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72D CONGRESS }
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SENATE

} REPORT
No. 294

GRANTING COMPENSATION TO HARRIET M. MACDONALD

FEBRUARY 24, 1932.—Ordered to be printed

Mr. SMOOT, from the Committee on Finance, submitted the following

REPORT

[To accompany S. 323]

The Committee on Finance, to whom was referred the bill (S. 323) granting compensation to Harriet M. MacDonald, having considered the same report it back to the Senate with an amendment, and as amended recommend that the bill do pass.

The committee amendment is as follows:

Line 7 strike out the words "and insurance benefits".

The report of the Veterans' Administration is as follows:

VETERANS' ADMINISTRATION,
Washington, January 8, 1932.

Hon. REED SMOOT,
Chairman Committee on Finance,
United States Senate, Washington, D. C.

MY DEAR SENATOR SMOOT: This is in reference to your letter of December 29, 1931, forwarding for report a copy of S. 323, Seventy-second Congress, a bill granting compensation to Harriet M. MacDonald.

The records show that Harriet M. MacDonald was appointed a reconstruction aide in physiotherapy in the Medical Department of the Army, at a salary of \$50 a month, by the Surgeon General of the Army, April 30, 1918; that she sailed with base hospital No. 114 on June 7, 1918, and was returned to the United States on March 23, 1919. She had filed her declaration of an intention to become a citizen of the United States prior to June 7, 1918, but did not receive her final citizenship papers until some time in 1923.

On July 8, 1927, she filed an application with the bureau for disability compensation. On her examination of July 9, 1927, she was given a diagnosis of pes planus first degree with symptoms. Subsequent examinations by Veterans' Bureau examiners show chronic arthritis, multiple, rheumatic; limitation of motion of left knee; hallux valgus with scars of operation for the same, bilateral; scar of left knee; arteriosclerosis with hypertension, result of chronic arthritis.

It has been held that all the conditions found by bureau examiners are the result of service which Harriet M. MacDonald had while in the Medical Department, and her combined disability has been evaluated for compensation purposes as follows:

Temporary partial, 19 per cent, from discharge to December 31, 1925; temporary partial, 29 per cent, from January 1, 1926 to July 8, 1927; temporary partial, 53 per cent from July 9, 1927 to May 13, 1928; temporary partial, 73

per cent, from May 14, 1928 to May 24, 1929; and permanent and total from May 25, 1929.

Section 200 of the World War veterans' act provides that in order to be entitled to the benefits of compensation and hospitalization, the woman applicant must be "a woman citizen of the United States who was taken from the United States by the United States Government and who served in base hospitals overseas." It has been determined that Harriet M. MacDonald is not entitled under this provision of the act for reason that she was not a woman citizen of the United States when she was taken from the United States by the United States Government and served in a base hospital overseas.

The title of the bill indicates compensation benefits, whereas the proposed legislation includes compensation, insurance, hospitalization, and such other benefits provided in the veterans' acts for members of the Nurse Corps.

As to insurance, it is doubtful from the language used as to whether benefits would or would not be payable. It might be possible for Miss MacDonald to establish the fact of application for insurance while employed by the United States during the World War, inasmuch as the records show that she informed the regional office at Cleveland, Ohio, that she applied for insurance while in service but that her application was denied for reasons unknown to her. There is no official record of any application for insurance having been filed or premium payments having been made. Although the filing of an application were established, it is doubtful whether from the provisions of the bill there could be construed a contract of insurance in force during service and subsequently, and converted in 1927, to permit benefits under the present permanent total rating from May 25, 1929. The period of service and fact that neither death or permanent total disability occurred in service within the time limit provided by section 401 of the war risk insurance act would preclude payment of automatic insurance benefits.

Although this administration considers there is merit to proposed legislation granting benefits under the World War veterans' act, as amended, it is believed that insurance benefits should not be included, there being no sound basis upon which such benefits may be awarded, and such legislation would create a right in an individual case which is representative of a group where no insurance rights existed. Further, the granting of insurance benefits in this case would be no more meritorious than in those cases where insurance was granted while in service, and where the veteran is at present suffering from service-connected disabilities but is not entitled to insurance benefits because the policy was permitted to lapse for nonpayment of premiums and is not revivable under existing law.

A copy of this letter is inclosed for your use.

Very truly yours,

FRANK T. HINES, *Administrator.*