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## CHAPTER IV

### FIXED PAYMENT MEDICAL SERVICE IN THE METAL MINING INDUSTRY OF THE ROCKY MOUNTAIN STATES

THE Census of Mines and Quarries, 1920, showed that this region accounted for approximately 10.2 per cent of the total value of products of the mining industries of the United States. In 1929, of the total copper produced in the United States, Arizona, Utah, Montana, Nevada and New Mexico together produced 84.5 per cent.<sup>1</sup> The Rocky Mountain states are also important producers of gold and silver, lead and zinc.

The Census of 1930 reported the following number of persons employed in metal mining in the Rocky Mountain states:

State	Industry	Number Gainfully Employed
Idaho .....	Extraction of Minerals (chiefly lead, zinc and silver)	6,514
Montana .....	Mines and Quarries other than coal (chiefly copper)	14,139
Nevada .....	Extraction of Minerals (chiefly copper, gold and silver)	6,059
Arizona .....	Extraction of Minerals (chiefly copper)	17,566
New Mexico ....	Mines and Quarries other than coal (chiefly copper)	3,817
Utah .....	Extraction of Minerals (chiefly copper, lead, zinc, gold and silver)	9,238
Colorado .....	Extraction of Minerals other than coal (chiefly gold and silver, lead and zinc)	8,433

Throughout the Rocky Mountain region metal mining employees secure medical and hospital care for injury and disease not covered by the state compensation law, in consideration of a

<sup>1</sup> *Copper in 1929*. U. S. Department of Commerce, Washington, D. C., 1931.

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fixed regular deduction from wages. In a few companies their dependents are included in the service.<sup>2</sup>

A few of the larger companies maintain highly organized medical and hospital departments, supervised by a medical director, medical care being provided by full-time employed physicians and surgeons. At least three of these companies have their own hospitals. In one section of Nevada a hospital is operated jointly by a metal mining operators' association. However, the majority of the mining companies in the mountain region contract with independent hospitals to provide care to injured or sick employees at a fixed rate per employee per month, deducted from wages, and turned over to the contracting hospital. In one metal mining district of Colorado, a hospital is operated by a local miners' union. In the Wyoming coal field, provision of medical and hospital care for other than compensable injury is taken care of in the annual wage agreements between the mine operators and the United Mine Workers of America.

## INFLUENCE OF COMPENSATION LAWS

The system by which mining employees in the Rocky Mountain region secure hospital care for non-compensable injury and disease in return for the payroll deduction is so much a part of the workmen's compensation system in the various states, that it is necessary to summarize the sections of those laws which in fact constitute the framework of the existing employee group medical service in the Rocky Mountain region.

The compensation laws of the Rocky Mountain states may be divided into two groups. In the first group are those laws which, while requiring the employer to provide care arising out of

<sup>2</sup> The mining industry of the Rocky Mountain region is characterized by large units. Among the larger companies that have supplied information incorporated into this chapter are the following: Nevada Consolidated Copper Co.; Phelps-Dodge Corp.; Calumet & Arizona Mining Co.; Old Dominion Co.; Miami Copper Co.; United Verde Copper Co.; Calumet & Hecla Co.; Inspiration Copper Co.; Magma Copper Co.; Utah Copper Co.; Colorado Fuel & Iron Co.; American Smelting & Refining Co.; Anaconda Copper Mining Co.; U. S. Smelting, Refining & Mining Co.; Bunker Hill & Sullivan Mining Co.; American Metal Company.

industrial injury, stipulate that the employer may make a deduction from the employees' wages on condition that the medical and hospital service made available by the employer covers sickness as well as injury occurring at the employment. (Injury occurring away from employment is not covered.)

States in this category are Idaho, Montana, Nevada, Arizona and New Mexico. The deduction from the employees' wages must not exceed \$1 per month unless specifically authorized by the state workmen's compensation authority.<sup>3</sup>

In the second group the laws state definitely that no deduction from employees' wages may be made to cover the cost of benefits conferred by the Act, but only in case additional benefits are provided by the employer. Moreover, any such additional benefits must be commensurate with the deduction from employees' wages.

The states in this category are Colorado and Utah. The practical result is the same in all the states: Employees of the large mining companies secure medical and hospital care in the event either of disabling illness or injury, as long as the disability takes place at the employment, the cost of the total service being shared between employer and employee.

Wyoming is a special case. Section 19 (d) of the Workmen's Compensation Law provides that in all cases of total disability and permanent partial disability, the expense of medical attention and of care in hospital of the injured workman must be paid from the date of the injury, not to exceed \$200 in any one

<sup>3</sup> The New Mexico Act is not as clear on this subject as are the others. Section 18 reads as follows: "No compensation shall be allowed for the first ten days after injury is received, nor in any case unless the employer has actual knowledge of the injury or is notified thereof within the period specified in section thirteen, hereof.

"During the first ten days after the injury the employer shall furnish reasonable surgical, medical and hospital services and medicine, as and when needed, not to exceed One Hundred and Fifty (\$150.00) Dollars in value, unless the workman refused to allow them to be furnished by the employer. In case, however, the employer has made provisions for, and has at the service of the workman at the time of the accident or subsequent thereto during disability, adequate surgical, hospital and medical facilities and attention, whether such facilities and attention are provided by the employer gratis or are in whole or in part provided under any plan in force between the employer and the workman, then the employer shall be under no obligation to furnish during said first ten days after the injury any other or additional surgical, medical or hospital services or medicines than those so provided."

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case, unless "*under general arrangement the workman is entitled to medical attention and care in hospital.*" Where death results from an injury, the expense of burial must be paid, not to exceed \$100 in any one case, "*unless other arrangements exist under agreement between employer and employee.*" A letter from the Workmen's Compensation Department of the State of Wyoming states that this clause was inserted in order to cover the special arrangements existing between Wyoming coal operators and the miners' union, by which the provision of medical and hospital care for non-compensable injury and disease is included in the annual wage agreement.

The foregoing summary of sections of the workmen's compensation laws of the Rocky Mountain states will help the reader to visualize the system of employee group medical service as it actually operates in the metal mining industry of the Rocky Mountain region.

### TYPICAL COMPANY PLANS IN IDAHO

One of the largest mining companies in Idaho has several subsidiaries operating in various states. In all of these properties, including those in Idaho, the medical service plan is the same. It is described by an official of the company, who states that the service divides into three classes, as follows: 1. First-aid, i.e., service at the plant in emergencies; rendered by doctor, nurse, or first-aid worker; expense borne by the company; 2. Employers' liability (workmen's compensation) service, i.e., medical, surgical, and hospital service to employees for industrial injuries; 3. Workmen's benefit, i.e., service rendered for non-industrial sickness and injury under a system of employees' contributions. The funds are administered by a committee of employees. The company employs one or more physicians at each plant, to care for employees and their families. At some plants surgical and dental care are also provided. Hospital care is usually provided in local independent hospitals on the basis of an agreed rate; at a few plants "where conditions warrant" the company operates its own

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hospitals. Usually additional charges are made for surgical operations in non-compensation cases.

An official of a large mining company in Idaho describes the main features of his company's medical service as follows: All employees contribute \$1 a month, except those working less than ten days, who are assessed at ten cents for each day of employment. The company pays an amount equivalent to 62.5 per cent of the sum so paid by the employees. From the fund thus created, injured and sick employees receive complete medical and surgical care, hospitalization, ambulance service, medicines and dressings; also, when necessary, treatment by non-resident specialists for eye, ear, nose and throat, including transportation, hospitalization and all other costs of such specialists' treatment. In addition, by special arrangement between the company and the hospital, orthopedic or bone specialist treatment for bad fractures, or fracture where poor results are had from local treatment, is given to all employees without cost to them, either for the treatment, or for hospital care, medicines, or transportation. Treatment of physical defects existing at the time the employee entered the service of the company is not included in the service, but for treatments of such defects a reduction is made from regular charges, at the rate of 10 per cent a year for each year of employment. For instance, an employee of five years' standing would have an old rupture repaired, or a case of chronic appendicitis operated, at one-half the regular cost. None of the privileges of the service extend to conditions arising from venereal disease, intoxication or fighting; nor are the families of employees included in the service.

## METAL MINING COMPANY PLANS, MONTANA

Butte Stationary Engineers' Union No. 83, Butte, Montana, informs us that the contract system is general in the Butte district. An official of the union states that the same conditions prevail in Great Falls and Anaconda, hospitals in those towns

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contracting with employers to provide service as required by employees disabled by industrial injury or sickness.

A privately owned hospital in Butte describes the system of medical service provided industrial employees under contracts between the large mining and industrial companies of the Butte district and independent hospitals as follows: The arrangement provides for medical, surgical and hospital service for conditions arising during the time of the employment. It does not include treatment of injuries sustained out of employment or from alcoholic intoxication, or treatment for venereal disease. The service is paid for at the rate of \$1 per month, taken from the wages of the employee, and transmitted monthly to the hospital. In the case of smaller concerns, the fee is \$1.25 to \$1.50 per employee per month. The contract is with the employer, not the employee. Dependents of employees are not included in this plan.

By far the largest employer in the metal mining industry of Montana is the Anaconda Copper Company. A letter from an official of the company describes the medical service plan: In Montana, Idaho and Utah, payroll deductions, authorized by the employees, of \$1 per month from each employee, are made over to the hospitals with which the company has contracts. In return for this contribution employees are entitled to treatment for all injuries received, arising out of, and in the course of employment; and also to medical and hospital care for all sickness except venereal diseases and sickness due to intoxication.

While the letter from the company makes no reference to dependent members of employees' families, a letter from a local of the Mill and Smelters' Union, whose members are employees of the company, states that "dependent members of the employees are included in the service, that is, wife and children until self-supporting."

## THE SYSTEM IN THE METAL MINING INDUSTRY OF NEVADA

Nevada ranks fifth in the copper-producing states; in 1929 its output was 138,990,247 pounds of copper. Most of this was pro-

duced by the Nevada Consolidated Copper Company. This company provides medical service to all employees through a department staffed by full-time salaried physicians and nurses. It owns and operates a general hospital at East Ely. Emergency hospitals are located at all camps. Each employee contributes \$1 per month to the medical fund and the company pays the remainder of the cost of the medical department.

The following description of the medical plan of the Nevada Consolidated Copper Company and Nevada Northern Railway Company (a subsidiary) is contained in a letter from Dr. R. A. Bowdle, Chief Surgeon of the company. Dr. Bowdle writes that the medical care extended to the employees is complete. The only charge made to them (beyond the regular payroll deduction) is for venereal diseases. Medical care at home is given to employees' families without further charge, except for medicines. Should it be necessary for a member of the employee's family to be hospitalized, there is a charge of \$15 per week. For a surgical or obstetrical case there is in addition a minimum charge, otherwise the \$15 covers both medical and hospital care as well as all supplies and drugs used.

This policy, Dr. Bowdle states, is very satisfactory to the employee, but expensive to the employer. Even when working on full production the company pays over \$4 to the employee's \$1 in order to maintain an efficient medical department. However, the company has decided that it is repaid in other ways than money for this expenditure.

Two examples have come to our attention of coöperative medical and hospital service plans, undertaken jointly by mining companies in Nevada. One of these is the Tonopah Mines Hospital, the other is the Goldfield Hospital Association. Regarding the former, Dr. R. R. Craig, Chief Surgeon of the Tonopah Mines Hospital Association, writes that the hospital is owned and managed by the Tonopah Mine Operators' Association. A payroll deduction of \$1 a month is contributed by each employee, which is matched by \$1.25 from the employer. In addition, when this and other income from private non-employee patients is

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insufficient, the mine operator employers are assessed to cover deficiencies. The ratio of the \$1 paid by the employee to the cost of the service is about one to five. In other words, the employer pays about 80 per cent of the cost of the medical and surgical care, per workman. Dr. Craig states that this approximate percentage obtains in other mining camps. The companies represented in the Tonopah Mines Hospital Association employ a maximum of 2,000 workers.

According to information received from the State Medical Society of Nevada, individual physicians sometimes enter into contracts with the smaller mining companies to provide medical and surgical treatment required by employees injured in the course of their employment. When these smaller companies do not contract with private physicians, as permitted by the State Industrial Accident Law, they contract with the Nevada Industrial Commission for the payment of surgeons' and hospital bills for treatment and care arising out of industrial accidents.

## THE SYSTEM IN THE METAL MINING INDUSTRY OF ARIZONA

The Magma Copper Company informs us that it owns and has direct control of the only hospital in Superior, a town of approximately 4,000 people. The hospital building now in use is completely new, having been finished in 1930 at a cost in excess of \$40,000. This cost includes built-in equipment peculiar to hospitals, but does not include the bulk of loose equipment such as X-rays, instruments, etc., that were in use prior to the new construction. The hospital is primarily for employees of the Magma Copper Company, although other patients are accepted at the discretion of the Chief Surgeon. The operation of the hospital is under the direct charge of the Chief Surgeon.

The manner in which the Chief Surgeon is reimbursed for operating the hospital and taking care of patients who are employees of the company, is as follows: The company deducts \$1.50 per month from each of its employees; \$1.35 of this is paid to the Chief Surgeon, who under ordinary conditions pays for

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the total operation of the hospital, except for two nurses and a cook, whose combined salaries amount to \$400 per month. This is paid from a reserve account set up by the company. In ordinary times, the monthly sum paid the Chief Surgeon through employees' deductions amounts to an average of approximately \$1,140. Recently these deductions have fallen off, but the company has made up the difference from its reserve account.

In addition to the hospital, the Chief Surgeon operates a dispensary, to which the employees go at specified hours for treatment. The expense of conducting this is included in the employees' deductions. The employees of the hospital and dispensary consist of one Chief Surgeon and an assistant, three nurses, one cook and one receptionist.

The company sets aside a reserve of 90 cents per month per employee; this, together with the 15 cents excess deducted from the employee that is not paid to the chief surgeon, constitutes the credit to the reserve account. Under ordinary conditions the reserve is about \$850 monthly. As indicated, there is a monthly charge against this reserve of \$400 for salaries. At the time the letter was written over \$200 monthly was being paid from this account to the chief surgeon to make his remuneration up to the average month. Also, \$200 monthly is taken from this reserve by the company for hospital rentals; in addition to these charges, the expense of all special treatments occurring from accidents which cannot be treated in the company hospitals is charged to this account. (The special treatment referred to consists almost solely of the work of specialists, since the company hospital and surgeons are equipped to take care of any ordinary case.)

The employee patients received at the hospital average about 90 per cent for accidents and 10 per cent for sickness. However, the time spent by the physician and his assistants considering the dispensary and home calls is about 50 per cent each to accident and sickness. The patients received at the hospital are to a great extent members of the employees' families; as explained, they are handled as private patients by the chief surgeon, at minimum

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charges. The deduction of \$1.50 from the employee includes the workman only, and not his family.

The chief surgeon furnishes all medicines, bandages, etc. The company furnishes surgical supplies, such as crutches, etc., also X-ray films. The expenses for a typical month, under ordinary conditions, are about as follows:

Receipts:

Employee deductions—860 at \$1.50.....	\$1,290
Magma Copper Co. Set-up—860 at 90¢.....	774
	<hr/>
Total.....	\$2,064

Disbursements:

Payment to chief surgeon—860 at \$1.35.....	\$1,161
Payment to 2 Nurses, 1 Cook.....	400
Hospital Rent.....	200
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Total Current Expense.....	<hr/> 1,761
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Balance reserved to take care special treatment and surgical supplies.....	\$ 303
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The letter explains that the word surgeon is used to mean both physician and surgeon, as the company doctors are well versed in both branches of medical service.

*United Verde Copper Company.* Dr. A. C. Carlson, Chief Surgeon, informs us that this company owns and operates a hospital. It also provides medical and surgical care through full-time salaried physicians. A payroll deduction is made for every employee, \$2 per month for single and \$2.50 for married men. "The employee receives all medical and surgical care for all conditions acquired after entering the employ of the company, with the usual exceptions of venereal disease or accidents received in drunken brawls. The family of the employee receives free medical attention for all conditions except confinement, obstetrics fees being \$15 for normal and \$25 for abnormal cases. Hospitalization is given the family of employees at the rate of \$2.50 per day for private rooms. Surgical fees to the family of the employee are 50 per cent of the regular fee, but never to exceed \$75."

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*Calumet and Arizona Mining Company.* The hospital building is owned by the company; the equipment by the surgeon, who operates the hospital under contract with the company. The deductions (\$1.50 for single, \$2 for married men) are turned over to the hospital, and in addition, the company pays the hospital \$1 per month per man. The staff includes four full-time physicians, four nurses, a matron, a technician and an X-ray operator. The hospital maintains a dispensary in the mining district, where out-patient service is given. Employees receive medical and hospital care without further charge, but are charged for major surgical operations (maximum fee \$135); dependents receive medical care (including obstetrical cases) without further charge, but are charged for surgical treatment and hospital care.

*Phelps-Dodge Corporation.* It is the practice of this company to make payroll deductions authorized by employees, with which to provide medical care and hospitalization. In the Copper Queen Branch, with properties at Bisbee and Douglas, Arizona, the company has its own Hospital and Medical Department. Payroll deductions are made for employees, and medical care is given. There is a schedule of charges for members of families of employees. This company is also interested in the Old Dominion Company at Globe, Arizona. As that is a small property, payroll deductions are made and the company provides its own dispensary, but arranges for hospital care with a nearby independent hospital.

The secretary of the State Medical Society of Arizona writes that in practically all mining camps of the state there is a hospital system for the men employed. They pay a certain sum each month which entitles them to treatment and, if necessary, hospitalization. The physicians are on salary.

## THE SYSTEM IN THE NEW MEXICO, UTAH AND COLORADO MINING INDUSTRY

The chief copper producer in New Mexico is the Nevada Consolidated Copper Company. In 1929 the output of this com-

pany amounted to approximately 85 per cent of the total copper production of the State.<sup>4</sup> The Company's medical service program in New Mexico is similar to that carried on at its Arizona and Nevada mines, described in preceding sections.

Another copper mining company in New Mexico writes that its medical plan is self-supporting. A physician has contracted with the company to treat all industrial accidents and cases of sickness of employees (with the usual exceptions of venereal disease and intoxication) for a payroll deduction of \$1.50 per month from each employee. Families of employees are not included. A hospital is provided by the company, and operated by the doctor, who pays all expenses including nurses, medicine, consultation, etc.

The leading metal mining companies operating in Utah are the following: Utah Copper Company (producing more than 90 per cent of all the copper produced in the State in 1929); Tintic Standard Mining, Silver King Coalition, Park-Utah Consolidated, Chief Consolidated, North Lily, New Quincy, Utah-Apex, United States Smelting, Refining and Mining.<sup>5</sup>

The mining companies listed above operate their own smelters and refineries. The International Smelting Company (a subsidiary of the Anaconda) operates a "custom" smelter, treating purchased ores. Employees of metallurgical plants participate in company medical programs.

As far as available information indicates, no mining company in Utah operates its own general hospital. Employers contract with independently owned nearby hospitals to provide hospitalization in the event of injury or sickness.

*Utah Copper Company.* This company employs a corps of physicians to provide medical service to employees at its various mines and plants throughout the state. Each employee contributes \$1 per month from wages toward the cost of this service, and

<sup>4</sup> *Outline of the Mineral Resources of New Mexico*, by E. H. Wells, New Mexico School of Mines, Socorro, N. M., September 1, 1930.

<sup>5</sup> *Gold, Silver, Copper, Lead and Zinc in Utah in 1929*. U. S. Department of Commerce, Washington, 1931.

the company makes up the difference. No payroll deduction is made from employees working less than 3 days in a month; for 3 to 10 days, 50 cents is taken; for ten days or over, \$1 is deducted. The company maintains emergency or first-aid hospitals at its mines and mills, but contracts with an independently owned hospital to provide general hospitalization.

The notice to employees posted at the various mines and plants of the company gives more detailed information regarding this service. It specifically sets forth that "no deduction will be made from the wages of the employees for the compensation and other benefits provided for" in the Workmen's Compensation Act of the State of Utah. The company agrees to furnish the employees certain medical and hospital services not required by the Workmen's Compensation Act, including (1) medical and surgical treatment, or nurse or hospital services, in addition to requirements of the Act, as may reasonably be required at the time of injury and thereafter during disability, not to exceed two years. (2) Medical or surgical treatment or nurse or hospital service, including services of eye, ear or nose specialist, for not to exceed one year, to cure or relieve an illness or disability developed during employment; expressly excluding chronic illness, or disability existing prior to employment, illness due to venereal disease, tuberculosis, contagious diseases, quarrels. (3) The medical or hospital services will be furnished by physicians or surgeons selected and paid by the company; expenses incurred by employees with other physicians or hospitals will not be paid by the company. The notice designates two physicians in Salt Lake City, and local physicians employed by them, to provide medical service. Hospital ward care is given those employees who need it, in a certain hospital in Salt Lake City, also designated by the company.

*United States Smelting, Refining and Mining Company.* The system in operation at the mines, quarries and plants of this company is combined with the employees' mutual benefit associations. An official of the company writes that medical and hospital services at the several properties of the company are so

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closely related to the benefit associations that it is difficult to explain them separately. The mutual benefit associations in the Intermountain Department of the company, though similar in many respects, differ in detail, for the reason that they were organized at different times and under different conditions.

At the Midvale smelter the membership dues (deducted from wages) are \$1.25 per month; 75 cents of this entitles the employee to medical and hospital care when required on account of illness or non-industrial accidents. The doctors and surgeons are paid fixed monthly salaries by the company for services rendered all employees for illness, as well as for industrial accidents. The difference between the expense involved (which includes doctors' and surgeons' salaries, hospital bills, drugs, etc.) and the amount paid in by employees, is absorbed in the company profit and loss account. The remaining 50 cents of each employee's contribution entitles him to the cash benefits paid by the mutual benefit association.

At the United States Niagara Mines at Bingham, and at the Lark Mine, the dues are \$1 per month. This entitles the employee to medical and hospital service for illness and non-industrial accidents, and membership in the welfare association. The doctors at these mines are paid an amount equivalent to \$1.35 per month for each employee, 60 cents of which is absorbed in the profit and loss account of the company, to cover expenses incurred in connection with industrial accidents. The Welfare Fund, created by the contribution of 25 cents per month by each employee, is used for cash sick benefits, etc., disbursed by a committee elected by employees.

It will be noted that this company, like the Utah Copper Company, does not own a general hospital, but contracts with independent institutions to provide care, in case hospitalization is needed.

*The Anaconda Copper Company* operates mines at North Lily, in the Tintic District, and a smelter at Park City. The medical program of this company for its Utah employees follows principles similar to those governing the plans in operation in

Montana, already described in the section dealing with Montana.

*The Park-Utah Consolidated Mines Company* writes that for the charge of 50 cents per month per employee the Park City Miners Hospital, Park City, gives medical care to its employees in case of sickness.

Letters received from other metal mining companies in Utah indicate that medical and surgical care, whether arising out of industrial injury or sickness, are provided employees through contract arrangements with independent clinics and hospitals, similar to those described.

Tintic District Miners Union No. 151, International Union of Mine, Mill and Smelter Workers, informs us that it is the common practice for the metal mining companies in the Tintic District to provide medical and surgical care to employees through employed physicians, but that dependent members of employees' families are not entitled to free service.

The medical service program in operation at the coal, silver, lead and zinc mines and smelters of the American Smelting and Refining Company in the State of Colorado follows similar lines to the plan of that company described in the section of this chapter devoted to Idaho.

In Colorado one instance has been found of a hospital owned and operated by a miners' union and providing contract service. This is the Silverton Miners Union Hospital, owned by the Silverton Miners Union No. 26, affiliated with the International Union of Mine, Mill and Smelter Workers. Each member of the Silverton Miners Union pays \$1.50 to the Hospital through an authorized deduction from his wages. To this amount the mining company adds 75 cents. The amount paid by the company guarantees medical, surgical and hospital care to employees injured in the course of their employment and entitled to compensation and medical aid under the Workmen's Compensation Act of Colorado. The \$1.50 per month contributed by the employee out of his wages guarantees him medical, surgical and hospital care

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in case he is disabled by a non-industrial injury or ordinary sickness.

### THE IDAHO LUMBER INDUSTRY

Idaho is the only one of the eight Rocky Mountain states in which the lumber industry is important.<sup>6</sup> How the hospital contract system operates in this industry is described in a letter from the head of a hospital in the northern part of Idaho. This physician writes that the local industry in that part of the state is lumbering, including logging, booming, transportation of logs by river and lake, and the manufacture of lumber and lumber products. Licensed hospital organizations, physicians, or combinations of physicians are allowed to make contracts with employers for the care of sick and injured employees. These contracts must first be submitted to the State Industrial Accident Board for approval, and penal bond must be furnished to insure proper performance of the contract.

At this particular hospital, the plan works out in general as follows: The hospital agrees to furnish physicians' and surgeons' treatment, hospital care, medicines, etc., for all injuries arising out of and in connection with employment; this includes the service of specialists when needed. The hospital also agrees to furnish the same service in all accident cases, whether occurring in pursuance of duty or otherwise, except when due to intoxication, fights, or illegal actions. This provides 24-hour protection for accidents. The hospital further agrees to care for all cases of sickness (except venereal disease, and conditions existing previous to employment), furnishing physicians' and surgeons' treatment and hospital care; and in addition to the usual and ordinary care such as is given to private patients in the same condition; the hospital agrees under the contract to furnish the services of specialists when needed.

In return for the coverage as outlined, the employer agrees to deduct \$1 a month from each employee, to add 50 per cent

<sup>6</sup> The Census of 1930 shows 6,018 gainful workers in "forestry and fishing," 5,936 in "lumber and furniture" industries.

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of such deductions on his own account, and to pay the total amount to the hospital on each pay day. This arrangement has been in operation for the past ten years. Previous to that time the employer did not contribute on his own account, but the contract was carried out on a \$1 per capita basis, instead of \$1.50 as at present.

Another physician, operating a private hospital in the lumber region of Idaho, writes that the system of hospital contracts is common in both the mining and lumber industries of the state. His hospital contracts with employers to provide "medical, some surgical, and hospital care," for employees, for non-compensable injuries and sickness. Families of employees are not included. The contract also includes care of industrial accidents, the payment made by the employer being "in part compensated for by a reduction in the premium on his industrial accident insurance."

This physician points out that industrial surgery is a specialized type of work, and that men and hospitals specializing in this field of medical service are better equipped for the work than those handling such cases only occasionally. He states that by turning all revenue from contract practice in to maintenance and equipment, he has been able to maintain a hospital in his small community which can compete on a fair basis with the larger city institutions, to the benefit, he believes, of the community in general.