

greatest possible extent and at the earliest possible time that place in the productive stream of society which they are potentially capable of assuming."^o

Medical rehabilitation generally is considered a part of medical treatment. For an employee to be entitled to vocational rehabilitation benefits, the law, as a general rule, must contain specific provisions covering such benefits. State laws vary widely on the specific benefits allowed. Time and training are required for an injured man to become used to artificial limbs and to be restored to happy and useful citizenship. Most state laws do not specify how much money should be spent on equipment or on rehabilitation service.

Provisions in compensation laws for physical rehabilitation of occupationally injured persons have increased rapidly. Twenty-seven states, Puerto Rico, Washington, D.C., the Federal Employees' Compensation Act, and the Federal Longshoremen's and Harbor Workers' Compensation Act, in addition to accepting provisions of the Federal Vocational Rehabilitation Act, have made specific provisions by law for the establishment of funds for the rehabilitation of industrially disabled persons, or have provided maintenance allowances for such persons while they are in training, or have made other provisions for rehabilitation.

The Federal Government reimburses the states for 50 per cent of the monies spent by them for rehabilitation purposes. In the case of civil service workers, maritime employees, and civil defense workers, the Federal Act provides for complete reimbursement to the states for amounts expended.

The Canadian provinces of Alberta, British Columbia, Manitoba, New Brunswick, Newfoundland, Nova Scotia, Ontario, Prince Edward Island, Quebec, and Saskatchewan have made similar provisions.

Under these laws, rehabilitation centers are set up for totally disabled workers. Here they are taught new trades or new skills and knowledge so that they can return to society as job holders and not as burdens. Rehabilitation prevents persons from being cast aside and pensioned off, or being paid total permanent disability awards, or becoming subjects of charity. Often, rehabilitated workers earn more from their new trades than they did previously.

Systems for Rating

In the early days of workmen's compensation insurance, the need for a central organization to collect nationwide statistics and to develop standard rate-making methods and manual classifications became apparent. Such an organization could operate as a clearinghouse for future exchange of views among the states. This was the genesis of the National Council on Compensation Insurance.

The manual rates determined by this organization are generally used as a basis for compensation rates charged by all casualty insurance companies. States with independent bureaus often cooperate with the NCCI in making their rates.

The general objectives of the council are to make rates for workmen's compensation insurance, to collect and tabulate injury, compensation, and medical cost statistics, to develop rating plans or systems which not only measure the hazard of each risk, but also contribute as much as possible to accident prevention, and to administer such rates and systems in the interest of everyone involved. The experience statistics form a basis for standard nationwide rate-making approved by the National Association of Insurance Commissioners.

All states provide for regulation by state authority, and public hearings are usually held before rates are revised. Rates are established on the basis of a charge per \$100 of payroll per job classification.

There are two general types of rating used in workmen's compensation insurance: *manual rating* and *merit rating*.

Manual rating

The manual classification system classifies occupations on the basis of certain selected characteristics and then assigns a manual rate to each classification. A manual rate is a rate for a specific type of industry or operation, designed to provide the premium necessary

^oQuotation used with permission, and discussion in several following paragraphs adapted in part from American College of Surgeons, "Essential Features of Workmen's Compensation Laws and Insurance Systems and Comments," *Medical Service in Industry and Workmen's Compensation Laws*, 1946, Chapter IX.