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FEDERAL LEGISLATION FOR THE RELIEF OF WORLD WAR DISABLED.

No sentiment pervades the entire United States more strongly at this time than the desire properly to compensate and care for those who suffered some disability by reason of service for their country in the World War. The real problems have been as to the methods by which this result can best be obtained. This article will be a discussion of the federal legislation enacted for the purpose of bringing such relief.

I. DEVELOPMENT OF THE PENSION SYSTEM.

Persons disabled in previous wars of the United States have been compensated by pensions. Such pensions are no part of the contract of service entered into by the government with its soldiers or sailors. Pensions are defined by Mr. Justice Woods in U. S. v. Teller, 107 U. S. 64, 68, as "bounties of the government which Congress has the right to give, withhold, distribute or recall, at its discretion." There have been two general classes of pensions developed in the United States, to-wit: invalid-pensions and service-pensions. As invalid-pensions alone depend upon disability suffered, only that class will be considered.

The need for public relief to persons injured in wars was first recognized in England about the time of Queen Elizabeth, with the breaking up of the feudal system. The principle was well established in England, therefore, before most of the colonists came to America. Hence, we find very early in American history that Virginia followed the English system of providing for compensation for the disabled by the district of their respective residences. Massachusetts, Maryland, New York, Rhode Island and Pennsylvania likewise adopted pension systems generally as a part of acts for raising troops. The right to these pensions always depended upon the soldier being "disabled from getting a livelihood."
The first national pension act was a resolution of the Continental Congress, passed on August 26, 1776. This act provided for half pay for life to officers, soldiers or sailors disabled in the service from earning a livelihood. It likewise provided for proportionate relief for partial disability, and for organization of these pensioners for limited military duty. These pensions however had to be paid by the colonies on behalf of the Continental Congress. The plan required definite statistics on pensions paid and allowed such amounts as credits against the sums to be paid by the several colonies to the Congress. Some of the colonies paid these pensions, but others never did.

By an act of February 28, 1793 (1 U. S. Stat. at Large 324) a regular system for the presentation and allowance of invalid pension claims was established. These claims were submitted through the Secretary of War, but actually allowed by Congress. Except from 1803 to 1806, Congress always retained the authority to grant these pensions. On March 3, 1805, Congress passed an act (2 U. S. Stat. at Large 345) extending the provisions of the pension act to persons becoming disabled after the war from known wounds received in the Revolutionary War. Congress became so liberal in allowing these pensions, that in 1829, the Secretary of War protested, without avail, against allowances for disabilities developing so many years after that war from alleged service causes.

The acts as to the Revolutionary soldier did not include the widows or children of such soldier. A resolution passed on August 24, 1780, by the Continental Congress promised half pay for seven years to the widows or orphans of such Revolutionary officers as had died or should die in the service. As the seven years had elapsed in all cases, this same provision was renewed by the government on March 23, 1792 (1 U. S. Stat. at Large 243). No additional allowances were provided for the widows of Revolutionary soldiers until 1836, when the provisions of this act were extended to the widows of soldiers as well, provided their marriages had taken place before the expiration of the soldier's last term of service. (5 U. S. Stat. at Large 127.) By various extensions continuing as late as 1878, this act was made to include all widows of Revolutionary War soldiers.
Pension provisions for the regular army and such troops as were temporarily called into service prior to the War of 1812 were contained in an act of March 16, 1802 (2 U. S. Stat. at Large 132). This provided that the invalid pension rate for total disability should not exceed one-half of the monthly pay for officers, or $5.00 per month for enlisted men. Partial disability received proportionate allowance. Similar provision was made for disabled naval officers and sailors and for widows and children of those killed in the naval service, the money, however, coming from the sale of prizes captured at sea and the investment of the funds.

Acts of Congress for raising troops for the War of 1812 promised to soldiers enlisting the benefit of regular army pensions. The rates paid were increased, however, in 1816. These same rates were extended to all persons injured in Indian Wars up until the time of the Civil War. By an act of May 13, 1846 (9 U. S. Stat. at Large 9) the President was authorized to raise volunteers for the Mexican War. This same act promised to such volunteers who should be wounded or otherwise disabled in the service, benefit of the same pension provisions as in force for the regular army. Invalid pensioners of the Mexican War and of the War of 1812 were therefore on the same basis up until the time of the Civil War.

For the first injuries received in the Civil War, claims were filed under the pre-existing system. An act of July 22, 1861 (12 U. S. Stat. at Large 270), to authorize the President to accept five hundred thousand volunteers, extended to such volunteers that might be wounded or disabled in the service, the benefits allowed to the regular army; the widows or legal heirs were promised one hundred dollars. As this act did not include volunteers entering before its passage, a new act was passed almost without opposition, and approved July 14, 1862 (12 U. S. Stat. at Large 566). This act included the army and navy alike—regulars, volunteers, militia and marine corps—and extended to future wars as well. It established a “general law pension system” which was the only system for Civil War veterans until 1890. The claimant’s disability was required to be a direct consequence of the performance of his military duty. It also provided for widows, children and other dependent relatives of
soldiers who died in service or from causes directly traceable to service causes. The amount of the pension for total disability were graded by rank from $30.00 per month to $8.00 per month.

The pension rates were increased from time to time, but generally as exceptions making specific awards for specific injuries, the principal act being the "Consolidation Act" of March 3, 1873 (18 U. S. Stat. at Large 566). This act and later ones also extended the application to widows of Civil War veterans not previously included. These amendments finally permitted a widow after remarriage to receive a pension after becoming a widow again.

This general system started in 1862 was in effect during the War with Spain, the Philippine Insurrection, the Mexican Border trouble in 1916, and at the entrance of the United States into the World War. It had applied to the regular army over all this period. There had been on March 3, 1915 (38 U. S. Stat. at Large 940), an act providing for double allowance to officers or men of the navy or marine corps, who die or are disabled, "the result of an aviation accident, received while employed in actual flying or in handling air craft."

As to this general invalid pension system, Professor William H. Glasson said in his book entitled "Federal Military Pensions in the United States," compiled under direction of the Carnegie Endowment for International Peace, and published in 1917, "An invalid pension system is in accord with justice and sound public policy. Throughout American history the payment of invalid pensions has received general public approval. The country does not wish to do less for soldiers disabled in the line of duty and for dependent relatives of those who are killed, but a better system is needed in order that pension funds may be distributed with greater equity and with less waste."

II. RELIEF FOR THE WORLD WAR DISABLED.

The pension law which had a general application to all persons who died or became disabled by reason of injury or sickness in the service of the United States was being administered under a Commissioner of Pensions in the Department of the Interior, at the time of the entrance of the United States into the World War. This law is still applicable to all claimants whose
injuries were due to service prior to the World War and the administration continues under the Department of the Interior.

The war which started in July, 1914, involved so many countries that American shipping interests were quickly endangered and involved. On September 2, 1914 (38 U. S. Stat. at Large 712), an act of Congress was approved which established in the Treasury Department of the United States a bureau to be known as the Bureau of War Risk Insurance. The reason cited for the establishment of this Bureau was the absence of adequate facilities for the insurance of American vessels and their cargoes against the risks of war. This act covered "American vessels, their freight, their passage money, and cargoes." This Bureau of War Risk Insurance as established in 1914 was extended by an act of June 12, 1917 (40 U. S. Stat. at Large 102), so as to include loss of life or injury to master, officers and crews of the Merchant Marine vessels.

Instead of amending the pension laws as they then existed, the act of September 2, 1914, was amended by an act approved October 6, 1917 (40 U. S. Stat. at Large 398), so that the bureau as it previously existed was then placed in one division of the bureau and designated as the Division of Marine and Seamen's Insurance. It established a new department under this same bureau designated as the Division of Military and Naval Insurance. A director was placed in charge of the entire bureau and a commissioner in charge of each of the divisions. The act applied to "Military or Naval Forces of the United States." These terms were defined as "The Army, the Navy, the Marine Corps, the Coast Guard, the Naval Reserves, the National Naval Volunteers, and any other branch of the United States service while serving pursuant to law with the army or navy."

This act in its application to the military and naval service had three important divisions. It provided (1) a system of allotments required or permitted to be made by the enlisted men with allowances to be added in proper cases by the bureau, for payment to various classes of dependent relatives; (2) a system of compensation to the service man or his relative for injury or death due to service origin, and (3) for automatic and contract insurance to be issued by the bureau to service men and women. As the provisions with reference to allotments were applicable
during service rather than on account of injury, they are not important for this discussion. A subsequent part of this article will discuss the provisions of insurance which were provided.

The Bureau of War Risk Insurance continued to administer the provisions of the act of October 6, 1917, and the various amendments thereto, the chief of which were the act of June 25, 1918 (40 U. S. Stat. at Large 609), and the act of December 24, 1919 (40 U. S. Stat. at Large 372). The administration of this act and of all other matters relating to the relief of men suffering from disabilities incurred from the World War was transferred to the newly created Veterans’ Bureau by the act of August 9, 1921 (42 U. S. Stat. at Large 153). By a joint resolution of Congress passed August 24, 1921, the name of the bureau was changed to the United States Veterans’ Bureau and it continues to operate under that title. All of these activities placed under the Veterans’ Bureau were by that act removed from the control of the Treasury Department and other departments and the new bureau was made an independent department directly responsible to the President.

The director is appointed by the President, by and with the consent of the Senate. He receives a salary of $10,000.00. Provision is made for such staff officers, experts and assistants and for such sections and subdivisions, as the director shall prescribe. He is required to establish a central office in the District of Columbia, and is authorized to establish regional offices, not more than fourteen in number, and sub-offices, not more than one hundred and forty in number in the United States and its outlying possessions, as he may deem necessary. These regional offices and sub-offices will terminate on June 30, 1926, but the director may terminate any of them when in his judgment this may be done without detriment to the administration of the act.

The regional offices are given authority pending final action by the director in case of appeal, to hear complaints, to examine and rate applicants, to award compensation, to grant treatment of various kinds and to grant vocational training. The sub-offices are given such authority as the director may delegate, except that they may not make compensation awards or grant vocational training. Prior to the act of August 9, 1921, all of these awards, even temporary, had to be made from the central office of the Bureau of War Risk Insurance, or the Federal Board
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for Vocational Training. This had resulted in a hopeless congestion in these central offices, and delays of months or even more than a year in action upon applications filed. Probably the most satisfactory change made in the administration of disability claims is the decentralization of records. It was ordered pursuant to this act and while it involved additional delay then, has placed the tribunal for consideration of claims so much closer to the applicant that he can be called for examination at any time, and can press his claim so much more handily.

The director is responsible for the proper examination, medical care, treatment, hospitalization, dispensary and convalescent care, nursing, vocational training and such other services as are necessary to carry out the provisions of this law. He is authorized to utilize the facilities of the United States Public Health Service, the War Department, the Navy Department, the Interior Department, the National Homes for Disabled Volunteer Soldiers and such other governmental facilities as may be made available. With the approval of the President, the director may, within the limits of his appropriation, if he deems it necessary and advisable, secure additional government facilities, improve or extend existing governmental facilities, or acquire additional facilities. Likewise he may contract with state, municipal or private hospitals for services or supplies for a period not exceeding five years. Through this authority the government has used such hospitals as the Waverly Hills Sanitarium in Jefferson County and Cumberland Sanitarium in Pulaski County, Kentucky, and the Central Kentucky Hospital for the Insane at Lakeland, Kentucky.

The compensation and relief provisions of this act appear in Article III, beginning with section 300. They will be discussed according to the method of relief under the following divisions: (A) Compensation; (B) Hospitalization and Treatment; (C) Rehabilitation; (D) Relief for families in case of death.

(A) Compensation for Disability.

Article III of the War Risk Insurance Act of October 6, 1917, with its amendments deals with compensation for death or disability. The act took effect from and after its passage. It provided in section 300 for compensation for death or disability
resulting from personal injury suffered or disease contracted in line of duty, by any commissioned officer, enlisted man or by any member of the Army Nurse Corps (female) or of the Navy Nurse Corps (female), when employed in active service. No compensation was allowed if the injury or disease was the result of the claimant's willful misconduct. By the amendment of June 25, 1918, effective as of October 6, 1917, it was further provided that such officers, enlisted men or other member shall be held to have been in sound condition when examined and accepted for service.

By the act of August 9, 1921, this compensation provision was made effective as of April 6, 1917, and covered death or disability resulting from personal injury suffered or disease contracted in line of duty on or after April 6, 1917, or of an aggravation had of a disease existing prior to examination by any person in active service on or before November 11, 1918. It made exception as to the presumption of sound condition, for those defects or infirmities made of record at inception of service by proper authorities, but it provided that in case an active pulmonary tuberculosis or neuro-psychiatric disease (of more than ten per cent disability) develops within two years from active separation from service, such claimant shall be considered to have acquired his disability in service or to have suffered an aggravation of such disease in service. It likewise provided that the director should pay to the disabled ex-service man or woman, or separately to his or her dependents, the benefits provided.

An act approved March 4, 1923 (U. S. Stat. at Large —), extends the presumption of service origin to cases of neuro-psychiatric and active tuberculous diseases developing within three years after separation from service.

The compensation for disability is a government grant which is discontinued upon termination of the contingency necessitating it. The act of October 6, 1917, provided a monthly compensation for disability, if and while it is total, of thirty dollars per month to a claimant who had neither wife nor child. By a graduated scale, it provided seventy-five dollars as a maximum to a man with a wife and three or more children living. Additional provision of ten dollars per month was made for a dependent mother. To a person totally disabled and in constant
need of a nurse or attendant, such additional sum as the Director deemed reasonable, not exceeding twenty dollars, was authorized. Specific allowance of one hundred dollars per month was provided for loss of both feet, both hands, both eyes, or for becoming totally blind or helpless and permanently bedridden from service causes in line of duty.

This same Act provided for compensation for partial disability, on a percentage basis equal to the degree of reduction in earning capacity. The Bureau was directed to prepare a schedule of ratings, but provided that a man’s percentage rating should not be changed by reason of his individual success in overcoming his handicap.

By the amendment of December 24, 1919, new distinctions in the grade of disability were recognized. During disability rated as total and temporary, a monthly compensation of eighty dollars was provided, with additions up to one hundred dollars for wife and children. For dependent father or mother or both an additional ten dollars each is allowed. A new section was added providing proportionate compensation for disability rated as partial and temporary.

Another section was added providing one hundred dollars per month for disability rated as total and permanent, specifying certain disabilities such as the loss of both feet as being deemed total permanent disability. This section also provided two hundred dollars per month for double total permanent disability, but provides nothing for dependents. It would seem that such double disability could only arise from the presence of two or more of the disabilities designated as total, such as loss of both feet and of both hands.

The former provision as to partial disability was made applicable only to partial permanent disability. A new section also provided for an additional sum not exceeding twenty dollars for a claimant so helpless as to be in constant need of a nurse or attendant.

Where the disabled man and his wife or children are not living together, the Act requires that the compensation be divided according to regulations of the Bureau. The term wife is made to include husband where he is dependent on the wife for support.
The compensation provisions were made effective as of April 6, 1917, by the Act of December 24, 1919, but required that claimants surrender all rights to any gratuity or pension under any pre-existing law.

The 1917 Act requires that persons applying for or receiving compensation shall at such time as may be reasonably required submit to a physical examination. The Director is permitted to allow him his reasonable traveling and other expenses and loss of wages incurred in submitting to such examination. Refusal to submit to examination suspends the right to compensation. Provisions were also made for review of an award by the Bureau on its own motion or on motion of the applicant, and for ending, diminishing, increasing or allowing an award on the facts then appearing.

Claims must be filed within five years after leaving the service, but this limit may be extended for not more than a year by the Director for good cause. This limitation does not become applicable to a person under disability, when the right accrues, until the disability is removed. No compensation can be paid for a period more than two years before filing claim. Nor is any compensation payable to any person receiving service or retirement pay. Pension laws existing prior to the Act of October 6, 1917, were made inapplicable to any person in service on or after that date, by the Act of June 25, 1918.

By this same Act, it is provided that in case injury or death covered by this Act, occurs under circumstances creating a legal liability upon some one else, the claimant must assign such cause of action to the United States. If amount realized on such claim is in excess of the award of compensation, this excess must be paid to the beneficiary. The total amount of compensation due to a beneficiary is deemed to be the equivalent of a lump sum equal to the present value of all future payments of compensation computed as of the date of the award at four per cent. compounded annually. The claimant may be required to bring this action in his own name, if the Director desires it, but is allowed fees and mileage in prosecuting the suit just as a witness. Compensation, however, is not otherwise assignable and is not subject to execution, but it is made subject to any claim of the United States under the War Risk Insurance Act.
Hospitalization and Treatment.

Section 302 of the Act of October 6, 1917, makes provision, in addition to the compensation allowed, for the injured person to be furnished by the United States Government with such reasonable medical, surgical and hospital services and with such supplies, including artificial limbs, trusses and similar appliances as the Director deems to be useful and reasonably necessary. By the amendment of December 24, 1919, the use of these same services and supplies was extended to the discharged members of the Military or Naval forces of other Governments associated in this war with the United States and provided for the same services to be rendered to members of the Military and Naval forces of the United States by the agencies of such other Governments when such persons live in these other countries. It was in the performance of the services granted by the original Act of 1917 that the Veteran's Bureau has found need for such a large number of Government, state and private hospitals provided for in Section 9 of the Act of August 9, 1921. The appropriations for the Department, however, vary from year to year and as these appropriations have permitted, or according to the designated purpose of the appropriation, various Government hospitals have been built for the care and treatment of injured ex-service men. The hospitals are usually classified as tubercular hospitals, neuro-psychiatric hospitals and general hospitals.

It has been necessary, however, for temporary hospital treatment to be extended to a great many of the disabled claimants because of the serious physical condition in which the Bureau finds them, or because of the necessary treatment or confinement in connection with observation for rating. For this purpose, a great many private and municipal hospitals have been used under contract.

The right to medical or surgical treatment does not necessarily include hospitalization, however, and the United States Veterans' Bureau now has detailed for the purpose of treatment purely some medical officers in each of its sub-districts. It also provides either through its own medical assistants or through physicians employed in the particular locality, medical examination and attention for injured men to remain at their homes and do not require or desire hospital treatment.
The regional offices and sub-district offices of the Bureau all have the right to award temporary hospitalization, as such authority has been delegated to them by the Director. This delegation was a most necessary step and has probably brought greater relief to claimants whose awards have been delayed than any other regulation provided by the Bureau.

The right to admission in the National Home for Disabled Volunteer Soldiers in Ohio was granted to volunteers of the World War when an amendment to the National Home Act was passed on June 5, 1920 (41 U. S. Stat. at Large 905). This provision provided that the person entitled to the benefits of this National Home are “Honorably discharged officers, soldiers, sailors and marines who served in the regular volunteer or other forces of the United States in any war in which the country has been engaged, . . .”

(C) Rehabilitation.

In the Act of October 6, 1917, Section 304 required that in cases of dismemberment, or injuries to sight or hearing, and of other cases commonly causing permanent disability, the injured person should follow such course or courses of rehabilitation, re-education, and vocational training as the United States may provide or procure. This Section provided for a form of an enlistment with pay the same as during last month of service, in case the training prevented the injured person from following a gainful occupation at the same time. Failure to accept such course of instruction suspended the right to compensation.

By an Act of June 27, 1918 (40 U. S. Stat. at Large 617), known as the Vocational Rehabilitation Act, the section as to vocational training in the 1917 Act was repealed. This Act was made applicable to every person disabled under such circumstances as to entitle him to compensation under amendments to the Bureau of War Risk Insurance Act passed October 6, 1917, provided such person after his discharge is, in the opinion of the Board, unable to carry on a gainful occupation, to resume his former occupation, or to enter upon some other occupation. It provides for the furnishing of vocational rehabilitation such as the Board might prescribe, if vocational rehabilitation was deemed advisable. The Act provided that during
such vocational courses, the trainee should receive the amount of his monthly pay for the last month of his active service, or the amount of the compensation which would be due him as compensation under the War Risk Insurance Act, whichever be the greater. Allotment and allowance for the family was provided for in the same manner as during service in case the trainee was previously an enlisted man. Failure to take the prescribed course of rehabilitation authorized the Board to withhold any part or all of the monthly compensation. The Board created by this Act was given power to provide such facilities, instructors, and courses as may be necessary for proper training and to prescribe the courses to be followed by such persons. This Board was further authorized in its discretion to pay the expenses of travel, lodging, sustenance, or other necessary expenses of such person while following the prescribed courses, and to provide for the placement of rehabilitated persons in suitable or gainful occupations. Funds were appropriated and the Board authorized to rent and remodel buildings and quarters and equip same with the necessary facilities for the proper instruction, to employ and train instructors, to pay the necessary traveling expenses of disabled persons placed in existing institutions and for the supervision of vocational rehabilitation generally.

By an Act of July 11, 1919 (41 U. S. Stat. at Large 158) the Vocational Rehabilitation Act was made applicable to any person who, after April 7, 1917, had resigned or been discharged or furloughed from the service with a disability incurred, increased or aggravated while a member of the Military or Naval forces of the United States and who in the opinion of the Board was in need of vocational rehabilitation to overcome the handicap of such disability. This Act provides further that the trainee shall, while following such course, be paid by the Board such sum as the Board considers necessary for the trainee’s maintenance and support and for the maintenance and support of persons dependent upon him. It provides a maximum of $80.00 for a man without dependents, and $100.00 in addition to the family allowances provided under the allotment and allowance division of the War Risk Insurance Act, for the man with dependents. The Act permitted the War Risk Insurance Bureau to pay the difference if any in favor of the trainee which
had been received under the compensation provisions of the War Risk Insurance Act.

By an Act of June 2, 1920 (41 U. S. Stat. at Large 735), the Rehabilitation Act was amended so as to include under "persons disabled," "any person who, by reason of physical defect or infirmity, whether congenital or acquired by accident, injury or disease, is, or may be expected to be, totally or partially incapacitated for remunerative occupation." The Federal Board was authorized to cooperate with State Boards for carrying out the purpose of this Act and providing for rehabilitation of disabled persons and their return to civil employment. It provided for the payment by the Secretary of the Treasury to such states, upon certification to the Federal Board, for services rendered or expenses incurred in this work. The original Act and each amendment provided for donations to be used in addition to the appropriations for carrying out the provisions of this Act. By an Act of June 5, 1920 (41 U. S. Stat. at Large 1020), being a deficiency appropriation act, it was provided in an amendment of the Act of June 27, 1918, that the Federal Board might pay such sum as in the judgment of the Board is necessary for the maintenance and support of the trainee and the persons dependent upon him up to $100.00 per month for a single man without dependents, and up to $120.00 in addition to the family allowances for men with dependents.

By an Act of March 4, 1923, it is provided that no person who has been declared eligible for training under the Vocational Rehabilitation Act, and who does not commence training within a reasonable time after notification, shall be eligible to the benefits of the Act except when such failure was due to physical incapacity. This Act further provides that all applications for vocational training must be made within eighteen months from the date of the approval of that Act. By the Act of August 9, 1921, all the power and duties of this Board were transferred to the Veterans' Bureau. Legislation in regard to the vocational training has practically been discontinued at this time, because the men who served in the World War are, generally speaking, past the age when they desire to continue their education, and because most of these disabled men have now accepted hospitalization or have located some kind of employment in which they can entirely or partially support themselves.
The results of vocational education have in some cases been very beneficial, but difficulty was had in a great many cases at the close of the training periods in locating positions for the trainees in the lines of work which they had followed in training. The mental condition of many disabled men, due to the nervous condition resulting from the service experiences and the continued uncertainty of compensation status, hindered development of many of these trainees in the lines which they chose and even prevented a large number from being rehabilitated to the extent expected from the training granted. The disappointing result from this part of Government legislation should in no way be a criticism of the generous spirit of Congress in providing definite relief, but it came as a rather natural result of the restless feeling and the uncertainty of purpose of the individual ex-service man.

(D) Relief of Families in Case of Death.

The Act of October 6, 1917, was, of course, made applicable to death as well as disability cases. The Act provided that if death resulted from the injury, payments of compensation should be made to certain classes of beneficiaries. These included the widow, the children and the dependent mother. The benefits then designated were $25.00 for the widow with graded additions for children up to a maximum of $57.50 for a widow with four or more children. If there was no widow, then to one child was allowed $20.00 with a graded scale up to $50.00 for five or more children. Twenty dollars additional was allowed for the dependent mother, but the maximum of all payments could not exceed $75.00. The mother also was allowed to receive for only one son or for her husband. The dependent condition does not have to exist before the death of the person in service.

The payment of compensation to the widow or the widowed mother continued until death or remarriage. The payment to a child continued until the age of eighteen years or the marriage of the child, or in case of insanity, idiocy or permanent helplessness of the child, then during such incapacity.

Provision was also made in that Act that if death occurred while in the service the United States should pay the burial expenses and the return of the body to the home, the sum not
to exceed $100.00. By the Act of June 25, 1918, the amount of these specific benefits was not changed to any material extent, but provision was made for a dependent father or both a dependent father and a dependent mother.

By the Act of December 24, 1919, it was provided that this Act should be effective as of April 6, 1917, and provided for the payment of burial expenses for any deaths occurring prior to the passage of the Act of 1917.

By Section 306 of the Act of 1917, it is provided that no compensation shall be payable for death or disability which does not occur within one year after separation from the service, unless a certificate has been obtained to the effect that the injured person at the time of his discharge was suffering from an injury likely to result in death or disability. By Section 307, it is provided that no compensation shall be payable for death until the death was officially recorded in the department under which the man was serving. For a period during which the man was reported missing and the family allowance had been paid, no compensation was permitted. Nor was any compensation permitted for death inflicted as lawful punishment for crime or military offense, except when inflicted by the enemy. For compensation for death, claims have to be filed within five years after death.

By the Act of March 4, 1923, it was provided that where a veteran of any war dies after discharge or resignation without leaving sufficient assets to meet the expenses of his burial and transportation of his body, the United States Veterans’ Bureau should pay for a flag to drape the casket, not to exceed $5.00, and for burial expenses not exceeding $100.00. It is provided that if such death occurred while the person was receiving Governmental, medical, surgical or hospital treatment or vocational training, the Bureau should pay in addition to burial expenses the actual and necessary cost of transportation of the body, including preparation of the body, to the place of burial.

The Act amended Section 300 of the Bureau of War Risk Insurance Act so that persons guilty of treason, mutiny, spying or other offenses should not be deprived of insurance and compensation benefits unless they had been found guilty by a court martial.
III. Government Insurance

The Act of September 2, 1914, was passed to meet a need of proper insurance for American shipping. Private insurance companies could not afford to take the risks required on navigation in or near the zone, hence the Act was designated a war risk insurance act. In 1917, all life insurance companies likewise provided exemption clauses in their policies eliminating liability in case insured engaged in active participation in war.

A great many of the service men and women entering into the World War either did not have proper provisions for war risks, or did not have insurance at all, hence the Government in order to provide better protection for them and their dependents provided as a most important feature of the Act of October 6, 1917, a complete Insurance Department maintained and operated by the United States. This part of the Act applied to all persons in service who were included under the other provisions of the same Act. The insurance authorized protection against death or total permanent disability. The Act provided for two kinds of insurance—automatic and contract term. It also anticipated other forms to which the contract insurance could be converted within five years from the date of the termination of the war as declared by the proclamation of the President. Various optional forms have since been prohibited. The insurance branch is now operated by the United States Veterans' Bureau from the central office at Washington. The Act of August 9, 1921, permits insurance awards to be made by the regional offices, but the need for immediate decision on claims is not as urgent as with the compensation feature and it has not been found necessary to decentralize these records. The insurance provisions will be discussed under the classifications above mentioned.

(A) Automatic Insurance.

The chief feature of the insurance provided by the Act of October 6, 1917, was the Contract Term Policy. As this, however, required application to be filed, provision was made for immediate insurance paying benefits in the amount of $25.00 per month, for which the service man or woman was conclusively presumed to have made application, unless application had
actually been made for contract term insurance. Automatic insurance was applicable to any person in active service on or after April 6, 1917, who while in service, and before the expiration of a hundred and twenty days after the publication of said Act became or had become totally or permanently disabled or had died. This provision did not authorize automatic insurance for any person who entered the service more than a hundred and twenty days after the publication of the Act, but the amendment of December 24, 1919, made automatic insurance applicable to any person, who while in service and before the expiration of a hundred and twenty days after October 15, 1917, or a hundred and twenty days after entrance into or employment in the active service, became totally or permanently disabled, or died, without having applied for insurance. This provision was likewise made applicable to those inducted into service by local draft board before November 11, 1918, who suffered disability or death before being accepted or enrolled for active military or naval service.

Automatic insurance provided payments of $25.00 in two hundred and forty monthly instalments. This was payable to the individual in case of permanent total disability, or to a very restricted class of beneficiaries in case of the insured's death before the payment of any or all of these instalments. These beneficiaries included (1) the widow during her widowhood, (2) if no widow, then a child or children, (3) if no widow, or children, then the widowed mother. By the Act of June 25, 1918, the latter class was changed so as to include a mother and in case of no widow, child or mother living, was made payable to the father. Unless this insurance after the death of insured could be paid to some of these designated beneficiaries, the obligation thereby did not exist and the insurance ended.

The total number of payments under automatic insurance could in no case exceed two hundred and forty including those received by the person and by those designated as beneficiaries. If the monthly payments are payable to children, they can be apportioned as provided by regulations of the Veterans' Bureau.

It is interesting to note that by the Act of December 24, 1919, automatic insurance to the extent of $5,000.00 was made applicable to each officer and enlisted man attached to the United States Ship Cyclops on the 4th day of March, 1918, and
to each officer and enlisted man who on said date was a passenger upon said vessel. The one hundred and twenty days for application of the automatic insurance had expired in February, but the explosion on this ship prevented the Bureau of War Risk Insurance from ever ascertaining what persons on this ship had or had not made application for the contract term insurance.

(B) **Contract Term Insurance.**

This form of insurance was issued upon application to the Bureau of War Risk Insurance without medical examination. It granted insurance in any multiple of $500.00, not less than $1,000.00 nor more than $10,000.00, and made the existence of the insurance conditional upon the payment of the premiums provided in the Act. The Act required that this insurance be applied for within a hundred and twenty days after enlistment or entrance into active service and before discharge or resignation; and in case of a person in active service at the time of the publication of the terms and conditions of the contract of insurance within a hundred and twenty days from the date of such publication. By a joint resolution of Congress passed February 12, 1918, this period was extended until April 12, 1918, as to any persons for whom the date expired before that date. The application of automatic insurance was not, however, extended over this additional period.

By the Act of December 24, 1919, this provision was qualified by re-enacting the provisions of June 25, 1918, and adding that for any such person in active service who made application after the expiration of more than a hundred and twenty days and whose application was accepted and policy issued thereon, and from whom premiums were collected, who becomes or had become totally or permanently disabled or who dies or has died, shall be deemed to have made regular application for such insurance and the policy issued shall be valid.

Section 402 of the Act of October 6, 1917, provided that this insurance should not be assignable and should not be subject to the claims of creditors of the insured or of the beneficiaries. It was payable only to a spouse, child, grandchild, parent, brother or sister, or to any or all of them in case of death, and of course, to the injured person in case of total and
permanent disability. The insured has at any time the right to change the beneficiary or beneficiaries without their consent, but the new beneficiary designated must be within the classes permitted. If no beneficiary within the permitted classes is designated by the insured either in his lifetime or by his last will and testament, or if the designated beneficiary does not survive the insured, the insurance will be payable to such person within the permitted class of beneficiaries as would be entitled to inherit the personal property of the insured in case of intestacy. In Claffy v. Forbes, Director, 280 Fed. 233, the District Court for the Western District of Washington, held that a letter written by an insured soldier to his mother expressing the wish that in the event of his mother’s death, the insurance should be payable to the soldier’s niece was sufficient designation of the niece as the beneficiary. This letter was never sent to the Bureau, but the Court held that this did not prevent the will of the insured as expressed from being given effect. By the amendment of December 24, 1919, the permitted class of beneficiaries was extended so as to include uncles, aunts, nephews, nieces, brothers-in-law and sisters-in-law, and this amendment was made applicable as of October 6, 1917, except that it did not interfere with payments already made. By this same amendment it was provided that if the person designated as beneficiary died before the receipt of two hundred and forty monthly installments, then the remainder of said installments should be paid to the person or persons within the permitted class of beneficiaries who would be entitled to inherit the personal property in case of intestacy. It also provided that when the beneficiary designated came within the permitted class at the time of designation by the insured, but because of change of status was not within the permitted class at the time of the insured’s death, he is to be considered within the permitted class even though the status had changed.

Authority was granted in the 1917 Act for the Bureau to make provision in the policy for maturity at certain ages for continuous installments during the life of the insured or beneficiary, or both, for cash, loan, paid up or extended values of the policies, for dividends from gains and savings, for such other provisions for protection and the advantage of, and for alternative benefits to the insured and beneficiaries as may be
found reasonable and practicable. These provisions were of course effective only after the contingency upon which the policy became payable, as such provisions would otherwise have no relation to a term policy of insurance. By the Act of December 24, 1919, it was further provided that in case no person within the permitted class survived the insured, there should be paid to his estate an amount equal to the reserve value of the insurance at the time of his death. By the Act of August 9, 1921, however, the amount of the insurance as provided in the contract was made payable to the estate of the insured, unless this estate would escheat under the laws of his residence.

The 1917 Act provided that the United States should bear the expense of the excess mortality and disability resulting from the hazards of war. Premium rates were based upon the American experience table of mortality and interest at the rate of 3 1/2 per cent.

The Act of December 24, 1919, provided that all premiums paid on account of converted insurance should be deposited and covered into the Treasury of the United States to the credit of the Government Life Insurance Fund, and that this should be available for the payment of losses, dividends, refunds and other benefits under such insurance. The payments, however, were to be made in accordance with awards of the Director. The Secretary of the Treasury was authorized to set aside such reserve funds as might be required and was further authorized to invest and reinvest this United States Government Life Insurance Fund in interest-bearing obligations of the United States.

The only form of insurance provided for during the period of the war was term insurance for successive terms of one year each. The Act provided, however, that not later than five years after the date of the termination of the war, this insurance should be converted without medical examination into such form or forms as may be prescribed and as insured might select. It designated other forms of policies which the regulations should provide for conversion, as ordinary life, twenty payment life, endowment maturing at the age of sixty-two and other usual forms of insurance. This Act further provided that payments should not be required in advance for more than one month. The Act of August 9, 1921, gave to any person who had for any period been classified as having total permanent disability, who
should be later declared to no longer have such class of disability, an additional period of two years in which to convert his term insurance. The Act of December 24, 1919, gave to the insured the right to make provision in his contract for optional settlements to be selected by the insured so that the policy should be payable either in one sum or in installments for thirty-six months or more. It also authorized inclusion of a provision in the contract to permit the beneficiary to make such election in case the insured himself had not exercised this right, and to provide also for an election by the beneficiary to receive in instalments over a longer time than designated by the insured, even if the insured had elected.

Section 405 of the Act of October 16, 1916, provided that in event of disagreement as to claims under the contract, an action on the claims might be brought against the United States in the District Court in which any beneficiary resided, and provided that the Court should allow a reasonable attorney fee not to exceed 10 per cent. to the claimant’s attorney, and made it unlawful for the attorney to contract for or receive compensation in excess of this amount. This provision was repealed by an Act of May 20, 1918 (40 U. S. Stat. at Large, 555), but the right to apply to the District Court was continued under that Act and the Court directed to allow a reasonable attorney’s fee not to exceed 5 per cent. to be paid out of any judgment in favor of the beneficiary. A fine of $500.00 was provided for the solicitation, contracting for or receipt of any fee for compensation in violation of this Act.

Section 408 of the War Risk Insurance Act provides that an applicant for reinstatement of lapsed or cancelled renewable term insurance or an application for converted insurance may be approved, provided the applicant’s disability is the result of an injury or disease or an aggravation thereof suffered or contracted in the active military or naval service of the United States during the World War, and applicant submits said proof to the Director, showing service origin of the disability or aggravation thereof. It is made a condition precedent to the acceptance of such an application that the applicant shall be required to pay all back monthly premiums which should have become payable if such insurance had not lapsed, with interest at the rate of 5 per cent. compounded annually. This section
provided, however, that where any soldier had allowed his insurance to lapse while suffering from a wound or disease suffered or contracted in service, the policy should not be considered lapsed, but that in case of death or permanent total disability, insurance premiums should be deducted. By the Act of February 4, 1923, the later part of this provision was changed so that any soldier who has allowed his insurance to lapse while suffering from wounds or disease suffered or contracted in service who was entitled to compensation or who has become permanently or totally disabled by reason of injuries or disease without collecting compensation, and had or has at the time of his death, or total permanent disability, sufficient uncollected compensation to cover the payments, such policy shall not be considered lapsed, but shall be paid, less the premiums and interest compounded annually. If a soldier has allowed his insurance to lapse while suffering from wounds or disease contracted in service and has applied for reinstatement in whole or in part, and where such applicant was not allowed because of the condition of his health to reinstate this policy and has now become permanently or totally disabled or died, the United States Veterans' Bureau is authorized and directed to pay the amount of insurance attempted to be reinstated, less premiums and interest thereon.

Section 409 of the War Risk Insurance Act was added by the amendment of August 9, 1921. It provided that the insurance should not lapse in cases where the insured was confined in a hospital for compensable disability during the period while insured is so confined; or as to insureds who are rated as totally temporarily disabled, during the period under which they are entitled to compensation for such total disability. This relief from payment was made applicable for the entire calendar month, beginning with the month in which the confinement began and continuing to the last month during which the insured was confined for major portion thereof. These premiums however, were merely waived and bear interest. If they are not later paid by insurer, they are deducted from the insurance upon maturity. This section of the Act was amended by the amendment of March 4, 1923, so as to include as well an insured while mentally incompetent and for whom no legal guardian had or has been appointed. This section must of course
apply to persons becoming insane from causes not traceable to service.

With compensation, treatment, hospitalization and vocational training on the one hand, and with insurance on the other hand, the United States has provided most generously for the welfare of the members of its armed forces who suffered by reason of their service. The method of providing early in the war the system of relief by these means, has tended to place upon an equitable basis the rights of those so unfortunate as to suffer by reason of their service. It has given to them the satisfaction of having definite rights granted to them by a generous Government rather than by placing them in the attitude of suppliants for whatever aid a government by pension provisions might be willing to extend them earlier or later. The present law is most satisfactory and with minor changes as to methods of prosecuting claims should serve as a model for any war in which the United States Government is ever involved. A bill has been introduced into Congress seeking the continuance of the regional officers of the Veterans’ Bureau after 1926, providing for the extension of the presumptions of service causes to five years instead of three and making it applicable to all tubercular diseases as well as organic diseases. As these amendments and some others suggested are just, it will probably be enacted into law at the present or a later session of Congress. (House Bill 7320) Free medical and surgical treatment has been extended to Veterans of all other wars regardless of whether or not their disability arose in the service. This has not been attempted as to veterans of the World War, but such services are already being suggested for the relief of former service men who are suffering from some disability or injury and are unable financially to secure necessary relief for themselves.

The responsibility for the administration of the excellent legislation enacted for the disabled lies with the Director of the United States Veterans’ Bureau, subject only to the supervision of the President. He has under his direction thousands of well paid employers. The importance of the task and the spirit in which the services are rendered for the disabled demand that the department be handled on an economic and efficient basis. This requires that the right of selection and dismissal of em-
ployees shall be governed strictly by these principles. To such extent as political or other reasons have or shall interfere with this efficiency, directors must be made to answer for their actions, and the public can not too soon awake to the fact that employment under the Veterans' Bureau must be absolutely divorced from politics. The administration of justice to the disabled is entrusted to the hands of the officers of this Department and the citizens of the United States who through their Congress have so wisely provided, will not have done their duty to the disabled unless they know that the provisions of these laws are properly administered.

The casualties of the World War did not affect the United States seriously as compared with other countries engaged in that war, but it brought upon many thousands of young men engaged in the war, and upon their families in many cases, entire disappointment for their hopes of success in life, and doomed many to lives of suffering or confinement from which they will never recover. While these men are amply provided for in legislation, they need at all times moral encouragement to "carry on," and the expressions of sympathetic fellowship which an appreciative citizenship must not fail to give them.

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