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ORIGINAL

TRANSCRIPT OF PROCEEDINGS

DEPARTMENT OF HEALTH, EDUCATION AND WELFARE

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DIVISION OF REGIONAL MEDICAL PROGRAMS

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AD HOC REVIEW COMMITTEE

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Panel "B"

Rockville, Maryland
May 23, 1974

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DEPARTMENT OF HEALTH, EDUCATION AND WELFARE

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MEETING OF AD HOC CONSULTANTS REVIEWING

REGIONAL MEDICAL PROGRAM APPLICATIONS

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Conference Room H
Parklawn Building
5600 Fishers Lane
Rockville, Maryland 20852
Thursday, May 23, 1974

Panel B convened at 8:40 o'clock, a.m., Mr. Peterson Chairman, presiding.

PANEL B:

(As heretofore noted.)

C O N T E N T S

C O N T E N T S
(Continued)

P R O C E E D I N G S

[The B Panel was called to order at 8 40 a.m. by R. L. Peterson, the Chairman.]

CHAIRMAN PETERSON: We are still missing a couple of people.

I took some stuff home last night and this is just to give you an idea of what we did yesterday. [Indicating the blackboard,] on which was inscribed :

	Overall	Item	Rec Funding in Ks	%Req	% Target
Albany (1)	Sup	3.0	1.066	100	70
Maine *	Sup	2.9+	1,600	80	120
UNENG	AA Sep	2.5	700	67	58
GD Valley	AA	2.5	2,300	82	83
CN York	Aug	1.8	615	77	61
Hawaiit	Aug	1.8	1,100	70	70
Ariz (1)	BA	1.7	860	64	50
Conn	BA Poon	1.6	510	80	22
			$8,751	C 80	C 70

THE CHAIRMAN: It seemed to me the regions fell out into about four nice groups.

The first column indicates that sort of overall rating that reviewers gave "Superior", "Above Average", "Below Average", or "Poor."

Now the second column is sort of an itemization. You will recall that you were asked to check "Good", "Average"

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"Below Average" -- and I sort of weighted that as "3", "2" and "1" and didn't count in where people said there was insufficient basis for judgment. And again, it seems to me those scores, that itemized kind of scoring is roughly consistent with the verbal score.

And then I indicated what your recommended funding levels were, in thousands.

And the last two columns are the percentage of that recommendation vis-a-vis the request in the first column; and vis-a-vis the overall target figure or level for that region.

So we do have marked disparities: Maine, for example if you will recall, theirs is only coming in now (1).

Connecticut is at the very bottom of the list. As it happened, heir initial request was really quite modest compared to what we were expecting.

But this is nothing authoritative or final, but I thought you might be interested in just sort of seeing one way of cutting, how things came out yesterday. It did seem to me they sort of fell out into four equal groups, rather than two small ones and then the middle -- we don't have a bell shaped curve yet, which I guess is something that educators are extremely interested in.

DR. TESCHAN: That's because they are saving money for the program.

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THE CHAIRMAN: Well --yes. Those are rough percentages at the bottom. You recommended about 80 percent of the requests in the aggregate, and about 70 percent of the target figures -- on the eight regions we looked at yesterday.

Well, I'm not sure that we really want to wait on Bill and Joe. We were going to take up Puerto Rico first, and both of those are Puerto Rico people.

DR. McCALL: How about taking West Virginia first?

THE CHAIRMAN: Well. Or otherwise --

You haven't had your coffee yet, Sister Ann, would you mind if we go to West Virginia? Otherwise, I was going to go to Oregon. She was the only person we didn't get toyesterday -- and, well, that wasn't entirely accidental, there was a little collusion with the chairman. It was part of the ecumenical movement. [Laughter.]

Why don't we start with West Virginia, then, and let Sister Ann drink her coffee -- and maybe then by that time Bill Thurman and Joe will be here. If they aren't, they'll have two black marks apiece -- they've already got one. [Laughter.]

And on West Virginia, we have Paul Teschan and Charles McCall -- and you people have colluded -- or do you want to flip a coin?

DR. TESCHAN: No. Dr. McCall, I yield the floor with pleasure to my senior colleague, from Texas.

THE CHAIRMAN: Now if we are going to get into these Senate type protocol, we're not going to get fourteen regions done today. [Laughter.]

DR. McCALL: I'm not sure whether I accept the floor under those circumstances.

I'm sorry Bill is not here. I wanted to point out to him that I find another "Superior" region, but that I'm not one that came in with two volums of elaborate amplification per se -- but just the opposite. A quarter inch, non-bound, non-color, black and white application that is one of the simplest, clearest, most concise applications that I've read -- and it's simple for a lot of reasons:

One, is the state, itself, and they they have developed the program, but also because this application is a request for support for staff, and only two continuation projects -- with the plan to come in for all of their new programs in July.

And that is clearly as stated here, it is a region that came in rather late in terms of the overall -- 56 RMPs that ultimately was our peak -- so that they came in, developed their program based on the needs of the region, developed their priorities, stuck with them, haven't had to shift them -- they have a strong staff and region advisory group leadership and an integrated program that has been consistent, right along.

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And I have already mentioned that it's really a staff proposal, primarily -- just two continuation projects -- just some things continued in other funds.

I think the feasibility of their accomplishing, in the light of what they say here what they have done in the past, is excellent -- and while there is not a lot of information on CAP relationships -- there is nothing that indicates there is any problem now there, at all.

They are requesting, now, 663,132. The only thing I would point out there is that there is a significant indirect cost in this that has come up before, about 130 some odd -- or 136,663 which was indirect cost -- but that is an established thing that we couldn't do anything about at this point in time. I merely call it to your attention.

And I think I'll stop there.

The Regional Advisory Group is a little heavy on the professional membership, but it's there -- I don't think it's a serious problem.

THE CHAIRMAN: Paul?

DR. TESCHAN: We have no reason to disagree with anything that has been said. It's a pleasure to read a program that has not only been able to carry -- not only been able to accumulate funds currently, and arrange ongoing funding -- but who is able to accumulate funds concurrently in multiples -- i.e., where they will put in half a million and they will be

running about a two to three million dollar program -- that when RMP was going to phase out, the Governor and the State Government were ready to take the staff on. It looks as if they are as far along becoming the follow operation of RMP as any region that we have come across.

We have known Charlie, in operation of West Virginia, because it's a membership in the Southeastern Group and we have been aware of this development in the general direction, up to now.

They seem to accomplish more interaction, and starting of more services and developing of manpower, with fewer dollars than almost any group we are aware of. So my recommendation -- if I can preempt the dignity of my predecessor -- I would recommend funding as requested.

DR. McCALL: I'll second that.

THE CHAIRMAN: O.K. Before we open that up -- as Charlie did indicate, this is a very, in one sense, a very modest application -- a continuation of program staff with funding -- a slight expansion in view there and a couple of projects -- so that it totals $663,000.00 in round numbers.

They do anticipate coming in with a major supplemental application inJuly for $1.2 million.

DR. McCALL: But that, added to this, would put them above the target. We're recognizing that.

But I think we are in a position to let them make

the judgment of what they do come in with, in their new committee.

THE CHAIRMAN: All we knew -- this is one of the reasons -- this is one of maybe eight or ten, where the initial application is, indeed, restricted to continuation and to program staff -- and all of their new activities will be reflected in the July submission.

O.K., Norm, are there any comments regarding CAP or this matter --

I recall West Virginia has at least considered, over the years, some possibility of disassociation from the University -- but I'm not sure whether that ever got much beyond a sort of --

MR. NORMAN ANDERSON: Any Agency Director is a Member of the Legal Advisory Group, and they did recommend approval of this particular application. And as I said, it has been previously approved by the agency, since the work is continuing on schedule.

The major thrust of the program we can anticipate in the next application, will be on the State-wide basis, as opposed to the individual project, or community basis. Now I think it probably will be the size that they will get.

DR. TESCHAN: They have helped build PAC agencies in an area.

THE CHAIRMAN: Tom, do you have any particular insight

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into this as regards West Virginia?

MR. SIMONDS: Well I think Norm summed it up very well. That's a pretty good state.

THE CHAIRMAN: Most of West Virginia is still that way, I know.

We do have a recommendation -- but are there additional comments, questions, observations.

MR. BARROWS: I would like to ask a question, just as a matter of my own information: What qualities, as you fellows see it, accounts for this marvelous support on the part of their constituency?

DR. McCALL: The usual fact of strong, capable leadership involving --

MR. BARROWS: On the part of the coordinator, or do they have a good RAG too?

DR. McCALL: I think it goes on further than that.

MR. NASH: The coordinator, the university, and the force of the medical society --

They started off with -- had the RAGs to start with and they haven't had to shift. They have been right on target throughout.

MR. BARROWS: The university and the medical society are united -- i.e. -- they both agree. Now, I didn't say the relationship was good between the medical society and the university, but both units support the RMP.

DR. TESCHAN: There's a very important phrase -- about half of one line in the application that says that, in working with the medical societies in the health delivery area, they have restricted their activities to their legislative franchise. And then the thing goes on.

Well, anybody who reads English in the context that we have all experienced it, will know exactly what they mean. That says that Charley's been very careful as a non-MD, he's been very careful and he's working with full understanding with the people who might otherwise take umbrage.

MR. NASH: That's right.

THE CHAIRMAN: I think I've observed something -- this isn't just West Virginia -- it does seem to me that in those states which have, perhaps less in the way of health resources, institutionally and otherwise (and Maine falls into that category certainly) and during the phaseout period, they seem a little more, for whatever reasons, anxious to preserve what little they've got, including the RMP, than some states where there is almost an embarrassment of riches, in one sense.

I don't know that that's an axiom, but I have that impression that in places like Maine and West Virginia, they seem to be, or to have been willing -- and I think they have had good programs there, to try and preserve the RMP with state and other funds, moreso than had it been Michigan or

Illinois, necessarily.

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DR. McCALL: But I think also, in addition to that the good leadership, good program -- a lot of needs relative to the resources.

THE CHAIRMAN: Yes.

DR. McCALL: But also, a rather homogenous noncomplex region, too.

You know there has been a lot of competing institutions and people, so that they were able from the beginning to focus it, and then have not only the need to recognize their function but they were productive in it -- and therefore, you can rally when the legislation gets shot out from under you. People come in and say: This is a worth while thing, and --

MR. NASH: There's a motion.

THE CHAIRMAN: Yes, there is a motion, but are there any other questions or comments?

If not, we have a motion to recommend approval of the amount requested, $663,000.00 which has been seconded. I call for the question.

[Approval of the amount requested was put to vote and carried unanimously.]

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THE CHAIRMAN: O.K., again we are still short Bill Thurman. He's got three black marks now -- but he can afford it, he's a dean of a medical school and he's got enough major insecurities without worrying about black marks from the Chairman. [Laughter.]

I wonder, Sister Ann, since Bill isn't here, if we could again improvise, and ask you to review Oregon?

This is a region where we only do have a single reviewer, Sister Ann, since Dr. James is not here.

SISTER ANN: There is a staff person here.

THE CHAIRMAN: Yes, there is a staff person here, Dick Russell, and he's just coming up here.

OREGON

SISTER ANN: Oregon is presently at the $767,000. level and they are asking for $1.2 million. They are bringing in three new activities, and a total of eight projects, and they plan to come in, in the July review for a project at the cost of $200,000.

The program, from what I can read, and I questioned a few people who were there on a site visit, and apparently it has been a good program over the years.

From the material that is presented in the book I was able to identify a strong program leadership, with staff, with the regional group, that has a good review process and apparently it functions adequately.

The Regional Advisory Board select projects and assign priorities, and they do this through three standing committees, by which this is accomplished.

It was interesting to me that the coordinator of the program is really in control of three projects with a total of $360,000. You might want to comment on this, this is rather interesting -- it kind of indicates the style of leadership in this program.

MR. RUSSELL: Yes.

SISTER ANN: There are eight professional staff and there are three vacancies that they hope will be filled.

Credentials could indicate that the staff is well qualified. Their job descriptions are well written, and if they operate within that framework, they should be able to do a good job.

In the past, they have had adequate technical review, problem analysis, and documentation of need and technical soundness. They have also addressed themselves to efficiency and containment of costs -- and this would appear to be on an ongoing basis.

The project, submitted in two ongoing projects (approved but unfunded projects due to phaseout directions) and the new activities not reviewed by the Board -- the methodology for achieving the goals listed on page 42 of the project -- and I won't read it -- if the methodology is

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followed, it's very adequate.

The three priorities are ones that were established by the Federal Government -- the availability and accessibility and improvement of following, and containment of reduction of costs -- it would appear that they would be able to carry out the projects in the allotted period of time.

And the CHP relationships appear to be good -- although as I looked at the letters and concurrence on the last project, I noticed that there was no return on about 50 percent of them, which kind of conflicted with some of the other impressions that I got.

And these are the main things that I picked up.

THE CHAIRMAN: I think Sister Ann was the only reviewer, but I think perhaps you will want to elaborate on this --

MR. RUSSELL: Well, let me respond to Sister Ann's questions, because I think they are very pertinent questions:

The one that you didn't quite understand the 50 percent return -- was this of letters?

SISTER ANN: Yes, that's right.

MR. RUSSELL: O. K. This is a matter of procedure as part of the Oregon structure. They have a CHP subcommittee and all the project applications come through that subcommittee -- so they do have input there.

And in the applications for Oregon, I think it was only nine of those did not respond formally. But the CHP relationships are --

SISTER ANN: Yes, that is very good.

MR. RUSSELL: Now in terms of the staff, they do show two professional vacancies. Now those vacancies have been filled. They, you know, knowing that it is sometimes difficult to recruit just on short time, they are using interns from the WICHIE program -- The Western States Commission for Higher Education. And these young men are on board.

SISTER ANN: I think there were five they were going to bring in -- is that right?

MR. RUSSELL: Well there were only two vacancies on page 53 --

SISTER ANN: Yes, but five interns were going to be hired into those vacancies.

MR. RUSSELL: No, I think there were only two as I understood it, and those two are filled.

Now the three projects which Sister Ann referred to which show the coordinator as project director -- which, I believe would be a CHP priority as 1, if I remember correctly.

The other is an emergency medical service consultation.

Yet he is not project director, per se -- it's that these funds are controlled through the Program Staff budget

and all of that money will be subject to Regional Advisory Board review, and approval.

You are right, the Regional Advisory Board is aware of them -- I sat with them for their four-hour meeting to look at the applications, and they have been very much involved, and it has been a very strong program.

DR. TESCHAN: How many of the new activities are going to be processed through, or managed by the University of Oregon? Just in round numbers -- one out of ten, or ten out of ten or -- there are a number of these projects who will be managed through the University.

MR. RUSSELL: Very few, if I remember.

DR. TESCHAN: Well, when I see the list here -- look -- it looks as if they were managed somewhere else.

"A hundred thousand dollars to CHP priority" was the title, and I was interested in what it was.

SISTER ANN: But that, then, is when it was under [Dr. Rhineschmidt] and that is under staff -- $900,000 and then there's another $150,000 somewhere -- it's total $360,000 under his direction, so he keeps it in the program, himse

DR. TESCHAN: What do they plan to do with that? Can you tell from that?

SISTER ANN: No, I can't tell from the application, but apparently the staff is going to address itself to the

management of it, but I would think that CHP is going to be involved in the planning, and I think the various agencies in the area are going to be involved in providing the services.

MR. RUSSELL: What this is -- this is, you know, in keeping with the emphasis being placed on the particular relationship --

DR. TESCHAN: That signal, I got. I wanted to know the content -- I can read this myself.

MR. RUSSELL: And they have a number of activities that now are in the developmental stage. These will come in as projects -- go through the advisory group interview, and then will be approved and awarded to individual CHP agencies.

DR. TESCHAN: I gather the decision is exactly what the content would be -- it's open ended. They wanted to get some staff resource to move in that direction and to have it earmarked for committee for that purpose, to get the signal to you all and to the rest of us on that. [Reads from the document.] what they are saying, you see, the law is that they have to do this and most CAPs or many, would say: This in our experience has not been ready because they didn't have the basis to make the judgment.

SISTER ANN: I got the impression that the majority of the funds for these programs, that it's really kind of a thrust into the future as well beginning in the present, and

it really would be very difficult to kind of link these programs together in the kind of a model that their Federal Government talks about at the present time.

Is that right? Does that reflect --

MR. RUSSELL: Yes.

THE CHAIRMAN: Paul, with respect to the University of Oregon and the Medical School, I recently, on a flight, was sitting next to somebody from the University of Oregon, and I had the -- apparently, you know -- Oregon is a "different" state you see in many respects.

They are trying to keep people out, and they led the way in gas rationing -- but also, its University is one that -- they are at the end of the line in feeding at the Government trough . They get less money in terms of Federal grants percentage-wise, than any other medical school in the country. And the Dental School won't even accept percapitation grants and that, you know, is almost unheard of.

So it isn't surprising in one sense that despite the fact that the University is a grantee here, that very many RMP activities now, or in my recollection in the past, has been university-sponsored.

DR. TESCHAN: You really must have a first rate coordinator out there too.

MR. RUSSELL: Not too long ago there was a management assessment -- this was by a management program -- and the best

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I can remember, the only recommendation was that the grantee ought to buy some curtains for the RMP Office.

MR. SIMONDS: Well, that's a little exaggeration. [Laughter.]

DR. HEUSTIS: Well, while you folks feel sorry for the university, I know that they are getting $163,000.00 in indirect costs --

MR. RUSSELL: I didn't say I was feeling sorry for it, Al.

THE CHAIRMAN: I seldom have bled for a university.

SISTER ANN: But you know, for a university grantee, they get the lowest amount.

DR. TESCHAN: What's their rate?

SISTER ANN: Oh, I think it goes up to 60 percent in some cases --

DR. TESCHAN: And how low --

MR. RUSSELL: 40 percent for salaries and wages.

THE CHAIRMAN: Well, this is an application for, again, in round numbers $1.2 million. They have estimated that they will be in with a very small supplemental, roughly $200,000.00 in the July request -- but this is their major request.

The total of those would be, again, almost their target level figure of 102 percent by our calculation.

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Any other questions, or any other comments? Sister Ann?

SISTER ANN: I recommend that they get the amount that they are asking for -- $1.2 million. Their target is just 102 percent. I believe in rewarding good programs.

DR. HESS: Was that a motion?

SISTER ANN: Yes.

DR. HESS: I'll second it.

THE CHAIRMAN: We have a motion and a second, to approve, or recommending the funding at the level requested, $1.2 million.

Is there any further discussion, comments, questions?

In that case, the question.

DR. HESS: Let's vote.

[The motion was properly put to vote and carried unanimously.]

THE CHAIRMAN: Again, unanimous -- we're just continuing the complacancy of yesterday afternoon.

DR. HEUSTIS: I think the Chairman should find a better word than "complacancy."

THE CHAIRMAN: Everything, in the eyes of the beholder, Al.

Well, we are still missing Bill Thurman, so we're going to continue to extemporize.

DR. HEUSTIS: If they ever subpoena these tapes, I would just hate to have anybody think we were complacent.

THE CHAIRMAN: Well I don't think they will find very many explicatives, or, on my part, many "inaudible" portions.

As long as we are on the West Coast, and if John and Al feel up to it, we might want to take one tenth of our MP, namely, California, which in terms of population, past funding, has roughly come out that way.

Al, do you want to lead off? Or John? Again, I don't know --

DR. HIRSCHBOECK: No, Al does. [Laughter.]

DR. HEUSTIS: You see, I have a voice problem, this morning.

CALIFORNIA

DR. HEUSTIS: Well, California is submitting two applications for this year, and the one that you have before you

is for approximately $8.3 million, of which about $1.6 million is for the program staff.

And they would estimate that with the July application they would come to $14 million and you can note, if you care to look on your white sheet that the RMP are prorated figures at $12.5 -- so there are approximately $1.5 million ahead of what they were advised to do.

They served the area of California with two regional offices, both of them (note) located near major airports, one in the northern part of the state and one in the southern part of the state.

The Regional Advisory Group has established six goals and six program elements, and they will implement these. The goals are to be implemented through six programs, and they have assigned a percentage of funds, and have determined their priorities in this way to each of the major goals.

The percentages are -- the largest, they held manpower at some 25 percent and the least is 4 percent -- with others ranging in between.

The RAG is strong, stable, and very interested -- and this is judged by the attendance which has a very well-known committee structure.

In addition to the Executive Board, there are three standing committees on program development, one on program review and one on evaluation -- and then they have what I like,

the program element committees in each of the areas -- and their charge is to develop programs and to monitor programs.

Here, again, it seems to me that real guidance is provided to people that would request money, in what the money should be requested for. It came through strong and clear to me that the RMP Central Staff plays an extremely important role in actually coming up with the projects and trying to define what our RMP role ought to be in each of the general areas -- and trying to define what kind of applications they ought to address themselves to, and they actually have pretty well defined criterias for the program development and provide actual guidance and request preparation -- I don't know whether they actually write the requests or not, that wasn't stated.

It was stated that the nine RMP Area Committees that formerly existed, had been phased out and that the program elements committees had replaced these, and that the -- they were well satisfied with the fact that the volunteers were now doing -- at least I got the impression from the work, that they were now doing a better job than the good job they previously thought that the staff had been doing.

The final budget, as requested, has been approved by the RAG, and first of all, apparently in the process the reports of the Program Area Committees goes to an Executive

Board, and the Executive Board recommends a division of the funds among the Program Areas -- and then the RAG makes the decision as far as the -- within that context, with regard to the applications.

I think they have a really well defined review and approval process, which is adequately described and interestingly -- and before I reviewed this, I didn't know that this was exclusive. They used technical experts, apparently from outside the region -- but the technical experts work under the supervision of the Review Committee.

The one matter that I felt was defective, and yet I am extremely understanding, because California is a pretty complex state -- and other large states have been having similar problems -- and that is:

First of all, who speaks for CHP?

And how do they effectively communicate what they think, to RMP?

I gathered that RMP has, what I would consider an "arms length" relationship with CHP and that RMP was extremely strong, relatively, and CHP was relatively extremely weak and there was no described CHP development or input into the preparation of requests prior to the RAG action, except for the legal review and comment -- and that seemed as though at minimal, CHP ought to in some way formally be consulted about what they thought their needs and priorities were.

Of course, the whole problem may be that they don't have any need for priorities that have as yet been developed -- but that is rather reading between the lines rather than reading what's there.

DR. TESCHAN: Well, they have had seven years time to acquire --

DR. HEUSTIS: The staff is well seasoned and experienced, although substantially cut. They used to have approximately 50 percent of the total awards that went to staff and it's now down to 12 percent.

The past results that I found, seemed to be impressive both with regard to the numbers trained and, I guess I have to interpret some of these figures, I'm not quite certain how meaningful some of this is, as far as the meaningfulness.

We talked about new medical power resources created -- or "new medical people power resources created" and the number wasn't really very impressive. I think it was a little better than 2,000.

But the access to care -- it seemed as though the two major provider systems that had been started and now were expanding with other funds -- they have given attention to urban Indians, and they have done some work with the California Council of Free Clinics -- all helping the underprivileged.

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The record of continuations, the projects without RMP funds, was impressive. They said that out of 76 ongoing projects, or a total of 81 projects that had terminated since July, 1960 -- 70 percent had continued with other funding sources.

In the first year, it said that following the RMP discontinuance, the projects that had previously been funded over three years for a total of RMP funds, in the amount of $7 million - in the first year of going along with other funds -- the people came up with $4.5 million to continue what was going on. I thought that that was rather an impressive figure.

The continuations supported by all kinds of money, including voluntary funds, university funds, hospital funds, State Governmental funds --

In the proposed program, they are trying to set up a network of what they call "Health Services, Educational Activities" to cover the entire state -- and yet some 14 of these formed ten of them are incorporated and four are developing -- and these are supposed to improve the quality of health care for coordinated state-wide system for health, manpower, training utilization and health education.

And again, it mentioned that over a hundred colleges and 120 hospitals (seemed low) and clinics were involved in this with some 200 people on the boards of

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of directors of these organizations.

In high bloodpressure control programs, they have a state-wide plan, and I thought it was interesting that of the 36 applications that had been received, the project said that sixteen were selected for funding.

Then I think the others were, of course, pretty much there.

Again, as I indicated before, the thing that probably bothers me the most, and yet probably shouldn't bother me too much, knowing what the facts of life are -- are the relationships between CHP and the Regional Medical Program.

THE CHAIRMAN: Oh, I think Staff may have something to contribute to that -- we spent four days in California --

DR. HEUSTIS: It is very difficult for a person with just the information we have, to evaluate the real meaningfulness of the CHP comments -- whether they are just bemoaning the fact that they haven't been recognized and want to say some things, or whether they really have a beef and maybe the staff could be helpful there.

But before we get to that, as far as my assessment was concerned, I have rated on the Review Sheet, all of the items from -- on the first page, program leadership, program staff, the RAG and the performance and objectives -- in the "good" to "excellent" category.

On the second page, I had to break down the three items in the proposal, thinking that they were congruent and that they were addressed to areas of emphasis, and because I didn't know about the CHP input of plans, and because there were criticisms, I rated that down to "Above Average."

And then on CHP relationships, I thought these were -- very -- I couldn't make the determination, and if I had to vote I would have to vote that these were certainly "Poor." But the column that I checked was the "Insufficient Data" and then the overall assessment of the program was "Above Average."

And the recommendation was made that as far as the funding level, that we ought to know more about CHP. And then I should say after that that we need to have staff comments.

THE CHAIRMAN: Well, thank you.

You have raised the matter of CHP. Perhaps I would comment on that before we ask John, and then Rebecca can complement some other things, as relates to California region.

Relationships with CHP there, are uneven, but even CHP relationships one to another, are uneven. Let me explain that:

There are twelve B agencies in California and I think the relationship of the California RMP, with most of the medium-moderate sized ones (Fresno and the northern counties, Empire Valley, which is Sacramento) we met with, during the

course of our four-day visit, Rebecca and Sandy and I, met with six B Agency Directors and the A Agency Director. The relationships -- I would describe those agencies as "Fair to Excellent."

Much of this has been as a result of the Health Service Educational activities where the State is blanketed by those which have been sponsored by the California RMP -- again, the development has been somewhat uneven, but in many instances, one finds that these health service educational activities, most of which are now incorporated as private non-profit groups, are in a very real sense, the health planning arm, or at least an important adjunct of the local CHP agency.

Relationship, on the other hand, with the three major CHPs in terms of population areas -- Bay Area, Los Angeles, and San Diego -- are arms length to "awful."

MRS. SADIN: Well, LA was all right --

THE CHAIRMAN: Well, yes, LA -- at least the word we got was that LA wasn't doing anything, so that they weren't getting into anybody's way.

But some of that is a matter of personalities, I think. We found, for example, that in the Bay Area, the Director of the CHP (and that's sort of a federated CHP, as there are nine counties, and each of them with one exception I believe)--

DR. HEUSTIS: Yes, but it seemed to me that in

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addition to the B Areas, that every county had its own CHP, and to kind of sort out the comments it became very complicated.

THE CHAIRMAN: Well, the Bay area is an interesting CHP -- certainly the most vocal, outspoken, bidder, director we ran into, that was Don Ardell in the Bay area. He was having problems with his eight County Directors, and they sort of meet apart from him.

Correspondingly, those B Agencies, and perhaps the B Agencies in general, but certainly the larger ones -- I'm not sure it's constructive, I think there was some destructive tension going on presently between the A Agency and the area wide agencies out there.

I think the RMP has, on the whole, pretty good relationships with the A Agency. Now part of that may be the fact that the A Agency is, comparatively speaking, poor so that it has been getting some money from the State EMS Office, or from the RMP, to do some of the things that it really hasn't been able to get State funds or State positions for.

But the picture is a mixed one, but certainly based on our site visit, Rebecca has thrust in front of me here both our report to Dr. Paul and our feedback letter to Paul Ward -- while we did have some recommendations about their

relationships, I think there are more that have to do with details, that they really ought to do a better job in insuring that the letter, as well as the spirit of the law is followed. If for no other reasons, the defensive purposes.

They were kind of sloppy in logging in things, and showing that they -- you know -- somebody wants to get you over a barrel --

But we felt that on balance, that the requirements for CHP reviewing comment were largely being met in substance as well as technically.

We did, also, have a chance to witness at the RAG meeting we attended, that there are several CHP representatives on there -- one from the State CHP and the area-wide agencies have a California Conference of CHPs -- it's kind of their "trade union" and they have a representative on the RAG and at the RAG meeting we attended an alternate member was sitting -- the fellow from San Diego -- and they certainly, not only spoke out, and they had some objections, but the RAG took them under advisement to the extent that they deferred -- they were going to look into the matter and either accept them in whole or ignore them -- and I think, you know, that even that slight demonstration suggested to us that in the RAG councils they have the ability to make themselves heard.

So it's kind of an uneven picture, Al, I don't --

at least from what we've --

DR. HEUSTIS: From what you have said previously -- what comes up with what I get out of the thing -- I had written down a summary of the comments that had been made, and that was marked in red -- and I admitted that the ones that I thought were important, and I had imported negative comments from six of the twelve areas -- at least what I thought were important negative comments of the six --

MR. BARROWS: I don't think we can charge them with the responsibility for resolving these intramural conflicts within the CHP.

THE CHAIRMAN: Oh. no.

MR. BARROWS: But we can grade them on their effort to relate to CHP -- and would you regard that effort (and this should be a positive one) as "Good" "Average" "Weak?"

THE CHAIRMAN: I would have to ask for Rebecca to comment too.

My judgement, I guess, would be "Average" to "Good." I think there are some situations where my impression is that California RMP feels that it has walked the last mile.

For example, when the Area Offices are abolished, that was a kind of a structured cross-over situation. When they abolished all their area offices and with them the area advisory committees, and came up with the Program Element Committees as a substitute -- there became a number of vacancies

on various B Agencies -- you know our slots targeted for the RMP, we found in the Bay Area that an issue of longstanding -- the B Agency Director wants an RMP person, but he wants a consumer.

But it just so happens that in that part of California Paul has only got some providers on his RAG, and you know, I think there is a real personality kind of conflict.

But I think on the whole -- and one of the suggestions we have in our feedback letter, was that they should consider the possibility of having a fairly senior staff person as kind of a liaison with the Conference of the Agencies -- they have met with them, and again, this is not a monochromatic picture at all --

DR. HEUSTIS: Have we any kind of a written agreement that has been either tried, or achieved, as to what each of them have thought they were supposed to be doing and what their responsibilities were --

DR. TESCHAN: The answer to that is: Yes, as I recall.

Now whether it is current or not is more to the point, but I recall that there was circulated to the coordinators some two to three years ago -- and this was the first example of a written memorandum of agreement as to what RMP and CHP roles were going to be and how each would interact with them. I'm quite sure Paul Ward was --

DR. TESCHAN: I thought it was a marvel. As a matter of fact, when we got around to signing a statement in Tennessee, we used that as one of the bases of ours.

MRS. SADIN: But I think it's uneven -- the relationships are uneven.

The only suggestion I could think of and we discussed this -- I think we need a Rabbinical Council -- you know, you just need it, to mediate.

I'm awfully sorry, Sister Ann. [Laughter.]

You know, in the old days, they didn't need lawyers -- both parties just went to the local Rabbi, and I kind of thought that's what they needed. [Laughter.]

They are doing, you know, the legal part of it and getting the review in comments and submitting the things, etc, etc, etc, but it's a relationship thing that's the problem in some areas.

They are now logging in, as you can see in their applications, all of the comments that are sent out and all 76 projects --

DR. HEUSTIS: 76?

MRS. SADIN: Well 75 -- not that's a lot of projects for review and comment -- and they just sent me another whole batch from the LA -- and this is all just LA CHP [Displaying a dossier.]

DR. HEUSTIS: That came in late.

MRS. SADIN: Yes, that came in late. [Laughter.]

33 So it is -- you know, one of the things we suggested and this is the letter sent back to Paul Ward -- and one of the things that we suggested is that they have a senior staff person as liaison, to spend more time and pay more attention to that problem.

DR. HEUSTIS: Well I am satisfied from what I have heard, that I would change my recommendation from "Insufficient Data" to at least a "Satisfactory" relationship.

THE CHAIRMAN: Correct me, Rebecca -- but most of the program elements committee do have a CHP representative on them. This is really their program development thrust. Now --

DR. HEUSTIS: Yes, it is pretty good.

THE CHAIRMAN: Well, I wonder if we want to hold -- withhold other staff comments, and let John as a second reviewer, take a look at California -- we have spent an awful lot of time with CHP but given the fact that they are probably 10 percent of the CHP in California, also. At least, in terms of family, I wouldn't think that was far off.

DR. HIRSCHBOECK: Well, I won't repeat the comments which Al made because I think they hit the target right along the line in most instances.

I am troubled in one way that in reading this over, I didn't see what really happened when the areas were dissolved

34 and they were put into two.

Is CHP, again, is it moving into the area-wise approach here that existed with the regional setup?

I think that because of this, maybe this is one of the reasons for some of the problems that they are encountering there in relating to the CHPs.

The other point that bothered me is this enormous project that Dr. White is in charge of -- it's how many millions? Altogether, I guess he's asking for -- a state-wide consortium of colleges and universities and hospitals and this enormous arrangement seems to me really going too far.

At the practical level, I don't know how they are going to work this out, but if this is the way to go in California, maybe it should be allowed, but I have my druthers about that enormous approach to dealing with area-wide health education aspects.

MR. BARROWS: Resolving that at Berkeley --

DR. HIRSCHBOECK: I guess so. [Laughs.]

I have made several visits, site visits, to other agencies in the California region, and there is one for the California RMP and one in their Review Team consulting visits, and the thing that impresses me out there is that things are

so different in different parts of the State -- that to try to resolve a problem on a state-wide basis becomes extremely difficult and this is recognized initially by their setting up a CAP region.

And now that this has gone, I am uncomfortable. It's like setting up a Regional Medical Program for a whole nation, and doing it in one -- as a sub-set of another nation. I don't think --

DR. McCALL: That is difficult to do. We tried it. [Laughter.]

DR. HIRSCHBOECK: So that my overall evaluation is:

Sure, the leadership is good.

The problems are difficult.

The program and staff is good.

The Regional Advisory Group --

I might differ a little with Al on all these -- he has perhaps read it in a little different way. I had the feeling at least that the Regional Advisory Group was not really involved in the actual process of evaluation as much as other RMPs are.

In other words, they take the word of others very readily, without being, themselves, directly involved. Now I may be all wrong on that but I sort of sensed that

Past performance and accomplishments ... objectives and priorities -- I think these are well defined.

Feasibility -- here, again, the whole idea of true regionalization on a state-wide basis, I think, is very difficult.

In general, I would say "Average" or "Good." "Average" would be my overall evaluation.

MR. BARROWS: Let me ask a question:

One of the things -- California, as you both pointed out, is not only vast, but extremely complex.

One of the very unique complexities is the strength of the foundation movement. Now nobody has commented on how this program relates to the practices of the community -- which happens to be an unfortunate bias of mine -- have they been relating to these foundations at all? This is including the interplay between --

DR. HIRSCHBOECK: Well some of their projects are involved in the quality insurance.

DR. HEUSTIS: They mentioned particularly some of the foundations have picked up the check for some of the projects which had gone on --

THE CHAIRMAN:: Great.

DR. HEUSTIS: Now how extensive this is, I don't know

or how wide.

37 MR. BARROWS: Good -- well boy, that's the acid test to this hard-earned --

DR. HEUSTIS: Whether this was two foundations or twenty foundations I couldn't -- I believe my notes are not clear.

FROM THE FLOOR: Could you tell roughly how mahy grantees there are, other than their sponsoring grantees -- programs?

DR. HEUSTIS: You would have to help me there.

DR. HIRSCHBOECK: Let's see the agencies other than -- central staff that are handling the money -- as grantees.

MRS. SADIN: They have subcontractors -- or contracted, that is, most -- for instance, all of the health service activities are contracted to the independent facilities. They are calling their shorts --

And almost all of what they have, when they develop a program element, they have sent out RMPs, you know, throughout the state, and in which they really outline what they want -- and then they contract it out.

They have in their access, which is going to be coming in in July, they have had something like -- from their RMP they have something like 250 -- isn't it? I think it's 250 letters of intent, which is the way they go about this business.

In answer to some of your questions on the definitions of area offices -- one of the things the CHP -- or some of them, told us -- was that well now that they don't have the area offices in California, that we could kind of take their place in terms of local input.

And when we mentioned that to Dr. Mitchell, he said "Yes, do you think this is the first time I have heard it?" They have never communicated this to us. [Laughter.]

Some said that they missed the area offices and some of the agencies said they were glad they were gone. You know, it was kind of a 50/50 kind of thing, almost throughout the state.

The result of the definition of area offices really -- you know they had something like a three-months visit when HEW audited them and this was the latter part of '72 -- that was a fact that one of the strongest recommendations was that they not have all of the area offices.

And I think Paul Ward took the opportunity to follow the advice of the HEW auditors, and they now have a northern field -- it isn't just a central office, they have a northern field office and a southern field office.

THE CHAIRMAN: Yes, but these are quite different from the old areas. These are essentially administrative

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or for program development, and monitoring purposes.

MRS. SADIN: Right.

DR. HIRSCHBOECK: One wonders whether they shouldn't really make two RMPs instead.

MR. BARROWS: Right. From a management point of view this is too damn big for one --

MRS. SADIN: Right but --

MR. BARROWS: But we can't do anything about it.

THE CHAIRMAN: I think that represents, though, a very conscious, deliberate, decision made at the time RMP came along and involving what, at that time, were a lot of the influential people in California.

At that time you will remember, Breslow was the State Health Officer, and Brown was the Governor, and they made a conscious decision and they wanted a "state-wide" RMP even though it might be juggled. They came out exactly the opposite from New York, which now has six or seven RMPs.

So they didn't blunder into it, and I'm sure, like any decision, it had both then and in retrospect both its plus and minus qualities.

MR. BARROWS: Well, there's not much we can do about history now. What's the recommendation?

SISTER ANN: I was interested in your comment where you said the technical experts work under the direction of the

Review Committee of -- would this be inhibitory to the technical experts?

DR. HEUSTIS: Are you talking to me?

SISTER ANN: Yes, you indicated in the report, that the technical experts work under the direction of the review committee. What's the purpose of bringing in these technical experts?

DR. HEUSTIS: Well, I think the purpose of bringing in the technical experts, as I understood it from a person that made a site visit too, with me one time when we got into this discussion -- is that this is to get rid of the local bias and the local conflicts of interest and the local antagonisms between the centers from which the experts come.

SISTER ANN: Then you said that they work under the direction of --

DR. HEUSTIS: Well, the "direction" -- perhaps if I said the overall direction or overall supervision --

DR. HESS: Or "they report to" --

MRS. SADIN: I started in on that -- to review particularly the manpower, and they do bring in top experts and they have to counteract the ones in California -- and I think what was meant was that the recommendations go into a review -- but it isn't --

DR. HIRSCHBOECK: But this is exactly the point I was trying to make a little while ago. I think that the distance

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between the RAG and that technical review process, is at least at the time that I was out there -- it seemed to be a larger gap than really should be. That the RAG should be much more closely involved in the actual review of the project itself and not just take the report with the badge of an expert pinned onto it.

MRS. SADIN: I don't know if they changed it since we've been there, but they now have a member of that RAG present at every one of these -- which helps tremendously, and he reports back.

THE CHAIRMAN: They have two standing committees:

A review committee, and;

An evaluating committee.

Under the Review Committee, the technical experts operate in a panel fashion, sort of. They look at the new projects.

The Evaluation Committee, on the other hand, doesn't have that close line of the smaller committees, and they are the ones who look at and then forward to RAG.

And then, both of these standing committees are RAG people, on continuation, so that they have that kind of relationship . And what goes through RAG, if it's a continuation of the Evaluation Committee -- if it's new, it goes to the technical panel. So it's the overall "umbrella" supervision

of the Review Committee.

SISTER ANN: And then here, too, on page 3 of the Staff Comments, they have 70 ... requiring surveys, four kinds of positions -- they are adding the 19 -- but one of the concerns is the proposals are not being monitored and evaluated on a systematic basis.

And here, I just wondered if adding more and more people would complicate the issue.

MRS. SADIN: There is some urgency to this. In fact, they have added evaluations to their staff, and they are asking -- part of the 70 is for more.

But we had, after their supplemental application we sent an advice letter back to Mr. Ward. We had suggested that such a vast program would merit that they spend more time on surveillance and monitoring.

And when we were there in April -- if anything, they had gone the other way. They are sending the people in the Southern Field Office to the Northern Field Office and require a monthly progress report. So if anything, they have gone overboard.

So they are monitored -- all their people in their Field Offices are monitored -- every single contract -- and this is the contracts mostly, so that they have a condition written into the contract.

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DR. HESS: I see.

DR. TESCHAN: I would like to say that the evaluation effort of what public accountability of funds really means in terms of output benefit -- that whole concept was jelled for all of the RMPs in the country by the initiative of Paul Ward and that staff in California. And a good deal of some of the numbers you are seeing, John, and all the rest of us are aware of how that ultimately became generalized in order to get the data together, to show to various critics what the numerical impact of these activities was.

I am interested that you consider that some of it became a little bit more compulsive than others -- but I understand the atmosphere in which such compulsion can be generated -- so that I even have some tolerance for that as well.

MRS. SADIN: In terms of the H.E. -- Doctor, you asked a question about the manpower.

When we said "supplemental funding" in July of '72 California of course as usual, got the most money in the supplemental funding for manpower control -- they started out with something like 10, plus the Central Coordinating one. They now have something like 15 and they just about cover the state. Some are in the planning stage but most are now independents consortium with independent boards.

It's interesting though, that at conferences like the schools of Allied Health Protection -- and they have had some -- there's a national conference in Boston this year -- they had Dr. White speaking in some of the consortia of the directors.

The people at the conference were so excited about it that they then sponsored their regional California conferences -- they have done some exciting things.

But it is a lot of money, though.

DR. HIRSCHBOECK: Well, I would like to see it sometime, to see how it functioned. It sounds good on paper but I would like to --

DR. TESCHAN: Well, John, the thing that bothered us is that each one of their nine regions was about as big as one-point-some million -- as most of the other RMPs we are talking about -- and to see Paul Ward, in one application, with a dissolution of area offices, just boggles my mind.

And Ken's point of "management, how do you get ahold of it?" I am surprised at the HEW Audit.

We know a little bit about the origin of that, or have suspected some of the origin of it, and I'm wondering whether acceding to it -- the fact that it has some budgetary requirements -- isn't a "giving in" to what would in Ken's view be sound management -- since we would have insufficient data to make

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or to be able to make that judgment from here.

MRS. SADIN: Well, some of the things Dr. [Hirschfeld] has said -- nobody knows this is going to happen -- they had more than a norm -- they recognized that -- perhaps not ...

DR. HESS: You are dealing with a state of some twenty million people, and $2 million for health, education -- though it seems a lot in one lump sum, is not a disproportionate amount for the population.

THE CHAIRMAN: Al, you've been trying to --

DR. HEUSTIS: Yes, I've been trying to push -- and I would like to make a motion.

THED CHAIRMAN: Fine.

We have a request here for a little over $8 million and we have an indication that California will be in -- and this is a request just for continuation and program staff. Roughly, they are at the $6 million level for all new activities in July.

That would total, if my figures are correct, almost $14 million.

DR. HEUSTIS: If you would then look at another column you would note that if they did that, they would then come to 111 percent of the amount that you requested for them.

And because both John and I have rated this as "Above Average" it seems as though, in conformity with our

policy of rewarding the people that do well, and taking away from the people that don't --

I would therefore, move that it be funded at the requested level, some $8,170,374.00

[The motion was properly seconded.]

THE CHAIRMAN: All right, we have had a motion to approve at the requested level of $8.170,000 --

DR. HEUSTIS: 374. -- it's a separate item.

THE CHAIRMAN: $8,170,374.

Are there any further comments, or any additional questions?

SISTER ANN: Excuse me.

Are there any things that you feel we should look at, or that you think should be looked at, serious enough that by reducing this funding (since they are coming in in July) might be an impetus for them to look at the funding? Are there any points or things that bother you about the region that maybe could be looked at?

DR. HESS: But the point is, there is no time for them to look at anything.

DR. HEUSTIS: I guess the answer, as far as I'm concerned, Sister, is that I thought it was a good program with good management and that the CHP situation bothered me

but that has been resolved satisfactorily for the moment -- they still ought to work on that, but at this time I think I would say "no" to your question.

SISTER ANN: As I read those notes here and the Staff Summary, I'm not all that impressed with the good management, and I think part of it is because it is such a difficult region -- and as I have heard it reviewed from time to time, and the management hasn't been its strong point.

But as Dr. Hess says, there is nothing that can be done about it now except in terms of a recommendation.

MR. BARROWS: I feel as you do. We can't reverse history. I would certainly not recommend this as a model program for the new House Resources Agency -- it's too monstrous.

SISTER ANN: Well now I would think thatwould have to come through -- it would make me much more comfortable if that came through as a recommendation.

MR. BARROWS: But I don't know what -- it's bigger than both of us.

MRS. SADIN: The target that's figured though, you know, which is, I guess, less than what they -- less than the $14 million -- they have communicated over the telephone and they have allocated percentages to each program analysis -- and of course if that came down to -- say $12 million instead of $14 million -- the man had written 25 percent of 12, etc --

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THE CHAIRMAN: They have pretty well -- you know, I assume there is some ability to make adjustments at the tail end of the process. But they have gone through a process by which the RAG has said in effect: One way of expressing priorities is that we'll put essentially 25 percent of our money into the access program -- now whether that is X-plus $2 million or X-minus $2 million -- so I do think we have a notion -- both here and looking at a new application, of what the -- or where the cuts would come.

DR. THURMAN: Yes. Question.

THE CHAIRMAN: All those agreeing with the recommendation to fund at the level requested indicate.

[The motion was properly put to vote and passed by a vote of 6 in favor and 3 opposed.]

THE CHAIRMAN: In that case, I guess that's by default. I can't think of any better solution. There should be one, but I can't think of it.

O.K. for California.

THE CHAIRMAN: O.K., Bill, since you guaranteed us, last night, that you could dispose of Puerto Rico in ten minutes, we'll take you up on that. And then after Puerto Rico, we'll see if the group wants to take some coffee. You and Joe -- I'll call on you first, since you are on the site visit -- well

Maybe you were too, Joe, were you?

COMMENT: No.

PUERTO RICO

DR. THURMAN: Just a reminder of the fact that a site visit was asked for by Council, as to whether or not Puerto Rico would get any money at all -- whether they should be discontinued.

Mr. Nash was on the site visit with us and the most important thing about the site visit was that we had a multilingual team, and I think that resolved all our questions because in our meeting with the Puerto Rican group -- the Coordinator now, he was the Associate Coordinator before -- he has the respect for the program and control of the people. They continue to have real translation problems, even during the site visit and even though we were multilingual.

Some of the concerns that came out were only handled by a girl who was even more fluent than the Site Team was.

The RAG is very strong. It's very representative despite the differences involved with Puerto Rico, and poor

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transportation -- and despite the phaseout as concerned that part of the program in toto, the RAG has continued to work quite well.

The real strength of the program as far as the future is concerned, is that 70 percent of all health services in the island are public, and the grantee being the University of Puerto Rico which is also a public agency has forced the staff to flow from agency to agency, but nevertheless, has worked quite well.

I think the most eloquent thing that we heard was several testimonials that came from consumer groups about what Puerto Rico and the medical program had meant -- the delivering of health services to the underprivileged groups in the continuing organizations.

The projects were just superb, when you really understood them (which is not true on paper, and this has been our problem the whole time.)

They have an operational VSRO which is phenomenal in every sense of the word.

They have a very good plan for their EMS and they are working hard at the geographical spread.

I think that this program, having gone down there thinking it wasn't worth supporting for another day -- the Site Team came away totally satisfied that it was an excellent program, and I would recommend approval of their request.

DR. TESCHAN: Second.

THE CHAIRMAN: Joe.

MR. de La PUENTE: Well I have many good things to say about them. I have discussed with friends of mine who lived there and who have been living with the government structure, which is quite monstrous -- and they speak of Puerto Rico RMP as "La crème de la crème" as far as entered into our conversations -- with living over there.

And under the circumstances I have written -- I wrote a lot that has already been said, but in summary, this application represents tenacity in the face of austerity in that a viable program is being presented. It is possible to enhance the staffing pattern with the introduction of a physician who possesses some training in the field of epidemiology, and this is tremendous.

It is apparent that the Regional Advisory Group has continued their efforts towards program development and review. Their track record in terms of the number of programs that are eventually adopted by the community appears to be better than average. Most of the present priorities appear to coincide with the needs of the Island.

Special attention should be paid to assuring the dissemination and application of findings for additional sites in Puerto Rico.

But I certainly, strongly concur with the present recommendation.

THE CHAIRMAN: Thank you.

Yes, Al.

DR. HEUSTIS: I am impressed by what was said. In fact I was so impressed by what was said that I looked over into the next to the last column on this tabular sheet, and I noticed that Puerto Rico is one having the honor or distinction (or otherwise) for requesting the lowest amount of the allocated funds, for any group.

THE CHAIRMAN: Yes, the lowest percentage of that so-called target figure.

DR. HEUSTIS: Yes, the lowest percentage.

THE CHAIRMAN: Yes.

DR. HEUSTIS: Now, with the obvious need, and I say "obvious" need, it's from what you have said after a one-week visit -- and when I was there under different circumstances and not for RMP and quite sometime ago --

Is this because they were tired, or because they were discouraged, or because there was a lack of understanding on the part of what RMP was looking for? Why this low figure?

DR. HESS: I don't think that's a good measure, at all.

DR. THURMAN: I think I had better respond to that. I agree with you, I don't really think it is.

It's not a matter of being tired, it's not a matter of being fed up, or anything else. This program has been going and again, we didn't understand how well it worked with all the other health affairs and activities.

Now they have wanted to avoid an outward appearance of affluence, and that's why they were so well accepted, as Joe points out.

Again, I would just emphasize that -- not in talking to people who are getting anything out of it, but in talking to the little people -- and these people were able to speak in Spanish to the people involved -- it really is the cream of the program and they felt that they can use this money wisely and not jeopardize the future of anything else -- and they would only ask for the money they think they can use well.

DR. HEUSTIS: Now in view of this, do you not wish to retract the statement that you made yesterday about the people "always asking for more than they need?"

DR. THURMAN: No, these people have asked for more than they need. I would never retract a statement, like that. [Laughter.]

DR. HEUSTIS: For the moment I thought I had you, but I couldn't go further --

DR. THURMAN: No, I am going to defend the sheet, a little later on, with the fact that I think it's useless, so I only bring that up --

No, the only place that -- the place that I would criticize their budget, if you still look at the core of the staff program -- as to what was indicated earlier -- they just pick up all the staff, and they didn't really, physically pick them up, they just moved them to other budgets within the medical science campus, and try to find a place for them -- and then they kind of flow them back.

And that "flow" is very worth while for the very reason you bring up -- that these people will be able to do an awful lot with a very little bit of money.

So that we are approving more money than they can truly use right now, because they are funded through other mechanisms.

So that I'm not defending my very dogmatic statement too much. [Laughter.]

DR. HESS: The point is: How many people are there in Puerto Rico?

DR. THURMAN: Higher than New York City -- per square

foot -- it's the most densely populated region in the United States.

MR. NASH; About 2.5 million I guess.

DR. THURMAN: But a higher density than New York City, per square foot of ground.

And yet the most of the island, you couldn't set foot on if you wanted to, because of the trees and the water.

MR. NASH: Dr. Heustis, that figure may change -- 69 percent -- depending on what comes out of their application that they will submit.

DR. HEUSTIS: I didn't care to explore that any more -- but it just seems as though where there was need -- was there a language problem.

But I think my question has been satisfactorily answered.

MR. NASH: All right.

THE CHAIRMAN: We do have a motion, and a second, on this one -- to approve in the amount requested, which is $696,862.00. Is there any additional discussion?

All those in favor --

[The motion was regularly put to vote and carried unanimously.]

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THE CHAIRMAN: O.K., it's ten o'clock. What is the pleasure of the group? Do we want to take on another one or do we want to break for fifteen minutes and have a cup of coffee?

Do we have another ten minute one? How about the Mountain States of Idaho, Montana, Wyoming, and Nevada?

COMMENT: Is that always that same four states?

It's always been a little unclear in my mind. What I've read now suggests it's sort of a northern half of Wyoming -- it doesn't really make much difference as Wyoming has been RMPs "Poland" -- there are three RMPs to plot over: in the mountains: Colorado, Wyoming, and -- the mountain states --

THE MOUNTAIN STATES

DR. McCALL: They have got a table of staff and a priority group, and a priority setting on a priority basis, they have handled that in a high, medium, and low grouping in this application -- which is a good application -- clear and I think it presents a picture of the region pretty well.

They have had region review certification visit and management assessment visits which came out as, I think pretty much all "pluses" from that region.

Assessment of their past performance and accomplishment has also been pretty good.

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The current proposals seem to be in accord with their stated objectives and priorities, and I think they are feasible.

The CHP -- there are four A Agencies and seven B Agencies that have to be dealt with by this Regional Medical Program, and they have received in this application, comments from all four A Agencies, and four of the seven B Agencies are included.

The Idaho A Agency disapproved one of the projects the physical assessment field -- nurses -- and the B Agency had negative comments on about four projects -- but were no an in depth study or critique of those -- it was just one sentence comments.

I state that to say that I don't have any way to evaluate the quality of the CHP review and relationships there but these were -- the extent of the negative type comments that would need dealing with by the RMP -- and from the applications, I would feel reasonably comfortable, although I would warn the Staff to comment on these if they would wish to deal with them.

This application contains 27 projects. 11 of these are for continuation, and 16 are new -- making up in dollars an eleven continuation of about $1.5 million; and the sixteen new ones, at $640,000 -- the staff budget being some quarter of a million dollars -- the total request $2.4 million.

They intend to apply for a supplement of some $220,000.00 in July.

I rated this "Above Average."

THE CHAIRMAN: Thank you, Charlie, and Joe.

DR. HESS: I generally concur with that. It is evidence to me that the people who put this application together think clearly, concisely, and are well organized, and are using appropriate procedures. They have attempted to reach out and provide good service to all four states, and they have offices in each of the four states, and seem to have good working relationships with the state governments, and the CHP and so on.

Just to comment on that one project that we have negative comments on -- given a little priority in the listing so I think that may be a result of the CHP Review.

I think the CHP comments on that particular one were relevant but that was taken account of.

The only real question I had about the budget was the rather large amount of money going into EMS from RMP. I have no doubt that in that area of vast distances and so on that an EMS system is an important element to get organized and going.

But there has been a substantial increas in RMP money going into that and I suppose that it would be appropriate to sort of flag that as an issue and ask them to take a close

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look at that when they get their grant award.

DR. McCALL: Maybe it would be appropriate to have a staff comment on that.

DR. HESS: Yes, I was going to say, that was something I meant to point out -- and because of the distance, of course it might well be justified, but you can't tell.

THE CHAIRMAN: Yes.

Some of the -- while a good part of this is continuation, some of that continuation is really expansion, and it's largely in the EMS area.

Dick, I don't know whether you would want to comment on this, or whether there are any policy issues.

MR. RUSSELL: At this point there are no policy -- there does not appear to be any policy issues, but we have flagged this to make doubly sure.

In terms of the EMS program in the Mountain States area, all of these programs started out with assistance from Mountain States in terms of very small contracts.

Like, Nevada, for instance, started out with $17,000. and as a result --you can see.

Montana, is the same way.

Idaho.

So this is one of their big, major program -- we do have some concerns about that larger --

DR. HESS: This is one of the things that impressed

me about their management techniques; and that is that they used the contract mechanism as a device for getting things done that they have identified and perceived as a means and they have immediately taken the initiative -- as opposed to waiting for it to come in.

And I think this reflects very sound, sophisticated management on the part of RMP.

DR. McCALL: Just one other thing, one point that I think maybe the Staff might want to comment on, too. It is noted that they clearly show the allocation of dollars and programs -- and obviously, there is a strong staff, and they have generated and involved in a lot of this and seem to be involved with and mentioned in these projects -- the grantee agency.

In many of the activities, I am pretty sure that somebody knew the region better than I did, myself -- and that this was acceptable within the region -- it wasn't too much generation.

MR. BARROWS: Is this EMS expenditure, for preparation for a system for the purchase of hardware?

MR. RUSSELL: It's preparation of -- rather than the purchase.

THE CHAIRMAN: Sandy Flythe, and Dick Russell were both out in the Mountain States, I guess this was probably March, or earlish, on a review verification of the management.

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I guess it was combined: Review Verification of Management Assessment -- so perhaps Sandy and/or Dick would have some comments as it relates specifically to CHP and also the ability to manage projects under the aegis of program staff -- which I think I heard Charlie raise a question about.

Sandy.

MS FLYTHE: Basically, the CHP relationship within the region are good.

There is one problem, perhaps, but they are working on that, trying to get that worked out -- but generally, the relationships are good.

CHP is -- in fact, CHP has generated some projects within the region -- relationships are basically good.

Which is, just really, the grantee -- they have no responsibility whatsoever as far as the projects are concerned.

Staff and program staffs, basically, are responsible for monitoring that sort of thing -- which is just grantee.

MR. RUSSELL: I would -- you know, we spent really a whole week and covered, I think at least two counties every day, and this is what it takes.

Before we went out, we had some concern, really because we didn't understand that program that well -- as to how one managed the programs in four states from that Regional Office -- and we were very much impressed with the communication

among the staff and the whole setup. We kept looking, and looking, and looking for something wrong and we really couldn't find it.

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And I talked with Rod Mercker, who had the Management Assessment -- and his impressions were pretty much the same as ours.

DR. HESS: Well I ended up, based on what I read in here, giving them "Good" and "Excellent" ratings in nearly every category -- and I think it was one of the best organized and managed IMPs.

MR. BARROWS: What's the number?

THE CHAIRMAN: Well, the number is our -- in the case of the Mountain States -- they are asking for $2.2 million -- no, I'm sorry -- $2.4 million.

They did indicate, as I think one of the reviewers said, that they will be in for a very (by comparison) modest supplemental additional amount of $200,000.

DR McCALL: I recommend $2.1 million.

DR. HESS: I had written down $2.2 [Laughter.] So we are pretty close.

DR. TESCHAN: $2.15. [Laughter.]

THE CHAIRMAN: We have a motion of recommended funding level of $2.15 million. Is there a second?

[The motion was properly seconded.]

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DR. THURMAN: May we discuss this?

THE CHAIRMAN: Certainly.

DR. THURMAN: I have no disagreement with everything that both of them have said about the management.

But on some of these projects and the funds for them are absolutely unreal.

Now if you will turn back to the Staff Sheet here in our little grey book -- and we have already heard the concern expressed about EMS -- and I share that concern -- $181,000.00 for Nevada which is for working on the EMS Program on which they have been working for ten years. Now EMS in Montana and Idaho both, make up to $350,000.00 not to mention Nevada's share.

But look at some of these other projects. Area-wide, they would simply scare you to the tune of $270,000 and as I listened to this motion, we are talking about a little over 8,000 persons at the most.

Now you figure that 8,000 births -- and you are going to have roughly 120 children that may need intensive care a year -- and you divide that by the two hundred some thousand dollars and it's an astronomical figure.

Well, we move on down to the breast cancer -- which regionally continues to be funded at $80,676.00 and that's an old project, again.

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And the Regional medical audit system development project, $177,000.00.

Let's see, there is one other here that rocked my boat, but I've forgotten which one it was --

But I just, I really have no disagreement with the management and I know the difficulties of communications and organization -- but the funding of these projects, I think I am going to move to a mountain state now and -- [Laughter.]

THE CHAIRMAN: They need a medical school.

DR. THURMAN: They really need one.

DR. TESCHAN: Sounds like the staff and the RAG are awfully --

THE CHAIRMAN: Joe, I think you want to say something.

DR. HESS: Well, I was going to say that one judgment here about numbers of people has to be modified by the distances and the distribution of population in those areas and it's my judgment or estimate, that with the population spread out the way they are, it's going to be more costly per person, to get some of this more sophisticated services organized and available than it would be in a densely populated region.

So I would make some allowance in my mind for the geographical distribution of the population, you know. so that doesn't upset me too much.

SISTER ANN: I have a comment to make on the use of medical services -- because the regions intending to -- being in Salt Lake right near the University of Utah, where they have funds for the Regional Medical Program for just the same kind of service and are crying for, you know, people to use the service.

And for an air transport being available in terms of this service, and with the birth rate going down -- I think that is a very -- if we just knew how this program overlapped with the other programs.

But this one program, I know is going to be competitive and neither of them are going to be able to use their funds effectively.

DR. THURMAN: We could almost buy each baby a plane for this money, and let's fly them in. [Laughter.]

MR. BARROWS: That's a tough thing -- but you're opening a whole new thing there when you start talking about numbers of people and the other problems.

But in connection with these costs, is it true, or is it not true, that these people have further to go in these things -- and they don't have the present resources that many other regions do?

DR. HESS: Well, there's no medical school in the area nor in the region -- and they are trying to relate -- you know --

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they are trying to relate you know, they are trying to build up their secondary terciary resources in the region.

But for medical schools, they tried to relate to Utah, to Oregon, Seattle and to Denver. Those are the four, I guess.

DR. THURMAN: They now have a medical school for -- associates --

DR. HESS: There's one developing there, yes -- and that's the first one in the region, and it's just getting going.

THE CHAIRMAN: Well, we've heard some comments -- regarding budget funds, and particularly as it relates to neo-natal projects. Dick?

MR. RUSSELL: I would like to respond to Sister Ann's concerns about the Salt Lake inter-mountain program.

We have, we in DRMP, have sort of put the screws to the inter-regional executive council -- the three coordinators. You know, that Council was formed to avoid the type of problem you are talking about, during the phaseout, for some other reasons, it just didn't get off the ground.

It's back in action, now. We have a complete listing that came in just a couple of days ago, of every community listed, and which RMP is programmed there. We are very concerned about the effectiveness of that committee

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and we think we are going to see some improvement in there, in their action.

DR. THURMAN: Yes, and you know --

MR. RUSSELL: In terms of transportation there, we have found on two trips, that to get to Helena, Montana, one must go to Portland, Oregon and spend the night. That's about the only way you can get there.

DR. HESS: Actually, what they are trying to do is with this $116,000.00 is develop local resources and train people on the local level to be able to provide the higher level of --

DR. THURMAN: But that's a criticism of management. It shows $116 there and $207 on our sheet -- and 117 somewhere else that difference is between that piece of paper and this piece.

THE CHAIRMAN: You are looking at the yellow --

DR. TESCHAN: Could this be a typographical error?

DR. THURMAN: Anyway, it would be less than a hundred babies -- at the most it would be 120 with 8,000 expected births in this population -- and that would, of course, not be every baby.

THE CHAIRMAN: Well maybe we have -- I don't know -- Dick and I were huddling here -- maybe we have an arithmatical error -- but the yellow sheet which you have in your book and which I gather Dr. Thurman was looking at, is a staff output.

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DR. THURMAN: And I'm looking at this too -- it does show 116.

THE CHAIRMAN: Yes.

DR. THURMAN: But even at 116, this project is glittering in gold because -- we have intensive care over all the country -- and

DR. McCALL: And they can get intensive care every place else, too.

DR. THURMAN: But if you look at -- a lot of this is -- if you look at the staff sheet and get hung up on that, you are talking about $1.5 million for continuation of eleven projects and some of those -- the last time this came up for review were --

DR. McCALL: $600,000 for the eleven --

THE CHAIRMAN: You're talking about the continuation.

DR. THURMAN: In the continuation they are asking for $1.5 million for that.

THE CHAIRMAN: If there are no more comments or questions, the motion on the floor is to approve $2.15 million for Mountain States.

All those in favor.

[The motion was regularly put to vote and carried with 6 in favor and 3 opposed.]

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THE CHAIRMAN: I think it would be good, if it were the concensus of the group, though, in reporting your recommendation to Council -- and assuming they agree in the feedback to the Mountain States PMP -- that to indicate that there was some concern with the dollars invested in some of these projects and singling out neonatal, among others, as a good example of that.

DR. TESCHAN: I think we ought to have a decision now as to what the actual number is.

If there are three or four -- we have several different readings and there ought to be a way to tell the --

DR. HESS: I think we have to accept their application as the --

DR. TESCHAN: There are two places in the application. One is the 16 that you are looking at and I want to know --

THE CHAIRMAN: Well now I can see --

16 shows $234,000.00 and that includes indirect costs.

DR. THURMAN: They multiply one year by two.

MR. RUSSELL: Where are you getting the 116 from? What page is that on?

DR. HESS: Page 105

DR. THURMAN: And page 199.

Now I don't mean to get hung up on the intensive care

There are an awful lot of high priced and an awful lot of continuing projects, and I thought I would just go along with the advice --

DR. HESS: Well again, this is an area-wide thing that covers four states -- and that's roughly, $ 25,000.00 per state for developing this care -- and I don't think that is excessive at all.

THE CHAIRMAN: Well, there is some incongruity, I think, between the application they have prepared, and the figures on the Form 15 and 16 -- which obviously don't agree.

The figure that we have translated to the print-out here is the Form 16 figure.

DR. THURMAN: Yes --

MR. RUSSELL: I'll see if I can find it on the other sheet when . . . [Laughter.]

THE CHAIRMAN: Well are they asking for two years?

DR. THURMAN: No --

MR. RUSSELL: If I could call your attention to page 21, Consolidated Budget Request -- 21 of the Application. Because I think this shows how Mountain States Programs -- it's right in the middle of the page.

The 116 - 231 is budgeted as a discreet project activity -- and add to that $91,738.00 which is the rest of the Regional Program -- the cost of that.

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That brings the cost up to 207.

DR. McCALL: That is what I questioned.

That was the additional budget allocation on the staff -- looked like about 45 percent of program activities -

THE CHAIRMAN: Well, I think that one of the things we have seen, or at least I have seen, and I suspect this is the case in Mountain States: Some of the more sophisticated regions (if that's the adjective to use) in California certainly in this class at this juncture, from the management standpoint -- California is budgeting a good deal of its program staff as sort of a project item and each of the program elements -- at least from my first hand observation there, that seemed to be a reasonable form of program budgeting so that a Chuck White, who literally spends, if not full time, a major portion of his time on health services educational activities and - - and one or two other people who are -- the way they are set up, the people who monitor a particular program element they are sort of the cost of that program element -- as a separate project -- and there may be some of that here, also.

MR. RUSSELL: There may be some of that. I don't think it is though.

This is the case: say, for example, that they are going out into a programmed area and they will call a project like "area wide neonatal" you know -- that is a program thrust

that's a project -- they may have two or three funded activities -- a contract, or an agreement etc -- affiliations --

So to save time, they have budget set aside like you know, EMS -- if they need to support a Governor's Conference on neonatal or whatever, then that money is considered a "regional" budget rather than tacking it onto an individual project.

DR. THURMAN: But I think I hear what you are saying but that says that they have got $54,000.00 -- if you go all the way back, to go to consultants to put on the regional program. But you get hung up on one program, or one project, and that shouldn't be.

It's the philosophy that I am speaking against, to do overfunding of projects for which there is no validity and the overfunding of continuation projects.

$1.5 million of the $2.1 or the $2.4 that they have requested for continuation projects -- some of which are six and seven years ago -- and that is not good management.

Did you move that the staff and -- that they should pay particular attention to this?

MR. RUSSELL: Yes, we will clarify this before it goes to Council.

DR. HEUSTIS: I will support this.

MR. RUSSELL: We'll clarify this. O.K.?

THE CHAIRMAN: O.K. And this is a prize item for

Council, that the Committee, while it did vote a recommendation of 2.15 -- it had some significant concern in this regard and hopefully reached out and provides the Council with some additional clarification so that they might take a critical look at this region, perhaps differently than they will for most, because they are accepting your recommendation.

DR. HEUSTIS: The amount of money for each of these activities -- it would be helpful to the determination as to whether this was accurate or not.

MR. RUSSELL: Yes, well I think I would have to point out here that when we looked at some of these activities, it was as a "continuation" and this means that they are continuing in that program area.

DR. McCALL: Yes, but the same activity -- that's the --

MR. RUSSELL: No, no, it does not mean the same activity.

MR. BARROWS: Are we on that break yet?

THE CHAIRMAN: Yes. [Laughter.]

Let's please be back by a quarter of eleven -- I would certainly like to polish off at least two more regions before lunch..

[The assembly recessed for coffee at 10:30 a.m.]

[Proceedings were resumed at 10:50]

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THE CHAIRMAN: I thought we would jump to the Tri-State, at this juncture -- that will take care of the last of the regions where Dr. McCall is a reviewer, and that will let him, without any problems, get away by midafternoon for -- per his earlier understanding.

So we have Sister Ann and Charlie on this one.

I don't know whether you two have -- I saw you huddling at coffee -- I don't know whether you had agreed as to who was going to lead off, or --

TRI-STATE

THE CHAIRMAN: Charlie -- Massachusetts, Rhode Island, and New Hampshire.

DR. McCALL: Right. This is three states from 7-1/2 million people -- and 5.6 of that 7.5 million being in Massachusetts; 740,000 in New Hampshire; and 950,000 from Rhode Island.

And at the outset, I think I would also point out in this particular application, as far as additional new activities, New Hampshire is not in this application, but they were a little slower in getting their review and things in -- and plan to come in the supplement -- which will be in the July 1 application. So the "tri state" is really, as far as this is concerned, a "bistate" of Massachusetts and Rhode Island for this particular application.

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I think it's also maybe a little bit helpful initially to look a little bit at the past history of this region, because in my judgment, in addition to a couple of policy questions, it's not our -- the major question is not going to be quality of staff and program, as much as the funding level -- and it's in this region which we've had a rather exponentially rising level of funding from one 1.2 million to 1.9, to 2 million -- and then jumping to 6.8 million in 1973, prior to the phaseout, with a current six months current level of 1.4 -- I guess that's a six months level of funding.

So that at the time when they hit this peak of their growth with the big staff of some 46 program activities going on, utilizing the contract mechanism rather heavily at that time -- and I think maybe, against that backdrop it looked at the current applications and they put it into a little better perspective.

It means that they have had good, experienced leadership at the staff -- the staff, as I mentioned, was a rather big staff in '73 but it has become a rather small staff at this point in time, with six full time professionals and five part time --

And there lies also a point that we may want to focus on a little bit in terms of -- as it has come up previously -- what deals with part time professionals and the

efficiency of same and effectiveness.

The Regional Advisory Group and review process, I think are good. They have had recent review certification and management assessment visits also by the Staff.

Their program and goals of objectives are kind of interesting. They are very candid in pointing out, as I say that they respond flexibly to national priorities and focus and try to match these to coincide with local needs -- and that, obviously, may be a little more funding strategy than program strategy and is not based on an analysis of data from the region, per se.

But it seems to me that the counterbalance of that is that as you look at the program, they are very candid to say that "this is the way we do it" and yet they do focus as they respond to national focus, to get the dollar and they do deal with it in a reasonable, regional quality way. They use this strategy.

There are a couple of -- when you look at the proposals we've got, in the applications, there are at least one or two policy issues to be raised.

They are requesting in the staff budget, some $210,000 to contract for the physical management and monitoring in 1976. Well now, that --

THE CHAIRMAN: We'll have some Staff guidance on that.

DR. McCALL: Well I mean, that amount needs to be kept in mind, and that has to be dealt with. Now what is the policy on activity in '76 -- and having the grantees dissolve a contract with someone else to monitor the continuing activities so as --

And the Review Committee needs to keep in mind that request is for $210,000.00 -- and it could go one way or another depending on what the policy decision is.

And the other is, not only within the monitoring thereof that request of a little over $200,000 -- it's $205,000, for a fourth year of funding of an [AHEX] a Rhode Island Health Science Educational Council, maybe state wide in Rhode Island. And Mr. Lawon, former Deputy Coordinator, has returned to Rhode Island as the Director of that particular program -- state-wide, in scope -- and is also the State Coordinator for the TriState at a 10 percent part time, as one of the part time people there. So I think that needs to be focused upon. It seems to me that this thing was founded --this is the second year of its funding. It was funded initially at $600,000.00 but got off to a slow start, and I think this is a significant amount of money which is left in that, that they are using at the moment.

And the comments in your staff -- you might indicate in one visit there, there was some question of the effectiveness of the way this was going -- and yet since that

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time and those questions were raised, Mr. Lawton has taken the leadership of this project -- one should make a considerable point there.

So those two issues of the contracting for fiscal monitoring and

That fourth year of that state-wide project on that level of $200,000 -- I think we would want to address this.

It seems clear that Rhode Island has had some problems in analyzing its priorities and objectives, and the activities within that state don't really hold together so well as a program, but I guess that is not too surprising, according to the strategy.

As far as CHP -- one state agency is disapproved -- has disapproved a project.

And two B Agencies carried this -- they have just given me a copy of a letter from the Coordinator, dealing with these, and it seemed that one had to do with the regionalization of new born care activity. [Laughter.]

That was something I wanted to call to Dr. Thurman's attention. [Laughter.]

DR. THURMAN: Good thing I'm not paranoid.

DR. McCALL: And this B Agency that voted disapproval of the thing that the A had rated as one of the highest priorities -- he has since gotten approval of the

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B Agency, as they have been advised by the Project Director that their questions have been satisfactorily answered.

And the B Agency also had a certain hypertension program that had been involved by a particular county -- but that has been resolved by the fact that the sweeping program -- this letter says it was not to be included, to begin with but in any event, it has been removed now, and $16,000.00 is removed from the budget, which involved that particular county.

And the other area of negative response you see, as we had to do with -- a cardiopulmonary subcommittee program for resuscitation -- and lack of coordination with EMS -- and this has not been totally resolved, but it is being addressed in this letter.

And I think I feel like we need some staff comments concerning CHP -- knowing the complexity of three states and not really understanding the geography of the numbers of the agencies or the degree of expertise, I am not disturbed by these three negative comments. I am satisfied they are being dealt with and would have no reason to think that the CHP relationship between the three states would be unsatisfactory -- but if I am not correct, I would like for the Staff to correct that impression.

MR. STOLOV: There are 68 of these in Massachusetts and I believe Mr. Murphy's letter negates their original

negative comments by showing that they had, in this application, erroneously sent in a letter -- and I believe it was a negative one when in actuality, it was part of a project which was removed.

They are also -- Murphy has, as a result of the Review process, put on a CHP representative on the Executive Board. He has funded a $93,000.00 A Agency project in New Hampshire --

And so by and large, I think the A and B agency representatives are going along pretty well.

THE CHAIRMAN: Were you through, Charlie?

DR. McCALL: Yes, I am.

THE CHAIRMAN: Well then perhaps we can get Sister Ann's review of this region. And then, certainly coming back to the policy issues among other things, I think that Staff does have some guidance, and some idea of what we are up to on that one.

SISTER ANN: I really don't have anything to add to that at this point.

THE CHAIRMAN: You were on the last site visit --

SISTER ANN: No, I wasn't.

But I would just like to kind of see how some of the problems I have heard over, and over again, have been resolved.

THE CHAIRMAN: Well, I'll leave the problem resolution

to my colleagues, Frank [Madge] and Gerry Stolov.

Let me comment, though, on the two policy issues:

We did in effect, indicate to all of the RMPs that it was permissible, and you are really going to see this in Metro New York this afternoon, to propose activities beyond June 30, 1975 -- if they would be carried out under contracts validly entered into with funds obligated before June 30, 1975.

And there is one such project here, namely the Rhode Island [AHACK] But within the perameters of our policy, that doesn't -- that seems to be o.k.

With respect to the $210,000.00 which Tri State has proposed for monitoring, after the period, we are still waiting some policy guidance. Frank Nash told me before we reconvened, that there is a memo that hopefully will get some sort of decision that we would ask whatever funding level would be recommended by this group today -- that it in effect put a condition, or a hold on that $210,000.00 until the issue can be resolved.

We don't have an answer to it.

It does bring up an interesting issue on which there was some agonizing debate among some staff and others about -- that if we are going to see activites, at least proposed for continuation beyond June 30th next year, at which point at least program staffs at this point in time;

we are not allowing any program staff funding beyond that date -- and, you know, who was going to monitor the projects.

We had all kinds of glib answers, grantees, which is at least conceptually valid -- where there is a grantee that is not a free standing corporation.

In those instances, we felt that this hadn't been the first time that a Federal program had been phased out and the monitoring of activities beyond its authorization and funding did seem to get taken care of -- not necessarily well, but I can remember the chronic disease program that became a part of RMP three or four years ago -- and there was some Federal monitoring of it.

So we, in effect, have in a sense -- I suppose -- said "that issue will just have to take care of itself, and we're not going to --

DR. McCALL: One question that occurred to me that might have some relevance there or grounds is the region -- at the time this region had the high level of funding of almost $7 million and multiple activities named in the contract -- they have indicated currently -- there is some, maybe $3 million in these contracts still under way. Will these be continuing into '76?

Even not considering new activities, were there things contracted for that long, that there's going to have

to be a monitoring of, regardless of what's done here?

THE CHAIRMAN: Well maybe Frank, or Gerry can answer that question. I don't know.

MR. NASH: I know of none by -- except RIHSEC -- the only one hanging on is RHISEC.

MR. STOLOV: -- because the expenditures are now reaching a point of projected monthly expenditure rate -- and they need that money to carry them over to the new legislation, so we don't --

DR. McCALL: Murphy said, "How did they arrive at the figure of $210,000.00 necessary to monitor -- "

MR. [NASH]: I think the answer there is that RIHSEC project, there is a lot of money left over from the first few years.

Gerry, do you know? How much was that? About $400,000.00?

They spent $200 -- a little over 200 -- so it was at 598 -- a little less than 400,000 -- 398. They told me they wanted the $200,000.00 for a fiscal officer, a bookkeeper, a secretary and an evaluator -- they needed some supplies, some travel, fringe benefits for those groups -- and there is definitely a budget schedule.

The coordinator wanted, when discussing this with me, was very practical when he said, "When they get their

award notice, half of the Council meets in August." There is "x" number of months for these projects to be viable. If the grantee, which is a free stand, has to close, he really has to terminate his projects around February, for him to close shop in June.

So it hurts the project, and at the same time it would not be practical unless they could find out whether the free standing grantee --

SISTER ANN: Is this going to be kind of an exception in this case? Or is this the beginning of a new policy?

MR. NASH: Well as I say -- all the free standing corporations probably face the same thing.

THE CHAIRMAN: They are the only ones that have proposed to deal with it this way, and as I said, Sister Ann, we in staff, after some agonizing discussion to date, decided you know, that that problem would have to be handled in some way. But that we would permit, on the one hand, program activities to continue beyond that point in time.

I think, you know, this is an issue quite apart from the unsettled policy -- will it be permitted -- is something that the group can address itself to.

We may not have -- as a result of the decision, we may not have any option, it may be precluded. On the other

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hand, the group may have some views upon the desirability of it in any case, I don't know.

MR. BARROWS: I don't think there's much dispute in some cases. I don't know whether these are the appropriate ones or not, but there will be a legitimate need for continued monitoring beyond the life of the program, and there should be a reasonable mechanism for dealing with that.

Does anybody feel differently about that?

Now whether these present a legitimate need for continued monitoring or whether this is the best mechanism, I just don't know.

DR. HIRSCHBOECK: That's what has been the experience with the Ohio program that was phased out -- then some of their activities being monitored --

THE CHAIRMAN: I don't know if anything -- I can't speak to it, John -- one of the Ohio activites, for example, there was an [AHECK]-like activity up in the Cleveland area which was continued after the Northeast Ohio was phased out it was continued under a #910 grant, with funds going directly to the [AHACK].

I assume, but don't really know, that the monitoring that has taken place in that instance has been essentially staff monitoring, you know, from here. There is not a Northeast Ohio RMP, I don't think [Case Western Reserve] which was the grantee in the old Northeast Ohio RMP, has cast

any long shadows over that.

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MR. NASH: No, they are doing the evaluations from that activity.

By the way, we will see that activity in a later application in Western P.A. if we get to it today.

THE CHAIRMAN: Well, we have heard from --

MR. NASH: Excuse me. In view of the RIHSEC thing which concerns me a little bit from Staff -- the fact that we have about 400,000. left over from the first two years and here they are asking for $200,000. more -- I don't know whether that concerns any of you people or not, but --

DR. McCALL: Well yes, it does.

THE CHAIRMAN: Well, Charlie did bring to the attention -- perhaps you want to elaborate. There was a staff visit -- and this is pre-Lawton -- which involved, I believe you said Dr. [Margulus] and he was the Director of the program, is that right?

MR. NASH: Yes. He questioned as to whether that program was on target or not. He felt they were going back into the traditional sort of health manpower activities rather than following the RMP concept.

So perhaps with Lawton there, they can get the thing back on track -- but I just wonder if they really need that much money.

SISTER ANN: I was just looking at this 6.8 here

on the line here and the 1.4 next year -- and you would just kind of know that they were overfunding.

MR. BARROWS: Speaking of funding, I have a concern: From these caption descriptions, the real merits aren't clear -- at least in the Country Guide -- but here we've got two projects for which they are asking almost a half million bucks -- a study of health policy in Massachusetts for $238,000. Health services in time of economic transition, $250,000.

Now I don't know what they are like, but sight unseen I would like to take those on, on an entrepreneurial basis.

DR. McCALL: And the last one, that naval base in Rhode Island --

DR. THURMAN: Be careful now, the're going to call you a "Thurman" if you're not careful. [Laughter.]

MR. BARROWS: I don't want to appear cynical -- or greedy --

THE CHAIRMAN: Who are the sponsors?

MR. STOLOV: The Governor of Rhode Island sponsors the Rhode Island one; and Morris[Donnahue], the former President of the Massachusetts State Legislature and now with the University of Massachusetts, was asked to look at the state policies issue as a transition to the legislation.

The question staff raised in reference to Rhode Island -- and we called the HEW Regional Office to get a

better handle on it -- was the need for this in Rhode Island for two counties in Rhode Island -- but the Staff told us that one out of every ten people in Rhode Island were unemployed as a result of the Defense pullout, and in the two counties one out of every five jobs were hit as a result of this. And half of the jobs were Navy and the other half was for civilian support of the Navy installations.

And the Governor is bringing new industry into the area, and there is a vacuum within that area of the health services -- whether it be later performed by HMO or prepaid health practice or something like that.

But they felt that this was an area for focusing on at this time.

MR. BARROWS: Well, with respect to this policy study in Massachusetts, my question would be: What in the hell is CHP and RMP been doing for the past six or seven years if it's going to take $238,000 bucks to come up with that. I would think that would have been the guts of what they had been doing.

THE CHAIRMAN: Gerry, do you have any --

MR. STOLOV: Well, I can only say that if you read the CHP reports, both the A and B, they do support the project, they feel it's a necessary piece of unfinished business that they need in the health planning transition.

They did question whether the U of Mass was the

proper agency or a governmental agency, since the governmental agency is closest to where the policy is being made. But they did support.

This came from the A and B -- and RIHSEC -- well --

THE CHAIRMAN: Well I hear questions being raised at least by Mr. Barrows, about two of these large study projects.

I can only speculate, but having sat in Washington, I do know that the closing of the Naval base at Newport, there were literally full page ads in both of the Washington papers over a period of -- I suppose a month -- not every day -- you know, sort of public ads pleading with the President not to close the Naval base at Newport -- which eventually was done, of course. And no doubt it had a very significant economic impact.

And also, I also happened to know that the Governor of Rhode Island is the Chairman of the Governors' Conference you know the Conference of Governors held a committee -- he testified in that capacity before the Senate on the Health Resources Planning legislation.

Those are just facts -- but you know the pressure I am sure for getting as many Federal dollars to fill that Navy vacuum in Rhode Island, you know the political and other pressures, I suspect, have been very fierce.

DR. TESCHAN: Well, I sort of read the question

as: How would you spend a quarter of a million dollars in a year, and get something out that is worth a quarter of a million?

And studies in general, tend to be published and never read.

MR. BARROWS: No, this is the type of thing -- I don't know, we can't resolve it -- but I don't know how Congress can intelligently evaluate anything when they get this Mickey Mouse stuff.

Here we are, dealing with this disaster problem with a regional medical program mechanism -- using this to treat that --

DR. TESCHAN: No, this is merely putting a Band-Aid on it.

DR. McCALL: Exactly.

MR. BARROWS: And a quarter of a million bucks is just gone.

MR. STOLOV: I discussed this with [Mr. Walker] who is the new Coordinator of Rhode Island, or will be the new Coordinator, and I mentioned Murphy's study of the $1.40 per capita going into Rhode Island, as opposed to 45¢ in Mass, and 75¢ in New Hampshire -- and although this is an economic disaster area, when you look at the whole state of Rhode Island, it is a large project -- and Lawton

said: We will be looking at it, not only from the two counties, but possibly utilizing it for the State -- But this is sort of off the record, but the question has been raised, at least to me.

MR. BARROWS: To me it looks like two professional staff goodies.

THE CHAIRMAN: But to get back -- sorry --

DR. HEUSTIS: Can I refresh my memory, can I have my memory refreshed?

THE CHAIRMAN: Go ahead, Al.

DR. HEUSTIS: Is the -- is this the same project as has the health plan education project that already has $400,000.00?

THE CHAIRMAN: Yes, that's their [AHECK]-like activity, where there is apparently a carryover approaching $400,000.00 from prior awards -- so we are talking about roughly $600,000.00 for two years for that activity.

DR. HEUSTIS: This is legal -- just yes, or no .

MR. STOLOV: Yes. The money is obligated.

DR. HESS: Could we get a description a little bit more? I think it's very, very difficult to make any kind of essential judgment on a one line statement of a title of a project and I think it would be helpful, to me at least, to know where to fit in this thing -- if we could hear a little

more description as to what these two projects are -- the science and (Science Council) and the health services in time of economic transition.

DR. McCALL: The Health Science Educational Council takes in -- the membership includes all educational health services institutions through the State -- public and private consortium molded into a data base which coupled with the sophisticated determination of their needs and result of manpower supply and distribution changes -- maximum benefit.

Specifically, this proposal is asking for a fourth year.

DR. HESS: What is the money used for?

DR. McCALL: I don't know.

DR. HESS: I know these one-page summaries are not very explicit about these.

Well, for example, is this to -- some of it I am sure, is for administrative purposes, or -- is it to pay for faculty, or for conferences, or partly supportive --

DR. McCALL: Of the $200,000 request, 123,000 is salaries and wages,

In that request is 5,000 consultants,

$13,000 rent

$5,000 communications

$7,500 computer data processing.

And of course I have nothing at all concerning the $400,000.00 carryover.

And maybe -- I have not been to the Region at all so I really can't --

DR. HESS: How many schools are involved in this thing?

DR. McCALL: The numbers aren't in the summary list at all.

MR. STOLOV: All the institutions in Rhode Island --

THE CHAIRMAN: Well how many are there? That's Brown, Pembroke, and --

MR. STOLOV: And there are community colleges as well, in Rhode Island, and Lawton's letter may be more specific -- it does spell out some things.

As to the $400,000 figure that was as of a few months ago -- so the spending rate at the end of this fiscal year probably would be reduced --

They do plan to do a lot of subcontracting locally and if you wanted to comment on that, Dr. McCall, as to whether --

DR. McCALL: This letter is dated May 10th, from Bob Lawton to Jerry -- says that --

" . . . interests of Rhode Island in terms of

regionalizing its health manpower and the continuing education of health professionals, lies in a fourth year of support for RIHSEC" (Or whatever it is) "In its developmental period. This is the product in part of a slow start, which is perhaps not so unusual considering the difficulty of establishing a viable and coordinated consortium of many forces.

"First I would say, and my presence here is the proof of this, that the concept behind RIHSEC and the commitment of the public and private partners to its success is still excellent. The elegance of RIHSEC's design will be complimented by the productive results of its program.

"Some of the immediate and specific objectives, newly crystallized, are the following:

"The development of criteria for need in the major health professions. This is essential to determining the gaps after the completion of a current inventory of active professionals, now in process. I consider this a difficult and pioneering, but necessary effort.

"2. A major exploration and development of a position on physician extenders of all kinds and their certification or licensure. This will include an inventory of the authorized and informal extenders, plus a determination

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of the needs for them, by type.

"3. The application of a successful design of core curriculum and career ladder, already developed experimentally for inhalation therapists, to other professions.

"4 A coordinated program for continuing education of physicians similar to the 'compact' successfully developed in Florida.

"5 A major effort for the continuing education of physicians, pharmacists, and nurses on the problems of drug interaction."

DR. HESS: Now, can you tell from the budget sheet or anywhere, how much the collaborating institutions are contributing to this overall project?

DR. McCALL: No, this is not shown --

DR. HESS: No money is shown --

DR. McCALL: No money is shown as coming from other sources, on the record that I have.

DR. HESS: In some of this there is a legitimate concern of the educational institutions, and I can see where RMP can form a linking, a coordinating function.
But you now, you know the hard work of doing this is basically an institutional responsibility.

DR. TESCHAN: You don't have to provide them with a link --

DR. HESS: Yes --

THE CHAIRMAN: In response to your other question, the $250,000.00 study health services in a time of economic transition -- skipping through here, this is in the Office of the Governor of Rhode Island -- but some of the specific activities -- and I am reading:

"Anticipate that during the funding period, include an assessment of the impact of base closings on the delivery and financing of health care in the affected community.

"A forecasging of supply-demand relationships for health services resulting from information obtained in the assessment, formation of policy options and the coordination of various planning efforts with State plans and resources . . ."

-- and then they go on to talk about economic and other matters -- I suppose -- I suspect that there's an awfull lot of economic as well as health in that -- but again, I can't -- that's a backdrop.

DR. TESCHAN: Do you have to get down to brass tacks? We don't have enough information here to get ahold of this one in the kind of detail that would justify putting a half million into something we don't know what. It looks like a pig in a poke situation.

A site visit would be in order, and seems to me

since we are now site visiting 56 programs, or 53, we might as well site visit this one.

SISTER ANN: At this time, at this point in time, we have a demonstration project that can't be completed in the demonstration time -- so their whole project system needs to be looked at in the way they have designed these.

And then there's one here "for regionalization and maternity for newborn care in Massachusetts" And this hasn't been brought up with people who are going to be the providers and the consumers -- and there will be some emotional issues, we could stir up a hornet's nest if they are not ready to use this.

So I would concur that this -- this seems to me a program that needs to be looked at, at this point in time if we are going to give funds.

THE CHAIRMAN: Who is the guy with the action in this group?

DR TESCHAN: Thurman. [Laughter.]

THE CHAIRMAN: Seems to me that more than almost any region we have looked at, I have heard a lot of concern expressed about individual projects which by an large, in terms of dollars, are significant. Two studies, each a quarter of a million, the continuation of Rhode Island [AHACK] which, if you will look at the carryover funds, is at least a half a million.

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So those are certainly -- and between the three or among the three is getting -- and I don't mean to be because I think the neonatal one is around $80,000.00 about $600,000 out of an application at this point of $1.9 or roughly one third of the project -- the group has some serious concern with and I think we need to flag that for the Council.

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MOTION

DR. HEUSTIS: I move we approve it at a million dollars.

DR. THURMAN: Second

TESCHAN: Second -- I don't mean to compete with you but --

THE CHAIRMAN: We have a motion and a second, to approve at a million.

Chuck, I think I saw a little strain --

DR. McCALL: Excuse me, I think we haven't heard from Sister Ann on this --

SISTER ANN: No, I'm --

DR. HEUSTIS: If my motion is premature -- I'm willing

DR. McCALL: I assume that with the time restraints it may not be practical, at least in numbers, to have a site visit. I'm not sure.

If it were, I would support that. But if we are not going to be able in these unusual circumstances, to have one and we've got to come up with a figure -- and it's certain

that whatever we recommend -- zeroing in on all these concerns -- specifically -- so that if we took the $600,000 back that would leave almost $1.3 million and surely it's not that simple in my mind --

I was thinking about $1.4 million as a recommendation.

MR. BARROWS: I think that is reflecting the whole pattern of their approach.

If you were to describe this as you do meat, this has more fat in it than any cut we have seen to date, and probably ever will --

DR. THURMAN: Can we speak to the issues raised?

Now June and July are not bad months to get the citations raised if there are available personnel.

Can we advise Council that this program, because of all the things that have been discussed here this morning, badly needs quick site visit --

THE CHAIRMAN: Mini-site visit --

There may even be the possibility, although I can't vouch for this, that one could mount a mini-site visit between now and the Council Meeting, which one of the Council Members might -- a one-day sort of thing.

DR. McCALL: I think that's highly desirable.

DR. TESCHAN: Because I certainly couldn't support this figure -- I'm having difficulty supporting a million.

DR. HEUSTIS: I agree.

MR. BARROWS: I agree, yes, I'm with you.

DR. HEUSTIS: I'd like to get this in as soon as possible, I guess --

DR. HESS: I think you have to recognize that currently funded at an annual rate of about $2.7 million --

DR. THURMAN: Joe, you well know that we have never discussed this program -- but everybody has said that it has been overfunded.

THE CHAIRMAN: Well, is the suggestion one of really trying to mount a mini-site visit, either before the Council convenes or certainly immediately after -- before a funding decision is made to really shape the recommendation as to the funding level?

Or do you want to put a base funding recommendation in and --

DR. McCALL: I would like to see us go that route of the mini-site visit before, preferrably before the Council --

DR. THURMAN: Could I make an alternate, substitute motion suggestion? Or whatever we really want?

If you read Stan's first page here, they are asking for 1886 -- two continuation projects, and eleven new projects -- that gives them a program before the $671,000. and if you add $324,00 to continue the two projects for a

period of time, you do come up with a base of a million, really.

And so I think, why not let's -- this 671 figure they don't currently have those people now -- why not let's arrive at eight, or a million, with an understanding that the site visit would either add to or subtract from -- but no funding is possible without --

MR. NASH: And no continuation funding -- I just want to make sure I understand you now -- no continuation funding next year -- the $200,000. for the [AHACK] until that.

DR. THURMAN: They have $400,000 now, so it wont hurt them at all.

THE CHAIRMAN: Would you accept that as a substitute motion?

DR. HEUSTIS: I didn't understand that you've changed it any -- except to add the site visit --

DR. THURMAN: Well not really.

I said, going back to the fact that we don't owe them anything, in that sense of the word, for health science council because they are carrying this money forward. I was shooting for $800,000, which really wouldn't hurt them by the time we ran the site visit here.

DR. HEUSTIS: Would you change a million to $800,000?

DR. THURMAN: Yes.

DR. HEUSTIS: Well, I would support that.

DR. TESCHAN: And I second that also.

THE CHAIRMAN: O.K. what I have heard -- what we have then, if I understand it, is a minimal, interim -- or not "minimal" necessarily but interim funding level recommendation of $800,000.00 with a strong recommendation that some kind of a mini-site visit be made to Tristate, looking at some of these new activities, and also the [Ahack] to determine whether that figure should be upped, and if so how much -- or indeed, that it might even be lowered.

Is that roughly the sense of the motion, Bill?

DR. HEUSTIS: Does that include the $200,000 for monitoring activites?

DR. THURMAN: No that wipes that out.

DR. HEUSTIS: You are eliminating that. O.K.

DR. TESCHAN: And we would love to know what the RAG has been thinking.

MR. NASH: No, the RAG didn't really approve this, I don't believe.

THE CHAIRMAN: Herb is here, let's try this idea out on him, to see if this is reasonable the Regional --

MR. NASH: He'll be sorry he walked in on this at this time.

THE CHAIRMAN: Herb, we have spent a good deal of time with Tristate, recently. We are concluding now, and

perhaps more than any other region, serious questions have been raised about a small number of projects -- several new ones that total half a million -- continuation of that Rhode Island AHACK for which an additional $200,000.00 is being asked, but for which there is some $400,000.00, or maybe $300,000.00, in carryover funds.

And the group's recommendation, which hasn't been voted on, but which is on the table now, is to recommend an interim funding level of simply $800,000.00 in the place of a roughly $1.8 million request -- with a strong recommendation that some kind of mini- one-day site visit be made to Tristate to look at several of these large, new study-like activities that are being proposed, as well as the progress and needs -- future needs -- for the Rhode Island [AHACK] -- either before Council Meeting, which is a short time away, or about three weeks or less than three weeks; or before the final funding decision is made.

Now this is the first time we have come to any kind of a recommendation.

I think there are enough serious concerns about specific activities, and questions --

MR. PAHL: Well we, of course, have not been site visiting other regions, but I think it's an unusual set of circumstances, in something like this, there is no reason that we couldn't accommodate that recommendation.

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But I would much prefer to have the site visit prior to Council Meeting than after Council --

THE CHAIRMAN: And presumably, including somebody from Council --

MR. PAHL: Somebody from Council and liaison.

I think the Tristate one, particularly, has given us some questions, internally also, and this certainly reflects, perhaps a little bit more emphatically the issues that have come to my attention.

We can accommodate that recommendation, and will act on it. We can't accommodate many site visits because of the time involved, but certainly in unusual circumstances we can.

MR. BARROWS: Well this need is dramatic, too.

THE CHAIRMAN: We do have a motion to that effect, then -- let's call for the question if there's no further discussion.

All those in favor --

[The motion was properly put to vote and carried unanimously.]

NEW JERSEY:

THE CHAIRMAN: O.K. Paul.

DR. TESCHAN: Well, the New Jersey application is a little longer than West Virginia, but has about the same general qualities in being able to describe simply and in relationship to the region's needed goals and their shorter term objectives which have been arrived at by explicit process, so that you can follow it.

There are corporate grantees -- the program serves 7.2 million people. They have established sixteen professionals and some eight clerical people approximately, and they are asking a program staff support to the tune of $825,000.00.

They have eight projects, as far as I see it, and this spans, really, the entire set of goals relating to access, support of categorical -- support of quality assurance activities and some efforts in the area now of cost containment, and a beginning exploration as to how the CHP and the RMP may be getting ready for the next development in the legislative activities.

They also function on the contractual system. They have a large contractual budget -- that's essentially how they are functioning.

They have an interesting staff organization so that in addition to the usual essential managers, that is the fiscal, development and evaluation type thing, they also have

a program development who has a named, on-line, full time manager that has to do with the subject matter -- so that there is somebody free -- and so you get the sense that there is a very discrete program assigned responsibility for the conduct of these affairs throughout the region -- and sort of a tight, explicit way. If you read a chart you can understand exactly how they are proceeding.

Our past experience is coherent with the idea that the RAG appears to be extremely explicit and active, and has some of the most effective people -- including one of the Members of this Council in the other panel -- this committee -- on the panel -- who has been not only extremely knowledgeable, but very articulate about the program in presenting how the RMP should be working in developing not only CHP capabilities, but the projects in virtually all the areas.

I am interested that there are twenty grantees among the thirty some projects. They had 36 operational projects but not all of them are current, I might add -- and 7 developmental ones.

So that among that entire group there are quite a number of grantees which apparently are the recipients of the contractual funds -- primarily operating out of Program Staff. So that it's not either centrally managed or grantee managed, or anything of the sort -- you get the feeling there that there's a good dissemination of responsibility in the operation of the program.

One of the fascinating things about New Jersey has been the way they have been on top of so many of the new issues in terms of better access -- emergency medical services -- quality care insurance including assistance in PSRO development -- but also, more explicitly than almost any other program I know about, though the Staff may know better than I, of course, for good reasons. But the most expelicit experience I have had in setting standards for quality for certificate of need type activities -- i.e. the technical review groups, or the committees, have put together standards of excellence, or standards of quality care, in a whole variety of specialized and specialty services. And one gathers from the narrative, that these have, in fact, been used in certificate of need and that the PMP Committees have been used by CHP certificate of need type activities for advice on the basis of standards -- but not only the standards have been adopted by CHP but the staff has participated in the review of certificate of need and given the professional and technical advice to CHP deliberations.

Now that's really, one of the first explicit examples in my experience that in fact, CHP has used PMP in an appropriate way. I think it's a real credit to the history of that development.

Now the final thing that I wanted to go into -- there's a fair amount of detail --

But the other thing I wanted to mention was -- a good deal of back and forth discussion, especially in one set of correspondence which Frank has got a nice covering letter on -- from apparently the "Northern New Jersey Conference of Clinical Council" I can't tell whether it's an A or B --

THE CHAIRMAN: It's B -- area-wise.

DR. TESCHAN: And the discussion of the letter of -- the Executive Director of the B Agency, is sort of a cantankerous buckshot type of vituperation, wto which, there is one of the mot beautiful responses that I have ever had the pleasure of reading.

Al [Florin] has gone, in five pages, to develop the history of how CHP existence in New Jersey, is largely a result of RMP effort, through three generations of executive directors -- and he takes each of the issues relative to each of the projects, and beautifully develops them in some very simple, clear language, in a highly professional and highly unvituperative and unemotional way giving the facts of the case.

You know, this little correspondence file, to me, is one of the most beautiful pieces of exchange that I've had the pleasure of reading. I'm just delighted that we

had this for supplementary material -- it's the basis of really a more general recommendation that I would like to leave with you all, and that is that -- not in my own feeling -- is that recognizing the legislative mandate of CHP -- recognizing the relations the regulations of RMP for interaction -- I feel that we should recommend to Council, for Council policy, that says that:

We urge that Council bring to Mr. [Ravell?] and other appropriate people's attention, that interaction is a reciprocal process and that we should have mandated by regulation -- quite aside from legislation -- reciprocal interaction and responsibility, mutual responsibility, explicitly directed from the head of the CHP Agency here, to all B Agencies particularly, what they do with the As is a different story, of course, and it's up to them.

Secondly, that so far as our deliberations in this Committee and in Council, that we should ignore the negative CHP comments, except as :

(a) number one, the B Agency informs the local RMP of their criteria and review in common process -- precisely as our RMP informs the B Agency of the RMP's review of common projects -- total reciprocity.

(b) number two, that the B Agency shall furnish to the RMP agency, explicit statements of the objectives and priorities and as need statements, against which RMP

targets their development.

So my feeling is, yes, we recognize and feel entirely appropriate the RMP should respond to CHP -- just exactly as said -- no argument. But that it needs to be done at the same professional level to which RMP is being called. That needs to be established as a simple issue of basic integrity between the two programs -- particularly if they are going to be legislated into some kind of relationship.

Now that's a formal recommendation I would like to have this group discuss and consider at some point. It's a digression from the current thinking and --

And now my final, to sum it up, I think this is a beautiful program,, a top level operation. Our feeling is that we would probably recommend the funding approximately 15 to 20 percent above the current target -- but minus about $600,000 which is due about July 1st -- and that comes out to be about $2.9, million.

And that the Region essentially should be congratulated for the way they have proceeded.

DR. HEUSTIS: What was your figure again, please?

DR. TESCHAN: $2.9.

DR. HEUSTIS: And then you're going to knock them down by a million?

MR. NASH: This application is 3.9.

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MR. BARROWS: Yes, we are knocking them down by a million bucks.

DR. TESCHAN: I thought that the recommended funding relates to the target, about 15 to 20 percent above the target -- minus about $600,000.00 in July.

They are over target by some -- I forget what --

DR. HESS: They are currently funded at 1.6.

DR. TESCHAN: And I thought that from 1.6 to 2.9 it's a substantial rise and it allows a little money for the July 1 Council situation, and it brings it a little closer in line with what the figures appear to be, which are available for the program.

Now I would have no objection if somebody wanted to fund them fully or in some larger amount, you know.

THE CHAIRMAN: Maybe we ought to, since Mr. Barrows was the other reviewer on this, hear from him before we carry the matter of funding level, or other comments or observations further.

MR. BARROWS: My review is pretty much a reflection of just what Paul has said. In short, the program leadership ranks, participation, I thought, was superb. In fact, overall I came out with the impression that this was particularly in depth, the type of program I would recommend. Period.

The relevance of their past activities and the

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proposed activities in the broad, RMP mission, was just top notch, and more than that, they are relevant to the needs of their area -- particularly the underserved, seemed to be just right on target. I was deeply impressed.

They had another attribute which was outstanding and this to me, and really this is maybe a philosophical matter with which you may not all agree; We need the ideas, the expertise of academia and we need the support of the Government if we are really going to get anything really done in the mainstream of improving. It's got to come from the practicing, professional level, and they have done more than any program I have seen, to get the practicing profession involved.

With that, I came out with just this very top rating and I dismissed the CHP thing as a ventilation of personal pique which had no merit.

THE CHAIRMAN: Maybe I ought to ask Frank.

I think we have an issue that is resolved here, Frank on the --

MR. NASH: You mean on the CEP?

THE CHAIRMAN: Yes, right.

MR. NASH: Yes. Well, of course Dr. Thurman is certainly accurate in his description of the letter -- Dr. [Ford?]'s affair -- it was beautiful.

And I have since heard from the region, that the

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B Agency Board approved, I mean, recommended approval of this application -- so I think that this bit of "spleen venting" by the CHP Director who has only been on the board about five months in that particular agency anyway , is --

THE CHAIRMAN: Have you got any more insights on the warfare in New Jersey, Northern New Jersey, Tom?

FROM THE FLOOR: That's not my bailiwick.

THE CHAIRMAN: Oh, oh, that's right. New Jersey -- that's a copout. [Laughter.]

DR. TESCHAN: I'm just calling for fairness and equality

THE CHAIRMAN: Well that is a -- the letter was a Director's letter, but the Board -- under what duress or prompted by what reason, did take action quite opposite to that, approving the New Jersey application.

I realize you're just asking for fairness and equality

MR. NASH: To repeat, we may have a policy question in this particular region. One of their proposals is to establish 8 PSROs and I don't know whether we can use our money for the actual establishment of PSROs or not

MR. BARROWS: Is that to be established, or just to provide the preparation activities?

MR. PAHL: I'm not sure, it's backup support.

COMMENT: It isn't actual support here, though.

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THE CHAIRMAN: It may be an issue that we want to flag, though, and get into some consultation, if we haven't, with the appropriate PSRO staff here, and depending upon the outcome of that, we may, or may not, want to highlight something for Council.

I have the same question in my mind. It certainly is, in one sense I think, very consistent with the kind of quality assurance activities and standards setting -- or standards development, that has characterized one major thrust of the Jersey PHP.

On the other hand, bureaucrats have a way of --

MR. BARROWS: Pete, I read that as simply a response to helping the medical community get ready for this program and --

THE CHAIRMAN: We may want to check up that PSRO staff, I think, in any case -- just so that people don't have their noses out of joint around here.

DR. TESCHAN: The basic funding of the PSRO comes from the processing of the business -- so you know, it isn't going to take -- the actual financing of the PSRO is not a problem.

MR. PAHL: They want to provide the same type of support -- but it's a B agency.

THE CHAIRMAN: Now are there any other matters or

or comments or questions of the two reviewers, or of the staff, for that matter, that relate to New Jersey RMP?

DR. HEUSTIS: Do you think Barrows will agree with the money figure?

MR. BARROWS: Well I was a little more generous. I'm not as good at picking figures out of the air as you fellows are -- but I would say that when we wind up, this should be in the premium category -- very clearly in the premium category.

Now, where that figure is, I don't know.

THE CHAIRMAN: Well, they are asking, as Paul has indicated, they are requesting in this application almost $4 million -- $3.970.

They have indicated, and that does not include any new activities in one sense, although there is some new program staff activity, I gather, and some expansion -- and they will be in, with a July application that they estimate at $600,000.

DR. TESCHAN: Well like I say, I have no objection to upping that ante, but I just didn't know how to do it.

DR. HESS: Let me ask you a couple of questions:

Number one: What's the population of the region?

DR. TESCHAN: Seven and a half.

MR. NASH: 7.2, really.

DR. HESS: And is this just the state of New Jersey?

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THE CHAIRMAN: Right, it follows the state line.

There is some overlap with Greater Delaware Valley in the Southern and less populated -- Philadelphia and Camden area, and the Cranberry Bogs and the resorts --

But I think certainly New Jersey RMP has defined itself as the entire state and, indeed, have conducted activities throughout the state.

MR. NASH: They sent a staff person down to Southern New Jersey, and paid the salary and all expenses for a year in establishing the South Jersey CAP agency. They consider themselves a state-wide program.

Rod Murphy?

THE CHAIRMAN: Oh, yes, Rod literally is back today from a management assessment visit to New Jersey earlier this week.

MR. MERCKER: I spent Tuesday and Wednesday with the Program Staff of the New Jersey Regional Medical Program and their management is excellent. The program management in particular -- they are in the process of taking on full corporate responsibility from the University -- the University Medical School -- and they have developed the additional policy basis for this, but they still have some administrative management policies to develop.

But their program management was superb. They have a way of operating by health specialty areas, where their staff

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members interact extensively and effectively with the projects. It was very, very impressive.

THE CHAIRMAN: I don't think we have -- unless the Chairman missed it -- a formal recommendation on the floor to -- of course a figure was mentioned, but I didn't ask for it, nor did I hear a second.

MR. BARROWS: I'll second that.

DR. TESCHAN: I'm beginning to hear a concensus because if we have a 7.2 -- and it's on a per capita basis -- we'll be talking about 3.6.

THE CHAIRMAN: Are you revising your motion?

DR. TESCHAN: I'm raising the question.

MR. BARROWS: I would be more comfortable with something like 3, or 4, or 5.

THE CHAIRMAN: 2.9, 3.4, 3.6, 3.5 -- what do I hear next? [Laughter.]

MR. de La PUENTE: Well, in view of what I have heard, and in view of the budget that I have seen, and in view of whatever I know of the New Jersey program, and in view of the other suggestions that have been made during this session, I think that $1 million down from the figure they have requested is too much. So I would go along with Mr. Barrows.

THE CHAIRMAN: Sister, you have better connections than we do -- what do you say? [Laughter.]

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SISTER ANN: Mr. Barrows, there is one thing I haven't worked out, and that is the process of discernment. [Laughter.]

DR. THURMAN: After what Joe just said, I agree with this, and I am certain that all of us who have seen New Jersey, are very, very pleased with the way it runs.

But we are talking about a region right now that is getting $1.4 million -- and then we are talking about suddenly leaping to $3.4 million.

COMMENT: No, $3.6. On the other sheet.

DR. THURMAN: Then I go back to my criticism of the sheet.

But on the other hand, I think that's an unreal leap into --

MR. BARROWS: Well, would you buy $3.2?

DR. THURMAN: I would go back to 2.

SISTER ANN: And I go back to $2.9 too -- that's --

DR. TESCHAN: Why not move for $2.9?

Now that's with the point that this is the superlative story, and if the Council felt disposed to increase still further, that the Review Committee would take no umbrage of that.

DR. HESS: I would like to just make a point here:

I hate to see us unduly influenced by a region that comes in with a huge request and grant a lot of funds, just because they ask for a lot of money.

In other words, we look at Puerto Rico -- a top notch program, that comes in with a modest request -- and you know, pretty close to what we think they can use; and we give them that.

Now this is a first rate program, but they come in way, way over -- you know -- what they have previously been getting in the last year of funding. And somehow, that just doesn't sit right.

DR. THURMAN: Could I add something again?

THE CHAIRMAN: Certainly, Bill.

DR. THURMAN: Do you see any need for an extra slug of money for them to carry out their corporate thing?

MR. MERCKER: A modest sum of money. They have requested an added accountant to the staff.

DR. THURMAN: O.K. I second the motion for $2.9.

THE CHAIRMAN: O.K., we have a motion to recommend funding New Jersey on this application of $2.9, with the sense, I believe, of the group that certainly it reflects a favorable task toward the region and presumably (but again, one has to see the proposal, their supplemental proposal should be looked at in July by this group) in a quite favorabl

light. That should be around $600,000.00

Is that essentially the sense of the motion?

DR. HESS: Yes.

MR. BARROWS: Yes.

THE CHAIRMAN: Is there any more comment on this?

If not -- all those in favor --

[The motion was regularly put to vote and passed favorably by 8 and unfavorably by 1 vote.]

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THE CHAIRMAN: O.K, it's (as they say in Hollywood) "High Noon" and I think with the concurrence of the group, this is about the busiest time in the Cafeteria and I think we do have time for --

DR. TESCHAN: Two more.

THE CHAIRMAN: Two more?

Well then, you will have to help me identify the easy ones.

Rochester has been suggested -- is that one on which you are not the reviewer, Joe?

DR. HESS: Well, I couldn't make the judgment if I weren't -- [Laughter.]

THE CHAIRMAN: Oh, I don't know.

DR. THURMAN: The humor is getting strong.

THE CHAIRMAN: I think we are going to have to eat in about half an hour, things are getting out of hand.

Well, why don't we just lead off with Rochester and ask Joe to lead off.

DR. HESS: Hess volunteers.

ROCHESTER

DR. HESS: Well, this is the third application which we have discussed this morning in which there is an inverse relationship between the size of the -- the amount of paper -- and the quality of what's on it, at least in my estimation.

In terms of the overall organization of the RMP they seem to be well organized in terms of their overall goals and objectives, and they are consistent with the national goals and objectives.

Their review process is clear and well defined.

As near as I can tell from the application, the leadership on the part of the program staff, seems to be high quality. They have identified within their region -- the areas of need -- they have apparently done some good background work in terms of the identification, and they've got a Regional Plan worked out which displays it clearly and simply on a map -- particularly in terms of their undersurveys and the need of primary care, and that type of thing.

One of the things which I enjoyed about this application -- they have their goals, and then at the back they have their objectives of the projects related to the goals -- and the funding is displayed right along with it. [Displays a document.]

Their overall goal here, and listed in priority order the way they priorize the projects -- the money that goes with it. And then the cumulative total that will be spent on that particular goal.

Now this particular application is only for a continuation of a core staff, with a small increment -- plus

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two small increment -- two small projects -- and the rest of what we see listed here under "goals" will be coming in in the form of projects in July.

So that basically, all we are asked to do here, is to proof the cumulation of a relatively small corps staff and two small projects, and this is communicated in such a well organized fashion that it just seems to me they got their heads together in that region pretty well -- and I was favorably impressed and I see no reason why we shouldn't give them what they want.

DR. TESCHAN: Is there more coming in July?

DR. HESS: Yes, they are coming in -- there's a big increment coming in in July -- the projects. You can already see clearly what those projects are going to be and how they will relate to the goal.

So I have rated them on either "Satisfactory" or "Excellent" in every category. There were just two that I put "Satisfactory" on however, with more information perhaps at staff level, they might well be categories of excellence -- and overall, based on what I see here, I have rated it as a "Superior" region.

MR. PAHL: What's the CHP?

DR. THURMAN: Ed Lane -- he sent in a nice letter saying he supported the whole thing.

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THE CHAIRMAN: You have a region here, an RMP, which geographically is defined in exactly the same configuration as the single area-wide B Agency Genesee -- they have, I think, good relationships, and I think we may even have an incestuous relationship developing in the sense that I believe Peter Mark's brother may become the B Agency Director, with Walter's retirement this summer. Now this may not help -- having known other brothers, but --

DR. THURMAN: No sisters?

THE CHAIRMAN: Bill, you were the other reviewer on this application -- it is a very modest one in -- both in amount and in what it is they are proposing now. But we know pretty well what their $1.4 million application is going to look like in terms of specific activities.

DR. THURMAN: Joe said everything that I would have said about those priorities -- well organized, strong PAG, grantee situation is a separate from the standpoint of never having had a real evaluation group; and the CHP voted unanimously to recommend approval of the application and sent a very good letter.

So that I would support everything he said, and recommend the absolute figure of $361,437.00.

They also bring up the question in their application though, that they have put out an RFP of September 1, '74 - June 30th, '76, in the RFP that they have distributed all

the way down -- this is the health care delivery program and always has been -- $1,300,000 --

THE CHAIRMAN: What you are saying, I think, is that we may see a number of activities proposed in the July application, which would run beyond the end of next fiscal year -- which we have said is at least permissible to be looked at.

Again, I don't know whether we will see what we are trying to look at in Metro New York later this afternoon where almost everything will be proposed for two years.

Well Bill, you wanted to say something?

DR. THURMAN: I would second.

THE CHAIRMAN: You would second o.k.

DR. HESS: I so move. [Laughter.]

[The motion was regularly put to vote and carried unanimously in favor.]

THE CHAIRMAN: O.K., I think we have it. I think that is a record -- we even beat Puerto Rico on that, Joe.

WASHINGTON & ALASKA

THE CHAIRMAN: I think we could, again, probably take up one more region.

Dick gave me a nod from his end -- he has been in contact with Washington a lot this morning, because he did have some questions we thought might have some partial answers to as it relates to CAP here. I don't know whether we want to proceed with Washington and Alaska, or another region.

The two reviewers on Washington and Alaska are Mr. Barrows and de La Puente. Do you want to take it up?

MR. BARROWS: Yes, I think we can.

This, in my judgment turned out to be another fine program.

I rate them pretty highly in almost every category. The coordinator, Donald [Clarkman] I understand, has a very fine reputation.

RAG Chairman, is a Dean of the University Medical School.

Four members of the University of Washington are on the Executive Committee, which concerned us a little bit -- and that's out of seven.

They did suffer quite a depletion of staff during the phaseout problem. They dropped from 52 down to 35. They planned to rebuild, and the re-beefing up may constitute

something of a problem for them.

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MR. de La PUENTE: Yes.

MR. BARROWS: Their staff organization looked to me, logical and simple.

They've got a regional advisory group of 42 -- and six or seven of them are from the University -- the rest from the standpoint of interest the representation is pretty well balanced.

RAG seems to be forceful and active, and is still prestigeous enough to attract a good quality of people to replace those whose terms have expired during all of the surveillance of that.

They've got something like fourteen committees and subcommittees -- they are pretty specialized, but they seem to be functionally effective.

Past performance -- continuation after RMP -- in the top drawer.

Their direction has been right on target, whereas both the mission and their special area needs -- And I might point out in that connection that they are dealing with three categories of problems:

They are a tertiary center for a large geographic area. There are metropolitan areas which are fairly classic. And then they have tremendous remote area problems -- Alaska and Washington both -- and they seem to deal with all of them

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well.

They have been responsive to other federal initiatives. Their Regional Medical Agencies and network all the way up the line, is good.

They assist the CHP -- the ad hoc studies -- close collaboration.

Their objectives are, again, on target. They are specific and relative to the needs.

The proposals seem to be, to me, consistent with the expressed objectives and priorities and they have placed the right kind of emphasis on it.

There has been abundant exposure to CHP feedback on everything - and they have gotten some feedback and that is not being studied.

Feasibility, based on a track record -- the nature of the program and special conditions, looked pretty good to me.

Their CHP relationships -- I might mention a little bit about that: They have two CHPs and seven full time staff functioning Bs, plus some others in various stages of development. They maintain a regular communications contact with the Bs and they provide them with technical support and some modest funds on their enterprises.

Both A directors are on the PAG and there is other

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cross-membership.

And one of their projects, Project Number 88 for $75,000.00, is to develop a test idea for combining of CHP, RMP, and to prepare for the upcoming legislation -- and I think that they will do a good job.

I had, to start with, one reservation, which sort of vanished as I went through it -- this was a program which was sufficiently highly dominated by the University of Washington -- but it didn't seem to come out in the product that came out. I could find no evidence of that dominance. Now whether I am wrong or not, I don't know but I couldn't support the conclusion that there was that dominance.

In summary, I rated them as a "Superior" group substantially better than the average RMP -- looked to me a relevance to mission, needs, involvement -- both professionally and public communities and their efforts rate -- there is aggressive preparation for the upcoming transition in planning and they seemed to be very well organized.

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RECOM

And so I would recommend them, again being one of our better programs, if there is a premium treatment available that they would qualify for it.

THE CHAIRMAN: Thank you.

Joe, you were the other reviewer on this. What do

you have on this to add, subtract, or emphasize?

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MR. de La PUENTE: Well I want to emphasize that they are areas of program emphasis on target with the needs from what I see. They have very good relationship with the CHP -- and that in that state CHP Director proposed Washington and Alaska members of the Regional Advisory Board and that the staff participates and is assigned specifically to work with the development of the CHP Agency.

I think this is important.

They have created many things which are outside of the university enclave. They worked with the General Mason Research Center, the Seattle Regional Health Board, the Seattle's School Districts, The University of Alaska the State Hospital Association, the Washington State Nurses Association, the Washington State Medical Association, the Better Administration of Hospitals in Seattle -- and, last but not least, the Northwest Chicano Task Force, from which these people I have heard very favorable comments in terms of Washington Latin American people.

So I am with you. I am impressed with Washington, what they have been doing.

That's about all I have.

DR. TESCHAN: Somebody was saying that they were way ahead in the quality of assurance -- and this was well before the quality of assurance --

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At the conference they had motion pictures showing the currents of standard setting and studies of patient management -- and in comparison with what happened to patients and what standards of staff were put together -- and showed the feedback by which changes in management were effected by the output of that exercise.

Now that's a complete renal circle done on 16 mm color motion pictures while the rest of us were still learning how to spell "quality assurance." And I just felt that this should be --

MR. BARROWS: I felt the same thing come through their demonstration of foresight and orderly planning for anticipated events.

THE CHAIRMAN: I think we might want to hear from Dick, because while relationships with CHP have been described as good, I think it was also clear from this application that happened to be one that I looked at, myself, by accident when they first were coming in. I was just trying to get a sample of what the applications looked like.

And certainly, their applications drew some fire from some of the CHP agencies, as you note -- indicating their Executive Committee was meeting yesterday and Dick had been in contact by phone with Washington and Alaska this morning, to get some feedback on that situation. And that's one of the reasons we held over on this one.

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Dick, what do you have for us?

MR. RUSSELL: I think the concern that I had with the application was that they did not spell out how they were going to respond to CHP comments. That was one concern I had.

I was amused when I read the one from Spokane, the CHP B Agency, to see this type of comment coming from an agency which RMPs in phaseout devoted 50 percent of their field manual to this particular agency. I thought that was interesting.

Well, anyhow, the Executive Committee is going to respond, in writing, to each of the negative comments, and we will have copies of those. I felt it was important for them to have a formal response -- for their own record.

THE CHAIRMAN: Council will have the benefit of this letter.

MR. BARROWS: I didn't gloss over that, but they met my criterion. They are in good communication to -- they get feedback and they have a legitimate and fair process for dealing with that. Now I think that's all we can ask for. We can't ask for everybody to look up --

MR. RUSSELL: No, I agree. But I just felt that for their protection, they should respond.

DR. TESCHAN: I wonder, to see if you can --

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if your current reading agrees that Donald Sparkman came out with probably one of the first carefully drafted revisions of bylaws to accommodate the August 1972 ERNPF policy for the change around -- and has, therefore, a free standing self-perpetuating PAG.

I would infer from what you said, then, that members are not appointed. There is no special right of appointment, as I gathered there -- and if there are happenings before 7 REG Exec people -- that that happened in the fair play of standard nominating process.

Is that correct?

MR. BARROWS: I don't recall seeing their nominating process, but the end result of whatever their process, looks like good balance except for this one thing I mentioned. And I could find no evidence of the University, or pro-university bias in what they were doing.

MR. RUSSELL: The voice in Alaska, was probably the first program that came up and drew up a very clear letter of understanding between the University and the RMP. I know there has not been that dominance.

Now there was one occasion where the university has, as grantee, come into the programatic concern, but as grantee -- they couldn't exercise the programatic aspect -- so that it hasn't been a problem, let's say.

THE CHAIRMAN: I don't know why people should be

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surprised by the phenomenon of "biting the hand that feeds you." It seems to me that much of the post-World War II economic assistance would suggest that as a natural and, perhaps, not even unhealthy phenomenon.

Once you help a guy get on his feet, he will take a whack at you as quick as he will the next guy.

MR. BARROWS: Well, there is a certain amount of feeling your oats in that kind of thing --

DR. TESCHAN: How many people are involved in this thing?

THE CHAIRMAN: I am not sure -- it's about two and a half or three million people.

I know Alaska: Quarter of a million. When I was there it was less than Fairfax County, ten years ago. But they are scattered out all over.

DR. HESS: Seattle is less than a million.

Spokane --

MR. BARROWS: Spokane, their space problems and culturan problems are horrendous.

THE CHAIRMAN: I think it's probably a little over a million, Joe.

MR. RUSSELL: But I don't have that -- I've got the figures in my briefcase, but not here.

But for the record, the applications you reviewed did not have the salaries of the program staff. They were

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submitted in the regional application, and we do have those -- but they are not out of line.

DR. THURMAN: I just want to ask you one question: You are satisfied that they are able to utilize the additional half million dollars that you're going to recommend?

MR. BARROWS: I would have only one reservation as was said on these people -- they have suffered a fairly substantial staff depletion.

I would think, though, based on the competence of the Coordinator, and their relationship with both academic and provider centers -- they could mount a good team. It has good management. I'm not too worried about that.

And I think that they are being fairly modest. They are jumping from, now, a funding level of about 1.5 to 2 million -- and I think they can --

Subject to this staffing problem, I think they can adjust to it.

DR. HESS: All right, if you have this view, their current funding level of 1.8 -- so that if .

MR. BARROWS: I have 1.4 or 1.47.

DR. HESS: Well, there has been a discrepancy between that sheet and this one.

MR. RUSSELL: The latest figure we have, is 1.4 --

DR. HESS: Where do the figures come to on this sheet? The first six months?

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DR. HEUSTIS; Are these figures not six months old? The only date I can find on this document is January, 1974, and I was led to believe this was prepared as of January 1974.

MR. RUSSELL: No --

DR. HESS: This would be the funding level for the six months -- one through six.

DR. THURMAN: I based this on the other one, which is 1.5 to 2 million -- can they handle the extra half million dollars?

MR. BARROWS: -- total planning -- talking about July of another half million -- I don't think they will be getting everything they ask for.

DR. THURMAN: But are you satisfied he can reasonably use this?

MR. RUSSELL: Yes. But let me answer, Mr. Barrow: When this phase came out, this gave them an opportunity to revamp their staff so that it wasn't all loss.

Yes, I think they can manage the money.

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MOTION

DR. THURMAN: I would move we approve the requested level.

[The motion was properly seconded.]

THE CHAIRMAN: That's 2.77 -- as requested.

Is there any further question, additional comments or corrections?

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All those in favor --

[The motion was put to vote and carried, unanimously.]

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THE CHAIRMAN: It is 12:20 and this may be a good time to break. We have completed nine regions and we have eight left to do.

COMMENT: Do you think we can wrap this up?

THE CHAIRMAN: I think that is still -- and that's why I need to consult with my colleagues -- but if we do have it within our wherewithall to complete them all today, but I don't think, on the other hand, that I have the ability and the other staff, to wrap some of these things up and display them for you.

I think we would have to ask you to sit around here an hour after that.

So I think, realizing that some of you are going to have to leave today anyway -- Charlie, you are going to have to leave today fairly early anyway -- that we probably still are faced with a brief session tomorrow. But I don't know what my colleagues are doing.

I think we can probably, get through with the applications today.

MR. BARROWS: Could we shoot for that, and then whatever time we have tomorrow, we could just look back and see what we have done?

THE CHAIRMAN: Yes.

We can't do this instantly [Indicating blackboard] not that this has anything to recommend for it, but I think

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we can shake some things out and give you some idea of what your actions were, what they look like, collectively, and the others may want to look at it a little, too, and see maybe adjust something up, or down, something here or there where something seems to be inconsistent.

But I don't think we can give you that immediately.

DR. TESCHAN: That is a very helpful chart.

DR. THURMAN: Are we required to keep these?

THE CHAIRMAN: No.

DR. THURMAN: Do we have any other easy regions we could knock off?

THE CHAIRMAN: Well, you people are the reviewers.

I would think maybe Western Pennsylvania is an easy region --

DR. THURMAN: I'm trying to see if the group --

THE CHAIRMAN: No, Western Pennsylvania --

MR. NASH: No, -- West Virginia is primarily a continuation of Western -- you may get a lot of questions on that. . .

THE CHAIRMAN: John, you and Mr. Barrows were the reviewers -- do you recall any difficulties -- is that one that we might polish off in a brief period?

DR. HIRSCHBOECK: Well I think we had better wait until after lunch anyway.

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THE CHAIRMAN: O.K.

I think we're going to come to having lunch now. So it is 12:25. Could we try to be back by 1:10 or 1:15 at the latest?

You see, we have four hours and eight regions, and if we can do that --

[The proceedings were recessed for luncheon at 12:25.]

HEW
Ns-1
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AFTERNOON SESSION

1:15 p.m.

MR. PETERSON: I guess we are ready to commence.

Joe is not back, but before we do, I did huddle briefly with Bob next door. They broke a little later than we did. We are just about neck and neck now. They have six left to finish. We have eight, but I think our view was, and I wanted to check it with the group, that we are going to be able to finish the applications today, but there seems to be some need for a meeting, however, of a very brief duration, an hour or so, perhaps two hours tomorrow morning to sort of take a step back and look at each of what the panels has done and ratify it as a whole group, that is the actions of the respective panels, so that just Bob and I made that decision.

I see all kinds of problems that we try at the end of a long hard day for both groups to try and come together briefly. It is going to be late.

How do you people feel about it?

DR. HIRSCHBOECK: I agree with you.

MR. PETERSON: I know you are going to have to go, Charlie.

You know, if there is someone else who feels as Bill or others may, that in one sense the plowing of the field has been done, and I think you know one would be able to take off at the end of the day.

DR. HESS: If we can, as a group, look at the ones we have reviewed, and satisfy ourselves within that review that we have been fairly equitable based on the factors that we identify, and then the basic work is done, and it is a matter of seeing if the two groups can function.

DR. HEUSTIS: To do that don't we have to have something up on the board?

MR. PETERSON: I don't think the board is large enough. I started doing somethings with respect to the morning applications. This is something that I think the two groups are debating a little bit.

This percent of target figure column I don't think that important.

What I was doing was to show a figure if there was any for a July application so that I was keeping the first three columns, or that is, the first four columns, but then indicating the estimated July application, again trying to group them so that, you know, looking at this mornings, I find New Jersey and Rochester and several programs sort of up in that first group, and Joe did ask, and I will try to get this data so we can incorporate it for all of them, a rough population figure like 3.2 million, or 2.1 million.

I think if you can settle for a legible Xerox copy of a legible longhand sheet we can have that for you first thing in the morning, and we would, on Panel B, take a look

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for 30 minutes at what we have done before we reassemble, and if that means we get together at 8:30 instead of nine, that I again leave up to you, but again I sense it, and it seems to make sense to me if you look at some of these things -- well, we won't have that job done, obviously, at five o'clock.

DR. HESS: Can we find out, or do we know which of these two figures are the most correct on this previous, or let us say, the six-month current funding level?

DR. THURMAN: I think Al is correct when you look back on the applications. I think this really goes back to January, and I think this sheet, although I don't particularly like it, is the sheet.

DR. HESS: This one?

MR. PETERSON: I am embarrassed by numbers that I don't agree with, thus I tried to either only have one set of figures in front of people, or if one is going to put two sets of figures to see if they don't agree before you place them.

The first column in this figure I believe is correct in this sense. It is the current six-month award times two.

MR. NASH: No. It is the annualized level, on the third level.

MR. PETERSON: Yes, that is the way it was explained to me.

New Jersey currently, for the current six-month period has a grant of X number of dollars. The figure that is shown now in this column is X times two. That is one of the always surprising things.

DR. HESS: I wonder if there is some staff person we can call on, whoever put that together.

MR. ARNOLD: I don't know where that came from.

MR. PETERSON: Let's not introduce another set of figures.

DR. HESS: I think somebody on the staff level ought to be checking these out.

MR. BARROWS: Let us have someone look into it.

DR. THURMAN: I think your point earlier that Dick White's sheet is a sheet that was put together months ago, and I think this sheet is fairly close to up to date.

MR. SIMONS: This one is correct, but it will take Larry to explain it.

MR. PETERSON: It is always a puzzle as to why we pass out three of them.

MR. SIMONS: This first column does not have such things in it.

MR. NASH: It may not have the Region's portion of the 6.9 that was held and later released.

It may not reflect 1972 dollars for EMS and HSEA's.

There are a lot of basic possibilities, and maybe

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Grant can explain it.

DR. THURMAN: It does not reflect carryovers?

MR. NASH: It is taken off the last award notice. It doesn't tell you the real fund B picture in the Region.

MR. PETERSON: Can we sort of make this our prime reference?

We will entertain an explanation from staff as to what the disparities are.

DR. HEUSTIS: After we get through with all of the material?

MR. PETERSON: I am always reluctant. I know I should be saying yes, but I don't differ myself, and I am looking around and saying who is going to deliver.

DR. HEUSTIS: No earlier than before we get through with all of this.

MR. PETERSON: Mr. Pullett, Review Panel B and its Chairman, humble Chairman, sort of wanted a brief explanation as to spare sets of figures, column one of a printout.

I just tended to ignore it. I was lucky. I thought one was more credible than the other.

What was the recent point in that case that gave us a problem?

In New Jersey we show a current and annual annualized at roughly $1,458,000. That I understood, and correct me if I am wrong, was literally New Jersey's current six-month

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award times two.

MR. PULLETT: What you do is, you double what you had in the 1974 funds that they received, plus the carryover.

MR. PETERSON: That includes the carryover?

MR. PULLETT: Yes.

MR. PETERSON: Their share of the six?

DR. THURMAN: That truly represents a total figure of the dollars they had to spend in the six-month period multiplied by two.

MR. PULLETT: If it is carried out.

MR. NASH: If they contracted it out.

DR. THURMAN: That is obligated funds.

MR. NASH: It would not even show here, you see.

DR. THURMAN: As we look at it, we are not concerned about obligated funds.

We are talking about an operating figure, and this is the total actual operating figure on this printout.

MR. PULLETT: No, it is what they received out of 1974 funds, plus their authorized carryover.

DR. THURMAN: That is what I thought I said.

MR. PULLETT: You said their operating level times two, and it is not.

DR. THURMAN: I see. I stand corrected.

DR. HESS: The total amount of money that they

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have to work with during those six months.

MR. PULLETT: We made a distribution of 1974 funds which was approximately $24 million, and that went into the awards beginning in Award 1.

To get their annualized level we doubled that, and added their authorized carryover, so when you say an annualized level in a 12-month period it is not doubled what they have been operating on in the six month period.

DR. HESS: Are you familiar with this sheet?

MR. PULLETT: Yes.

DR. HESS: These figures are generally higher if you double the six month present funding?

MR. PULLETT: They would be higher than the annualized level in a lot of cases.

When we made the initial awards they were for a six month period, so we gave their distribution of the $24 million for six month period, and authorized any carryover from the previous period, but to get the annualized level we doubled the 1974 funds and then added in the authorized carryover, because that was only for a six month period.

DR. HESS: So this would be plus the carryover figure.

MR. PULLETT: The six month period would at least equal the annualized level, and in most cases exceed it.

MR. BARROWS: The working capital that they had to

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work with last year. It was this figure, was it? I mean up until now.

MR. PULLETT: That is another projected 12 month figure.

MR. BARROWS: So in terms of real money this is what the program was operating with.

MR. PULLETT: That would be projected over a 12 month period.

MR. BARROWS: That is the base that we wanted.

DR. HEUSTIS: On this document the only date that I see is funding award January 1, 1974.

Am I to assume that this was as of January, that everything on this hseet is January 1, 1974?

MR. PULLETT: If you look on the face page of that, there was a face page.

DR. HEUSTIS: Never mind. Tell me what is on the face page. I don't think I ever saw one.

MR. PETERSON: I certainly never saw a face page.

DR. THURMAN: Is this the face page?

MR. PULLETT: That is the summary page.

DR. TESCHAN: Region 17.

MR. PULLETT: The six-month level was actually what they are operating on, on a six-month period. They are the funds we have authorized. That includes the carryover plus fiscal 1974 money.

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Now, to project the 12-month budget period we doubled what we gave them out of our 1974 money, which was approximately $24 million, and that added on to that any authorized carryover which was based on two things, their distribution of the 6.9 plus any unexpended balance they had under the previous budget period.

DR. THURMAN: He has answered my question. I know what it is.

MR. PETERSON: Okay, we want to get back to our business here on the review of applications.

I think we have already highlighted both Western Pennsylvania and Virginia as regions we did not feel too prepared to deal with before.

Having had lunch we might start off with Western Pennsylvania.

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REGIONAL MEDICAL PLAN FOR WESTERN PENNSYLVANIA

REVIEW BY DR. HIRSCHBOECK

DR. HIRSCHBOECK: The application is essentially for continuation of funding, except for the addition of one project, which is the Health, Education Network.

As stated here, this constitutes $170,825 of our total request, which I understand will not be counted against the total amount appropriated with PRFP.

MR. PETERSON: I will explain that.

Because of the court order which reads these funds are to be made available to the plaintiff, that is to mean the RFP's, and we had funded this particular project under 910, and thus in order to give it a legitimate umbrella we asked that it be submitted as part of the Western Pennsylvania RMP application, but what you people really need to do is vote a recommendation for Western Pennsylvania, and then take an auxiliary, or adjusting the one in effect.

It is a matter of administrative convenience in the event the court order would not be modified, which it probably will not.

MR. NASH: Really two applications.

MR. PETERSON: It is really two applications, but in order to be able to continue to fund that AHEC it had to come under the aegis of an RMP at this time.

DR. HIRSCHBOECK: Another factor that is confusing

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is that funding for many projects terminated on April 1.

There is a gap of two months, or three months really, between the end of the project and what appears to be a start up again of some of these same projects, with a gap of no funding.

Now, I am getting this information principally from the Forms 15, and I think we ought to have that explained by staff a little later on.

As far as the Region itself is concerned, at the time of phaseout they were grappling with the possibility of becoming an independent, free-standing corporation, and they are now the grantee, that is the grantee is the University of Pittsburgh, and apparently the cost figure was very high, almost $500,000, and the question was raised, I suppose, by central staff here that maybe they should look into a re-arrangement.

At least it sounds that way in the way the text reads. They set up a task force, and the task force decided to stay as they are, and that is an independent, free-standing corporation.

The University of Pittsburgh Health Center is the grantee. The bylaws, of course, do not even mention it, but that is okay.

The bylaws are arranged such that they function very independently.

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However, the Regional Advisory Group, the Coordinator, Dr. Kiefer, who is the Coordinator of the program is also a member of the Regional Advisory Group, and is in various positions along the line, and still the coordinator, and yet, what I am trying to say is that he has fingers in many pies.

The relationship with CHP is difficult to assess because there is only one communication which says that they will apply in the near future regarding the comments.

I would like to find out a little more about the CHP relationship here.

Well, they distributed quite a bit of project support for the insurance development as a one shot venture.

The statement is made by the Joint Commission on Creditation on Hospitals, which is found in quite a few hospitals, and this area has not had the working expertise to deal with the medical audit situation and other similarly newly acquired activities by the Joint Commission.

The Western Pennsylvania RMP provided funds for some six or seven hospitals or related agencies in the Region to get quality assurance and medical audit, and so on.

As I interpret this, this was a single one shot deal that was given to these institutions.

In general, I would say that this is an average program all the way down the line.

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I do not see anything outstanding about it, nor is there anything that would seriously criticize,other than possibly a relationship with CHP, which is not well expressed here.

Also, I should say a word about the staff. The staff seems to be quite complete. There are hardly any vacancies, so there should be the capability of carrying on with the additional funds which they intend to ask for in July.

MR. PETERSON: Thank you, John.

Ken?

MR. BARROWS: My observations were very parallel to the doctor's.

To show you my skills as a planner, I approached my five projects alphabetically, and I have considerably run out of gas on Western Pennsylvania, as it is the end of the line.

Generally, I came up with the same conclusion that this was a pretty good average type of program.

The management and administration of the thing looked a little bit cumbersome to me. They have a number of regional advisory groups, area advisory groups.

This did not look like a very skillful thing from the management point of view, but now I will have to eat my words and come back with this. They have done an excellent

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job of community interest and participation in this thing.

I might say they are really one of the better in that respect, and there is commendable honesty in this report. They talk about a lot of programs that are terminated, and, in fact, come out and said the program laid an egg because the people found out it was too much work.

I think it is an application you can take at face value, but I came out with a good average type program.

MR. PETERSON: Norm, I don't know if you want to come up to the table. It seems to me that there were at least three areas that questions were raised about.

One is what appeared to be a gap in funding. The other is CHP relationships, and the third may be the ubiquitousness of Dr. Cleary, but that is something we have lived with.

MR. ANDERSON: I imagine the survey was made a year or so ago, and we have determined that Dr. Kiefer was not in line with the grant relationship.

The recommendation was made at that time to rectify this, but during the same week, at the time of the survey, also a notice came out from RMP that we were to be phased out.

We sort of let it slide at that time, and Dr. Kiefer, as I understand, is to retire sometime this summer, and as you have very adequately observed, Dr. Kiefer is a member of the Executive Committee, and also plays a very active role

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in determining program policy.

I won't try to minimize this, as that is a fact.

On the other hand, I think Dr. Reed has pretty much determined what their program priorities are, and has tried to allow to promote these through Dr. Kiefer.

The second point was there has been some animosity. I am not sure what precipitated this, but nevertheless it has existed, and I think over the past two years my experience with the Region is that they have made every effort on both parts to try to rectify the problem, and here again, I would be the last to try to identify what the problem really is.

Now, in terms of the third area -- what was that?

MR. PETERSON: The gap.

DR. HIRSCHBOECK: Some of these projects ended in April, and they were asking for funding beginning July 1.

MR. ANDERSON: Part is due to the phaseout and terms of priorities to try to complete certain activities within a timeframe, and they do have a very good selective procedure to determine their own priorities.

I think in all due fairness to them, they felt this was some of the things they ought to complete within a certain time period.

There has been a certain amount of lag time, but that doesn't mean the activity has completely stopped.

DR. HIRSCHBOECK: It is, as you read these Form 15,

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I got the impression that there is going to be a gap in funding between, or beginning July 1, 1974 and what apparently was a termination on April 30, 1974.

It has either been improperly placed there, or I don't understand what it is all about.

MR. ANDERSON: I am not quite sure I understand your question.

MR. PETERSON: I think if I understand John, he sees some projects which presumably are going to stop at the end of April and renewed funding beginning July 1, which is being requested.

That does seem a little unreal, and it may be.

MR. BARROWS: I got the impression these were some programs they would like to have carried on, but they ran out of money, and they have some programs they want to revise.

MR. ANDERSON: Local support may come to their aid for a temporary time period.

DR. HIRSCHBOECK: Here is one discreet activity summary -- Laurel Mountain Quality Assurance Program, Mercy Hospital, Johnstown, and the progress period, in the progress section which is from July or from January 1st, 1974 to April, 1974, and then the period of the project is July, 1974 through June, 1975.

In other words, there is a period of April, May and June.

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MR. NASH: What is he doing there? This is something they initiated in January, and he is giving you progress on the four months up until the time they formulated their application?

MR. PETERSON: I was just comparing notes with Tom, and he said he really didn't have anything of substance or concreteness.

I think both he and I can speculate about some of the reasons for the less than cordial relationships between the major fee agency, and I am not sure it is called Allegheny County, but anyone, the one that encompasses Pittsburgh and the surrounding area, and I know something I observed, I think I observed out there two years in the review process, and it was out on the table and Bob Carpenter was in the next room and it caused him a great deal of travail as long as he was in that post.

MR. BARROWS: You think they feel competitive?

You see, this has an apparatus of local advisory groups that RMP might treat as a threat or something.

MR. PETERSON: Some of it may have been, and continues to be personalities.

I don't know if the same gentleman who was there when I was out there two years ago, and would come down from Buffalo, where Jack Angle had encountered him, but is he still the same person out there -- Mitch Roth?

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MR. ANDERSON: On the positive side they do share the same types of review committees at the local level which the CHP's participate with RMP.

DR. TESCHAN: I don't think we can resolve the question here, and if it is an important question in an outgoing way we have to cite it to them.

MR. NASH: The question came up about Dr. Kiefer. I don't think he is in the budget for next year.

MR. PETERSON: He is retiring this summer, and it was always a kind of strange relationship. He was the name coordinator, but in recent years he never drew any salary from the RMP budget.

MR. ANDERSON: He was never on salary.

MR. PETERSON: I knew in recent years he never had.

When Bob Carpenter was the Director, the full time sort of direct management program has always been in someone elses hands, but Kiefer was not to say adamant, but he didn't want to step out of that symbolic spot.

Maybe our problem is being solved by retirement.

DR. THURMAN: Looking at the staff document for a minute on the projects, the first five really are all program staff, is that correct, as I read this, $731,000?

MR. ANDERSON: The first four, yes.

DR. THURMAN: So we are talking about a corps

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figure of $731,000, and the request is for $1.9 million when we really get right down to it.

MR. ANDERSON: I accept your figures.

DR. THURMAN: Obviously they are correct.

Then I have just two other questions.

Are we conflicting with ourselves in the Regional program because it is carrying over for two years, and the statements in it show no reference to reality about what is going to happen over the next two years, and they have not fulfilled the primary criteria initially that was to limit transplantation to one area, and instead we are supporting two hospitals that are doing it in the same county. They did it themselves.

MR. ANDERSON: I didn't read that.

DR. THURMAN: Regional renal project, to rationalize transportation resources within the Health Center and program due to inadequate numbers, and they said they still have not solidified the four Allegheny hospitals to bring together for one transplant thing.

I am not so much concerned about that, or are we really, for over a two year period here, looking at the Regional renal transplant in the way that it should be done. That is a staff question. I don't know.

MR. ANDERSON: The limitation of my knowledge here is that the University of Pittsburgh is doing transplants

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only within its particular Region, and they have attempted to set up some satellite facilities in community hospitals that can participate with the so-called network.

DR. THURMAN: Everybody does that for bringing in cadaver kidneys, but the way this reads, they are doing the transplants in other hospitals.

DR. HESS: Read that again.

DR. THURMAN: "Rationalize transplant resources within the Health Center and the limitations imposed on transplants from cadavers."

This is a major question of the Kidney Panel about whether or not they were doing it, and for hospitals.

DR. HESS: You didn't read the sentence you did before, but it sounds to me as though they were coordinating four hospitals, not transplanting in hospitals.

DR. THURMAN: You have to read the whole thing, and I may have misled you.

MR. PETERSON: This is an issue we need to get some specific concrete information of how many hospitals in the Pittsburgh area are actually doing transplants.

I think the Council ought to be aware of it, because we had the same sort of situation in Philadelphia.

MR. ANDERSON: If you are right, we will have to put a stop to it.

DR. THURMAN: One last question.

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On Project 225 we are talking about $239,000.

MR. ANDERSON: Project 225? You are getting ahead of me.

DR. THURMAN: $293,000, and we are going to educate less than 40 nurses.

DR. HEUSTIS: That is $490,000.

DR. THURMAN: It is going to cost us $10,000 a nurse, and it is a two year project, but if you are going to put it on a one year basis it is still $10,000 a nurse, so that is an awfully high figure.

MR. ANDERSON: We have flagged this, as you have to.

This is a policy decision that has to be determined.

DR. THURMAN: I don't argue with the need for these people, but I have never seen a budget quite that high for this kind of a program, and I just wonder about it.

DR. HEUSTIS: How much of the $1.9 million is for projects that will be carried out in the second year?

MR. ANDERSON: There are only two projects identified, 25 and 26, and the one Dr. Thurman has identified, and the renal project goes into 1976.

MR. PETERSON: Those two projects all add up to roughly $725,000 out of $1.9 million budget if you assume, which I don't think we can necessarily can have in one year and

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a half, and in another year it is saying about $350,000 plus would dangle over into FY 1976.

Those are the two other than program staff, the two larger projects, renal and adult nurse practitioner education program are the two in that carryover.

DR. HEUSTIS: They would probably get around the one year grant by making a contract for some people to provide services and the GAO will allow this kind of thing for services to be provided in the future.

MR. PETERSON: I cannot answer that. We have said as a matter of policy that we would permit it, and I think it also includes grants management, which was in on the discussion, and if the obligation was a valid one entered into prior to June 30, 1975 that the basis for taking an audit exception by GAO-HEW would not be there. It would be a valid expenditure of the funds.

DR. HEUSTIS: Is this any different than entering into a contract for someone to maintain your typewriters for two years?

In that case I think there would be a valid GAO objection.

This is something that was brought up earlier, and I didn't follow it at that stage, and this is something that I think ought to be referred to staff for clarification of policy.

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MR. NASH: Is your question whether to contract this for two years or one year?

DR. HEUSTIS: My question is is it possible for someone to use fiscal 1975 funds to provide services that obviously will be provided in 1976, that is fiscal 1976, and the only reason for entering into a contract is to subvert -- well, that is pretty strong.

In my opinion the reason for entering into the contract is to get around the one year limitation.

We can't answer it, but it should be resolved.

MR. PETERSON: It does seem to me it may not be good procedure, and indeed might be illegal.

I don't know about the latter, but this is not all that unusual in terms of either Federal granting operations, forward funding, and indeed in many situations, and I can remember AHEC activities, many of the RMP's I believe in effect are contracted for a period well beyond one year in the early fiscal year.

That doesn't make it right, but there is a great deal of practice and precedent there.

DR. HEUSTIS: It seems to me the funds for 1976 ought to come out of the next year's budget rather than here.

MR. de la PUENTE: A person in good faith makes an application in a certain year. This application is supposed to do a certain amount of work, and supposed to take one year,

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two years, three years, and when this period or this application, if it is awarded that year, he is entitled to do his work regardless of how long it takes.

DR. THURMAN: What is your recommendation?

MOTION FOR RECOMMENDATION

DR. HIRSCHBOECK: I was waiting for the Chairman, but I move that we approve this application for the continuation phase, and this amounts to $1,814,588, and we will have to take up the others separately.

MR. PETERSON: Your recommendation, John, if I heard you correctly, is for the continuation of Western Pennsylvania, and the amount requested Norm tells me ought to deal with the total figure.

We will put them together.

MR. ANDERSON: Okay.

MR. PETERSON: We havea motion for Western Pennsylvania, and that is the amount requested for the RMP separate from this one AHEC which is an appendage to their application.

Do I hear a second on that?

DR. THURMAN: Before we offer another motion, can we go off the record?

MR. PETERSON: Off the record.

(Discussion off the record.)

MR. PETERSON: Back on the record.

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Parliamentarily we have a motion with no second.

MR. BARROWS: Does it die?

Informally then I didn't share the doctor's enthusiasm. They are now at a level of $1.2 million, and they are talking in terms of this and their upcoming application is going to amount to about $2.6 million.

That is well over a 100 percent increase in activity, and I don't think based on what they have done to date they have the horses to take up that additional work.

I would be much happier, let us say, they should talk in terms of $1.4 million, or something like that.

MR. PETERSON: We have in what effect is a substitute motion of $1.4 million in terms of the $1.8 million.

Is there a second to that motion?

DR. TESCHAN: I will second it.

MR. PETERSON: Any more discussion or corrections?

DR. HEUSTIS: May I say the current level of funding according to this summary sheet I have is $1,193,000, is that right?

MR. BARROWS: I said $1.2 million.

DR. HEUSTIS: Okay, and you are saying $300,000 more? You are saying $1.4 million is what you said.

MR. BARROWS: Yes.

DR. HEUSTIS: I think it deserves more than $1.2 million.

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MR. BARROWS: I refuse to answer it on the grounds it might incriminate me.

I was trying to come to a figure that would be appropriate for an average program.

DR. HEUSTIS: This is an average program.

MR. BARROWS: But apparently some more new vital direction.

DR. HEUSTIS: If you were increasing it you would be treating it the way we were treating some of the better than average programs.

MR. PETERSON: I don't think we really have those programs at hand.

DR. HEUSTIS: In my opinion you would be treating that way.

I call for the question.

MR. PETERSON: Well, $1.4 million had been recommended for Western Pennsylvania.

All those in favor signify by raising your hands.

(Showing of hands.)

MR. PETERSON: Those opposed?

(Showing of hands.)

MR. PETERSON: The motion fails for lack of a majority.

MR. BARROWS: We are ready for a new one.

DR. THURMAN: I make a new motion to present

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operating levels, and let's make them $1.2 million with a provision that staff try to clarify, number one, the legitimacy of the renal regional program as we now know it, and much better clarification of the nurse practitioner program, 025.

MR. PETERSON: It is still a motion of $1.2 million, and those two clarifications I think are inherent.

DR. HEUSTIS: Can I ask a question?

MR. PETERSON: Surely.

DR. HEUSTIS: In that $1.2 million which is the current operating level, is there not included $170,000 in this extra separate project?

MR. PETERSON: No.

MR. NASH: That is funded by a 910 grant currently.

DR. HEUSTIS: So that does not include the $170,000.

MR. PETERSON: No.

DR. HEUSTIS: It would limit their current level exclusive of this added net worth.

MR. PETERSON: This is just coming into the same package. It really is not reflected in their base.

DR. HEUSTIS: I think we are giving them $200,000 too much.

MR. BARROWS: I will second that.

MR. PETERSON: Any further comment?

The motion is for $1.2 million.

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Those in favor show your hands.

(Showing of hands.)

MR. PETERSON: Unanimity, and this does include the clarification by staff both on the renal project and apparently cost per capita of educating our training nurse practitioners.

MR. ANDERSON: Can we ask Dr. Thurman to state his concerns about that project?

DR. THURMAN: Before we do I move that we approve Project 0044 in the amount shown.

DR. TESCHAN: I second.

MR. PETERSON: Any discussion?

Those in favor show your hands.

(Showing of hands.)

DR. THURMAN: With the Chairman's permission we can do that without holding up the progress here.

MR. PETERSON: Certainly.

MR. ANDERSON: May I be excused?

MR. PETERSON: We have disposed of Western Pennsylvania.

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VIRGINIA REGIONAL MEDICAL PROGRAM

REVIEWED BY SISTER ANN JOSEPHINE

MR. PETERSON: I think again one of the Regions we sort of hesitated in getting involved with before lunch was Virginia, and if it is okay with you, John, I am going to put you on two in a row, but I am going to ask Sister Ann to initiate the review on this one.

SISTER JOSEPHINE: Virginia is a program that for a long period of time kept a categorical orientation, and once they changed from their categorical orientation to project and subsequently a program, total program orientation, I think that Dr. Perez has to take care of needs in the whole State of Virginia by meeting with all of the different agencies in the State and parceling out the funds to meet these needs in rather small increments in the total State.

The first time I went there on a site visit, which was around 1970, the first place he took me was to the State Capital, and the first thing that happened to me, I was the only one who was searched, to be sure I had no bomb, so the next day we went along with the sightseeing.

The soldier said to me when I said it is interesting that I am the only one you searched, well, he said the Berrigan brothers made you suspect.

The whole climate in Virginia -- and I assume there will be someone going to help with the staff review --

hws-30

there is something very different about the climate in Virginia.

There is something different about this Regional Medical Program.

Once they get the direction of what it is the Federal Government wants, it appears almost verbatim in their objectives, in their thrust and everything, and this type, but it is a little difficult to evaluate if it represents a conviction, represents a way to go, or represents a way of conforming so they can move on with their business.

I think possibly this is not too far from wrong. At the present time I have conflicting figures on the number of staff.

On hand there are 14 members, and as I see it there are 20 budgeted positions that are vacant, I believe this is right, and this has been, as I remember it, an ongoing problem.

They have always overbudgeted the number of people that they would like on board from one time to the next. They never come on board, but the figure keeps staying high.

MR. NASH: This is a convenient way of perhaps having some additional funds to take advantage of an opportunity that might arise.

DR. TESCHAN: We have also seen some diagrams and charts relative to capital expenditures, so that on any correlation plot, Virginia seems to be out of line on the low

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SISTER JOSEPHINE: Presently the program staff, plus the program of $368,000 they are budgeting for $559,000, but that includes over $200,000 for these 20 vacancies that I doubt they will be able to get.

On July 1 they are planning on coming in with another proposal that will cost $1.3 million, making a total of $2.8 million for this program.

As of this time I reviewed the projects that are listed, of the 19 projects listed on the yellow sheet, you will notice that seven of these relate to hypertension.

My question would be could these probably somehow or other be coordinated a little differently. I don't know. You may want to comment on this, or this may be a way of just involving different agencies in this whole project of hypertension, or maybe they are doing some research that is going to generate statistics or some paper, I just don't know.

MR. NASH: This is an ongoing project, and I cannot really answer your question.

SISTER JOSEPHINE: There are seven hypertension projects.

MR. NASH: Gene, do you have anything on this?

MR. NELSON: No.

SISTER JOSEPHINE: This program has generated a lot of community activity. I would say the leadership is satisfactory, and probably the leadership, Dr. Perez, is a

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very sensitive to the different groups he has to work with in Virginia, and probably one has to work with many for some period of time to appreciate this fact.

The Regional Advisory Group, I think, it seems to me is doing a good job.

I notice that Dr. Neuno is Chairman of the Group at the present time, and Dr. Neuno is a young Spaniard from Malesia, and I have seen him stand up on several occasions to Dr. Perez, which is interesting, in making the decision.

They have indicated when this program is phased into the new program that is going to be developed by the Federal Government there will be no difficulty in phasing these projects out.

They have also phased out a certain number of projects. I can't remember now how many, but they have phased out without any difficulty in getting additional funding.

Their objectives and priorities follow the national guidelines specifically, and they have listed their projects under the objectives of improved availability, continuity, improved quality, efficiency and economy, and improved health data base.

The health data base is one of the projects that is just beginning to be developed in the State.

The CHP relationships are good. In fact, I got the impression on two site visits that the Regional Medical Program

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funds a number of projects through and in conjunction with the CHP.

Dr. Hirschboeck, any comment?

DR. HIRSCHBOECK: I have nothing to add, particularly. I am not very familiar with this Region. I had never visited nor had much to do with it.

On the other hand, it may be a judgment just on the application, and data presented.

I would rate this as an overall average type program, nothing unusual about it, struggling to meet the changing times, and that sort of thing.

MR. PETERSON: Okay, we may or may not have a CHP problem here, and perhaps Tom Smith, who is from the Philadelphia Regional Office, and Virginia is serviced out of that Regional Office, has something to say in this regard.

Tom?

MR. SMITH: We have had a special concern, one in particular.

MR. PETERSON: Which one is that?

MR. SMITH: Is that necessary?

MR. NASH: Probably Tidewater, isn't it?

MR. SMITH: Tidewater, correct. Everybody knows that.

This may be another sort of Western Pennsylvania situation, I don't know, but the specifics had to do with

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project review by the RMP, particularly regarding the BMS project which apparently was not considered for review, and CHP thought it should be.

Apparently the agency was not advised of this fact, and interestingly, on paper it seems the relations are excellent, because the agency director is a member of RMP, and I am quite surprised the project was being considered.

I guess I can't say much more than that. At least one agency is very unhappy, whether that has to do with personalities or not, I don't know.

MR. PETERSON: Is Tidewater Norfolk?

MR. NASH: That is right.

Pete, the gentleman which you are speaking about is a member of the Regional Advisory Group, and the Regional Advisory Group in Virginia is likely to include no new activities in this particular application.

This is a request for continuation of staff and ongoing projects.

They have sent out, or solicited new project proposals for the July 1 application, and our last communication with Region 5 of the 18 agencies have submitted a total of 12 proposals which in Virginia RMP's review process at this time.

I think what we have here is a personality conflict.

DR. TESCHAN: When you get this kind of news what

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happens?

MR. SMITH: Can he stop punching that thing over there?

MR. PETERSON: Let's go off the record.

(Discussion off the record.)

MR. PETERSON: Back on the record.

SISTER JOSEPHINE: All RMP planning has been closely coordinated with the Governor's Committee.

This is a program that has stayed very closely to the Governor's Advisory Committee, and originally then I think the Chairman was the head of Public Health, and then finally we got someone else as Chairman of the RAG.

Then this close association with the Governor's Advisory Committee may well be the thing that will make it possible for this program to phase into a State program, and there are a lot of different projects.

MR. NASH: This particular project you are speaking of, if I am not mistaken, has been submitted by Tidewater CHP to the Regional Office in Philadelphia for consideration of funding by John Reardon's shop also. It is also considered for the July application.

Now, whether the RAG will approve it or not, no one knows as of this time.

MR. PETERSON; I wonder if any of the other reviewers have any observations or comments they care to offer, or

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perhaps have some comments?

MR. BARROWS: Just from the caption and titles of these proposed activities it would appear that they have pretty good program direction.

That is they are working on the right theme. Is that a reasonable observation?

SISTER JOSEPHINE: Yes, I think that my impression that the Virginia Regional Medical Program is that Dr. Perez keeps very close tab on what everyone is doing, and then also keeps tab on the agencies with whom they are working.

I don't think he is the greatest developer of personnel, you know.

MR. BARROWS: I wasn't talking in terms of management, but talking in terms of purposes and objectives.

SISTER JOSEPHINE: These are the needs identified by the people, apparently.

These are really in response to needs, and they don't look spectacular, or anything of this type, but I think they are in response to the needs that can be identified.

DR. TESCHAN: It is undertargeted.

MR. PETERSON: Dr. Thurman, as a displaced Virginian, do you want to speak?

DR. THURMAN: I think it would be inappropriate, having really left the State.

Nothing hurts me more than to be constrained to

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science.

MR. PETERSON: Do any of the other reviewers have any questions?

DR. HEUSTIS: I understood, Sister, you said the beginning they parroted what came out of the Regional Medical Program.

SISTER JOSEPHINE: I think the objectives and the guidelines they line up for themselves are just as close as they can make them to what it is that the Federal Government dictates, and then I think they try to fit into this program.

MR. NASH: They suffer from being too close to Washington.

DR. HEUSTIS: I would have problems under similar circumstances.

DR. TESCHAN: We have agonized with Gene for years in the Southeastern Group with these things, and I get the sense from what I am hearing, you know, coming in with that background, I am hearing a much more positive type of situation there now, and the thing I don't think is that we could accuse Gene of, as it were, conformity as a subterfuge.

I think that Gene is conforming on two grounds. One is that he is lost, you know, he realizes that you really do have to play ball with the front office, and the other feature about it is that the front office is asking is not so different from what the situation is in Virginia as in

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most other States, if not at all.

The main national priorities of health we are supposed to be recognizing are really what the problems are.

I don't find that an artificial situation at all.

MR. ANDERSON: May I say something?

I am not responsible for the program in Virginia, but I did have the distinct honor of being on the site with the Sister and two or three others two or three years ago.

At that time I was very impressed with the fact that they laid the program out in a very honest and straight forward manner, not trying to please Washington, or the rest of us, but they laid the problems out in terms of this is our problem, and this is the way we are trying to deal with it.

In my limited experience with the State of Virginia and the RMP's throughout this has been their approach to trying to resolve the problems.

SISTER JOSEPHINE: You know, I have no reason to question the way they have gone.

In fact, after the first visit, when I went on the first visit, I came with some preconceived notions, but after the first visit I realized that there their response was a very sincere response.

I realized also that they were making an attempt to identify the problem, and they were making an attempt to

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listen, and then to design projects that were in response to the problems and, you know, whether they were reading it correctly or not, that is another ball game, but they did seem to be responding. But then it has been several years since I have been there.

MR. NASH: I think the hypertension activity is an example.

If you will recall, on our site visit they were just proposing that at that time. They had some representatives from two or three communities that were present at the site visit, and explained the need for this sort of thing.

Sister, I certainly agree with what you say.

MR. PETERSON: We have a request here for roughly $1.3 million with an indication that Virginia, and it is essentially a continuation, that Virginia will begin all of its new activities in July with an estimate that this will be a little larger than the $3 million plus.

I don't know whether you, Sister, and/or Dr. Hirschboeck have a figure in mind with respect to the current application.

SISTER JOSEPHINE: I would like to ask a question.

Do you feel those 20 vacancies, that it is realistic to assume these 20 vacancies are going to be filled?

MR. NASH: You put me on a spot there. My personal opinion is they probably will not, if we consider the length

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of time remaining for RMP.

You see, this is an award that will not be made until July.

MR. PETERSON: Late June, for a period of July 1.

MR. NASH: This gives them one year, and their ability to recruit that number of people for one year's employment I think would be questionable.

Dr. Teschan doesn't agree with that.

DR. TESCHAN: Yes, but coming down to the question of employment of the people under those circumstances, I would go right along with the conclusions you would draw that in terms of hiring and firing, there is no question about it, because the people hired and fired would not have the experience, the background in the context in which to make those judgments.

(3)

We cannot expect them to go out on a limb.

DR. HEUSTIS: I note in a program that has been described as average, if I understood correctly, they have proposed overall to increase their total request about 100 or some 100 to 150 percent.

Is the program much more than maintaining it at the current level the way we have done at the other average things?

SISTER JOSEPHINE: Yes, it is my question also.

It is one of the reasons I asked about the

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possibilities of bringing in people who they will have to have to maintain or develop the kind of program to carry on the kind of program they have indicated, and I would think they could not.

I would think that in the July review all the projects are going to be there, and I think one is going to have to take a hard look at this.

This present May 1 request I would recommend that they are at the same level that they presently are, with the indication that there is concern about the number of projects that will be coming in in July with the 20 vacancies on the program, and it may be that can give some indication where they plan to get these people, whether they plan to bring them in from CHP staff, I don't know. They may know where they are available.

MR. PETERSON: When you say at the present level, you were thinking then, Sister, in terms of that $971,000?

SISTER JOSEPHINE: $1 million.

DR. HIRSCHBOECK: I second it.

MR. PETERSON: Any additional questions or comments?

MR. de la PUENTE: I call the question.

MR. PETERSON: Those in favor of $1 million with concerns being expressed, and hopefully some of this can get in with the larger projects coming in the first of July, and their real ability to filling some of the vacancies.

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All those in favor raise your hands.

(Showing of hands.)

MR. PETERSON: It is unanimous.

I think we are now at 225, and I would like to have one of the staff people we asked to come down specifically for our next project, the Metropolitan New York and Lakes Area, which is Bert Kline, who previously handled those Regions when he was with RMP.

Bert is now in Planning and Legislation, and if there is no objection I would like to move on to that Region, because this is a very unusual application in one sense.

I don't know whether, Bert, you or Frank, or I should set the stage, by the nature of this next request.

Suppose you come to the table, Bert, and het us have a brief comment or two so that everyone will have the backdrop for the reviewer comment in the nature of this next application.

HEW RECOMMENDED MEDICAL PLAN FOR THE

METROPOLITAN NEW YORK AND THE LAKES AREA

DISCUSSION BY BERT KLINE

MR. KLINE: Well, Mr. Chairman, what kind of background would you like, a little on the program, and how it got where it is right here now?

MR. PETERSON: I was thinking of everything for two years.

MR. NASH: If you gave a little rundown on what has happened to the organization down there, because we used to have real problems in that region.

MR. KLINE: I will take a couple of minutes for those not familiar with some of the history of New York Metropolitan Area, which in approximately 1971, I think New York Metro had some severe communication problems between the then Coordinator and the grantee.

At that time I was associated with the Metro Board of New York and the staff, and also the Regional Advisors, and it just seemed it was sort of a shell game.

The grantee could not very well keep track of what was going on at the program level.

The staff was kept fairly well shielded from what was going on, and likewise the RAG.

As a result of all this the situation with everyone was sort of reaching in to see what they could pull out of

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the program in terms of support for their particular efforts, a little lobbying going on within the RAG, lobbying going on within the grantee, a little bit of lobbying going on with the Coordinator.

Staff morale was some kind of shot.

Well, any way, some dynamics began, and we started off with the management assessment visit, and started into getting into some of these problems, documenting some of the problems.

This went on with some recommendations. Some funds were cut back, some were reprogrammed.

All during this time the staff turnover was tremendous, and through the course of eight or nine months with some pressures perhaps from here in the ways of money being held back, and so on, things began to happen by November of 1972, that the Coordinator had resigned, and by December of 1972, if my memory serves me correctly, Dr. Thurman, the grantee, resigned, and we had more or less during the course of the year of 1972 sort of cleared the deck, which was kind of interesting, because at that point there had been a residual staff which was waiting and somewhat eager to get on with the job they could see very clearly, but could not get to.

Dr. Harrington, who had been the Deputy Director at the time, was named as the Acting Director.

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Jack Eller, who had been the Evaluator at the time, was named as the Acting Deputy Director of the Program, and they began to make some changes which had long been recommended, and to do it rather effectively, and it was about that time that RMP's became the phaseout victim of the budget.

This, then, threw everything into sort of chaotic situation, but I think in terms of looking at this particular application, in terms of talking to some of the people up there, I tend to suspect now that their staff is getting just a little better.

In any event, their application has been certainly stronger than it had been in the past. Their organizational structure is a little better.

What they did do in this particular application was to, I think, they read the directions rather carefully as a matter of fact, and what I can gather they assured within this application the grantee would assume responsibility for all activities which extended beyond the period of June 30, 1975, so they asked for monies for two years, by and large.

I have broken it out in the little yellow sheet there about $3.0 some million for the second year of activities, and a total of about $4 million for the first year's activities, which include staff and other activities, with the grantee saying, and being recorded herein, that if RMP

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is phased out at June 30, 1975, they, themselves, will take responsibility for monitoring and surveiling that money.

I think in the instructions that went out, I think this was deemed as somewhat illegal, so they took the legal approach and requested almost $7.5 million, and that is kind of where it's at.

I don't know if there are any further questions on this.

MR. PETERSON: There may be after the reviwers.

We have Dr. Bill Thurman on this one.

Dr. Thurman, you want to lead off there?

DR. THURMAN: I think Bert has filled us all in quite completely, and excuse the term, Sister and other ladies present, but I have never been more bastard on a site reunion than we have been there.

We had to meet with all the medical school deans who wanted to quit because we were there.

We had real concerns, as Bert indicated, right then about Arronson's ability to take over a bad situation. He had nothing but fighting going on in his staff, and there was absolutely no question that the staff was totally blocked off from participation in this program.

It is just unreal, and yet, there was a talented staff there.

I think the present application reflects the fact

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that Arronson has taken over very well. He has pulled together a staff that is adequate.

They have also put together an application that if it was inconceivable they could have put together before.

Our real concern is that he looked at that moment like a terribly weak sister -- and that is not a pun, Sister Ann -- we didn't think he had it.

I think our other major concern that is still reflected in this application, and that is one that I have, is that this, in essence, was then, and is now, a one-man RAG in the presence of Mr. Popper, in a way, and I think if there is anybody who did read every fine line and figure out how they would do it, and swear he could monitor it for the coming two years is the RAG Chairman, who is a very unusual individual.

This RAG Chairman is very much dollar-oriented, and he orients the dollars to the RAG, and that does show through in here occasionally.

There is no question in my mind that the staff is far superior to what it was, and there is no question also that in the preparation they have much better morale than they had before.

I think that the weakness of the RAG is not because of lack of interest in that some of them really took us over the coals, but they also were not informed, and I think that

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again I would question whether or not they are truly informed now about what is going on.

They were not informed then about the difficulties with the schools, which I think was unfortunate, and made it very unfortunate for us.

I think the school situation now is well handled, I mean because they got out of it.

You will notice from the list of projects in here that there is still an attempt to carry forward to each school some RMP money, or we have used the term the day of political payoff to keep things running smoothly.

On the other hand, some of those projects are quite good and strong.

In reference to the projects there are some very strong ideas, but most are carbon copies of other programs within the Region itself.

My question was whether or not all the projects, that the same thing could be strengthened by corps staff leadership with multiple outreach indications.

The examples are kidney, manpower and hypertension problems, and so on.

I feel the money here is going to be wasted, but I have been wrong before.

We have spoken of the problem of the continuation of the money past June 1.

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The CHP has never worked out of New York. Their relationship is good only because CHP does not have the strength to react yet, so it has given it a cursory review.

The CHP is becoming much stronger, and if this program goes on, the CHP will get into it.

All in all, I feel this program has significantly changed since the days of our last visit there, and it is well reflected in this document; the changes that have occurred and have taken place.

For that reason I support the program, and would call it now a slightly above average program.

I think it is clearly better than some of the other programs we have classed as average in the past two days in leadership and direction and everything else.

I will come back to the figure after Al has had his say.

DR. HEUSTIS: Al worked under the constraints of what he had available to him, which was the written document, and I take respectful exception to the staff saying that they followed the direction that at least in my copy they did not number the pages, and I never had so much trouble to find anything in trying to relate back and forth, to try to get things going.

I did not have the appreciation, not having done this before, when I took a crack at the first because it was

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the thinnest, which was Connecticut's, and the one I took a crack at second was Metro New York.

MR. PETERSON: Is that when you called and said you weren't going to be able to make it?

DR. HEUSTIS: Just from the document I am not privy to this other information, but just from the document I was not too impressed, and as you have said, I certainly wasn't impressed with what they have done in the past, and it seemed as though they had great difficulty in sorting things out, for example, and it was very confusing.

For example, there is an item that has a different project number that is in twice for $947,632.

MR. KLINE: Project Numbers 50 and 62.

MR. PETERSON: This is the EMS?

MR. KLINE: Number 50 was their pilot of last year which was not supposed to have the money attached to it this year.

DR. HEUSTIS: My problem was this was widely separated in the organization and getting discouraged, I wondered if somebody said let's just duplicate this without too much thought.

I guess you folks have so much more valid information than I have that my very discouraging report, and my rating as far as this goes was below average, and as far as the other kinds of things, it looks as though the program

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leadership was satisfactory; the program staff didn't impress me too much.

The RAG which was satisfactory in the past in performance got a low rating.

The objectives and priorities again were satisfactory.

The proposal is satisfactory, and one feasibility I just didn't really think it was very hot, and CHP relationships again, you tell me there is no CHP, and I rated the thing as pretty good.

MR. PETERSON: There isn't any, in one sense. There is a funded areawide CHP, and in so many major metropolitan areas, Washington, D. C., still doesn't have one. It was very slow in getting organized, in getting funded, and even now I suspect that Bill suggested it is not really functioning, and it is difficult not to have at lease adequate relationships with someone who is not functioning.

MR. NASH: Pete, I was up there in February and March to take a look at their review process, and we had a representative from the CHP Agency also visiting with us, and I don't know how far along they had gotten with their mission of developing a plan, but certainly from what he told us the relationships between the two organizations couldn't be better.

MR. KLINE: This was interesting too, because all

the way back to, I guess about 1971 or early 1972, I am losing track of time now, they did have good relationships with whatever existed in the way of CHP.

THE CHP was coming into existence at the time, but there was a good working relationship right from the outset with the CHP.

DR. THURMAN: I didn't mean to imply it was bad. It just didn't exist.

The problem is there was nobody there to argue with.

MR. KLINE: I think the CHP, although I am not sure if it advanced along the same kind of slope and graduated advancement that was going some time back, it should be functioning reasonably well now.

DR. TESCHAN: There is a $1 million project on this, Health Care Services. That is a pretty big figure, and it is a one year -- well, I guess two years.

MR. PETERSON: All of those projects which have a C are essentially two year activities so the annual cost again is roughly, I guess, about half of that.

That is still a $550,000 activity.

DR. THURMAN: That in actuality, the design of this program is superior probably to most other programs we run across of this nature.

DT. TESCHAN: To what?

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DR. THURMAN: They are trying to make all of the hospital rooms and clinics operated by the City of New York, and also by private hospitals much more in touch with each other and much more of a regional type of referral, so that the lady in Queens who decides she needs a ceasarian operation can go to a hospital there rather than come to a hospital in downtown New York.

That is what the impact and the plan was, and their ability to get the great majority of the hospitals in the area to at least consider this.

It was easy to get the City of New York, the city hospitals, but they brought in a lot of the private hospitals. There is a lot of fighting going on in Westchester County, and certain parts of Queens, which have never gotten any money at all, and metro New York City.

It is overly priced here just like the EMS programs are overly priced, but it is a great idea as far as trying to deliver health services to an amorphos population that cannot be reached well at this moment. It is overpriced.

DR. HIRSCHBOECK: Are we going to judge these projects on the basis of one year funds, or two year funding, or what?

How do we handle the desire on their part to circumvent these?

MR. BARROWS: Let me get some preliminaries here.

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Is the nature of these projects such that they could have been presented as one year, or will it take two years to get the job done?

DR. THURMAN: Of all the C project in here, probably about 40 to 50 percent of them, that is a rough guess now, need two years to really come to fruition.

Take the program we are referring to, the $1 million program, on the other hand is going to be financed either by the City of New York hospitals, or the consortium of New York hospitals if it goes into a second year.

MR. PETERSON: I guess John's question, I wouldn't want to provide an official RMP response, this is almost a case of one, the extent to which Metro New York has asked for two years support, and my own personal view, and underscoring the word personal, is that I think we need to look at this in terms that say to Metro New York, or any other Region that really has done this, here is an amount of money if you want to do some activities over two years you are going to perhaps feel the pinch in other areas, because most Regions, you know, if we were to consider most regions, I suspect there are some activities which they could have looked forward to multiple funding on a grander scale.

I think it disposes of a difficult question. I don't have a real answer to it.

Maybe Bill Thurman's recommendation will help come

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up with an answer.

MR. KLINE: I would like to comment on that one point really, the $2 million project in particular.

That project has a series of discreet activities. Were they to receive reduced funding on that particular thing, they would fund particular activities on a priority basis within that $1.2 million.

DR. TESCHAN: Was there evidence of some priority setting?

DR. THURMAN: It is not in order, on that list.

Bert's point is a good one. It was asked for under RMP from the standpoint they could involve everybody with RMP dollars, whereas otherwise the City of New York is going to fund it for all the City of New York hospitals. They believe they will combine with some of the others, and the County Medical Society is going to fund it with Queens.

Its availability as a plan will become somewhat more difficult.

DR. HEUSTIS: That makes very good sense, I think, that is that approach.

MR. BARROWS: Looking at the thing in a very broad sense, and taking into account the population we serve, which is what, seven million or eight million?

DR. THURMAN: They say 14 million.

MR. PETERSON: That is probably a little too high.

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MR. BARROWS: We are talking about, let us say, ten million people. We all go by the extraordinary expenses in New York, the extraordinary amount of time it takes, the extraordinary difficulty in getting things together, as witness trying to get a CHP. They have been working on that for eight years now.

When you look at all those together, and you consider there what they are asking, it is really kind of modest, it seems to me.

MR. PETERSON: Bill, you said something which suggested to me at least that you might have a motion in your hip pocket, or recommended funding level.

MOTION FOR RECOMMENDATION

DR. THURMAN: I move we approve it as a slightly above average program, and we throw out for discussion here, discussion of $2.2 million.

I think if we do that, my own opinion is, and that is all it is, is an opinion, they will look hard at some of these projects.

I am afraid some of the buroughs of New York will go out. But there are some very significant steps they can make in developing health services in Metro New York with that kind of money.

MR. BARROWS: It is about 30 percent lower than last year.

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DR. THURMAN: No, they are operating on $1,142,000 now.

My figure is in the range of $2.2 million to $2.5 million.

I have read Bert's recommendation, and I can't argue with it too much, but I have ended up with $2.2 million.

MR. PETERSON: Did you say $2.5 million?

I was thinking $2.2 million.

They have indicated to us Metro New York, that they will be in with an application in July of around $2 million in addition.

(4)

MR. NASH: That brings it to a level of $441,000, five percent above the target figure, assuming both applications are approved in the amount requested.

DR. THURMAN: They requested $7.7 million.

DR. HEUSTIS: My problem, I go along with the $2.5 million, and my problem is really this. I wasn't anywhere nearly impressed with the written document, but I sure am impressed with some of the things that they were trying to do together involving Metro New York hospitals, and certainly am impressed with the problems of doing things such as an area of New York City, and this two year business, I just am not particularly impressed with that.

What I was really trying to do is wrestle with the

fact that really on the past record they didn't deserve very much, but it looks as though maybe they have a new lease on life, and that they could do something, and if you could come up with some kind of a figure that would give them a little help, but certainly not everything that they wanted.

DR. THURMAN: That is why I gave them $1.3 million. That is not an insignificant amount of money, except when you look at 8.5 million, nine million, or ten million people.

DR. HEUSTIS: I look up there at the greater Delaware Valley. Is that Philadelphia?

That is really the only problem I have in this.

DR. THURMAN: Well, if somebody wants to go higher and --

DR. HESS: I wonder about going up to $3 million or something.

New York is a health care jungle, and my guess is that New York probably has had it.

This is a small staff, seven full time professionals, no planned incremental, so that was one of my concerns, can a staff that small handle it.

Do they have the administrative mechanisms to handle this much money?

Mr. Kline?

MR. KLINE: I had the same kind of concern, and I cannot answer it, because I have almost an all new staff.

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The only new people being carried over are the Deputy Director and Director.

MR. PETERSON: How long ago was it?

MR. SIMONS: Bert was up there in 1972.

MR. PETERSON: Really, that information on the staff is completely new.

It always has been a small staff, as you know.

MR. NASH: Pete and I were up there, at least on a part time basis, some 60 percent, four physicians, and these are people with excellent reputations in New York City, and it was their proposal then to hire a full time nonmedical staff to assist these four people in various program areas in which they are working, so this would add tremendously.

DR. TESCHAN: How about the financing?

MR. PETERSON: Maybe Tom, who has been part of the management assessment effort has some insight.

MR. SIMONS: The grantee does all of the accounting for them.

I don't think there is any of that going on, on the staff level itself.

DR. HESS: So we don't have to worry about that.

MR. SIMONS: One other thing, as far as staff.

Jack Eller was with me on a management assessment to another place. They have hired on a part time basis a physician to work with them. These are physicians who have

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reached a stage that they don't want a full time activity, but they still want to get involved.

MR. KLINE: I talked to Jack Eller on the phone the other day, and he has extremely high praise for the part time people.

I queried him about the size of the staff once again, because that has been a chronic problem with him, and I said I noticed you have some part time people, and he said they are very helpful.

MR. PETERSON: I think that is a case where the proposed additional positions would come in, would it not?

MR. NASH: Yes.

MR. PETERSON: We have not been consistent.

DR. HESS: Does that mean seven additional proposed full time professional clinical people?

MR. KLINE: Yes.

DR. THURMAN: To get back to the staff sheet one more time, the $88,000 is in overhead and is what pays for all the accounting and financing mechanisms, and at the New York Academy of Medicine in the program staff figure there is a $88,000 overhead, but that pays for their accounting to the New York Academy.

DR. HEUSTIS: I would like to support the motion as made with the proviso that when this comes to the Council, and should there be extra money, that the Council look upon

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the needs of New York in a favorable fashion and that my thought about increasing, is what I think about the needs of New York City more than anything else.

MR. PETERSON: You have any problem with that?

DR. THURMAN: No.

MR. PETERSON: We have a motion for $2.5 million for this May 1 application for Metro New York.

Any additional discussion?

DR. HESS: I may just ask what will that do now?

Let's say that they come in with a batch of new applications in July, and a certain number of those are again passed. They still have the freedom to reallocate within the two decision making periods, so if they want to boost, for example, this Medical and Health Care Services, they can out of that total package that we are not bypassing a lower figure now, we are not necessarily restricting their ability to increase funding in that particular project.

MR. NASH: No. As a matter of fact, about a month ago Dr. Arranson and the RAG Chairman came in and met with Dr. Paul, and they explained at that time that their application is going to be roughly $7 million. That is the first application, and the fact that they would be asking for support for many of their activities over a period of two years.

Obviously, Dr. Paul told them that seems like a little high figure, but go ahead and send it in.

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There is very little else you can tell them, because they can request anything they want.

They did say that they would take whatever was recommended in this award, and would have their RAG meeting, and they would look at their total program. They would prioritize the activity and select those that they wished to fund.

MR. PETERSON: I think in response to what I heard is your policy kind of question, that New York Metro, or any other Region, would have the kind of discretion and lattitude within the two awards which becomes a single pot of money again within the Council's policy regarding discretionary funding to move things around.

The problem that they would have in the short run, of course, is that they are not sure of how much they will get out of a July application.

There may be some things that they have got in this application that they would want to defer starting until they see that, or some things that they might start at, start at a minimal level, and depending upon the outcome of July, extend it.

But the general answer to your question is yes, they would have that kind of discretion.

DR. HESS: Then these projects will not be in the next package.

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MR. PETERSON: No.

DR. HEUSTIS: But there is nothing to prevent them for funding these projects after they get their July money.

MR. PETERSON: No. There are a few caveats, but I didn't see any projects that involve construction of some kind.

DR. HEUSTIS: I look at this arrangement as perhaps simulating the use of non-RMP money that I feel confident is there, and whereby perhaps instead of paying for the whole thing as far as this working relationship, the city emergency rooms, that they might pay for part of it, and the city might pay for part of it.

MR. PETERSON: We do have a motion on the table for $2.5 million providing for the Council looking at your recommendation given the needs of New York City, that there is some leeway, and that we look upon it favorably.

Any additional comment or questions?

If not, all those in favor signify by showing your hands.

(Showing of hands.)

MR. PETERSON: Okay. We had one member absent.

We did what I was trying to avoid doing, if that clock is correct, and the cafeteria is now closed, but I was wondering, we have five applications left, and I think we can get them under our belts if we probably work until 5:30

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or so.

Would you people like, despite the fact that the cafeteria is closed, to take a stretch at this point?

(Short recess.)

MR. PETERSON: Well, let us proceed now with the Lakes area.

Mr. Barrows:

MR. BARROWS: I will try to be brief.

The Lakes area is a nine county area in Western New York and Northwestern Pennsylvania. I think they are asking $2,072,000.

I do not have the last year figures here. Last year they were running about $1.4 million.

Their Executive Director is Dr. John R. Angle. He has been in the program since its inception. He spends 80 to 90 percent of his time with it.

The RAG Chairman is Father Garrard, an educator. The Executive Committee is composed of four officers.

The professional staff has 19 full complement. They have 13 on board of the complement, and need six.

I might add that by my guess they are well supplied with chiefs, but they are short of the important Indians.

In the Regional Advisory Group they have 43 people, two from each of the nine counties. The rest are fairly diversified by interest and background.

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There is a substantial non-provider representation. In fact, it is almost like a CHP Advisory Group, usually routine about their processes.

They have a very elaborate structure. They have 25 committees, and it looks to me as if there are a certain amount of overlap, and what have you.

It appeared to me that their processes were democratic, but awfully complex.

Their major thrust normally has been along three lines. The main one seems to be education.

I, too, think we are giving more lip service to the current RMP mission than they were actually.

For example, these are things that I am not that particularly acquainted with. They are asking for $154,000 for the telephonic electronic program, $200,000 for a tumor registry, which I understood was pretty well half full.

Area prospects for success undertaken seemed to be fair, reasonable.

Their objectives and priorities are adequately stated -- transmission of new knowledge, regionalization, and improvement of delivery, but they seem to treat continuing education as the way to achieve all of the goals.

The proposal looked to me like something of a residual rural mission.

The feasibility is good and bad. They have a fair

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showing of State and local cost sharing on some of their programs which would suggest some commitment back of them.

They have two CHP B's that they have in Western New York and Northwestern Pennsylvania. Each has a representative on the RAG. Five of their county committees are joint. They share in their development review with CHP.

When New York expressed its concern whether the large majority of these proposals relate to the major goals of LARNP, of 21 proposals they disapproved eight, because they were not related to the goals, where they had weak planning, and they approved two with major conditions.

Now, I would say that ordinarily I can understand the sibling rivalry between CHP and RMP, and there is a lot of ego trips and petty bickering, but this letter from the Western New York B Agency struck me as being a pretty darn rational critique under a proposal that had been submitted to them.

That was my impression, in any event.

Generally, I would say that this is a weak average program, slow in responding to the 1971 mission.

They have a staff shortage of what I think are fairly key people in any implementation activity, and that will limit their capacity.

I have some question whether the staff and RAG structure are functioning effectively.

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As I say, I wind up with a no better than average rating, a kind of weak average.

I would be glad to hear somebody else's view that might be more cheerful.

MR. PETERSON: I am not sure I can satisfy you on that score.

Dr. Heustis is the next reviewer, and I can say that he is charitable, but I cannot say he is going to be charitable about the Lakes Area, and perhaps the best way is to ask him.

DR. HEUSTIS: In general you almost read my notes.

This was one of the ones that I think that I made the remark that the first time I went through this I got a pretty decent impression when I went through it fast.

Then when I went back and read it more carefully and tried to put things together, I had great difficulty trying to pinpoint the reported specifics, for example, short term goals and priorities may well in fact exist, but they were not emphatically stated, and not with sufficient specificity at least to satisfy me.

I found it interesting in the classification of the projects that some, if you classified them by the so-called major thrust, there were three of them on the use of knowledge, one on Regional linkages, and nine had to do with personal health in one way, and they also classified them another way,

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three for health screening or assessment, three having to do with patient care, one coordination, and six on manpower development and education.

That, you can see, is where the emphasis is. I couldn't find any information that was very helpful on how the staff planned to implement the major thrust, and I could not find any information on how the relative priority of the various components was assessed, although they do say the priority was assessed.

My comments as far as the CHP, I have the same reaction to the letter from Western New York, in which they very specifically commented on the new projects.

Of the five new projects, two were not approved, and three were approved.

Of the two that were not approved, they had to do with regional hpertension and the preparation of nurse faculty.

The three that were approved had to do with ambulatory health planning, somebody in the household.

I think with the extent and capabilities and the program staff, I just can't help but wonder why they couldn't provide sufficient information in health planning to put some of these things together to stimulate those asking for grants to get something done.

Apparently they didn't, because as I analyzed

the money figure here, somewhere that out of the total request of $2.072,000, almost $800,000 or slightly less than one-third was listed for the program staff.

In addition, almost $1.1 million was listed for activities for program staff activities, leaving sponsored projects only some $215,000 as far as others were concerned.

It would seem to me that in one way it could be a little onesided.

DR. TESCHAN: You are saying the staffing isn't adequate enough to handle that amount of business?

MR. HEUSTIS: No, the staff ought to be concerned, to be responsible, and to get others to try to handle the projects, rather than running it themselves.

It looks to me if you have a difficult Region and a capable staff, the easiest way, at least to my thinking, is to distend it and carry it out with your own group, probably a very limited usefulness in the long run, because it goes when you go.

The harder way in the long run is to get somebody else interested in carrying out the good idea so that it has a greater chance of staying.

I guess my general belief is that those projects that are carried out by others probably have got, on the whole, a greater probability of being funded into projects.

DR. TESCHAN: Continuation funding?

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DR. HEUSTIS: Yes, yet dealing with strong medical schools, and with a strong situation we know the difficulty at least in getting started.

In the overall specific assessment I thought the program leadership was good to excellent.

I thought the same about the program staff, the Regional Advisory Group, a little lower, satisfactory; performance and accomplishments, satisfactory.

I have trouble with the objectives and priorities, and I had to break those down as poor, the proposal I wante originally was higher, but again it is on the poor side.

The feasibility again is on the poor side, and CHP working relationships, in spite of the disagreements, it looked as though there was the opportunity to communicate, and on that my judgment is good, even though there was differences of opinion expressed.

I weighted the whole program the same as my colleague did, on the low, average side.

MR. PETERSON: Well, I think there have been a couple of concerns expressed that have been shared by staff, and I will call on Frank, and also ask Bert two or three things that we had some questions about.

MR. NASH: I will make a comment about the CHP.

What Dr. Angles did, was as soon as he got a project in and before it had gone through his own review process,

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he sent it to CHP agency for review.

As it ended up he sent in 21 projects. The comments were received by CHP.

The Regional Advisory Group approved themselves only five of the 21 projects. They did approve one that the CHP recommended disapproval for. This was the one submitted by Niagra University for training nurse practitioners, and the Region explains to me that the CHP agency there does not have a nurse on their staff.

The Regional Advisory Group thought from a technical standpoint the CHP's comments in this particular case were not really accurate.

MR. PETERSON: There were a couple of projects or activity concerns that you at least noticed or mentioned to me.

MR. NASH: You will notice Project 1, the Telephone Network, that activity they have been supporting now for about seven years, and they propose to continue this in the coming year, and even a year after that.

DR. HEUSTIS: There were some two year requests I failed to mention.

MR. NASH: That is right.

This for me is a staff person.

I think in the past if they didn't have a policy we practiced it at least that RMP would usually fund an

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activity for three years, and then on rare occasions, perhaps for another 12 to 18 months, at the most.

Staff would wonder if this concerns the Committee any that they would continue to fund this thing into the 1970's.

MR. PETERSON: Let me mention one thing in that regard.

My office, a couple of years ago, we contracted for a study of these types of networks. I don't recall that the New York one was one of the subjects of it.

The contract was an abysmal delivery product by Systems Development Corporation, but one of the things that we pretty well knew beforehand, and they did manage to document the ability to find continuation funding for these kinds of telephone radio networks was fairly low.

Now, I think in Wisconsin there was about as much success as anybody had, and that was in percentage terms of what, 50, 30, 20?

DR. HIRSCHBOECK: The University extension continues to support it.

MR. PETERSON: I know in Wisconsin it really was the University Extension Service, and you were looking at nurses, as well.

DR. HIRSCHBOECK: We were just augmenting their program.

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MR. PETERSON: But there had not been a very good track record on the whole.

Wisconsin is the exception.

Anybody seeming to get much money to cost share or to continue funding these activities, once they are empty, to pull its dollars out.

I think that may be a reflection of what is happening in Western New York.

I don't know, but this is the staff's concern.

This seems to have been part of the Western New York - Lakes area package of projects since the year one.

MR. BARROWS: It has never been my impression that RMP was designed to provide continued operation of service.

Here, you are asking for about one-third of a million dollars for this network that is seven years old, and their tumor registry, that alone they are asking $200,000.

I would think once you establish whether it is going to fly or not fly on its own, that is the time for RMP to get out.

MR. NASH: I asked them for the tumor registry, and they said they had funded it for three years, but you need at least five year support to gather enough data to make these things useful in feeding back information to physicians.

MR. KLINE: Can I comment on that?

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MR. PETERSON: Surely.

MR. KLINE: In 1971, December, a site visit strongly suggested that the program get out of that tumor service registry because it was not felt at that time that it represented a very strong project.

At the time the indication was that it had been contracted or planned for a five year effort.

This plan as it now shows carries it into the fifth year and on into the sixth year.

I tend to have a little bit of concern about that. The other concern that I have about this program is that it doesn't look very, very much different than it looked three years ago, which is kind of amazing.

This is sort of like a static program. The rural program has been going on for three or four years. The telephone collection network, from the day the program opened. The tumor service registry almost from the day the program opened.

The two activities essentially are there, emergency medical service and their area health education center, and the other activities they have are relatively small and new.

I guess my primary concern is I looked at this with a tremendously huge staff, and they do have a very large staff, and they do have some very excellent people on that

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staff.

The problem is they essentially haven't come up with a program.

MR. BARROWS: They don't have the leadership.

I have concluded that the program that wasn't doing much probably wouldn't change, and the upper limits of my responsibility would certainly not warrant coming forward with a proposal that does much more than continue their present funding level, which would be about $1.4 million.

MR. PETERSON: Let me add one thing regarding a specific activity which Bert singled out as being one of the few newer things, and that was the Lakes Area Health Education Center.

Now, my information is roughly 18 months old, but we did staff visit a large number of the health services educational activities back in May, June and July of 1973.

The old one that I went on happened to be the Lakes Area one, so I don't have any personal comparisons to be able to make, but I do know in talking to people who were on that site visit, and more importantly, the others who would have been on a far broader range of site visits, that was one at that point, one of the weakest ones. They had real problems with getting any kind of commitment.

This wasn't a matter of domination. They had what was admittedly an extremely difficult, nasty situation in

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Erie, Pennsylvania where you have two hospitals jockeying for some sort of number one position, the medical staffs, the physicians in the community being staffed sort of, you know, their appointments with one or the other, and at that point was one of the weaker looking ones, and I don't know whether we have any later information, and it wasn't in the prognosis for good progress, and was not all that good in the health educational center.

(5)

MR. NASH: They still have the same Project Director for this.

MR. KLINE: Pete is commenting on the Erie, Pennsylvania Health Education Center.

I visited five emergency health service projects last year.

Of the five we visited, I tended to suspect that it probably ranked at the top so probably offsetting the possible deficiency in the health activity, their medical service activities were performing very highly.

DR. HEUSTIS: I wanted to ask Mr. Barrows if he would accept a slight amendment to his thought of financing at the current level -- that is financing it at the current level less or a deletion of all of the money for project that have already been financed for three years, less a deletion of one-half of all the money that is requested for the two year projects.

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Staff is going to have to help figure that arithmetic out.

MR. BARROWS: That would be suitable to me, providing the net answer isn't more than they got last year.

DR. HEUSTIS: It would be substantially less than they got last year.

We should probably indicate on that, that our Committee is dissatisfied, or expressed some dissatisfaction with the way the program has developed.

DR. HESS: I do not think you can be that strong.

You can give strong advice, but you cannot delete line items, can you?

MR. NASH: The only thing we can do is give them X number of dollars and advise that they then rechoose these things in the seventh year.

DR. HEUSTIS: I am not deleting the project. I am deleting the money for the project.

MR. PETERSON: We are not arriving at a figure.

DR. TESCHAN: That is your intent, but the net effect is a bundle of money.

DR. HESS: Rearrange it any way you want.

MR. PETERSON: I think what we have heard reflects, in part, the concern that the staff has whatever the figure, assuming Council goes along with this, because this is their policy, pointing out and taking notes of it, and the fact that

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several of their activities are well beyond that point and that they ought to be governed, hopefully, accordingly without, in effect, saying you can't do it, but they are.

Whatever figure, if we are talking at the present level, or something less than that, this request as I look at it totals roughly $2.3 million.

If they get a significantly less amount than what they have requested then it seems to me they are going to have to make some hard decisions.

MR. BARROWS: Let me see if I understand this.

If my arithmetic is right, we would come out not too far apart on this.

There is $200,000 for registry, $154 for electra-network. Those would be out, and half of this remaining $150,000, another $75,000, knocking those out would reduce this thing by $225,000.

They are asking for $2 million.

DR. HEUSTIS: My statement was their present level of funding.

MR. BARROWS: Excuse me.

DR. HEUSTIS: I propose to knock the $225,000 out from the $1.4 million.

MR. BARROWS: That might be a little severe.

DR. HEUSTIS: Do you understand the process?

DR. HESS: That takes it down to $1 million.

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DR. HEUSTIS: The process is we do not provide money for projects we have already financed for at least three years, second, the report shows that they have been advised on at least one of these that they had some advice back in 1972.

The other is that we provide only half the money necessary for any -- that is half of the money requested for anything that they have requested for two years, which really doesn't do a very great disservice to the remainder of the program.

DR. TESCHAN: I don't like that. It creates a problem.

You are handling it in a way that riles everybody.

DR. HEUSTIS: I make a motion to bring this to a head, that we say that staff has to do some arithmetic, because I can't come up with the figure, but $1.4 million less the other two items.

MR. BARROWS: Let's round it off to $1 million.

MR. NASH: What figure are you using as their current funding level?

Apparently we have two different figures here.

MR. BARROWS: I was using the one on this sheet, the current and the annualized.

DR. HEUSTIS: We rounded it off to $1.4 million, and we started to subtract from $1.4 million.

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MR. NASH: The sheet I have shows $1.81 million current, and the annualized level.

MR. PETERSON: We are really in great shape. We have two sheets that have separate figures.

MR. NASH: Mine is dated May 20.

MR. PETERSON: What is the correct figure, $1.4 million?

MRS. WILSON: Yes.

MR. PETERSON: It seems to me with having done some hurried arithmetic, if we were singling telephone, tumor registry as having gone beyond the three years, having those three other small projects that were asked for two year support, that rough analysis is about $400,000, and I think that is what you are talking about.

DR. THURMAN: It is $1.370 million minus $354,000 minus $65,000, which is $419,000, so $1 million takes care of your recommendation.

MR. PETERSON: You would make that as a recommendation?

DR. HEUSTIS: I accept your arithmetic.

MR. PETERSON: I take comfort from the fact that Bill Thurman agrees with me.

DR. HEUSTIS: He was agreeing with me.

MR. PETERSON: I was not at odds with someone else's number.

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Is there a second?

DR. TESCHAN: I second.

MR. PETERSON: Any additional discussion?

I would just point out that we do have an estimate that roughly a $500,000 plus application would be coming in, in the July cycle.

If there is no further discussion or question, those in favor raise your hands.

(Showing of hands.)

MR. PETERSON: Those opposed raise your hands.

(Showing of one hand.)

MR. PETERSON: We have a seven to one vote.

Before we dip into the next application, could I ask a question of the group, because I have been handed a note asking me what time will be good for us to reconvene with Panel A tomorrow as a single group, and I am assuming that if we are going to allow ourselves a little time to review our own actions, that whatever time I tell them we will need to allow ourselves a half hour in advance.

Is the group willing to get together at 8:30 tomorrow?

If that is satisfactory I will do that.

Now, we have four Regions. I am going to try to get away so some of you who have been reviewing more than others here at this particular point in time I wonder, Sister Ann, would you be ready to takea look at Maryland?

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HEW REGIONAL MEDICAL PROGRAM FOR

THE STATE OF MARYLAND

MR. PETERSON: Now, here again I think the staff person involved, Frank and Gene Nelson, need to be prepared to supplement this.

We have the free State of Maryland. It was separately set up from the beginning.

MR. SIMONS: Hopkins is a grantee.

SISTER JOSEPHINE: Johns Hopkins is the grantee agency in Maryland, and one of the criticisms of the ongoing criticisms of the Maryland program has been its very close affiliation with Johns Hopkins University.

The program leadership is relatively poor. I get the impression, and these are just impressions at this point, but I do get the impression that the strength of the Maryland medical program has been to kind of maintain a broker image in the area, and to use regional medical program funds to just give to other agencies so they could carry out their work, and I think they describe this type of available money as mini-contracts.

When we were there about three or four years ago, I remember there was a question raised by the site visit committee, whether or not this was a good way for them to proceed, and after it was discussed with the group, the consensus was that this practice should, if not be eliminated,

be modified. But I notice it is still being carried out.

The program staff is satisfactory. However, they draw very heavily on staff from affiliated programs, particularly of the other universities, and that is not always bad.

The Regional Advisory Group looked, on paper, to be adequate, but I would have to ask the staff person working with the program whether they are really aware of what is going on in the program, or whether they simply go along with programs that are outlined.

Past performance and accomplishments have been satisfactory to poor.

It was difficult for me as I looked through this program to identify, to really identify a program that was the program of Maryland rather than the program that is going on in other institutions without close coordination from their Regional Medical Program.

The objectives and priorities are satisfactory as they are stated.

The proposal is inadequate in many ways.

Feasibility is checked inadequate, and the CHP relationships in the written document appear to be good.

The overall assessment I gave the program is below average, but I am simply going on the material that was here in the book.

MR. BARROWS: Let me ask a question, as I don't

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know the area that well.

In Maryland can you get very far without being pretty closely identified with Johns Hopkins?

MR. NASH: Either that or the University of Maryland.

SISTER JOSEPHINE: It may be there is no other way to go about it.

DR. TESCHAN: Where is the element of limitation you are implying?

SISTER JOSEPHINE: I think I am probably reading that into the proposal from the impression I had on the site visit, where it was very difficult to sit down with the staff and to have them, you know, really identify a program and talk about a program.

The ones who could really do it effectively were those who were carrying on the program. It was usually from one of the universities, and it was always someone from Johns Hopkins.

I would be interested, and I may be over reacting, but I would like to have the person who works on the program reflect on that.

MR. NASH: Unfortunately, the person who has worked on this program for the last three years now has other employment.

That person is not here, and I think one of the

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things that has been pretty typical of this program in the past, the observation of site visitors and people who study the Region is that this particular program has never really taken a good look at the needs, and then made an effort to develop a program within the State that would help overcome those needs; that the projects and activities they have engaged in appear to be opportunistic.

Somebody comes up with an idea, and they say let us fund it. That has been one of the major complaints about this region in the past, and to a certain extent it may still be true.

MR. NELSON: I might say my identification was about two weeks, and I am no authority.

Basically, I made some notes saying in reviewing that they were criticized in the past for three major things -- failure to acquire sufficient staff to do the job, dependency to concentrate in Baltimore, and I mean Baltimore City, and a tendency to keep the program to themselves.

It seems to me we are looking at a different program this year, and, in fact, whereas they had 22 projects last year, a great number of w hich were in Baltimore and environs, we are now talking in terms of, let me see -- let us talk about these three concerns, and first failure to provide sufficient staff.

They have, in fact, as a result of advice letters,

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moved from 4.5 people to nine people in this application.

This is something that they have been constantly prodded to do.

The second concern is concentration in Baltimore. They have five projects. One provides planning and services in Ocean City. This is planning for health services in the Ocean City area.

One is a CHP Planning Seminar for Consumer Orientation throughout the State of Maryland.

They are requesting $25,000 to, in fact, underwrite orientation of consumers to the CHP Plan.

DR. TESCHAN: Is that the Health Plan for Maryland?

MR. PETERSON: Except for the title.

MR. NELSON: I think it is quire indicative of the good relationships between RMP and CHP.

I might add that I talked to Eugene Gunthries, who was former Director of Chronic Diseases, Public Health Services. He just left under questionably circumstances two or three weeks ago.

Up until that time the limited information I had is that his successor is continuing with his concept, very close cooperation between the two hospitals.

A third project, even though it is centered in Hopkins, involves care services for the poor in outpatient departments, correlating with Hopkins in the outpatient

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department.

DR. THURMAN: That is Number 056.

MR. NELSON: The Manpower Planning and Data System, more effective use of manpower and related services in hospital outpatient service department.

We have a fourth program involving SAEA concepts, 30 health education agencies.

DR. TESCHAN: Which one is that?

DR. THURMAN: That is 058.

MR. PETERSON: Those are the most undescriptive project types.

DR. TESCHAN: Let us come back to that.

MR. NELSON: The third concern, the makeup of the RAG now shows involvement of an amount, a large number of consumer groups, and groups representing the poor, and so forth, so I think the program has turned itself around.

The percentage of increase in staff would be 39 percent.

As to projects they have $760,000, a little less than half of which is for projects, a little more than half of which is for programs.

DR. TESCHAN: Another $442,000 due in July.

MR. PETERSON: Well, we have requests here, as Sister Ann indicated, for $762,000 or $763,000, if you round it off upwards, which is slightly above what their operating

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level is now.

They have indicated they will be coming in in July for about $400,000.

DR. THURMAN: Could I ask a question?

MR. PETERSON: Surely.

DR. THURMAN: On the total program staff they have a figure of $144,000 under "other."

Do we have any idea what that is?

Is that beyond salaries and wages? They have a total of the other category.

MR. NELSON: $125,000 requested for contracts and studies.

DR. THURMAN: Then Maryland has not changed in the $125,000 plus the $57,000 listed under 058 which goes to Johns Hopkins Computer Center, which has always been the biggest argument we have always had about Maryland, so it has not changed.

MR. BARROWS: It sounds like a program with a lot of paper shuffling to me.

DR. HESS: An indirect measure of RMP impact.

Last month I was at Hopkins on a site visit for another program which is supposed to have an outreach component, and it was evident from the level of thinking on that proposal that for this, this had a lot to do with the school of public health among other things, but RMP's had little or

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no impact on the thinking of those people, and they did not know really how to go about, you know, needs assessment and this whole ball game, and effective RMP would be educating somebody about it.

I rather mused to myself that this seemed to be further evidence of a rather weak RMP.

DR. TESCHAN: It didn't occur to the Project Director to ask to get the project data.

DR. HESS: Neither were RMP's mentioned once, and the people didn't seem to know how to do it.

This was really a very self-serving application, as I viewed it, self-serving to Hopkins, but not necessarily to the community and the State at large, which it was supposed to be.

SISTER JOSEPHINE: I got the impression the community at large doesn't really know what the RMP is, and the Program Director really has funds that he gives out to other agencies, and the people in the agencies are the receivers of the service, and really aren't aware where the money comes from.

DR. TESCHAN: It seems to me we have an inactive RAG in terms of directing it, an inactive coordinator as defined here, and we have a self-serving unconcerned grantee in terms of the principles of the program.

If I remember the basic notion of the essential

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ingredients of an RMP as defined in the August 1972 policy, those are the three essential ingredients so that if we don't have the essential ingredients it says we don't have an RMP.

Why isn't a motion in order to discontinue Maryland?

DR. HEUSTIS: Make a motion, and I will support it.

DR. TESCHAN: I so make it.

MR. BARROWS: I don't share your abrupt change at this time.

In support of what you said, there is a fourth striking deficit in this, and that is the end product is useless.

I don't care if they give it to this guy or that guy if they are coming out with something that is beneficial.

There are a lot of play things for the computer people, so I would say in addition to these other weaknesses their end product is not impressive.

DR. TESCHAN: There are four important reasons not to spend the money.

MR. BARROWS: But you get the other point, the reason, and that is for the Council.

I don't think it would be appropriate for us to make recommendations, but yesterday we pretty well agreed you are not going to get a leopard to change its spots this late

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in the day, that we are not going to create any great changes in any of these programs in their remaining life scope.

I think probably in order to avoid capriciousness we better continue the policy basically of the past without any wild swings up or down. That would be my conclusion.

DR. HEUSTIS: We have here, for the first time, that has been spelled out the three things, and the one you added, and it would seem as though quite a part of our function was to make a recommendation to the RAG according to the motion that has been duly made, and supported, and I would like to see those four items put in the motion so we don't lose them somewhere, and let the Council see what we think about this overall situation.

MR. BARROWS: I will buy that.

DR. HEUSTIS: The motion you say that you would now buy is to give them no money, and that was my intent, and see what happens, because probably there isn't anything that could have a better influence upon the whole IRD structure for someone to stand up and take the bat and swing it.

MR. BARROWS: Let me ask you a question.

We have been told by legal, who has wiser and finer minds than ours, that part of our job now is to prepare for this transition to a new type of combined agency, and what the impact of ending one right at this time instead of retaining a leap year fund upon which to build --

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DR. HEUSTIS: If you will pardon me, the egg that is rocking in the box doesn't do much good to keep it in the refrigerator.

DR. TESCHAN: I feel that the new planning corporation is going to need a widely based representative operation with clout, that the worst place to start from would be one of these, and that we do the entire process of representatives of health planning a greater service by getting rid of grantee.

MR. BARROWS: Right now you have reason in there that I can buy that this future entity will be a lot better off by starting from scratch than it will be trying to build on some pretty weak foundation.

DR. TESCHAN: Especially when you have all the years of badgering.

Now, Hopkins and company have to learn, in my own view, it is long since time that somebody got somebody's attention.

I know some of the people who are involved in this, and they have been disastrous in other places they have attempted to manage.

MR. PETERSON: Let me see if I have a sense of what I hear the Review Panel saying in effect is it would like to propose to the Council in effect that the Council give serious consideration to terminating or phasing out, I think we might,

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you know, whether it would come to an end June 30, the Council doesn't meet until June 14 and 15, so I think really the termination or phaseout would entail some money based upon a conclusion by this group that what we have here is a largely inactive, ineffective RAG.

I had written down, and I don't think you had used the word, and I am searching for a word -- a coordinator who is ineffective, a grantee that has been self-serving in the sense that it has managed to use the program for some of its own interests for a long period of time, and this is a situation of longstanding, where there is really little, if anything, to show in the way of accomplishments, any output.

MR. BARROWS: The end product is the thing that impresses me.

You don't have anything coming out with these bucks.

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MR. PETERSON: Is that the sense?

DR. HEUSTIS: If you would not object to the word termination, and we have a full idea that the Council being a reasonable body will probably give them some time to phase out if they accept the sense of the motion.

MR. PETERSON: I was trying to summarize what I heard said, not necessarily putting my views on the table, and I certainly would like to hear some response from Sister Josephine, who did review the application, and you conducted

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the site visit.

SISTER JOSEPHINE: I would agree with this.

The question I would raise at this point is to phase this program out.

How much of this $684,000 do they have?

MR. PETERSON: Current?

Gentlemen, do we have any idea of what Maryland may have in an unobligated balance come June 30?

They have been operating at a fairly modest level. I suspect their balance is not likely to be large, Sister.

SISTER JOSEPHINE: You see, that would maintain staff during the phasing out period.

DR. HEUSTIS: There is nothing to preclude the Council from putting in whatever money is necessary to do whatever they want.

SISTER JOSEPHINE: Yes, and between now and July we might have some communications.

DR. HEUSTIS: I hope this is the whole purpose of the arrangement.

DR. THURMAN: I move the question.

DR. HESS: Just speaking for myself, I am not prepared to vote on that at this point.

I would like some time to study this application.

This is, I think, the most drastic recommendation that we have considered today.

DR. THURMAN: We made this recommendation twice before, though.

DR. HESS: Termination?

DR. THURMAN: Yes.

DR. HESS: I don't remember that we have.

SISTER JOSEPHINE: This was considered.

I think when this was reviewed these same questions came up. But I think this was reviewed the same way the same questions, that is this morning.

DR. THURMAN: The Sister is very charitable. The person who reversed us the last time was the Council.

DR. HEUSTIS: It is Council's responsibility to do what they think.

MR. BARROWS: I think we ought to do the honest thing and pass the buck.

MR. PETERSON: We do have a motion.

Rod Merker recently, I understood from Frank, that he recently -- well, I don't know if that is within the past six months or past two weeks, had made a management assessment visit to the Maryland RMP.

MR. MERKER: It wasn't recent. It was two years ago, and I think you have a good acceptance of what I found two years ago.

I found no overt domination by the medical school, but a lack of leadership on the part of the Advisory Group,

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which enabled the medical school to get what it needed from the grant, and I think you all know there was a large epidemiological body or school supported in the school for four years.

DR. HEUSTIS: Mr. Chairman, the question was called for, as I recall it.

You remind me of an Episcopal Bishop. Pardon the pun, Sister.

MR. PETERSON: The question has been called.

I will make a specific point because we will be getting together tomorrow, and you will have a chance to look at an application.

Some of these people will have slept upon what I understand to be the motion. There is no reason that we could not, if you and others see fit, make the motion tomorrow that would, in effect, modify or remove this item, but given the motion to recommend to Council the termination of this program within a reasonable period of time with such funds as may be considered, and we don't know the carryover situation for the reasons indicated which I tried to summarize.

DR. HEUSTIS: Did you say this has been done twice before?

DR. THURMAN: Once before we asked for a site visit, because the point he just made that we were supporting an epidemiological study.

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DR. HEUSTIS: Have we ever recommended to Council?

DR. THURMAN: It was recommended to Council that consideration be given to terminate the Regional Program.

DR. HEUSTIS: Would you object to an editorial change to the motion that we repeat the motion that was made by whatever it was, the previous Review Committee, that this be terminated?

I think this gives further emphasis to it.

DR. THURMAN: The only thing I would have to say to it is that it was recommended to Council that it be considered for termination, and Council voted to keep them going.

DR. TESCHAN: Put something in there like a comma and then quote in view of the past recommendations * * *

MR. PETERSON: I am not sure I have that.

Well, the question has been called for about ten minutes ago.

Those in favor raise your hands.

(Showing of hands.)

MR. PETERSON: Those opposed raise your hands.

(Showing of one hand.)

MR. PETERSON: There is just one opposed, and the motion is carried.

MR. BARROWS: Pete, may I ask one thing?

MR. PETERSON: Surely.

MR. BARROWS: In this message that we transmit to

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the Council, do you contemplate including the fact that we faced up to the impact on the upcoming legislation, and came squarely to the conclusion that we would be better off starting from scratch?

MR. PETERSON: What exists is there is not a resource for HRP, or anything else that might come down the pike.

This is just my praseology of what I heard.

MR. BARROWS: I thought we said it would be more harmful to have them around than to start from scratch.

MR. NASH: If it is to be a State Health Plan organization, it is highly unlikely to be the agency.

DR. TESCHAN: I think it is arrogant. I keep hoping that our encouragement to a transistion stance will allow them to tidy up their relationships so at least they are in the running.

The alternative is to lose what is there, and the health field hardly can afford to lose any more than it has already lost.

MR. BARROWS: I am not quarreling with you.

MR. PETERSON: Okay, we have three Regions left, Metropolitan District of Columbia, Nassau-Suffolk, and Susquehanna Valley.

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HEW REGIONAL MEDICAL PLAN FOR THE

DISTRICT OF COLUMBIA

MR. PETERSON: I wonder now if we could turn to a sister jurisdiction of Maryland, namely the District of Columbia, or the Metropolitan District of Columbia RMP, and Joe, if you would lead off on that.

DR. HESS: The Metropolitan Washington RMP is one that I know from past reviews that has been of some concern.

It is, however, in a triannium status.

The grantee is the Medical Society of the District of Columbia.

The Coordinator is new since I remember the last review of this Region.

Their broad goals are to provide assistance to CHP's in developing plans, and incidentally, within the last few months the CHP has been organized in Washington.

A second goal is to increase availability and access to primary care services, and to improve along with that possibly the hospital care, and a third one is to regionalization of experience and secondary and tertiary health care resources.

The letter of submission which is signed by the Chairman of the Regional Advisory Committee is quite enthusiastic, and I would like to read some sections from that.

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This is written by Dr. John A. Kenney, Jr., Medical Doctor, Chairman, Metropolitan Washington Regional Advisory Council. He says, and I quote:

"First I would like to address the past performance of MWRMP. I have had the privilege of serving on the RAC since the inception of MWRMP. From this vantage point, and from my faculty position at Howard University, I have been greatly impressed by the significant contribution MWRMP has made by improving the accessibility and quality of care of the underserved areas and populations in the metropolitan region.

"Certainly the activities with which I am most familiar are those at Howard and Freedmen's. However, I will cite several of the most noteworthy projects:

"Howard's Cancer Radiotherapy project provides the seed funds that have assisted in developing one of the highest quality cancer treatment centers on the East Coast.

"Freedmen's Stroke Project has demonstrated that the mortality rate and the cost of quality care can be greatly reduced.

"The Kidney Project (Howard, Georgetown, George Washington, D. C. General and Arlington) has demonstrated that the three medical schools can cooperate and further involve D. C. General and a suburban hospital in the

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implementation of a coordinated regionwide attack on kidney disease. This project is moving. Already one facility has indicated that they need no additional funds. It appears that all facilities now participating will be self-supporting by July 1, 1975, thereby permitting any new funds to be used for expansion or new locations.

"Recently initiated activities include the EMS regionwide planning contract, a nurse midwifery project in the inner city, and expansion of hypertension control.

"Several other significant projects include:

"Coronary care nursing training - Howard.

"Cancer Registry - Department of Human Resources.

"Inhalation Therapy - Washington Technical Institute.

"Pediatric Pulmonary - Georgetown and Children's Hospitals.

"Second, I would like to comment on the current viability of the Program. The RAC is enthusiastic and active. Even with the on and off directions of the past 15 months the RAC and its Committees have been active in promoting the principles of RMP's.

"In the past three years the RAC has developed into an "action" group. In the first few years of MWRMP the RAC reacted to proposals that were submitted. In

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developing the last applications the RAC has appraised the needs and acted to allocate 'blocks' of funds to help meet these needs through requests for proposals and subsequent contracts. The current application has again been developed within this concept."

From that, you can get a flavor of the view of the Chairman of the Advisory Committee.

Just as one issue in the composition of the RAC, which is comprised of 73 members, 15 of these are minority members. They have a current professional staff of eight, and they want to increase this.

Now, I may have, myself, misinterpreted these white sheets. Apparently they propose to add nine, if that is correct.

I thought this was an increase from eight to nine.

MR. PETERSON: I am not sure. I would have to ask staff.

In most instances I think the proposed was a new total, but in some instances -- well, I think this again is a total. They are simply proposing to increase the staff from ten to 13.

DR. HESS: Well, in terms of the accomplishments they have established several primary care clinics, and have been working on improving specialized services in the area of heart disease, coronary care, hypertension, patient education,

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and obstetrical care.

In the area of quality of care they have initiated projects on review, utilization review, a Regional Cancer Registry, a Stroke Station, Cardiovascular follow up and a bacteriological screening project at Georgetown.

Projects which they cite as increasing efficiency and utilization include their cancer, heart disease structure, high blood pressure, and kidney project.

They have a fairly good record of joint funding and phasing into other funding.

Ten of the 19 projects are jointly funding, and seven have been phased out, seven of 19 phased out and continued under RMP funding.

In terms of their CHP relationships there was no active B agency in Washington until recently.

Their coordination seems to be satisfactory with the B agency in Maryland and Virginia.

There is some funding of B agency activities in this proposal, and there is an agreement, a written agreement in the application between Metropolitan Washington RMP and the Washington B agency as to how they will work together.

It seems to be a fairly clear and well defined document.

In terms of looking at the program priorities, I think this is an indirect measure of where the influence,

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that is, much of the major influence in the Metro Washington RMP is at the moment.

The number one priority is kidney activities. However, the amount of funding is not excessively large. It is about one-tenth of the total.

They are proposing $100,000 for kidney activities out of the total program budget of $1.1 million.

The second is nurse midwifery, $71,000.

Next is primary care activities, $332,000.

The next is health care for senior citizens, $150,000.

Next, hypertension for $150,000.

Next, emergency medical care for $100,000.

Next, chronic constrictive pumonary diseases, $165,000.

Assistance to CHP's is for $132,000.

Now, the largest single proposal is the one relating to primary care of patients, $332,000.

I thought it might be worthwhile just to discuss this proposal in a little detail so that you know what is involved in this rather major project.

Their objective is to develop facilities at hospitals to provide more high quality primary care to non-urgent patients who appear at hospital emergency rooms.

The approach is to go to hospitals which have

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emergency departments and to work with these hospitals to determine the quality of urgent and non-urgent patients who appear there, and develop a body of information which will then allow these hospitals collectively to plan for better primary care services to help take the load off the hospital emergency rooms.

There are also in this budget some funds for some facility reconstruction, as well as some equipment purchase, so that it is more than just planning, but also some reorganizational facilities, in order to be better prepared to take care of the patients who appear at the emergency rooms for primary care.

SISTER JOSEPHINE: How many hospitals do they have?

DR. HESS: Three to five. They want the best alternative system.

MR. PETERSON: They are D. C. General, Freedmen's, maybe George Washington, Georgetown, and -- well, is that it?

DR. HESS: The hospitals are not listed here.

MR. PETERSON: They said three to five, so there may be a couple of others, too.

DR. HESS: They don't list them in this synopsis of their plan.

It was unclear, just to further comment on the project, it was unclear whether the primary care project will

need funding after the first year, or whether it is something that could be accomplished.

It looked as though it was a steady reorganization and some revision of facilities, but I am just assuming that although it is not stated, that the hospitals, or some of the sources will pick up the cost after this first year.

Looking at the overall project, program proposals, the medical schools are still quite heavily involved.

There is a project in here for something like $55,000 for health care for senior citizens, which indicates, in a short synopsis, no provision for continued support.

It did appear to me like this was, to a large extent, direct services to senior citizens, showing an area of need, but not reflected in this description.

What their thinking was, was about future funding beyond the funding of RMP.

This particular one was sponsored by TV&A in Washington.

Overall it seemed to me things were a little bit better than the last time I heard this program review, but still overall I could rate it no better than average program.

The thing that I found that offered some hope was the fact that they are trying to address, and apparently have addressed in the past primary care in trying to expand these services to the underserved population of Washington, and I

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am sure they are considerable.

I checked them. I might say there was a farily well developed and outlined review process, the Committee structure, and the staff structure, which appear to me to be satisfactory.

MR. PETERSON: Well, thank you, Dr. Hess.

Joe, do you want to give your report?

MR. de la PUENTE: I found the program, in my opinion, and considering past experience, as better than average at this stage of the game.

I mentioned its priorities, you know, not necessarily one, two, three, four, five, and mentioned the reasons for these projects.

Let me say that the projects are timely. They are addressed to not only the present but the future needs in an area where there is a great deal of need, in an area where if health insurance comes through we are going to have a lot of expenditures.

In the particular areas that they happen to be attending to, ergo, the elderly, and ergo, the needy, I was impressed like you were in terms of the primary activity that because what they are going to do as far as the description that I read is going to be an operational research and analysis in which they will consider all the present resources of personnel, equipment, floor space that is being utilized

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right now to serve the groups that have to be served.

Then they will follow this study in proceeding to alternative programs to these hospitals, and help serve these populations.

I agree with you. I think it is a one-shot investment, but it is going to be a worthwhile investment and a system in which you get these different hospitals, Georgetown, George Washington, D. C. General, et cetera to decide, you know, what type of priorities they can attend to, or what type of priorities they cannot attend to, and where the patients will go.

In addition to that, they are going to be helping and providing monies for working with the planning agencies which relate to this particular project.

The other project I was impressed with, and this is Priority Number 4, is the one for senior citizens, because at this point, since the senior citizens are poor, and they happen to have Medicare, they go to either the nursing homes if they are able, or to private facilities, or they are in and out, one admission after the next, and from what I read the visiting nurses would be providing care in the home, and also they will have preventive programs in areas where they are allowing the senior citizens in terms of making sure that emergency episodes do not occur, and if the emergency episodes do occur, that somebody will take care of them.

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I think this program, in my opinion, will save an awful lot of money for the District of Columbia in the near future.

DR. HESS: The thing I was looking for, and may be just an oversight on their part, but I hope they are thinking about it, is that they can demonstrate that for the population that they reduce the hospital costs, that what seems the logical outcome of that is to go to sources of payment and say, look, put some of your money in the home care, and not so much in the hospital. But that was not written in.

MR. BARROWS: That is always under consideration, and I am not too optimistic about that.

From what you fellows have said, and for what it is worth, it sounds to me as if these people are tackling some monumental, very real problems, and the amount of money they are talking about is relatively small for what they are trying to undertake.

I think we ought to resolye any doubt in their favor.

MR. PETERSON: How about some of the other reviewers here?

DR. HEUSTIS: I have nothing to add.

DR. THURMAN: Just two procedural inquiries.

The $132,000 is for assisting CHP. Is that proper?

MR. PETERSON: It is something which we in our

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instruction guidelines for applications, it was one of several areas that we were asking to assist with CHP planned development.

I cannot be sure from looking at the computer printout that that is what it is.

We do have a case here, though. I was unaware, Joe, and you corrected me properly, that there just has been an areawide B agency organized for the District. They have long been without one, and the one in Northern Virginia, they never could resolve the Virginia-District-Maryland problem.

There is probably a lot of catching up to do in one sense, and I think it wouldn't be considered inappropriate in a policy sense.

Whether the money could be effectively used is another question, which I cannot speak to.

If anything, we sort of pushed them in that direction, at least as far as Mr. Bell is concerned. He is probably looking over our shoulder.

DR. THURMAN: I support the need.

My question was purely policy, and the other is policy also.

There are $80,000 here in kidney projects, all of which on July 1 are going to be funded from other sources.

Other than that I support it.

That is a policy question.

hf 6-11

MR. de la PUENTE: As far as the kidney project, if I could speak to that, as long as Georgetown is involved, and I feel confident that they are upgrading in the total eastern complex, they have tissue typing, and they have some transplanting, and they are operating in the eastern complex, which is from Atlanta to Boston, and which they interchange patients with the computer, and with tissue typing information on the computer, which in my opinion helps.

DR. THURMAN: Don't misunderstand me. All four of those can be paid for as of July 1 out of other funds.

I am not sure that it is proper, because mine is a procedure, and I am all for supporting them, but all four of the things that are listed can be supported from other funds as of July 1, this July 1.

DR. TESCHAN: Which other funds?

DR. THURMAN: Medicare and the Kidney Dialysis.

MR. de la PUENTE: They might well go into that type of funding, but if we don't have this complex in which, for instance, they started deciding how much do we charge for procurement for an organ, cadaver, how much is it going to cost to tissue type every patient on hemodialysis waiting for a transplant; start making all those cost values, and they won't have as good a chance of certifying those costs, and some of the people will have to pay for it.

DR. THURMAN: I was asking a policy question. That

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is all.

MR. PETERSON: That sort of thing you might want to note.

MR. BARROWS: Might I ask a question?

MR. PETERSON: Surely.

MR. BARROWS: I know that Medicare and Medicaid will be paying for reimbursement for services delievered.

Do they also have funds for development costs?

DR. THURMAN: All of us are building in development costs.

We are being reimbursed for Medicare for organ procurement, tissue typing and dialsysis right now, and we have the lousiest system in the country out there.

I was under the impression that none of these types of programs were going to be funded, other than that by July 1.

DR. TESCHAN: One of the projects is to reimburse the institution for the procurement of unused kidneys.

You know, that is not, so far as I know, in the Medicare reimbursement. You get reimbursed for the ones you use and transplant.

One of the projects talks about reimbursing for the cost of the harvest of the unused.

DR. HEUSTIS: But isn't it built into the cost of the ones you used?

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You divide the total cost by the total number of patient days served, and that is it.

DR. THURMAN: I didn't mean to get us off here.

Let me say again I am in support of the two reviewers.

DR. HEUSTIS: Can we hear again where you rate this program in terms of average, above average, or below average, from the two reviewers?

DR. HESS: The first time I read it I checked it in the above average.

The next time I read it I went through and looked a little more carefully, and I put it on a line between the two, so in looking and thinking of its past history, instead of being on a plateau, I think this program is on an upward curve, and because of that I am willing to extrapolate a little bit and give them the benefit of the doubt based on recent past performance.

With that in mind I would like to propose a level of $1.1 million. They are currently at $1,756,000. They asked for $1.27 million.

As I look at their priority ranking and their programs there is one, the pulmonary diseases for $65,000, and assistance to CHP's of $132,000, it seems to me that the CHP's should be able to stand on their own two feet now, and I don't see why RMP should need to support that, to that

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tune.

That accounts for $200,000 right there. They seem to be moving in the right direction.

There is an area of substantial need, and so forth, Mr. Chairman.

I would make that as a motion.

DR. HEUSTIS: This is the full yearly HEW pro-rated amount, your $1.1 million? It is 100 percent of the targeted available funds now in Column C?

You see, what I was getting at in my other question was they are going to ask between this application and the next application for a 50 percent increase over their money that they have right now.

DR. HESS: They are going to ask for another $500,000.

DR. HEUSTIS: Or a total of $1.7 million, and their targeted allocation is $1.1 million.

If we give them more, then we have to take it away from somebody else.

DR. HESS: I don't think we need to worry about that for the moment, because that is not a target type figure, and I think this -- I don't know the population, but my guess is it is probably in the neighborhood of two million people.

MR. PETERSON: I am glad you asked that question.

DR. HESS: It is an urban area.

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MR. PETERSON: It is a little over two million people, 2.1 million.

The District of Columbia, I think, has just under one million people, but you have two big bedroom areas in the suburbs.

DR. HESS: There it seems to me the management is picking up now, and that there is an area of need.

DR. THURMAN: I second the motion.

MR. PETERSON: There is a motion of $1.1 million, and we have a second.

Any further discussion?

MR. de la PUENTE: I just wanted to add I hate to limit them on the CHP that much.

MR. PETERSON: I don't think I heard Joe say he was going to cut it out.

(7)

DR. HESS: We are going to issue the money.

MR. de la PUENTE: Is there any way we can put in a recommendation there, phasing out as many of the kidney activities as soon as the self-support is available?

DR. HESS: Some of these they have listed. They state no additional funds requested on there.

They have already phased out some.

MR. PETERSON: These are the residue of a number of kidney activities, but even these are continuations, and I am assuming, and I have not looked at the application that

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close, that most of these will really have come to an end sometime during the next year.

DR. HESS: They have a priority 1 ranking, so we can't go in on a line item and scratch out something they have on Priority 1.

I just don't think we can do much with that, Mr. Chairman.

MR. de la PUENTE: Then I have no objection.

MR. PETERSON: We have a $1.1 million recommendation.

Any further discussion or question?

All right, those in favor raise your hands.

(Showing of hands.)

MR. PETERSON: It is unanimous.

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HEW REGIONAL MEDICAL PLAN FOR LONG ISLAND, NEW YORK AND NASSAU-SUFFOLK COUNTIES

MR. PETERSON: Well, we are down to two Regions, and it is a quarter to five.

I think we are going to switch gears and touch upon Long Island of New York and Nassau and Suffolk.

Do you want to lead off on this?

DR. HIRSCHBOECK: This was to be the model combination, twin agencies, and it was split off from the Metropolitan New York, and put under the aegis of Stoneybrook for a while, at least.

With the phase out of RMP the Nassau Regional Medical Program lost its Coordinator and I believe mush of its staff, at least there are a lot of vacancies here, and there was a shift from this program priorities.

Incidentally, the Nassau-Suffolk Medical Program and the Comprehensive Planning Council jointly produced the priorities for the Region.

With the split, with the phaseout of the RMP resulting in the split, all of the planning projects were deleted from the RMP priorities, and the remaining ones have to do with increasing health manpower availability, increasing coordination, cooperation, resource sharing, instituting new preventive health measures, innovative improvements in

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professional continuing education and priority number 5, developing within the purview of 89-239 RMP legislation, ambulatory care services.

This seems to be the project that they have put the most emphasis on in terms of their priorities and planning for the future.

Also the PSM project is underway, and a kidney project.

One gets the impression that this application, when he reads it, is really dealing with the broad plan worked out prior to the departure of the Coordinator, Dr. Hastings, and there is not much room projected here, other than a data base development for ambulatory care in Suffolk County.

Everything else apparently is a holdover from the grand design of the previous activity and programing.

As far as the leadership is concerned, the staff Dr. Hastings has, it is extremely weak.

Everybody on the project is at a Master's degree level, including the Coordinator.

Those proposed for employment are mainly from social work, and then there is a serious question in my mind as to whether this staff is going to be able to follow through with the project in terms of leadership and evaluation as described in the document.

The relationship with the CHP agency, one gets the

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feeling that CHP is sort of taking over.

The Regional Advisory Group is still a discreet entity.

The CHP agency has endorsed everything in one letter.

The projects that are being proposed are continuation projects, except for one, that is the data base contract for ambulatory care.

They do expect, however, to bring in six projects in July, new ones, and there are some continuations, so that I think we ought to hear from staff about the real state of affairs that exists between the CHP and the RMP there as to whether there is any prospect of this staff being improved back to what it originally was.

Doctor Hastings is the Coordinator.

MR. PETERSON: Do we want to ask Paul to present his review first, or would you want us -- well, I don't know to what extent the staff has any comment.

We really are down in one sense, and not only did Glen Hastings leave, but Harrison Owens, who had been in many ways, I don't recall it was his name, but he certainly was functioning as Glen's deputy. He was acting for a period of what, six months?

Harrison has left, and went to NIH. The present Coordinator who has been there a couple of years, he was

their evaluation person. He is an East Indian.

I site visited Nassau-Suffolk. I was on the last visit. I had some contact with Persade. My impression of him would be that maybe he holds a few things together, but I don't see, for a variety of reasons, his background, and what have you, by that I don't mean the fact that he is an Indian, but he is a numbers man by and large.

I think he is fairly new to the health field, and I certainly wouldn't see a great deal of positive, imaginative leadership coming out at least through his person, and I think the other staff there have some problems as relates to the grantee.

MR. NASH: Why don't we hear from the second reviewer?

DR. TESCHAN: In reading the document it is put together with a good deal of mental confusion on the part of the author, or the Committee didn't talk to each other, or was put together at different times with interruptions.

It is hard to follow with groups of projects they are talking about and what the status of the projects that are being described are. so there are some projects that are not described in the narrative, or their rationale developed in the overview, and there are some that are described several times, or more than once, in different ways, so you can't tell whether they are talking about a rejuvanation of

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of an old project, or a new project, or the relationship between them.

There is a minor confusion point here to tidy minds in the sense that in the one form, the 158, there are the progress reports that relate to 1971-73, and the proposal relates to 1974-75.

There is a one year's gap in the situation, which doesn't overly distress me, but it sounds as if there is a problem in terms of accounting for what happened to the projects in the meantime, and how do we now ask for new funds if, in fact, in the meantime either the project died completely, or survived with other funds since then.

Should we not be over on new funding altogether?

Why do we recur after a year's absence?

Now, that may be just a technical question on how the numbers appear. It may be an administrative type staff thing, but I don't understand it, and it doesn't make any sense.

The priority statements, these things are two or three years old.

I was on a site visit when Glen was still there, and I remember distinctly the long discussion how they got the priority, and this is really Hastings' work, and it hasn't been revised since, and you get the sense, the end of review process is sort of a Xeroxing of something.

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DR. HEUSTIS: This is what I wanted to convey.

DR. TESCHAN: I get the feeling that if this document is reflecting sort of the state of affairs then it says that 66 members of the RAG have been asleep.

It says the grantee has been asleep, and it says, that I don't see a focus around which you can organize a next step.

I don't know where to turn to fish for that focus of the new entrepreneur relationship that is needed in the thing, because one thing on the CHP business, the two agencies say they are going to reexplore what the lesson is from the experience they have had.

If the document is any indication, I can't tell if there has been any.

Well, in view of this, I think that we are tending to go somewhere between a below average and a poor situation, and one where I don't see where there is viability.

I frankly don't know what to do about a funding recommendation on it.

I think maybe we ought to hear from staff, and maybe we will be a little more illuminated than I am at the moment.

MR. PETERSON: Jerry, you have any comment that speaks specifically to the point?

To put the question crudely, how bad is the situation?

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MR. STOLOV: We have members from Grant's management here.

We are about in the fourth recite of their bylaws and RAG grantee relationships.

When we tried to review their process, their RAG was rally dominated by the corps in terms of numbers, and we asked that there be a change in numbers, and they did adjust that change.

The auditors were out there for ten weeks, and they came up with a whole pot pouri of items which represented to Dr. Paul, Mr. Silbus and operations people.

They felt, though, the RAG was dominating the corps, but this is only a sideline to what they did find.

They did look into some of the projects you have mentioned, as to the gaps in time, the Nassau-Suffolk believes they can reinstate from all indications.

DR. TESCHAN: I did have one more comment on the project, that there are two kidney projects, the relationship between which is unclear, and we don't, or they don't seem to have a lot of content and don't have a specified relationship.

I am a little less critical of the same situation in the EMS story, because the counties appear to be big enough, and the divergency between them sufficient, and the location of the population centers sufficient to justify two separate operations in that case.

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The kidney game is different, because both of them talk about relationships to Metropolitan New York and the big eastern consortium, so there is reason for more coordination than I find.

MR. STOLOV: Could I just ask that we get to the issues that staff looked at?

MR. PETERSON: That is what we want to get to.

MR. STOLOV: EMS Communication Project. We touched base with Region 2 Office, and the same people applying for the equipment dollars were the same people applying under Mr. Rearden's program and HSA under the new law.

This was almost the identical proposal, even more dollars to them.

Well, it was briefly presented. We asked the EMS Communication Specialists to look at it, and we consequently heard from Region 2 that they turned it down.

One could draw a grey line between whether they did mention communications in their original proposal. However, we were asked to highlight it because of the magnitude of the dollars.

That is where we stand in EMS.

In Kidney, we asked the Region, before they submitted their project, to have it reviewed by outside consultants.

They got one consultant, got one one night in the

Kidney meeting in Chicago, and he dictated something over the phone, and we called him today to get his impression, and he agrees with Dr. Teschan, that the two projects should be brought together into one, and this shows supporting two institutions rather than getting a new thrust.

DR. TESCHAN: He shows no CHS function, and it shows no RMP coordination, so it is a total bust, no matter which way you look at it.

MR. STOLOV: In terms of the proposed staffing pattern and the present staffing pattern I think we asked the Region, and they only sent in -- they were allowed to budget the $6.9 million, and they elected to put into staff, so prior to this application what they actually sent in was what they were budgeting into.

We haven't seen the new coordinator function. The RAG had a committee, and they have 70 applications to consider, some from the nearby regions, et cetera, and other people.

Well, they chose their own man for the job. We have not seen him function. We did ask him to expand on the organization chart, and he had four health analysts reporting to a girl who was in the program since it started, for four and a half years. She was the grant's management gal, and did a good job at it, and we were concerned the poor people reporting to her, she has a BA, and she has four and a half

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years of experience, and her experience was another factor he looked at in the decision, but the organizational chart has changed.

He has sent in a new one, having two report to his evaluator, and two reporting to her.

Again, we questioned the decision, but haven't seen it in operation.

The seven vacancies are social workers, as you said, Dr. Hirschboeck.

MR. PETERSON: Tom, did we have a management assessment visit at the same time as the review verification visit this year?

MR. SIMONS: I have almost lived with that Region. I have a very hardnosed view.

I think Frank better talk before I do.

MR. NASH: I think it was over two years ago it was recognized that the structure and relationships between the grantee institution and the Board of Directors of the RAG of this program there was something very much wrong there.

I think they had a 25 member Board, each of whom was also a member of the RAG.

The normal procedure for the Board is to meet, discuss the business. They would adjourn, and 30 minutes later they would convene a RAG meeting, and most of the time some of the RAG members didn't show up. All the Board members

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were there, so the clear dominance of the RAG in the whole decision making process was by the Board grantee institution.

This gave us a lot of concern. They were advised they should be concerned about this. They would send us back letters assuring us that they would do this.

Then they would get involved in phaseout, and so from our part we didn't follow up on it until we got the one year's extension.

We have been after them again to straighten out this situation, and that is why we are now looking at their revised bylaws, and I think Tom's later review of those indicates there is still the possibility of dominance of the RAG by the Board.

I don't know how we will straighten this situation out.

Does that cover part of it?

MR. SIMONS: Yes. I don't think it has come out that RMP and CHP has separated.

MR. PETERSON: Yes it has.

MR. SIMONS: There was mention of the HEW audit that has been up there ten months.

They came in and met, and had a very long report on the Region. They selected five projects that ran when they first went in, based strictly on the time the project occurred, and the dollar volume, and they traced it from there

from the time it started up until it was complete.

Now, all five of them they considered a dismal failure because of the poor management by the program staff.

They now ask them to select two more teams, to give it to them.

MR. NASH: The audit report doesn't bother me quite so much, because this is a reflection of what went on in the past.

The question that concerns me is what is the future for thisprogram.

MR. SIMONS: I have two more points I would like to make.

I think the philosophy of that region, the three or four times I have been up there, seems to be we are going to do what we want to do.

We will try to write it to make RMP's and the Councils believe we are going to do what they say, but we are still going to do the things we want to do here.

As far as the domination of the program by the corps, as Frank said, I don't know how we are ever going to get them to stop that.

The climate is still ripe for the corps to dominate, the bylaws still provide for domination by the corps.

The only way that they are ever going to change is a very hard approach from here.

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I think the recommendation you made for Maryland would be a little kind to them.

DR. TESCHAN: You made the funding contingent on their compliance, either get with it or ship out.

MR. STOLOV: The letter from Dr. Paul said exactly that. Unless those bylaws are changed to meet our conformance, and the Region --

MR. SIMONS: No ifs, ands, or buts.

DR. THURMAN: I move that we approve this program for a level of approximately $150,000 for staff phaseout.

DR. TESCHAN: I second.

MR. PETERSON: The motion, if I understood it correctly, was $250,000 for staff phaseout.

DR. HEUSTIS: Aren't you rather generous?

DR. HESS: I don't see how that is consistent with the decision you fellows made on Maryland.

DR. TESCHAN: Then I am missing something.

DR. HESS: I wasn't ready to vote with you for or against it.

But it seems to me, from all that we have heard, that this program in New York in nearly every dimension is worse off than Maryland, and the vote, as I remember, it was to recommend termination for Maryland.

Now, if Maryland deserves that kind of vote, I don't see how you, in any consistency, can vote any money

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here.

DR. THURMAN: That is not what my word was. I don't think we ought to fire these people tomorrow by terminating all funding, and $240,000 will carry them until their staff can find other jobs.

DR. HESS: You didn't make that proviso with Maryland.

DR. THURMAN: Yes we did. We said terminate it with adequate time.

DR. HESS: Okay, the same general language.

DR. THURMAN: Except to make it worse in Maryland. How is that?

DR. HEUSTIS: I thought the motion we voted on before was we recommended termination, and left it up to the good judgment of the Council to bring about an orderly termination, without out getting involved.

DR. THURMAN: I will rephrase my motion, and let's make it the same as Maryland, but a little worse.

In that way we will have the same terminology, because I think the program ought to be terminated.

DR. HESS: I call for the question.

MR. PETERSON: Let me be sure that I have the motion correct.

The motion is termination at the earliest possible moment.

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DR. HEUSTIS: No, just the termination.

MR. PETERSON: Termination with only such funding as may be necessary to provide for the orderly termination.

DR. HEUSTIS: But you didn't do that for Maryland.

MR. PETERSON: I think what we are hearing now is we are really acting on a kind of generic motion that we will rephrase the Maryland one accordingly.

MR. BARROWS: Funds sufficient for an orderly termination.

MR. PETERSON: It may require slightly more funds than one or the other for the orderly termination, but that is a minimal amount of funds, really.

DR. HEUSTIS: Why cannot we, as a review committee, recommend to the staff, as I understand it, we recommend termination, and the staff, under whatever it deems best, make whatever it thinks is a proper recommendation to the Advisory Council?

MR. PETERSON: As to funds?

DR. HEUSTIS: It puts us firmly on the record as far as termination, and what you do with it is the orderliness.

MR. PETERSON: Termination with such funds as staff finds necessary to make that an orderly process.

That is poorly phrased. We don't know.

MR. NASH: The Department would insist on this, any way.

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DR. HEUSTIS: With such funds as are necessary.

MR. PETERSON: I want to make sure whether it is in the motion or not that we have the sense of that.

Termination is a guillotine.

DR. HEUSTIS: There has been so much pussyfooting around on this thing, I would like to use language so nobody misunderstands what we say.

What they do with the language after that, after I understand it, is fine.

MR. PETERSON: I think I understand the language.

DR. HEUSTIS: I am glad you do, but do you have a vote on the Council?

MR. PETERSON: No, I don't.

DR. HEUSTIS: I would like to be sure the Council understands what we say.

MR. PETERSON: I will reduce the motion to one word, which will be "termination," and we will supply appropriate parentheticals.

Again, I am just trying to get a sense here.

MR. BARROWS: It is very important to avoid an appearance of capriciousness and arbitrariness on our part that this termination be provided with whatever is necessary for an orderly termination.

MR. PETERSON: Early, orderly termination. Termination with only such funds as is necessary.

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MR. NASH: Any program that I have ever seen in HEW that has been terminated, the Department insists on an orderly termination.

MR. BARROWS: We should mention that.

MR. RUSSELL: RMP would go to any RMP and say send us your plans for going out of business.

DR. TESCHAN: They will either roll over and die, or scream and come in here with all kinds of important resolutions.

I wouldn't mind July 1 in that sort of situation to review if they have more life than we have seen in two years.

MR. PETERSON: On both Maryland and Nassau-Suffolk I have a sheet of paper in front of me, I am filling in the last few figures on, in both cases I am showing the figure of equal to or greater than zero.

There is a motion now.

All those in favor of the motion raise your hands.

(Showing of hands.)

MR. PETERSON: It is unanimous.

MR. BARROWS: This will include the proposition we faced on the impact on the new program.

DR. HEUSTIS: This has the same reasons Maryland had.

MR. PETERSON: The set of problems are not all that

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different.

Grantee Number 1 is of a different order. It is not a Johns Hopkins with a grantee domination vis-a-vis the RAG, questionable leadership, and certain results of no significance.

Well, we are down to the wire now with just the Susquehanna Valley, which is the central part of Pennsylvania.

Let us move ahead.

Joe, you were one of the reviewers here. I wonder if you wanted to lead off.

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HEW REGIONAL MEDICAL PLAN FOR THE

SUSQUEHANNA VALLEY

MR. de la PUENTE: This is an application for $721,606.

On July 1 they are going to come in for $705,000. They have 14 positions, including three physicians devoting 25 percent of their time to staff functions following the recommendation of management.

They have been successful in filling three additional key positions with former RMP staff who are rejoining the program.

The present request is for a fully viable program. Their activities are addressing themselves to the Regional, what the Board concedes as need in the primary health care, availability of services for room area and accessibility to the urban service.

They are with the Pennsylvania Medical Society, which is providing excellent physical management sources.

The staffing pattern coincides with their program.

Many parts of their program are grants. The grants present an opportunity for realigning their staff pattern in a manner which coincides with their new plan.

The present application is for support of their positions from July, 1974 to June 30, 1975, as well as two months of support.

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Their July 1 application will emphasize project support.

At that time they will present approximately 18 projects presently under review by their Regional Advisory Board.

While they represent present activities, their application does not include comprehensive updating of their plans.

I have not seen anything as to how they are updating their plans.

They intend to continue the AHEC activity in South Central Pennsylvania, as well as the Area Health Education System in North Central Pennsylvania, and the ambulatory patient dialasis is also going to be continued.

What they are going to do as far as new activity is concerned, is to facilitate the development of Regional Health Authorities, and adequately address the need of integrated functions of health plans, implementation, and regulations.

As they develop their plans they will have active participation of the B agencies in the Susquehanna Valley Region.

One of the major concerns regarding this Region is the evaluation of their activities.

This is the problem I have with this Region, how

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do they evaluate what they are going to do, and how do they decide what they are going to do next, and what are their priorities.

SISTER JOSEPHINE: I have some of the same problems that Joe has.

As I looked over the proposal I got the impression that they got on the bandwagon very quickly to phase out the program, and they ended up with three people from 22.

Then they hired, and they are at a level of 14 now, and they propose to build it up to the original level, and they realize when they get the whole group in they are going to need to develop them to have some program to work on.

All they are going to do now is to tie up for a poor staff and a development program which is the only thing, a development to develop that corps staff so they will be able to identify some projects, but there are no plans for how they are going to implement the projects, or how they are going to develop the project.

This creates a real problem for me.

MR. de la PUENTE: Maybe staff can help us.

What was the story?

SISTER JOSEPHINE: Another thing here, too, their past performance, there are three things that they identify, and one is that they have been able to elicit grassroots involvement, but you don't know.

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They talk about the coronary units which were one of the first types of things, which began when the program first evolved. There were five. Now there are 30.

They had a management consultant firm come in and help them learn how to develop a program.

I feel they are very much in the same place as when they first started the program.

MR. BARROWS: Sister, you better be careful. You are going to acquire a reputation of a hanging judge.

DR. TESCHAN: She is helping us to be one.

SISTER JOSEPHINE: This is the way I have to read it. They are going to get the kiss of death any how.

MR. STOLOV: I thought maybe Tom would comment since he was on the management assessment.

My visit was the last visit, where the RAG met on this application. I could supplement maybe what the reviewer had to say.

MR. SIMONS: We were up there in January. There were two people at that time, plus the secretary.

There was the Acting Coordinator, the Fiscal man, who has been there since the day one, I suppose, and the secretary.

They had spent the entire year of the phaseout doing absolutely nothing, just sitting there reading the newspapers.

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MR. PETERSON: In Harrisburg?

MR. SIMONS: They were reluctant to hire people because the Coordinator had almost a paternalistic attitude, although some of the staff wanted to come back. He didn't think they were fair to themselves to want to come back. But now with more money, they will come back, he thinks.

This was just a very inactive operation.

MR. PETERSON: You were at the RAG meeting when this application was considered.

What kind of life did you see?

MR. STOLOV: I attended not only the RAG meeting, but the Executive Committee meeting.

The first thing that impressed me was that it was at the Pennsylvania Medical Society Headquarters, which is in Camp Hill, and the grantee is an ex officio member of the Executive Committee, so most of the people in attendance at the Executive Committee meeting were physicians, and if you are in the Medical Society building, which is quite impressive, but there was adequate participation in the Executive Committee.

This was around April 17, so one of the physicians just paid his taxes, so he was carrying the torch at that meeting, and he was trying to question the Coordinator as to dollar expenditures.

Most of them, I still believe, are similar to one

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of the comments we made in another Region, that this is a funding strategy rather than a program strategy that at this time due to the conservatism -- well, they just appointed a Director at that meeting. He was Acting Director, so there was a sort of sitting on the fence sort of attitude there, as well as due to low salaries that the grantee has in this structure.

This was a negative force. However, the Executive Committee is behind the Coordinator, and the RAG was well attended at this meeting. It was a well attended RAG meeting.

They had minority representation there, and people made their voices known, and after the RAG meeting, and they reviewed the arthritis applications, as well, and we did note some positive progress.

The Chairman was also well liked, and is a good Chairman.

Staff went just like Nassau-Suffolk staff. They were at the position where you are today, because this Region wanted to put its rebudgeting into staff at that time, and they sent us their staffing pattern, and we asked them to link it to their goals, objectives and priorities, but I think, as Tom mentioned, they are very slow to move, and have to have the dollars in hand before they will move, and I think this was a negative point to them.

As to evaluation, this last Saturday they had an

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evaluation.

One of the reasons was one was just appointed a member on the staff. They evaluated the two AHEC's there with outside consultants, and they were at a point where they were handicapped because of the dominance of this medical clinic, and one of the physicians in charge is on the Executive Committee as well, and up to this point they were really handicapped by not performing an evaluation.

However, they did conduct evaluations on Saturday, and the evaluation report will go to RAG.

They did, however, use their outside consultants and staff, and this is the first time they have probably

(8) evaluated something on a scale like they did.

MR. BARROS: It seems to me, from what you have said, what we are dealing with here is essentially a rebuilding of the budget.

Do you think that is going to bear fruit?

MR. STOLOV: I think that we identify about $142,000 in vacancies in this budget, and the question is when you read their narrative, and realize what they went through in the steps they have to take, this is one thing, but they were quite honest to say that they may not fill all of these positions, yet their RAG and Executive Committee gave them authority to go ahead with the strategy.

DR. HESS: Can you tell us more about Chad Holmes?

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Apparently he has been appointed in May of 1974. That is this month.

MR. NASH: That is as Coordinator.

MR. PETERSON: Maybe I could offer a little historical impression of this Region.

One of the first times I visited I spoke to the RAG in the early days of the program, and while I have not been a frequent visitor, I have sort of kept an eye on it. It seems to me this is a program which is in a sense almost like three distinct faces to it.

In the early days when the Pennsylvania Medical Society was still the grantee, but in the early days the first Coordinator was McKencie, and I don't recall the first name, who had been an employee, I think he had been the Executive Director, and at that time there was indeed, a great deal of pulling and tugging between the grantee and the RAG, that was trying to make itself felt, but did not have a great deal of, it seems to me, moxie behind it in there individually, and certainly collectively.

Well, that issue began to get clouded. There is the new medical school over at Hershey, Pennsylvania. I don't recall if the Dean is still there, but despite the fact that the medical school at Hershey was put in the business of training primarily physicians, some of the impressions I got, and I can remember a Dutch uncle talked about that,

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that Harold rolled with some of the people from Susquehanna Valley. The medical school's interest was to get some money to do some things that were pretty, at least some people who knew better than I, was certainly exotic, and totally incongruous with any total primary care.

It sort of shifted from the Medical Society and got clouted by the medical school, and as a result of that Dutch uncle talk they did bring in a Doctor Ector, who was from Philadelphia, and I think he started working in trying to build some sort of program objectives which had never really existed before, but really got caught up -- well, I don't think he had been in the post more than ten or 12 months before the phaseout order came, and I don't know what his motivation was. He didn't stay around very long.

Since that time, Chad Holmes has been first Acting, and now he has been recently confirmed as a Coordinator, but they not only have looked forward to a fairly rapid phaseout, but I think it does sort of reflect a Region which probably never did have much momentum or sense of direction.

There was not too much to reach back to, and Holmes, he was job hunting actively for a while, but with his confirmation as Coordinator, I guess he stopped doing that.

DR. HESS: Was he the fellow sitting around twiddling his thumbs?

MR. PETERSON: I assume so.

Well, any way, they got down to the Acting Coordinator or Finance Officer to close the books, and the secretary to do the typing, and they all read the newspaper, according to Tom.

Holmes was there the whole time.

DR. HEUSTIS: Is there anything there worth salvaging?

DR. HESS: No point in trying to gear up a program for a phaseout.

MR. PETERSON: Do we have any idea?

Susquehanna Valley has indicated they are asking for a little over $700,000 now, which is about their current level, and they have indicated they are going to come in with another $700,000 package.

Any idea of what it specifically looks like?

MR. de la PUENTE: They talk about improving the quality, the high quality care in the Valley Region.

The Second Region is to improve the high quality health care, and then they speak of each mission, and how they are going to do it, so I think in here an awful lot depends on what they come up with in the other application.

How they do that I just don't know.

MR. STOLOV: There are some plusses, when they started getting rejuvanated that they have supported the B agency directors at one of the B's previously not supported, and his

name is in, referred to by the budget staff.

The second point is the Region is in the State Capital area, actually, and there is a need in that area to coordinate with the three unidentified B agencies, and the RMP.

I believe this Coordinator can do it. He has the personality. He has a Master's in Theology. He calls it theracit medicine.

Any way, he is well liked, and the other point I want to mention is the RAG Chairman is a specialist in cardiology, quite devoted and a good leader, and he has the RAG support at this go around.

MR. BARROWS: Would it be fair to say at the minimum this will be a built-in block for the transition if we keep this program going?

MR. STOLOV: I would ask the Committee to encourage that.

When Doctor Ecort left, prior to his leaving they were going to come in for a triannual. They actually had 100 applications in-house. This is an indication of some identity in the community.

What they plan to do is to try to bite on some of those back applications.

MR. BARROWS: Lets give them a reasonable budget and see what they come up with in their next one.

DR. TESCHAN: That sounds great, except what I think I have heard up until now, until you just said what you just said up to now we are going to need a couple of Dutch uncles.

One did not carry very far here, so it seems to me that the Chairman and the Coordinator, or whatever else needs to be invited down here has to come, and you have to line up and lay it on in terms of what needs to be done up there.

MR. BARROWS: Could you give them a transcript of this discussion?

MR. PETERSON: I prefer not to do that.

DR. THURMAN: As you look at their budget, what they have proposed is $498,000 in staff, $95,000 in definitive projects, and $127,000 in grantee administrative costs.

Going along with what Mr. Barrows said, why not think about $95,000 for the definitive projects, because most of them are transitional projects for a few agencies, and added to that, $250,000 for program staff.

I am making a motion that we not terminate, but we ought not to commit this kind of money until we see what is going on.

MR. BARROWS: Your recommendation makes a lot of sense.

We have a good Coordinator. We have a good RAG guy up there. I think the two give you a ray of hope.

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MR. STOLOV: And the grantee follows the financial practices as to their philosophy and their whole salary is something else.

DR. TESCHAN: You will need a bellows in addition to the dollars to get them started.

DR. HESS: In circumstances like this I wonder if maybe I am just thinking here, if he could somehow learn a little something from the fellow in Rochester, Peter Mott, as judged by the grant application, and I never met the man, except I like the way he thinks, as represented in the application, that organization that is there, and the way he got that thing lined out, I wonder if a little apprenticeship with a first rate Coordinator, and looking at what a first rate Coordinator does with an application, if it would not be helpful saying, you know, much more than you have to do better. He needs some direction as to how to do better.

I gather from what you say he has the interest and motivation.

MR. STOLOV: He did expand from three to 14, and a lot of his staff are following him.

He does have some leadership that did come to work for him.

MR. PETERSON: Let me make sure what figure you were coming up with, Bill, and what the basis for it was.

You said leave the $95,000 in projects?

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DR. THURMAN: $250,000 in programs staff activities which would also bring then $60,000 in grantee administrative costs which is $310,000 and $95,000 they have asked for in the projects they have, which is $405,000, so why not $00,000?

That will not make him lay off any of the 14. It will give him some room for expansion in that 14. This will carry his projects, and pay his overhead.

MR. PETERSON: And try and see what their July application looks like in terms of any hint of a program there.

MR. BARROWS: Is there any way of getting the reasoning to them?

Could you do that, Jerry?

MR. STOLOV: We have to send a policy feedback to the Coordinators, but we expect whatever comes out of this --

DR. HEUSTIS: There are only about three or four instances in all of these discussions we have thought there might be some real value to get some information back reasonably soon.

Would it be possible for the staff to discuss this with the higher ups, to see whether or not, in a very small number of cases an exception to the general rule could be made, and that maybe some of these people could go?

DR. TESCHAN: I have a question.

Our recommendation is to Council who has charged

us, and it seems to me if Council says we don't want any part of that, we will do this.

DR. HESS: I recommend staff do that.

MR. PETERSON: Your recommendation is for a feedback?

DR. HESS: No, officially.

DR. THURMAN: That letter you signed made us report to the Council.

MR. PETERSON: You have an official legal status now. You are legal.

DR. HEUSTIS: Shouldn't they give us a copy of that letter to make it legal?

DR. TESCHAN: It is a little techinical point, and we might be overridden by Council.

DR. THURMAN: Staff has the option to ask if Council approves, ask somebody to go with them to explain all of this. The staff can ask about that.

MR. NASH: If Council approves this, and of course, this information goes to the Advisory Letters, you know.

MR. PETERSON: I thought I heard Al say something different.

Here and in a few other instances we won't have Council action until the 14th or 15th. I don't know if it makes any difference, but I thought I heard Al suggesting if it is agreed at a higher level.

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DR. HEUSTIS: I gather from the discussion there was no great enthusiasm for the suggestion I made, so forget it.

DR. HESS: There was, indeed.

DR. HEUSTIS: My suggestion is, as soon as possible after this meeting, that in a very small number of instances where you believe it important, that the staff seek the approval of a higher level in this organization to at least informally discuss with the local people what we have talked about in those instances where it will be thought to be beneficial to the program.

DR. THURMAN: I second.

MR. BARROWS: I move it.

MR. PETERSON: In this instance if it is concurred in by Dr. Paul that we would get back to, I hope, if the RAG Chairman is an impossible mover, indicate to them in frank terms the Review Committee's recommendation will still have to be looked at by the Council, That we have serious reservations about the Susquehanna Valley program, but would be looking at their July application largely in terms of whether there is any indication of some kind of program being performed there, and they need to keep that in mind.

I don't think they are going to generate any new projects, but it may make a difference in terms of their priorities, and how they present what they have in the pipeline

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now.

DR. HEUSTIS: When is the deadline?

MR. PETERSON: July 1, but for most Regions this means their RAG's are going to be looking at things. Most of them are scheduling meetings in mid-June, or early June.

MR. RUSSELL: We have a precedent and can handle this and accommodate the concerns of this group.

What I hear this group saying is that there should be a staff visit.

MR. PETERSON: Maybe we ought to ask Holmes.

MR. BARROWS: Let's clarify this thing.

We are not preempting the role of the Council, or reporting decisive action, but we do feel under some obligation to help the programs.

We think it would be in their best interest to know some of the concerns and some of the reasoning that went into this discussion.

What they do with it is their own business, and we are not reporting any definitive action.

DR. TESCHAN: The site visit isn't the term.

MR. RUSSELL: It is a staff visit.

MR. PETERSON: I think in some ways it is particularly more effective since we are not that far away. Harrisburg is a little over a two hour drive, and let's see if we can't get the Chairman and Dr. Holmes to come down for a half day

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visit.

Sometimes the direction in which you move is most helful.

DR. THURMAN: Excellent.

I call the question.

MR. PETERSON: The question is on a $400,000 recommendation for Susquehanna Valley with the communication to Holmes, the Chairman, that he meet here as soon as possible.

Does that meet with your concurrence?

DR. HEUSTIS: The appropriate division of that within program staffs and projects.

MR. PETERSON: All in favor raise your hands.

(Showing of hands.)

MR. PETERSON: The vote is unanimous.

MR. NASH: Remind them of the confidentiality of deliberations particularly in the case of Maryland.

MR. PETERSON: Yes, particularly Maryland and Nassau-Suffolk Counties.

Are we agreed then that we will try to get together at 8:30 tomorrow?

I will have something in some kind of rough shape to pass around then.

We are planning, according to the last communication I got from the other side of the wall, to reconvene as a single group, or as a whole, between nine and 9:30 tomorrow.

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One final thing, if there are any of these, particularly as they relate to Nassau-Suffolk and Maryland that have not been turned in, please let me have them back.

We will meet again at 8:30 tomorrow morning.

(Whereupon, at 5:50 p.m., the meeting adjourned, to reconvene at 8:30 a.m., the following day.)

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