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DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

PUBLIC HEALTH SERVICE

HEALTH RESOURCES ADMINISTRATION

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THIRTY-FIRST MEETING OF THE

NATIONAL ADVISORY COUNCIL ON REGIONAL MEDICAL PROGRAMS

- - -

Executive Session

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Converence Room M
Parklawn Building
3600 Fishers Lane
Rockville, Maryland

Monday, November 26, 1973

The meeting convened at 3:20 o'clock, p.m., Dr. Herbert Pahl, Acting Director, Regional Medical Program Service, presiding.

COUNCIL MEMBERS PRESENT:

MRS. AUDREY M. MARS
GEORGE E. SCHREINER, M.D.
MR. EDWIN C. HIROTO
DR. LAWRENCE FOYE
JOHN P. MERRILL, M.D.
BLAND W. CANNON, M.D.
MRS. MARIEL S. MORGAN
RUSSELL B. ROTH, M.D.
BENJAMIN W. WATKINS, D.P.M.
MR. SEWALL O. MILLIKEN
MR. C. ROBERT OGDEN

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10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

C O N T E N T S

Projects	Page
Northland	11
Motion	16
Vote	17
Hawaii	18
Motion	33
Vote	35
Arizona	37
Motion	40
Vote	43
Louisiana	43
Motion	47
Vote	47
South Dakota	47
Motion	51
Vote	52
Colorado-Wyoming	52
Motion	55
Tri-State	59
Motion	66
Motion	70
Vote	80

P R O C E E D I N G S

DR. PAHL: May we reconvene the Council, please.

At this point I would like to turn the meeting over to Mrs. Silsbee, who will lead us through what we have been trying to get to for sometime today, and she has it well organized, which is no mean matter in view of the circumstances that a number of people have rearranged schedules, and so forth. So without further ado, I would like to have Mrs. Silsbee conduct, if you will, our session here on the actual review of applications and discussion of those areas that we think are important for you to consider.

Judy.

MR. OGDEN: I want to enter a complaint on behalf of one minor member of this Council in that I desperately miss the existence of the review committee. I think a great deal of what we are facing from here on out in this executive session is something that the Council shouldn't be doing. And a good deal of what Judy is doing of necessity is being brought to us at sort of a last minute situation.

Much of the discussion that we had this morning about the thrusted purpose of this program is what we ought to be spending our time on. That is what we should be doing. Not trying to review ten applications which are in a somewhat imperfect state and make value judgments individually, which we hope other people will accept.

1 I hope that this is the last time that we function
2 without an effective review mechanism before these things get
3 to the Council.
4 DR. PAHN: Thank you. I appreciate that statement
5 more than I think you can possibly realize.
6 We undoubtedly have the opportunity now, if what
7 we discussed this morning holds true, of reestablishing such
8 a committee. And it is our interest and we know it is yours
9 to have such a group. In fact, if we cannot formally reestab-
10 lish the committee, we have a fall back position of trying to
11 constitute an ad hoc group, if you will.
12 But we sorely feel the need to give both you and our-
13 selves that kind of professional assistance and overview, and
14 we have sorely missed it. So I appreciate that statement
15 and I am sure we didn't really bring it up as an agenda item.
16 I think it is most appropriate.
17 MRS. MARS: Under the current legislation, can it be
18 reestablished?
19 DR. PAHN: It is not a matter of the legislation.
20 It is a matter of Departmental policy, which is in part govern-
21 ed by a federal policy now for reducing and eliminating
22 where possible those kinds of review groups that don't seem
23 to be necessary.
24 Ken has his hand up, but I believe it is promulgated
25 by the Office of Management and Budget and is being enforced

1 by them across the federal government. And, of course, HEW,
2 apart from Defense Department perhaps, has more review
3 committees, study sections and advisory panels, I suspect, than
4 any other department.

5 It is very much in the OMB's purview to look at the
6 functioning and need for such groups.

7 Now, the reason that the review committee was term-
8 inated, of course, was that there was a phase out of RMP. In
9 all honesty, with other matters pressing, we did not try to
10 revise the Department's impression on that point, because we
11 felt we had some higher priority issues to bring to their
12 attention. We have not had the opportunity even to get those
13 full attentioned by the Department.

14 But at this stage, with what seems to be the future
15 of the program, however tenuous, we already have, as I say, dis-
16 cussed not only our interest but our need for and are making
17 the kinds of plans internally to see if we can't reestablish
18 a standing committee and failing that, if we can't call together
19 groups that are functioning in the same fashion anyway.

20 MR. OGDEN: We have excellent staff people, those
21 who remained I think are highly experienced people who can do
22 a great deal of this themselves.

23 You certainly have regional people who can give us
24 this kind of input prior to the time it gets to Council.

25 DR. PAHL: That's right.

1 MR. OGDEN: And they need to be coming around review-
2 ing this with each of us before it got down to this point in
3 discussion.
4 MR. MERRILL: I think policy matter, you could make--
5 a review committee would save a lot of time.
6 I am sure the eight to ten hours I spent reviewing
7 this were absolutely wasted, could have been saved for toher
8 matters if you had a review committee go over the leg work.
9 DR. PAHN: There is every good reason, and I would
10 say we are in accord with your statement and understanding, and
11 the only problem we have is a federal overview one, which is
12 even beyond the control of the Department. But we will do what
13 we can because we certainly are in accord with it.
14 Is there further discussion?
15 MR. HIROTO: Inasmuch as there are many vacancies on
16 the Council at the moment, perhaps those vacancies might be
17 filled with people who have a review capacity and they could
18 become a subcommittee, something of that nature.
19 DR. PAHL: We have taken into account that very point
20 in making nominations for the Secretary's consideration, and
21 if our nominations were to be accepted, a number of individuals
22 would already have first-hand RMP experience, because they come
23 not only from former review committee members and possibly
24 former Council members, and ones who have served local RMP's in
25 various capacities, so we are very hopeful that the Secretary

1 will help us move ahead quickly by accepting some of the nom-
2 inations.
3 Well, thank you very much, I do appreciate that.
4 MRS. MORGAN: Do you think we should go on record
5 on the fact we do have a quorum of the members who are on
6 Council present, although maybe not a quorum of the total
7 number who should be on Council due to the Secretary's lack
8 to appoint members to the National Advisory Council?
9 DR. PAHL: Yes, I think it is perfectly appropriate,
10 because we have investigated this with the Department and I
11 wouldn't want to leave you under any misunderstanding. We
12 do have a quorum of the members who are actually serving on
13 Council and it is Departmental policy, which we have looked
14 into and discussed with the Department's Committee Management
15 Office, that this does in fact constitute a quorum for this
16 Council and we can conduct the government's business.
17 Mr. Baum, in fact, has conducted this inquiry and has
18 confirmed this Departmental policy in writing, so we are not
19 operating without a quroum.
20 All right, Judy, would you please take over.
21 MRS. SILSBEE: I am beginning to feel like RMP
22 coordinators, trying to do the flipflops to keep up with this
23 review.
24 This is the first time we have had 53 applications in
25 one meeting and we had to take a choice between allowing the

1 regions more time to prepare their applications when we sent
2 out the September 7th instructions, the choice was between the
3 regions and staff and Council. And we felt that under the
4 circumstances, the regions probably needed the time. So we
5 apologize for the fact these green sheets had to be here wait-
6 ing for you rather than set to you at the time the applications
7 went out, but we were undergoing a review at the same time they
8 were being mailed to you.

9 Just as a little background along this line, there was
10 a staff group within RMPS that looked over all 53 of the appli-
11 cations. This included the four Operations Branch chiefs,
12 Mr. Peterson, Mr. Ott, Mr. Chambliss, and Dr. Pahl. The
13 latter two were not present all the time, but as they could be.

14 This step of an overall group served to identify and
15 develop some uniform type considerations of the problems and the
16 issues that these applications presented:

17 For example, the kidney projects, the fact that some
18 regions indicated that the technical review had been completed
19 but the RAG was not going to have a chance to look at everything
20 until after the application was sent forward to us.

21 The requests that were over the allocated amounts
22 for which regions were instructed to apply.

23 Negative CHP comments if there were some.

24 CHP comments to come, because not all regions were
25 able to get the comments in with the application.

1 The status of the review verification of the region.

2 The lack of full-time direction.

3 And then some tougher problems.

4 This overall staff review tended to screen out the
5 problems which needed attention immediately. These were regions
6 that we felt needed some attention with regard to these particu-
7 lar applications.

8 Then in addition, this process screened out those
9 regions which might need attention if additional dollars are
10 forthcoming or mandated by court.

11 The actual analysis of each application was decen-
12 tralized to the operations officer who is responsible for that
13 RMP.

14 The green sheets that we gave you this morning for
15 the regions that you were asked to review and are also included
16 in these four books in front of you reflect the above consider-
17 ations for the most part. The discussion today may bring out
18 others which are not reflected.

19 Time has been very short and staff has worked hard.
20 The operations officers, the branch chiefs, the support staff,
21 and the coordinating staff have worked overtime I think in
22 terms of effort and deliberation.

23 I would like to call attention particularly to some
24 support staff who often have the unglorious job of making sure
25 that pieces of paper are available and on hand in time, but

1 don't have the public recognition that the operation staff
2 has in being able to talk with you and to talk about the
3 specific RMP's.

4 So I would like to publicly thank Mrs. Edith Leaven-
5 thau, Mrs. Filimina Green, Mrs. Joan Williams, and Mrs. Shirley
6 Simon. This staff has done a tremendous job. Friday afternoon
7 we made it. We didn't think we were going to, but we did.

8 We started out with the plan today, that is
9 why we have these four books, we were going to go through
10 each of the books by operations branch with having an opera-
11 tions branch chief identify those regions which staff elt need-
12 ed some attention, and then to give you a briefdescription.
13 Because, Mr. Ogden, we are concerned too that we don't have
14 the review committee, nor does this Council at this point have
15 very much first-hand experience with the 53 regions.

16 Then our plan was to go first with the South Central,
17 then with the Western Operation, then with Eastern Operations,
18 and finally with the Mid-Continent.

19 Well, the plan was slightly changed when we knew
20 that Dr. Cannon and Dr. Merrill would only be with us for
21 today, and added to that was Dr. Roth, so that plan went out
22 the window. So we started with another plan.

23 (Laughter)

24 But I want to call attention to these books, because
25 unfortunately, with that plan, that is the way we put materials

1 together, so we are going to be jumping from one color to the
2 other.
3 But the way we are going to do it this afternoon
4 is to identify those regions by branches that we think -- we
5 think -- might need some attention, and then we are going to
6 ask Dr. Roth, Dr. Cannon, and Dr. Merrill if among the other
7 regions -- and I will read them out -- that they have been asked
8 to review, that they feel need special discussion, or whether
9 we can hold this off until tomorrow.
10 We would like to have what we have identified as the
11 problem regions looked at by this larger group if that is all
12 right with you.
13 So we will start out with the South Central Branch, and
14 that is blue.
15 The region which we identified that needs some special
16 attention is Northland. Mr. Van Winkel will give a brief over-
17 view and then we will ask Dr. Cannon and Mr. Ogden if they have
18 any discussion or any action they would like to propose.
19 MR. VAN WINKLE: Well, if I could, I would like to
20 start off by saying the staff review was done by looking at
21 all the things Judy mentioned, I think all of us.
22 The staffing, the review processing, liability of RAG,
23 CHP review and comment, their ability to find other sources of
24 funding, their ability to respond to new initiatives, we flag-
25 ged kidney as a special part of the review, we looked at their

1 past performance, and we looked at it in terms of whether they
2 were in accordance with Council and RMPS policy.
3 Now, what I would like to do is not make a lot of com-
4 ments about each of these and go only by exception and if you
5 don't hear of those things, you know that they are fully cov-
6 ered in the application, if I might.
7 Our concern with Northland I think was the fact that
8 when they phased down, they really phased down. They wound up
9 with one professional staff and a couple of secretaries, Mr.
10 Wilkins who had been the Deputy Coordinator under Dr. Miller.
11 Now, when they got word that they had some new life
12 breathed into them, they didn't have time to recruit new staff,
13 nor could they possibly have recruited new staff for that time
14 period. So what they have done, they have used RAG and board
15 members as staff to develop projects, part of their contract
16 offerings, this sort of thing. So on the one hand, these
17 people are developing projects, doing the staff work on them,
18 and then sitting on the other hand in the process of reviewing
19 their own work, so to speak.
20 Now, we have checked this out with management in
21 terms of paying these people and we find that there is nothing
22 illegal about this.
23 I suppose what we are raising is a moral issue or
24 possible conflict of interest as to whether this should be done,
25 and it is the staff's feeling that the Northlands RMP should

1 recruit needed program staff so as to elminate any possible
2 criticism on the use of board members and RAG members as paid
3 staff.
4 There is a kidney project in here where the region
5 will have to be alerted as to the new regulations that Mr. Spear
6 discussed this morning.
7 They have requested their full allocation of
8 $458,586 to support ten activities, and we recommend approval
9 of this application as submitted with advice on the staffing,
10 and we have some difficulties with their bylaws. They are not
11 totally in accord with the NID that went out with reference
12 to bylaws that was sent out by this Council.
13 MRS. SILSBEE: Mr. Milliken.
14 MR. MILLIKEN: I think this is related to something
15 some of us are concerned about, have talked about. This is
16 the ability of the staff, this staff, as sparse as it is,
17 to provide the kind of surveillance necessary to assure this
18 Council and staff that if at any point in time there is evi-
19 dence of an inability to deliver on these in the right way, that
20 this be brought to proper attention.
21 MR. VAN WINKLE: Could I respond to that? Certainly
22 in any areas where we thought we had difficulties, we are in
23 touch two or three times a week by telephone with these
24 regions. We also had an opportunity to visit a great number
25 of these regions on the EMS issue and also on the health

1 education activities. So we did have first-hand knowledge
2 of many of these problems.
3 I think we stayed up with them fairly well.
4 These will be revisited under the schedule that Dr.
5 Pahl mentioned to you this morning, we hope to bring back to
6 you at the March Council or whenever that happens to be.
7 MR. MILLIKEN: I think even more, I am thinking
8 about certain questionable regions would get more attention
9 if they are running on a more questionable basis.
10 MR. VAN WINKLE: That is absolutely true.
11 MRS. SILSBEE: Mr. Milliken, we shared some concern in
12 terms of this particular period of time, this process is try-
13 ing to identify those, we feel may need some special attention.
14 We also recognize that we aren't really on top of all 53 and
15 we have been able to identify those that don't have the review
16 process. We have some that have been identified as having
17 known management problems. We will be trying to bring that
18 out as we go along. But we too feel we have a lot of spade
19 work to do to assure you as Council that these regions are on
20 top of things.
21 But in terms of this particular application, Dr.
22 Cannon had to go out and make a phone call, but, Mr. Ogden, do
23 you have any comments?
24 MR. OGDEN: I would just read you my notes, which were
25 based largely on the yellow sheets which came out, which I

1 agree are useless, being what they had before. On the back of
2 the material sent out.
3 This I felt was a well presented application and
4 I thought it demonstrated considerable advanced planning,
5 which has been typical of Northlands all along.
6 MRS. SILSBEE: Mr. Ogden, could you speak up?
7 MR. OGDEN: My notes simply read this is a well
8 presented application demonstrating considerable thoughtful
9 advanced planning typical of the Northlands effort.
10 Again, Northlands has used a contractual approach in
11 what appears to me to be both constructive and a successful
12 manner.
13 After review by the RAG and allocation of perspec-
14 tive funds to the several categories, the funds for EMS activi-
15 ties were negotiated for five CHPB agencies for implementation
16 to state plans and Minnesota State Department of Health for
17 statewide coordination of the EMS effort.
18 Funds also were allocated to seven community based
19 groups for health education and to two CHEC's, at University
20 of Minnesota clinic; 15 contractees, who have potential
21 statewide impact, same situation. Kidney hypertension.
22 Application indicates if additional funds are avail-
23 able on January 1st, a similar technique will be followed.
24 My opinion, this is an application well deserving
25 of full funding, but I would recommend that the RAG needs to

1 evaluate the cohesiveness of the program.

2 MRS. SILSBEE: Dr. Cannon, as I mentioned, had to

3 make a phone call and before he left, he whispered he

4 would go along with approval as requested.

5 Do you want to make a motion, Mr. Ogden?

6 MR. OGDEN: I will move that the application be

7 approved for the funds requested.

8 MRS. MORGAN: I second it.

9 MRS. SILSBEE: For the record, the funding that is

10 being requested by Northlands is $458,586.

11 There is a kidney proposal and there will be follow-

12 up with regard to the staff and the bylaws.

13 Before we go on to another application, it is pro-

14 posed, when we mentioned kidney here, that there will be a

15 statement made that the RMP may not release funds for kidney

16 project X, which is being identified, to support a new

17 facility, a new or expanded services in an ongoing facility,

18 until the facility receives interim approval or exception from

19 the Bureau of Health Assurance, Social Security Administration.

20 Now, the other regions that either Dr. Cannon, Dr.

21 Roth, or Dr. Merrill have been asked to review, as one reviewer,

22 in the South Central Operations Branch, are Florida, Georgia,

23 Memphis, Michigan, Mississippi, North Carolina, and Ohio Valley.

24 If you have any points that you would like to bring

25 up or would like to have those regions brought forward now,

1 would you speak up.

2 DR. PAHL: Pardon me. Judy, in the press of time,

3 I think, although they did move and second, we are just moving a

4 little too rapidly. We should take a formal vote, all in favor

5 say "aye," just for the record.

6 (Laughter)

7 I know I talked too long this morning, but

8 you shouldn't feel that pressed for time.

9 DR. ROTH: Also parliamentarian.

10 MRS. SILSBEE: All in favor?

11 (Chorus of "ayes.")

12 MRS. SILSBEE: Opposed?

13 (No response.)

14 MRS. SILSBEE: Motion is carried. Motion that was

15 before I talked too much.

16 (Laughter)

17 MR. OGDEN: Incidentally, before we leave that, I

18 should have mentioned in reading through this material, I looked

19 on RAG, board member, staff, purely as emergency measures and I

20 can't imagine they looked on it any other way.

21 MRS. SILSBEE: Okay. In the absence of anyone want-

22 ing to bring up those other regions at this particular time,

23 we will bring them up when we get through with this other group.

24 In the Western Operations Branch, two regions that

25 were identified as needing some discussion were Arizona and

1 Hawaii.

2 Mr. Russell.

3 MR. RUSSELL: Do you have any preference which one to

4 start with?

5 MRS. SILSBEE: How about Hawaii?

6 MR. RUSSELL: The Hawaii regional medical program

7 presents some very special and serious issues. Just in the way

8 of background for those of you who haven't had an opportunity to

9 read the yellow sheet and green sheet, both of which are quite

10 lengthy, when Council reviewed the Hawaii application in

11 October, the program was approved for triennial status. How-

12 ever, Council chose not to award the developmental component for

13 the first year since the program had just recently revised its

14 review and management processes and Council felt, rightly so,

15 that the program would need at least a year to really test

16 their new procedures.

17 As a result of an EMS visit, site visit in June, we

18 found the program had deteriorated substantially since we had

19 last looked at it, when we site visited it and had taken it

20 through Council review; we were encouraged through the regu-

21 lar processes, a review, staff assistance following review,

22 that we could have continued to assist the program.

23 The basic problem as we see it is a lack of leader-

24 ship in the area of management. Specifically, the director

25 is on a 40-hour basis. However, his 40 hours are not

coterminous with the regular office hours. Therefore, he is not literally available to his own staff or to RMPS staff.

The director seems to place more emphasis on the individual staff members standing in the community rather than on professional competence. I do not mean to imply there are not competent program staff members in most cases.

The program staff has limited rapport as far as management goes with the director. Those who do choose to question him wish they hadn't.

The director has two sets, at least two sets of management philosophy. One is that in the presence of RAG members, as best we can remember, he readily admits recognized management practices should be used in the conduct of a regional medical practice. However, when, under local pressure in the decision making process, he reverts to other than sound management practices. Quite frequently he will point out to RMPS staff that the multi-ethnic background of the people in Hawaii precludes objective management practices.

It appears to us that the director gets his power from the amount of money available to the program, rather than from his Regional Advisory Group.

We have worked with him quite closely on this to try to get him to use his RAG as the buffer between the decisions that are made and the community.

Due to the absence of the director during regular

1 office hours, we have to rely very heavily on the deputy
2 director, whom we haven't had the opportunity to really watch
3 him in a situation which demonstrates his effectiveness.
4 As a result of the inadequate management of the
5 very large emergency medical services project, RMPS, with Bureau
6 approval, chose to transfer that project from the regional
7 medical program, pull the administration back to the central
8 level, and with coordination of the Emergency Medical Services
9 Branch have gotten that branch now to direct it from a pro-
10 grammatic standpoint of view.
11 And the EMS Branch visited the Hawaiian Medical
12 Association shortly after the transfer and he said already
13 the improvement was very, very noticeable.
14 So the point I am trying to make is the Hawaii RMP
15 really failed to adequately handle a very large segment of
16 the program.
17 The next issue, critical issue, at the local level,
18 national level and regional level, being HEW regional level,
19 is the Community Health Services project in the Waianae ,
20 coast area, which is an underprivileged area. We have pointed
21 out in the paper here that the Community Health Services out of
22 San Francisco, after months of negotiating with the Waianae
23 . Board, that Board is responsible for administering pro-
24 jects not only from RMPH but other federal funds, Community
25 Health Services has laid out specific conditions on the family

1 Health Center project. If the board does not accept these
2 conditions, then the Community Health Service will have to
3 terminate its support.
4 The board has had, oh, 15, maybe 20 days in which to
5 respond. They had to respond within 10 as of Friday. We under-
6 stand that the Waianae Board had not responded and the
7 scuttlebutt is that they will not accept the Family Health
8 Center-Community Health Services Conditions.
9 If that is the case, then the Waianae Coast will
10 not get the $400,000 for the Family Health Service project.
11 Now, the RMPH involvement in the Waianae Coast
12 has been significant. Effective as a catalytic agent, it was
13 supposed to help with administration of the board to get it in
14 shape.
15 The first conflict that we noticed was when the Com-
16 munity Health Service would not accept the project director--
17 this gets complicated, so stop me if I lose you, please -- it
18 has taken me a couple of years to get it straight -- the
19 Waianae Board is a voluntary board, its administration,
20 some of its aspects have been funded by the Regional Medical
21 Program of Hawaii. Now, the board in turn appoints its adminis-
22 trator, who is salaried. That administrator automatically
23 becomes the project director for the projects coming into the
24 Waianae area.
25 The Family Health Service project would be one.

1 However, the Community Health Service would not
2 accept that individual, because he did not have the background,
3 in marketing a prepaid plan, so on and so forth.
4 The Regional Medical Program of Hawaii was providing
5 that individual's salary. The director of the Regional
6 Medical Program, for whatever reasons, political or what, en-
7 dorses that individual. And so here is where the RMP got
8 involved and additional conflict came about.
9 During the last site visit, the site visit team,
10 and this was fed back in writing to the Council from the
11 Council's review, stressed very strongly the Regional Medical
12 Program of Hawaii had primary responsibility in seeing that
13 the EMS project in Hawaii was successful and that the RMPH also
14 had primary responsibility in seeing that the total program
15 of the Waianae Coast was held.
16 They were, you know, instructed to provide surveil-
17 lance to help that group meet the other problems.
18 From all appearances, the RMPH has failed in that
19 area too.
20 Now, I will stop at this point and respond to any
21 questions.
22 DR. ROTH: Geographically, where is the Waianae
23 Coast?
24 MR. RUSSELL: North of Pearl Harbor, 45 minute
25 drive from Honolulu. Used to be a large sugar plantation,

1 which closed down. Left a pocket of poverty.

2 A VOICE: On the Windward Island.

3 MR. RUSSELL: Same side as Pearl Harbor.

4 DR. MERRILL: I have a couple of comments, having

5 read this application, give more of the flavor of the vital-

6 ity rather than factual information which I clearly agree.

7 I must say it is a very weak application, couched

8 in very general terms without in my mind evidence of careful

9 planning. And it looks certainly, at least the first part

10 looks as if it were made to fit very carefully into the so-

11 called categories.

12 I note with interest at the end of fitting it into

13 the categories, they then resolve the thing, that these cate-

14 gories do not reflect the needs or concerns of American

15 Samoa, Guam, and territory trust care and would like to go

16 back to earlier guidelines.

17 But I think on the whole, the application reflects

18 kinds of weakness of construction and gives me the idea the

19 activity in Hawaii is not a vital and vigorous one.

20 MR. RUSSELL: I think that is correct.

21 I would like to say as I tried to point out in

22 the green sheets that the PacificBasin has really been a

23 most exciting program, and it is for all practical purposes a

24 separate program.

25 Mr. Hiroto was on the site visit and, please, you know,

1 chime in.

2 MR. HIROTO: At first I thought I was being offered
3 a rare opportunity of being a site visitor, now I see it is
4 rather difficult to attempt to review this with what we have,
5 and try to come to some reasonable decision.

6 As you will note, following the site visit of
7 1972, there were nine recommendations to site visit made, and
8 these are symptomatic of the poorly managed RMP for which this
9 was gathered.

10 From what staff has found out in recent past, it was
11 apparent we were only discussing, looking at symptoms, not the
12 problem.

13 The problem obviously is management, of RMPH.

14 So I would recommend that we follow the staff
15 recommendations in regard to the approval of the RMPH;
16 that is to say, to approve the remainder with the limitations
17 as indicated. And that would be page 8 of the green sheets.

18 MRS. MARS: I the program really worth trying to
19 save or would it be better to let it phase out and start all
20 over again?

21 Are we just wasting money there? Because it is needed
22 in so many places.

23 MR. RUSSELL: Mrs. Mars, I think that what is going on
24 in the Pacific Basin is well worth saving. The little amount
25 of money that--

1 MRS. MARS: But if there is no management--

2 MR. RUSSELL: In the Basin you do have the manage-

3 ment.

4 MRS. MARS: That is a lot of money.

5 MR. RUSSELL: I guess what we of staff hate to see

6 is when one has a group of very dedicated, talented volunteers,

7 to do away with that system completely.

8 MRS. MARS: I know that is very hard to accept

9 and very hard to do, but still --

10 MR. RUSSELL: This is why we needed this group's

11 advice very, very much.

12 MRS. MARS: It is still taxpayers' money, you know.

13 If it is going down the drain, it just doesn't seem right,

14 does it?

15 MR. RUSSELL: No.

16 MR. HIROTO: There are certain parts of this program

17 which are apparently going quite well, that would be the Pacific

18 Basins.

19 MRS. MARS: You can always phase it out and start all

20 over again with new management and still save what is being

21 gone before, because if its worthwhile, it will endure, can be

22 picked up again.

23 MR. HIROTO: Would there be anything to gain, rather

24 than phasing out--

25 MRS. MARS: Yes, if you need all new management.

1 MR. HIROTO: -- to get new management.

2 MRS. MARS: Certainly.

3 MRS. SILSBEE: For the benefit of the entire Council,
4 the recommendations of the staff, Mr. Hiroto suggested, might
5 be considered, the Pacific Basin component be approved at the
6 amount requested of $75,564. But further, that this amount be
7 earmarked for that purpose.

8 Approval of the remaining $252,688 for the Waianae
9 component is recommended with the following conditions: One, a
10 to be determined percentage -- Dick, you will have to explain
11 what that means -- of the $252,688 restricted and not available
12 for expenditure pending further review of the RMPH at the next
13 Council meeting.

14 Two, the RMPH be site visited by Council representa-
15 tives prior to the next Council meeting.

16 Three, the RMPH should be advised not to fund the
17 Waianae Coast Comprehensive Health Center project until
18 RMPS receives assurance that the RMPH RAG from them that it
19 clearly understands the issues and problems involved and will
20 ensure that RMPH funds and program staff activities will be
21 used in a coordinated manner to strengthen the capabilities of
22 the Waianae area to manage local problems.

23 Fourth, the RMPH should assure that the kidney pro-
24 ject for the Marshall Islands is in compliance with the Social
25 Security Administration interim regulations.

1 Then I hear you suggesting perhaps number five.
2 DR. MERRILL: The limited care facilities in
3 Marshall Islands was 95 percent completed at the time the
4 application came.
5 MR. RUSSELL: This request is for training.
6 DR. MERRILL: I see.
7 MR. MILLIKEN: It seems one of the basic concerns
8 here is that the coordinator is not about to deal with this
9 RAG in a proper manner. The evidence points he has not been
10 willing to or able to.
11 I would agree with Mrs. Mars that if we are going to
12 deal with the problem, this is the problem we have to deal with
13 rather than five others.
14 MRS. SILSBEE: Dr. Roth.
15 DR. ROTH: On this Marshall Islands project, maybe
16 John knows or maybe you can tell me, they have got one of the
17 more advanced home dialysis training programs there at Saint
18 Francis Hospital in Honolulu; but if you are going to have
19 home dialysis for people who get trained on it in Hawaii who
20 then go back to American Samoa or Marshall Islands, or some-
21 where, you have got to have somebody there, you have to have
22 somebody there who can give a little backup to it.
23 Isn't that essentially correct, John?
24 DR. MERRILL: They propose training of paramedical
25 person for limited care dialysis.

1 DR. ROTH: Isn't this where they go back to after
2 they have--
3 DR. MERRILL: Limited care?
4 DR. ROTH: Yes.
5 DR. MERRILL: No, no, that is a satellite. It would
6 be as though we had a five-bed facility out here in Rockville,
7 go to Georgetown for a backup.
8 I presume they would fly to Hawaii, Honolulu, for
9 backup.
10 DR. ROTH: But don't they get their training in home
11 dialysis at Saint Francis at Hawaii, then they go back to
12 these facilities?
13 DR. MERRILL: Yes.
14 DR. ROTH: So it would seem -- what I am trying to
15 get at is this is part of an integralwhole.
16 I am sure the Saint Francis dialysis center
17 in Hawaii, in Hawahu, Honolulu, is an approved thing. I am
18 just wondering whether you really need to go through HEW appro-
19 val of one tech and one nurse for a thing in a special situa-
20 tion like this?
21 DR. MERRILL: You do in Massachusetts. I don't know
22 about Hawaii. That is very definite in Massachusetts.
23 MRS. SILSBEE: According to our kidney reviewer,
24 they would be very wise to apply for exception approval. They
25 don't think there will be a problem as soon as this is ironed

1 out, but they do advise they go through this process.

2 MR. HIROTO: May I ask where there have been coor-

3 dinator difficulties in the past, are there any tools avail-

4 able to solve that problem?

5 MRS. MARS: Fire him.

6 MRS. MORGAN: Can you fire them?

7 MRS. SILSBEE: There have been coordinator problems

8 in the past. Council and review committee have used a number

9 of different methods.

10 Council site visit might be one way.

11 MR. HIROTO: Instead of phasing out a program where

12 you have excellent members of staff, phasing out the program,

13 just to remove the ulcer, would seem to be somewhat a waste of

14 time and effort too.

15 DR. PAHL: Let me add a comment as I have been in-

16 volved as some of the staff have in these situations, and it

17 is a bit difficult but I think under the former leadership

18 and to a more limited extent under mine, we have been able to

19 effect some changes, indirectly, by perhaps talking with both

20 coordinator and at times with RAG chairman and representatives,

21 and sometimes things can be ironed out in an informal fashion

22 and at other times the local RMP has to take some kind of

23 action which does appear drastic.

24 But I think it would be inappropriate to recommend

25 phase out at this stage without trying the next few steps,

1 difficult as they may be.

2 I do think that it would be most helpful if a site

3 visit with Council representation could be made. That certainly

4 has been effective in the past. And we would, of course, add

5 whatever support we could, both before and after such a visit.

6 Sometimes these things do drag on a little bit and I would

7 think the best thing would be to review the situation at the

8 next meeting of the Council, but have such a visit between now

9 and the next meeting.

10 MR. RUSSELL: Along those lines, some of the other

11 Western Coordinators have also noted that there may be a

12 problem there and have offered to assist as appropriate. So

13 we do have some peer review which we can build into this,

14 which can be extremely helpful.

15 MRS. MARS: They have been on a triennial basis for

16 how many years?

17 MR. RUSSELL: Just one.

18 MRS. MARS: Just one.

19 MR. RUSSELL: And they blew it.

20 I don't think this was because of the Regional

21 Advisory Group, because they were reacting only to the informa-

22 tion they were receiving, and it is very difficult to know for

23 sure how much information the program staff fed to them.

24 But each time we have gone there and it does present

25 a problem in working with the RAG members, which we can do in

1 many cases, where we do have a 6,000-mile difference. And, you
2 know, some people look at it as a junket, a joy ride to
3 Hawaii, and I assure yo it is not.
4 DR. FOYE: There is another approach in this kind of
5 thing where the top man is inadequate and you want to get rid
6 of him, you can say funding is provided for one year and at
7 that time the program will be phased out unless the following
8 changes are made, and then you list a series of organizational
9 changes that you feel are necessary: improved relationships
10 with RAG, better supervision of the office or whatever. You
11 list a series of them. Then you phone a friend on RAG and you
12 say this is what we mean, get rid of Joe.
13 (Laughter)
14 And only that will satisfy conditions one through
15 eighteen. And that alone will satisfy one through eighteen.
16 (Laughter)
17 And it seems to happen. That is another way.
18 MRS. SILSBEE: Would you put that in the form of a
19 motion, Doctor?
20 (Laughter)
21 MRS. MARS: I don't see how any changes that would
22 drastically affect them for the better can possibly be made
23 between now and the next Council meeting. Whereas, if the
24 program is gently phased out and then picked up again and re-
25 stored, and taking the best elements out of it, then you have

1 got something that is worthwhile.

2 In the meantime, grant them enough money to grace-
3 fully get out. You still have your RAG members who will re-
4 volunteer, who are good. You get rid of the ones that aren't
5 any good. You get a new coordinator. You start the whole thing
6 and pick up the programs that are worthwhile picking up.

7 All I can see is we are goimg to pour a lot of
8 money down the drain.

9 DR. FOYE: I am afraid that kind of move, taken
10 6,000 miles away, might be misinterpreted by very competent,
11 productive members, say of RAG or others, as a slap at them as
12 well. A phaseout of the program. And even though its intent
13 is clear in your mind, what would it be if it were the
14 approach?

15 I am afraid it would have a deliterious effect on
16 the entire program. I don't know.

17 MR. RUSSELL: I have a tendency to agree. I think a
18 phaseout would be extremely detrimental to the Pacific Basin
19 in which so much hard work and effort has gone into it.

20 I think that might be lost, because the Regional
21 Medical Program of Hawaii -- really we have to limit this to
22 Dr. Satura, who has worked so hard, he has sort of gone out and
23 restored faith in any federal program.

24 When he first went out they said, "We are tired of
25 people coming out and planning." Through Dr. Suzitsi's efforts

they have gotten some very effective project. It is like dealing with different programs.

MRS. SILSBEE: Mr. Milliken.

MR. MILLIKEN: For information, is there any policy that discourages or prohibits anything other than full-time coordinator?

MRS. SILSBEE: I wish you hadn't asked that question. We do have in our RAG grantee policy a suggestion that there be full-time direction, but in this interim period, this has been very difficult to really implement and administer.

I think if we used it in this particular instance, we would have to use it in other instances too.

DR. CANNON: We tried for three years to get rid of a director, coordinator in Ohio. We found it almost impossible even with Dr. DeBakey as the whip. And I would say that our chances of accomplishing this in six months is practically nil. I would like to move that we follow the recommendations outlined by the staff.

MRS. MORGAN: I second it.

MRS. SILSBEE: The motion has been made and seconded that we accept the staff recommendations, which I read.

MR. RUSSELL: I want to explain.

MRS. SILSBEE: Okay.

(Discussion off the record.)

MRS. MORGAN It has been moved and seconded. He

1 can discuss.

2 MR. RUSSELL: Under staff recommendation number one,

3 to be determined percentage, all that means is I didn't have

4 time before Council to sit down and come up with a percentage.

5 So what we would suggest is to be determined by RMPS staff if

6 that would be acceptable to the group, we could look at this

7 very carefully to make sure we did not harm something as well

8 as improve the situation.

9 MRS. SILSBEE: Is that agreeable to the seconder

10 and the firster?

11 MRS. MORGAN: Yes.

12 MR. MILLIKEN: I would like to speak to the point

13 made earlier; would it be helpful in carrying out this motion

14 that there still be a Council visit assumed? In order to

15 put the fear of God, or whatever it is, in the people we are

16 dealing with.

17 MRS. SILSBEE: That recommendation was one of the

18 four points under the staff recommendation.

19 MR. MILLIKEN: Okay.

20 MRS. SILSBEE: If you want me to repeat that, it was

21 approval of the Pacific Basin for full amount and earmarked

22 approval of the remaining part with a portion to be restricted

23 and not available for expenditure until the full review at the

24 next Council meeting; site visit by Council prior to the next

25 -- well, I think we had better change that wording because if

1 it is January -- prior to the March meeting of Council.
2 DR. PAHL: March meeting.
3 MRS. SILSBEE: Advice to the RMPH not to fund the
4 Waianae Coast project until RMPS receives assurance from RAG
5 that it clearly understands the problems involved; and would
6 ensure that RMPH fund and program staff activities will be
7 used in a coordinating manner to strengthen things. And that
8 the kidney project undergo its exception approval.
9 DR. CANNON: Question.
10 MRS. SILSBEE: All in favor?
11 (Chorus of "ayes.")
12 MRS. SILSBEE: Opposed?
13 MR. OGDEN: No.
14 MRS. SILSBEE: "No"? All right, one "no."
15 MRS. MARS: "No."
16 MR. OGDEN: May I just state what my feelings are.
17 I think when you have got a situation that is fail-
18 ing, you might as well face up to it. And if the management
19 and review process is extremely weak, I would simply say so.
20 And tell them this is not being funded for that reason.
21 MRS. SILSBEE: When you say this is not being funded,
22 you mean the entire--
23 MR. OGDEN: No, I would go ahead and fund the outer
24 islands part of it, Marshall Islands part of it; simply with-
25 hold the rest of it. For the simple reason the management

1 and the review process is not adequate. And the application
2 is considered rejected until those things are corrected.
3 MRS. MARS: None of it is adequate, that is what
4 I have been trying to say.
5 MR. OGDEN: So I vote "no."
6 MRS. MARS: I vote "no."
7 MRS. MORGAN: Seven.
8 DR. CANNON: Do you want a count by hands?
9 MRS. SILSBEE: All right, all in favor?
10 (Show of hands)
11 MRS. SILSBEE: Six.
12 All opposed?
13 (Show of hands)
14 MRS. SILSBEE: The "ayes" have it, six to three.
15 MR. OGDEN: Would you mind entering a minority
16 report?
17 MRS. SILSBEE: Not at all.
18 MR. OGDEN: Send it to them. That might do them
19 some good.
20 MRS. SILSBEE: All right?
21 MR. RUSSELL: We would see this visit unlike any
22 other site visit.
23 MR. OGDEN: I would hope so.
24 MR. RUSSELL: It would be going in to look at that
25 particular problem, and we would utilize others for just

1 Council.

2 DR. FOYE: Just take the minority voters.

3 (Laughter)

4 DR. ROTH: Don't send me; every time I go over there

5 a volcano goes off.

6 MRS. SILSBEE: Dick, do you want to go through Ari-

7 zona?

8 MR. RUSSELL: Yes.

9 Arizona I think we took the last time. If you remem-

10 ber, at the last Council, after a site visit, the Arizona

11 triennial status was taken away from it and Council gave

12 Arizona one more year, and the recommendation was that it be

13 site visited to determine, you know, funding in the future.

14 The problem really was the Arizona was involved in

15 too much process and not very much outcome, deeply involved in

16 planning; not getting out to the community.

17 Well, phase out came and it seems now that Arizona

18 is beginning to get the message, that had been given to

19 them for three or four years in the past.

20 We bring this to Council to point out they have be-

21 gun moving into the community. We of staff have some concerns

22 as to whether or not the staff they have now, if this is really

23 their bag. We do know they are adding a couple of staffs-- it

24 appears these might be real community organizer types. We are

25 not sure. So we are suggesting, as we said in the recommendation,

1 that Arizona be visited.

2 We didn't specify Council at this point, because we

3 wanted to get your feelings as to whether or not you felt it

4 was necessary at this point to go back as Council and see what

5 they were doing or if you would be satisfied with staff going

6 back and getting a feel for what has actually happened.

7 We do have to go back to look at their review pro-

8 cess, which we did not get verified prior to phaseout, and

9 we also, in that process, will look at the organizational

10 structure which will perhaps get into some of the other prob-

11 lems in terms of regional advisory group and its representation.

12 MR. MILLIKEN: How does staff feel about this? Feel

13 they can handle this at all as backup or do they feel,visiting

14 backup or do they feel Council ought to go too?

15 MRS. SILSBEE: Dr. Cannon, you were one of the prime

16 site visitors before.

17 DR. CANNON: They sent me out there to do that job

18 quite a few times.

19 I would say looking over this, staff is still grade

20 two staff, focus is still there, little evidence of teamwork;

21 CHP hasn't improved and I doubt if it will.

22 Yet RMP is progressive, productive. CHP seems to be

23 reactive.

24 I vote green for money for the program. I would say

25 if you are going to visit, it is nice to visit there in the right

1 season of the year. But you are not likely to change either
2 the direction or the action.
3 (Laughter)
4 That I would focus my attention in the site visit
5 not on trying to threaten them as we have done in thepast, but
6 to some way win them over and let them think we are trying to
7 help them.
8 I don't know. It is a hopeless situation.
9 MR. RUSSELL: We have some indication this particular
10 program is reaching out to--it's recognized as being very
11 strong programs and perhaps asking for some assistance from
12 another RMP.
13 DR. CANNON: You can't blame them because CHP has
14 been fighting them, yet RMP has been doing CHP's work.
15 We ought to fund them.
16 MRS. SILSBEE: Mr. Milliken asked specifically if we
17 thought staff needed help on the visit.
18 MR. RUSSELL: I think at this point we of the staff
19 could go out and see what-- just a minute, Dr. Cannon.
20 (Laughter)
21 To verify what we have been told over the telephone
22 and we do have a feeling that they are attempting, and I am
23 afraid to bring a Council member out after the way you scared
24 them last time, Dr. Cannon. They might not let us see them.
25 (Laughter)

1 No, in all honesty, I think this is something --
2 Mrs. Sadin, do you have any comments?
3 MRS. SADIN: No.
4 DR. CANNON: I move that we accept the staff's
5 recommendation, vote favorably on the program, and they can
6 go out as they see fit.
7 MRS. MARS: Are you including a visit from Council?
8 DR. CANNON: Are you going out there anyway?
9 (Laughter)
10 MRS. MORGAN: Just staff.
11 DR. CANNON: I think it would be nice if a Council
12 member went along, but I do not think we ought to go out there
13 and threaten them. We have been out there every visit I have
14 been on, we have been saying, "Look, this is it." I think that
15 doesn't work with them.
16 I don't believe it is going to work with them. I
17 think we need a different approach.
18 MR. RUSSELL: I think we were trying to make the dif-
19 ference here was I see no reason why a Council member couldn't
20 go, it would be very helpful, just on a visit, rather than
21 what we term as a site visit. I don't think they are ready
22 for that.
23 MRS. SILSBEE: How about an ex-Council member?
24 MR. RUSSELL: Ex-Council member.
25 MRS. MORGAN: Dr. Cannon!

1 (Laughter)

2 MRS. MARS: You are elected.

3 DR. CANNON: You know, they almost ran me out of

4 town last time.

5 MRS. SILSBEE: Dr. Cannon has moved, which has been

6 seconded, the recommendation be accepted funding as requested,

7 $359,623, with the condition that the region be visited to

8 determine whether they really have changed direction and respon-

9 ded to previous concerns.

10 DR. CANNON: That is where I changed it.

11 MRS. SILSBEE: So that should be amended to--

12 DR. CANNON: I changed it to go out there with a dif-

13 ferent attitude, one of--

14 MRS. MORGAN: Helpfulness.

15 DR. CANNON: One of assistance. Not to change direc-

16 tions, but see if you can't coerce them a little bit.

17 MRS. MORGAN: Take your box of candy.

18 MRS. SILSBEE: The problem is how to word them.

19 (Laughter)

20 DR. CANNON: You can't threaten them and change

21 them, that is what we have done.

22 MRS. SILSBEE: Be visited in a nonthreatening

23 manner to determine how they are doing.

24 DR. CANNON: Be helpful, consultative visit.

25 MRS. MARS: Are you going to fund this program, then,

1 before the site visit by staff? In other words, whether
2 they change or not, they are still going to receive the money;
3 is that what you are saying?

4 DR. CANNON: That is my recommendation. Because they
5 are doing a job, they still have the momentum, they still have
6 the staff. They are not going in the exact direction as RMP
7 asks,Council would like for them to go, but they are doing a
8 job in Arizona.

9 MRS. MARS: You feel they are filling the health
10 needs of the community?

11 DR. CANNON: Yes, but they are filling the needs of
12 some other programs, too, they shouldn't be.

13 MRS. MORGAN: In other words, they are doing CHP.

14 DR. CANNON: They are doing a lot of work for other
15 organizations that other organizations should be doing.

16 MR. RUSSELL: I think at this point, if I may say so,
17 we have some indications that they are attempting to change
18 and as has been pointed out, I think on a number of occasions,
19 we as staff have had very little face to face contact with
20 any of the RMP's, and I do think we should give them the bene-
21 fit of the doubt.

22 MRS. SILSBEE: Motion has been made and seconded to
23 recommend funding as requested, $359,623, with the condition
24 that the RMP be visited in a consultative manner.

25 All in favor?

1 (Chorus of "ayes.")
2 MRS. SILSBEE: Opposed?
3 (No response.)
4 MRS. SILSBEE: Motion is carried.
5 Now we are going to move-- this is a switch, Frank --
6 to the Mid-Continent Branch, and that is red.
7 The reason for that is there are two regions in this
8 group where there will be nobody who was a reviewer here tomor-
9 row, so we have to get at it today.
10 Louisiana first.
11 MR. POSTA: Thank you.
12 I would like to note from the green sheet, Mr.
13 Zizlavsky is the operations officer.
14 This region is brought up for problems I guess more
15 like the one that Lee just brought up with reference to
16 Northlands.
17 We are concerned with the number of staff now on
18 board and the staff that is proposed for the calendar year
19 1974.
20 Just a little background, the request that you are
21 looking at now calls for $270,000. Oddly enough, another
22 $269,000 has been approved for the region for the same amount
23 of time for the topic of pediatric pulmonary.
24 The grantee is a free-standing corporation. It has
25 had good management in the past under their past grants

1 management officer.

2 RMPS has made a management visit there. They came

3 through with flying colors.

4 Last December, the satff also had a verification re-

5 view process visit there, and RMPS did certify the review

6 process.

7 However, I think we are concerned not with what it

8 was a year ago, but what it is going to be, what it is right

9 now, and what it is going to be in there next three or four

10 months.

11 When they came in, when Louisiana came in for their

12 extension plan back in March, the staff went down to one

13 grants management officer and a 25 percent program coordinator.

14 Staff did approve nine continuing activities. A

15 couple of those were for only two months. However, the seven

16 that they did approve through 1/31/74 was primarily under

17 contractual arrangement and since this is a free standing

18 corporation, incorporation, those contracts were considered

19 binding and there was a good chance for continuing once they

20 had been consummated, and therefore that was primary reason

21 why seven additional activities were approved for a small

22 staff.

23 Now, we have been notified by the coordinator if

24 he did get a good review by this particular body, that he would

25 consider coming onboard 100 percent of the time. He is now on

1 board 25 percent.

2 That might be good. It might be bad. I think maybe
3 you folks might like to discuss that a little bit further.

4 However, upon being notified that Congress had ex-
5 tended the program for another year, Dr. Sabatier did go back
6 and has hired his former deputy coordinator, a dentist.
7 And also one of his evaluators, on a part-time basis.

8 Also the grants management person who has done a good
9 job in the past is available for consultation purposes with
10 reference to grants management.

11 We as staff, if you will, back in December 1971,
12 had an official site visit. That was an application for
13 triennial status.

14 The Council and review bodies did not think that
15 they had qualified and therefore gave them an approval for a
16 two-year period for one million dollars each of two years.

17 This past December, the program decided not to come
18 in for a triennial application but to only come in for their
19 one million dollars.

20 Again, to reiterate, a year ago, when staff went
21 out and looked at this review process, we could find nothing
22 wrong. This is a particular program that has specialized in a
23 categorical approach. Most of their activities that they have
24 solicited has been to more the leading institutions and those
25 institutions themselves have gone about their particular job

1 in their own individual way.

2 In other words, what I am trying to say is that there

3 are not too awfully many cooperative agreements in many of the

4 activities that have been funded to Louisiana.

5 A good example, this last July, staff went down and

6 took a look at three or four VMS activities. Each of those

7 activities were being funded by a particular institution, if

8 you will, and there was very little evidence that one program

9 knew what the other program was doing.

10 So, again, I bring attention to the fact that this

11 region has not been in the past one of our better ones.

12 We are concerned because of the number of staff on

13 board and we would recommend perhaps that you would consider a

14 site visit to this region before March.

15 Dr. Roth, I notice thatyou were one of the reviewers.

16 Did you have any comments?

17 DR. ROTH: No. I don't have anything to add on that.

18 Louisiana is sort of a place apart in many of its

19 relationships and things medical, and this information about the

20 program director is something that I did not have available.

21 I would support the recommendation of staff.

22 DR. CANNON: If that is a motion, I second it.

23 MRS. SILSBEE: Dr. Merrill was the other reviewer.

24 Did he have an opportunity to talk with you, Dr. Roth?

25 DR. ROTH: No, I didn't talk to him about it.

1 Of course, in the view of my earlier comments today,
2 I found the grant application and the track record along
3 categorical lines as probably being on the credit side of the
4 ledger with relatively little of this other stuff, but I didn't
5 have a chance to talk to Merrill at all.

6 MRS. SILSBEE: The staff recommendation for the
7 record is that the request for $270,323 be recommended for
8 approval, but the program should be encouraged to recruit
9 additional staff, particular reference to the program direc-
10 tor. Because of the marked change brought about through planned
11 phaseout, site visit to the region is recommended prior to the
12 March Council meeting.

13 MR. POSTA: Right.

14 MRS. SILSBEE: Do I hear --

15 DR. CANNON: So move.

16 MRS. SILSBEE: Second?

17 DR. ROTH: Move approval.

18 DR. CANNON: Second.

19 MRS. SILSBEE: Any dicsussion?

20 DR. CANNON: Question.

21 MRS. SILSBEE: All in favor?

22 (Chorus of "ayes.")

23 MRS. SILSBEE: Opposed?

24 (No response.)

25 MRS. SILSBEE: South Dakota.

1 MR. POSTA: South Dakota. Staff had no real
2 concerns with this particular application or with the region.
3 Again, they have a very small staff. However, the total
4 amount requested is $120,680, $42,000 of which is earmarked
5 for staff.
6 As a result, you only have about $78,000 rounded
7 off for four or five activities.
8 We do feel that four full-time staff can handle.
9 The reason we bring it to your attention today is the
10 fact that this region has been considered a so-called planning
11 region after its divorce with the Nevada program about a year
12 and a-half ago.
13 I think that the program has quite a bit of poten-
14 tial, could probably do an awfully lot more with additional
15 money, because of the fact that they were in planning status,
16 because it is a 9-1 starting date application, meaning that
17 when they came in for their terrenial application last March
18 1st, neither review committee nor the Council had the oppor-
19 tunity to review it. As a result, their funding level of the
20 so-called percentage of the formula is extremely small.
21 I think if I am right, Judy, our main consideration
22 today would be to consider them now an operational program?
23 MRS. SILSBEE: Yes. This was the recommendation of
24 staff. We felt that the planning grant was a fluke in time;
25 whereas, its companion, Nebraska, broke off also. It has been

1 operational for sometime; South Dakota hasn't. It is carry-
2 ing on activities and we felt it would be neater if it re-
3 mained operational.
4 MR. POSTA: This program is rather unique in that it
5 has a Regional Advisory Group which serves as the council
6 for the CHPA agency. So every time either one of the groups is
7 called to order, business is conducted for both.
8 As a result, during this past year, when Regional
9 Medical Programs was in a more rather shaky status, this region
10 did continue to meet with its Regional Advisory Group and has
11 been quite active with things directly concerned with RMP as
12 well as with the CHP agencies.
13 MRS. SILSBEE: Dr. Roth or Dr. Cannon, do you have
14 any comments?
15 MRS. SILSBEE: Suggestions?
16 DR. ROTH: Well, they stressed in the material I had
17 available that this was entirely concerned with salaries,
18 wages, fringe benefits, and indirect costs. And no program-
19 mic support other than what they had going. So I saw abso-
20 lutely nothing wrong with it if they were to continue
21 in RMP at all.
22 MRS. SILSBEE: This is one of the things, the appli-
23 cation that you have is just a portion of the program. They
24 have money from the first award we gave this year, and then
25 in the case of South Dakota, they had a couple of activities

funded during phaseout, so there is more to the program than staff.

DR. CANNON: I gave it a grade one on staff and projects, but thought they ought to have their money and thought they ought to be operational. They are just barely making it.

MRS. SILSBEE: Any other discussion?

MR. OGDEN: Could I ask if the regional director--do you really feel the small amount of money involved in these projects will do any good at all?

MR. POSTA: Lil, would you like to respond to that?

MRS. RESNICK: They had a great deal of voluntary support, which hasn't come through in the application, but it has come through on their estimates, available funds from other sources.

MR. POSTA: Mr. Webster, from the Regional Office in Denver.

MR. WEBSTER: If I might, I have watched the South Dakota Regional Medical Program for quite awhile, and like both of the Dakotas, those people seem to know how to stretch a dollar pretty well. They don't have that many to begin with.

Actually only I think of the total amount requested, they only have four staff right now, two professional and two secretarial backup. That accounts, with fringe benefits, for the some 44.

The have three major projects, which would have

1 continued even had the RMPS actually terminated. One was
2 support the EMS program with the moneys being directed to
3 the State Health Department, which heads up that program;
4 one to Mount Marty College for an extension health educa-
5 tion program reaching on to Indian reservations, and similar
6 one in the northern part of the state at another university.
7 They have in here put in a number of small starts,
8 all of which would be to support other organizations and
9 agencies to do their thing. They really were not trying to do
10 much except to coordinate and try to stimulate. They are
11 a farming out type of operation that has been looking for good
12 applications even though very small in money, and I think it
13 is quite viable.
14 DR. ROTH: I move approval.
15 MR. POSTA: I think your point is quite well taken.
16 DR. ROTH: I move approval as recommended by staff.
17 DR. CANNON: Second.
18 MRS. SILSBEE: That is approval at $120,680.
19 Does that include operations?
20 DR. CANNON: Change to operational status.
21 DR. ROTH: Yes.
22 MRS. SILSBEE: Change to operational status.
23 Any further discussion?
24 MR. WILLIKEN: Question.
25 MRS. SILSBEE: All in favor?

1 (Chorus of "ayes.")

2 MRS. SILSBEE: Opposed?

3 (No response.)

4 MRS. SILSBEE: That is carried.

5 Now, the next one is Colorado-Wyoming, which Dr. Roth
6 is going to be gone tomorrow, and Mr. Hiroto are the two review-
7 ers on that.

8 MR. POSTA: Minor point concerning this particular
9 region, their share of the 44-1 is actually $335,604.

10 This region, for one reason or another, has come in
11 for about $37,000 too much. We recommend that the exact amount
12 be given to them.

13 To give you a little bit of background about the
14 region, Dr. Nicholas is the coordinator, has done a real good
15 job in about a year and a-half he has been there.

16 Colorado-Wyoming, like Mountain States in the Western
17 Branch and Inter-Mountain in the Mid-Continent Operations
18 Branch, has had turf problems in the past. We haven't heard
19 too awfully much about the turf problem this past year pri-
20 marily because closeout directives, phaseout directives, has
21 stipulated that there would be no new starts.

22 As a result, the Interagency Council of the three
23 medical programs have not met on a periodic basis.

24 We will be discussing Inter-Mountain a little bit
25 tomorrow, more in detail, but we do feel that the Colorado-

Wyoming program as well as Mountain States would be in a position to respond to us, meaning RMPS; that the monthly sessions would be convened to discuss all activities to be funded in each of the three Regional Medical Programs, in order to avoid duplications of services funded by one or more Regional Medical Programs.

The CHP comments from Colorado have been quite favorable. We have not yet received those from Wyoming. Even though we are not anticipating any problems. They have good management.

The only thing that you might notice in the green sheets, the allocation by option seems to be an awfully lot of money earmarked under program staff. However, if you would look at the similar graph located on the yellow, page 2, you will note that they have about 17 feasibility planning and central service activities earmarked.

We would recommend that the application be approved not as requested, but in the amount of $335,604.

MRS. SILSBEE: Dr. Roth.

DR. ROTH: I have no particular quarrel with any of that.

You recommended what amount?

I got into a little mathematical problem with this thing and I wouldn't quibble over $184, but one place it said they over-applied for $36,682 and in another place it says

1 $36,796, and I come out with $184 difference in that.

2 MR. POSTA: Doctor, what they actually did, if you

3 will look at the yellow allocation by option --

4 DR. ROTH: Yes.

5 MR. POSTA: -- project number 34, Regional Pediatric

6 and Nephrology Center, calling for $22,210, was not initiated,

7 nor will it be initiated. So they, meaning Colorado-Wyoming

8 program, came in for that.

9 In addition, they came in for $14,472 over that.

10 So what we were trying to state is just go back to

11 the former approval, whatever the former may have been.

12 I agree with you, some of those figures don't add up

13 to 100 percent.

14 DR. ROTH: Well, my intent, as I say, I have no desire

15 to quibble over that odd amount of $184, but whatever the

16 thing really works out to be, on their percentage formula

17 application, I move it be approved.

18 MRS. SILSBEE: We had another consideration in this

19 particular application which Mike sort of glossed over, because

20 he happened to be missing from staff review, happened to be

21 on review of the Mountain-States Medical Review Program.

22 You may remember, about a year or two years ago,

23 it is hard to remember, we had a problem with the regions

24 Inter-Mountain, Colorado-Wyoming, and Mountain States, which

25 had overlapping areas. That was not the problem so much as the

1 way in which the regions were not working with one another.
2 And so in some instances, the localities were being split apart
3 depending on which staffs they were relating to.

4 So two Council members, Dr. Milliken and Dr. Spellman
5 from the Review Committee, were sent by Council to go out and
6 try to work out some kind of a procedure, and they were met
7 by the three coordinators with a proposed procedure in which
8 the three coordinators agreed that before they started on
9 something and certainly before they funded anything, that they
10 would keep one another informed on a regular basis on what
11 they were doing. And their respective RAG chairmen would also
12 be involved.

13 We have found during the phaseout that particular
14 methodology seems to be working better with two of the regions
15 than with their two with the third region. So we feel this
16 needs to be put in as a condition again, to get this back on
17 target. Because it is creating some problems.

18 So we would like -- I don't know that Mike would, but
19 I think we would like to have a proviso put on each of the
20 applications of these three.

21 DR. ROTH: I move what Mrs. Silsbee just said.

22 DR. CANNON: Second.

23 (Laughter)

24 MRS. SILSBEE: We took that proviso, we receive
25 written assurance this procedure is still in process and being

1 implemented.

2 MR. MILLIKEN: Question.

3 MRS. SILSBEE: Okay? Motion has been made and

4 seconded.

5 DR. CANNON: Question.

6 MRS. SILSBEE: Does anybody have any further comment?

7 DR. CANNON: Question.

8 MRS. SILSBEE: All in favor?

9 (Chorus of "ayes.")

10 MRS. SILSBEE: Opposed?

11 (No response.)

12 MRS. SILSBEE: Mike, there was one other aspect of

13 Colorado-Wyoming ,I dont' know whether you want to bring it up.

14 It didn't have anything to do with review of the application,

15 but the letter that came from the RAG about the genetic counsel?

16 MR. POSTA: Right. Last December, the Council

17 approved a genetic counseling program that was initiated in

18 January of this last year. When they came in -- well, the

19 comments from the various reviewers, including some staff

20 consultants, they felt that entirely too much effort was being

21 placed in two areas, one sicklecell anemia and one in Tay-Sachs

22 disease.

23 The program completely revised the program and de-

24 veloped some genetic counseling based in the areas of heart,

25 cancer and stroke. They have had considerable interest on

1 the part of the Regional Advisory Group, that program was
2 subsequently funded in those particular areas of heart, can-
3 cer and stroke. And about, oh, $35,000 or $40,000 at the
4 most was spent for the first six months.
5 Because of the negative comments that staff related
6 back to the region, the region decided they had better not
7 come in for a request to continue the application. However,
8 when the RAG did meet this last time, the RAG chairman and
9 the coordinator were directed to submit in writing to RMPS
10 their concerns that they had received relatively negative
11 comments because they really wanted to carry on this particu-
12 lar activity.
13 The reason I bring it up here and had hoped that
14 we-- I am glad Judy reminded me of it -- that in case this
15 particular region comes in for request with unexpended balances
16 in December, whether or not you would wish to reconsider
17 further funding of this particular program for the next year.
18 They have not come in as of this date, but we do know
19 we are going to get several letters from the coordinator
20 as well as the RAG chairman.
21 DR. ROTH: Well, I don't know how much -- what kind
22 of price tag are they putting on that one?
23 MRS. SILSBEE: They haven't put any price tag on it
24 yet, Dr. Roth, but if you are looking-- in the letter you are
25 looking at there now, there just seemed to be such a point of

1 the kind of conflict of the national priorities as to how the
2 Regional Advisory Group saw tremendous need, that previous
3 action had kind of interfered with what they saw as a regional
4 need that was being met.

5 DR. ROTH: Because my reaction to it, to be con-
6 sistent with all the oratory I heaped on you before, was I
7 would heck of a lot rather see them spend some money in the
8 genetic counseling comcept that they have out there rather
9 than most of these ten or twelve projects that they have listed
10 under supportive quality assurance. Working with PSRO in
11 Wyoming and utilization review organization, PSRO in Colorado,
12 and so on, I just think it would be much better use of RMP
13 money and I would rather switch and I would put that motion
14 to them.

15 MRS. SILSBEE: RAG.

16 I don't think you need to make a motion. It just
17 gives us a sense, because it will probably be coming to us.

18 We don't need a formal motion.

19 Now, we have about five or six regions that we have
20 identified that don't have to be considered today, but we will
21 have to look into them tomorrow.

22 Originally about four of those we were going to take
23 up when Dr. Merrill was still here.

24 MR. NASH: Excuse me. I have one Dr. Roth is reviewer
25 on, Tri-State.

1 MRS. SILSBEE: Okay, there are a number of those
2 kinds.
3 MR. NASH: This is one I have flagged special.
4 MRS. SILSBEE: Okay, fine, let's do that one.
5 Tri-State, orange book.
6 MR. NASH: This would be in the orange book.
7 MRS. MARS: Which one is it?
8 MR. NASH: Tri-State.
9 MRS. SILSBEE: Mr. Nash.
10 MR. NASH: This is a request for $569,609, which is
11 the remainder of the FY-74 Tri-State fund.
12 Mrs. Murphy is executive program -- replaced Dr. Leone.
13 Baumgartner. Dr. Ike Taylor has recently rejoined the program
14 on a full-time basis as deputy coordinator.
15 This region received triennial status in 1970. It
16 was last reviewed by Council in February of 1973. Council
17 at that time considered recommendations from the Review Committee
18 staff anniversary review panel, which met in December of 1972,
19 expressed serious concerns over this region's progress,
20 recommended a funding level of $2.5 million in lieu of
21 the requested $3.4 million. Council concurred in the lower
22 funding level.
23 The key issues at that time were lack of adequate
24 minority involvement, lack of discernible program thrust among
25 projects in contract activities, and evaluation process failed

1 to identify achievements related to the regional's objectives.

2 Prior to the phaseout notice, Tri-State RMP main-

3 tained four subregional offices plus a central office. The

4 subregional offices were in western Massachusetts, eastern

5 Massachusetts, Rhode Island, and New Hampshire.

6 Each had subregional advisory group and representa-

7 tives from each subregional advisory group were also members

8 of the Tri-State RAG.

9 During the phaseout, that is between February and

10 June, the subregional offices were closed. The subregional

11 advisory groups were no longer active and the central staff was

12 reduced to three professionals and four secretaries.

13 Thus we find that in June of this year, with only

14 seven staff members, and,by the way, in this particular pro-

15 posal they are planning to reopen the subregional offices and

16 boos their staff to a total of seventeen. There is no men-

17 tion in the application of the reactivation of the subregional

18 advisory groups.

19 Now, Tri-State Regional Advisory Group is a 57-

20 member body which met only three times last year. We aren't

21 really sure of their continued interest in the program. Only

22 19 members were present when this application was considered.

23 Moreover, the Tri gave approval to more projects in

24 the region's FY-74 support. Their answer was they would

25 meet again on December 12th to prioritize the program, select

1 activities actually to be funded.

2 This region's review process was given conditional

3 approval prior to our phaseout activities and we noted that

4 although the application was sent to the appropriate CHP agents

5 to review and comment, the comments from those agencies were

6 not received in time for true consideration.

7 It was also noted comments from some of the technical

8 reviewers were not received in time for consideration by the

9 RAG.

10 Now, this particular proposal, as far as staff can

11 determine, all of the activities proposed appear to fit the

12 RMPS options built on previous staff and operational

13 endeavors.

14 I note 41.9 is in quality assurance, 5.1 percent in

15 strengthening local planning, the remainder is in program staff

16 support. There is no request for kidney in this particular

17 application.

18 I think if you go back to my former statement, that

19 back in December of 1972, the staff anniversary review panel

20 expressed some serious concerns about this region. I think

21 these still remain. I think we are not really sure of their

22 review process. We have some concerns about the management

23 capability for the program.

24 I think an example of this is that in the writeup, you

25 will find that a site visit was made to the Rhode Island

1 health activity in June and that produced a favorable report.
2 However, Dr. Margulies visited that activity subsequent to that
3 and he has some concerns that this particular program perhaps
4 is deviating from the RMP concept and is drifting into the
5 usual university-based type of activity.
6 We also hear the program director for that activity
7 either has or plans to resign.
8 In the prior application, this region was awarded a
9 sizeable EMS project to develop an EMS program in three states
10 and in the region.
11 Massachusetts was supposed to get about $775,000.
12 A visit to the Massachusetts EMS activity revealed
13 the fact that the plan they developed was not at all accep-
14 table so RMPS restricted use of those funds until an accep-
15 table plan could be presented.
16 This was done and it was finally approved by the EMS
17 technical review panel. But I think some of these things
18 give you an idea of our concern over the management and direc-
19 tion of this particular program.
20 MRS. SILSBEE: Dr. Roth.
21 MRS. MARS: But you are still recommending funding
22 of half a million dollars?
23 MR. NASH: Yes.
24 DR. ROTH: Well, I have familiarity with this region
25 because of a site visitation that took place on a peak between

1 two valleys evidently. This is a region that had been in deep
2 trouble until Dr. Leone Baumgartner went up there and direc-
3 ted them out of it, and now that she has left, apparently they
4 are going back into it.

5 I certainly have nothing to add to that staff
6 analysis, but if one looks at their projects out of that half
7 million dollars, roughly, $302,235 are direct contract sub-
8 sidies to medical schools, Tufts University School of Medicine,
9 Boston School of Nursing, one thing and another, for the
10 development of PSRO standards.

11 Ithink it is just a beautiful example of the kind
12 of inept use of our RMP money.

13 MRS. MARS: That is just what I think, too.

14 MRS. SILSBEE: Mr. Hiroto, you are the other reviewer.

15 MR. HIROTO: I don't have much to add, except it
16 continues to have the same problems that were pointed out in
17 the earlier review. And I don't know what importance was
18 placed upon this thing called minority involvement and evaluation
19 procedures, but apparently those who had those problems in the
20 past continue to have them.

21 MRS. SILSBEE: Well, this region did decide when
22 the phaseout to lower their staff considerably, theyhad--
23 Dr. Roth, they had, I think the high continued beyond the site
24 visit, but they did get rid of most of their staff. And
25 Mr. Murphy, who is a very adept coordinator, had decided he,

1 having gotten rid of a lot of the staff, he did not want to
2 get them back until he saw which way the program was going.
3 And he has been doing sort of a holding operation as far as
4 employing new staff.
5 However, he is employing consultants to work on
6 programs. And there has been a difference in view I think with
7 in the staff as to this Tri-State program.
8 I don't think any of us have a real understanding,
9 certainly not from being up there and observing how the Region-
10 al Advisory Group works, how the staff works. That is a
11 missing piece of intelligence.
12 DR. ROTH: Everybody optimistic enough to think
13 you can get a bunch of those New Englanders, get the New
14 Hampshirers agreeing with the Rhode Islanders agreeing with
15 the Massachusetts people --
16 (Laughter)
17 MRS. SILSBEE: You are suggesting the concept of
18 Tri-State--
19 DR. ROTH: That was the big outstanding trouble that
20 was left over that not even Leone had solved at the time of
21 our site visit, and it just frictionates more.
22 About the one thing you can put your hand on, get a
23 handle on here in the present activities is limited to Rhode
24 Island and coordination with the Rhode Island program and
25 Brown Medical School.

1 MRS. SILSBEE: Well, having put all the problems out
2 on the floor, do you have a motion to make, or, Mr. Nash, do
3 you have a recommendation?
4 DR. ROTH: Well, as I understand this whole procedure,
5 which I very freely admit I don't completely understand just
6 what we are doing here now, we have a sort of one option; there's
7 a maximum thing we can do, which is give a formula grant appli-
8 cation to whatever money turns out to be available after a few
9 more Divine revelations come about. And so what would be the
10 effect if I said I want to give them half of what they
11 asked for, and I said this on the basis that it would shut down
12 some of this quality support thing but not interfere with
13 their other programming, is there any way you can do that?
14 MRS. SILSBEE: Well, there are ways to restrict
15 funds. There are also ways of not recommending the award of
16 those funds. But in that latter event, we would have to spell
17 out very clearly why we were doing it and under what circum-
18 stances.
19 DR. ROTH: Well, this strikes me as being an inequit-
20 able procedure applied to one RMP if we were going this route
21 across the board, I would be in favor of it. But as it stands
22 now, I think the equitable thing is to move that they get
23 their formula amount.
24 MRS. SILSBEE: Then an alternative in that situation
25 would be possibility of restricting some funds.

1 On the other hand, Dr. Roth, the very words that are
2 coming out of this Council meeting, that these options are
3 options and not restrictions may solve some of the problems that
4 you are talking about if they have an opportunity to go back
5 to the drawing board.
6 DR. ROTH: I would hope so. I would hope so.
7 I will move approval of the staff approved formula
8 amount.
9 MR. MILLIKEN: Second.
10 MRS. SILSBEE: Any discussion?
11 DR. CANNON: Just another comment. I would really
12 like to know how do they get started so quickly in the PSRO's?
13 We have been in quality audit, but, you know, new
14 legislation comes out and it seems like across the board,
15 every RMP gets the action started.
16 Who started it? We didn't.
17 DR. ROTH: No.
18 DR. CANNON: The Council didn't. We just see it
19 after the fact.
20 What you are talking about is trying to make policy
21 after the fact.
22 DR. ROTH: Yes. Well, Bland, you have got to under-
23 stand that out of a PSRO legislation, those that are still
24 working on funds that have not been released and not one of
25 these outfits has a federal buck from the Professional

1 Standards Review Organization to pay the salaries of staff they
2 have already hired all over this broad land of ours.
3 DR. CANNON: So we pick up the tab.
4 DR. ROTH: So where are they getting it?
5 I haven't looked at the Pennsylvania Medical Program
6 Review, but I will tell you right now, the State Medical
7 Society is paying $10,000 a month out of Medical Society
8 funds to keep this thing alive until they can get their hands
9 on the first federal buck, and I assume they are going at it
10 through PSRO, CHP, and any other way they can get it. And I
11 am sure Massachusetts is doing the same thing.
12 DR. CANNON: Tennessee, at a meeting the other day,
13 presented a program fir R&D money.
14 MRS. SILSBEE: Mr. Nash, do you have any comments
15 about what this project number 31 is?
16 MR. NASH: Do you have a project 31?
17 Use the microphone.
18 MR. STOLOV: Yes.
19 DR. ROTH: What is project 31?
20 MRS. SILSBEE: The big one.
21 MRS. MORGAN: Southeastern Massachusetts.
22 MR. STOLOV: I know it by heart. It is Dick Egbert's
23 project, also is an adviser to the President on this issue.
24 DR. ROTH: Not on this issue.
25 MR. STOLOV: Well, on other issues. And it is

1 for southeastern Massachusetts, which is part of the eastern
2 Massachusetts region. They divided the State of Massachusetts;
3 western Massachusetts and eastern Massachusetts, and the State
4 of New Hampshire is a subregion, and Rhode Island is a sub-
5 region of the Tri-State. This is a $177,000 project to develop a
6 PSRO group that is called the Pilgrimage Foundation, which is
7 an independent foundation of the Medical Society of the south-
8 eastern region around the Cape and above the Cape.
9 DR. ROTH: Does this interlock with the Commonwealth
10 Foundation?
11 MR. STOLOV: No. In the first allotment period,
12 Tri-State gave a similar grant of over $100,000 to the
13 Commonwealth Foundation for development of the Boston area.
14 This is south of Boston.
15 DR. ROTH: My understanding is the two are not com-
16 petitive.
17 MR. STOLOV: That is correct. That is my understand-
18 ing also.
19 The overlaps I see is the nurse's project which links
20 up to that which is in the grant, but they are both separate
21 corporations, Pilgrim Foundation and the Commonwealth.
22 DR. ROTH: Well, this clues it in perfectly, because
23 Dick is one of the directors of the American Association of
24 Foundations for Medical Care that covers the country, started
25 in San Joaquin Valley in California, and so on.

1 MRS. MORGAN: Came to New Mexico.

2 DR. ROTH: So they are getting operational money out

3 of any federal grant program.

4 DR. CANNON: And you voted for it.

5 (Laughter)

6 MRS. MARS: You just recommended it.

7 DR. CANNON: Recommended --

8 MRS. MARS: Recommended us approving it.

9 DR. ROTH: I expect to thank you later.

10 (Laughter)

11 MR. NASH: We, of course, will be, remaining staff

12 will be taking a look at the review process.

13 Travel funds have been unfrozen and we have been directed to

14 do that.

15 I do think some sort of site visit to this region

16 could be made if not too distant future, it would certainly

17 help us get a better handle on exactly what is going on up

18 there.

19 MRS. SILSBEE: By site visit, do you mean with

20 Council?

21 MR. NASH: I think it would be helpful if we could

22 have a Council member.

23 MRS. MORGAN: I hope you get more Council members,

24 because we are going to be a busy group.

25 MR. HIROTO: Dr. Roth, have the guidelines and

1 regulations related to PSRO's been established yet?

2 DR. ROTH: No, sir. They haven't made decision num-

3 ber one yet.

4 MR. HIROTO: I didn't think so. How is it possible,

5 then, that you fund a program -- are you establishing it? Is

6 that the idea?

7 DR. ROTH: My earlier speech today against using RPM

8 money -- you know, I think it would be just great if this Council

9 would move on notifying all regions of RMP that the money

10 that they use should not be used in support of PSRO.

11 DR. CANNON: Seconded.

12 MRS. MARS: Make a motion. We are all for it.

13 DR. ROTH: All right, I will make it, be happy to make

14 it.

15 DR. CANNON: I second it.

16 DR. ROTH: Be glad to make such a motion.

17 MRS. SILSBEE: Could we just for a moment--

18 MRS. MARS: Get back to this program?

19 MRS. SILSBEE: No, I think we can hold on that. But

20 I think some reading of what our guidelines said.

21 Jerry, you have got September 7th guidelines?

22 Might be timely here.

23 DR. ROTH: I have great faith in the ingenuity of the

24 coordinators and directors if you just tell them this isn't to

25 go into PSRO support, put it some place else, then we are

1 going back to a little trust in programming direction in
2 the regions.
3 I don't think this would catch any of them--
4 DR. PAHL: Let me add a note here while Dr. Gardell
5 is looking for the right piece of paper.
6 It has been the policy of RMPS to permit regions to
7 engage in those kinds of activities which would assist in estab-
8 lishing standards of quality, and so forth. But not to use funds
9 to actually operate or have the RMP itself become a PSRO.
10 I am not familiar with this particular project under
11 consideration and what Mrs. Silsbee just showed me, it seems
12 to me we are walking very close to a line of what I have just
13 said.
14 I don't want to take a position, because I just gave
15 it a quick glance now. But the thought has been that the RMP's
16 would be allowed to support quality of care efforts, but that
17 is not meant to be operating or becoming a PSRO in itself.
18 DR. ROTH: Well, I would submit if there is anybody
19 on the Council that is not aware of the present state of PSRO
20 implementation, that that is a bit of an unnecessary injunction
21 because the first PSRO has not cracked its shell yet.
22 There is no such thing as a PSRO.
23 DR. PAHL: Right.
24 DR. ROTH: We haven't even gotten out of HEW the
25 definition of what a PSRO region will be as yet.

1 MRS. MORGAN: Everybody is trying to make one, and
2 hope they will head it, I think.
3 DR. ROTH: That is what we have got, everybody run-
4 ning around in support of their own peculiar notion as to what
5 PSRO is eventually going to turn out to be. It is sort of
6 inept for our slender funds to get caught up in that whirlpool.
7 MRS. MARS: In other words, we are just going to give
8 them $379,000 to try one?
9 DR. ROTH: I would be very happy, but I think it
10 should be an injunctive sort of thing for all PSRO's, not
11 just pick out Tri-State, because it happens to be the largest
12 amount of any of the ones that were in my group.
13 MR. OGDEN: I really feel I have to speak against
14 that.
15 I think one of the things we are charged with, I hope
16 as Council, is some effort of cost containment as well as quality
17 assurance. And even though nobody knows yet what a PSRO is
18 necessarily going to be, people didn't know what HMO's were
19 going to be either and we have allowed a lot of money for that.
20 We have allowed a lot of money for PHRO in the past. I think if
21 a region, that is its regional advisory group, has determined
22 that this is something that they want to expend funds on, I
23 for one would be willing to see it done.
24 I really think this is something that we want to look
25 into.

1 DR. ROTH: I think it is a very-- well, I think it is
2 very unsound to build on past mistakes.
3 MR. OGDEN: I just don't think it is a past mistake.
4 DR. ROTH: Well, I gave my earlier opinion that that
5 is the reason we are in the shape we are in with this whole
6 program. And I would also submit that the only reason that the
7 RAGs are now or the coordinators are now couching their requests
8 in terms of PSRO support, quality assurance support, is because
9 out of this office they got a directive that was priority
10 number 2, when HMO support was high on the priority list, that
11 was the popular set of initials, and that is what has been
12 wrong with the whole bloody effort.
13 MRS. SILSBEE: Dr. Roth, I think, if I can find the
14 wording, that what you were saying is sort of in our guidelines.
15 If indeed we are proposing the approval of moneys
16 that are to set up a PSRO, then there is difficulty in our
17 staff workup, which if Council would direct us, we can--
18 DR. ROTH: You aren't doing that, though, Judy.
19 I read this application and, for example, just
20 take number 1, A, number 1 on your white sheet under PSRO,
21 "Quality assurance criteria, pulmonary ambolism and venus ulcers.
22 This is a single well circumscribed diagnosis. It is
23 an addition of one single diagnosis to a list that was started
24 in an EMCRO in Albemarle County, Virginia, with the University
25 of Virginia, in Charlottesville, which took carcinoma of the

1 breast with biopsy proven. It took fracture of the femur in a
2 person over age 65. It took middle ear disease in children.
3 So it is seven diagnoses.
4 Now, here is another one adding an eighth.
5 The federal government has just given half a million
6 dollars to the Kaiser Foundation in Southern California, Los
7 Angeles, to do another kind of these things.
8 Now, you could use ten times the total amount of
9 money we have got to parcel out around the country to do these
10 outcome standardss, outcome evaluations for the approval of
11 standards.
12 You have got the College of Surgeons and the AMA work-
13 ing on projects.
14 We in the AMA have poured $200,000 of our dollars
15 down the same drain.
16 Just because they did it doesn't mean that I think
17 any higher or anybody else should do it right now. When the
18 federal government has passed a law, there is an appropriation
19 to make the thing work, and all you do by diffusing the expendi-
20 tures for this effort is hide how much it is going to cost.
21 Because one of the inevitable things about this is it has a
22 chance of improving quality of care in which it may be worth
23 the extra amount it costs, but anybody that thinks that this is
24 a cost-saving mechanism is whistling Dixie and that is just
25 what the Congress has been so enthusiastic about.

1 So if you get the cost piecemeal between RMP and
2 CHP, and OEO and SRS, and AMA and--
3 MRS. MORGAN: American Hospital Association.
4 DR. ROTH: Nobody is ever going to know what it is
5 going to cost.
6 Now, when they pass a law, let them put up the money
7 in one definable package from the federal government to pay
8 for it.
9 This has been our trouble with so much of the frag-
10 mentation in the entire health care field. You can't idenfity
11 what it costs to educate a physician today because the moneys
12 come in through the VA, NIH, and every other doggone place.
13 We ought to be knowing what we are paying for edu-
14 cation. We ought to be knowing what we are paying for quality
15 control. And a diffusion into a program like this, which
16 started out categorically, can't get much further afield.
17 MR. OGDEN: Might I just interject here for a moment,
18 I had thought that this material that is in the enclosure
19 mailed out to us and is the application instructions for FY-1974,
20 which went out to all the RMP's with a letter from Dr. Pahl on
21 September 7th, had been approved by this Council. And it under
22 part B, on page 5, simply states:
23 "Under strengthening local quality assurance
24 "2. Assisting with the development of norms
25 criteria, standards and techniques associated with

1 implementation of the PSRO Division, Social
2 Security amendments of 1972, RMPs will be engaged
3 in pilot efforts only and will not be responsible
4 to the actual operation of PSRO's."
5 This is the material this Council sent out in
6 September.
7 DR. ROTH: Sure.
8 MR. OGDEN: Asking for these applications to come
9 in.
10 Now, what you are saying is the meeting in which
11 these applications come in, you tell them you don't want this.
12 But this just went out from this Council. How
13 flipflop can we be?
14 DR. ROTH: I don't know, but having lost round one
15 doesn't mean I am not willing to get back in the ring in
16 round two.
17 (Laughter)
18 I think the Council made a mistake on this. I think
19 it is good to reognize mistakes.
20 DR. PAHL: Mr. Ogden, I think it would be appropriate
21 to state again, since I believe you were absent at the last
22 meeting of the Council, that these options were prepared basical-
23 ly by the Department, ourselves included, at a time prior to the
24 July meeting of the Council, because that was the timeframe
25 work in which the Department was operating. What we did was

1 present to the Council in July what was a fait accompli,
2 that these are the Departmental priorities which at that time
3 were under active consideration, but which became over the
4 course of the summer and fall months frozen into restrictions,
5 which were incorporated into the instructions for preparing
6 the September applications.

7 I don't think we need to make again apologies for
8 the Department or RMPS, but this was never-- these options
9 were never developed by this Council. They were given to the
10 Council as Departmental policies, soft as it was at the time,
11 which subsequently became frozen as Departmental policy, and
12 which we have been operating upon.

13 So you are correct, the regions were advised by us
14 to respond to these in these applications. They have so re-
15 sponded. And in that sense, the country has been following
16 Departmental announcement.

17 It has not been following what undoubtedly would have
18 been a different set of priorities had the Council had that
19 option of being in on the ground floor, rather than coming
20 afterwards.

21 MR. OGDEN: That may or may not be the case, but that
22 is what we asked for and certainly the applications came in in
23 response to that. That being the case, they feel if that is
24 what they want to do, I am willing to let them do it.

25 DR. ROTH: Well, I would remind you that I made the

speech once this morning. Most of these things this Council, long before you got on it -- Dr. Cannon is about the only one that can bear me out on it -- I am not being critical; this is what prevented the program from ever developing any identity or accomplishing.

When you consider the millions of dollars and man-hours that have gone into this thing around the country, it ought to be outstanding. And unhappily it isn't outstanding.

We haven't got much chance left to do anything about it.

Now, I doubt that any coordinator is really interested in losing his money down his quality assurance drain right now for the next six months.

Sure, they have got other things, but if this is the only way theyare going to get their grants approved, they are good grantsmen.

MRS. MORGAN: It is the same way we got funding. Wasn't it? It seems it was the first Council meeting I attended a couple of years ago that unless we took HMO, or by taking HMO, we got additional money that we could spend for RMP by taking a certain percentage, and this is how it happened. We got stuff, so much money for HMO's, then we had a little additional money we could use for RMP.

DR. PAHL: Unfortunate as it is, I think it is fair to say present circumstance, by having the agency develop a

set of options which were known to be favorable to the Administration, we were over a period of months able to pry loose in fiscal 1974 funds. The shame of it is that the duly mandated Council was basically bypassed in this, and instead of asking this Council for advice as to program direction and priorities, the Department presented the Council with the priorities and asked for endorsement -- and, very graciously, the Council gave endorsement. But that is the posture of the program.

DR. ROTH: I have to point out for Mr. Ogden, I argued about it then, too.

(Laughter)

MR. OGDEN: Had I been here, I think I would have been on the opposite side from you.

I do feel this is something that we really should be involved in. As a member of the public I speak now. I think this is the kind of thing that the public is interested in.

DR. ROTH: You think every agency in the government ought to be interested in it because it is good, not just the agency that is given the responsibility for running the program but they ought to be getting money out of NIH grants, VA, and everybody that is interested in medical care ought to be contributing to this thing?

I think that is ridiculous. I think we are giving

1 money to do a job and we ought to do it instead of giving
2 our money to other people to do their job.
3 MR. OGDEN: I think it depends on what you consider
4 quality service.
5 MRS. SILSBEE: The Tri-State application has a
6 motion it should be approved for the remainder of the RMP's FY-
7 74 allotment, $569,703.
8 There has been a good deal of discussion about some
9 of the aspects of that application, but I haven't heard the
10 motion amended, and I wonder if there is any further discus-
11 sion?
12 MRS. MORGAN: Question.
13 MRS. SILSBEE: Or can we take action now?
14 MR. OGDEN: I move it be approved.
15 MRS. MORGAN: It has already been moved.
16 MRS. SILSBEE: It has been moved and seconded.
17 All in favor?
18 (Chorus of "ayes.")
19 MRS. SILSBEE: Opposed?
20 (No response.)
21 MRS. SILSBEE: Okay.
22 DR. PAHL: I think this will conclude our executive
23 session for today.
24 We might reconvene tomorrow morning at nine o'clock
25 in open session, and again before we do adjourn, I would like

to thank Dr. Cannon and Dr. Roth for their many years of participation. They won't be with us tomorrow. I believe we are going to miss them sorely.

So again, thank you very much. Perhaps we will see you on site visits.

(Applause)

(Whereupon, at 5:30 o'clock, p.m., the meeting was recessed, to reconvene in executive session following open session Thesday morning, November 27, 1973.)

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