

recommendation. Any treatment recognized for the purpose of benefits must, moreover, be afforded not later than six weeks after the date on which it is recommended by the medical practitioner.

Some seventy-two masseurs have entered into contract to provide massage benefits. This number is believed to include almost every registered masseur who is engaged in private practice.

Refund of Portion of Fees paid for Specialist Medical Services: The "General Medical Services" scheme introduced on 1st November, 1941, and referred to in last year's report, excluded from the scope of benefits "medical services involving the application of special skill and experience of a degree or kind that general medical practitioners as a class cannot reasonably be expected to possess."

In order that a person who had paid a fee for a specialist medical service might obtain a refund at least of a portion of the fees, provision was made in the Finance Act (No. 2), 1942 (section 12), authorizing a refund not exceeding 7s. 6d. for every occasion on which such services have been provided. This provision is deemed to have come into force on 1st November, 1941, the date of commencement of general medical services. Claims for such refunds must be made in the same form as for refunds in respect of fees paid for general medical services. The provisions are not applicable to obstetric or X-ray services which are the subject of separate benefits.

Maternity Benefits: The following summary shows the number of claims dealt with during the year and the average cost to the Social Security Fund of each claim:—

	Number of Claims.	Average Cost.		
		£	s.	d.
Public hospitals	11,284	9	15	5
Private hospitals	19,432	10	13	8
St. Helens hospitals	1,746	5	3	8
Obstetric nurses	1,676	9	0	1
Medical practitioners	31,817	4	19	5

The licensees of 201 private maternity hospitals have entered into contracts to afford hospital services in relation to maternity benefits. Of this number, 31 accept the payment from the Social Security Fund in full satisfaction of their charges. The contracts with 139 licensees authorize them to make a charge directly to the patient over and above the amount payable from the Fund, whilst 31 licensees have contracted to provide some accommodation wholly at the cost of the Fund and have reserved the right to make an additional charge in respect of the balance of the accommodation provided. At the time of writing this report there are 279 obstetric nurses under contract to afford domiciliary nursing services. Only 5 doctors in the Dominion have signified their unwillingness to provide medical services in relation to maternity benefits.

Medical Benefits: The general arrangements for the provision of medical benefits were briefly outlined in my report for the year ended 31st March, 1941.

On 31st March, 1943, approximately 75,000 persons were entitled to receive medical benefits in accordance with mutual agreements with the doctor of their choice.

Special Arrangements under Section 82 of the Social Security Act: A number of friendly societies have continued to provide medical services for members and dependants of members under a "capitation" system—that is to say, a system by which the member pays a fixed contribution per annum for medical services to himself and his dependants. The member's medical contribution is paid to the doctor or doctors who have undertaken to provide medical services for the members of the society concerned.

In accordance with special arrangements made under section 82 of the Act by the Minister of Health, the medical contributions of lodge members who obtain medical services under a scheme of this nature are refunded from the Social Security Fund. As at 31st March, 1943, approximately 20,000 members and dependants of members of friendly societies were, in terms of these special arrangements, obtaining general medical practitioner services at the cost of the Social Security Fund.

The authority to make special arrangements has also been invoked in connection with the appointment of medical practitioners in several isolated localities in the Dominion. Briefly described, the nature of such special arrangements is that the doctor undertakes to provide free general medical practitioner services to the residents of a defined area, and in consideration of his so doing he receives from the Social Security Fund payment at a fixed rate per annum. As at 31st March, 1943, the number of doctors employed under special arrangements (exclusive of those under agreements with friendly societies) was 16.

General Medical Services: During the year 491,302 warrants of an average value of 14s. 8d. were issued to persons who, having paid fees directly to doctors, applied to the Department for refunds in respect of such fees.

It is estimated that the cost to the Social Security Fund of each general medical service (bearing in mind that a fee of 12s. 6d. is payable for "Sunday" or "night" calls) is slightly in excess of 7s. 7d., and that the number of general medical services which were paid for (either directly to the doctor or by way of refunds to patients) out of the Fund during the year amounted to approximately 2,200,000. It is estimated that during the year about half of the general medical services provided were the subject of direct claims on the Fund by the doctor concerned.

Hospital Benefits: The average daily number of in-patients receiving hospital benefits during the year was approximately 19,450, as follows:—

(a) Public hospitals	9,300
(b) Mental hospitals	7,950
(c) Karitane hospitals and other approved institutions	450
(d) Private hospitals	1,750
	19,450

Pharmaceutical Supplies Benefits: All but 5 of the 558 retail pharmacists have entered into contract to provide pharmaceutical requirements.

During the year some 3,500,000 medical prescriptions were the subject of claims on the Fund. The average cost per prescription is now approximately 3s. 3d.

X-ray Diagnostic Services: Although this class of benefit was commenced on 11th August, 1941, it was not until the end of February, 1942, that arrangements were concluded enabling X-ray diagnostic services afforded by radiologists in private practice to be provided at the cost of the Fund.