
E001433

ORIGINAL

Transcript of Proceedings

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

PUBLIC HEALTH SERVICE

HEALTH SERVICES AND MENTAL HEALTH ADMINISTRATION

- - -

Twenty-seventh Meeting

of the

NATIONAL ADVISORY COUNCIL ON REGIONAL MEDICAL PROGRAMS

Rockville, Maryland
Tuesday, 6 June 1972

ACE - FEDERAL REPORTERS, INC.

Official Reporters

415 Second Street, N.E.
Washington, D. C. 20002

Telephone:
(Code 202) 547-6222

NATION-WIDE COVERAGE

VOL. II

CR 6500
DENNIS/rs

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

PUBLIC HEALTH SERVICE

HEALTH SERVICES AND MENTAL HEALTH ADMINISTRATION

- - -

Twenty-Seventh Meeting

of the

NATIONAL ADVISORY COUNCIL ON REGIONAL MEDICAL PROGRAMS

Parklawn Building
Conference Room "M"
Rockville, Maryland

Tuesday, 6 June 1972

ıce – Federal Reporters, Inc.

C O N T E N T S

CR-6500
nb-1
#1

P R O C E E D I N G S

DR. WILSON: Let's go back. This will be official and on the record. There is another council meeting, the Council on Alcoholism and Alcohol Abuse and I promised to spend some time with them.

One thing I would like to discuss with the council before I leave, one of the time honored techniques for working with councils that this agency has not used, at least to any great extent, is the use of a small, either executive or program committee out of the council that looks at the agenda in advance and very often a brief or sometimes not so brief executive session of the council the evening before the regular meeting, which is just an informal meeting so that people can let down their hair and talk about issues that may or may not be on the agenda.

I am more than willing to make myself available and evenings are a little more controllable than days. As I told a number of you we have about 69 councils and committees. I don't meet with all of them but I do meet with several of them. As a for instance, this morning there are two meetings simultaneously. I will be splitting my time.

I would like your sort of general reaction to whether you think that sort of a way to talk about the things that come up on the agenda or the things that don't come up on the agenda. Would you believe that would be helpful from your

nb-2

point of view? What would be your reaction? It takes additional time and effort; on the other hand, it gives you more of an opportunity, I think, to participate in the issues that will be brought before the council.

DR. SCHREINER: I think it would be very, very helpful. I think it probably should be something scheduled fairly late so people who fly short distances won't be losing work time, I think something like an informal session at 8:30 or something of that sort would make a very excellent arrangement.

DR. WILSON: Do you usually stay in the same hotel or motel, those of you who stay in town?

MRS. WYCKOFF: We could.

DR. WILSON: Any connoisseurs of hotels here? Once in awhile you run into the fact that some people like one hotel and another likes another. When you try to hold an evening meeting, if you hold it late --

MRS. WYCKOFF: Between the Linden Hill and the Holiday Inn now --

MRS. MARS: One is equally as bad as the other.

DR. CANNON: I was thinking about where would be most convenient for you.

DR. WILSON: Linden Hill, Howard Johnson, fine. I have no problem any place in the area.

MRS. MARS: Are you suggesting this before the

meeting again?

nb-3

DR. WILSON: Yes. What I am saying is -- one of the ways NIH does this a great deal is have an evening meeting before, don't force the agenda, just have a meeting at which the -- there is an open invitation to put items on the table. If you use a program committee of some kind, two or three out of the group to sort of look at the agenda in advance, they can then use their judgment on items where we may not always be sensitive to the issues involved.

You know, maybe we need more contact in advance of the evening meeting.

MRS. MARS: A preconceived opinion, on the other hand, is not perhaps a satisfactory spontaneous reaction.

DR. WILSON: I don't think, though, judging from my experience that we are going to get away from preconceived opinions any way.

I guess I would like to have them as educated as possible. Well, I am not trying -- maybe what you would like to do is think about it and,Harold, you could handle this as one of the items later on in the day.

I wanted to introduce it because I do have some feelings that we are not providing as much opportunity for the council to maybe participate in the design of its own discussions as you might like and which certainly I have had in other councils.

MRS. WYCKOFF: We are going to have a lot of new

ice – Federal Reporters, Inc.

nb-4

members and all their attention is going to be very important.

Maybe this process would be helpful for the next year.

DR. SCHREINER: I think it should be an informal meeting and not a briefing like you have in the morning session.

DR. WILSON: No. No. We are not talking about getting everything together and talking at them. This is more a chance of saying we have an agenda, what we leave off of it, what would you like to have for tomorrow morning, what are the other issues, some of the tid bits I have shared here this morning.

You could share in that kind of a session where you won't whare on the record.

MRS. WYCKOFF: It would be off the record?

DR. WILSON: Right.

Well, why don't you sort of go through that, Harold, after they have had a little chance to think about it and go through the applications.

I appreciate all the time you have spent. I am sorry to set your day back by an hour but I had a feeling that we stood a chance of getting set back more than that if we didn't get some sort of a general understanding.

MRS. WYCKOFF: It was very worthwhile.

Thank you.

End of #1

ice – Federal Reporters, Inc.

CR 6500
#2
dh-1

DR. MARGULIES: There's one thing -- I think we can get back on the agenda now, and go through the reviews, which are coming up. There is one thing that I wanted to bring to your attention. We mentioned it in brief yesterday. It will mean considerably more to some people here than to others, but it's helpful to know that there are some new coordinators or some actions pending on new coordinators which are of interest, and I will just run through them and they will be part of the record.

You may recall that in Colorado, Wyoming, Pete Geone had retired on a mandatory basis. They have selected a new coordinator, Dr. Tom Nicholas, whom many of you know. He was chairman of the regional advisory group that went on site visits and is an escellent choice. The final choice was between him and the deputy coordinator who, liked Tom so well, and liked Colorado, Whoming so well that he is staying on in any case.

Michigan: Picked Dr. Tupper as their coordinator.

Mountain States, Al Poppa resigned on a mandatory age basis and John Gurtis, who has been acting as coordinator has been selected as permanent coordinator.

I think those who know him would agree this is an excellent choice.

Rochester has a new coordinator, Dr. Peter Mott. His brother is the head of the B Agency. Depending on how siblings

Ace – Federal Reporters, Inc.

dh 2

get along, that's going to be good or bad.

Tristate has a new coordinator, Leona Bomgartner has has resigned. The committee picked Bob murphy, who has the one with Tristate, and later was the assistant regional director for the regional office in Boston and is now coming over to be the director of the Tristate program. That has not taken place yet officially.

Inidana, Dr. Stonehill resigned and there is an acting coordinator, Dr. Berg from the medical school, associate dean, but I get the impression that -- I don't know if they're planning to have him permanently, but they have a search committee out.

Intermountain, Dr. Satafvic has decided he wants to return to clinical medicine rather than remain on as the coordinator in intermountain. There is a search committee out.

North Dakota, Dr. Wright resigned as of July 1. They will be seeking a new coordinator for that program.

Dr. Groom has also resigned in Oklahoma and there is a search for a new coordinator. Incidentally, each of these programs, when looking for coordinators has no difficulty in getting a rather remarkable list of applicants and some have attractive ones. You know Ohio is in the process of seeking one in their new coalition between the former Toledo and Columbus organizations, and Delaware, which is in the process of developing on a planning basis, has a coordinator yet to be

Ace – Federal Reporters, Inc.

dh 3

named.

We are going to try to support in an informal way, the efforts of people to find coordinators or to indicate their interest in becoming one. RMPS doesn't want to become an employment placement bureau under any circumstances.

On the other hand, it's very helpful to know when there is some one available or when there is a vacancy and to be of some assistance.

It's a matter of orientation to new members, the selection of a coordinator is the business of the regional medical program and has the stamp of authority, as you agreed yesterday, of regional advisory group recommendations, and grantee selection. Our responsibility and in RMPS, is to endorse the individual. We do not enter into the selection.

We do, sometimes, give whatever information we have or provide any help that we can, but we in no way interfere with the process. Our acceptance is pro forma unless there is something extraordinarily wrong about the individual.

One, the question arising regularly about new coordinaters, particularly now, is whether he has to be an MD or not. We have in no way felt that the availability of an MD was a requirement, particularly when a program is strong, well developed, has its basis established.

They're really looking for someone to do the job well and from the recent selections, you will see some of those

Ace – Federal Reporters, Inc.

dh 4

being chosen and some of those who performed remarkably well have not been MD's. The Tristate has been Bob Logenshow pretty much. He is not an MD, and you will recall that program has changed from real trouble in early council reviews to a really very strong one.

Gurtis is a PhD., not an MD, and in West Virginia, Charlie Holland is not an MD. All these programs have done well.

Our question is really, is he the right person for the job, and what kind of a degree he has is incidental.

Now, I think we can probably turn at this point to the reviews, unless there is another agenda item.

Okay? You want to talk about HMO's?

(Laughter)

DR. PAHL: I think the council has probed enough of HMO's.

I would like to ask before we get into the reviews whether there are any particular travel schedules which would indicate taking these up in any given order of priority.

Dr. Cannon has indicated he will have to leave just before lunch. Do the travel schedules have others --

MR. WATKINS: Two o'clock.

MR. MILLIKEN: Three thirty.

MRS. MARS: Four thirty.

DR. PAHL: We're in fine shape on that.

DR. MC PHEDRAN: Two thirty.

Ace – Federal Reporters, Inc.

dh 5

DR. PAHL: I think we are in good shape. Perhaps, then, I think we might start off with the Nassau Suffolk application which is the second tab in your book, and I would like to -- before taking this up, with Dr. Komaroff as the principal reviewer, I would like to have Mr. Gardell present a brief statement to you.

This particular region, as the older council members know, has a peculiar CHP and D arrangement, and I think in setting the stage for the discussion, it would be helpful if we have a few words.

MR. GARDELL: We made a presentation similar to this to the committee, and the committee suggested we share it with the council.

We have been working for quite a while now with the Nassau-Suffolk group, in the Northern regional office, trying to develop means for coming up with a single application and a single award which involved the CHP program and the RMP.

It's not too simply done from the stand point of the mechanics, but organizationally, they are working in this fashion. All of the administrative and the staff activities are combined and the only breakaway that we have is really our project activity up there so that if we were to establish a percentage of activities there, and fund them in that fashion, I think we could probably have a single application and a single award.

Ace – Federal Reporters, Inc.

dh 6

Now this is really a convenience. It's not a -- it's not a must, but the program is -- the organization is set up in such a fashion that it lends itself to this.

For instances, Dr. Hastings is about 50-50 on the two staffs. I'm sure these will be brought out in some extent although he didn't know prior to this we were contemplating this. We have to move fast, too, to get it done.

We have an application in from them, from CHB. We have sat with the regional office. We pretty much know what the joing efforts will be and we can develop one application which will be probably what we call a joint application because there will have to be two separate organizations from the looks of it.

There is such a policy emanating from the Department to accomplish this. Now, this is all kind of a forerunner to what is actually happening throughout the Government today. As you know, probably have read, there is a great effort toward coming with one large application and allowing the various Federal agencies, either singly, or jointly, to fund such activities.

We have two offices now in the -- at the Department level, one called grant -- Integrated Grant Administration, and that's mainly for state and local agencies and then the other is the Switching Stations program which has to do with the project type activities throughout the Department where

Ace – Federal Reporters, Inc.

dh 7

they can pull all the various grants together into one application, wherever this is feasable.

Now we're trying to better that by having a similar type of a program here within HSMHA, and I have been working with a staff -- what do you call him, a task force, I guess in the administration office, trying to pull together the health related programs within HSMHA to the extent possible.

Now we haven't done it before, but this seems to be a natural. Dr. Hastings would like to have it that way, and I think we can do it. It wouldn't cost us any more than we presently would be funding them as you will review the application today, and we can have a co-terminous program period for the two activities, and they're so interrelated, that when a person goes out to work for CHP, he is automatically involved in some RMP activities.

As a matter of fact, one day talking about it on the phone to Dr. Hastings, he said, "I really don't know whether to charge this call to RMP, or CHP, because it really involves both of the programs." Which is kind of typical.

The committee's response to our efforts here is that if we can work it out, and it doesn't affect a program, as far as they're concerned, it would be all right to proceed, provided it has council blessings as well. We are bringing it to your attention this morning. We will continue our efforts if you see any problem with this, and I think in your presen-

dh 8

tation, maybe it will become obvious that this is a natural.

It is strictly administrative. There is no question about it. We would in all likelihood be the lead agency which means that Dr. Margulies would be signing the award, but it probably would have to be a joint award.

What I mean to say is we will administer the funds, but probably have a joint award. We will have to follow the procedures that come from the Department on that -- what they call the joing applicant procedure.

So, if there are any questions on it, this is just basically it. It really isn't too involved from a program point of view. It's just strictly administrative.

end #2

cr6500 #3
DD mm1

DR. KOMAROFF: Let me discuss the region and the RMP, CHP mix as it looked, and ask you some questions that I don't have an understanding of.

This region received a professional from Council last year, but at the same time council recommended a repeat site visit after one year. It has been operational for one year.

The highlights of this site visit, which was last March, were that the region had done a very good job with identifying specific objectives and giving a clear priority ranging to individual objectives and linking up proposed project activities to each one. They were really functional guidelines rather than paper priorities.

They also had a very well organized data base that they had collected in a non-duplicating effort with CHP, the Long Island Health Hospital Planning Council and other planning groups who were effectively functioning as one health planning force for Long Island.

With regard to the CHP issue, there was fairly good evidence that this was one of the concerns of the site visit the previous year, that despite the close identification of RMP with CHP, that it was good prior acceptance of RMP, of the joint staff and the kind of efforts that RMP was providing.

The private physicians and health facilities of Long Island regarded RMP clearly as the source of information and consultation in health care delivery issues, planning HMOs,

Ace – Federal Reporters, Inc.

mm2

developing review standards, and the like.

They had a very good tie as well with consumer groups through 19 CHP local area planning groups that had a very firm consumer base and with good access to the joint RMP-CHP administration.

And the site visitors found that Hastings, the coordinator, and his staff, were all capable people. The only problem of any consequence that was identified by the site visit team was the lack of minority group representation in a formal way on the advisory group and particularly on the executive committee in goals and aims committees and that criticism I think we should relay to the region.

The action in terms of dollars is as follows: currently the region is funded at about the $800,000 level. They requested RMP support alone 1.3 million and the site visitors on an itemized basis approved the expenditure of 1.1 million, roughly. That would include support for developmental component, continuation of seven ongoing projects, the funding of approved, but unfunded activity, and the startup of three new project proposals.

It would also include disapproval of their home dialysis project which we did not review at all. I will hold off any action on that particular project. There are two issues, broad issues raised by the region.

The first is the separation of RAG and grantee. This

Ace – Federal Reporters, Inc.

mm3

region initially would have preferred to make the RAG and the grantee synonomous bodies, a non-profit corporation would be the grantee and that corporation would have as its board of trustees or directors, a group of people who fulfilled the requirements for also being an advisory group.

Because of various negotiations with RMPS they have accommodated to a posture where they formally separate the two and they may no longer in fact be interested in having a joint group.

But I thought council should consider the issue which was not addressed directly in the much improved description of what a RAG and a grantee are, of whether a RAG could constitute itself as the grantee if the board of directors of that grantee fulfilled all of the requirements of being a RAG.

It is an interesting question for the future, I think, as the -- as more RMPs move in the direction of having the grantee become a non-profit organization rather than the medical school or some fiscal agency which is associated closely with one health agency in a region.

The RMP-CHP merge in this region is very tight as Jerry described. The two staffs are really one. They are funded out of different pockets, but they live together. Hastings, the coordinator, is paid 50 percent by RMP and 50 percent by CHP. They have separate advisory councils, but all

Ace – Federal Reporters, Inc.

mm4

of the sub-councils of both the RMP advisory council, and CHP are jointly constituted so that at the action level of the advisory structure is also united.

This proposal to actually make one award which would support both RMP and CHP activities has the following features: The CHP currently has as I understand it, Jerry, a five-year guarantee and although CHP doesn't have a five-year appropriation CHP apparently would be willing to accept a two-year reduction and to start on September 1 with a continuing triennial commitment, is that right?

MR. GARDELL: That is correct.

DR. KOMAROFF: Now I am not clear whether the advisory groups of both the RMP and CHP have approved of this kind of funding mechanism. I know Hastings has, and I gather the regional office has.

MR. GARDELL: The regional office has the RMP itself. The organization itself has accepted --

DR. KOMAROFF: The advisory group has voted on it.

DR. PAHL: Please speak up. The recorder has to hear you.

MR. GARDELL: I don't know if they have voted on it. I did not go up there myself, but the staff has been up there. I don't remember their t alking about the advisory groups having voted on it.

Ace – Federal Reporters, Inc.

I think from what we hear that this is exactly the

mm5

route they want to go.

It isn't going to affect the programs at all except as Tony mentioned, cutting back the CHPs to three years, and as I recall, I think that five years is a maximum, and it can be less than. So it does not have to be a five-year.

DR. KOMAROFF: What happens to pressure on RMP dollars if CHP funding drops and any matching funds aren't available or something of that sort?

MR. GARDELL: We would establish a percentage and the only thing that concerns me there -- that is why I say all of this is not ironed out yet -- if the percentage would have to drop, we would have to make certain that our part of the bargain is carried out.

In other words, the RMP portion of the grant can continue, whereas the CHP might drop, but we don't want to be replacing CHP funds in the event that they can't make it or come up with 50 percent matching. That is why we must establish some sort of percentage for our share so that if theirs goes down, ours would go down proportionately, but it could not affect our program adversely.

DR. KOMAROFF: It strikes me as if this is more than just a fiscal convenience. What is the nature of the pressure from anywhere in this building to establish this kind of a fiscal --

MR. GARDELL: It isn't just this building. It is

mm6

The administration. It comes from the Office of Management and Budget, and they are very intent upon passing more and more simplification and also larger amounts of funds to large organizations and activities out in the -- throughout the country and they are starting mainly with the state and local agencies, but it is moving into the project grant activities as well.

This will be our first attempt. There are many programs in HSMHA that are doing this right now, and inter -- intra-agency, get the right one -- for instance, the Chicago grant which I remember has NIMH, SRS, and OE all involved in a $2 million grant a year; and it definitely is -- this is not as vast, of course. The pressures are on.

In other words, when that grant was started, they were all directed -- they were going to have this grant, that is the way it was going to go, and that portion of it is yours. It is there and we thought that it -- here was a natural.

If we can work it out, we have -- we have started in what the administration is attempting to do in a very small way.

end 3

swl

DR. KOMAROFF: Swell, how does this sound to you in your eXperience?

MR. MILLIKEN: It sound feasible. It goes hierh, of course, than any other experience in the country today and I haven't had a chance to study this in detail, but in terms of the opportunities in both programs to share common advantages, this seems to be one.

DR. KOMAROFF: Before I move on the issues, is there any discussion?

Okay --

DR. BRENNAN: How do the two advisory groups retain their particular kind of mission? Do the -- in CHP you have something at the state level which is -- has a number of findings of the governor on it and very heavily weighted -- but on RMP you don't have any involvement of the state government and the political -- local political world to speak of, you just don't have an obvious level and you have got -- what the profession and the hospitals and nurses all the rest, think of as a sort of a very independent kind of coordinated agency.

Now, if a rock came, as far as funds were concerned, and you had a very close interlock of the two activities, and the one had an awful lot more political clout than the other, I think that no matter what rules you make about how you are going to split the money that that -- you would have a hard time in that kind of a composition defending the RMP budgets

sw2

because what would happen is that the group would tend to displace whatever funding it had into the programs that has a larger constituency, the more potent constituency.

I am a little worried about this.

DR. KOMAROFF: That coverage hasn't come.

Currently the two advisory groups communicate with each other. I think they have 26 members who wear different hats, but sit on both groups and they support activities of a combined staff whose identification is always vague, necessarily, and cannot come into any conflict yet, but it is exactly the question you raised in what would happen if the pressure on RHP dollars and direction if CHP funding got tight.

I don't know how you would predict the answer to that question.

I am inclined to say since this hasn't been tired anyplace else and since there is pressure to do ti this might be an opportunity to find out.

MR. STOLOV: In the bylaws they state in the event of a dispute between the RAG and grantee -- I don't know if that answers your question.

MR. GARDELL: We are talking about the organization remaining as they are and funding them jointly with one application and one award.

Probably the single benefit to be gained from this really is that the -- it is so difficult now to breakout the

sw3

costs between the two programs from the administrative point of view that I have a hunch that they have some audit exceptions, because we just don't have it that clearly defined.

We went up and helped them set up their accounts and everything so that they would be charging in some sense properly to each one of the two branches. But there is about a 40 percent vague area there in the program staff that really can't be tied down.

DR. BRENNAN: That is because there is at least a 40 percent overlap between the programs anyhow?

MR. GARDELL: Yes.

It would benefit all of us from that point of view. I think if they remain separate organizations which they probably will do, because I don't think CHP is going to lose its identity and we aren't either at this point, and they aren't coming up with any single agency for funding the two programs, should we come to any disagreement or any impasse it seems to me we could revert rather easily.

I think this is easier than trying to force them into two separate and distinct organizations which they are not at this point in time.

MR. MARGULIES: We have had the same sense of uneasiness about this that you have expressed, but if there is to be any place in which this kind of arrangement is to be tested, that is a good one.

Ace – Federal Reporters, Inc.

sw4

I think the best we can say is that it will be watched much more closely than any other arrangement. We have spent a lot of time already with them on the way they are doing things trying to make certain that the two programs are preserved separately, function together, worry about the grant distribution, and it is about the best kind of test case we have.

The arrangement which Jerry has described is sort of an accommodation rather than anything that we are agreeable about.

But, it looks like a worthy try.

DR. BRENNAN: I am not precisely speaking in opposition to this, but the concerns I have are related on the one hand to visibility of program results and where credit falls falls for them.

I know that actually the two programs are funded separately by Congressional action and that when people go before the Congress to ask for new funds that they have to be able to list down the accomplishments of the particular group that they are asking support for and this can get sticky and you need visibility, you need an RMP constituency as such in order to maintain RMP funding.

The other thing is that there is -- while the program areas are certainly very much overlapping, there are tow very much overlapping sets and some would even thing that they

Ace – Federal Reporters, Inc.

sw5

are very nearly identical sets, I think that from the standpont of genesis, the CHP program is looked upon and seen within the regions and states as an extension and elaboration of the state health department system, the state health officers and governors office and what you might call the official machinery of the state in an attempt to rationalize the medical system.

On the other hand, the regional medical programs are looked at -- looked at as something free from that and in a strong way kinds of indigenous things belonging to the people who are medical consumers, the medical providers, and that whatever enmities or resentments and so forth might have built up over the state health department in its relationships are not a burden for our enmity.

RMP is imposed on an areas and CHP is something imposed from outside. I would sincerly hope this would not be a precedent for going alone with some administrative gravity here that we feel developing, but that it would be an experiment and that it would not lead us administratively or in the regions and fields to work postively toward this kind of thing in a general way until we see how this one works out.

If there is indeed a flow in that direction, my hope would be that our policy would be to move with it in a testing way, but certainly not to start getting right behind the acceleration of it until we were sure as to how these experiments came out.

Ace – Federal Reporters, Inc.

sw6

MR. GARDELL: I think there is not too much fear from that. Although I have not done a study I don't know at the moment of any other agencies whose boundaries are the same as it happens to be in these.

This just happens to be one. It just happens to work that way.

I can also just share with you what discussion was going on in the work group of the administrators office and also with departmental reputation on that group that wherever the legislative authorities are restrictive in this area, I think there is going to be a move for liberalizing it so we can move forward to do more of this kind of thing at the whim of the secretary or the administrator or whoever.

It might be -- I think it is a fact of life coming down the pike.

DR. PAHL: Thank you.

DR. SCHREINER: Does this overlap constitute any sort of record?

DR. KOMAROFF: They are random. When you get into the issue, though, of attendance figures, it looks like the people who regularly attend the larger advisory groups are pretty much the same people, but there are more "consumer representatives" on the consuerm representative board.

e 4

DR. PAHL: Further discussion?

Ace – Federal Reporters, Inc.

#5
arl

DR. BRENNAN: Yes. There is another issue raised by you and that is the question of whether there is an administrative or legally required on council position that has been taken that separates the RAG from -- or that makes it impossible for the RAG to function as its own physical agent as the part of a corporation. I don't see exactly what there is about a RAG that makes it ineligible to carry the public trust in these things, but I understand that last fall at one of our conferences in Memphis or some such place, St. Louis, I don't know, that in general -- a general directive was given out that the RAGs shouldn't be the fiscal agent and that they should in some way or other refer or have associated with them an independent fiscal agent, preferably one of their own, one of the things we have been trying to do for a long time is free these programs from excessive domination by the universities and in the past that's been made difficult because the universities were the fiscal agent.

Now what is the position, I would like to know what the position is where -- what its origin is that says that the RAG cannot function as its own part of the records of another corporation.

DR. PAHL: Let me try my hand at it. It is my understanding there is no policy on general council opinion which would prohibit a board of directors of a not-for-profit

ice – Federal Reporters, Inc.

ar2

corporation from serving as the RAG provided that that board has the appropriate composition which is called for in the regional advisory group and represents the region.

There is a general council opinion, I don't remember the date right now, which states that employees of a grantee organization may not serve as the regional advisory group to the extent that they would dominate such regional advisory group.

I believe the general council opinion in that sense reads something that there shall be no more than minimal representation of employees of a grantee organization on the RAG.

MR. GARDELL: That's right. Not to exceed 50 percent is what we have been saying.

DR. PAHL: Does that help?

DR. BRENNAN: In other words, the deans of several medical schools, or chiefs of department of medicine, head of the hospital is getting some funding, all of those people would have to be taken into consideration in this 50 percent? Then I suppose that in order to make sure that there's no doubt about this ratio and the rest, that what you are really saying is that you -- the safest thing to do is to take it out of the RAG, given the fact that the RAG oftentimes is composed in large part of people who are affiliated with grantee organizations.

ar3

Then you would like to have a board of directors about which no such allegation could be made under any circumstances, right?

DR. PAHL: That's correct.

DR. BRENNAN: Now the problem is, here, what is going to be the relationship of this board of directors to the RAG itself and will it not become a super RAG? You know, where the money is, that's where --

DR. MARGULIES: I can't remember whether you were here yesterday when the council acted on the description of the relationships between the grantee and the regional advisory group, but I think that it covered that issue very explicitly.

The responsibility of the grantee is to manage the funds and be responsible for those administrative functions necessary in the regional medical program, the employment of the coordinator, affirmation of the appointment of the chairman by the regional advisory group, setting up of benefits, retirement, and so forth.

But program policy, final decision on program directions and on the approval of a request for grants forwarded to RMPs, that authority is with the regional advisory group and cannot be interfered with by the grantee.

The only time that the grantee would get involved in it would be when the regional advisory group is attempting

ar4

to do something which falls outside the law enabling the regional medical program to function, in which case they would get in touch with us.

But if it is a matter of program preference, the grantee is not involved in accepting as there may be members on the regional advisory group who have voting privileges.

So far as Nassau-Suffolk is concerned, I think you could build an argument that they could in fact be responsible for the grantee functions in the regional advisory group on a technical basis, but I can't find any good reason from the administrative management point of view why that would be preferable.

It would be clearly better to have a separate administrative body which is serving the appropriate functions of receiving funds and being responsible for them. There has to be some kind of interplay between the grantee and the regional advisory group.

When it is a university, and the grant-- and if it is a grantee -- finds a regional advisory group doing things which it cannot accept, which it thinks is against the public policy, then its only choice is to express that view independently and if the regional advisory group is insistent in moving it a way that the grantee doesn't like, then the grantee would have to withdraw ~~his~~ as grantee.

DR. BRENNAN: Could I ask this? You see, we saw

in one particular visit that I am familiar with, and site-visited a couple of times, a terrible conflict because of -- one of the things which the board of directors has given as a prerogative here is approving the chairmanship -- not the chairmanship, but the director chairman. They hire him.

Now when you get a situation which a -- the board of directors doesn't want to go along with the regional advisory group opinion, who ought to be coordinator, you are in trouble. And I don't know whether it -- do you anticipate that the regional advisory groups will be creating the directors of the grantee institution by election to it so that the grantee agency, nonprofit agency, created to receive the funds and to carry surveillance over them, is derived by a vote or is constituted by the RAG?

DR. MARGULIES: When there's a private nonprofit corporation, there are a variety of ways in which the board is set up to handle the fiscal responsibilities, but that is certainly one possibility.

Having established it, however, the regional advisory group has no control over the fiscal management and the grantee has no control over programmatic matters which come from the regional advisory group.

DR. BRENNAN: The problem where the conflict

ice – Federal Reporters, Inc.

comes is precisely in the manner the board did it. Probably the most important thing you can do in making a decision about what policy you are going to have is to choose the man who is going to generate, in fact, the main body of suggestions for the regional advisory group to work on.

DR. SCHREINER: Under the new guidelines, he's nominated by the RAG and selected by the grantee.

DR. MARGULIES: That is in the regulation which was passed yesterday. And if they can't agree, then obviously they are going to have to persist until they do agree. For it to be inacceptable to one or the other would generally be inacceptable.

On one side this man is available for a whale of a lot of public money, and the grantee is the culpable one if things go wrong.

On the other hand, he is responsible for effective programmatic development in the region's interest. He has to be acceptable to both.

Up to the present time there have been only modest kinds of difficulties. This is a fairly characteristic kind of university research committee problem in which there has to be found a happy medium. I think the process of even searching for them has been illuminating in many circumstances. It has not created a problem for the most part.

DR. SCHREINER: Mike brings up a good point,

ar7

though, on the shadow of the board. Do we have directives or standards about how many directors there should be on a grantee board?

DR. MARGULIES: On grantee boards?

DR. SCHREINER: Yes.

end 5

DR. MARGULIES: No.

DR. SCHREINER: That might be a way of handling it. I can see absolutely no justification for having more than a small Board of Trustees to handle the fiscal problems.

If you only have a small Board of Trustees, then they do not resemble a community organization. The problem comes if you have a big shadow of a huge Board of Directors over the RAG.

DR. MARGULIES: George, you can get into interesting complications. If you are talking about, say a state university or a large private university, which is the grantee, then the definition of what makes up the grantee body becomes very uncertain. You could say it is the Board of Trustees or you could say it is the Board of Overseers, or you could say it is a small group of people actually dealing within an administrative sense.

If you start trying to define that, then you would define the size of a grantee organization which is serving many grantee functions. Private foundation for example, may have large boards which are the grantee body but they may be handling ten times as much in funds.

Dr. Schreiner: If they are identified with an outside body, I do not think that is the problem. It is where you have a creative thing that does nothing but this. Then you have the problem.

DR. MARGULIES: Yes. I think it should be of reasonable size and so far we have not had anything proposed which is not of reasonable size.

DR. BRENNAN: Well, could I ask a specific question that might help clear my own mind about this? Would it be feasible or acceptable for a regional advisory group to nominate and elect to a set of staggered terms, six or seven men, to constitute the Board of Directors of their nonprofit grantee corporation and to be the electing body for that board if we want to call it of the nonprofit corporation?

Would this be acceptable?

DR. MARGULIES: I think to initiate it, something of that kind would have to be done. But, then I think it should operate on a separate basis thereafter just as the RAG should.

DR. BRENNAN: Then you could leave it from then on the nonprofit grantee organization board should elect its own membership?

DR. MARGULIES: Just as the regional advisory group is orginally appointed by the grantee and thereafter should be self-perpetuating.

DR. BRENNAN: It seems to me to be an undue complexity, and a disturbance of the unanimity that there ought to be -- I do think there is no reason why a regional advisory group could not be touched with the business of electing the Board of Directors for the corporation continuously.

DR. KOMAROFF: It seems to me as we went through the guidelines yesterday, and the problems that lay behind developing them, there is a legacy, a feeling about the grantee that derives from NIH, and other places. It does not quite apply to a community representative board in RMP.

It ought to be differences in conflicts among that board. To add a separate organization with which that board might come into conflict only complicates it. When you could set up a nonprofit grantee that was representative of the region, it seems to simplify a lot of things.

MR. GARDELL: It seems to me one of the things you have to try to guard against is an organization advising itself on what it is going to do.

That, I do not think is the intent of the law. I think the law wants us to have a body representative of the region for the needs within that region, advising the organization itself.

From a program point of view, I think if we go any other route, we are going to run into a series of problems organizationally within our own department, because we got what we got here. I think it was really a very nice compromise, in working it out with them.

They would have liked to have seen more reponsibility placed on the grantee whereas we are trying to give the RAG more freedom to programmatically represent the needs of the

region. I think we have done it very well, but if we go any further, we are going to have one or the other, and I do not know which way we will go.

For instance, representation on the RAG, we say a minimal representation from the grantee. Sometimes, that representations could be in the form of one person if he were very individual, or for instance, as we have had on occasion, or two, where the President of the Board is also the Chairman of the RAG, but he is advising himself in effect, and if he were a very strong person, there is not too much objectivity.

It could have some detrimental effect upon the program.

DR. MARGULIES: I do not want to prolong this too much. We are running along time. I just wanted to make one point. That is that the problem of having a regional advisory group function fully, and effectively, dealing with programmatic issues, is a great one, and although one might find a rationalization for having them also take on all the problems of administration, of dealing with people like Gardell, over the receipt of funds, keeping track of the rules and regulations under which HEW allows its funds to be carried out, taking a look at retirement beneifts, at personnel criteria, etc. , etc.; is to divert their energy in directions that would interfere seriously with their function.

For the most part, the kind of energy required for

a regional advisory group is of a different kind. It is conceivable they could perform both functions but I think it would likely lead to less emphatic results.

DR. BRENNAN: The way they have handled this in the past is to create an Executive Committee, and a Finance Committee, and it is no more hard than that.

DR. KOMAROFF: I would like to move approval of the Review Committee's recommendation on Nassau-Suffolk for roughly 1.5 million, and approve the plan of joint funding of RMP and CHP provided that both advisory groups vote in favor of that, and defer a recommendation on the regional project.

DR. PAHL: Is there a second to the motion?

MRS. MORGAN: I second.

DR. MC PHEDRAN: I second.

DR. MARGULIES: Seconded by Dr. McPhedran.

Further discussion or comments on the kidney proposal that should be made?

DR. HINMAN: There were two kidney proposals submitted by Nassau-Suffolk. The first was to begin a regional owner-donor program that they planned to coordinate with Metropolitan New York, and New Jersey, and they advised us they will be coming in with a 910 application.

It is for $27,060 for the first year to develop the registry, the surgeon, and supporting staff to make it go. The local review and the staff review recommended approval of

this project and is included in the $1,099,000 that Dr. Komaroff moved on.

The second program is a home dialysis training program. It was stated that they wanted to develop 50 modular, single-concept lessons for training patients for home dialysis. Our staff has been in discussion with the program staff of Nassau-Suffolk for over a year on this.

They have been given continued advise about the efficacy of programs developed in such places as the Northwest Kidney Center, and they have not taken that advise. This application was to write a contract with an individual who was going to rediscover the wheel from scratch.

It was our recommendation this be disapproved with advise to the region they go back and read their correspondence over the past year, and we will continue to work with them to improve the home dialysis training in the area.

DR. MERRILL: I would just like to add a word to that. I certainly agree with what Ed has said. However, if yo you look at the recommendations it points out that the need for expanding existing dialysis facilities applied in general objective number one requires additional study. General objective number one states they want to increase the accessability to primary ambulatory health care services, especially for specific population groups, such as the poor, the near poor, the elderly, disabled, migrant, prisoners, etc.

ter-7

That is exactly the kinds of group that is not suitable for home dialysis.

At the risk of being a little chauvinistic, if you want to experiment with that type of group, Seattle is not the place to get it. I respectfully submit there are centers to train people for home dialysis with a population more applicable to the description in Number one. Perhaps, that is what you mean by the additional list previously recommended by the staff.

End #6

I certainly would concur with the recommendation.

DR. SCHREINER: I think that's a good generalization to remember that there are well developed materials. John has a book, we have a looselief book we have developed over a three or four year period. And Seattle Kidney Center has a learning tape system. With a very small amount of money these can be personalized to individual places and you can put in those additions that you need by opening the rings or by cutting the tapes up and inserting a litting segment for your technician or your nurse and making it personalized.

I think this would be a much better way to go than having everybody keep funding things from scratch.

DR. PAHL: Thank you.

Is there further discussion on the Nassau-Suffolk application?

If not, all in favor of the motion, please say aye.

(Chorus of ayes.)

DR. PAHL: Opposed?

(No response.)

DR. PAHL: Motion carried.

With your indulgence we would like to have Dr. Cannon present the South Dakota application which perhaps won't require quite as lengthy discussion and we could then break for coffee and following coffee we would like to take up the Missouri application.

DR. CANNON: South Dakota, this lady tried to get

nb-2

in with an unhappy marriage, and was finally divorced. I think this is the first divorce proceeding that council has encountered and now that the divorce is final, she is flying her own kite and apparently doing a very good job of it.

She is on blank status at the present time with an application to become operational.

South Dakota is largely a rural area with a gradual diminution of physicians who have served the rural area by moving into the few urban centers that it has.

It has about 660,000 people and the minority group in South Dakota are Indians, 35,000, I believe, Indians.

The application at the present time is for -- we figured out a funding for the first year. The application for this time is for an amount of 400,000 plus dollars -- 424,682 which has been passed on by all our review groups and agreed that this is appropriate funding and I would so recommend that the council give a favorable vote on that amount.

I would like to call your attention to the fact that this state is in need or two programs and that is the DMS and the AHEC and that they have applications presently in for funding; and if you -- I won't go into details but the lack of transportation for acute emergency and many other problems which prompt me to recommend that this council expedite the funding of those two programs and encourage South Dakota to become operational.

ice – Federal Reporters, Inc.

nb-3

If they can't be funded on those two programs before they get operational, then we will have to stand on protocol.

My recommendation is for -- to fulfill the request of 424,662 and to expedite the funding of the EMS, HEC program.

DR. PAHL: Thank you very much.

Mr. O'Flaherty, do you have some comments?

MR. O'FLAHERTY: Yes, sir.

Only to say that the reviewing bodies that have considered the body to date feels that the body has progressed from a state of infancy, has required a good director, an outstanding regional advisory group chairman. The RAG is very much involved in the program. As Dr. Cannon said they do have need for these supplemental type activities. The region has moved considerably in terms of delineating its needs and involving appropriate groups in the determination of what should be the mission of RMP in South Dakota.

DR. CANNON: As an additional comment it should be made that the RAG is the advisory council for the CHP. They are one and the same. Its composition is 51 percent consumers at the present time because of a limited number of people available to serve in the capacity.

It was thought both by the site visitors and the reviewers that this was acceptable and a grantee is the University of South Dakota, supposedly, medical units. It is a two year medical school.

nb-4

This two year medical school wants to become a four year medical school but it is going to have difficulty making that grade. I think it will but it won't be in the near future. Their real deficit is in physicians prior input. Because the physicians, there are very few who are board certified, the school does not have sufficient clinical faculty available in the area to select the faculty to serve clinical years and I think this is where the difficulty is going to come down the line.

DR. PAHL: Thank you very much, Dr. Cannon.

Mrs. Silsby just handed us a note from Dr. Roth who was also reviewer on this application. Perhaps Dr. Margulies might like to read it for the record.

DR. MARGULIES: I think I am the appropriate one to read it becuase I am from South Dakota. He is not really from South Dakota, he just claims it.

(Laughter.)

DR. MARGULIES: In effect, I was just out there to give their commencement address. This is a memo from Dr. Roth.

I enjoy the opportunity to serve as backup reviewer for the South Dakota application and I would like the record to show that I have chosen to adopt the position that there is no conflict of interest in the fact that I have a Dakota Indian tribal name Tankanosta Koshita (sp.) which means young boy to discover rock pile.

nb-5

It relates to my first gallbladder excision, quite successful I might add. The name was bestowed upon my by the patient and her family, notables from the Rosebud Indian Reservation.

Perhaps this will merely serve as testimony to my cognizance of minority representation in an area such as this. Within this application there are several items of note and of significance for RMP in my estimation.

It first relates to the documentation of the decrease in the number of physicians, MD and DO alike from the smaller cities of South Dakota. There is here a striking study of a relatively poor culture, the factors that have brought this about, and the opportunity to develop efforts on how to best plan for reversing this physician flow.

A second element of importance is to catch clearly the message that HMO development does not strike the region as being the proper mission for RMP but the support of emergency medical services does in the development of an area of health education center does. This is a relatively simple straight forward application and I would not belabor the issue further.

I would support approval of the application for full funding in the amount requested, NB. South Dakota, although poor in resources is also one of the healthiest places in the world to live which carries a message with respect to the elements necessary for the maintenance of good health. It

not all or even possible in the physicians population ratio.

Signed RRR, he did not sign it with his Indian name.

nb-6

(Laughter.)

DR. PAHL: There is a motion on the table.

Second?

MR. MILLIKEN: Second.

DR. PAHL: All in favor of the motion say aye.

(Chorus of, ayes.)

DR. PAHL: Opposed?

(No response.)

DR. PAHL: Motion carried.

Before breaking for coffee, perhaps it would be of interest to the council to know that Dr. Margulies,in addition to having visited there, received an honorary degree from the university which also came in a lovely red binder as does your book of applications, but I think he had more pleasure out of the other binder.

(Applause.)

DR. PAHL: Let's try to return from coffee in fifteen minutes so we can proceed with our discussion of the Missouri application.

End #7

(Recess.)

#8
arl

DR. PAHL: May we come to order, please.

Dr. McPhedran, may we please get started on the Missouri application with Dr. Komaroff as back-up reviewer and Donna Houseal at the table here as staff.

DR. MC PHEDRAN: We are going to have several participants in this because I have conferred with Miss Houseal and also Dr. Komaroff ahead of time, and he kindly offered to do a part of the review. We will come to that in just a minute. This is a -- an anniversary -- this is a second year of a triannual award from Missouri, the triannual award has now just about completed its first year, and it comes before the counsel for several reasons; for one, that increased funds are requested; for another, that the review committee made recommendations actually to reduce the committed level and because there's another technical site visit for the computer project in Missouri which gave a very unfavorable report, so there are all kinds of reasons why this has to be discussed at this council meeting.

The request is difficult to describe because there are different requests, that is with different funding levels. It is a request for either one of two sums: the committed level of about 1.825 million or a preferred level called Plan B, which is $4.46 million in direct costs.

The council-approved level is 2.012, and the actual 12 months direct cost for this year, that is this

ar2

year ending now, the first of the triannual years, was 1.947 million.

Now the -- I will say at the beginning that all agree, no Plan B, that is $4.46 million. At least all -- that is the staff anniversary review committee and ourselves and the last year we did not agree to a developmental component although we conferred triannual status on the region, and we are all in agreement that development component should not be given this year either.

The questions about the change in funding level are mainly -- they mainly turn on whether one wishes to continue the automated patient history acquisition system and the automated ~~positions~~ physicians assistant program in Salem, Missouri, and these are matters that we discussed at some length in the -- the last time council took action on this, a little over a year ago; and as I say, there has been another site visit on these projects which the report -- the report which I have reviewed and Dr. Komaroff also reviewed. I asked him if he would do this because he visited the site in Salem when we made a site visit there, March of 1971, and so I would like to deal with Dr. Komaroff and ask him to talk about this now, and talk about the site visit report.

DR. KOMAROFF: For the benefit of the new council members, the Missouri region was one of the very early regions funded for both planning and operations; and

ice – Federal Reporters, Inc.

ar3

from the beginning they placed this high emphasis on computers and advanced technology in medicine.

They began by supporting eight individual computer-related projects, and they have now pared those down to two individual projects and one joint automated position assistant project, which really combines in one rural practice setting five of the previous activities.

Over the last five years we have supported the computer-related activities to about the tune of $7-1/2 million. Last year council recommended one additional year of funding for these activities at a reduced level of support and then at mid-year the region came through council requesting supplemental funding for this automated position assistant project in the rural practitioner's office.

They had, by mid-year, spent all of the funds that had been awarded to them and were requesting supplemental support from us and the council felt that there was inadequate justification for that supplement and refused to allow it as a grant.

Subsequently, however, that supplement -- those supplementary funds were made available through contract. A site visit was made to the region this April, headed by Octo Barnett from MGH, and on the site visit with Robert Reickert from Computer Specialists from Kaiser, John Rockhart, associate professor of the Sloan School at MIT, who is also

a computer management expert and Robert Robertson from UCLA, plus Charles Morrison, a practicing rural doctor from Maine, who is experienced in the Navy and his current involvement with several computers in rural practice projects not funded by RMP uniquely qualified him to look at the complications of this to a real practicing doctor.

The site visitors, as had been all of the previous technical site visits that we had sponsored, were very critical in their remarks. They found, and I think this is something that we will emphasize here, that the goals themselves were admirable and that RMP ought to be in the business of this kind of innovative and imaginative approach to the rural health care problem, but they found that the actual accomplishments of these activities were disappointing.

The EKG project they report as very costly with a diminishing number of users rather than an increasing number, and with a computer EKG interpretation which was erroneous 50 percent of the time, practically incapable of handling erythmia.

The biomedical project, which is designed to be an instant information retrieval for the isolated rural practitioner, a limited market survey had not yielded to the site visitors' benefit any demonstration for need of users, prospective users in the region, and they report that

"the project director had little grasp of the indexing and maintenance problem."

The main activity in the area is the automated physicians' assistant project which puts together a computer generated general medical history and the EKG, computer diagnostic tool, radiology coding system, and two other activities that are less important.

The site visitors found that the principal investigator had "little experience and little medical leadership," and they found that the project components were applicable primarily to new patients in Dr. Baskin's practice which constitute only 5 percent of the patients he sees each week.

They found further that even with the new patients entering his practice, the system was very little utilized. For instance,only one patient history, general medical history, was administered every four days on an average. This is a physician who sees 120 patients a week. They found that there were "no evidence of any corrections of errors which were being entered into the system" with regard to physical findings or laboratory findings, and there was "little effort to organize the information in a medically logical manner and that the technological decisions were extraordinarily expensive."

They came to the conclusion that there is every

reason to expect costs to remain high and volume low with serious doubt about the utility of information provided for improving management of medical care delivering in rural areas and they recommend that none of these three projects which are currently funded at $400,000 which request by the lower plan describing 200,000, and by the larger plan $1 million for the next year, they recommend that none of them be funded at all and the review committee strongly concurred in that recommendation.

DR. MC PHEDRAN: All concurred in that recommendation. Staff review panel --

DR. PAHL: Dr. McPhedran, could you speak a little bit more into the microphone?

DR. MC PHEDRAN: Sure. All concurred in this recommendation that those projects should no longer be supported. The difference of opinion was whether the money, so to speak, saved by not investing in them could be rebudgeted by the region for use were to support other projects and other activities and here the review committee took the -- a harsher line and felt that the committed levels should be changed downward to $1.6 million, and I subscribe to this view because the rest of the program, it seems to me, is really not -- it just isn't enough of a regional medical program really to warrant the confidence that that would imply.

ar7

It is a collection of projects, 17 continuing within approved period support, two requesting support beyond the approved period of support, five approved and not previously funded, and it is extremely difficult now, looking at the material now, as it was in March, 1971, to get a picture of a program for the whole region.

It differs very sharply from other regions that I have visited in this respect. I have the same feeling now that we all had in March, 1971. It may be that the program is administered capably, but there is just very little evidence that there is real program direction, assessment of needs of the region from the top, and a direction of the program to address those needs. So that -- and this is not because of lack of staffing, by the way. This is an enormous program staff, and the program has had very large support in the past.

The review committee made a further recommendation which I do not subscribe to. They recommended that triannual status be revoked so that I am proposing the review committee's new level of $1.625 million with the direction that no money be used for further support of these computer projects that we have described, that triannual status not be revoked, but that another site visit next spring would be in order to see what changes in program direction may be in the making.

end 8

ace – Federal Reporters, Inc.

For one thing, we might hope to see that some time related objectives have been adopted. This was specifically recommended by the site visit in March, 1971, and this message was carried to the region again in the advice letter and only recently has a goals and objectives committee been appointed by the advisory council.

I am sorry, this is a -- perhaps a little digression, but I think that some other difficulties with the region need to be cited.

The advisory council is a very small group numbering 12, and really has not been representative of the elements that we feel should be on the advisory council. For example, there is no comprehensive health planning representative, no Veterans Administration representative, and in the past there has been no minority representative, although I understand from Ms. Houseal that now there is at least one black member on this advisory council; and the -- furthermore, the other supporting committees, standing committees in the regional medical program, the liaison committee which is supposed to represent public interests, has had poor minority representative and technical -- the technical project review body which also supports this regional advisory council is no better in these respects.

So thatbecause of what appears to be poor program direction really -- an unrepresentative regional advisory group, and we feel for these several reasons that we do not have

mm2

the confidence to recommend that they rebudget the money that we want them to save: That is not to expend on these computer assisted projects and this accounts for the recommendation which I will reiterate: $1.625 million for the next year, for the site visit recommended next spring to see what changes in program direction may take place.

That is a motion.

DR. KOMAROFF: Second.

DR. PAHL: There has been a motion made and seconded. Is there further discussion?

DR. KOMAROFF: I think it is only fair to make it explicit before a vote is taken that what we are all wondering about, is that there is unusual, extraordinary interest in the future of the computer related activities within the administration and any action we take on those activities will, you know,we have to consider in that light.

DR. PAHL: Miss Houseal, do you have any comments to add?

MS. HOUSEAL: There are two comments I would like to make. One is with regard to the computer activities that the same application was submitted to the national center for R&D. They participated in a site visit, it was reviewed, and turned down by their study section because of the same technical reasons, although they are in favor of supporting far out kinds of activities. They felt it was technically not of enough

mm3

merit to support.

The second thing I would like to ask the council, the review committee suggested a site visit right after the meeting of this council in order to let their region know in no uncertain terms what your concerns are.

I am concerned if the site visit is not held until next spring it will be another six months or a year until Missouri starts moving to change these.

I would hope the recommendation of a site visit would be moved up to possibly this summer.

DR. MC PHEDRAN: All right.

Then, if I may, I would amend my motion. That sounds -- makes good sense to me. I amend the motion to have the site visit scheduled earlier, I guess this summer would be the appropriate time.

Amended motion

DR. MARGULIES: I would like to underscore what Donna has just said.

The review committee made a particularly strong point of the fact that they felt the people in Missouri did not fully appreciate the level of concern of council, did not realize that they were acting because it was not a regional medical program meeting the kinds of standards that the council has set.

They have tended to believe, and Tony was trying to make a point of this and did, that this is evidence of the council's disinterest in advanced technology.

Ace – Federal Reporters, Inc.

mm4

It is, in fact, as I understand it from the council, although you haven't had the vote from the presentation, I should say evidence of concern over doing that kind of thing which they have been attempting to do well rather than poorly, and conversely, concern over the fact that the Missouri Regional Medical Program has not regionalized, has not been responsive to the commission's statement, and has not designed a mechanism to serve the needs of the part of Missouri to which they are responsible.

Is that a correct interpretation?

DR. MC PHEDRAN: Yes.

DR. PAHL: This application has been discussed in some ofthe projects at earlier council meetings and perhaps some of the other members of the council might wish to add some comments at this time.

MRS. MARS: Well, if there is a weak coordinator and he is going to continue, how is it going to improve?

What hope is there of improvement?

Is there any chance of them getting another coordinator? Things are certainly just going to go on as they are, so to speak.

DR. MC PHEDRAN: You ask a very difficult question.

(Laughter.)

DR. PAHL: I would like to point out for the council that the review committee did struggle with the issue of triennial

Ace – Federal Reporters, Inc.

mm5

status and made the recommendation which Dr. McPhedran referred to that triennial status be withdrawn and that this is a point which is not being accepted in the current motion on the floor.

Perhaps there should be some further discussion, even Dr. McPhedran by you, because I do believe the review committee spent some time with this new issue of withdrawal of a triennial status that has been made and in connection with that, I would point out that if the triennial status of the region is maintained, then under the council policy which was established at the last meeting,the level of funding -- I am sorry, the council-approved level for the next year would also be at the 1.6 million recommended level unless you specify otherwise.

DR. MARGULIES: I would like to add just one point to that before you respond, because one of the issues that the review committee was concerned with, and we have not been that explicit about it in council either, was the inviolability of triennial review.

They had the feeling, which is incorrect, that when a program has triennial approval, it is guaranteed to remain at a triennial approval level for the subsequent three years.

We made the point that this is subject to review regularly, and with that, they took the action that they took.

So, if your position is to sustain triennial review,

mm6

it would be important to differentiate it from any feeling that there is no way of altering that status, that it is a positive sort of recommendation on your part.

DR. MC PHEDRAN: Well, I would not see any reason -- I would not see any way that we could predict now that the third year level would go above this suggested $1.6 million unless something happened in the interval.

I spoke -- but I think I would be certainly open to consider some new evidence that things have changed.

DR. KOMAROFF: It seemed to me -- I agreed with Alex' recommendation there and it seemed to me we run a great risk in acting on this region,of appearing unduly punitive.

If you really talk about setting up a full-scale site visit in the future, you are effectively challenging their triennial guarantee. You are just not saying it in so many words. You accomplish the same kind of control and expression of concern to the region without appearing to have acted in a fit of pique.

end 9

MRS. WYCKOFF: Did they give the funding history of Missouri to the council this time, going back to the beginning and coming on down, with a picture of what has happend over the years? I think that is a very significant thing and one in which I would react according to that. Approximately, just --

DR. MARGULIES: Do you have that funding history of the Missouri RMP?

MS. HOUSEAL: I think I almost know it by heart.

DR. BRENNAN: It is in that big, black book you have.

MRS. WYCKOFF: I know it is.

MS. HOUSEAL: The funding level from the beginning of Missouri's operational program for its first year was 2.6, for the second year was 4.6.

These are direct costs. For the third year -- this is for a fifteen month period, 5.6. The analyzed level was 5.1.

The fourth year was 5.8; and then following the site visit for this present year, the recommended level was 1.8.

MRS. WYCKOFF: So, this is --

MS. HOUSEAL: It was cut in half last year and apparently, just has not had the effect.

MRS. WYCKOFF: Well, do you feel we would be giving

closer supervision by withdrawing the triennial status? That they would be better able to respond, say, to a community constituted and better imposed RAG?

DR. MARGULIES: Those are separate issues. For my own part, I think that the recommendations that have just been made are perfectly appropriate. It is largely a question of how clearly they receive the concerns of the council and the recommendations of reduced funding, and a special site visit are quite impressive as will be the record of the report which has been made here.

DR. MC PHEDRAN: The site visitors -- a special site visit -- we think from what we know about it before, there are some things which are laudable, and new, that are going on there, and there are one or two projects in the state, especially those in Kansas City, which are certainly in the right direction for regional medical program.

It is not that we cannot find any saving graces at all, it is just that I think this would help to emphasize the value that we find in those, and if we think them more important than the previous activities which we would like to see declining.

MS. HOUSEAL: Dr. McPhedran, I perhaps, have not been clear about the purpose of the site visit that the review committee recommended. The site visit proposed is not a full-scale, go out and get a lot of new information, because in fact,

they think there was a lot of new information to be gained. The purpose of it was to take a few new council members out, and to let Missouri know their displeasure with the region and put them on notice of where they expected them to be.

DR. MC PHEDRAN: Okay.

DR. PAHL: As a point of information, prior to voting on the motion, I would like to point out that at yesterday's discussion of the governing principles and requirements for discretionary RMP funding and rebudgeting authority there is a difference stated now between regions on a triennial basis and those not on the triennial basis which may be of interest here and that is that those regions which are not approved for a triennial period, it is clearly stated that any new operational activity not generally covered by its program as approved by the council, must come in for approval.

In view of the history of the program, I think this point may have been in the Review Committee's mind at the time that their discussion took place. I am providing this for information for you, not to dissuade you from your position and recommendation that you have.

DR. KOMAROFF: Can we simply recommend that next year, at this time, council review the region again, so it can review it anyway without formally revoking triennial status?

DR. PAHL: You may do whatever you wish.

DR. MARGULIES: We will bring it in.

Ace – Federal Reporters, Inc.

DR. PAHL: If there is no further discussion from council or staff, all those in favor of the motion, please say "aye."

(Chorus of Ayes.)

DR. PAHL: Opposed?

(No answer.)

DR. PAHL: Motion carried.

DR. MARGULIES: After this morning's discussion, Dr. Wilson brought up for your consideration, the idea of establishing a kind of special subcommittee and executive or program committee of the council.

I would like to talk with you about -- for a moment and perhaps as good a theme for doing it as any, is the special issue which I wanted to raise with the council.

This is a good time to do it. It has to do with one of the programs. It does affect where you live Dr. Watkins, but I think it is just as well that you are here for this because it is a rather broad issue, and perhaps, we may ask Burton Kline to embellish on the comments.

Briefly stated, it has to do with the status of Metropolitan New York RMP, which is in deep trouble. It has recently had a management assessment visit, which among other things pointed out the fact that it had a very complicated Board of Trustees, made up of the Deans of the medical schools of Metropolitan New York, which was fairly swamping the function

of the regional advisory group, that they were unable to maintain staff effectively.

Burton, where do we stand on staff arrangement there, right now? What was their top level and where are they going?

MR. KLINE: About a year ago, they had sixteen professional staff people. They currently have seven on board, and as of last Friday, three were seriously considering leaving the program. A fourth was contemplating it. Approximately 50 percent of the seven remaining, are thinking of leaving.

DR. MARGULIES: In addition to that, the funds which are available to them are currently not being used effectively. There are promises being made, from what we are told, of the use of funds without going through either the regional advisory group, or the Board of Trustees. Very, highly uncertain status for the whole activity.

Recently, the management assessment visit which was reported back to them carefully, the Board of Trustees met to decide what they should do about the insistence that it conformed to RMP regulations and to the will of the council and I have not gotten a report back on that.

One of the questions was whether the Board of Trustees, made up of the Deans, wanted to bother with the RMP, if they could not manage it as they saw fit, or whether they wanted to challenge the whole concept.

Do we have an official report yet, on that meeting?

MR. KLINE: No. We do not have it yet, Dr. Margulies, but the letter certainly ought to arrive today. The courtesy copy arrives in New York City, yesterday. It should be in today.

DR. MARGULIES: I bring this up to the fact that this is a program in real difficulty. We are not going to solve it this morning but when special issues arise, like this, we will pursue it further, and give you additional information.

We have indicated in the past, any program on triennial status, or otherwise which we feel is doing extra-ordinarily well, or very poorly, or in someway is of unusual interest will be brought to your attention.

Without embellishing this, or trying to add to information which is more hearsay than fact, I would like to point out that there is a need in all likelihood, to have a group of people who are willing to set aside some time, prior to an upcoming meeting to consider special issues, to give us advice, and to be in a better position to communicate with the council when they meet than might otherwise be the case.

It is this kind of thing, and bigger, broader issues of the kind that occupied your attention earlier this morning that Dr. Wilson was addressing.

I would appreciate some response from you if you feel ready to give it about the propriety of establishing such a subunit of the council to operate between and prior to

meetings.

MRS. WYCKOFF: This is similar to an Executive Committee?

DR. MARGULIES: It would be pretty much a definition of how you would want to do it. An Executive Committee, ordinarily is one which takes action in the absence of the body it represents, and any definite action could not be taken by the Executive Committee, unless you assigned it that function.

I do not believe it is for purposes of action that he was thinking so much, as it is purposes of better understanding and better consolidation, and because you, as members of council, can more fully appreciate what the council needs to know, than can we, who meet with you occasionally.

You have a different community of interests than have we in meeting with you on these occasions.

DR. SCHREINER: I do not think it should be called an executive Committee. It shoudl be either a special study committee, or an operations committee.

DR. MARGULIES: Do I have the impression that this is something you would look favorably on?

If so, the other question which I think is probably more difficult, is when should such a group meet. The idea of meeting just the night before has the advantage of convenience, but I do not know if the timing is quite right. One of the questions was the establishment of agenda items, or

review of agenda items and that clearly has to take place much earlier.

Do you have a feeling about when such a group should meet?

End #10

swl

MRS. MARS: How long ahead do you set up the agenda?

DR. MARGULIES: We develop the agend practically from the end of one council meeting to the next, but it gets solidly set somewhere four to six weeks, I would say, ahead of the time of the next meeting, and then we try to keep it as fluid as we can until it is time to send it out.

MRS. WYCKOFF: Is this a committee that would be used for emergencies like this New York situation? Is that what you mean?

MRS. MARS: No.

DR. MARGULIES: Not necessarily, but it would be a group which could, as much as possible, represent a likely consensus of coucil in -- when we are unable to get the council together to produce that consensus.

In other words, a voice for the coucil, a reading for us of what council judgment might be or what action they might want to take.

DR.MERRILL: I think if the agenda were made up several weeks ahead of time and the problems were succinctly pointed out by staff, it would give the members of the committee time to look it over, to ask the pertinent questions, get back the information, and then meet, let's say, the afternoon before and still have time, let's say, for a little feedback with staff.

Ace – Federal Reporters, Inc.

I am not at all sure this thing couldn't be done by

sw2

that method and then finalized the day before the meeting, regular meeting.

DR. MARGULIES: Does that seem reasonable? It would certainly save time and everyone gets involved with quite a time commitment to this council.

DR. BRENNAN: I think in general if the agenda -- with some explanatory -- or recapitulation -- be a brief one -- that they can get back to you with a question or a complaint and you can -- that will help you to see what is coming, help you to prepare yourselves for these things.

I think that would help.

And then I think that otherwise, having the meeting that afternoon would be practical.

DR. MARGULIES: Good, yes. I think an early tentative agenda could be very useful and we could do that easily.

MRS. MARS: Let us send in comments. It eliminates the necessity of a committee.

DR. MARGULIES: Or at least it would give a better base for a small group to act on.

DR. MERRILL: I do think it is a good idea to have everybody get it. But I do think there are some questions and answers that will be generated and required which can only be done by meeting personally with staff.

Ace – Federal Reporters, Inc.

I think this probably could be done by a small group,

not the entire council, by a small group meeting with staff in the afternoon who have been delegated, let us say, to give these problems special consideration.

DR. MARGULIES: Okay. If that is acceptable we will function that way.

Thank you very much.

DR. PAHL: We have four applications, two special actions, and some information-only items, and it is a quarter of twelve. I think it would be something of a disservice, unless we run through without lunch, to try to review these regions by 12:30, quarter of one, as people start to depart for planes.

I would like to get council's feeling.

Should we perhaps, take up one or two applications and then break for lunch, and return to the business, or do you want to run through --

DR. BRENNAN: Go right through.

MRS. MORGAN: Go right through.

DR. PAHL: Okay.

Let us take up the application from Nebraska.

Mr. Milliken is the primary reviewer, Mrs. Wyckoff, the backup reviewer, Mr. Zizlavsky, our staff.

MR. MILLIKEN: I will do this quickly and painlessly as possible. You have, in your books, the blue sheet of the recommendations, specific recommendations which you have read.

I would recommend that you turn to the yellow briefing document, page eleven, the very last page which outlines the outstanding accomplishments by RMP since April 1, and 2, '71; principal problems; and other issues, to save time of going all through this, you can read these more quickly than I can read them to you.

While you are looking at that, I will give more detail as a result of the visit. The purpose of this visit was to assess the progress achieved by the Nebraska RMP, and responding to past criticisms. The concerns and recommendations for action are to improve the effectiveness of the Nebraska RMP, and based upon the April, '71 site visit, and subsequent reviews by committee and council; the eight specific issues in the advice letter are as follows:

One, need for stronger and more effective central program direction, the site visit team found that much progress had been made regarding this issue, that the -- Dr. Mosey, the coordinator has provided strong leadership, particularly in the short time he has been in the position, and the particular constraints that he is operating under.

Part of this problem, I believe is related to the action the council took yesterday on the new position statement of relationship between the RAG, the grantee, and the coordinator. So, I think this will be helped greatly by that action, but he has been operating under considerable pressure as a

result of lack of clarification of that relationship, as most everybody knows the grantee is the state medical --

Issue Number Two; the role of the RAG should be strengthened and the RAG should have a strong role in selection of the program coordinator. This too, is related to the action taken yesterday. The RAG is playing an active role in setting program policies through the work of its five committees: Executive Committee, Nominating, Budget, Finance Review, Resource and Development, and Operations Review.

One of the concerns of the site visit team was that there did not seem to be any requirement that the Executive Committee should report back to the RAG to get some sort of an agreement or support from the RAG for the action they took between meetings of the RAG; and the site visit team specifically recommended that this be built into the future procedure; that the Executive Committee was responsible to the RAG and should act for their actions related to RAG policy.

There was a lot of discussion about this, but there seemed to be willingness to do this. There was not great objection.

The third issue, the following documents should be developed and officially adopted by RAG, mechanism of appointment committees, objectives of each committee, procedures for reallocation of funds, procedures for remonitoring projects, procedures for project review, and procedures for project

termination.

The team felt that an excellent job has been done and beginning to develop these necessary documents. They were worked out, they were specific, they were discussed, and in the saving of time, it was the feeling that periodic progress and financial reports required by the project directors in line with what they have set up will follow the specific procedures.

The fourth issue, the role of the grantee organization should be defined in a way which will delineate the manner in which its responsibilities and authorities are separate from those of the regional advisory group. That was discussed in great detail and it was the feeling of the site visit team that this will be worked out and made more specific and that in the future, the particular relationship of the grantee will be to advise on their recommendations on legal -- meeting the legal requirements based on the recommendations of the RAG for program development, and not the reverse.

We had no proof that the reverse was happening, but there was no proof that it could not which made us concerned.

The fifth issue; capability of already available utilities on resource staff should be more effectively utilized. Dr. Borne, management consultant, described a new organizational chart and gave rationalization of, and the duties of each position.

There was some discussion of whether staff could be

put out in various areas of the state, and Dr. Massey felt that at the present time, in their recouping from more centralized management, this would be a very serious problem and that it should be -- remain central which the site visit team agreed with.

Sixth; available issues should be utilized more effectively in defining needs and caring for project operation. The most systematic identification of regional needs was the 1968 survey conducted throughout the state. Additional information has been supplied by program staff consultants through initiation of acting profiles.

Since that time and since the -- in the last six months, the great improvement under the new coordinator of relationships with the A Agency in CHP, it was apparent that a closer, ongoing relationship, utilizing the studies that have been funded, the State Health Department is now far more active in the RMP activities.

They and the state medical, and RMP, have access to some studies that have been done on providing special data to document needs, health needs of people and it was the feeling of the site visit team that this could be a very exciting cooperative adventure, wherein local state and Federal data could be made available to document and identify some needs, particularly of Minority groups which in the past have not been identified effectively, and this could then be used by the

ter-6

RAG and by the committees in setting up their goals and objectives, and activities for their basic plan and this would bring together, a relationship that could be a model for the country in terms of this kind of cooperative focus, and to this end, their EMS development is very exciting, because the CHP and the RMP have agreed to backstop and provide the systems necessary to the role of the State Health Department in their continuation of developing a statewide EMS structure and activity.

Now this could -- this could be very helpful because the data needed for EMS documentation and development could then be a part of the total data, to document needs of people as related to other kinds of health care systems.

End #11 This is an example.

mil-1

Seven. There should be organized plans for facing worthwhile projects to funding mechanisms other than RMP. This was not a popular item for discussion. The team pushed it rather vigorously. We, at the end, indicated that we were not expecting the impossible, that we realized the lack of resources in that state was such that it was not possible to quickly and effectively build in immediate other sources of transfer of funding. However, we did push and we -- I felt -- got some very cooperative reactions that they could begin to build into their project design ways and means of gradually transferring funding from RMP to other sources, federal, state, and local, and this was agreed that this would be done.

Eight. There should be strong involvement of program staff in RAG in directing the course of the Mobile Cancer Program. Dr. Marzee and RAG have had strong involvement, we found, in directing the course of the Mobile Cancer Project. An ad hoc group composed of RAG and other consultants completed the site visit and reported the findings to the RMPS site visit team.

Now, in addition to these eight issues, there was discussion about the general goals and objectives and priorities, accomplishments, and implementation, continued support, minority interest; in regard to the minority interest the region expressed the willingness to accept recruiting

mil-2

assistance from RMPS, in addition to obtaining additionalRM.

Minority people. We would like to see this kept visible in terms of whatever communications go back in terms of it, of this council, so that this would be followed through on.

Coordinator was evaluated, and we feel they now have a very strong, capable person. Site visitors noted the program staff needs to provide more time to strenghten content and development, which reflect RMP goals and objectives and priorities. It was our further feeling in this regard that somebody on the staff should be given this specific responsibility in addition to what is now the rule.

The regional advisory group, a number of key health interest institutions are represented on the 36-member RAG. Ten are specified as having the required membership and the additional 26 at-large members represent geographical and other health care interest. Fourteen, 39 percent are physicians. The RAG is generally dominated with political interests represented by the Governor and the State Senator. Only two or three members can be identified as representing a --

A site visit is recommended that the membership be broadened to include more minority representation.

The bylaws should reflect this process. This was agreed to. But generally, I think it needs to be visible in future communications.

mil-3

We spent a lot of time on the grantee organizations and we received cooperation in the fact that the statement that they have in their program, the coordinator shall be responsible to the governoring body of the state grant institution, state medical society, resulted in a site visitor's suggestion that the responsibility of the coordinator to the RAG should be more explicitly stated in coordinators section, but again this needs to be --

I think staff can give them some special help in terms of the regulation passed yesterday.

We talked about participation and local planning. This is where we encouraged them and complimented them on their working relationship with the CHP. We -- staff did an excellent job for us in getting an evening meeting set up when there wasn't time for it, but it was worked into the meeting where the site visit team met with the director and chairman of the state advisory council of the CHP, along with the coordinator and the chairman of the RAG. This was of very effective and worthwhile activity which brought out this future potential.

Under evaluation, the recommended actions of the team for the evaluation aspects of projects have improved significantly since the previous site visit, but the program should provide additional manpower to further strengthen the evaluation component of new as well as ongoing projects. Again this goes back to the other point that someone on staff

mil-4

should be designated the specific responsibilities.

Well, the next particular of special recommended action was on utilization, manpower and facilities and the recommended action on this is that the region needs to more actively seek out and assist in planning for under-served areas of population. There is minimal attention to manpower utilization at this time and this needs to be corrected.

In summary, I would say that the conclusion of the visit team shared their impression of the region status and what further needs to be done to strengthen the program. We feel they have demonstrated substantial progress and adequately responded to all eight specific issues. We feel that there is still room for progress in some of these areas as I have indicated specifically. The relationship between the coordinator and the deputy fiscal administrator needs to be clarified so the coordinator's role in fiscal management is clear. That can be part of this other thing. The region should devote more effort to identification of needs which goes back to the data sharing project that I referred to. The state CHP survey results, the Westinghouse report, which is part of that, should substantially aid this. Evaluation of project needs strengthening and RMPS staff, they need help in that. The region needs to understand the interrelationships between facilities, services, and manpower in terms of collective impact.

mil-5

I would move that the council approve the following four specific recommendations: the funding level of $725,000 for the 02 year, and a tentative recommendation of $700,000 recommendation for the 03 year; that the region utilize the $25,000 above the requested program staff budget for initiating small planning and feasibility studies which result in short-term pay-offs; there has been a reluctance to do that. There has not been a tendency to do this. Three, disapproval of the two kidney disease activities which I will not go into because these have been well-discussed before. Team recommends that the region needs to develop a statewide kidney plan, approach, in order to get this back on the track and that the region be given the option of submitting a triennial application next year.

MRS. WYCKOFF: I second the motion.

DR. PAHL: Thank you very much. The motion has been made and seconded to accept the review committee's recommendations. Is there further discussion from council or staff? If not, all in favor of the motion, please say aye.

(Chorus of ayes.)

DR. PAHL: Opposed?

(No response.)

DR. PAHL: Motion carried.

I would like to turn now to the application from Oklahoma with Dr. Komaroff as the council reviewer and

mil-6

Mr. Says as our staff representative.

DR. KOMAROFF: Oklahoma began planning in 1967 and became operational in 1969. Last year they came before the council requesting triennial approval which was denied, and the site visit subsequently went out in July last year recommending further that they not apply for triennial status until next year and come back with a one-year application, which they have done this year. The concerns of the site visit last July focused on several issues. The primary concern was with the capability of the coordinator and the turn-over and subsequent mediocre quality of some of the staff. And a fact that a very powerful number two man, a very effective number two man, Mr. Hardin, had been lost to the program and no replacement for him really was apparent.

Also, there was concern over the very restricted focus on RMP as a continuing education tool, primarily, with no execution, in fact, of support of experimental in health care delivery.

Also, there appeared to be poor relationship to other related federal agencies and a mediocre RAG involvement. Now on the basis of those criticisms, the region called its own site visit composed of -- chaired by their local VA hospital administrator, and including members of other regional medical program staffs and advisory groups. That site visit concurred largely with the RMPS site visit in its criticisms.

mil-7

As consequence, I won't belabor it, the region has come back this year with a much improved application in every respect that I have just described. With the exception that although the coordinator has resigned and there is no replacement yet appointed, there is still no very strong official number two man, although an effective new planner who happens to be a veterinarian has come in and apparently is a very dynamic figure on the order of Mr. Hardin, who had previously been there. There continues to be a large turn-over of staff, and an uncertain strength to the involvement of the RAG. On the basis of the other improvements, the recommendations of the review committee was that their region's current level of $739,000 be increased to $839,000. This is less than the $1.5 million which was requested, most of which went to a large number of new projects.

The review committee further recommended that the region recruit a strong coordinator, strengthen the advisory group, encourage subregionalization and that relationships with CHP.

I would move recommendation of their funding level and specific recommendations. We will be seeing them for a triennial award and site visit next year. I would further emphasize that they continue the initial experimentation with health care delivery issues, which is apparent for the first time in this year's grant.

Ace – Federal Reporters, Inc.

mil-8

DR. PAHL: Thank you, Tony.

Motion has been made and seconded to accept the report of the review committee. Further discussion from council?

End 12

Mr. Says, do you have any comment to make?

cr 6500 #13
mml DD

MR. SAYS: I have nothing to add except that you might be interested to know that they have interviewed three candidates for the job so far, two of whom were Ph.D. types and one physician. I believe they will be interviewing another physician relatively soon.

In the event that they find a suitable candidate, if there is some hangup in what time they might come on board, Dr. Kelly West, who was the coordinator during the planning phase, has agreed to serve as the acting director.

DR. PAHL: Thank you very much.

If there is no further discussion on the application, all those in favor of the motion say aye.

(Chorus of ayes.)

DR. PAHL: Opposed?

(No response.)

DR. PAHL: Motion carried.

May we now turn to the Oregon application with

XXXXX

Dr. McPhedran as principal reviewer, Dr. Watkins as backup reviewer, and Mr. Moore from our staff.

DR. MC PHEDRAN: The Oregon requests triennial status and the region was site visited in April -- no -- I am sorry-- March. I have the date right here.

All the site visitors agreed and the review committee concurs that this is a very good regional medical program and I recommend the approval of the committee's -- I recommend the

mm2

review committee's recommendations -- the review committee in fact took the site visit report and concurred with it.

The new directions of the program are very new and they have really not been thoroughly explored by the staff and I will go into that a little further.

That is one difficulty perhaps with the -- with their new directions, that they really don't know exactly how to pursue them, but I think that they have made very intelligent suggestions about how to organize themselves.

Their salary scale is a problem in that they need to expand staff but they are tied to a rather low salary scale of the Oregon State Medical School. This is really quite a significant problem.

We were impressed with the staff that they had, including one man that they had pirated from the Kansas Regional Medical Program who was a very effective worker in -- all over the state, even the spartan surroundings of the offices seemed to -- gave us a good impression. I wonder if that is because of my Calvinist upbringing that I felt that way about it.

(Laughter.)

The most notable accomplishments are the establishment of this good staff and good cooperative arrangements and relationships with practicing physicians with the Oregon State Medical School, although the salary scale is a problem.

Other than that, the grantee institution seems to

mm3

perform very well. They have had very good programs in sponsoring coronary care unit training and stroke rehabilitation.

Their performance under previously accepted goals and objectives, et cetera, has been very good. They have an excellent record of getting continued support for projects from other sources when their own support is ending. This is true of a number of continuing education activities which have now been discontinued.

We had a little concern about the -- what appeared to be under-representation of minority interests especially from the cities in the northern part of the Klamath Valley, all through the Klamath Valley, which is the populous part of the state, but we have every reason to believe that they are working on that.

Commenting about processes, the coordinator is an outstanding man. He is -- he was in rural practice in Washington State for a number of years. He seems to be really quite well informed about many things that a regional medical program needs to be doing in that part of the country. He needs a deputy and it sounds as though the person who would be hired for what they call a needs assessment unit, would be the logical person for this. He could do both activities.

The regional advisory group members, several attended this site visit and one or two stayed for a good time and it appeared that they are active in working with the program

mm4

staff so that we had a very good impression of the interests, sustained interests on the part of the regional advisory group.

The management of the funds, as I said, by the program staff and also by the grantee institution, seems to be above reproach.

The program proposal is certainly in line with the new mission's statement and we come now to the matter of funds that they propose that they would like to have obtained. Their current level is $746,000, direct costs. Their requests for the three years -- I beg your pardon -- totalled at -- I am sorry, I don't have the figure really right here. I will come back to that in just a moment.

On the front of the yellow sheet it is broken down and I think that is the most useful way to look at it. Their request -- the request that we saw fitting were for the six-year, about $921,000 which would cover the costs for Core-one project beyond the approved -- one within the approved period of support, five new projects, and then for the seventh and eighth years 1.038 and 1.008 million dollars respectively.

Now, the seventh and eighth year proposal includes both the developmental component of 75,000 in the second, and 100,000 in the third, the different figure being based on the expected increase in total program expenditure if we will allow it.

The growth funds, so called, are at first sight --

Ace – Federal Reporters, Inc.

mm5

look very much like an enormous developmental component, but the site visit team was persuaded and the review committee also was persuaded of the difference.

Both funds that we thought were reasonable and supportable were -- a patient transportation system, especially within Portland to help in the development of a peer review system which has already been well started, will be th rough the work of the Oregon State Medical Program; and to do an -- what is called a patient origin study.

They had a very effective and useful study of where patients came from, various hospitals around the state, which was enormously helpful in planning to hospitals and state health authorities ,and they want to expand that, extend it.

These were sort of projects that were in the planning stage that we wanted to propose. They also proposed some things the site visitors thought would be beyond their capacity with the -- even if they could enlarge their program staff which is now numbering only six, professional staff, which they hope to enlarge soon to ten.

We thought that their proposed expenditure of growth funds on a demonstration family practice clinic, on a demonstration of primary entrance clinic, on a television communication system, and a feasibility of study and development health centers would really be beyond their capacity and we hope we persuaded them. We hope that they will be persuaded

Ace – Federal Reporters, Inc.

mm6

that is true.

So what we are then recommending then is that for the 05 year, first of all, they should be on triennial status. For the 05 year that their total award would be $921,000, that there would be no developmental component. They did not request any, thought they would not be ready for it, and that there would be none of these growth funds in the first year, but that in the second and third year, that they would be awarded a developmental component, 75,000 each year, and that growth funds of $250,000 be provided for those two years, which would cover, by their own estimate, the costs of the patient transportation system development and the computer review system development and the patient orientation study.

So I move that we accept, therefore, the review committee recommendations.

DR. PAHL: Thank you very much, Dr. McPhedran.

Dr. Watkins?

DR. WATKINS: Alex and I discussed this and I felt this was a very good program, so I endorse it also. Second the motion.

DR. PAHL: Motion made and seconded to accept the review committee's recommendations.

Further discussion by council or staff?

If not, all in favor of the motion, please say aye.

(Chorus of ayes.)

Ace – Federal Reporters, Inc.

mm7

DR. PAHL: Opposed?

(No response.)

DR. PAHL: Motion carried.

end 13

Ace – Federal Reporters, Inc.

May we now turn to the application from Puerto Rico with Dr. Brennan as principal reviewer, Mrs. Mars, as backup reviewer.

DR. BRENNAN: Puerto Rico's program is going into its third year, and is up for triennial -- will become eligible for triennial review, I guess next year. The group came in with a request for $1.4 million against the current year's actual award of $843,000, which represents about 1.8 -- a 180 percent increase in funding.

The general opinion of the review group has been that this is a first line program, that there is good direction, that it is on target with respect to the stated objectives of the regional medical program.

The review committee has not recommended that we award this 180 percent increase in funding at this time. Among the element asked for in that large increse in funding with a considerable extent of the core staff, which would have gone from $240,000 to $447,000 in support.

Several new projects were proposed. One of them for $82,000, another for -- another for $181,000, and another for $78,000, which the review committee felt were not particularly creative projects.

The ongoing programs with which there is considerable satifaction in terms of outreach into the community and bringing care to people who don't have it, and persons with a specific

dh 2

problem, particular to Puerto Rico, would be well supported by the amounts of money which have been recommended by the review committee. They're given on the blue sheet, and come to a total for the coming year of $1.1 million with no particular provisos, some strength of the regional advisory group, some further extension of the basis of that group in terms of its geographic location.

I should then like to recommend acceptance of the review committee's recommendation for a $1.1 million authorization for third year for the Puerto Rico regional medical program.

DR. PAHL: Thank you. Mrs. Mars?

MRS. MARS: I read the program with great interest. Apparently, this new coordinator is quite a dynamic person and rather a brilliant one. I thought some of his approaches were interesting. He's very conscientious and recognizes that the role of leadership of RAG is a problem, and so he has done something that I have never heard of before.

He has appointed a member of his staff as an executive officer for RAG and this staff person will devote part of his time to coordinating the meetings and contacting members in an effort to encourage their increased participation.

RAG does seem to take an active part in the negotiations of the new budgets when their funds were reviewed and other than that, I don't think there was anything that especially drew my attention.

dh 3

The nuclear medicine program was dropped, and the other thing that does seem to be interesting is that their project directors are extremely enthusiastic. In fact, exceptionally so, and are devoting more time than they're being paid for, and willing to carry on their programs that somehow or other get funding for them if we don't fund them.

It seems to be a terrific togetherness and Dr. Brennan and I were discussing before, apparently, there is something about being in a little small island that brings this and increases this togetherness.

So, I would like to second the motion.

DR. PAHL: The motion has been made and seconded to accept the review committee's recomm endation. Any further discussion on this application by council?

MR. MILLIKEN: One of the principal problems, number four, what is the future on this?

MRS. MARS: Well, I think this is one of the things that he is appointing this executive to the RAG to try and get better represenation. They're going to also hold meetings in other parts of the island and I think this is one of the primary reasons for this unusual step that he is taking in appointing this staff executive to the RAG to see if he can bring in better representation.

I think that he's extremely conscious of these things, and so I'm sure that will be taken care of.

dh 4

MRS. WYCKOFF: It's on the staff, the nursing and social services profession?

DR. CHAMPLISS: Mr. Millikan, this is a region that has for its coordinator a dentist and there have been discussions with him to bring great involvement of the allied health profession on his staff, and I think we will see a positive response.

MRS. MARS: I'm sorry. You were talking about staff. I misunderstood your question. I'm sorry.

DR. PAHL: Further discussion on the application?

If not, all in favor of the motion please say aye.

(Chorus of ayes.)

Opposed?

(No answer.)

Motion carried.

DR. PAHL: I would like to direct your attention next to the first green tab in the binder under which there are five applications for your information, only unless one or more of you would like to take these up for special consideration.

These are the applications from Kansas, mountain states, North Carolina, South Carolina, and Western Pennsylvania. These are all applications within the triennial period and they have been reviewed and the results of that review reported upon here by our staff and advisory review panel, and under the review procedures which have been following, since there are

dh 5

no particular questions which the director has about these applications, unless you wish to bring up something for special consideration, this is for your information only, and no action is required by the council.

If there is no particular point about these, then the chair understands that these are read and understood by the council and we can proceed to the last section of the book, the second green tab, which is special actions and under that tab are two actions, one of which was taken up yesterday, the Colorado Wyoming special action, in which the council approved level was raised in a special vote and so we only have the white paper which has to do with the Mississippi Kidney proposal, and I would like to have Dr. Hinman, if you would please, present this to the council and have you take action on this.

DR. HINMAN: This representa a supplemental application by the Mississippi RMP for funds to support their state-wide kidney treatment program. It's a three part application, the first part being a conprehensive training program. The second part, a centralized dialysis home treatment program, and the third part, a kidney transplant program.

Parts one and two were approved previously by this council and unfunded last summer because of various cuts in budget sustained centrally and locally. They're unchanged, and the region has requested that we fund them at this time.

The third part, the organ procurement and transplanta-

dh 6

tion program is a well thought out program to provide the facilities and the resources to develop an organ procurement system throughout the state that would allow the transplantation of at least 25 patients of renal diseases during the next year.

The program is a coordinated program. They have divided the state into 14 subregions and have worked with individual physicians and administrators in each of these regions so they have a functioning referral system into Jackson and out of Jackson so there is output for patients as long as they have the home dialysis facilities, and the transplantation facilities.

The entire program has had technical review by committees set up locally who recommended its approval, and has been reviewed by the staff review process and approval is recommended in the total amount, including all three parts of $183,634 direct costs for the first year, $161,915 for the second year, and $120,403 for the third year.

DR. PAHL: Is there any discussion by the council with regard to these matters?

Dr. Merrill?

DR. MERRILL: I looked this over, and Dr. Hinman has pointed out the basic fundamental problems involved, how they approach them, and I would agree in general with his analysis. They have been cited, and in a letter from Dr. Bower, there are a number of statements in relation to his agreement with the site visitors recommendations, and his proposal concurs with

them. One of the statements is so remarkable, I think I ought to read it to you. He points out in the letter in the equipment category, we agree with the deletion of the majority of the equipment and feel that the project will not be hampered significantly by the deletion which although tear-stained, is one of the most remarkable letters I have ever read.

Nevertheless, it's a good program. It's based upon a number of functioning programs at the present time, but it does have, I think, two defects. One is although the funding plans are well outlined, I'm not, myself, sure how easy it will be to complement these and these are major problems.

Let me give you one example: Although it is -- plans are made for operating room time for the harvesting of kidneys, no plans are made or spoken of for the professional fees for these things. Unless they intend to do it themselves, which I think would probably be rather difficult for one full time, and one part time surgeon job, and the second thing which I think is even more important, they talk about an organ procurement which I would agree with is totally necessary, but they're funding him at the level of $10,000 a year.

Now such a man, to be effective, has to be at least initially an SR man who goes out and talks to the people on an experienced level, and not some high school graduate who in three weeks of crash program -- it won't work.

For someone with that kind of background, if he came

Ace – Federal Reporters, Inc.

dh 8

to me and tried to tell me how to run my immunosupressant theory would soon find himself out on the sidewalk on his "immuren."

(Laughter.)

I think it's possible for an SR person to go out there and initiate this, and then have someone who is going to work at the $10,000 level -- but this might be written into it because it's a fundamental part of our own experience that it just doesn't work unless you have someone who is willing at a high level to go out there and talk to them as an experienced master plan surgeon, medical plan involved in the programs.

end #14

Ace – Federal Reporters, Inc.

Is it possible before approving this to make that suggestion?

DR. HINMAN: I visited the program a couple of months ago, and Mr. Smith and Dr. Bowman were the first point of contact. The contact person is the person who makes sure the phone is ringing and the papers are appropriated. They are under no illusion that this person would be able to aquire the organs. I believe Dr. Smith plans, at least during most of the first year, to take most of the kidneys himself.

DR. MERRILL: If this is to be a self-supporting and phased-out program as the budget indicates, how sanguine are you about the ability of the state of Mississippi and the various agencies to carry this program out at the level of 25, and eventually 50, transplants a year?

DR. HINMAN: Ordinarily I would not be at all sanguine, but Dr. Bower has been able to convince the legislature of this state that this is important enough that he has a line item in the budget to support his dialysis program, the in-center part, and it is the only state health program that has a line item in the budget.

I think that -- we are pinning our hopes that Dr. Bower will continue to be this effective with the state. He had been extraordinarily effective in mobilizing local resources and with the recommendation that this debt requiremental funding. If he could hold to that, it is because he has been able to

mobilize other resources.

In their planning group, and active as a -- in overseeing the kidney project, is the head -- a physician who is the head of the local state medical assistance program, and a large percentage of the patients to date in the program have been on medical assistance because they have a high incidence of renal failure in the black population in the state of Mississippi. They have been entering them into the program.

DR. MERRILL: I move this be accepted and approved.

DR. PAHL: Motion has been made to accept the recommendation as stated.

MRS. CURRY: I second.

DR. PAHL: Has been seconded.

All in favor say aye.

(Chorus of ayes.)

DR. PAHL: Opposed?

(No answer.)

DR. PAHL: Motion is carried.

That concludes the formal business relative to the review of applications. I think Dr. Margulies has another item or two.

DR. MARGULIES: This will be very brief, but one thing I wanted particularly to thank the new members who went through this interesting two days with little preparation. The orientation we are planning for you will be even more poignant

than the introduction you have had. I don't want you to go away feeling you are unusually confused. The older members cloak their confusion more wisely than the newer members. There is that range of difference.

We have had in the last two meetings of the review committee considerable amount of expressed anxiety about the role of that committee. It is still struggling, more than is the council, with the transfer from project review to program review which is difficult in any circumstances and which does require a continuing kind of refinement. There is a need to redefine the role of review committee, counsel, staff advisory review panel and so on. We have indicated we would prepare a description of how we envisaged these relationships, what the responsibilities are, and bring this back to them and to the council so that there is a better understanding.

There is a certain degree of overlap in what review committee does and what council does, which most of us consider a highly desirable kind of overlap, but there are levels of authority which are different in the two groups which need to be understood fully. So, in the near future we will be transmitting that kind of information to you for your comment.

We are also going to have to take some special action involving whatever kinds of approval for grant funds we have on emergency medical activities and on the education supplementary grants because these were carried out in accordance because they

of high priority, of particular importance to RMP and in general. There were no site visits. It is a new kind of activity in some cases or a very rapid expansion of activities in others. We will, both with staff and members of review committee and counsel, wherever possible, be planning some visits to become more fully acquainted with what is being proposed. We will try to make these convenient, well localized, and so on, but we will need for these special actions either for future developments or to follow whether or not it is already gone on, a better understanding than could have been obtained by this very rapid kind of review and the supplementary awards process where they report in to the council which you had in the last two days.

I think that the RMP's need it, we need it, and we will set up some process for taking care of this as rapidly as possible.

I would like to say one other thing; one should end up on a high note. After the council has been meeting so laboriously -- but this is not a high note. It is an illy marked point of criticism which I have to bring up while the council is here for the most part. There has been a problem in site visits, a chronic problem, which somehow has to be corrected, particularly when we are dealing with the consideration of a full triennial review. These are reviews which give some level of guarantee to a program that it will have three years of funding which may involve for them and for us very large sums of

Ace – Federal Reporters, Inc.

money. Sometimes these are conducted with members of site visit teems, either arriving late or disappearing early but continually disappearing early, and if it is not possible for a member of a site visit teem to go and remain for a period of time which represents an adequate observation and an adequate report back, that should be made as clear as possible so that someone else can be obtained.

We are going to give ample warning at all times, but I think that no one would disagreee that the release tentatively of anything from one or two million to, in some cases, twenty; twenty-two millions of dollars for a program justifies very full attention, and, of course, from the point of view of those questioning the grant awards, it is a bitter experience to find themselves ending up with a site visit they have planned for for months with not everyone there and some of the principle actors already gone. Now, this is not a big problem, but if it happens once or twice, it is a big problem. I am sure you appreciate that, but we would rather know if it can't be done, and early, than to have someone intend to carry out the full activity and not do it.

The report back in, as you can see from the experience we have had here to the council, is of tremendous importance. The reviews which the review committee carries out are critical, involved, detailed, and I think the combination works out very effectively. We will carry out the kind of subcommittee

Ace – Federal Reporters, Inc.

activity which we had indicated during the course of the morning. It is an election year. There will be new legislation; there will be new appropriations actions, and we will try to keep you as current as possible. The best I can tell you right now is that there is a 75 percent turn out in the California primary. That is of about 20 minutes ago, and that is the most recent information I can give you. I will try to keep you up-to-date as well as possible.

Thank you very much.

DR. PAHL: I have just two small points before I guess we are officially adjourned. I thought you were working upstairs, and he was listening to the primaries.

(Laughter.)

DR. MARGULIES: I was watching it.

DR. PAHL: First, if the new members of council do have a few minutes before they could depart for their planes, perhaps they could meet with Mr. Baum and try to see what tentative schedules we could establish prior to the next council meeting for an orientation session. It would be easier when you are here.

The other thing is I would like to just note in addition to wanting to also thank the council for going through something of a difficult two-day period, I would like to thank particularly our own staff. The mechanics of this meeting have been unusually difficult and -- in terms of getting materials

Ace – Federal Reporters, Inc.

ready, in terms of smaller meeting room, and the arrangements for getting people in and out. I think this has been done in a relatively unobtrusive fashion and very smoothly. I want to thank the staff for that.

Specifically, also I would like to thank Mr. Handle for making the arrangements for last night's social occasion which most uf you were able to attend and which I think was very pleasant.

Now I think we can officially adjourn.

Thank you again. Have a nice summer.

(Whereupon, at 12:50 p.m., the meeting was adjourned.)

End #15