GROUP INSURANCE AGAINST MAJOR MEDICAL COSTS*

1. General


Excellent survey of the subject of medical care insurance in this country. Contains some description of several catastrophe insurance plans. A valuable review of studies on the cost and extent of illness is also included.


Contains the President’s proposal for a federal reinsurance program. Cost of long-term illness is among the reasons cited necessitating the adoption of such a plan.


This work, which is the Commission’s report to the President, surveys the entire field of health problems. Volume 4, pages 29-38, contains information on the cost of extended medical care.

2. The Cost of Major Medical Care


This study is the first national survey of its kind since the studies conducted by the Committee on the Costs of Medical Care from 1928 to 1932. Part II contains information on the extent of catastrophic illness in the United States. Part IV reports on the extent of personal debt owed for medical care.

* Items from this list should be ordered directly from the publisher. Addresses are given in connection with each reference.

Pioneer work in the field of medical costs. Contains information on the extent of major medical expenses, tabulated according to family income.


This study is based upon a survey of 455 families in the Bay Area. Costs of medical care are tabulated according to a variety of different characteristics of the group, including size of family and per capita income. Reports that 11.2 per cent of the families expended over $500 for medical care during the year.


The 1212 absences from work are arranged according to such factors as cost of medical care, wage loss, and the extent to which the provisions of employee benefit plans helped to meet these costs.

3. DESCRIPTIONS OF AND EXPERIENCE WITH EXTENDED COVERAGE PLANS


Outlines basic provisions of Blue Cross-Blue Shield plans. A number of these plans do provide for extended hospital and medical care. Extensions in medical coverage are, however, restricted to hospital cases. The scope of coverage for both plans is more limited than that supplied by private insurers.


Describes the operation of catastrophe insurance at the General Electric Company. General Electric's plans cover employees in all levels of employment.

Informative review of Liberty Mutual Insurance Company's experience with extended health coverage. Discusses reasons for inclusion of such features as deductibles and coinsurance. Data on company's loss experience is also included.


Very comprehensive survey of the basic features of group catastrophe insurance plans of fourteen companies. Benefit clauses of all plans were restricted by provisions for deductibles, coinsurance, and maximum benefits. A chart illustrating major features of selected plans is appended.


Describes recent plans for group coverage of catastrophic illness by such companies as Prudential, Metropolitan, Equitable, and Aetna. Nearly all plans contain deductible and coinsurance features. Cost of plans rendered them prohibitive for persons with an income under $5000.


Plans surveyed covered approximately 6 million workers and were limited to those under which employer paid at least part of cost. "Only a few (2 per cent) were covered by catastrophe insurance."


Description of the medical catastrophe plan at Sears Roebuck which attempts to meet the problem of coverage for lower income employees by incorporation of sliding deductible feature.


The author, who is consultant to the UAW-CIO Social Security Department, raises objections to current catastrophe health insurance plans because of their deductible, coinsurance, and cash indemnity provisions.

Thaler, Allan M. "Group major-medical expense insurance." *Society of Actuaries, Transactions* (208 S. La Salle St., Chicago 4), January, 1952. pp. 429-482. $3.50 paper, $15.00 cloth.

Describes in detail the Prudential major medical expense plan. Among the subjects discussed are: (1) the manner in which the plan was
constructed; (2) the plan's basic features; and (3) the company's experience with the operation of the plan. A discussion of the paper by several insurance men follows the article.


Contains testimony from insurance companies that offer group catastrophic insurance coverage and companies that have adopted such plans for employees. Descriptions of the major features of the plans are presented.


Major medical expense coverage undergoes careful examination in these hearings. Contains information on the extent of major medical expense coverage as of December, 1953. Catastrophic coverage of pre-paid comprehensive plans, such as Permanente and Ross-Loes, is described in detail. A table on pages 2000-2015 of Part 7 outlines the basic features of the major medical expense insurance plans of representative employers and insurers in the United States and Canada.


Describes the operation of two extended medical care programs based upon collective bargaining agreements. The first is the program of the Labor Health Institute of St. Louis, membership in which consists mainly of union locals whose collective bargaining agreements provide for health coverage through the Institute. The second, the medical care program of the United Mine Workers' Welfare and Retirement Fund, provides for unlimited hospital and medical care, mainly while in the hospital.


Lists insurance companies writing group major medical expense policies. Main provisions of policies of a number of these companies are reproduced.