Now not only are there many different programs in effect here but they have very different costs. To start with the beginning, group health in this country generally operates——

Mr. WATKINS. Excuse me.

Mr. Chairman, is the gentleman going to talk off-the-cuff on this thing or is he going to follow his statement?

Mr. Moss. The gentleman is summarizing the statement.

Mr. CONARD. I am dealing with things that are in the stattement. I am not following it page by page.

Mr. WATKINS. I don't want to be searching through here.

Mr. Moss. Mr. Keith and I suggested that in the interest of conserving time we have summary statements from the witnessses and we will file the full body of the statement in the record immediately following the oral presentation.

Mr. WATKINS. I certainly concur in that, Mr. Chairman.

Mr. CONARD. Thank you very much, Congressman. I am sorry to have puzzled you.

With regard to the costs of operation, most group health operates at an administrative cost level of under 10 percent, in some States under 5 percent.

I do not have figures on sick leave and temporary total disability. We can say that sick leave payments are made with almost negligible costs of administration, possibly under 10 percent.

Social security operates at an administrative cost commonly estimated at around 3 percent.

In the negligence system, the cost of operation is about 56 percent of the social input. If we turn that around the other way it means that for every dollar of benefit to an accident victim, received through negligence liability, that premium payers and taxpayers have contributed $2.25. That is the cost of delivering $1 of benefit through that system.

Now, I am not an advocate of abolishing the tort liability system, but I say that in approaching this problem we should view all of these regimes which are contributing to the relief of the injury victim, and we should adjust the roles of those regimes, and adjust them to each other.

We should link them so that they do not fall on top of each other like a tumbled-down building, but so that they support each other.

Specifically in this regard, I would like to refer to the notorious collateral benefits rule. When a claimant goes into court he proves his wage loss, he proves his doctor bills, he proves his property loss, and he does not mention and is not required to mention, and the defense cannot show that in fact all of those have been paid long since.

Now this not only results to some extent in double payment but results in something which has first been paid under an extremely efficient low-cost system, being paid over again in the most expensive of systems that we have.

Now, how should we approach that? As we approach this problem, we have to ask what are the ways in which we can most economically contribute to the welfare of injury victims.

One of the most economical ways is health insurance. My suggestion as to what should be studied first is making health insurance compul-