately called Subscriber Service.

¹ An eligible subscriber may elect to retain Blue Shield basic coverage (but not Blue Cross) in lieu of Complementary Coverage.
² Antiduplication: A contract provision included at a group's option which excludes payment for covered services to the extent to which they are payable by another health benefits program. Its function is to reduce the possibility of duplicate payments by multiple health benefits programs for identical services, which tend to increase rates by encouraging unnecessary or extended hospital care. The application of the antiduplication provision is frequently referred to as "Coordination of Benefits."

Subrogation: Another optional group contract provision designed to enable Blue Cross to recover payments made on behalf of a subscriber in an accident case when a third party is determined to be liable.
Marketing

It was apparent from the beginning that successful Plan operation required sales and service representation throughout the state. In January, 1945, four sales representatives were employed for the Jacksonville area.

When H. A. Schroder became executive director on September 1, 1946, he found a field force comprised of three representatives in Jacksonville, and one each in Miami, St. Petersburg and Pensacola. In Pensacola was Joseph E. Brewster, a recently retired United States Marine Corps major, who was brought to Jacksonville to organize an expanded sales force. Regrettably, he was killed in an automobile accident in July, 1948, while returning from a sales trip.

J. W. Herbert, who became assistant executive director in 1951 and is now senior vice president, replaced Brewster as Enrollment Manager. Prior to coming to Jacksonville in September, 1948, Herbert was manager of the National Enrollment Department of the Chicago Blue Cross Plan.

The rapid growth of the Plan in the early years is testimony to the determination of the sales force to overcome trying obstacles. Transportation problems frequently tested the representative’s ingenuity. Jesse Zim, in sprawling Miami, had no automobile and at that stage the Plan had not even dreamed of the fleet of 95 leased cars in use today. In order to contact prospective groups, Zim would ride to the end of a streetcar line then proceed downtown on foot, making calls on the way.

As enrollment grew and the number of sales representatives increased, it became apparent that satisfactory service to subscribers required branch offices throughout the state. The first branch office opened in Miami in 1944. Today, there are 19 branch offices requiring a field force of 173, with 192 employees in the entire marketing division.

Hospital Relations

A fundamental Blue Cross concept is its partnership with hospitals. From the days of the great depression of the early nineteen thirties, hospital administrators recognized the need to provide the public with a practical means of budgeting hospital expenses. As early as 1933 the American Hospital Association endorsed the concept of prepayment and established basic principles for the partnership of hospitals with prepayment plans. As previously noted, The Florida Hospital Association approved the establishment of a prepayment plan in Florida on November 22, 1943.

In Florida, hospital administrators conceived, organized and established a statewide prepayment plan, later to be known as Blue Cross of Florida. Hospitals provided the operating capital for initial operation. Participating hospitals (those which have a participating agreement with the Plan) are voting members of the corporation and the majority of the members of the Board of Directors represent hospitals. In the year ending December 31, 1968, Florida Blue Cross paid over $223 million to Florida Hospitals.

To help keep this partnership functioning forcefully, a hospital relations department was established on November 18, 1948. This activity now under the direction of a vice president, requires a personnel complement of 17. Seven hospital relations representatives assist hospital administrators and periodically audit the records of each participating hospital to verify the accuracy and correctness of billings to Florida Blue Cross.
Right: Commemorative dinner for C. Dewitt Miller on November 11, 1966, on the occasion of his retirement from the presidency of Florida Blue Cross. From left: Incoming President, Frank J. Kelly, Miami; Miller; and Pat N. Groner, Pensacola.

Left: President C. Dewitt Miller and Edward Jelks, M.D., receive the 1959 annual Certificate of Approval of the American Hospital Association to Florida Blue Cross.

Lower left: Honored for 20 years of continuous service to Florida Blue Cross on May 16, 1964. From left: Walter C. Jones, M.D., Miami; C. Dewitt Miller, Orlando; H. Plant Osborne and Edward Jelks, M.D., Jacksonville. Absent: W. E. Arnold, Jacksonville.

Below: H. Plant Osborne, Jacksonville, on right, first Florida Blue Cross subscriber and the Plan's legal counsel, presents a Blue Cross and Blue Shield identification card to the one millionth subscriber, Loy L. Crumbley, Miami, November, 1965.
Inter-Plan Service Benefit Bank

In 1949, Florida Blue Cross began participating in the Inter-Plan Service Benefit Bank sponsored by the Blue Cross Commission. This reciprocal arrangement provides rapid service for subscribers of any Blue Cross Plan in the United States needing hospital care outside its own Plan area. When a subscriber of another Plan seeks care in a Florida participating hospital, the Florida Plan obtains approval for the hospital admission and certification of benefits due from the visitor’s home Plan. This information is relayed to the admitting hospital, by teletype wherever possible.

Under this program, the host Plan pays its participating hospital on the basis of one of its own contracts with a benefit pattern comparable to that covering the patient. Later it will be reimbursed by the patient’s home Plan, with necessary adjustments for differences in benefits. In the 1968 calendar year, Florida Blue Cross paid Florida hospitals $13,022,061 for care provided subscribers of other Blue Cross Plans.

Actuarial Services

As the Plan grew, the need for more precise actuarial determination of rates and benefits became apparent before the volume of underwriting could justify a full-time professional actuary. More involved determinations arose as a greater number of employers began seeking health benefits programs built to their own specifications.

In 1958, to meet this need, seven southeastern Plans joined in the employment of a common actuary who was to have headquarters in Jacksonville. The Plans participating in this joint venture were: Birmingham, Alabama; Columbus, Georgia; Jacksonville, Florida; Baton Rouge and New Orleans, Louisiana; Jackson, Mississippi; and Columbia, South Carolina.

This arrangement proved satisfactory until the volume of underwriting business at Florida Blue Cross increased to the extent that it became necessary to establish separate full-time underwriting and actuarial services.

Cost Accounting

Good business practices and sound underwriting principles have enabled the Florida Blue Cross Plan to operate with record low administrative costs. During the 1968 calendar year, its operating overhead was a mere seven percent of subscription income. Obviously such efficiency can be obtained only through sound accounting procedures. With the advent of Medicare, more comprehensive and elaborate cost accounting procedures and systems became necessary. The expanded accounting procedures so essential to administration of the Medicare program are now likewise applied to the Plan’s Blue Cross business, providing greater assurance to subscribers of the highest return on their health care dollars.

Utilization Review

Proper utilization of benefits has long been of primary concern to Florida Blue Cross. Claims have always been reviewed from an internal standpoint and by statistical studies with professional services reviewed by a claims committee comprised of practicing physicians, but a steadily increasing volume has necessitated a more specialized approach.

With this in mind, a Utilization Review Department was...
established in 1968 to review systematically both Blue Cross and Blue Shield claims. Its primary function is to conserve the health care dollar and to fulfill the Plan’s obligation to the subscriber to see that each benefit dollar paid out is expended properly. The main function of this department is the detection and prevention of overutilization and misutilization of Blue Cross benefits. Review and judgment on apparently improper utilization is made by a physician consultant.

In addition to the activities relating to Blue Cross utilization, personnel of this department work closely with hospital utilization review committees, which are required by the Federal government of hospitals participating in the Medicare program.

Long Range Planning
On July 1, 1968, a Planning Department was introduced. Its purpose is to gather information from all divisions of Florida Blue Cross and such other sources as appropriate, attempt to anticipate the Plan’s future needs and to bring the two into focus by projection.

Through long range planning, Management is in a more favorable position to prepare properly for future expansion and to avoid costly crash programs.

VII Government Programs
Throughout the years, Florida Blue Cross has provided service benefit prepayment programs for numerous government groups at local, state and national levels. Plan underwritten, as with other employee groups, business operations at the place of employment such as enrollment and collection of rates, were handled by the employees themselves until recently. In the earlier years there was seldom any participation in the health care program by a government employer and payroll deduction for payment of rates was prohibited. On local and state levels there are still many Plan underwritten government groups, but now with employer participation and withholding of the employees portion of the rates from his paycheck.

Plan Underwritten Federal Program
After being under consideration for many years, the 86th Congress passed the Federal Employees Health Benefits Act of 1959, to go into effect on July 1, 1960. This is a carrier underwritten program providing basic and supplemental benefits to eligible federal civil service employees with the government sharing in the premium cost in the amount set by law. It is an employer-employee funded health care program similar to that frequently found in nongovernmental employee groups.1

Each eligible federal employee may elect to enroll in a governmentwide service benefit plan administered by Blue Cross and Blue Shield or an indemnity benefit plan administered by a commercial insurance company. If eligible, the

1The Federal Employees Health Benefits Act of 1959 made no provision for employees who retired prior to July 1, 1960. This was corrected during the next session of the Congress with a special Act which provided that such civil service retirees could receive health care benefits through a government sponsored Uniform Plan administered by a government selected commercial insurance company, or by an approved private insurance program.

Under either option, the government contributes an amount fixed by law toward the premium. Many subscribers eligible for this program elected to retain their Blue Cross and Blue Shield.
employee may instead choose from among a number of limited enrollment plans.

Benefits provided by the service benefit and the indemnity plans are similar, but obviously not identical. Within each plan, however, the hospital care benefits are uniform throughout the nation.

During the initial enrollment, a majority of federal civil service employees selected the governmentwide Service Benefit Plan over the combined total enrolled in all other plans. This favorable position has been continuously maintained.

In Florida, over 36,000 federal employees, representing approximately 122,000 persons when dependents are included, are protected by Blue Cross and Blue Shield.

Fiscally Administered Federal Programs
Florida Blue Cross and Florida Blue Shield also serve as fiscal administrators on a cost basis for Medicare and CHAMPUS, health care programs sponsored by the federal government. Primarily, these activities involve the processing and payment of claims, with reimbursement by the government for actual claims and administrative costs.

Medicare Hospital Insurance
On July 1, 1966, the federal government began providing health care benefits for most residents of the United States age 65 or over under Public law 89-97. Universally known as Medicare, it is officially Title XVIII of the 1965 Amendments to the Social Security Act. The hospital insurance portion of Medicare (Part A) is funded by a social security payroll tax. Beneficiaries pay no premiums for Part A. They contribute toward the cost of necessary hospital care and other covered services only to the extent of meeting the required deductibles and coinsurance at the time benefits are claimed.

Fiscal administration of Medicare hospital insurance is accomplished through a nongovernment intermediary on a cost basis. An intermediary may not realize a profit, and is expected to sustain no loss. Each provider of services participating in Medicare Part A may select the government approved intermediary of its choice, or it may deal directly with the Social Security Administration.

In the beginning, 153 Florida hospitals electing to participate in Medicare chose Florida Blue Cross as their intermediary. Of those making a different selection, all but three were small hospitals. By March, 1969, the number of hospitals using Blue Cross as an intermediary had increased to 169. In addition, Florida Blue Cross has been selected as their intermediary by numerous qualifying extended care facilities and home health agencies.

1 CHAMPUS (Civilian Health and Medical Program of the Uniformed Services): a government sponsored health care program for dependents of members of the uniformed services on active duty and for retired military personnel and their dependents. Benefits are provided for services rendered in civilian hospitals and by civilian physicians. In Florida, benefits for physician services have been administered by Florida Blue Shield since 1957 at the request of the Florida Medical Association. As a Blue Cross activity, Florida Blue Cross is involved only indirectly in CHAMPUS. Administration of CHAMPUS benefits for hospital services in Florida is by a commercial insurance company.

2 Florida Blue Shield has been designated by the Social Security Administration as the sole carrier in the state to administer Medicare medical insurance (Part B) for social security beneficiaries. Medicare medical insurance for annuitants of the railroad retirement system is administered by a commercial insurance company.
Blue Cross and Blue Shield Building (right), at 532 Riverside Avenue, Jacksonville, at time of first occupancy in April, 1951. First self-owned quarters.

St. James Building (below), Jacksonville, circa 1944: Florida Blue Cross had its first separate office in this building from 1944 to 1945. Photograph: courtesy of Florida Times-Union and Jacksonville Journal.

Roberts Building (far left), home office located in the rear area of the second floor from 1945 to 1948. Entire block being razed at time of photograph. Photograph: courtesy of Florida Times-Union and Jacksonville Journal.

Seminole Hotel Annex (left), location of home office from 1948 to 1951.
VIII Physical Expansion

Housing: Due to rapid growth, adequate office space has been a nagging problem for Florida Blue Cross from the first “office”—a desk in the office of the Plan’s legal counsel—to the modern ten-story home office building at 532 Riverside Avenue in Jacksonville.

As the Plan began operations in 1944, office space was difficult to obtain due to war shortages and government restrictions. On September 1, 1944, a small office was opened in the St. James Building in downtown Jacksonville, presently occupied primarily by May-Cohens department store. This office proved inadequate from the beginning and the search went on for larger quarters.

In 1945, the Florida Hospital Service Corporation moved its office to the second floor of the Roberts Building, an aging structure in the middle of the block now occupied by the Florida National Bank of Jacksonville. This building was a converted automobile loft. Thin beaverboard partitions extending short of a low ceiling separated the offices. Cramped quarters combined with poor lighting and inadequate heating and ventilation were not conducive to efficient operation. Drawn into the building by large ventilating fans, dust from the street and hair clippings from a beauty salon on the floor above added to the discomfort of personnel. A soaking from a overflowing basin in the beauty salon and a breakdown of the heating system on one of the coldest days of winter emphasized the need to move again at the first opportunity.

It was not until 1948 that better quarters were obtained in the Seminole Hotel Annex, a recently renovated, air conditioned building adjoining the Seminole Hotel. Although space seemed adequate at the time and efficiency increased noticeably due to improved conditions, within a year’s time Plan growth required quartering personnel in three additional downtown locations.

On April 16, 1951, Florida Blue Cross moved into its own home at 532 Riverside Avenue in Jacksonville. This modern, air conditioned two-story building in the shape of a “T,” the leg of which extended halfway through the block to May Street, provided 20,000 feet of usable space. Space now was more than adequate for all Jacksonville activities and personnel. In fact, space being so abundant stimulated a member of the Board of Directors to remark, “Why did you build such a big building? Look at all the space between the desks.”

The spaciousness which disturbed the Board member had been deliberately planned in anticipation of continued Plan growth. But, the rate of growth exceeded expectations resulting in a two-story addition adjoining the original building with a foundation for ten stories, on the May Street side of the lot. Providing an additional 28,000 square feet of usable space, it was ready for occupancy in September, 1956.

Ten years later, with a number of personnel already quartered outside the main building complex, the selection of Blue Cross and Blue Shield to administer Medicare in Florida sparked a contemplated building expansion into immediate action. The additional personnel and equipment anticipated resolved any question as to the need for the full additional eight stories over the May Street section of the

1 By coincidence, the site of the new home office was that of the boyhood home of the Plan’s legal counsel, H. Plant Osborne. It also extended over the area of the former home of the well-known Florida banker, Bion H. Barnett. Records indicate that these families had transferred their holdings to other interests before their acquisition by Florida Blue Cross.
Blue Cross and Blue Shield ten-story building complex dedicated on April 27, 1968.
building.\(^1\) By the spring of 1967, when construction on the addition began, business was being conducted in six different Jacksonville locations.

Although the addition provided an additional 90,000 square feet of usable space making a total in the complete building complex of 138,000 square feet, all Jacksonville personnel could not be accommodated. A number of personnel were never moved into the new addition and others since then have had to be transferred out. By May, 1969, some 600 employees are scheduled to be quartered in two office buildings with four locations outside the main building complex being used for storage.

During all the various phases of expansion of the home office, branch offices also had their growing pains. Necessary additional personnel and changing requirements required the addition of new offices and the relocation of others. By 1969, 19 branch offices throughout the state were essential to satisfactorily serve group and individual subscribers.

Equipment: Updating of equipment essential to Plan operation has kept pace with growth and physical plant expansion. Satisfactory service to over a million subscribers and more than 700,000 Medicare beneficiaries, plus thousands of visitors to Florida annually, demands the most modern equipment available, particularly in the fields of data processing and telecommunications.

Communications: The first teletype was put into service on November 11, 1949, providing instant communication between the Plan's Jacksonville office and branch offices in Miami, Tampa and Pensacola. These wire services were made available to participating hospitals in the respective areas. Beginning in 1950 direct teletype communication with 39 participating hospitals was established. In 1969, some 130 hospitals, representing 85% to 90% of admissions covered by Blue Cross, have teletype communications with the Jacksonville office. Wire communications have been maintained with other Plans and the Blue Cross national headquarters in Chicago. Today, the most modern high speed telecommunications systems provide rapid communication throughout the state and nation for Blue Cross and Blue Shield business. A fantastically fast system connects the Plan with the Social Security records center in Baltimore, Maryland, through a central rerouting center in the Blue Cross Association headquarters in Chicago.

One of the more recent innovations to improve and speed up service is the use of telephone WATS lines (wide area telephone service) within the state. On February 1, 1969, 13 WATS lines were being utilized. The heaviest use of these leased wires is for obtaining information necessary to process Medicare claims from hospitals and other providers, and from physicians and beneficiaries.

Automation: To maintain high standards of service and to be able to return to subscribers a consistently high percentage of subscription income, automation is used to the fullest extent. The rapid development of electronic data processing with its amazing computers in recent years, and their extensive utilization by business and industry today, tends to obscure the fact that computers have been around for years. Florida Blue Cross began automated operation as early as 1945. Today, Plan operation revolves about a modern, highly sophisticated data processing system requiring approximately 300 employees.

Instant Data: One of the most dramatic steps to produce better and faster service is the installation of a teleprocessing

\(^1\) From early 1966 when active preparations for administering Medicare began, the total number of Plan employees more than tripled in two years.
system which permits rapid visual display of information from stored records. This new process provides instant access to millions of stored characters. The desired information is typed on a keyboard on a teleprocessing device resembling a typewriter attached to a television set and, within seconds the answer appears on the viewing screen. A master Blue Cross and Blue Shield file which will permit full utilization of this instant information system is expected to be completed in 1969.
IX Preparing for the Future

On its twenty-fifth birthday, there is little indication that the pace set by Florida Blue Cross in the first quarter century is likely to diminish. Group and individual enrollment is expected to increase as a result of greater public recognition of the necessity for protection against the continuously increasing high cost of hospital and medical care, and as more comprehensive coverage is made available. State Chamber of Commerce projections indicate a steady population increase for the foreseeable future.

The volume of Medicare claims may be expected to increase. Medicare benefits have already been liberalized and proposals to expand the program, some of which are far reaching, have been presented to the Congress. It is reasonable to assume that Medicare benefits are not likely to remain fixed or be reduced. Florida Blue Cross, to the degree possible, must anticipate these changes and be prepared to administer a Medicare program which will provide health care benefits to other beneficiaries in addition to those over age 65.

The probability of continuing increases in the health care coverage being underwritten by Florida Blue Cross, coupled with anticipated increases and additions to government sponsored programs, makes advisable an immediate expansion in physical plant facilities to accommodate substantial increases in personnel and equipment.

In anticipation of future physical plant expansion, the Plan has acquired additional real estate in the immediate vicinity of the home office building. On April 26, 1969, the Board of Directors announced a long range expansion program that ultimately will increase the usable square feet of office space approximately two-and-one-half times by 1972, and provide for an ultimate 50 percent increase in personnel.

To accommodate the large number of employees, a multi-level parking garage, covering an entire block, will be constructed west of the office building complex.

Continued growth and expansion of Florida Blue Cross is certain; it is only the rate and the degree that remains to be determined.
Architect's concept of home office building expansion scheduled to begin in 1969, for completion in 1972. Ten-story addition adjacent to present structure on the north and a 20-story tower on the south.
### Chronology of Major Events

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<th>Year</th>
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<td>1943</td>
<td>Florida Hospital Association resolution approving establishment in Florida of a plan for prepaying hospital expenses.</td>
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| 1944 | Preliminary meeting of a Florida Hospital Association committee to study American Hospital Association recommendations for establishing a hospital prepayment plan.  
H. A. Cross, administrator of Good Samaritan Hospital, West Palm Beach, Florida, appointed first executive director.  
Charter granted Florida Hospital Service Corporation on April 27, under a 1941 Florida statute which restricted operation to Duval County.  
Operating capital of $22,052 contributed by Florida hospitals.  
Statewide operation by Florida Hospital Service Corporation authorized by Judge Bayard Shields of the Circuit Court in Duval County, subject to charter amendments and provided curative legislation be sought at the next session of the Florida state legislature.  
Organizational meeting of Plan in Jacksonville.  
Statewide operation of Plan approved by state insurance commissioner on July 11.  
First contract issued to H. Plant Osborne, Jacksonville, Plan's legal counsel on July 15.  
Plan offices opened in St. James Building in downtown Jacksonville on September 1. |
| 1945 | First claims payment of $35.32 to Orange Memorial Hospital, Orlando, on September 1.  
First annual meeting of membership.  
First utilization of computer operation.  
First enrollment representative.  
Offices moved to Roberts Building in downtown Jacksonville.  
Enabling Act for nonprofit Hospital and Medical Service Plans passed in final minutes of the 1945 session of the state legislature; became law without the governor's signature. |
| 1946 | Pensacola Naval Air Station civilian employees enrolled.  
Florida Blue Cross contracts to administer newly formed Medical and Surgical Benefits Plan (Florida Blue Shield).  
H. A. Schroder, former banker and executive of the New Orleans Blue Cross Plan, becomes executive director on September 1.  
Letter of endorsement from Governor Millard Caldwell. |
| 1947 | Contract revision and rate increase.  
Service charge for claims payment and other services to subscribers of other Plans. |
| 1948 | First hospital relations representative.  
First traveling hospital auditor.  
Jacksonville office in Seminole Hotel Annex.  
J. W. Herbert joins Florida Blue Cross staff. |
| 1949 | Inter-Plan Service Benefit Bank participation, pro- |
CHRONOLOGY

Providing reciprocal services for subscribers of participating Plans receiving hospital care outside their home Plan areas.

First teletype service between Jacksonville office and branch offices in Miami, Pensacola and Tampa; service available to participating hospitals in areas.

Fifth anniversary.

1950 Series 7 contract.
Individual nongroup program opened for limited time in specific areas of the state.
Contract let for construction of home office building.
Ted Arnold retires from Board of Directors and designated Honorary Chairman of the Board for life.
C. Dewitt Miller becomes president.

1951 Occupation of new two-story home office building at 532 Riverside Avenue, Jacksonville.
Plan name changed from Florida Hospital Service Corporation to Blue Cross of Florida, Inc.
First advertising program.
Nongroup enrollment opened continuously statewide.

1952 Blue Cross name and symbol registered with the federal government by American Hospital Association.
Florida Blue Cross licensed to use both.

1953 Television advertising of Plan introduced in Jacksonville.
Employees Credit Union established.

1954 Tenth anniversary.

1955 Contract let for two-story addition to home office building.

1956 Special Type “H” contract issued to enrolled civilian employees of Pensacola Naval Air Station.

1956 May Street addition to home office building completed and occupied.

1957 Administration of claims payment for physician services for a federally sponsored program of civilian hospital and medical care for dependents of the uniformed services (Blue Shield activity—later to become CHAMPUS.)

1958 Joint employment by seven southeastern Plans of an actuary with headquarters in Jacksonville.
Opening of nongroup enrollment to over age 65.

1959 Fifteenth anniversary.

1960 Federal Employees Health Benefits Program; government sponsored with Florida Blue Cross and Florida Blue Shield participating in governmentwide Service Benefit Plan.
Master Medical and Extended Benefits endorsements.

1961 “Preferred” contract available to groups of five to fifteen.
Special government program for federal civilian employees who retired prior to July 1, 1960; permitted option of retaining their current health insurance or enrolling in government sponsored Uniform Plan.

1962 Special Blue Cross and Blue Shield program for senior citizens of Florida with high or low benefit options.
Low cost, broad coverage program offered to full-time students in accredited colleges or universities.
CHRONOLOGY

1963  Merit rating for groups of 100 or more.

1964  Twentieth anniversary.
      Antiduplication and subrogation riders available to
      groups on an optional basis.

1965  Death of first president, Ted Arnold.
      One-millionth Florida Blue Cross member.
      Florida Combined Insurance Agency: a separate cor-
      poration through which Florida Blue Cross and Blue
      Shield contract to provide life and disability insur-
      ance to groups along with health care benefits of Blue
      Cross and Blue Shield.

1966  President C. Dewitt Miller, Orlando, retires from
      Board of Directors and designated honorary Chair-
      man of the Board for life.
      Frank J. Kelly, Miami, becomes president.
      Medicare, government sponsored health care program
      for the aged, with Florida Blue Cross an intermediary
      for Medicare hospital insurance (Part A) and Florida
      Blue Shield a carrier to administer Medicare medical
      insurance (Part B) for social security beneficiaries.
      Complementary coverage to supplement Medicare
      benefits made available to Florida residents age 65
      or over and eligible for Medicare.

1967  Building addition construction.
      Participation in Area Health Facilities Planning.

1968  Change in corporate titles of Plan officers; Frank J.
      Kelly, Chairman of the Board; H. A. Schroder, Presi-
      dent; J. W. Herbert, Senior Vice President.

1969  Completion and occupation of eight-story addition to
      the home office building.
      Establishment of Utilization Review and Planning
      Departments.
      Installation of teleprocessing system for instant visual
      retrieving of stored data.
      Twenty-fifth anniversary.
      Announcement of extensive expansions of physical
      plant and planning for increased personnel.
Members of the Board of Directors

<table>
<thead>
<tr>
<th>Name</th>
<th>City</th>
<th>Start Date</th>
<th>End Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>L. J. Anderson</td>
<td>Vero Beach</td>
<td>August 18, 1962</td>
<td>November 5, 1964</td>
</tr>
<tr>
<td>Martin Anderson</td>
<td>Orlando</td>
<td>February 19, 1946</td>
<td>February 18, 1947</td>
</tr>
<tr>
<td>*Roy Armstrong</td>
<td>Jacksonville</td>
<td>August 22, 1953</td>
<td>Still Serving</td>
</tr>
<tr>
<td>Melvin J. Arnold</td>
<td>Winter Haven</td>
<td>November 30, 1960</td>
<td>Still Serving</td>
</tr>
<tr>
<td>W. E. Arnold</td>
<td>Gainesville</td>
<td>Named in Charter</td>
<td>August 20, 1955</td>
</tr>
<tr>
<td>*Henry J. Babers, Jr., M.D.</td>
<td>Orlando</td>
<td>December 2, 1959</td>
<td>Still Serving</td>
</tr>
<tr>
<td>Arthur L. Bailey</td>
<td>Winter Haven</td>
<td>November 14, 1962</td>
<td>July 24, 1953</td>
</tr>
<tr>
<td>Robert T. Besserer</td>
<td>Tampa</td>
<td>May 16, 1944</td>
<td>September 1, 1944</td>
</tr>
<tr>
<td>J. R. Boling, M.D.</td>
<td>Miami</td>
<td>May 16, 1964</td>
<td>Still Serving</td>
</tr>
<tr>
<td>*S. K. Bronstein</td>
<td>Tallahassee</td>
<td>December 3, 1950</td>
<td>November 16, 1952</td>
</tr>
<tr>
<td>Robert G. Carter</td>
<td>Jacksonville</td>
<td>November 28, 1956</td>
<td>February 20, 1960</td>
</tr>
<tr>
<td>Sister Mary Clare</td>
<td>Ocala</td>
<td>December 3, 1950</td>
<td>May 19, 1951</td>
</tr>
<tr>
<td>Alexander Collins</td>
<td>Jacksonville</td>
<td>January 21, 1967</td>
<td>Still Serving</td>
</tr>
<tr>
<td>*James A. Cranford</td>
<td>Jacksonville</td>
<td>June 20, 1944</td>
<td>February 18, 1947</td>
</tr>
<tr>
<td>H. A. Cross</td>
<td>Lake Alfred</td>
<td>December 3, 1950</td>
<td>February 20, 1945</td>
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<tr>
<td>E. I. Cruise</td>
<td>Jacksonville</td>
<td>February 20, 1945</td>
<td>February 19, 1946</td>
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<tr>
<td>Cooper Cubbage</td>
<td>Jacksonville</td>
<td>February 20, 1945</td>
<td>April 15, 1948</td>
</tr>
<tr>
<td>**A. L. Cuesta</td>
<td>Jacksonville</td>
<td>February 20, 1945</td>
<td>February 19, 1946</td>
</tr>
<tr>
<td>George A. Dame, M.D.</td>
<td>Lake Alfred</td>
<td>February 20, 1945</td>
<td>February 19, 1946</td>
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<tr>
<td>**Leroy Dart</td>
<td>Jacksonville</td>
<td>February 20, 1945</td>
<td>November 27, 1949</td>
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<tr>
<td>**Harry Dickson</td>
<td>Jacksonville</td>
<td>February 20, 1945</td>
<td>December 7, 1955</td>
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<tr>
<td>Alfred B. Dooley</td>
<td>Jacksonville</td>
<td>February 20, 1945</td>
<td>February 21, 1950</td>
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<tr>
<td>Sister Electa</td>
<td>Ft. Lauderdale</td>
<td>March 18, 1947</td>
<td>April 15, 1948</td>
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<td>Robert M. Gantt, Jr.</td>
<td>Pensacola</td>
<td>November 19, 1958</td>
<td>April 15, 1948</td>
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<tr>
<td>Earl Gaston</td>
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<td>February 19, 1946</td>
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Kermit H. Gates, M.D.  Miami  November 30, 1960
Sister Genevieve  Miami Beach  February 18, 1947
Pat N. Groner  Pensacola  December 3, 1953
W. R. Hancock  Leesburg  November 16, 1952
Tracy B. Hare  Tallahassee  December 19, 1952
A. W. Higgins  Miami Beach  April 15, 1948
C. C. Hillman, M.D.  Miami  February 20, 1945
J. H. Holcombe  Jacksonville  April 15, 1948
J. W. Holloway  Lakeland  June 20, 1944
Phil G. Howe  Jacksonville  April 15, 1948
J. C. Hughey  Tampa  Named in Charter
L. D. Hupp  Jacksonville  April 15, 1948
D. R. Igou  Jacksonville  December 7, 1955
William Imand  Jacksonville  February 20, 1945
Edward Jelks, M.D.  Jacksonville  December 2, 1951
Miss Florence M. Jones  Named in Charter
Walter C. Jones, M.D.  June 20, 1944
Frank J. Kelly  Named in Charter
L. H. Kramer  March 18, 1947
Don Laurent  Sarasota  February 20, 1945
T. F. Little  Daytona Beach  May 9, 1962
Norman Losh  Orlando  December 3, 1950
Joseph F. McAloon  Hollywood  February 15, 1949
C. T. McCrimmon  Miami  November 17, 1954
T. J. McGinty  Pensacola  November 19, 1958
November 19, 1960
November 16, 1952
December 19, 1952
April 15, 1948
February 20, 1945
April 15, 1948
June 20, 1944
April 15, 1948
Named in Charter
April 15, 1948
December 7, 1955
February 20, 1945
December 2, 1951
Named in Charter
June 20, 1944
Named in Charter
March 18, 1947
Named in Charter
February 20, 1945
May 9, 1962
December 3, 1950
February 15, 1949
November 17, 1954
November 19, 1958
Named in Charter
February 20, 1945
(Died July 31, 1965)
February 15, 1949
Still Serving
Still Serving
Still Serving
November 16, 1960
February 19, 1946
November 19, 1958
February 20, 1945
December 3, 1950
April 15, 1948
November 16, 1952
March 11, 1967
May 27, 1949
November 17, 1954
Still Serving
February 20, 1945
November 21, 1965
Still Serving
June 20, 1944
December 7, 1947
Still Serving
November 19, 1958
May 28, 1954
Still Serving
Still Serving
June 20, 1944
September 21, 1945
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<tr>
<th>Name</th>
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<tr>
<td>Wilbur C. McLin</td>
<td>St. Petersburg</td>
<td>November 17, 1954</td>
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<tr>
<td>John Maclachlan, Ph.D.</td>
<td>Gainesville</td>
<td>December 3, 1950</td>
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<tr>
<td>Rev. Paul L. Manning</td>
<td>Miami</td>
<td>Named in Charter</td>
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<tr>
<td>Sister Margaret</td>
<td>Jacksonville</td>
<td>May 19, 1951</td>
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<tr>
<td>Sister Josephine Marie</td>
<td>West Palm Beach</td>
<td>Named in Charter</td>
</tr>
<tr>
<td>Sister Vincent Marie</td>
<td>June 20, 1944</td>
<td>Named in Charter</td>
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<tr>
<td>J. Hinson Markham</td>
<td>February 20, 1945</td>
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<td>Sister Loretto Marie</td>
<td>Tampa</td>
<td>Named in Charter</td>
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<tr>
<td>Raymond I. Matthews</td>
<td>St. Petersburg</td>
<td>February 19, 1946</td>
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<tr>
<td>J. A. Mease, Jr., M.D.</td>
<td>Dunedin</td>
<td>March 18, 1947</td>
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<tr>
<td>C. DeWitt Miller</td>
<td>Orlando</td>
<td>Named in Charter</td>
</tr>
<tr>
<td>Honorary Chairman of the Board for Life</td>
<td></td>
<td>Still Serving</td>
</tr>
<tr>
<td>*J. F. Monahan, Jr.</td>
<td>Panama City</td>
<td>December 7, 1955</td>
</tr>
<tr>
<td>Ex-officio member</td>
<td>Miami</td>
<td>(Died September 1, 1959)</td>
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<tr>
<td>Middleton T. Mustian</td>
<td>Jacksonville</td>
<td>December 3, 1950</td>
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<tr>
<td>Sidney Myers</td>
<td>Miami</td>
<td>Named in Charter</td>
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<tr>
<td>W. A. Nelles</td>
<td>Gainesville</td>
<td>May 19, 1951</td>
</tr>
<tr>
<td>*Ernest C. Nott, Jr.</td>
<td>Miami</td>
<td>Named in Charter</td>
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<tr>
<td>Gertrude Overstreet</td>
<td>Jacksonville</td>
<td>November 21, 1965</td>
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<tr>
<td>L. L. Parks, M.D.</td>
<td>Gainesville</td>
<td>Named in Charter</td>
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<tr>
<td>James T. Pate</td>
<td>Jacksonville</td>
<td>December 3, 1950</td>
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<tr>
<td>F. C. Payne</td>
<td>Jacksonville</td>
<td>June 20, 1944</td>
</tr>
<tr>
<td>**E. C. H. Pearson</td>
<td>Sebring</td>
<td>February 22, 1951</td>
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<tr>
<td>*Eugene G. Peek, Jr., M.D.</td>
<td>Ocala</td>
<td>February 20, 1945</td>
</tr>
<tr>
<td>James E. Pollard</td>
<td>Deland</td>
<td>January 22, 1966</td>
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41
<table>
<thead>
<tr>
<th>Name</th>
<th>City</th>
<th>Dates and Notes</th>
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<tbody>
<tr>
<td>H. E. Post</td>
<td>Miami</td>
<td>Named in Charter, November 21, 1965</td>
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<td>*Warren W. Quillian, M.D.</td>
<td>Coral Gables</td>
<td>May 27, 1949</td>
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<tr>
<td>*Mrs. Loring Raoul</td>
<td>Sarasota</td>
<td>December 3, 1950</td>
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<td>Rev. Rowan Rastatter</td>
<td>Miami</td>
<td>Named in Charter, April 15, 1948</td>
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<tr>
<td>Leigh F. Robinson, M.D.</td>
<td>Ft. Lauderdale</td>
<td>April 15, 1948</td>
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<tr>
<td>*H. A. Schroder</td>
<td>Tallahassee</td>
<td>Named in Charter, November 14, 1962</td>
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<td>Justice Harold L. Sebring</td>
<td>Jacksonville</td>
<td>April 15, 1948</td>
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<tr>
<td>T. D. Sloan, M.D.</td>
<td>St. Augustine</td>
<td>June 20, 1944</td>
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<tr>
<td>*C. Sweet Smith, Jr.</td>
<td>Cocoa</td>
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<tr>
<td>*Sherwood D. Smith</td>
<td>Lakeland</td>
<td>Still Serving</td>
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<tr>
<td>Wilson T. Sowder, M.D.</td>
<td>Jacksonville</td>
<td>Still Serving</td>
</tr>
<tr>
<td>George Tobi</td>
<td>Jacksonville</td>
<td>Still Serving</td>
</tr>
<tr>
<td>*Ralph Tracy</td>
<td>Tallahassee</td>
<td>Still Serving</td>
</tr>
<tr>
<td>Finley Tucker</td>
<td>Jacksonville</td>
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<tr>
<td>G. Emerson Tully, Ph.D.</td>
<td>Pensacola</td>
<td>Still Serving</td>
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<tr>
<td>James B. Waters</td>
<td>Ocala</td>
<td>Still Serving</td>
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<tr>
<td>T. C. Watts</td>
<td>Gainesville</td>
<td>Still Serving</td>
</tr>
<tr>
<td>Leonard Wesson</td>
<td>Jacksonville</td>
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</tr>
<tr>
<td>H. R. Willers</td>
<td>Jacksonville</td>
<td>Still Serving</td>
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<tr>
<td>*B. P. Wilson</td>
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<td>Still Serving</td>
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<tr>
<td>H. Louie Wilson</td>
<td>Pensacola</td>
<td>Still Serving</td>
</tr>
<tr>
<td>*Michael J. Wood</td>
<td>Ocala</td>
<td>Still Serving</td>
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<tr>
<td>*Leo Wotitzky</td>
<td>Gainesville</td>
<td>Still Serving</td>
</tr>
<tr>
<td>*Chester Wright</td>
<td>Punta Gorda</td>
<td>Still Serving</td>
</tr>
<tr>
<td>*John F. Wymer, Jr.</td>
<td>West Palm Beach</td>
<td>Still Serving</td>
</tr>
</tbody>
</table>

* Indicates members of the current Board.
** Early Plan records are incomplete in instances, particularly as to names, dates and places of residence.
What the Blue Cross Emblem Means

The Caduceus (the Wand of Mercury and Serpent of Aesculapius) has symbolized the healing art for many thousands of years.

The Maple Leaves are symbolic of the Dominion of Canada.

The Geneva, or Greek Cross is the international emblem for the relief of the sick and wounded.

The whole is supported by the Classic Latin Motto, "Nisi Dominus Frustra"—"Without God we can do nothing."

This service mark beside the Blue Cross name and emblem certifies it as officially registered with the United States Government. The use of either the emblem or the name is restricted to authorized organizations.

The American Eagle symbolizes the United States of America.

The Maltese Cross has been the emblem of the Knights of Saint John of Jerusalem since 1092 A.D., and for several hundred years has also been used by the St. John Ambulance Service.

The Lorraine Cross has been the emblem of the relief to the unfortunate since medieval times.

The Urn Lamp is universally accepted as symbolic of knowledge. It is the official emblem of the Florence Nightingale Nurses.