

More precise measurements of variables and the inclusion of new predictor variables may be important in accounting for the unexplained variance. For example, psychological factors such as work-motivation, self-concept, and work-satisfaction may help predict what the outcome of the disability will be.

The emphasis of this study is on the consequences of chronic disability. Results show that severity of disability alone does not determine the disabling consequences since current employment status and personal earning are influenced by other social and demographic factors. The recurring importance of industry of employment in the statistical analyses indicates that more concern should be given to the working environment of the disabled when ascertaining their needs. Industries vary greatly according to work requirements, work conditions, benefits for employees and union members, etc. The criteria for judging severity of disability should include not only work limitations but other factors that influence the degree to which the disabled are dependent on those around them for economic, social, and psychological well-being.

The prospects for future research in disability rest on a social epidemiological understanding of risk factors that directly contribute to the severity of the disabling condition. Part of this understanding will be obtained by collecting complete social-demographic information about the disabled through survey research, but a significant proportion of knowledge must come from an investigation of disabling factors in a social-psychological perspective. It is important to gain insight into the conditions of the disabled that distinguish them from the general population. A fruitful approach is the utilization of comparative groups with respect to differing levels of functional limitations. By using this approach and, more specifically, by focusing attention on the individual with the functional limitation and not the disabling condition itself, those characteristics of the disabled that render him prone to severe disability can be identified. Perhaps the researcher's necessary classification of the disabled in terms of severity of disability, however, limits him to an analysis of medical conditions and prohibits him from discussing the disabled's social conditions.

Social Security Abroad

Constant-Attendance Allowances for Non-Work-Related Disability*

Since 1961, 22 countries have adopted constant-attendance allowances payable under the disability provisions of old-age, survivors, and invalidity insurance programs. A total of 47 countries now provide these benefits, in part a reflection of a growing effort to contain the spiraling cost of providing long-term hospital or nursing-home care by cash assistance designed to keep the beneficiary at home.

Constant-attendance allowances are cash benefits paid on behalf of permanently disabled persons who require either full- or part-time care by another person at home. Since the early part of this century, these benefits have been almost exclusively awarded to incapacitated workers who qualified for a disability pension under workmen's compensation programs. Thus, coverage was for permanent disability resulting from diseases or accidents that were work-related. In the post-World War II era and as early as the 1930's, however, many countries instituted constant-attendance allowances under the provisions of old-age, survivors, and invalidity insurance programs for persons whose disability was not work-connected.

Most wage earners and heads of families who become disabled receive workmen's compensation. The constant-attendance allowance under invalidity insurance programs, however, is usually aimed at covering persons with non-work-related disabilities, including children and the aged. In effect, the invalidity provisions eliminate cause as a qualifying condition for constant-attendance allowances.

BACKGROUND

Although payments of cash allowances for constant attendance under invalidity programs

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have been made since at least the 1930's, many European programs were instituted in the post-World War II period. There were apparently two principal reasons for its development at that time. First, the War had increased the need for women workers, and their subsequent entrance into the labor market meant that they could no longer attend to disabled relatives or participate in voluntary home-care service organizations. As a result, home-care services were unable to meet growing demands. Cash benefits helped to alleviate the lack of voluntary manpower by enabling a beneficiary either to pay for the services of a nurse or to help compensate a relative who stayed home to care for the invalid.

Second, as national health systems became more developed after the War, provisions for determining eligibility were adopted that usually allowed the family physician to decide entitlement based on national guidelines. The cash payments made available under this approach allowed disabled persons to pay the medical fees required for home-nursing care or to pay relatives for attending them. In the early stages of development, the national health systems of Europe sometimes did not provide cash allowances for constant attendance because of the administrative complexities involved. Some systems could not cope with determining the extent of disability necessary for entitlement to the benefit.

Since the early 1960's, spiraling costs for institutionalized care, combined with an increase in the number of permanently disabled persons, has moved 22 more nations to establish this type of allowance under their invalidity insurance provisions. By adding the allowance to the invalidity pensions, virtually all persons in covered employment are potentially entitled to constant-attendance allowances, regardless of the cause of incapacity, if the disability requires constant care.

In addition to the invalidity insurance programs' provisions for constant-attendance allowances, three other main programs provide some form of care to the disabled of all age groups: (1) Workmen's compensation programs award cash allowances to the permanently disabled for work-related incapacity; (2) home-help services primarily provide domestic services to the temporarily as well as permanently disabled; and (3) nursing homes offer institutionalized care, prin-

cipally for the aged with or without physical handicaps.

Workmen's Compensation

Traditionally, most provisions for constant-attendance cash benefits have been covered under workmen's compensation. Of the 127 countries with workmen's compensation programs, 76 or about 60 percent provide constant-attendance allowances. All of the European countries as well as Australia and Japan have such allowances. In the United States, the workmen's compensation programs of Hawaii, Nevada, and Washington pay a supplement for constant care to persons permanently disabled from work-related accidents or illnesses.

In most of the countries that provide the allowance under workmen's compensation, the benefit increases the pension amount to at least 100 percent of former income. In many instances, particularly in Europe and the former French colonies, the trend has been to exceed the 100-percent replacement rate by as much as 40 percent in an apparent effort to offset increasing nursing-care costs and to induce the greater use of home care.

Home-Help Services

A major source of constant-attendance care is found in home services organizations. Since the 1940's, most industrialized countries have provided programs to assist disabled aged and handicapped persons by aiding them with domestic chores such as cleaning, cooking, laundry, and shopping. The intent has been to keep the patient independent in his own home and out of institutions. The types of services provided by home-help programs and their financing vary greatly between communities as well as from country to country. Services may be performed on a voluntary basis through charitable organizations or provided as municipal projects, partly funded by national assistance. In Sweden, for example, the Government funds one-third of the cost to the municipality in providing domestic home care

to the handicapped and aged. In the United States, home-help services are available under both private and national programs.

At times, home-help services take the form of a cash benefit. In the Scandinavian countries, beneficiaries receive a means-tested benefit so that they can hire an attendant when nurses, who are usually provided free to the indigent, are not otherwise available.

Aside from the Scandinavian programs, the success of most home-help services has been hindered by the general absence of provisions for nursing care. Many women who once stayed home to care for incapacitated relatives are now at work and no longer available. The need for domiciliary nursing care has, moreover, grown steadily as the proportion of aged people in the general population has increased. Correspondingly, the traditional means of providing care have declined.

Nursing Homes

A third approach to constant care has been the expansion of public nursing homes. Many countries have either built publicly financed facilities, encouraged private development and expansion, or both. A number of national health systems subsidize private nursing homes to defray the added expense of caring for the permanently disabled. The use of nursing-home facilities is not, however, generally viewed as a practical means of caring for the severely handicapped. Too many people must be accommodated and the cost of institutionalization is too high.

CONSTANT-ATTENDANCE ALLOWANCES UNDER INVALIDITY PROVISIONS

Many disabled persons are excluded from the benefits and facilities provided by workmen's compensation programs. Others need medical attention not provided by home-care agencies. Still others do not want or cannot afford care in a nursing home. The role of the constant-attendance cash allowance under the invalidity program has been to fill these gaps with low-cost assistance.

Forty-seven countries have adopted this ap-

proach—all the industrialized and Western European countries except Canada, West Germany, and the United States. The benefit is normally used to hire a professional or nonprofessional nurse or to reimburse family members for their costs incurred in caring for a relative. In some cases, the benefit may be paid directly to relatives attending the disabled person. As one intent of the assistance is to help the disabled person remain at home, the allowance is terminated if the beneficiary is institutionalized.

Qualifying Conditions

The constant-attendance allowance in most countries is a supplement to regular benefits payable under the invalidity provisions of social insurance programs. Individuals who are entitled under invalidity provisions usually continue to receive the allowance when the invalidity pension is converted to an old-age benefit at retirement age. Initial entitlement to benefits is also possible under the old-age pension provisions, and in some cases it is restricted to persons of retirement age.

Usually the qualifying conditions for an invalidity pension require at least a two-thirds loss of working capacity and a specified period of contributions from covered employment to the social security fund. In addition, the constant-attendance supplement requires a permanent incapacity to such an extent that the disabled person needs help with eating, dressing, and bodily functions for at least 12 hours a day.

In some countries, these conditions are met only in cases of 100-percent or total permanent disability. In others, particularly in Scandinavia, constant-attendance allowances are payable for lesser degrees of disability based on residency and the severity of disablement. In these programs, a permanently disabled person who needs only part-time care may qualify for the special allowance. The criteria used under these systems are determined on an individual basis by the disabled person's personal physician.

A variation of this approach has recently been adopted in Belgium where a test that required 100-percent disability has been replaced by a case-by-case test of each individual's particular circumstances. Need is determined by the patient's

own physician, based on Government guidelines. The criterion of a new program in Australia, on the other hand, specifies that an aged person must require professional nursing care to the extent that would justify admission to a nursing home otherwise.

Under most invalidity insurance programs, benefits are payable for permanent disability as a result of any cause—illness, accident, infirmity, or disease. By way of contrast, entitlement under workmen's compensation programs is almost always restricted to work-related injury or illness. A recent accident insurance program in New Zealand that covers all contingencies is the major exception of this policy.¹ Under this program, about 90 percent of the workers receive 24-hour-a-day accident coverage. The remaining 10 percent (apprentices and part-time workers) are covered for work-related injuries, including those that occur while traveling to and from the job.

In some countries, age may be a qualifying condition for entitlement to constant-attendance allowances under invalidity insurance. In Australia, for example, the allowance is paid if the beneficiary is aged 65 or over. In other countries, age is a factor only in establishing the benefit amount. In France and the United Kingdom rates vary according to age groups. In most programs, however, the allowance is awarded without age restrictions. In those countries where entitlement is based on employment, special provisions may be made for covering children.

Another important qualifying characteristic of most constant-attendance allowances is the application of a means test. Under such a test, benefits may be payable only if the beneficiary's income, including any disability benefits, is below a specified level. In certain countries—France, for example—the income of the family as well as the beneficiary is calculated in the means test. This method is used in the French test for allowances payable to families with disabled children. In other countries, as in Scandinavia, the means test is applied only when a nursing shortage requires cash benefits for the recruitment of a relative or others to attend the beneficiary.

¹ See Elizabeth K. Kirkpatrick, "No-Fault Accident Compensation in New Zealand," *Social Security Bulletin*, September 1973, pages 25-29.

Benefits

The amount of the constant-attendance payment is usually computed either as a percentage of the invalidity pension, a percentage of the worker's average earnings, or a flat-rate amount established by law. Of the 13 industrialized countries with constant-attendance allowances payable under invalidity insurance provisions, five award benefits as a percentage of earnings, four pay a flat-rate amount, three base the amount on a percentage of the invalidity pension, and one makes payments according to individual need. Although the rates of increase vary widely, most of the countries increase the benefit level by more than 100 percent. The type of computation method used to establish the benefit amount does not appear to be a significant factor in the level of benefit rates among the European systems.

Nevertheless, when all countries are considered the most prevalent approach is to compute the allowance as a percentage of the normal invalidity pension. This is the method of 22 of the 47 countries that provide the allowance (see the accompanying table).

If the percentage-of-invalidity-pension formula is used, minimum invalidity pension amounts are increased by a range of from 20 percent (Guinea) to 100 percent (Denmark and Iceland). In countries where the invalidity pension is based solely on a percentage of earnings, the minimum benefit is usually increased by 50 percent. In the Western European countries that calculate invalidity benefits as a fixed amount plus a percentage of earnings, the constant-attendance increase is higher (Denmark, Iceland, and Switzerland).

The second most widely used method of computation is based on a worker's average earnings. Sixteen countries calculate the allowance on this basis, using a percentage of the beneficiary's previous, and usually most recent, average earnings level. Under this method, the invalidity amount may be supplemented by a range of 10-50 percent of average earnings. (Most of the non-European countries employ a 10-percent formula, and the Western European countries generally have a replacement rate ranging from 20 percent to 40 percent.) When the constant-attendance allowance is added to the invalidity pension, which is also a percentage of average earnings, the combined replacement rate ranges from a low

Invalidity pension increase resulting from addition of constant-attendance allowance, by percentage of invalidity pension, percentage of earnings, and flat-rate amount, by country, 1973 ¹

Country	Constant-attendance allowance as—		
	Percent of invalidity pension	Percent of earnings	Flat-rate amount ²
Albania.....		³ 15	
Algeria.....	40		
Australia.....			65
Austria.....	⁴ 50		
Bolivia.....	50		
Bulgaria.....		10-15	
Burundi.....	50		
Cameroon.....	40		
Colombia.....		10	
Congo.....	40		
Czechoslovakia.....			20-80
Dahomey.....	50		
Denmark.....	100		
El Salvador.....		20	
Finland.....			113
France.....		40	
Greece.....	50		
Guatemala.....	⁴ 25		
Guinea.....	20		
Honduras.....	⁵ 50		
Hungary.....		10	
Iceland.....	⁶ 100		
Japan.....	25		
Malaysia.....	30		
Mauritania.....	50		
Mexico.....	20		
Morocco.....		10	
Netherlands.....		⁶ 20	
Niger.....	50		
Norway.....		25	
Panama.....		10	
Poland.....			33
Romania.....			46
Saudi Arabia.....		10	
South Africa.....			26
Spain.....		50	
Sweden.....		⁶ 30	
Switzerland.....	20-80		
Togo.....	50		
Turkey.....		10	
U.S.S.R.....		(⁷)	
United Kingdom.....			80
Venezuela.....	⁵ 50		
Viet-Nam (North).....		10	
Zaire.....	50		

¹ Belgium and East Germany base the benefit amount for constant-attendance allowances on the needs of the individual

² Converted to a percentage of increase in the minimum disability pension amount for purposes of comparison.

³ Plus a flat-rate amount

⁴ Percent limited by maximum and minimum benefit levels.

⁵ Maximum percent.

⁶ Of base amount.

⁷ Instead of a supplement, a separate constant-attendance pension is paid. The pension is 85 percent of earnings with a minimum and maximum benefit amount imposed.

of 45 percent to a high of 125 percent. The median replacement rate is about 85 percent. In the four Western European countries using this computation method, the combined replacement rate ranges from 90 percent to 125 percent of average earnings.

Seven countries award a fixed, flat-rate allowance. The table shows the flat-rate allowance when, for purposes of comparison, it is converted to a percentage of increase in the minimum invalidity pension amount. Thus, the percentages

added to the basic invalidity pension for the constant-attendance allowances range from a low of 20 percent (Czechoslovakia) to a high of 113 percent (Finland). The wide variation between rates of increase reflects much less uniformity than the range of pension increases in the other two methods. The two Western European countries, however, are compatible with other European systems in terms of percentage increase. Of the three Western industrialized countries, only the Australian benefit rate falls below those of its European counterparts.

The two remaining countries, Belgium and East Germany, compute the benefit amount for constant-attendance payments on the needs of the individual. In 1973, the flat-rate monthly benefit in Belgium was replaced with a benefit based on both degree of disability and financial need.

Workmen's Compensation Benefit Formulas

The computation methods and benefit rates for constant-attendance allowances under invalidity insurance provisions generally correspond to the formulas used to calculate the same benefit under workmen's compensation. Of the 76 countries with constant-attendance allowances under workmen's compensation, 37 also award a similar benefit amount under invalidity provisions. In 27 of the 37 countries with a supplement payable in both programs, the benefit formula is exactly the same.

In 16 of the 27 countries with identical benefit formulas under both invalidity and workmen's compensation programs, the cash amounts of benefits are equal. In the 11 countries that use an identical formula based on the percentage-of-invalidity-pension for both programs,² the amount payable under invalidity insurance is lower than the amount paid under workmen's compensation. The difference reflects the higher basic invalidity pension under the latter program.

In the 10 countries where the benefit formula is different under each program,³ benefits are

² Algeria, Austria, Bolivia, Cameroon, Congo, Denmark, Honduras, Malaysia, Niger, Venezuela, and Zaire.

³ Colombia, Dahomey, El Salvador, Mauritania, Morocco, Saudi Arabia, South Africa, Switzerland, Togo, and Turkey.

lower under invalidity insurance because a lower percentage is generally used to compute the allowance. In most of these countries, the workmen's compensation benefit formula for constant care is from two to five times as great as that used to calculate the invalidity benefit.

FUNDING

Funds for constant-attendance allowances under invalidity programs are drawn from the payroll contributions that finance regular invalidity pensions. There is usually no separate fund set aside, although revenues may be earmarked to cover the cost of the provision. Even though the programs are providing benefits to a growing number of persons, the total amount makes up a relatively small portion of total invalidity payments. In some countries with universal systems, such as Sweden and the United Kingdom, benefits are noncontributory and completely financed from general revenue.

NEW PROGRAMS

Australia, France, and the United Kingdom are the most recent countries to implement new programs of cash benefits for the permanently disabled who are cared for at home. In March 1973, Australia established a flat-rate benefit amount of \$2 (Australian) a day (about \$3.00 U.S.), payable to persons who care for an aged relative in the home. The relative must be at least aged 65 and require regular and continuing professional nursing care. As the program is designed to encourage more families to keep their aged relatives out of nursing homes, payments are terminated if the patient is institutionalized.

France, which previously established a constant-attendance allowance to the permanently disabled under both invalidity and workmen's compensation programs, added in 1971 a means-tested payment for handicapped children and adults aged 20-65 who are cared for at home. The program seeks to assist those persons who have somehow missed coverage under other programs. The program differs from other attendance allowances in that the necessity for a full-

time attendant is not a qualifying condition, but severe disability (80 percent incapacity for adults) is required. The program is, however, similar to others in that benefits are terminated upon institutionalization. It is anticipated that about 100,000 children and 250,000 adults will qualify for the benefit.

In 1970, the United Kingdom for the first time adopted a constant-attendance supplement for severely handicapped persons whose disabilities are not employment-related. Originally legislated for people over age 2 who need attention 24 hours a day, a 1973 change in the law makes a reduced benefit payable for persons needing constant care either all day or all night. The benefit amount as of October 1973 is a flat-rate payment of £6.20 a week (about \$14.25 U.S.). It is not means-tested. Since the United Kingdom does not have a disability program as such (invalids receive a cash sickness benefit if they had an employment record, or, if they have no such record, welfare benefits), the benefit is administered by an autonomous board. In 1973, more than 10,000 persons received the benefit. It is estimated that there may be as many as 175,000 more persons potentially entitled.

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