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The Place of Sickness Insurance in the National Health System

by

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In accordance with the request in the Resolution on general problems of social insurance adopted by the Seventh Session of the International Labour Conference in 1925, the Governing Body of the International Labour Office has placed the question of sickness insurance on the agenda of the Tenth Session (1927), and proposes to submit the question of invalidity, old-age, and widows' insurance to an early Session of the Conference.

On this occasion it has seemed desirable to publish in the Review *the following article by Professor G. Loriga, a well-known authority on the subject, on the place of sickness insurance in the national health system — a most interesting question, which cannot fail to attract the attention of the Conference.*

THE International Labour Conference has already several times considered questions of social insurance, especially insurance against accidents. But, as noted in one of the publications of the Office[1], the Draft Conventions, Recommendations and Resolutions adopted before 1925 " approached insurance only as part of some more general problem, or dealt only with some secondary aspect of compensation for industrial accidents. "

In 1925, on the other hand, the Conference, in a new discussoni on accident insurance, considered mainly the elements essentially involved in a system of workmen's compensation for accidents, from the field of application (or occupational categories to be admitted to the benefits of the system or excluded from it), and the benefits (minimum scale of compensation, form of payment, supplementary compensation, benefits in kind), to the methods

[1] *The International Labour Organisation and Social Insurance*, p. 9, Geneva, 1925.

of controlling the nature and the degree of incapacity, methods of review of compensation granted, and means of ensuring payment of compensation and deciding disputes.

In the same Session the Conference adopted the principle that occupational diseases should be treated on the same footing as industrial accidents; while the Washington Session (1919) had adopted a Convention dealing with the protection of women workers before and after childbirth.

Since a common feature of all these problems is that they are concerned with obviating the consequences of happenings in the life of the worker which may cause him not only economic but also physical injury, it would seem at first sight that sickness insurance should not give rise to discussions of principle or of tendencies. Differences of opinion might be expected only over secondary points, such as the regulations contained in all insurance laws for the application of the law, which are practically the same as those discussed in connection with accident insurance, with the possible addition of some other questions relating to the risks to be covered and the guarantees to be demanded (technical organisation of insurance institutions, amount and distribution of contributions, methods of management, etc.).

In the present writer's opinion, on the contrary, while sickness insurance introduces no new objective in the field of social insurance, yet one aim stands out so far above all others that it may well make the technical organisation of sickness insurance tend to develop in a quite different direction from that of accident insurance.

The essential aims of insurance are three in number :

(*a*) to remedy the physical injury (therapeutics);

(*b*) to remedy the economic injury (compensation);

(*c*) to prevent the physical injury by eliminating its causes or at least reducing their effects (hygiene).

The importance of the third of these varies widely in the different branches of insurance; in the present writer's opinion it takes the primary place in sickness insurance, more definitely so than in any of the other branches. The following pages will be devoted to explanation of the reasons for this belief, and of the possible consequences of its acceptance on some of the points to be dealt with by a Draft Convention on sickness insurance.

In all countries the question of insurance benefits has been the subject of full discussions and has always given rise to the greatest differences of opinion during the period of preparation of the laws.

The financial difficulties met by every attempt to widen the field and the number of benefits explain the fact already noted by Manes[1], in examining the legislation of various countries, that this crucial problem of social insurance has not had the attention which its importance deserves, and in most countries the system of benefits is still governed by the earliest laws on the subject. And yet the problem of benefits is the pivot of every law, and even of every private contract, in every branch of insurance, since its value, whether intrinsic and moral, or real and effective, depends on the nature, duration, magnitude and extension of the benefits it confers on the insured.

Manes also rightly remarks that the laws of most countries give the preference to benefits in money rather than in kind. But all students of social insurance are now unanimous in holding that benefits in kind are much the more important and efficacious. This opinion is amply confirmed by the practice commonly followed by insurance institutions, which have been much more generous than the laws in granting medical aid and promoting hygiene.

It is in any case not difficult to grasp the correctness of this idea and its value for the community. The object of benefits in kind is to preserve the existing state of health of the insured person or to restore him to his former working capacity. Hence they constitute the fundamental reason for every measure of insurance, since good health is not only life's most precious belonging but is also the prime source of the labour supply. If it is considered that both for the worker and for the community the economic injury is always dependent on the gravity and duration of the physical incapacity, it will at once be recognised that when the incapacity for work occurs at long intervals or is of brief duration, the worker can remedy the loss of earnings more or less quickly by some sacrifice by either himself or his family, or by means of resources of some other kind, and that the effects for the community may be negligible. The principle of the waiting period adopted in almost all laws for the payment of money benefits is based on this idea.

Injuries and still more sicknesses, on the other hand, not properly treated or not completely cured leave perceptible traces in the organism which always reduce the individual's working capacity, keeping him for a longer or shorter period in a state of weakness,

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[1] *International Labour Review*, Vol. XI, No. 5, May, 1925, pp. 611-635 : " Social Insurance Benefits ", by Prof. Alfred MANES.

or preparing the way for a further attack, and hasten the oncome of permanent invalidity. If account is taken of the effect on the worker's state of mind and productive capacity of all real physical suffering and all anxiety as to his state of health, it will easily be understood that the economic injury resulting from the bad state of his health, or merely from its variable or uncertain condition, is far beyond the sum paid him by the insurance institution, and has further effects on the whole economy of labour and of the community. Individual and general interests therefore require that the restoration of working capacity should be placed in the foreground of the question of compensation.

The workers have for some time called attention to the importance of this question. While some of their collective expressions of opinion may have supported the belief that they are more anxious to satisfy economic needs than to safeguard their health they do in fact show due zeal on behalf of the latter when they can judge the importance of their needs without being influenced by political motives. This is shown by the fact that while twenty years or so ago a large number of voluntary mutual benefit societies gave their members only money benefit for sickness or accident, now on the contrary benefits in kind are much more frequent, and some societies have abolished money payments altogether. In Switzerland the sickness funds that provide only medical treatment, drugs, etc. and give no money benefits have seen their membership grow in recent years, while those which give only money benefits have had to record a reduction in their membership[1].

Moreover, in the most advanced industrial countries, the contracts of employment, which at first regulated only the economic relations between employers and workers, now almost always contain provisions for the supply of medical aid and for measures of hygiene, on the request of the workers.

But the lessons to be learnt from the policy of all social insurance institutions are even more significant and instructive. It is in fact extremely easy to establish the fact that the benefits in kind granted by them are much more liberal than those prescribed by the law, and that they are daily becoming more generous still. There has been rapid advance from the granting of medical treatment and drugs in the patient's home to hospital treatment, from treatment by the general practitioner to that by the specialist, from the supply of drugs to that of treatment more expensive

[1] Cf. *Industrial and Labour Information*, 5 Oct. 1923, p. 40.

and calling for a special organisation, such as cures in sanatoria and climatic or hydrotherapeutic establishments, electrotherapy or radiotherapy, massage, kinesitherapy, supply of prosthetic or orthopaedic appliances, etc.

In Italy, for instance, the only benefit in kind imposed by the law on industrial accidents is the provision of first aid to the injured. The National Accident Insurance Fund, on the contrary, has instituted an extremely liberal series of benefits for its members, covering all kinds of therapeutic treatment, by the creation of numerous first-aid posts and dispensaries, admission to hospitals and to mechanico-physical treatment, supply of prosthetic appliances for use when at work, and lastly, functional and vocational re-education. In this way it safeguards its economic interests, since the rapid and complete restoration of the physical energies of the worker, and of functions which would otherwise be out of action or at least weakened, shortens the period of incapacity for work and avoids relapses and many new accidents.

The life insurance companies are also now acting on the same principle, although they have no legal or moral duty of this kind, their statutory position being exclusively economic. Everyone has heard of the examples offered by the three largest American companies, the Metropolitan, the Prudential, and the New York, and by some English companies of the same type, which make their clients undergo a periodical medical examination, advise them on their health, provide moral and material aid of various kinds to cure any diseases or weakness they may be suffering from, and provide trained nurses who visit their families, and carry on active health propaganda in the homes. This enables many individuals to have an early diagnosis of disease and to cure it in good time, and also ensures effective protection of mothers and children. The results are most remarkable, for the companies in question have succeeded in lowering the death rate among the insured far below that for the remainder of the population, and so in more than recouping their expenditure on medical aid and the diffusion of information about health.

Many other examples could be cited of the ever-growing tendency of special welfare and insurance institutions of every kind to take the initiative in making the provision of remedial and preventive aid take precedence over their purely economic function. Enough has however perhaps been said to justify the conclusion that in any new laws on sickness insurance this principle should be clearly and explicitly sanctioned.

The present writer is in agreement with many students of the subject in holding that the separation made by the various laws between accident, sickness, and invalidity insurance is not in accordance either with theoretical considerations or with practical requirements; nor does it seem necessary to keep the various insurance institutions distinct from one another. The two risks — accident and sickness — which from the legal point of view seem the farthest apart must be considered from the point of view of health as morbid events or facts which produce a temporary or permanent incapacity for work, and which must be prevented, or removed, or remedied. Nor is there any difference, at least in general lines, between benefits in kind whether their object is the remedying of accident or of sickness; they can vary only in details. Even the non-expert cannot be in any doubt that benefits in the shape of medical aid and the help of a nurse, in a dispensary or at home, the supply of drugs, treatment in hospitals, sanatoria, convalescent homes, etc., and hydropathic or climatic cures, are common to both sickness and accident. But other therapeutic measures, which seem at first sight intended solely for the cure of accidents, frequently serve to cure sicknesses, since the difference between the two is in the cause, not in the clinical form of the affection. Thus physico-mechanical treatment and functional re-education of the organs are just as necessary for the cure of paralysis and of the contractions due to wounds as for those due to diseases of the central or peripheral nervous system, and orthopaedic and prosthetic appliances are used in cases of deformity or mutilation of the limbs or face resulting from accidents as for those due to tuberculosis of the bones or joints, lupus of the face, leprosy, cancer, etc.

At the same time, if we consider the treatment, etc. provided for sick persons and that given to the victims of accidents, an essential difference emerges. In the latter case the object is almost exclusively the cure of the lesion or the restoration of the working capacity of the insured person; there can be only an indirect and remote influence on the prevention of other accidents. Hence the therapeutic measures are almost always an end in themselves; their effects are exhausted in the individual. For sickness, on the contrary, there are two aims, therapeutic on the one hand, preventive and hygienic on the other; the latter acts for the benefit both of the individual, preserving him from the danger of the disease recurring or becoming chronic, and of the community and the race, as it prevents the spread of the sickness among the living and the decadence of future generations. The

social utility is superior, or at least equal, to the individual gain.

The difference between accident and sickness in the field over which their effects are felt is a consequence of the difference between their natures. Accident is a personal affection, not transmissible either to neighbours or to offspring. Further, the organic lesions produced by it almost always affect circumscribed parts of the organism not essential to life (organs of movement), and, especially when stabilised, they remain confined to these parts, do not increase in size or spread to other organs or disturb their functions; hence they are compatible with a good general state of health and even with a feeling of well-being. Many men seriously wounded in industry or war, although needing continual help to carry out the elementary acts of life (taking food, movement, etc.), find their condition fairly tolerable since they live without real suffering and are not subject to relapses.

It is only in a few cases in which the accident arouses latent disease, or causes lesions of important internal organs (heart, kidneys, lungs, central nervous system), that the consequences (subjective or objective) of accident are similar to those of sickness.

Sickness, on the contrary, almost always affects not only organs and functions that are vital for the organism, but also the whole economy of the body. It is also often capable of spreading to other individuals, and also of being transmitted by direct heredity, in the form of constitutional weakness, predisposition to disease, etc. In many cases, too, sickness does not end in absolute and complete cure. Oftener than is thought the cure is only apparent and temporary; the struggle between the morbid cause and the organism is prolonged with periods of remission and climax. In many cases it leaves a state of physiological disequilibrium, reflected in a state of general debility or weakness of some organ, or of continued indisposition, which reduces more or less the working capacity, or forces the individual to interrupt his work frequently for longer or shorter periods.

The consequences of all these events pass beyond the individual and react on the community as a whole. Every relapse, every recurrence of the disease, and acute periods in the state of debility of some organ or organic system, mean a renewal of requests for relief to the insuring institution. Hence the true interest of these institutions demands not only that the treatment of the sickness be applied in good time and completely, i.e. to the point of complete clinical and functional cure, but also that the sick person continue

to receive assistance so long as this can help to avert or delay further interruptions of his working capacity, or in other words until it has had its most complete prophylactic effect.

This is precisely the line of conduct that experience has dictated to the insurance institutions, obliging them to combine the provision of medical aid and drugs at the patient's home (ordinarily the only form of aid prescribed by the law) with hospital treatment, the services of the visiting nurse, specialised treatments, visits to convalescent homes and sanatoria, etc. An example of the value of this policy is that it has been found that a tuberculous patient, after six months in a sanatorium, can work for two years, while when treated by ordinary therapeutic methods he needs almost continual assistance.

In infectious and contagious diseases (which represent some 90 per cent. of all cases of sickness) the prophylactic effects of treatment are still more obvious, since there is no more effective way of stopping the spread of the disease than by rapid isolation and treatment of the patient. It is especially from this point of view that hospital treatment acquires considerable importance. More often, however, it is the specific nature of the drug used which acts as a prophylactic. Many examples can in fact be cited of infectious diseases which owe their rapid diminution to the discovery or widespread application of efficacious therapeutic media.

In Italy malaria used to account for an average of 15,000 deaths a year down to 1900, in which year a law ordered the free supply of quinine to all agricultural and other workers employed in the malarial zones. From then onwards there was a progressive fall in the number of deaths; in 1923 it was only 3,303. The annual average number of deaths from diphtheria was 12,000 down to 1899, the date of the introduction of the specific serum in the treatment of the disease; after that year the number of deaths fell steadily and in 1923 it was only 2,749. Similarly in all the European States there has been a notable reduction of syphilis since the introduction of salvarsan in the treatment of this disease[1]. Suitable treatment applied in good time has therefore a much higher value in all cases of sickness than it has in cases of accident, since its effects go beyond the benefit to the individual and react favourably on the

[1] In 1920 the Belgian Government decided that arsenical preparations and medical treatment should be provided free for all sufferers from syphilis. The frequency of new infections as a percentage of all cases of syphilis fell from 25 per cent. in 1920 to 12 per cent. in 1923; in Brussels it fell from 23 to 9 per cent., in Antwerp from 34 to 16 per cent., and in Liège from 34 to 12 per cent. in 1924.

insurance institution and the community, thanks precisely to the prophylactic work it almost always accomplishes, as a natural consequence of its function.

But the question of treatment for sickness has also other aspects which must be given serious consideration in a system of social insurance : i.e. a system intended to cover the greater part of the population. Therapeutic measures in cases of sickness are closely bound up with research into the causes and origins of sicknesses, and the ways they are transmitted. This knowledge is not always necessary for accidents, especially those due to wounds, but is indispensable in a very large number of sicknesses. In the latter, in fact, besides active and direct treatment of the disease, the patient has to be withdrawn from those conditions of surroundings, food, work, etc., which have helped to produce the sickness, and which might still paralyse or impede the defensive action of the organism, or make other individuals ill. In sickness, therefore, therapeutic and hygienic measures must supplement each other in every case.

Further, we have already seen that while the results of accidents tend to become stabilised, i.e. are hardly ever liable to become worse, sickness frequently leaves behind more or less perceptible traces, which as a rule make themselves manifest in a state of functional weakness of some essential organ. The frequency of these consequences is shown by the medical examinations of the industrial population made on various occasions. There are extant many reports by factory doctors who on their periodical examinations of the workers in the undertakings have found that a proportion of them, varying from 30 to 60 per cent., are in need of medical treatment. Similarly, from the examination of English workmen during the recruiting period, it was found that only 46 per cent. of them were in good health, and fit for military service. It is precisely these human elements, enfeebled or damaged by previous sickness, which make the most frequent contribution to the list of acute cases involving an interruption of work; these cases can be largely avoided by advice with regard to health and minor treatment given in good time, with a view to placing their organism in the most favourable conditions for permanent cure or for acquiring increased powers of resistance to the disease. This form of aid may be called *preventive*, since remedial measures have marked prophylactic importance. And this explains why preventive aid applied to individuals who are not yet incapacitated for work, but whose health is threatened by some organic weakness, has been adopted spontaneously, not only by sickness insurance institutions,

but also by life insurance companies, which recognise its great utility.

Lastly, the intimate connection between sickness insurance and invalidity insurance must always be borne in mind. The latter is the necessary complement of the former, because it provides for the remedying of permanent or too prolonged injuries caused by sickness. The financial burden it imposes therefore depends very largely on the energy and success of the therapeutic and prophylactic work done on behalf of sickness insurance.

It may be added that in countries with the three kinds of insurance (accident, invalidity, and sickness) the sickness insurance institutions are made responsible for the treatment of the victims of accidents; and it will be seen at the conclusion of the article that sickness insurance, in virtue of its therapeutic and hygienic measures, is the foundation stone of the whole system of social insurance. It has acquired and maintains this pride of place thanks to the greater importance to be attached to remedying the physical rather than the economic injury, and to the valuable prophylactic results of this policy.

Legislation, in its turn, which hardly ever precedes the work of the insurance institutions, but gives its sanction to their experience, has, from the outset, definitely taken its stand on this particular point. Although, as already pointed out, the laws say very little about benefits, and especially benefits in kind, yet it is easy to note that there are still some few States that give persons compulsorily insured against accidents the right to money benefit and not to treatment, and no State extends the benefit of treatment to the family of the insured. There is, on the contrary, no single law on compulsory sickness insurance which does not grant medical treatment and drugs to the insured; in many cases these are also granted to his family. The Danish Act of 1915-1921 provides that *voluntary* mutual sickness funds must provide medical treatment and drugs as a condition of legal recognition, receipt of the state subsidy, and affiliation to the Invalidity Insurance Fund.

In sickness insurance, again, the right to medical treatment and drugs is not subject to any restriction depending on minimum period of membership of the fund; benefit begins from the first day of the sickness and is total, i.e. it includes at least the indispensable elements of the necessary treatment. Money benefits, on the contrary, are subject to a waiting period, and only partially make good the economic loss. Lastly, benefits in kind are for all insured per-

sons alike; money benefits are not, as they are dependent on the magnitude of the insured person's wages.

Such explicit recognition as this by the laws of all States shows better than any other evidence the importance of therapeutic measures in sickness insurance. But even without taking any of these arguments into account, there are two considerations of great value which lead to the same conclusion. The first is that therapeutic aid for sickness includes also the treatment of all non-occupational accidents, i.e. accidents not caused on the occasion of work. The second is the enormously greater number of cases of sickness than of accident. In Italy, for instance, in 1917 the deaths due to accidents were in the proportion of 0.19 per thousand insured workers, while the total death rate of the population, and therefore presumably also of the workers in question, was 19.20 per thousand, or a hundred times as great. If, as is *a priori* to be supposed, the morbidity rates are in the same proportion as the death rates, then in a single group of the population the sick persons to be treated are 99 times as numerous as the victims of accidents. It is obvious from this that the two call for different types of organisation, and that the need for treatment is vastly greater for sickness than for accidents.

In the States in which compulsory sickness insurance has been in operation for some time, and still more in those which have invalidity insurance, the insurance institutions have passed rapidly from the recognition of the prophylactic importance of a liberal system of therapeutic measures of all kinds to that of the utility of measures of hygiene independent of the treatment, or, in other words, that form of benefit which is called *preventive aid*. This new tendency has developed parallel to the extension of the field of application of insurance.

The necessity of preventing sickness by combating its causes, not only in the individual but also in his surroundings both in the factory and at home, was little heeded when the compulsion to insure was limited to some categories of wage-earners in industry. But it became imperious when insurance was extended to all industries and to other categories of workers (land workers, small employees, teachers, etc.), i.e. when workers' insurance became social insurance and included within its scope all economically weak sections of the population. Then the sickness funds discovered the economic advantage of starting or increasing propaganda on hygiene and of providing social assistance in the home; they built

hospitals and convalescent homes not only to provide better treatment for the insured, but also to isolate sufferers from infectious diseases, who might spread the disease to their families : they founded crêches and orphanages to guard the health of the children against the dangers of unhealthy houses or the absence of their mothers ; they contributed large subsidies to the struggle against some social diseases (tuberculosis, venereal disease, alcoholism, mental diseases) and gave their support to schemes for applying the principles of eugenics to promote the improvement of the race. That is to say, the necessity was felt both of improving and preserving the health of the present generation and also of creating better conditions for future generations. The invalidity insurance funds for their part, having much greater financial resources at their disposal, and in consideration of their aim of preventing more remote cases of disease, provided the funds for schemes on a larger scale for improving the hygienic conditions of the worker's surroundings (dwelling-houses, aqueducts, drainage schemes, etc.) with a view to eliminating the permanent causes of ill-health and of rendering permanent the benefits resulting from the immediate or more direct prophylactic measures taken by the sickness funds.

In this way the sickness and invalidity insurance institutions (but the former rather than the latter) were driven to carry the aid they provided back to the true source of the injury ; to fight social evils in their causes and in their consequences with a view to preserving the health and the working capacity of the insured so as to reap the best fruits of the heavy sacrifices imposed by the granting of this aid on the lines of the programme put forward by Kaufmann[1] (the distinguished authority who was for many years chairman of the German Federal Insurance Office). As pointed out elsewhere by the present writer[2] their policy is a direct and logical consequence of their characteristic of being *permanent* institutions, which was specially assigned to them because insurance was *compulsory*. Voluntary insurance is of short duration ; it does not generally include charges whose benefits are extensible to the family of the insured, since it is individual rather than social and its duties relative to the individual are kept strictly within the field of contingent compensation. Compulsory insurance, on the contrary, must not only provide its benefits for a limited group of persons or for a specified short period, but must provide for the

[1] *Cf.* MANES : *loc. cit.*, p. 630.

[2] " Igiene e Previdenza sociale ", in *Le Assicurazioni Sociali*, 1925, No. 1.

economic needs and the relief of the whole working population until its extinction, and of the others who will come along to take their place, almost *ad infinitum*.

Thus, compulsory insurance has regard to the future, to a great extent combining hygienic and curative measures, since the financial interest of its institutions demands that a large part of their activities be devoted to avoiding, so far as possible, recurrence of the disease, its becoming worse and resulting in permanent disability, or its transmission to the offspring of the insured person, by direct or indirect heredity, or to other individuals by infection. It is also indispensable to combat the causes, inherent in the ordinary surroundings or working conditions, giving rise to the disease, and to prevent disease from spreading unchecked among the masses of the insured population. Experience has proved that the application in good time of suitable prophylactic measures may actually result in diminishing the burden of both therapeutic and financial responsibility which the institutions will have to support in the more or less distant future, thus affording confirmation of the principle that hygienic measures preserve health and prolong life.

In this connection, it may be noted that the extension of therapeutic assistance to the members of an insured person's family and of hygienic measures to his home surroundings is not, as might be thought, advocated solely with the object of lightening the economic loss which the worker may suffer as a consequence of the illness of his wife and children, nor with a view to the social necessity for maintaining intact the efficiency of those members of his family who will themselves become the workers of tomorrow. It is largely a condition imposed by the technical requirements of the organisation of prophylaxis, since the family is the main factor of the surroundings in which the insured person lives. Those who have specialised in these matters know that it is hopeless to look for satisfactory and lasting results from preventive measures when these are applied only to a small group of individuals and not to the rest of the population of which they form a part, and when individual reclamation is not associated with the reform of physical and social surroundings. The study of pathology demonstrates the existence of a multiplicity of reactions both in the various diseases and in their morbid causes, and warns us that the latter have neither autonomous existence nor isolated domicile, but that, instead, the same pathogenic factor determines the preparation of a suitable soil for many forms of disease, and is co-existent with various other factors in the same surroundings. Similarly, just

as it is impossible efficaciously to guard an individual against disease without extending the same protection to the persons among whom he lives, and *vice versa*, so all prophylactic measures taken for the purpose of protecting him against any specified disease will also help to preserve him from other diseases as well as to protect those among whom he lives. Social existence gives rise to such close bonds between the various members of a community, and between the latter and its surroundings, that individual hygiene cannot be separated from public hygiene, nor the improvement of a part from that of the whole.

It would, therefore, be absurd, both from the scientific and from the technical points of view, to institute insurance against any one disease, since this would entail the establishment of all sorts of therapeutic and prophylactic measures, and even then many of the causes giving rise to the disease, and themselves arising from other diseases, would remain unaffected. In the same way, it would be illogical to extend therapeutic and prophylactic assistance to the head of the family without providing therapeutic and hygienic protection for the family as a whole.

Public health authorities (state, provincial, and communal) now recognise this as the only practical and efficacious method of procedure. The spirit inspiring it is that which has transformed the old forms of charitable assistance afforded by private persons or religious communities into the legal obligation, now accepted in all civilised countries, to combat and provide treatment for disease.

It has in fact been found that the campaign against disease is entirely without results to the community at large so long as the application of measures taken is restricted to individuals or to certain limited classes of people. Now that all countries are endeavouring to establish efficient measures for the care of public health, the legislator has approved standards for the prevention of disease to be applied to all citizens without distinction, and concedes the right to receive treatment at the expense of the state to all who are economically weak ; wealthy persons being excluded on the assumption that they are in a position to provide efficient treatment for themselves.

There is yet another aspect of the question which must not be overlooked. If we examine the reasons which have led States to grant financial assistance for the purpose of instituting sickness and invalidity insurance, it will readily be seen that there are two primary motives for this. The first lies in recognition of the fact

that the diseases principally affecting the workers are not invariably a direct consequence of the work done, but are very often the result of economic, legal, or political conditions arising from the social order, and determining the strength or weakness of individual resistance to the specific risk attaching to each class of work. These conditions influence not only the worker but also his family, i.e. his wife and children, who represent the strength of the race which it is the state's duty to protect.

In this way the community is enabled to repair that part of the injury which it either produces or at least does not succeed in avoiding. The second motive, however, is founded upon the conception, or at least the presupposition, that social insurance acts as a substitute for the state in respect of the hygienic and therapeutic functions which the state has to perform towards the great mass of insured persons, who in some countries constitute more than one-third of the entire population[1]. If insurance benefit were to be regarded solely as a means of covering industrial risks, it would be illogical, as stated elsewhere[2], to demand a financial contribution from the worker, seeing that the latter does not participate in the profits of the undertaking and hence should not be called upon to bear any part of the losses. It would be still more illogical to require a state contribution, which would simply be a gratuity at the expense of other citizens, having neither part nor lot in the competition between employers and workers.

Instead, the financial aid given by the state to social insurance seems wholly justified when the therapeutic and hygienic functions of the latter are fulfilled in such a way as to afford efficacious assistance in this respect (which would otherwise have to be provided for by the state) to the poorer classes, and thus to protect the health of the population as a whole.

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This is not the place in which to enter into details concerning the manner in which these duties should be carried out by the sickness insurance institution. It may, however, be mentioned that

[1] There are in Great Britain 15 million and in Germany more than 20 million persons insured against sickness.

[2] Cf. LORIGA : *Nuovi orizzonti della igiene e della previdenza sociale.* Rome, 1926.

in order to make possible the attainment of the hygienic purposes of insurance, it is requisite in the first place to extend therapeutic and hygienic assistance to the members of the insured person's family, more especially as regards the function of maternity, provision for which is now in all countries regarded as a necessary form of sickness benefit. In the second place, it is essential that hospital treatment be made available for the greatest possible number of sick persons, since treatment in an institution of this kind not only shortens the duration of the illness but avoids the risk of infection. In addition, any specialised treatment which may be considered desirable must be made available for insured persons and for the members of their families, since all forms of disease and the weakness of any one organ react upon the organism as a whole. But the greatest need of all is for the extension of preventive aid, more especially in the case of pregnant or nursing women, and of all weak or afflicted persons.

These are the prophylactic, direct, and immediate tasks to be dealt with by sickness insurance. But, in addition to the work which has to be accomplished in the field of hygiene as applied to the individual, long-continued prophylaxis must be kept in view; this, as already stated, really pertains to invalidity insurance, and consists essentially in the reform of physical surroundings and the application of eugenic principles for the protection of the race.

These two tasks are closely bound up with each other both in theory and in practice; and their parallel development is of the greatest scientific interest and financial utility. Hence it would seem opportune that in drafting the programme and explaining the scope of benefits in kind in connection with sickness insurance, account be taken of the hygienic functions which it will have in common with invalidity insurance, in order to avoid interference or overlapping.

Moreover, if, as we hope, the concept of the preponderant individual and social utility of benefits in kind rather than money benefit is accepted by the Conference, it would, in the present writer's opinion, be convenient to examine, as a logical corollary, the question of attaching to the sickness insurance institution a separate department for the organisation and application of hygienic and therapeutic aid, distinct from the administrative organisation of insurance, and of allowing it sufficient freedom in the exercise of these functions to ensure the fulfilment of its task in the most satisfactory manner.

The proposal is nota new one; it wasput forward in 1925 by the

Social Insurance Committee set up by the Australian Parliament[1]. Moreover, it had not only been suggested but also drafted in concrete form, at the end of 1919, by the Italian Government Commission entrusted with the preparation of a draft scheme of sickness insurance. In the present writer's opinion it merits further serious examination, since it is better qualified than any existing form of medical service to deal with hygienic, as distinct from therapeutic, insurance problems.

Conclusions

The object of benefits in kind as applied to accident insurance differs considerably from that which they have in relation to sickness and invalidity insurance. In the former case, the principal task to be fulfilled is one of preservation and reconstruction, which ceases with the individual; in the latter, the therapeutic function is associated with that of prophylaxis, present or future, and provision is made for prevention of the spread of disease, for improvement of the health of the present generation, and for the creation of more favourable conditions of existence for those to come. Thus, not only the individual but society as a whole benefits by it.

In view of this diversity of function, it might almost be said that accident insurance is an institution established principally for the purpose of affording assistance; the other forms of insurance are in the nature of social welfare institutions and as such form the most valuable auxiliaries of the state policy in relation to public health. In the author's opinion, in view of this difference in the aim of sickness insurance (the scope of which is not alone the restoration of the health of insured persons but also the preservation of their physical well-being and that of the whole community), the organisation of the medical service should be regarded as a matter of much greater importance, and should be rendered entirely independent of the administrative service. Moreover, it is felt that the following conditions are requisite for the efficient functioning of the medical service, both from the therapeutic and from the hygienic points of view:

(*a*) That assistance be made available for the greatest possible number of insured persons, both manual and intellectual workers, and for all the members of their families, living with or supported by them.

[1] Cf. Manes: *Le Assicurazioni Sociali*, 1926, No. 6.

(*b*) That limits of benefit laid down for the purpose of repairing physical injury and for prophylactic assistance be made as broad as possible.

(*c*) That the needs of pregnant women, mothers, and children of all ages receive special consideration.

In the present writer's opinion, sickness insurance established on these lines may become a really efficient adjunct to the social assistance of the economically weak, which is its ultimate object; and may also contribute to a remarkable extent to the improvement of public health.