V. REHABILITATION INSURANCE

The first objective of any reparation system should be to rehabilitate injury victims, using "rehabilitation" in a broad sense to embrace comprehensive care from first aid through occupational retraining (if needed). Rehabilitation not only relieves the individual's own misery, but enables him to carry his weight in society. The tort liability system is a failure in this connection, because its payments come too uncertainly and too late; even when the victim is certain of payment, he has to make an agonizing choice between money and treatment.

The way to handle this problem is not a matter for speculation or dispute. Decades of experience under workmen's compensation laws have demonstrated an effective way of handling it. This is to provide for unlimited restorative and rehabilitative treatment which is not subject to a policy limit, and which is wholly disconnected from cash payments. Insurance companies have successfully written this kind of coverage for years under workmen's compensation laws.

There is already a foundation for this kind of insurance in the customary automobile insurance package. This is the medical payments coverage, sometimes called "family protection." This should be made compulsory in every state; it is much more beneficial than the tort liability coverage which most states directly or indirectly require. However, the low policy limits which are now prevalent should be raised. Eventually the insurance can probably be written without limits, as are medical benefits under workmen's compensation. This increase could be made in stages, so as to acquire actuarial experience as we go.

The insurance should cover the occupants of the insured automobile, and any other person injured by operation of the car which is not otherwise covered.

Congress could appropriately require this kind of insurance for every automobile that is driven across a state line, or on a federal highway. In practice, states would probably fall into line very quickly and require this kind of policy to get an automobile license. They might have done it long ago, except for the complication of one state's requiring anything which isn't required by the state next door.

The probable costs of a program of restoration and rehabilitation for automobile injury victims is not presently known, but experience proves that this type of risk is not uninsurable, and that the cost is bearable. The social costs of rehabilitation will be more than repaid by the social gain of returning injury victims to productive roles in society.

The costs of such a program to motorists should be minimized in every practicable way. First, the writing of such insurance should be opened to all types of insurers; it should not be an inseparable part of the tort liability package; it might be more economically attached to group health insurance, most of which is written at a fraction of the overhead cost which characterizes tort liability insurance.

Second, the cost of rehabilitation insurance must not be simply added to the existing cost of liability insurance. When it pays for expenses which would otherwise be charged to liability insurance, the latter liability should be reduced. This can be achieved by a law providing that a victim's rights to rehabilitation benefits must be *credited* against any claims under tort liability. As between the two kinds of insurance, the rehabilitation insurance should do the paying, because it will not incur the delay, expense and controversy which is inevitable in tort liability.

Third, motorists should be permitted to buy their rehabilitation insurance with deductibles of one or two hundred dollars, just as they generally buy their collision insurance. Most people can pay small medical bills out of their own pockets, and should be permitted to do so if they wish.

VI. SURVIVORSHIP AND DISABILITY INSURANCE

A man or woman should not be a pauper because of an automobile accident which disables him or her, or kills or disables his or her sole source of support. Luckily, this is an infrequent phenomenon, because the survivorship and disability provisions of the Social Security Act protect most of our population. But there is a significant group which they do not protect, and which is peculiarly prone to automobile injuries. This group comprises the young men and women who have not yet begun to work, or who have not yet worked for the ten years which give full social security coverage.