

## THE NATIONAL INSURANCE BILL.

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THE explanatory memorandum of the Chancellor of the Exchequer, states that it is the intention of the Government "to make the Bill, as far as possible, a preventive measure operating to reduce the amount of sickness." It is, therefore, the obvious duty of all those who are engaged in the practice of preventive medicine to scrutinise every detail of the scheme and to point out any additions or modifications that appear necessary in order that this intention may be fulfilled. This can be done with the better grace because the complexity of the subject has been frankly recognised and criticisms and suggestions have been freely invited.

With the objects and essential features of the Bill, medical officers of health are naturally in complete sympathy. No section of the community is more keenly alive to the fact that national efficiency will be promoted if the economic pressure that results from disease can be obviated and an effective medical service placed at the disposal of the community. We believe that if disease is preventible it ought to be prevented and that neither unlimited opportunities for contracting consumption nor free indulgence in alcohol are desirable expedients for weeding out the unfit. At the same time, while the nation is ethically right in invariably fulfilling "the trust of trusts" by preserving the life of the individual, we should take care, as Dr. McVail pointed out, that our public health work, while permitting the survival of the maimed individual, is chiefly concerned in raising the general standard of health throughout the community. It would, therefore, be illegitimate to depress the economic level of a section of the community by placing the burden of the unfit on shoulders that are ill-adapted to bear it. It is, therefore, satisfactory that as far as the insured are concerned the "unfit" will not be a charge on the "fit." Those who are rejected by the friendly societies, including many sufferers from tuberculosis, heart disease, etc., will form a special group under the direct supervision of the new Health Committees. True that they are not offered very considerable financial benefits, but that is a point which can be more conveniently discussed when the Bill is con-

sidered in detail. Critics sometimes forget that the Bill provides for compulsory *insurance* and that every worker has the right to secure the largest range of benefits that his premium can secure. Collective responsibility must be assumed by the State as a whole and should chiefly concern itself with preventive agencies. Competition between the various friendly societies will doubtless ensue and financial benefits will be settled on actuarial principles in accordance with the initial health capital and conditions of employment of the insured. How far this classification will proceed it is impossible to say, but differentiation should be sufficiently complete to prevent the needs of the unfit pressing too heavily on a limited section of the fit. This raises the important question of the age at which classification should take place. It is contemplated by the Chancellor that the relegation of the majority of "bad" lives to the Post Office group will be a temporary phase. "In the future men will be taken on" (by the friendly societies) at the age of 16, and at that age the "vast majority of people have not developed any kind of fatal disease." ("Times" Parliamentary Report, May 5th.) It is quite true that it is often impossible to express any definite opinion concerning the future health of boys and girls of sixteen. The weediness of the overgrown and of the pretuberculous may be indistinguishable. The societies that cater for select lives are aware of this and will probably find some method of exclusion, say, by insisting on a wage limit. Would it not be better provisionally to place all minors in the Post Office group and to emphasize the importance of adolescents endeavouring to attain a standard of fitness that would allow of their qualifying for the maximum insurance benefits on reaching their majority? It may also be pointed out how very important from the Public Health point of view is the decasualization of labour and the inclusion of the largest possible number of workers in the insurance scheme. Once this is done there will be a record of each man or woman's health and past history and there need be no compunction in applying a drastic poor law to those who, though physically fit, allowed their insurance to lapse through idleness or viciousness.

Many other problems, such as those of the feeble-minded and unemployable, will become more manageable when studied in the light of the great inquisition with which the new Health Committees are charged.

Apart from heredity and economic conditions, the two great factors in national health are environment and what, for lack of a better term, one must call personal hygiene. Both will be largely dependent on the nature and quality of the medical service and on the efficiency of Public Health organization.

*Environment*—both social and physical—cannot but be ameliorated when we have such a sensitive instrument for testing results as will be furnished by sickness records. In a few years it should be possible to gauge with increasing accuracy the effects of unhealthy trades and of bad sanitation. The assistance then rendered to public health administration will certainly be valuable, but it is doubtful whether in matters of such complexity it will often be possible to bring responsibility home with sufficient certainty and rapidity to enable the Health Committee to take the punitive action suggested in the Bill. The possibility, however, is clearly one that may usefully be kept in reserve.

*Personal Hygiene.*—Apart from heredity, economic pressure and environment, disease is largely dependent on obedience to the laws of health, obedience being partly a question of knowledge and partly of "character." Poverty due to sickness and sickness due to poverty will be mitigated by the sick pay, especially when the actuarial position allows of more substantial aid. Ignorance is being slowly dispelled by the educational campaign in which progressive public health authorities are already engaged, and which will receive a welcome impetus from the Bill, especially if the public health authorities become financially responsible for such a preventible disease as phthisis. "Character," in the sense more particularly of determination to obey the hygienic conscience, is a matter of slow growth. In all probability notorious evil-livers (from a health point of view) will tend to fall out of benefit and so drift under the Poor Law, and to this extent certain social problems may, perhaps, be simplified. Something, too, may be hoped from the obligation to obey doctors' orders, provided the medical organization is on such a basis as to allow its members to supplement the facile bottle of physic with really helpful "attendance and advice."

*Personal Responsibility and Self-Reliance*, which are important factors in the formation of character, will be unassailed because the insured will pay a substantial share of the premium, and the State subvention is not unduly large.

Responsibility and capacity for self-government will be increased by the happy expedient whereby, subject to proper safeguards, the management of the funds is largely intrusted to the insured, who also have a voice in all local arrangements for treatment and prevention. Self-reliance will also be fostered by the regulation which makes the enjoyment of benefits contingent on regularity of contributions. This will encourage continuity of employment. The higher sick pay and greater additional benefits which will be earned by selected workers will be an incentive to personal health and hygienic conditions of employment. Certain friendly societies already adopt this principle of selection (by insisting that their members must be receiving a minimum wage and not be engaged in hazardous industries), and are thus able to offer correspondingly large benefits. Conscious malingering with its consequent depletion of the funds and deterioration of character has been dealt with elsewhere. It can be reduced to an inconsiderable amount if the medical service is efficient, and provision is made for necessary referees. Less easy are those instances of tedious convalescence in which a return to work is best calculated to free the patient from too intense introspection. These neurasthenics, together with hypochondriacs, who are never happy unless they are taking drugs for some trivial complaint, will be a source of much worry to their medical attendants. Many of them will be faithfully dealt with if their medical adviser is in an independent position and the condition of the public medical service should ensure this. Apart from hypochondriasis, we have to remember that the majority of patients exhibit a faith in drugs which is only equalled by their neglect of hygienic advice. For them the modern doctor still occupies the position of the primitive "medicine man," who counts for little unless his store of specific pills and potions can compete—in promises—with those of the quack. To the writer, it is clear that the recognition of the scope and methods of medical science is essential to the real success of the public medical service, and this should be one of the first objects which the educational campaign suggested in the Bill should seek to effect. From this point of view the separation of dispensing from medical practice is a step in advance, though it may unduly increase the total cost of medical benefit. As a matter of fact the cost of ordinary drugs and

simple dressing is not very considerable, and the medical attendant would be insured against the tax imposed by the employment of costly remedies if their provision were made a public health obligation, as is now done in the case of diphtheria antitoxin.

The laity still regard disease as a morbid entity requiring to be expelled from the body by some spell or charm, whereas to the physician it is a disturbance of those normal adjustments of internal and external relations which constitute healthy life. In some instances appropriate medical or surgical treatment removes the cause of disease and allows the patient to return to health, but reliance has more often to be placed on securing those conditions which allow the *vis medatrix naturae* to produce the desired result. To the superficial observer the adoption of this "expectant" method of treatment is a confession of failure, whereas it is usually the only rational way of controlling disease. Though specific remedies are of service in a minority of instances for preventive purposes, knowledge of the laws of health and of the natural history of disease will always possess a higher value, as this alone will commonly enable the State and the individual to forestall disease and thus render it unnecessary to resort to antidotes. From the psychological standpoint, it is clear that the State should concern itself rather with promoting health than with alleviating disease, and it is matter for congratulation that the whole of the Bill is drafted in this spirit. Once the true relations of health and disease are fairly grasped, it is evident that the field of preventive medicine becomes indefinitely enlarged, and one can look forward to a united Medical Service of which all the members are engaged in the prevention as well as in the alleviation of disease. So far, this conception has been ignored by the bulk of the medical profession, and it is for this reason that it is so essential that the medical service should be established on preventive lines.

*The Medical Service.*—At present the medical needs of those whom it is proposed to bring within the insurance scheme are met in the following ways. Much assistance is rendered by voluntary hospitals, municipal fever hospitals, and, in a few localities, by phthisis sanatoria. For domiciliary medical treatment, most wage-earners (the proportion varying considerably in different districts) contract through clubs, friendly societies or provident dis-

pensaries. Others select their own medical man, to whom they pay varying fees. Salaried workers occasionally join clubs, but for the most part select their own medical man whom they also pay by fees; relief from the financial burden being sometimes obtained by joining friendly society organizations on the deposit system. Many workers have to resort to the Poor Law for institutional treatment or for domiciliary treatment when illness is prolonged.

The efficiency of these arrangements differs very considerably. The Poor Law service has already been weighed in the balance by the authors of both the Majority and the Minority Reports. Club practice, with few exceptions, is still more inefficient, chiefly because the remuneration is so small that adequate time cannot be devoted to the work. This is specially obvious where advice rather than physic is needed. Ordinary private practice naturally varies in accordance with the aptitude of the medical practitioner in question. Though often satisfactory in quality, the financial burden of the doctor's bill is considerable should illness be frequent or prolonged. All classes of the insured occasionally need the services of consultants and of clinics where special methods of diagnosis and of treatment are available. Speaking generally, existing arrangements for medical aid are far from satisfactory, partly owing to lack of organization and partly on account of financial difficulties. In consequence of this, advice is not sought sufficiently early; disease is not diagnosed while in the curable stage; slighter forms of communicable disease are missed; while, owing to faulty hygiene, measles and whooping cough, which are trivial diseases among the affluent, decimate the families of the working classes.

*Organization.*—It is unnecessary to repeat detailed suggestions already published elsewhere. Briefly, I am of opinion that no organization will be satisfactory that does not co-ordinate the service for attendance on the insured with the medical inspection and treatment of school children, with infants' consultations, the supervision of midwives, the prevention of communicable disease and all the other medical work of the larger Public Health Authorities. Many other points suggest themselves, but we must now conclude the discussion of general principles and see what modifications are necessary in order that the Bill may in fact provide effectually "for the prevention and cure of sickness."

*The Local Health Committees* are given very considerable powers. They will administer all the benefits of the "deposit contributors"; control "sanatorium" expenditure for all insured persons; "consider the needs of the district from the point of view of public health"; may demand enquiries as to the enforcement of the Public Health and allied Acts, and recover penalties when default has led to increased sickness, and arrange for lectures and take other steps to stimulate a health conscience. They may also, by mutual agreement, undertake the medical arrangements for friendly society members living in the district and must co-operate with the County and Borough Councils which are responsible for the provision of sanatoriums. Furthermore, the Health Committee may call upon the County and Borough Councils to share with the Treasury any excess of reasonable expenditure incurred in respect to medical benefits. It is suggested that, in the United Kingdom, one-third of the members of this Committee should be appointed by the County or Borough Council and two-thirds by the insured. In Ireland the insured do not themselves appoint any representative. In both the United Kingdom and in Ireland the Central Authority will appoint additional members (not exceeding one-fourth), of whom two must be medical practitioners. In Great Britain these new Committees have obviously been made independent of the Borough and County Councils in order that they may provide a safeguard against the inertia from which Sanitary Authorities sometimes suffer. However desirable such a check may be there are grave grounds for doubting the efficacy of this particular expedient. It is also difficult to understand why English, Welsh and Scotch councils should need an extraneous stimulus that it is inexpedient to apply in Ireland. At any rate the new Health Committee possesses the considerable disadvantage of adding one more local body to those already concerned in medical work. In the counties of England and Wales responsibility for Public Health matters would be shared by the County Council, the Education Committee, the local Sanitary Authority (Rural or District Council or Municipal Borough), the Board of Guardians and the new Health Committee, not to mention Joint Hospital Boards and statutory Lunacy Committees. Most administrators are agreed that integration rather than disintegration is what is required in public medical work, and there is now an unrivalled opportunity for

achieving this end. At any rate it is clear that in the provision of the sanatorium benefit, in the extraction of grants in aid from reluctant Borough or County Councils, in an educational health campaign, and in general Public Health work, it is from co-operation rather than barren criticism that most is to be hoped. Only those who are intimately acquainted with the psychology of local authorities can appreciate how easy it is for un-co-ordinated public bodies to get at loggerheads. The writer can recall several instances within his own knowledge where both efficiency and economy have been sacrificed because one or other of two public bodies that ought to have co-operated had too acute a sense of its own importance. Once this attitude is assumed fruitless disputes are often continued for years and much official energy is wasted in furnishing reports and counter-reports on the matters in question. This cannot take place to anything like the same extent between two committees of the same council, and it is therefore most desirable that the new Health Committee should be constituted on the lines of Education Committees, due provision being made for the co-option of representatives of the insured and of the medical profession. Not only will this be more likely to secure sympathetic treatment from the County and Borough Councils but it will also prove economical, as the existing clerical, financial and medical staff can readily be utilised. Furthermore, it is generally agreed that the larger councils do not specially need stimulation. In the counties it is the small urban and rural councils that require to be watched, and this could be done quite effectually if the Health Committee of the County and County Borough Councils were strengthened by the addition of representatives of the insured and of the medical profession. What is too often lacking on existing Public Health Committees is a keen personal interest in Public Health and an intelligent appreciation of the methods and aims of preventive medicine. This would be amply supplied by the co-opted representatives. Further safeguards are supplied by the friendly societies, which are empowered to demand enquiries if there is any excessive sickness. As any four householders also have the right of appeal to the Local Government Board if housing conditions are not satisfactory, it is clear that even if the representations of the insured are in a minority on the suggested Statutory Committee they will possess ample means of making themselves

felt. The suggestion that an independent Health Committee should extract grants in aid from the local exchequer or, in effect, levy a rate, is absolutely contrary to the first principles of representative government, and it is unlikely that any County or Borough Council will voluntarily render any financial assistance. This is a matter of great moment, as the cost of medical attendance on the insured will undoubtedly exceed the actuarial estimate, and this excess will be accentuated when medical and sanatorium benefit are extended to the dependants of the insured, as they must be if the Bill is to be an effective preventive measure. The best way to deplete the ranks of the deposit contributors is to make efficient arrangements for the medical care of children and so prevent as many as possible from becoming "bad lives." This may not, in any case, be immediately expedient, but it will never be financially possible unless the obviously preventive share of the work is made a charge upon the rates, and the body that spends the rates must represent the ratepayers.

This leads us to the consideration of the "*Sanatorium benefit*." Medical officers of health cannot but welcome the promised provision for sanatoria and the setting aside of an annual sum for their upkeep. Two points should be noticed: Firstly, Section 47 refers to the "*provision*," not the "*erection*," of sanatoria. The responsible authority need not, therefore, spend its substance on bricks and mortar, but may make use of existing institutions, or meet local needs in any other suitable way. Section 47 would also allow of the establishment of clinics or other suitable institutions for diagnosis and treatment. Secondly, subject to the approval of the Treasury and Local Government Board, a similar line of action can be taken in reference to any other disease. We have, therefore, the foundation for a properly developed system for specialized treatment, of which advantage may be taken in accordance with local needs.

It is unnecessary to dilate on the usefulness of both sanatoria and clinics for phthisis, which is such a good example of those diseases in which treatment and prevention are inseparably associated. Most of us, too, would agree that it is as a means of prevention that institutions are most valuable. This being so, there is much to be said for making the "*Sanatorium benefit*" a joint charge on the Treasury and the local authority which is obviously responsible for the prevention of

disease. If this were done in respect to deposit contributors and members of approved societies which relegated their medical benefit to the Statutory Committee, several good purposes would be served. The deposit contributors would get special treatment which they are specially likely to need; the friendly societies would have an incentive for relaxing their hold on the medical benefit; the insurance fund would be spared and local authorities made responsible for the cost of a disease the prevalence of which is a fair index of sanitary well-being. This would serve as an automatic check on their activity. Several boroughs in England and Wales have already recognised their responsibility and have carried out the powers given them to treat phthisis under the Public Health Acts; while in Scotland the position is even stronger, as in that country the treatment of phthisis is a statutory obligation of the sanitary authorities. In any case the authority which provides the sanatorium must regulate the admission of patients and decide what class of patients can most usefully be treated therein. Unless the Health Committee becomes a Statutory Committee of the County or Borough Council, Section 15 (3) should be amended accordingly.

*The Medical Officer of Health* is placed by the Bill in a situation of some difficulty. He "*may*" attend the meetings of the Health Committee "*if requested*." This should be made obligatory if his services are to be effectual. At present local authorities are inclined to resent their inability to edit the reports which their medical officer is required to prepare for the Local Government Board and for the Board of Education. Few County or Borough Councils would allow their medical officer *voluntarily* to assist another local authority which was called into being for the express purpose of criticising the body which appoints and in many cases can dismiss him.

Section 14 (3) which allows approved societies to relegate their medical work to the local Committee should be made obligatory. There are many advantages in unifying the medical service and in separating it from the organization which controls the sick fund. The financial interests of the friendly societies could be protected by making it obligatory for the local Committee to adopt such precautions to control malingering as the Insurance Commissioners may approve.

Section 16 gives the friendly societies and local Health Committee power to administer

maternity benefits. For the more dependent beneficiaries this will at any rate include payment of midwife's fee and the services of a doctor in case of emergency. For the more affluent some variation in this benefit will probably be found desirable. In any case we have a solution of the difficulties that have arisen in consequence of the absence of any provision in the Midwives Act for payment of medical men summoned in emergencies.

Here again the administration of the benefit should be uniform and in all cases intrusted to the Authority which is responsible for the supervision of registered midwives.

For certain classes this Bill might well be made more elastic, especially in respect to clerks, domestic servants and deposit contributors. *Clerks* and many other salaried persons in good employ receive full pay during any ordinary acute illness. Every encouragement should be given to employers' clubs. Section 19 (1) (b) might be amended by the addition of the words "if the employer is responsible for sick pay during the first thirteen weeks of illness, the Insurance Commissioners may approve of a scheme whereby the contributions of the insured person and of the State are devoted to insurance against disablement, the provision of medical attendance on an agreed scale of fees and the provision of any of the additional benefits mentioned in the Fourth Schedule Part II (1) (4) (5) (7)." This would satisfy both clerks and employers while the payment of the medical attendant for work done is quite practicable in the case of clerks on a modified deposit system.

*Domestic Servants* gain little advantage from the scheme if they are in tolerable health and working under considerate employers. They, also, might have their total contributions credited to an approved society which granted increased disablement benefit, or the additional benefit (pension) mentioned in the 4th Schedule Part II (7) in lieu of sickness benefit during the first thirteen weeks of illness. Employers would willingly pay 3d. a week to secure an earlier or increased pension for a domestic servant.

*Deposit Contributors.*—Both the size and quality of this class are uncertain. In as far as it embraces the rejected lives, there is a general feeling that the members should receive generous treatment. At the same time, it would be unwise to endow the unfit at the cost of a section of the fit. Anything that is done for this class, beyond what is actuarially

justifiable, should be a charge on the community or on the employer if damaged health is the result of an occupation disease. The sanatorium benefit will naturally assist this class very materially. It would also be fair to make their medical attendance a charge on the local rates if the insured ran out of benefit through sickness. The Public Health Authority could afford this, as the rates would eventually be drawn upon in many instances.

It is also desirable that the Insurance Commissioners should have power to approve a society which accepts doubtful or invalid lives, notwithstanding that it does not guarantee the minimum benefits mentioned in the Fourth Schedule, and that the benefits are on the friendly deposit system. At present some of these societies accept "doubtful lives" and it may not be found impossible to adopt some classification that would, in part, substitute insurances for the simple Post Office savings bank system.

Assistance might also be afforded by making Section 59 (4) (a) (b) apply to Great Britain as well as to Ireland. Under this section the Health Committee may formulate a county scheme with modified benefits. In respect to women and invalids it is desirable that all parts of the country should have this privilege subject to the approval of the Commissioners. There need not be any competition with ordinary friendly societies, as they do not cater for risks of this sort.

Numerous other amendments suggest themselves, but space will not allow of their discussion.

*Voluntary Contributors.*—The difficulty as to income limit would be met by placing this class on the deposit system and arranging for medical attendance on an agreed minimum scale, which could be supplemented by the contributor if his medical man considered the remuneration insufficient.

*Disablement Certificates* should be on a special form and renewable quarterly. There are advantages in defining disablement. All claims for chronic illness should be subject to revision. The friendly societies are already suffering from a considerable rise in their permanent invalidity claims.

Section 27, which deals with membership of several clubs, should be strengthened by the addition of words requiring every claimant for sick pay to declare the total sick pay and wages that he is receiving from friendly societies, insurance corporations and employer.

Section 17 should be amended so as to allow Health Committees to pay for nurses. Several Public Health Authorities already have this power and find the provision of home nursing is economical of institutional treatment and otherwise useful.

*The Provision of Drugs* should include surgical appliances and dressings. Drugs and dressings should be "such as may reasonably be required." Some limitation is necessary to guard the funds against needlessly costly apparatus and drugs being requisitioned by youthful practitioners. The advisory committee could settle the point.

*Definition of Dependants.*—This should include illegitimate and adopted children, and the "wife" should not necessarily have to produce her marriage lines.

*Sick Visitors.*—Sect. 13 (2) (c). The visiting of women should be by women or by a registered Medical Practitioner.

I have refrained from discussing the details of the necessary medical organization because my views have already been expressed elsewhere. The problem of the method and amount of payment has also been omitted because these questions are receiving very full attention in other quarters. No system will be worth having which tends to stereotype the existing type of club practice, which fails to correlate the medical service of the insured with the existing Public Health and educational services, or which denies equitable payment for public work. Once these problems have been solved we can look forward with confidence to the good results that will ensue from a united Public Health Service, in which some members will be mainly concerned with the problems of environment, some with those of school life, others with those of personal hygiene, the lack of which, in its widest sense, is the greatest factor in causation of disease.

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**SUGGESTED MUNICIPAL CRÈCHE.**—At a recent meeting of the Blackpool Health Committee, Councillor Dr. A. Iredale suggested that a municipal crèche should be established at a convenient spot near the sands, where mothers might leave their children, at a small charge, so that they might be safely looked after by a nurse, fed, and amused, while their elders went inland for a meal or might be otherwise occupied. Such a crèche, he pointed out, would be a useful place to which to take lost children, instead of having them carried off to the Police Station.

## MEDICAL BENEFIT.

### SOME NOTES ON FOREIGN EXPERIENCE.

By I. G. GIBBON.

FOREIGN experience cannot be crudely applied to the circumstances of this country. It is an essential difference of animal intelligence and human reason that whereas the tendency in the former is to apply the experience in one set of circumstances in its totality to another set, in the latter, in so far as it is operative, experience is analysed and only applied to a new setting to the degree and in the manner that it is applicable. Human thought in social matters is largely only on the plane of animal intelligence. Conclusions are reached without proper analysis, without a proper attempt to arrive at the underlying principles and at a circumspect fitting of these to the special conditions of the particular circumstances. At the same time, it is clearly most desirable that a scientific analysis and synthesis of foreign experience should be made. Thus, and thus alone, can the fruits of foreign experience be gained for our use, and these fruits are well worth the harvesting.

I propose in this article briefly to set out the more important facts respecting medical insurance benefit in Germany and Denmark. It is these two countries which have yielded the richest experience. And they are the more instructive because their social structures differ in many essential respects, and because their schemes of insurance have been built on radically different plans.

Germany, it need scarcely be repeated, possesses compulsory schemes of insurance against sickness and invalidity (or disablement) and old age. In Denmark, insurance is voluntary: the State renders liberal assistance and guidance in the case of insurance against sickness; State assistance to insurance against invalidity is under consideration; a system of old age pensions, somewhat similar to that of this country, has long been in force.

I have elsewhere set out the broad facts respecting insurance in Germany and in Denmark, (\*) and I will only repeat here that in Germany in 1909 out of a population of some 63,900,000 persons, roughly:—

13,400,000 persons were insured against sickness, and

15,400,000 against invalidity and old age.

Insurance against sickness will be largely

\* See the "Economic Journal" for June, 1911.