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Case file Number(s): Begin - 025999

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WITHDRAWAL SHEET

Ronald Reagan Library

Collection: WHORM: Subject Files

Archivist: jas/srj

File Folder: HE 005 Hospitals-Medical Care Begin-025999

Date: 4/26/99

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
1. letter 001331	Annette Morris to President re: assistance for son. <i>lp.</i>	01/23/81	P6, F6 <i>MJ</i> <i>12/15/00</i>

RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

- P-1 National security classified information [(a)(1) of the PRA].
- P-2 Relating to appointment to Federal office [(a)(2) of the PRA].
- P-3 Release would violate a Federal statute [(a)(3) of the PRA].
- P-4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA].
- P-5 Release would disclose confidential advice between the President and his advisors, or between such advisors [(a)(5) of the PRA].
- P-6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA].

C. Closed in accordance with restrictions contained in donor's deed of gift.

Freedom of Information Act - [5 U.S.C. 552(b)]

- F-1 National security classified information [(b)(1) of the FOIA].
- F-2 Release could disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA].
- F-3 Release would violate a Federal statute [(b)(3) of the FOIA].
- F-4 Release would disclose trade secrets or confidential commercial or financial information [(b)(4) of the FOIA].
- F-6 Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA].
- F-7 Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA].
- F-8 Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA].
- F-9 Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA].

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Dg/2000

WHITE HOUSE CORRESPONDENCE TRACKING WORKSHEET

O - OUTGOING

H - INTERNAL

I - INCOMING

Date Correspondence Received (YY/MM/DD) 8/10/03

ID # 001331

AE005

Name of Correspondent: Annette Morris

MI Mail Report

User Codes: (A) _____ (B) _____ (C) _____

Subject: Request assistance for medical treatment for 15 year old son.

ROUTE TO:

ACTION

DISPOSITION

Office/Agency (Staff Name)	Action Code	Tracking Date YY/MM/DD	Type of Response	Completion Date YY/MM/DD
	ORIGINATOR			
<u>99 HHS (SSA)</u>	<u>A</u>	<u>8/10/03</u> ^{DD}		<u>A 8/10/03</u>
<u>99 HHS ATTN: HCFA</u>	<u>A</u>	<u>8/10/03</u> PY		<u>A 8/10/03</u> PY
	Referral Note:			
	Referral Note:			
	Referral Note:			
	Referral Note:			

ACTION CODES:

- A - Appropriate Action
- C - Comments
- D - Draft Response
- F - Fact Sheet
- I - Info Copy
- R - Direct Reply w/Copy
- S - For Signature
- X - Interim Reply

DISPOSITION CODES:

- A - Answered
- B - Non-Special Referral
- C - Completed
- S - Suspended

FOR OUTGOING CORRESPONDENCE:

- Type of Response = Initials of Signer
- Code = "A"
- Completion Date = Date of Outgoing

Comments: _____

Keep this worksheet attached to the original incoming letter.
 Send all routing updates to Central Reference (Room 75, OEOB).
 Always return completed correspondence record to Central Files.
 Refer questions about the correspondence tracking system to Central Reference, ext. 2590.

RECORDS MANAGEMENT ONLY

CLASSIFICATION SECTION

No. of Additional Correspondents: _____ Media: L Individual Codes: 4000 _____

Prime Subject Code: HE 005 Secondary Subject Codes: HE 001
FA _____

PRESIDENTIAL REPLY

Code	Date	Comment	Form
C	_____	Time: _____	P- _____
DSP	_____	Time: _____	Media: _____

SIGNATURE CODES:

- CPn - Presidential Correspondence
 - n - 1 - Ronald Wilson Reagan
 - n - 2 - Ronald Reagan
 - n - 3 - Ron
 - n - 4 - Dutch
 - n - 5 -
- CLn - First Lady's Correspondence
 - n - 1 - Nancy Reagan
 - n - 2 -
 - n - 3 -
- CBn - Presidential & First Lady's Correspondence
 - n - 1 - Ronald Reagan - Nancy Reagan
 - n - 2 -

MEDIA CODES:

- B - Box/package
- C - Copy
- D - Official document
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- H - Handcarried
- L - Letter
- M - Mailgram
- O - Memo
- P - Photo
- R - Report
- S - Sealed
- T - Telegram
- V - Telephone
- X - Miscellaneous
- Y - Study

001331



MAR 3 1981

Baltimore Maryland 21235

FT-22

Mrs. Annette Morris
1660 Terrace Street
Muskegon, Michigan 49442

Dear Mrs. Morris:

This is in response to your letter to President Reagan, which was referred to this agency for reply.

I am not aware of any Federal program which can be of assistance with the costs of your son's needed hospitalization. However, let me suggest the Shriner Hospitals for Crippled Children, one of which I believe is located in Detroit. I understand that family income is not a consideration for admission to a Shriner Hospital, and that rather the financial hardship to the family associated with the treatment is considered. There is a toll-free telephone number you can call for additional information in this regard: 1-800-237-5055.

Let me take this opportunity to wish you success in obtaining the treatment your son needs. If I may be of further assistance, please do not hesitate to let me know.

Sincerely yours,

Robert D. O'Connor
Director
Bureau of Program Policy

cc:
White House Office

February 18 1981

Refer to:
SEP13

Ms. Annette Morris
1660 Terrace Street
Muskegon, Michigan 49442

Dear Ms. Morris:

I am responding to your letter of January 23, 1981 to the President.

We are sorry to learn of your family's circumstances. The questions you raised about medical treatment for your son concern a program administered by the Health Care Financing Administration. Therefore, I am referring your letter to that agency for consideration.

Sincerely,

Herbert R. Doggette, Jr.
Acting Commissioner

cc:

✓ White House
(Original correspondence and
White House Control Sheet enclosed)

HHS-OS-CCC

THE WHITE HOUSE OFFICE FEB 5 3 28 PM '81

REFERRAL

FEBRUARY 5, 1981

TO: DEPARTMENT OF HEALTH AND HUMAN SERVICES

ACTION REQUESTED:
APPROPRIATE ACTION

DESCRIPTION OF INCOMING:

ID: 001331

MEDIA: LETTER, DATED JANUARY 22, 1981

TO: PRESIDENT REAGAN

FROM: MS. ANNETTE MORRIS
1660 TERRACE STREET
MUSKEGON MI 49442

SUBJECT: REQUESTS ASSISTANCE FOR MEDICAL TREATMENT
FOR 15 YEAR OLD SON

PROMPT ACTION IS ESSENTIAL -- IF REQUIRED ACTION HAS NOT BEEN
TAKEN WITHIN 9 WORKING DAYS OF RECEIPT, PLEASE TELEPHONE THE
UNDERSIGNED AT 456-2717.

RETURN BASIC CORRESPONDENCE, CONTROL SHEET AND COPY OF RESPONSE
(OR DRAFT) TO:
AGENCY LIAISON, ROOM 94, THE WHITE HOUSE

BY DIRECTION OF THE PRESIDENT:
DIRECTOR OF AGENCY LIAISON
PRESIDENTIAL CORRESPONDENCE

6 FEB 81 000043

001331

RONALD W. REAGAN LIBRARY

THIS FORM MARKS THE FILE LOCATION OF ITEM NUMBER _____ / _____ LISTED ON THE
WITHDRAWAL SHEET AT THE FRONT OF THIS FOLDER.

**WHITE HOUSE
CORRESPONDENCE TRACKING WORKSHEET**

*Copy OK sent
to Room
Frankum?*

- O - OUTGOING
- H - INTERNAL
- I - INCOMING
Date Correspondence Received (YY/MM/DD) 810214

ID # 004177
HE 005

Name of Correspondent: Larry J. Gordon

MI Mail Report User Codes: (A) _____ (B) _____ (C) _____

Subject: writes regarding the future of the requirements of Public Law 93-649, the Health Planning and Development Act. Requests a meeting with the Pres. or his designated representatives re the issue of health planning.

ROUTE TO:	ACTION	DISPOSITION			
Office/Agency (Staff Name)	Action Code	Tracking Date YY/MM/DD	Type of Response	Code	Completion Date YY/MM/DD
<u>SC Rawls</u>	ORIGINATOR	<u>810217</u>	<u>NAN</u>	<u>C</u>	<u>810219</u>
<u>R. Frankum</u>	<u>A</u>	<u>810224</u>	<u>NAN</u>	<u>PY C</u>	<u>810226</u>
<u>CO Hyde</u>	Referral Note: <u>A</u>	<u>810210</u>	<u>AH</u>	<u>A</u>	<u>810312</u>
	Referral Note:				
	Referral Note:				
	Referral Note:				

- ACTION CODES:**
- A - Appropriate Action
 - C - Comments
 - D - Draft Response
 - F - Fact Sheet
 - I - Info Copy
 - R - Direct Reply w/Copy
 - S - For Signature
 - X - Interim Reply
- DISPOSITION CODES:**
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 - B - Non-Special Referral
 - C - Completed
 - S - Suspended

FOR OUTGOING CORRESPONDENCE:
Type of Response = Initials of Signer
Code = "A"
Completion Date = Date of Outgoing

Comments: If you do not wish to respond, refer to Ronald Frankum, Policy Development.

Keep this worksheet attached to the original incoming letter.
Send all routing updates to Central Reference (Room 75, OEOB).
Always return completed correspondence record to Central Files.
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RECORDS MANAGEMENT ONLY

CLASSIFICATION SECTION

No. of Additional Correspondents: _____ Media: L Individual Codes: 4800 _____

Prime Subject Code: HE 005 Secondary Subject Codes: HE 002 _____

PRESIDENTIAL REPLY

Code	Date	Comment	Form
C	_____	Time: _____	P- _____
DSP	_____	Time: _____	Media: _____

SIGNATURE CODES:

- CPn - Presidential Correspondence
 - n - 1 - Ronald Wilson Reagan
 - n - 2 - Ronald Reagan
 - n - 3 - Ron
 - n - 4 - Dutch
 - n - 5 -

- CLn - First Lady's Correspondence
 - n - 1 - Nancy Reagan
 - n - 2 -
 - n - 3 -

- CBn - Presidential & First Lady's Correspondence
 - n - 1 - Ronald Reagan - Nancy Reagan
 - n - 2 -

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- L - Letter
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- O - Memo
- P - Photo
- R - Report
- S - Sealed
- T - Telegram
- V - Telephone
- X - Miscellaneous
- Y - Study

March 12, 1981

Dear Mr. Gordon:

I have been asked to acknowledge your letter to the President requesting an appointment with him or a member of the White House staff.

Let me assure you that the thoughtful interest which led you to write is appreciated. The President or any member of his staff would normally be happy to meet with you, but unfortunately, due to heavy official demands, a meeting cannot be arranged.

With the President's best wishes,

Sincerely,

Anne Higgins
Director of Correspondence

Mr. Larry J. Gordon
President
American Public Health
Association
1015 Fifteenth Street, N.W.
Washington, D.C. 20005

AVH:mak:kcs:emb-20b

The appropriate policy
analyst has seen this.
No meeting desired at
this time. Letter should
get a simple acknowledgement

MEMORANDUM

FOR: SCHEDULING

FROM: CORRESPONDENCE ANALYSIS

Do you want to respond to scheduling request?

If not, please forward to:

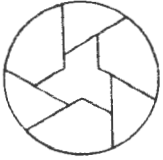
Staff

Special Reply

Reply Processing

Central Files
for referral

Ronald Frank um
JMH Policy Development
Emp 218
EAB



AMERICAN PUBLIC HEALTH ASSOCIATION

1015 Fifteenth Street, N.W., Washington, D.C. 20005 • (202) 789-5600

February 12, 1981

LARRY J. GORDON, M.S., M.P.H., *President*

004177

mat
Sturdivant
Jan 14

The President
The White House
1600 Pennsylvania Avenue, N.W.
Washington, D.C. 20500

Dear Mr. President:

We have received information that an appropriate and critical analysis is being conducted regarding the future of the requirements of Public Law 93-641, the Health Planning and Development Act. Many members of the American Public Health Association (APHA) are deeply involved in issues of health planning, cost-containment, disease prevention, health promotion, mental health, and environmental health. APHA has a long history of supporting appropriate and cost-effective methods to provide effective and necessary health services for Americans. We share your concerns about governmental inefficiency, the state of the economy and the disparate increase in health care costs.

The trend of health care cost escalation is a significant factor affecting the availability of all health services, the state of the economy, and the health status of our citizens. We certainly support any measures to effectively alleviate the escalation of health care costs, while providing the spectrum of necessary health services. While the existing health planning and cost-containment measures are not perfect, these have been the only tools available and "the only game in town", and have resulted in the savings of hundreds of millions of dollars in unnecessary health care facilities and inordinately high health care rates. Perhaps other more effective and appropriate measures and policies can be developed, and, to this end, we will be supportive.

In the meantime, we believe it would be desirable to at least retain the existing health planning institutions, even at a significantly reduced funding level, until alternative measures can be institutionalized. Additionally, there is also the possibility that you and other policy makers may wish to take a second look at some amended version of the existing health planning and cost-containment process after thoroughly investigating other alternatives.

The President
February 12, 1981
Page two

In the absence of well-thought-out and effective cost-containment and health planning measures, we foresee an incredible and inevitable over-building of health care facilities in the sun belt and in the suburbs of metropolitan areas within the next few years. We also foresee a corresponding escalation in health care costs followed by an even more stringent regulatory process a few years later.

In the long run, the interests of our members are to provide necessary health services to our citizens in a cost-effective fashion. We would be pleased to have appropriate health services personnel meet with you or your designated representatives regarding the issue of health planning, or any other health services questions, problems, or proposals at any time.

Very truly yours,



Larry J. Gordon, M.S., M.P.H.
President

cc: American Health Planning Association
American Hospital Association

RE: Requesting appointment with P or staff

THE WHITE HOUSE
WASHINGTON

February 10, 1981

Dear /s/ *Mr Gordon*

I have been asked to acknowledge your letter to the President requesting an appointment with him or a member of the White House staff.

The President or any member of his staff would normally be happy to meet with you, but unfortunately, due to heavy official demands, a meeting cannot be arranged.

~~Thank you for your interest. Best wishes for an enjoyable stay in Washington.~~

Sincerely,
W/ The President's best wishes

AUH.
Gregory J. Newell
Special Assistant
to the President

Let me assure you that the thoughtful interest which led you to write is appreciated.

AUH: MAR: KCS

/s/
///
///

GJN:MR:/s/
GJN-6A

(2/10/81)

(AUH /s/)

**WHITE HOUSE
CORRESPONDENCE TRACKING WORKSHEET**

O - OUTGOING

H - INTERNAL

I - INCOMING
Date Correspondence Received (YY/MM/DD)

8/10/21/22

ID # 007833

HE 005

Name of Correspondent: Vernon H. Mark, M.D.

MI Mail Report

User Codes: (A) _____ (B) _____ (C) _____

Subject: Reducing cost of medical care

ROUTE TO:

ACTION

DISPOSITION

Office/Agency (Staff Name)	Action Code	Tracking Date YY/MM/DD	Type of Response	Completion Date YY/MM/DD
<u>Co Sorb</u>	ORIGINATOR	<u>8/10/25</u> ^{WS}		<u>8/10/16</u>
<u>OMB</u>	<u>D</u>	<u>8/10/03</u> ^{WS}		<u>8/10/13</u>
<u>COMTEG</u>	Referral Note: <u>A</u>	<u>8/10/16</u>	<u>AH</u>	<u>8/10/30</u> ^{CH}
<u>HHS</u>	Referral Note: <u>A</u> ^{CH}	<u>8/10/04</u>		<u>8/10/05</u> ^{DR}
	Referral Note: <u>attn Dr. Caroline Davis</u>			
	Referral Note:			

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RECORDS MANAGEMENT ONLY

CLASSIFICATION SECTION

No. of Additional Correspondents: _____ Media: L Individual Codes: 4630 4660 _____

Prime Subject Code: HE 005 Secondary Subject Codes: HE 002 _____
PL _____

PRESIDENTIAL REPLY

Code	Date	Comment	Form
C		Time: _____	P- _____
DSP		Time: _____	Media: _____

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- S - Sealed
- T - Telegram
- V - Telephone
- X - Miscellaneous
- Y - Study



JUN 2 1981

FT-22

Vernon H. Mark, M.D., F.A.C.S.
Director, Harvard Medical School
Neurosurgical Service
Sears Building - Third Floor
Boston City Hospital
818 Harrison Avenue
Boston, Massachusetts 02113

Dear Dr. Mark:

This is in further reply to your letter to President Reagan. I regret the delay in responding.

Your comments regarding the potential benefits that could be derived through the performance of careful neurological assessments of nursing home patients are of considerable interest to us and we agree that a meeting where they could be discussed further would be beneficial. I understand from Dr. Donald Young, of my staff, that you have already had a limited discussion of this issue with him previously. May I suggest, therefore, that you contact Dr. Young (301-594-9690) to arrange for a meeting on a mutually agreeable date. Appropriate staff could also be invited to provide input on specific points that you may wish to address.

Sincerely yours,

Robert D. O'Connor
Director
Bureau of Program Policy

cc:
The White House

DRAFT

Dr. Vernon H. Mark

Director

Harvard Medical School

Department of Surgery

818 Harrison Avenue

Boston, MA 02118

Dear Dr. Marks:

Thank you for sharing with us your thoughtful editorial in the Journal of the American Medical Association regarding methods for reducing the cost of medical care. As you may be aware, the Administration plans to propose extensive reforms of the health care financing system, including the Medicaid program. As we work to develop proposals in the area, we will give the ideas presented in your editorial careful consideration.

The problem you discussed in your letter of providing appropriate treatment for Medicare patients in nursing homes is a matter of deep concern to this Administration. I am referring your letter to Carolyn Davis, Administrator of the Health Care Financing Administration, for her review, since HCFA is the agency with responsibility for assuring quality care for Medicare beneficiaries.

HHS-OS-000

THE WHITE HOUSE OFFICE MAY 5 9 20 AM '81

REFERRAL

MAY 4, 1981

TO: DEPARTMENT OF HEALTH AND HUMAN SERVICES
ATTN: DR. CAROLINE DAVIS

ACTION REQUESTED:
APPROPRIATE ACTION

DESCRIPTION OF INCOMING:

ID: 007833

MEDIA: LETTER, DATED FEBRUARY 19, 1981

TO: PRESIDENT REAGAN

FROM: DR. VERNON H. MARK
DIRECTOR
HARVARD MEDICAL SCHOOL
DEPARTMENT OF SURGERY
818 HARRISON AVENUE
BOSTON MA 02118

SUBJECT: REDUCING COST OF MEDICAL CARE

PROMPT ACTION IS ESSENTIAL -- IF REQUIRED ACTION HAS NOT BEEN
TAKEN WITHIN 9 WORKING DAYS OF RECEIPT, PLEASE TELEPHONE THE
UNDERSIGNED AT 456-7486.

RETURN BASIC CORRESPONDENCE, CONTROL SHEET AND COPY OF RESPONSE
(OR DRAFT) TO:
AGENCY LIAISON, ROOM 33, THE WHITE HOUSE

BY DIRECTION OF THE PRESIDENT:
LESLIE SORG
DIRECTOR OF AGENCY LIAISON
PRESIDENTIAL CORRESPONDENCE

5 MAY 81 000053

81 MAY 8 11:01

HCF.A, ISPP

April 30, 1981

Dear Dr. Mark:

Thank you for sharing with us your thoughtful editorial in the Journal of the American Medical Association regarding methods for reducing the cost of medical care. As you may be aware, the Administration plans to propose extensive reforms of the health care financing system, including the Medicaid program. As we work to develop proposals in the area, we will give the ideas presented in your editorial careful consideration.

The problem you discussed in your letter of providing appropriate treatment for Medicare patients in nursing homes is a matter of deep concern to this Administration. I am referring your letter to Dr.Carolyn Davis, Administrator of the Health Care Financing Administration (HCFA), for her review, since HCFA is the agency with responsibility for assuring quality care for Medicare beneficiaries.

Again, thank you for sharing your thoughts with us.

Sincerely,

Anne Higgins
Director of Correspondence

Vernon H. Mark, M.D.
Director
Harvard Medical School
Department of Surgery
Boston City Hospital
818 Harrison Avenue
Boston, MA 02118

AH:OMB:rs(III-A40)

cc w/incoming to Dr. Carolyn Davis, Administrator, Health Care Financing Administration, Department of Health and Human Services, Room 309-G Hubert Humphrey Bldg., 200 Independence Avenue, S.W., Washington, D.C. 20201.

THE WHITE HOUSE OFFICE

REFERRAL

OMB
RECEIVED

6117

81 MAR 4 P 4: 18

MARCH 3, 1981

DIRECTOR'S
CORRESPONDENCE UNIT

TO: OFFICE OF MANAGEMENT AND BUDGET

ACTION REQUESTED:

DRAFT REPLY FOR SIGNATURE OF LESLIE SORG

DESCRIPTION OF INCOMING:

ID: 007833

MEDIA: LETTER, DATED FEBRUARY 19, 1981

TO: PRESIDENT REAGAN

FROM: DR. VERNON H. MARK
DIRECTOR
HARVARD MEDICAL SCHOOL
DEPARTMENT OF SURGERY
818 HARRISON AVENUE
BOSTON MA 02118

SUBJECT: REDUCING COST OF MEDICAL CARE

PROMPT ACTION IS ESSENTIAL -- IF REQUIRED ACTION HAS NOT BEEN
TAKEN WITHIN 9 WORKING DAYS OF RECEIPT, PLEASE TELEPHONE THE
UNDERSIGNED AT 456-7610.

RETURN BASIC CORRESPONDENCE, CONTROL SHEET AND COPY OF RESPONSE
(OR DRAFT) TO:
AGENCY LIAISON, ROOM 94, THE WHITE HOUSE

BY DIRECTION OF THE PRESIDENT:
DIRECTOR OF AGENCY LIAISON
PRESIDENTIAL CORRESPONDENCE

HARVARD MEDICAL SCHOOL
DEPARTMENT OF SURGERY

Please reply to:

NEUROSURGICAL SERVICE
SEARS SURGICAL LABORATORIES
Tel: (617)262 9570



NEUROSURGICAL SERVICE
SEARS BUILDING - THIRD FLOOR
BOSTON CITY HOSPITAL
818 HARRISON AVENUE
BOSTON, MASSACHUSETTS 02118

19 February 1981

The President
The White House
Washington, D.C.

007833

Attention: Helene Von Damm

Sir:

I am enclosing some copies of my editorial which was published in the Journal of the American Medical Association regarding a method of reducing the cost of medical care - especially for the federal government. This editorial was ignored by the Carter administration, but I believe the points are as valid today as they were in 1977.

I would also like to discuss with you or one of your representatives a method of reducing the occupancy in skilled nursing homes. The majority of Medicare patients in nursing homes have behavioral or intellectual problems which make them unsuitable for life outside a special care facility. Most of these 1.1 million patients have not had a thorough diagnostic assessment of their brain function - an assessment that might uncover treatable causes for their clinical problems. Although the exact figures and percentages are unknown, because a careful neurological assessment has not been done, perhaps, ten to fifteen percent of such patients could be helped by proper diagnosis and therapy. The possible savings, both in human as well as financial terms, could be significant.

I know that you have pledged no reduction in Medicare payments, but significant savings might be achieved by the diligent application of excellent medical practice.

Respectfully,

A handwritten signature in cursive script, appearing to read 'Vernon H. Mark'.

Vernon H. Mark, M.D., F.A.C.S.
Director

VHM:fge

Encs.

A Prescription for the Rising Cost of Medical Care

THE RECENT presidential and congressional elections have refocused public attention on the steeply rising cost of health care. Some influential critics have put the blame on new medical technologies and have suggested a moratorium on the installation of expensive medical equipment such as computerized tomographic scanning units. Other observers have indicted the malpractice crisis and the increasing tendency of physicians to practice "defensive medicine." The reputed list of excessive cost-producers includes nearly every person and institution taking part in the provision of health care. However, physicians remain the central figures in our medical system; and whether they are directly or indirectly involved in the financial crisis in medicine, they must share the responsibility and participate in any reasonable solution. At least three problem areas in medicine require change—change that can be initiated, or at least stimulated, by physicians.

Outpatient Care

There is general agreement that outpatient care is less expensive than in-hospital treatment. Some health maintenance organizations and public health planners have tried to emphasize outpatient care and preventive medicine in new medical facilities. Utilization review committees struggle to shorten the hospital stay of patients and reduce the consumption of expensive hospital beds. It is quite clear, however, that present methods are simply not adequate.

Too many hospital beds are still being occupied by patients who could function outside the hospital. This is particularly true of patients undergoing diagnostic evaluation. However, an effective transfer of such patients to an outpatient setting is not likely to be accomplished under our present system. Medical economics and remuneration favor an inpatient work-up. Some x-ray and laboratory tests on outpatients are not fully compensated by third-party payers but are completely covered for inpatients. Furthermore, remuneration of physicians is generally greater for inpatient services than for similar ser-

vices performed in the office or outpatient setting. To correct these discrepancies, physicians should work with insurance commissioners, legislators, and third-party payers to revise fee schedules. Outpatient diagnostic services should be completely covered. Likewise, physicians should be compensated at a uniform rate for the time they put into diagnosis and treatment, whether it takes place in an office, in an outpatient setting, or in the hospital. If third-party compensation were to fairly reflect outpatient and office activities, it is likely that there would be a drop in the number of hospitalized patients and a reduction in their hospital stays. Some hospitals would have empty beds and would have to close. The result would be a consolidation of some hospitals while others would be converted into chronic-care facilities or nursing homes.

Medicaid

The Medicaid program was first proposed as a method of giving indigent patients the opportunity to receive medical care in the same institutions as their more prosperous neighbors. This program has caused municipal and county hospitals to have empty beds, while private institutions have had to expand their facilities to care for an increasing patient population. The cost of this expansion has been large. In spite of the expense involved, however, there has been no evidence that indigent patients received better care in private facilities than they did in municipal hospitals. The latter institutions were often closely associated with and staffed by medical school faculties, and the quality of their physicians and the kind of medicine they practiced was closely controlled. It was their physical facilities rather than their medical care that was inadequate.

Is it not time that the Medicaid program be discontinued? A smaller amount of federal money funneled directly into municipal, county, and state hospitals and outpatient clinics could be used to upgrade physical facilities and compensate medical staffs. Almost all Medicaid patients could be cared for in these facilities, and the indigent patients and working poor would receive good medical care at a reasonable expenditure of public funds. This program could be supplemented and expanded by private aid plans, such as the \$15 million collaboration by the American

From the Neurosurgical Service, Boston City Hospital and Harvard Medical School, Boston.

Reprint requests to Neurosurgical Service, Sears Building—Third Floor, Boston City Hospital, 818 Harrison Ave, Boston, MA 02118 (Dr Mark).

Medical Association, the Johnson Foundation, and the US Conference of Mayors. This plan is designed to improve care in underserved areas by consolidating and building on existing health services, including municipal hospitals.

Part of the problem in the Medicaid program has been the inability of auditors and accountants to keep track of expenditures. This would be less difficult in the highly visible municipal and county hospitals and clinics. Also, the possibility of fraud, which has been raised in connection with some Medicaid expenditures, would be less likely if the money was funneled into fewer institutions with tighter financial controls.

Surgical and Medical Specialties

The continuing public demand for specialty medical care is so widespread in some urban areas that primary care physicians are hard to find. The cost of specialty care is high. For one thing, if a patient's complaints go beyond the specialty of the physician first consulted, the patient is apt to be referred to a second, third, and even fourth specialist. It is the exception rather than the rule for a patient in a sophisticated hospital to be cared for by a single physician.

Of course, there is a concerted effort by medical schools to channel new physicians into the field of primary health care. In some areas this has been successful. However, as the supply of native-born physicians available to stock the internship and residency programs begins to fall, increasing use is being made of foreign-born physicians. These foreign-born physicians often enter specialty training with the promise they will bring specialized skills back to their home countries. However, all too often, when they finish their educational program, they enter the American medical system in areas where they are least needed, for example as specialists in urban areas of the United States. Even though the flow of foreign physicians may eventually be reduced by the provisions of the Health Professions Educational Assistance Act of 1976, the impact of the bill is uncertain because of the inclusion of the "disruption waiver." It might be better if the bill were amended to allow foreign medical graduates to study in the United States for a maximum of two years. This would prevent them from becoming Board-certified and encourage them to return to their own countries.

One possible solution to the problem of overspecialization is the reduction in the number of hospital positions available for specialty training. This should include all fields of surgery, internal medicine, pediatrics, obstetrics, and psychiatry. Recent medical graduates should be required to have a two-year internship or its equivalent. During this time they would have the opportunity to rotate through all services in general hospitals. Such a rotation would help to fill some of the manpower needs formerly taken up by residency programs. At the end of this two-year program, most of these physicians would begin the general practice of medicine. A few especially motivated physicians could be channeled into specialty training. The rate of channeling, however, would produce a gradual attrition in all branches of specialty practice. The role of specialists might change so that their activities would involve a greater emphasis on consultation and a lesser participation in primary management.

One way of cutting down expenses is to cut back in services. This does not mean the practice of an inferior brand of medicine. Diagnostic facilities could still be widely dispersed, especially in outpatient settings. Further, for the most effective treatment of the population, the equipment and manpower for emergency medical care must be strategically located. On the other hand, sophisticated centers for elective surgery and deep x-ray therapy should be consolidated. Our economic resources to pay for medical care are not limitless, and it would be a pity if they were frittered away on a costly and inefficient system of providing health care.

This commentary is not intended as a blueprint for the future but rather as a touchstone for discussion and debate. All physicians share a deep concern for the future of medical care and our profession. Of all the parties who want to revise our health care system, we as physicians are in the best position to make the changes that will safeguard the health of our patients and foster the continuation of high-quality health care. It is time that we take the lead in defining those revisions that are necessary and in insuring that their implementation will not disrupt health care provision or bankrupt our country.

VERNON H. MARK, MD
Boston City Hospital
Boston

A Prescription for the Rising Cost of Medical Care

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VERNON H. MARK, MD
Boston City Hospital
Boston

ID # 010134
HE005

**WHITE HOUSE
CORRESPONDENCE TRACKING WORKSHEET**

- O - OUTGOING
 - H - INTERNAL
 - I - INCOMING
- Date Correspondence Received (YY/MM/DD) 8/10/06

Name of Correspondent: Jose M. Yang

MI Mail Report User Codes: (A) _____ (B) _____ (C) _____

Subject: Urgen President not to curtail the Migrant Health Clinics. Enclosed letters from Ruben Rodriguez & Reverend Gerard Mackin re same.

ROUTE TO:	ACTION	DISPOSITION			
Office/Agency (Staff Name)	Action Code	Tracking Date YY/MM/DD	Type of Response	Code	Completion Date YY/MM/DD
<u>IA MCGO</u>	ORIGINATOR	<u>8/10/09</u> ^{DR}	<u>JSK</u>	<u>A</u>	<u>8/05/07</u>
<u>OMB</u>	Referral Note: <u>D</u>	<u>8/10/09</u> ^{DR}		<u>C</u>	<u>8/05/05</u>
<u>Central Files</u>	Referral Note: <u>for sig of J. Steven Rhodes</u>	<u>1/1</u>	<u>JSR</u>	<u>A</u>	<u>8/05/07</u>
	Referral Note: _____	<u>1/1</u>			<u>1/1</u>
	Referral Note: _____	<u>1/1</u>			<u>1/1</u>
	Referral Note: _____	<u>1/1</u>			<u>1/1</u>

- ACTION CODES:**
- A - Appropriate Action
 - C - Comments
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 - I - Info Copy/No Action Necessary
 - R - Direct Reply w/Copy
 - S - For Signature
 - X - Interim Reply
- DISPOSITION CODES:**
- A - Answered
 - B - Non-Special Referral
 - C - Completed
 - S - Suspended
- FOR OUTGOING CORRESPONDENCE:**
- Type of Response = Initials of Signer
 - Code = "A"
 - Completion Date = Date of Outgoing

Comments: _____

Keep this worksheet attached to the original incoming letter.
Send all routing updates to Central Reference (Room 75, OEOB).
Always return completed correspondence record to Central Files.
Refer questions about the correspondence tracking system to Central Reference, ext. 2590.

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No. of Additional Correspondents: _____ Media: L Individual Codes: 2500 _____

Prime Subject Code: HE 005 _____ Secondary Subject Codes: LA 004 _____
LG DONNA _____
ST 043 _____

PRESIDENTIAL REPLY

Code	Date	Comment	Form
C	_____	Time: _____	P- _____
DSP	_____	Time: _____	Media: _____

SIGNATURE CODES:

CPn - Presidential Correspondence

- n - 0 - Unknown
- n - 1 - Ronald Wilson Reagan
- n - 2 - Ronald Reagan
- n - 3 - Ron
- n - 4 - Dutch
- n - 5 - Ron Reagan
- n - 6 - Ronald
- n - 7 - Ronnie

CLn - First Lady's Correspondence

- n - 1 - Nancy Reagan
- n - 2 - Nancy
- n - 3 -

CBn - Presidential & First Lady's Correspondence

- n - 1 - Ronald Reagan - Nancy Reagan
- n - 2 - Ron - Nancy

MEDIA CODES:

- B - Box/package
- C - Copy
- D - Official document
- G - Message
- H - Handcarried
- L - Letter
- M - Mailgram
- O - Memo
- P - Photo
- R - Report
- S - Sealed
- T - Telegram
- V - Telephone
- X - Miscellaneous
- Y - Study

THE WHITE HOUSE

WASHINGTON

May 7, 1981

Dear Mayor Yanez:

Thank you for your letter of February 13, 1981, to President Reagan expressing your concern for Federal funding of migrant health clinics in southern Texas.

Like you, the President is concerned with the health care needs of migrant and seasonal farm workers and other rural poor populations. That is why, when faced with difficult budget reduction decisions in health care delivery grant programs, the President chose not to simply reduce his budget request, but to propose a restructuring of the way health services grants are administered by the Federal Government. The Administration has proposed a health services block grant to States which will allow them to tailor programs to the needs of their citizens and improve program management and coordination so that services can be provided at lower cost.

I have attached a copy of a fact sheet on the President's health block grant proposals that will explain the proposals and the reasons for them in greater detail. Again, thank you for taking the time to express your views.

Sincerely,

J. Steven Rhodes
Special Assistant to the President
for Intergovernmental Affairs

The Honorable Jose M. Yanez
Mayor of Donna
912 Miller Avenue
Donna, TX 78537

Honorable Jose M. Yanez
Mayor of Donna
912 Miller Avenue
Donna, Texas 78537

1/19/81
DRAFT

Dear Mr. Yanez:

to President Reagan

Thank you for your letter of February 13, 1981, expressing

your concern for Federal funding of migrant health clinics in southern Texas. ~~The President has asked me to respond for him.~~

Like you, the President is concerned with the health care needs of migrant and seasonal farm workers and other rural poor populations. That is why, when faced with difficult budget reduction decisions in health care delivery grant programs, the President chose not to simply reduce his budget request, but to propose a restructuring of the way health services grants are administered by the Federal Government. The Administration has proposed a health services block grant to States which will allow them to tailor programs to the needs of their citizens and improve program management and coordination so that services can be provided at lower cost.

I have attached a copy of a fact sheet on the President's health block grant proposals that will explain the proposals and the reasons for them in greater detail. Again, thank you for taking the time to express your views.

Sincerely,

 Steven Rhodes

Attachment

Health Block Grants

Agency: Department of
Health and Human Services

Functional
Code: 551

Budget Reform
Criterion: 7

Funding

	(\$ in millions)					
	1981	1982	1983	1984	1985	1986
CARTER BUDGET:						
<i>Budget Authority</i>	--	1,753	1,753	1,753	1,753	1,753
<i>Outlays</i>	--	621	1,581	1,770	1,753	1,753
REAEESTIMATES & ADJUSTMENTS:						
<i>Budget Authority</i>	--	--	--	--	--	--
<i>Outlays</i>	--	--	--	--	--	--
PROGRAM CHANGES:						
<i>Budget Authority</i>	--	371	371	371	371	371
<i>Outlays</i>	--	121	581	570	371	371
REAGAN BUDGET:						
<i>Budget Authority</i>	--	1,382	1,382	1,382	1,382	1,382
<i>Outlays</i>	--	500	1,000	1,200	1,400	1,400

Program Description

Through the years, a complex, duplicative, and uncoordinated array of some 25 Federal health service programs has developed. These programs provide services based on varying criteria including age, income, health status, disease category, occupation, and residence. Most of the programs overlap and duplicate other programs in services provided and/or populations served. Some of these programs are formula grants to States for provision of services at the local level, usually by local governments or agencies. Others make project grants or provide in-kind services or federally paid workers to local public agencies, community-based organizations, and similar non-profit groups. Each program generally has its own separate planning process.

Proposed Change

As part of the effort to return decisionmaking authority, where appropriate, to States and localities, the Administration proposes to consolidate the present collection of 25 Federal categorical health service grants into two block grants to States: health services and preventive health services.

Rationale

Aside from the confusion caused by the total lack of coherence in the Federal delivery effort itself, day to day management has developed into a costly bureaucratic morass of planning, regulating, and reporting at the Federal, State, and local levels. The problems of categorical grant programs are not limited just to this waste and inefficiency or to management difficulties. Because of the fragmented nature of the current funding system, often persons in need of these services must go to several different and unrelated grantees for different services and must receive related health services from different providers. The current system's administrative requirements have resulted in nearly insurmountable barriers for States, local governments, communities, and even individual providers who wish to integrate funds from all grant programs into comprehensive assistance systems.

The Administration's block grant proposal will enable States to plan and coordinate their own service programs, establish their own priorities, and exercise effective program control over resources provided to localities and non-profit organizations. This approach will reduce the multiplicity of rules and regulations (and, hence, Federal direction) under which service agencies currently operate. States will thus have greater flexibility—as well as greater responsibility for results—in providing needed health services to their populations. Overlapping funding from different programs for the same services could be eliminated. States could select the service delivery agency best able to provide certain services that are now provided by direct Federal grantees. The overall result would strengthen State governments and provide publicly-financed services more effectively and at lower costs to those in need.

Appropriation action has been proposed to carry out the Administration's proposal, effective in October of this year, contingent upon enactment of authorizing legislation which will be submitted as soon as possible. The proposed funding level for 1982 is 75% of the 1981 current base or \$1,382 million. Because the new block grant legislation would allow significant savings in program overhead and more efficient service delivery due to the elimination of overlapping service responsibilities, this funding change need not result in a reduction of services.

Key Facts About the Program

- Over 1,600 Federal employees manage these programs.
- There are over 12,000 grant sites.
- There are 218 pages of Federal law and 235 pages of Federal regulations for these programs.
- 365,000 manhours are required each year to complete Federal reports.
- The programs included in the health services block grant are:
 - Primary Health Care Centers
 - Primary Care Research and Demonstrations
 - Black Lung Clinics
 - Migrant Health
 - Home Health Services
 - Maternal and Child Health Services
 - Maternal and Child Health/ Supplemental Security Income Disabled Children's Services
 - Hemophilia
 - Mental Health Services
 - Drug Abuse Community Projects
 - Drug Abuse Grants to States
 - Alcoholism Community Projects
 - Alcoholism Grants to States
 - Emergency Medical Services
 - Sudden Infant Death Syndrome
- The programs included in the preventive health services block grant are:
 - High Blood Pressure Control
 - Risk Reduction and Health Education
 - Fluoridation
 - Lead-Based Paint Poisoning Prevention
 - Family Planning Services
 - Health Incentive Grants
 - Venereal Diseases
 - Rat Control
 - Genetic Diseases
 - Adolescent Health Services

6534

THE WHITE HOUSE OFFICE

REFERRAL

MARCH 19, 1981

TO: OFFICE OF MANAGEMENT AND BUDGET

ACTION REQUESTED:

DRAFT REPLY FOR SIGNATURE OF STEVEN RHODES

DESCRIPTION OF INCOMING:

ID: 010134

MEDIA: LETTER, DATED FEBRUARY 13, 1981

TO: PRESIDENT REAGAN

FROM: THE HONORABLE JOSE M. YANEZ
MAYOR OF DONNA
912 MILLER AVENUE
DONNA TX 78537

SUBJECT: URGES PRESIDENT NOT TO CURTAIL THE MIGRANT
HEALTH CLINICS, ENCLOSES LETTERS FROM RUBAN
RODRIGUEZ AND REVEREND GERARD MACKIN
REGARDING SAME

PROMPT ACTION IS ESSENTIAL -- IF REQUIRED ACTION HAS NOT BEEN
TAKEN WITHIN 9 WORKING DAYS OF RECEIPT, PLEASE TELEPHONE THE
UNDERSIGNED AT 456-7610.

RETURN BASIC CORRESPONDENCE, CONTROL SHEET AND COPY OF RESPONSE
(OR DRAFT) TO:
AGENCY LIAISON, ROOM 94, THE WHITE HOUSE

BY DIRECTION OF THE PRESIDENT:
DIRECTOR OF AGENCY LIAISON
PRESIDENTIAL CORRESPONDENCE

37
City of Donna



Fonda M. Garcia

010134

February 13, 1981

President Ronald Reagan
White House
Washington D. C.

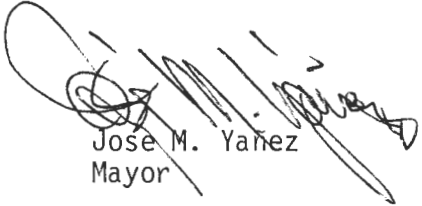
Dear President Reagan:

I am familiar with the urgent needs of the Migrant Workers of South Texas and their unique problems of poverty. That is why I believe in their need for Migrant Health Clinics for the prevention and treatment of Disease.

Presently, we can say that there are few poverty programs designed to assist the Migrant Workers so any curtailment on phasing out of these type of programs would certainly add to the misery of the need in South Texas.

Therefore, I plea to you not to curtail the Migrant Health Clinics in any way.

Sincerely,


Jose M. Yanez
Mayor



Donna Independent School District

116 NORTH 10TH 512 464-4461

DONNA, TEXAS 78537

RUBEN RODRIGUEZ

SUPERINTENDENT

February 13, 1981

President Ronald Reagan
White House
Washington, D.C.

Dear Mr. President:

This school district has a student population of 80% who come from Migrant families. Approximately 99% of these children fall below poverty guidelines which make them participants of the national free and reduced lunch program.

The two programs of major concern that I would like to support for the parents of the migrant children in South Texas, are the Migrant Health Clinics, and the National Free Lunch.

I would like to plead that these programs be allowed to continue, and at the same time we will continue to check their implementation to assure their compliance and purpose.

Sincerely,

Ruben Rodriguez
Superintendent
Donna Independent School District

RR/hg

SAINT JOSEPH'S CHURCH

Missionaries of the Holy Family

306 South Boulevard

DONNA, TEXAS 78537

FEBRUARY 8, 1981

PRESIDENT RONALD REAGAN
WHITE HOUSE
WASHINGTON, D.C.

DEAR MR. PRESIDENT,

I AM WRITING THIS LETTER IN BEHALF OF THE MIGRANT WORKERS OF SOUTH TEXAS.

THESE POOR PEOPLE ARE IN URGENT NEED OF THEIR MIGRANT HEALTH CLINICS FOR THE PREVENTION AND TREATMENT OF DISEASE.

SO OFTEN THESE PEOPLE WHO PUT FOOD ON THE AMERICAN DINNER TABLE SEEM ALIENATED FROM THE ECONOMIC MAINSTREAM OF AMERICA. TO TAKE AWAY THESE CLINICS WILL REINFORCE THE IDEA THEY ARE EXCLUDED FROM THE AMERICAN DREAM. THEN AGAIN IF THE CLINICS ARE TAKEN AWAY WHO WILL PROVIDE THE NECESSARY CARE FOR THEIR ILLNESSES? THE MIGRANTS THEMSELVES CANNOT PAY THIS EXPENSE SINCE THEY BELONG TO THE LOWEST ECONOMIC GROUP IN AMERICA.

HENCE FOR THE ABOVE REASONS I APPEAL TO YOU TO RETAIN THESE CLINICS.

SINCERELY,



REVEREND GERARD MACKIN, M.S.F.
PASTOR

FROM: JACK TARANTINO (SAN DIEGO, CALIF)		CONTROL NO.	
FISHERMAN'S UNION OF AMERICA		010555	
SUBJECT AND DATE:		DATE REC'D.	
Proposed closure of United States		4/27/81	
Public Health Facilities		DUE DATE	
		4/30/81	
REFERRED (1)	(2)	(3)	(4)
Robin Lee	OK 4/30/81		
DATE:			
REPLY SENT TO:			DATE RELEASED
REMARKS			ACKNOWLEDGED - DATE
			<input type="checkbox"/>
			NO ANSWER NEEDED
			<input type="checkbox"/> (EXPLAIN IN REM'KS)

HEW-73
(REV. 3-66)

MAIL CONTROL SCHEDULE
REMOVE THIS COPY ONLY - DO NOT SEPARATE REMAINING COPIES

HE005

**WHITE HOUSE
CORRESPONDENCE TRACKING WORKSHEET**

- O - OUTGOING
- H - INTERNAL
- I - INCOMING

Date Correspondence Received (YY/MM/DD) 81 103 106

Name of Correspondent: Jack Tarantino

MI Mail Report User Codes: (A) _____ (B) _____ (C) _____

Subject: Urges President to reconsider proposal to close the U.S. Public Health Facilities.

ROUTE TO:	ACTION		DISPOSITION		
	Office/Agency (Staff Name)	Action Code	Tracking Date YY/MM/DD	Type of Response	Code
<u>✓ PL Dole</u>	ORIGINATOR	<u>81 103 109</u> ^{LB}	<u>NAN</u>	<u>C</u>	<u>81 104 115</u> ^{CD}
<u>PL Knauer (432)</u>	<u>A</u>	<u>81 104 116</u>	<u>CD</u>		<u>1 1</u>
		<u>1 1</u>			<u>1 1</u>
		<u>1 1</u>			<u>1 1</u>
		<u>1 1</u>			<u>1 1</u>

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 S - Suspended

FOR OUTGOING CORRESPONDENCE:
 Type of Response = Initials of Signer
 Code = "A"
 Completion Date = Date of Outgoing

Comments: _____

Keep this worksheet attached to the original incoming letter.
 Send all routing updates to Central Reference (Room 75, OEOB).
 Always return completed correspondence record to Central Files.
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RECORDS MANAGEMENT ONLY

CLASSIFICATION SECTION

No. of Additional Correspondents: _____ Media: _____ Individual Codes: 4300 _____

Prime Subject Code: HE 005 _____ Secondary Subject Codes: FG 022-10 _____
LA 003 _____

PRESIDENTIAL REPLY

Code	Date	Comment	Form
C	_____	Time: _____	P- _____
DSP	_____	Time: _____	Media: _____

SIGNATURE CODES:

CPn - Presidential Correspondence
n - 0 - Unknown
n - 1 - Ronald Wilson Reagan
n - 2 - Ronald Reagan
n - 3 - Ron
n - 4 - Dutch
n - 5 - Ron Reagan
n - 6 - Ronald
n - 7 - Ronnie

CLn - First Lady's Correspondence
n - 1 - Nancy Reagan
n - 2 - Nancy
n - 3 -

CBn - Presidential & First Lady's Correspondence
n - 1 - Ronald Reagan - Nancy Reagan
n - 2 - Ron - Nancy

MEDIA CODES:

B - Box/package
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D - Official document
G - Message
H - Handcarried
L - Letter
M - Mailgram
O - Memo
P - Photo
R - Report
S - Sealed
T - Telegram
V - Telephone
X - Miscellaneous
Y - Study

070222

THE WHITE HOUSE

WASHINGTON

Dear Mr. Tarantino:

President Reagan has asked me to respond to your letter concerning the proposed closure of Public Health Service hospitals and clinics. I am the Special Assistant to the President responsible for consumer affairs, health and safety issues and the concerns of the elderly and the disabled.

The Administration, after a careful review of the situation, has proposed legislation to end the entitlement of free medical care to merchant seamen on the grounds that this special treatment is inequitable and no longer appropriate in light of changed historical circumstances and current economic conditions. Moreover, the hospitals providing these services are underutilized and many are located in areas with an excess supply of beds. The Administration anticipates that the patients now serviced by these facilities can be readily absorbed by other Federal facilities.

In short, the maintenance of a free government health delivery system for a selected class of occupations does not appear to be justified. Although we hope you too will see the wisdom of this course of action, we are sharing your views with the Secretary of Health and Human Services, Richard Schweiker.

Sincerely,

Virginia H. Knauer
Special Assistant to the President

Mr. Jack Tarantino
President
Fishermen's Union of America,
Pacific and Caribbean Area
640 State Street
San Diego, California 92101

MAIN OFFICE

640 State Street
San Diego, California 92101
(714) 239-5184

President
JACK TARANTINO
Secretary-Treasurer
V. JIM BOZZO

Vice President-Business Agent
MICHAEL BONO

Business Agent
JOSEPH FRANCISCO



Affiliated with
Seafarer's International Union of N.A.
AFL-CIO

BRANCH OFFICES

529 W. Ninth St., Suite C-D
San Pedro, California 90731
(213) 833-3571

Business Agent
THERESA HOINSKY

P.O. Box 2227
Monterey, California 93940
(408) 375-3126

Business Agent
JOHN CRIVELLO

*E. Dole
attn: Robert Bonitati*

March 2, 1981

010555

The Honorable Ronald Reagan
President of the United States
The White House
1600 Pennsylvania Ave., N.W.
Washington, D.C. 20500

RE: Proposed closure of United States Public Health Facilities.

Dear Mr. President:

It has been brought to my attention that your administration is preparing to close the Public Health Service Hospitals and Out Patient Clinics, which, at present, are providing free medical service to our commercial fishermen. Our Union represents over 100 boats and approximately 2,000 fishermen from San Diego, San Pedro and Monterey who man these boats and rely on the United States Public Health Service. The United States Public Health Service Hospital in San Francisco and the Out Patient Clinics in San Diego and San Pedro provide a much needed service to our California Fishermen.

We, therefore, urge that you continue to support these most important services on behalf of our fishermen, the farmer of the sea.

Respectfully,

Jack Tarantino,
President

JT:amf

Handwritten initials/signature

ID # 012822
NE005

WHITE HOUSE CORRESPONDENCE TRACKING WORKSHEET

- O - OUTGOING
- H - INTERNAL
- I - INCOMING

Date Correspondence Received (YY/MM/DD) 8/10/2013

Name of Correspondent: Milton H. Stapen, M.D.

MI Mail Report User Codes: (A) _____ (B) _____ (C) _____

Subject: Suggests Methods For controlling high costs of medical provider category

ROUTE TO:	ACTION	DISPOSITION			
Office/Agency (Staff Name)	Action Code	Tracking Date YY/MM/DD	Type of Response	Code	Completion Date YY/MM/DD
<u>Co SoRG</u>	ORIGINATOR	<u>8/10/13</u>		<u>C</u>	<u>8/10/14</u>
<u>HHS</u>	<u>D</u>	<u>8/10/17</u>		<u>C</u>	<u>8/10/10</u>
<u>Co Hgg</u>	<u>R</u>	<u>8/10/16</u>	<u>AVH</u>	<u>A</u>	<u>8/10/25</u>
		<u>1 1</u>			<u>1 1</u>
		<u>1 1</u>			<u>1 1</u>

ACTION CODES:
 A - Appropriate Action
 C - Comments
 D - Draft Response
 F - Fact Sheet
 I - Info Copy/No Action Necessary
 R - Direct Reply w/Copy
 S - For Signature
 X - Interim Reply

DISPOSITION CODES:
 A - Answered
 B - Non-Special Referral
 C - Completed
 S - Suspended

FOR OUTGOING CORRESPONDENCE:
 Type of Response = Initials of Signer
 Code = "A"
 Completion Date = Date of Outgoing

Comments: Please coordinate WH response with that of HHS. (Dr. Stapen sent materials to Secretary Schweiker also) Please enclose HHS response also with your white House draft.

Keep this worksheet attached to the original incoming letter.
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 Always return completed correspondence record to Central Files.
 Refer questions about the correspondence tracking system to Central Reference, ext. 2590.

RECORDS MANAGEMENT ONLY

CLASSIFICATION SECTION

No. of Additional Correspondents: _____ Media: L Individual Codes: 4630 _____

Prime Subject Code: HE 005 Secondary Subject Codes: BE 004.02 HE 002
FE 001.02
FA 005

PRESIDENTIAL REPLY

Code	Date	Comment	Form
C	_____	Time: _____	P- _____
DSP	_____	Time: _____	Media: _____

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- P - Photo
- R - Report
- S - Sealed
- T - Telegram
- V - Telephone
- X - Miscellaneous
- Y - Study

April 25, 1981

Dear Dr. Stapen:

Thank you for your letter to President Reagan. Your very thoughtful analysis of current programs affecting health care providers and recommendations for Federal actions that might be taken to control rising health provider costs are greatly appreciated.

Secretary Schweiker, of the Department of Health and Human Services, has also received a copy of your letter. We know he will want to examine your proposals in detail.

Sincerely,

Anne Higgins
Director of Presidential
Correspondence

Dr. Milton H. Stapen
President
Hempstead General Hospital
800 Front Street
Hempstead, New York 11551

Prepared by: HCFA:OLP:OLCA:DHS:Judy Boggs - 202-426-3940

AVH/pps

bcc: HHS w/xerox of incoming



APR 10 1981

Washington, D.C. 20201

COH166

MEMORANDUM FOR ANNE HIGGINS

As your office directed, we have prepared the attached response to a letter to President Reagan from Dr. Milton H. Stapen regarding actions that might be taken to control rising health care provider costs.

A handwritten signature in cursive script that reads "David Newhall III".

David Newhall III
Executive Assistant to the Secretary/
Executive Secretary to the Department

Dr. Milton H. Stapen
President
Hempstead General Hospital
800 Front Street
Hempstead, New York 11551

Dear Dr. Stapen:

Thank you for your letter to ~~the~~ ^{Reagan,} President of ~~February 25~~. Your very thoughtful analysis of current programs affecting health care providers and recommendations for Federal actions that might be taken to control rising health provider costs are greatly appreciated.

Secretary Schweiker, of the Department of Health and Human Services, has also received a copy of your letter. ^{We know he will want} ~~I have asked him to~~ examine your proposals in detail, ~~and reply directly to you.~~

Sincerely,

Bob

Prepared by: HCFA:OLP:OLCA:DHS:Judy Boggs - (202) 426-3940

gcc: HHS w/ report of ...



THE SECRETARY OF HEALTH AND HUMAN SERVICES
WASHINGTON, D.C. 20201

APR 10 1981

Dr. Milton H. Stapen
President
Hempstead General Hospital
800 Front Street
Hempstead, New York 11551

Dear Dr. Stapen:

Thank you for your letters of February 25 to the President and to me. The White House has asked me to respond directly to your proposals for Federal actions that might be taken to control rising health care provider costs. You have obviously given a great deal of thought to the issues affecting health care providers and have raised many interesting points.

As you may know, several of the suggestions you made for reducing Federal spending and curbing inflation in health care costs are incorporated in the President's Program for Economic Recovery. The Administration has proposed phasing out Federal funding for the health planning and Professional Standards Review Organization programs, eliminating funding for new National Health Service Corps Scholarships, and placing a ceiling on Federal expenditures for Medicaid (coupled with a relaxation of Federal requirements that now prevent States from operating their Medicaid programs more efficiently).

You may be interested to know that a step in the direction of a single facility audit for third party payment purposes was taken by the Congress in P.L. 96-499, the Omnibus Reconciliation Act of 1980. That legislation provides for coordinated audits by Medicaid and Medicare where facilities are reimbursed on a cost basis.

I have asked staff in this Department to review in greater depth your proposal for the evaluation of new technology and your recommendations with respect to malpractice insurance. You will be hearing from them shortly.

I hope you will agree that the President's budget proposal and other initiatives go a long way toward carrying out the mandate of the people to reduce growth in government spending and limit the influence of government in our economy.

Sincerely,

Richard S. Schweiker
Secretary

THE WHITE HOUSE OFFICE

REFERRAL

MARCH 17, 1981

H
MAR 17 12 36 PM '81

TO: DEPARTMENT OF HEALTH AND HUMAN SERVICES

ACTION REQUESTED:

DRAFT REPLY FOR SIGNATURE OF ANNE HIGGINS

REMARKS: ATTN: PLEASE COORDINATE WH RESPONSE WITH THAT OF HHS
(DR. STAPEN SENT MATERIALS TO SECRETARY SCHWEIKER ALSO)
PLEASE ENCLOSE HHS RESPONSE ALSO WITH YOUR WHITE HOUSE DRAFT

DESCRIPTION OF INCOMING:

ID: 012822

MEDIA: LETTER, DATED FEBRUARY 25, 1981

TO: PRESIDENT REAGAN

FROM: DR. MILTON H. STAPEN
PRESIDENT
HEMPSTEAD GENERAL HOSPITAL
800 FRONT STREET
HEMPSTEAD NY 11551

SUBJECT: SUGGESTS METHODS FOR CONTROLLING HIGH COSTS
OF MEDICAL PROVIDER CATEGORY

PROMPT ACTION IS ESSENTIAL -- IF REQUIRED ACTION HAS NOT BEEN
TAKEN WITHIN 9 WORKING DAYS OF RECEIPT, PLEASE TELEPHONE THE
UNDERSIGNED AT 456-7610.

RETURN BASIC CORRESPONDENCE, CONTROL SHEET AND COPY OF RESPONSE
(OR DRAFT) TO:
AGENCY LIAISON, ROOM 94, THE WHITE HOUSE

BY DIRECTION OF THE PRESIDENT:
DIRECTOR OF AGENCY LIAISON
PRESIDENTIAL CORRESPONDENCE

17 MAR 81 000122

37
TRACK to
HHS
for
awards

HEMPSTEAD GENERAL HOSPITAL

800 FRONT STREET

HEMPSTEAD, N. Y. 11551

(516) 483-9700

MILTON H. STAPEN, M.D.
PRESIDENT

February 25, 1981

CHARLES J. HACKETT
ADMINISTRATOR

The President
Mr. Ronald W. Reagan
The White House
Washington, D.C. 20500

012822

Dear Mr. President:

Please permit me the honor and the pleasure to congratulate your office for the really fine performance to date. I believe that it takes a great deal of conviction, guts and honesty to attempt your administration's programs.

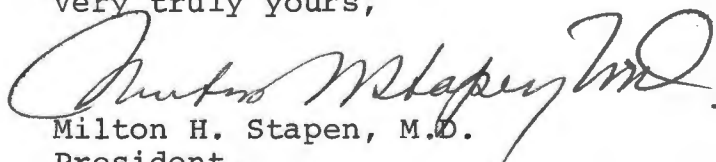
Since I heartily agree with you that it is about time that the Federal Government exercised some belt tightening and eliminated those costs which are unproductive or unnecessary, I hereby submit for your further consideration the enclosed material which I have also taken the liberty to forward to Secretary Richard S. Schweiker, Department of Health and Human Services. It contains some of my thoughts on methods to control the ever escalating and already staggering cost of medical provider category. In this instance I believe that billions can be saved without offending anyone, with the possible exception of the avaricious element of the legal profession.

The letter enclosed is by no means complete, as I did not mention the costs that can be saved by removing the non-productive federal and state regulations, which now comprise 25% of the hospital expenditures. However, I expect to elucidate on this problem when I appear as a member of the Senate Business Advisory Board, to which I have been appointed. //

I trust that you will have the time to review the material presented, and I would be most pleased to have your reaction and comments.

With best wishes for your continued success.

Very truly yours,



Milton H. Stapen, M.D.
President,
Hempstead General Hospital

MHS:mg

HEMPSTEAD GENERAL HOSPITAL

800 FRONT STREET

HEMPSTEAD, N. Y. 11551

(516) 483-9700

MILTON H. STAPEN, M. D.
PRESIDENT

CHARLES J. HACKETT
ADMINISTRATOR

February 25, 1981

The President
Mr. Ronald W. Reagan
The White House
Washington, D.C. 20500

Dear Mr. President

As we all know the Federal Government has a mandate to reduce spending in order to curb inflation. As an individual who has participated in the health provider field for the past 45 years in almost all of its aspects, I feel that I am singularly qualified to voice an opinion as to where some of the economies can be safely effectuated.

I therefore have compiled a number of suggestions which, at this writing, are by no means complete or exhaustive in scope. All of the suggestions are in those aspects of health provider projects with which I have personal knowledge and experience. I also enclose a short curriculum vitae of my past activities as related only to the health provider field.

I shall make suggestions and give a short explanation of the underlying reasons for the action proposed.

My first suggestion would be to abolish federal funding of the Health Systems Agencies and relegate this function back to the States. Most states had such an agency before H.S.A. was formed, as for example, the Health Planning Councils in the State of New York. The states funded these programs successfully, and the states under the present programs are still responsible for approving or disapproving the recommendations of the council.

To my mind, the only single significant action of HSA which would eventually impact on Federal Cost to any significant extent is the decision to expand the bed capacities of hospitals and nursing homes in any given area. Therefore, the Federal Government should reserve unto itself the final decision as to when, where and to what degree such expansion should take place.

- continued -

This final decision making could become a function of the HHS without additional public cost. The HSA would provide all of the pertinent information to the state, who would then make recommendations and refer the information to HHS.

The cost to the Federal Government would be eliminated. The cost to the states would be very much less than the present expenditures by the Federal Government.

My next suggestion would be to abolish P.S.R.O. as a Federal function, and again, return this function to the State. In the first place, it is very questionable whether P.S.R.O. serves the purpose for which it was established. It certainly costs more than the funds it purports to save. It is basically designed as an all encompassing evaluation of the admission and discharge policies of a hospital. Fortunately, this problem can be handled in other ways which are less costly, less time consuming and even more cost effective. The criteria used by P.S.R.O. are uneven, are often mis-applied, and can often be circumvented. The government can save \$200,000,000 yearly by abolishing this agency and using the controls which will be suggested in the next paragraph.

It would, for starters, be simpler to establish written criteria of admission and discharge policies which should be adhered to by all hospitals. These regulations could be spot-checked with the same results as continued audits. If a pattern of non-compliance becomes apparent, then the institution could be thoroughly audited and sanctions taken, after which that institution and any others who heard of the process, would be forever more careful in their application of the policies.

Secondly, when it comes to prolonged stays, which of course are usually in the Medicare category of hospital admission, a monetary restraint would be more effective than any P.S.R.O. To this end I would advise that every sixth day of hospitalization be charged directly to the patient, at the per diem rate currently applicable to the institution. This cost would be a monetary deterrent for families and doctors to unnecessarily prolong hospital stays. We should realize that most Medicare patients can well afford to pay for part of their hospitalization, and they could also carry Blue Cross Insurance to help pay for these extra charges. The heart of the plan is that this would now shift the burden to Blue Cross to monitor the length of stay, since they would be paying the extra costs. The Government would automatically save 1/6 of the hospital bill and probably a great deal more, if the hospital stays were shortened. One must always look for an incentive to achieve a goal, and in this case the cost of 1/6 of the bill is enough of an incentive to motivate all concerned.

Another program instituted by the Federal Government in their misguided efforts to do something in the medical arena, are the so-called Cancer Councils, of which I was a member.

To my mind the activities of these councils are either an outright waste of time and effort, or else they are being used to fund programs which would normally be paid for by other sources than a federal subsidy. At best, they represent a vast reduplication of effort with practically nothing to show for the expenditures. They should be abolished as a totally unnecessary and ineffectual method of increasing the public welfare.

My next suggestion is something on which a good deal has been written but as yet not too much accomplished. It seems fairly obvious to us, the providers, that it is totally unnecessary that several different third party payors audit our establishments. First of all, this constitutes reduplication and a waste of considerable money. Secondly, the various reimbursement methods are in conflict with each other. The fact that the conflicts result in improper and incomplete reimbursement to the health provider is basically unfair and unjust.

The Federal Government could save its entire audit costs of hospitals by synchronizing its reimbursement formula with Blue Cross and Medicaid. There should be only one audit performed by Blue Cross which could provide whatever facts each of the third party payors would require, to determine the reimbursement. It would be much simpler if the reimbursement by the third party payors were either one and the same, or properly coordinated so as to provide a reasonable reimbursement that would adequately provide the funds needed by the hospitals to function properly. Some provision in the reimbursement formula must be made to cover uncontrollable bad debts which affects hospitals to a greater or lesser degree.

Once federal regulations are abolished, which are so costly for hospital operation both in direct and indirect costs, caps should be placed on certain aspects of cost which are controllable. These caps should vary from area to area, depending upon the local financial and economic conditions.

Caps especially should be placed upon the cost of expansion, provision of new services, etc., even after these changes are deemed necessary by the regulatory agencies.

New expansion costs for required equipment and services should be reimbursable in the year of acquisition, as under the present Medicare reimbursement method.

My next suggestion may be controversial, but I do believe that Medicaid, and perhaps Medicare, would best be handled by closed panel medicine, such as H.M.O.'s. This would definitely help to control costs, reduce hospitalization, and even lower nursing home costs by providing more preventive medicine, ambulatory and home care.

The cost of hospitalization and skilled nursing home care is so high today that almost any alternative method which can result in a reduction of the requirements for these services should be welcomed.

The State of New York, while insisting upon paying the private physician \$6.00 or \$7.00 for a Medicaid visit (with few takers) nevertheless paid as high as \$75.00 for a single Medicaid visit to the hospital clinic or emergency room; a sheer waste of money for highly inferior medical attention. Certainly, closed panel medicine could do a much better job for a lot less cost.

We do not have this problem with the Medicare program, but H.M.O. could certainly reduce the cost of the Medicare program also, not only by controlling physician costs, but also by controlling the hospitalization and length of stay of patients.

My next suggestion to contain costs revolves about the necessity and the desirability to maintain so called Health Related Facilities for the elderly. The individual who qualifies for a Health Related Facility could also be more properly taken care of in his children's home, or in a foster home at a very large saving in costs to the community. Home environment is still preferable to institutional environment. Families, either those related or foster families should be urged to provide the home environment, and they should be compensated for their costs and for their efforts. Any home cost would be much less than the \$15,000 to \$20,000 it now takes to provide for a patient per year in a Health Related Facility. Families could receive a \$5,000 reduction in taxes, or be paid this amount per person per year.

In this connection I personally think that society made an error when it absolved financially well fixed children from their elders debts and care. The trend should be reversed. Children should stop dumping their elders upon the government, and they should take more responsibility for their elders welfare. Of course, in the future, this idea would eventually financially benefit even the younger society. Government cost of supporting the elderly would be markedly reduced, which means a reduction in taxes to the wage earners.

A few Health Related Facilities might be retained in order to provide shelter for those individuals without families, and who may find it impossible to locate a foster home for one reason or another.

Next, I suggest that all federal subsidy for physicians, dentists, etc., be discontinued. The United States has arrived at a period where we have more physicians than are normally required to provide adequate care for the public. An excess of physicians increases the potential for unnecessary increased medical cost. Therefore, let those who wish to become physicians pay for their own education as was customary in the past. I would also suggest that some provision be made to subsidize

exceptionally brilliant students from the poorer echelon of society; but the overall subsidy of the schools should be discontinued.

Post graduate education, for the most part, in a country like the United States, should be able to stand on its own economic feet.

To repeat what was stated earlier in this memorandum, the primary and only fundamental control which the government need exercise in order to control hospital costs, is the control of the number of beds available in any one community.

Let the states through their HSA make the recommendations, but let the federal government exercise final judgment as to the need for the bed expansion, whether it be in an existing facility, or in a new facility. There are really several pressing reasons why the decision making on this important issue should shift from the local scene to the national one.

Also, if the government wishes to control costs at its grass roots, it could set up an evaluation department whose purpose would be to:

1. - Evaluate the merit of new technology.
2. - Decide the levels of distribution of the new technology, ie: to primary, secondary or tertiary centers of care.
3. - Control the establishment of private high cost technological installations which are out of the hospital setting.

My final suggestion as regards this memorandum, is on the subject of malpractice and malpractice insurance.

The definition of what constitutes malpractice should be returned to its time immemorial concept: ie, simply stated; practice which is not in accord with accepted medical practice as recorded and as practiced generally in the community.

The concept that medical malpractice has occurred simply because the results were either not perfect; or did not turn out to be what was expected, should once and for all be abolished. Not every result, every time, can be perfect or even satisfactory. In this connection it is interesting to note that the legal contention that malpractice law suits are necessary in order to weed out the incompetent does not hold water. In fact, the records will show that our most distinguished practitioners of medicine who hold the chairs in their departments at great teaching institutions, have the most lawsuits, only because they are treating the toughest cases with the most advanced methods.

In order to control the entire malpractice costs, and these costs now exceed \$5,000,000,000 (which of course, of necessity are passed on to whoever pays the physician and hospital bills) I would like to make the following suggestions.

First of all, malpractice cases should be judged in advance by a very competent appointed panel of judges with special expertise in medical practice.

If the case should be deemed worthy of trial, the case should be brought before a learned panel of three to five judges, also thoroughly expertise in this subject, rather than before a jury. It is absolutely necessary to remove from the scene the sympathetic layman jurymen whose decision I have seen time and again was not based upon the facts, but upon the pitiful appearance, etc. of the plaintiff. Jurors too often base their decision on the premise that it is the insurance company who foots the bill. You and I know that it is John Q. Public and the government who foots the exorbitant cost of the malpractice insurance premium through reimbursement, which provide the funds to the insurance companies to pay the improper verdicts rendered by juries. Malpractice insurance premiums have risen from 4,000 to 25,000% in the last fifteen years and exceed \$5,000,000,000, all of which is eventually charged to the public and to the third party payors.

Second; restate the proper definition of what constitutes malpractice; and eliminate all malpractice cases based purely on undesired results, unless there is a definite element of negligence that can be shown to be contributory to the result.

Third; eliminate all malpractice suits based on improper informed consent. Establish an acceptable iron-clad consent form.

Fourth; eliminate plaintiffs contention that they didn't understand what they were signing, or that it wasn't explained, etc. If they are smart enough to sue they should be smart enough to understand about a consent form.

Fifth; have it understood right from the beginning, for every procedure, and for every operation, that all procedures are occasionally followed by complications and sequelae over which no one can exercise control or properly predict in advance.

Sixth; the legal fees for malpractice suits should be limited and shall bear no relation to the amount of the settlement. These fees shall be set in advance and should be payable by the plaintiff regardless of the outcome of the litigation.

Seventh; if a plaintiff, after being advised by the original panel of judges to drop the suit, nevertheless persists in going into court, then that plaintiff, if he loses the case, should be responsible for all costs; his, the defendants, and the court costs. This would certainly reduce the number of frivolous unwarranted cases, and prevent monetary out of court settlements for nuisance cases.

Eighth; if a just award is made based upon the length of life of the plaintiff, then a sufficient sum of money should be paid to the plaintiff to cover his legal fees, etc., as approved by the court. The balance of the fund should go into a trust and the income, and/or some of the principal of the trust, as required, should be paid each year to the plaintiff until death. Upon death of the plaintiff, the funds remaining in the trust should be returned to the company or individual who provided the funds.

Ninth; malpractice insurance should be provided by the federal government to cover all physicians and hospitals, etc., as required.

Tenth; any physician who develops a pattern of bonafide malpractice occurrences could be suspended and eventually removed from practice as determined by the courts.

Eleventh; I think that it is most improper that hospitals should be the defendant in medical malpractice suits because regardless of what the legal profession has contended, hospitals do not practice medicine. They simply provide an institution where others practice medicine. It should be unnecessary for both the hospital and the physicians to carry malpractice insurance. Every doctor should be required to carry malpractice insurance if he admits patients to a hospital.

Twelfth; members of the legal profession who malpractice by improperly; ie; without ascertaining the facts or determining the merit of a case, should be subject to warning, probation, suspension; and even disbarment, if necessary.

In any event, the defendant shall have the right to sue a lawyer who has instigated unfair lawsuits without proper preparation, especially if the lawyer insists on proceeding in the face of evidence which would persuade an ethical lawyer to desist.

I would also like to touch upon the subject of medical post-graduate education; the interne and resident training programs.

Reimbursement for interne and resident training programs

should be separate and distinct from routine hospital costs, and therefore should be funded on an educational basis, rather than a health provider basis. The State Education Department should be primarily involved and should control the proliferation of programs and positions which have rendered medical care so costly in the teaching centers of the country.

Education should be funded by the State, with possible assistance from the Federal Government.

A definite reduction in the extent of the programs in most teaching hospitals is absolutely necessary as is a reduction in the total number of teaching hospitals. The total number of positions available should approximate the total number of American born and trained physicians available to fill the positions. It is necessary to stop training all of the physicians of the world in our teaching medical centers. A proper reduction of training facilities would automatically reduce the influx of foreign physicians who have added considerably to the cost of medical education and medical practice in the United States. A reduction in the number of training programs would release a number of teaching physicians for competitive medical practice and provide the personnel to man the H.M.O's which are necessary to bring down the overall cost of providing medical care to the community.

In conclusion, the most seriously deficient aspect of third party payor programs is that they fail to contend with the forces of human nature. Only proper incentives, based on normal routine human reaction can control costs. Most government action to date has only resulted in unnecessary escalation of the costs. Before Medicare, the average yearly increase in hospital costs was 7 1/2%; after Medicare, they rose to 14 1/2 - 15 1/2%.

The recent attempt by HHS to retrieve the situation by dreaming up means of unjustly penalizing the health providers, is manifestly unjust. If any one of our legislators had studied the cost picture of foreign third party payor programs, they would certainly have been struck by the glaring fact that in every case, the costs exceeded by several times the projections predicted. After all, human nature is human nature everywhere.

The most recent flagrant attempt by Medicare to short change the hospitals by developing a method of reimbursement for malpractice costs which fails to synchronize with other third party payor programs, is a prime example of the unjust actions by bureaucrats to retrieve an unhappy situation, for

which they were and are primarily responsible. If the bureaucrat wishes to control malpractice costs, the government should get to the root of the problem by using the suggestions I have outlined, not by instituting a method which must short-change the hospitals, based on the various reimbursement formulas now in existence.

The per diem cost to the hospital today, which is directly attributable to government regulation, exceeds the entire cost of a hospital day before the advent of Medicare. The present per diem cost attributable to defensive medical practice today again exceeds the cost of a hospital day before the advent of Medicare.

I think a careful evaluation of these uncontestable facts should begin to impact on the direction we should follow in the future if we really are serious about controlling hospital and other health provider costs.

This memorandum by no means exhausts all the possible cost containment that can be achieved in the health provider field. It does, however, sum up some of my personal experiences gained in the performance of my duties as a participant in the activities of the organizations appended as my medical curriculum vitae.

Very truly yours,



Milton H. Staper, M.D.
President
Hempstead General Hospital
Medical Center

MHS:mg

MILTON H. STAPEN, M. D.

HEMPSTEAD GENERAL HOSPITAL

800 FRONT STREET

HEMPSTEAD, L. I., N. Y.

IVANHOE 3-9700

MEDICAL CURRICULUM VITAE

1. Graduated from the University of Maryland School of Medicine, 1936.
2. Interne or Resident at the Brookdale Hospital Medical Center, Brooklyn Jewish Hospital, Brooklyn Cancer Institute and the Metropolitan Hospital of the City of New York.
3. Director of Radiology at the 137th Station Hospital and 204th General Hospital overseas, World War II.
4. President of the Hempstead General Hospital Medical Center.
5. Member of the faculty in Radiology at the Downstate Medical School at Kings County Hospital, Brooklyn, New York.
6. Founder and Past Member of the Board of Trustees, Federation of American Hospitals.
7. Past Member Board of Trustees of Brookdale Hospital Medical Center.
8. Past Member Board of Trustees of Associated Hospital Service, Blue Cross of New York.
9. Past Chairman Reimbursement and Formula Committee of New York Blue Cross.
10. Member of Board of Trustees of Long Island Cancer Council.
11. Past Member of the Board and Vice-President of the Long Island Health and Hospital Planning Council (predecessor to H.S.A.)
12. Member of the Advisory Board and Consultant to Governor Rockefeller's Folsom Committee on Hospital Cost Containment.
13. Consultant to H.E.W. on Hospital Based Specialists in 1966-67.
14. President of the Association of Accredited Private Hospitals of Nassau-Suffolk Counties.
15. Past Member Board of Trustees R.M.P. and C.H.P.
16. Director of Diagnostic Roentgenology at Kings County Hospital, 1949-1961.
17. Director of Radiation Therapy and Nuclear Medicine Hempstead General Hospital Medical Center.

ID # 016091
HE005

**WHITE HOUSE
CORRESPONDENCE TRACKING WORKSHEET**

- O - OUTGOING
 - H - INTERNAL
 - I - INCOMING
- Date Correspondence Received (YY/MM/DD) 8/10/31

Name of Correspondent: Steve Symms

MI Mail Report User Codes: (A) _____ (B) _____ (C) _____

Subject: Enclosure letter from Charles A. Hewitt to President Reagan concerning free medical care to federal employees.

ROUTE TO:

ACTION

DISPOSITION

Office/Agency (Staff Name)	Action Code	Tracking Date YY/MM/DD	Type of Response	Code	Completion Date YY/MM/DD
<u>Bo Frie</u>	ORIGINATOR	^{DB} 8/10/31	<u>727</u>	<u>A</u>	<u>8/14/31</u>
<u>Higgins</u>	Referral Note: <u>A</u>	<u>8/14/16</u>			<u>1 1</u>
<u>OMB</u>	Referral Note: <u>D</u>	<u>8/04/23</u>			<u>C 8/07/31</u>
<u>HHS</u>	Referral Note: <u>D</u>	<u>8/10/31</u>	<u>MC</u>	<u>B</u>	<u>1 1</u>
	Referral Note: <u>referred by OMB</u>				<u>1 1</u>
	Referral Note: _____				<u>1 1</u>

- ACTION CODES:**
- A - Appropriate Action
 - C - Comments
 - D - Draft Response
 - F - Fact Sheet

- I - Info Copy/No Action Necessary
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 - C - Completed
 - S - Suspended

FOR OUTGOING CORRESPONDENCE:
Type of Response = Initials of Signer
Code = "A"
Completion Date = Date of Outgoing

Comments: _____

Keep this worksheet attached to the original incoming letter.
Send all routing updates to Central Reference (Room 75, OEOB).
Always return completed correspondence record to Central Files.
Refer questions about the correspondence tracking system to Central Reference. ext. 2590.

EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET

July 31, 1981

HHS
TO: ~~Leslie~~ Sorg

FROM: Lynn Cowan *Lynn Cowan*

The original file of the attached letter was forwarded by our Health Branch to Timothy Ray in the office of the Assistant Secretary for Management and Budget in HHS.

We will be receiving a carbon of the reply, but I thought you might want to change the assignment in the computer.

R. ED

81 APR 23 9:21

THE WHITE HOUSE OFFICE

REFERRAL

DIR. SYMMS
CORRESPONDENCE UNIT

APRIL 23, 1981

TO: OFFICE OF MANAGEMENT AND BUDGET

ACTION REQUESTED:

DRAFT REPLY FOR SIGNATURE OF ANNE HIGGINS

DESCRIPTION OF INCOMING:

ID: 016091

MEDIA: LETTER, DATED MARCH 26, 1981

TO: PRESIDENT REAGAN

FROM: THE HONORABLE STEVE SYMMS
UNITED STATES SENATE
WASHINGTON DC 20510SUBJECT: ENCLOSES LETTER FROM CHARLES H. HOWARTH TO
PRESIDENT REAGAN CONCERNING FREE MEDICAL
CARE TO FEDERAL EMPLOYEESPROMPT ACTION IS ESSENTIAL -- IF REQUIRED ACTION HAS NOT BEEN
TAKEN WITHIN 9 WORKING DAYS OF RECEIPT, PLEASE TELEPHONE THE
UNDERSIGNED AT 456-7486.RETURN BASIC CORRESPONDENCE, CONTROL SHEET AND COPY OF RESPONSE
(OR DRAFT) TO:
AGENCY LIAISON, ROOM 33, THE WHITE HOUSEBY DIRECTION OF THE PRESIDENT:
LESLIE SORG
DIRECTOR OF AGENCY LIAISON
PRESIDENTIAL CORRESPONDENCE

April 13, 1981

Dear Steve:

With sincere regret for the delay, I would like to thank you for your March 26, 1981 letter to President Reagan enclosing correspondence to him from Dr. Charles Howarth.

Your thoughtfulness in bringing this message to my attention is certainly appreciated. You may be assured that it has been brought to the attention of the appropriate White House staff members so that a response can be sent on the President's behalf.

With cordial regard, I am

Sincerely,

Max L. Friedersdorf
Assistant to the President

The Honorable Steve Symms
United States Senate
Washington, D.C. 20510

MLF/CMP/KIR/ds--s
cc: w/inc. to Anne Higgins for further handling.
MF-14A

31

United States Senate

WASHINGTON, D.C. 20510

March 26, 1981

mz

016091

The Honorable Ronald Reagan
President of the United States
The White House
1600 Pennsylvania Ave.
Washington, D.C. 20500

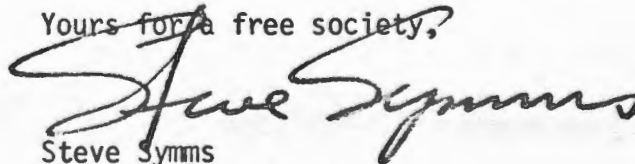
Dear President Reagan,

I have been asked by my good friend, Dr. Charles Howarth, to forward to you his letter for review.

Dr. Howarth contacted my office in regard to free medical care that is being provided in federal buildings to government employees. He is questioning the need for taxpayers to pay for federal employees medical care and also why they are not paying income tax on the value of this service. I would appreciate your evaluating this program and the need to continue such service in light of our need to cut excess government spending.

I will look forward to hearing from you soon and in the meantime, I send best regards.

Yours for a free society,



Steve Symms
United States Senator

Steve

SS:jj

PLEASE REPLY TO:

- IDAHO FALLS OFFICE
211 FEDERAL BUILDING
IDAHO FALLS 83401
- POCATELLO OFFICE
207 FEDERAL BUILDING
POCATELLO 83201
(208) 236-4778
- 1061 BLUE LAKES BLVD.
(2) NORTH, #3A
TWIN FALLS 83301
(208) 734-2515
- BOISE OFFICE
BOX 1190
BOISE 83701
(208) 334-1778
- LEWISTON OFFICE
LEWIS-CLARK PLAZA
LEWISTON 83501
(208) 743-1492
- MOSCOW OFFICE
105 FEDERAL BUILDING
MOSCOW 83843
(208) 882-5560
- COEUR D'ALENE OFFICE
305 FEDERAL BUILDING
COEUR D'ALENE 83814
(208) 664-5490

HOWARTH PROFESSIONAL ASSOCIATION

DISEASES AND SURGERY OF EYE

Charles H. Howarth, M.D.

~~1622 Bellevue Street~~
1173 University Dr.

Boise, Idaho 83706

Phone 344-8407

March 23, 1981

The Honorable Ronald Reagan
President of the United States
The White House
1600 Pennsylvania Avenue
Washington, D.C.

Dear President Reagan:

Today (3/20/81) after having failed in my attempts to pry information concerning a federal program from my senator's office, I called The White House and talked to one of your aides.

Your aide was surprised and shocked by my story and suggested that I call the Bureau of Waste and Fraud and even gave me the number 1-800-424-5454 to call. At that time, I told her that I doubted that I could receive any satisfaction there for it was analagous to asking robbers to blow the whistle on robbers!

My complaint concerned the existence in the Federal Building in Boise, Idaho, of a health unit which provides free medical care to federal employees. I am sure that this is not an isolated incident!

When I called the Bureau of Waste and Fraud and discussed this matter with a lady there, she advised me that this was true and that she, herself, could get free medical care and physical exams even including her Pap smears! Pray tell me what a Pap smear has to do with working for the federal government!

Mr. President, how can we justify providing free medical care for federal employees and duplicate physical facilities in doing so? Another government health unit is just several blocks away from the one here in Boise. If we are to provide care for these people, why don't they pay income tax on the value of this service inasmuch as it is a benefit of their employment? The IRS States that all compensations are to be taxed.

There is an ironic amusement in the fact that several years ago the IRS declared that state highway troopers here in Idaho had to pay income tax on their lunch allowance. The amount of money was miniscule when compared to the benefits the IRS people were receiving through free medical care!

I am not crying sour grapes because I am an ophthalmologist and the services I provide are not provided by the free clinic for federal employees. I complain as a private tax paying citizen who believes you are sincere in eliminating government waste. I hope that you can and will do something about the monstrosity I have described. If we all are to tighten our belts, the feds should be compelled to do the same!

Respectfully,



Charles H. Howarth, M.D.

ID # 017474

HE005

**WHITE HOUSE
CORRESPONDENCE TRACKING WORKSHEET**

O - OUTGOING

H - INTERNAL

I - INCOMING

Date Correspondence Received (YY/MM/DD) 8/11/03

Name of Correspondent: William T. Lee

MI Mail Report

User Codes: (A) _____ (B) _____ (C) _____

Subject: Explains city of New Haven's efforts to reduce medical costs. Great savings to city and state. Offer service for other

ROUTE TO:

ACTION

DISPOSITION

Office/Agency (Staff Name)	Action Code	Tracking Date YY/MM/DD	Type of Response	Completion Date YY/MM/DD
<u>IA BASK</u>	ORIGINATOR	<u>8/11/03</u>	<u>ISR</u>	<u>8/11/03</u>
<u>HHS</u>	<u>D</u>	<u>8/11/03</u>		<u>8/11/03</u>
<u>Central Files</u>	<u>A</u>	<u>8/11/03</u>	<u>FSR</u>	<u>8/11/03</u>
		<u>1 1</u>		<u>1 1</u>
		<u>1 1</u>		<u>1 1</u>

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- F - Fact Sheet
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- R - Direct Reply w/Copy
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- S - Suspended

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- Type of Response = Initials of Signer
- Code = "A"
- Completion Date = Date of Outgoing

Comments: _____

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RECORDS MANAGEMENT ONLY

CLASSIFICATION SECTION

No. of Additional Correspondents: _____ Media: L Individual Codes: 2600 4500 _____

Prime Subject Code: HE 005 _____ Secondary Subject Codes: BE 004.01 LG NEW H
BE 004.02 ST 007
PQ _____ RM 030 _____

PRESIDENTIAL REPLY

Code	Date	Comment	Form
C	_____	Time: _____	P- _____
DSP	_____	Time: _____	Media: _____

SIGNATURE CODES:

- CPn - Presidential Correspondence
 - n - 0 - Unknown
 - n - 1 - Ronald Wilson Reagan
 - n - 2 - Ronald Reagan
 - n - 3 - Ron
 - n - 4 - Dutch
 - n - 5 - Ron Reagan
 - n - 6 - Ronald
 - n - 7 - Ronnie
- CLn - First Lady's Correspondence
 - n - 1 - Nancy Reagan
 - n - 2 - Nancy
 - n - 3 -
- CBn - Presidential & First Lady's Correspondence
 - n - 1 - Ronald Reagan - Nancy Reagan
 - n - 2 - Ron - Nancy

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- D - Official document
- G - Message
- H - Handcarried
- L - Letter
- M - Mailgram
- O - Memo
- P - Photo
- R - Report
- S - Sealed
- T - Telegram
- V - Telephone
- X - Miscellaneous
- Y - Study

May 8, 1981

Dear Reverend Lee:

Thank you for your letter of March 9, 1981 to President Reagan, bringing to his attention the fixed cost contract that the City of New Haven has been negotiating with private health providers for general assistance recipients. Your thoughtful analysis of current programs affecting health care providers and recommendations for actions that can be taken to control rising health care costs, and product cost savings, is greatly appreciated.

As you may know, in conjunction with the President's program on economic recovery, actions have been taken by the Administration to reduce Federal spending and curb inflation in health care costs. The Administration has proposed placing a ceiling on Medicaid, coupled with a relaxation of Federal requirements that now prevent States and localities from operating this program more efficiently.

I hope you will agree that the President's budget proposal, and other similar initiatives go a long way toward carrying out the mandate of the people, to reduce growth in government spending and limit the influence of government in the economy.

Sincerely,

J. Steven Rhodes
Special Assistant to the President
For Intergovernmental

Reverend William T. Lee
Director
Department of Welfare
City of New Haven
Post Office Box 901
New Haven, Connecticut 06504

THE WHITE HOUSE OFFICE
REFERRAL

MHS-05-000
Apr 8 1 49 PM '81

APRIL 8, 1981

TO: DEPARTMENT OF HEALTH AND HUMAN SERVICES

ACTION REQUESTED:

DRAFT REPLY FOR SIGNATURE OF STEVEN RHODES

DESCRIPTION OF INCOMING:

ID: 017474

MEDIA: LETTER, DATED MARCH 9, 1981

TO: PRESIDENT REAGAN

FROM: MR. WILLIAM T. LEE
DIRECTOR
NEW HAVEN DEPARTMENT OF WELFARE
POST OFFICE BOX 901
NEW HAVEN CT 06504

SUBJECT: EXPLAINS CITY OF NEW HAVEN'S EFFORTS TO
REDUCE MEDICAL COSTS; GREAT SAVINGS TO CITY
AND STATE; OFFER SERVICE FOR OTHER

PROMPT ACTION IS ESSENTIAL -- IF REQUIRED ACTION HAS NOT BEEN
TAKEN WITHIN 9 WORKING DAYS OF RECEIPT, PLEASE TELEPHONE THE
UNDERSIGNED AT 456-7486.

RETURN BASIC CORRESPONDENCE, CONTROL SHEET AND COPY OF RESPONSE
(OR DRAFT) TO:
AGENCY LIAISON, ROOM 33, THE WHITE HOUSE

BY DIRECTION OF THE PRESIDENT:
LESLIE SORG
DIRECTOR OF AGENCY LIAISON
PRESIDENTIAL CORRESPONDENCE

9 APR 81 000010



MAY 5 1981

LABASK

MEMORANDUM FOR LESLIE SORG

This is in response to your request of April 8 for a draft response from Steven Rhodes to Reverend William T. Lee's letter regarding the City of New Haven's efforts to reduce medical costs.

Your inquiry was referred to the Health Care Financing Administration to look into the issues raised in Reverend Lee's letter. The activities outlined in Reverend Lee's letter are a result of State and local initiatives and have not been directly affected by the Health Care Financing Administration's efforts. No direct follow-up is required.

David Newhall, III
Chief of Staff

Attachment

Reverend William T. Lee
Director
Department of Welfare
City of New Haven
Post Office Box 901
New Haven, Connecticut 06504

Dear Reverend Lee:

Thank you for your letter ^{of March 9th} to President Reagan ~~of March 9~~, bringing to his attention the fixed cost contract that the City of New Haven has been negotiating with private health providers for general assistance recipients. Your ~~very~~ thoughtful analysis of current programs affecting health care providers and recommendations for actions that can be taken to control rising health care costs, and produce cost savings, is greatly appreciated.

As you may know, ^{in conjunction with} ~~as part of~~ the President's program on economic recovery, actions have been taken by the Administration to reduce Federal spending and curb inflation in health care costs. The Administration has proposed placing a ceiling on Medicaid, coupled with a relaxation of Federal requirements that now prevent States and localities from operating this program more efficiently.

I hope you will agree that the President's budget proposal, and other similar initiatives go a long way toward carrying out the mandate of the people, to reduce growth in government spending and limit the influence of government in the economy.

Sincerely,

J. S. R.

Prepared by:OS/ES:Jacquelyn White:jmr:245-6107



CITY OF NEW HAVEN

NEW HAVEN, CONNECTICUT

REV. WILLIAM T. LEE
DIRECTOR ✓

DEPARTMENT OF WELFARE
P.O. BOX 901
NEW HAVEN, CONNECTICUT 06504

8104160007

March 9, 1981

E.B.

017474

President Ronald Regan
The White House
1600 Pennsylvania Avenue
Washington, D.C.

Dear President Regan:

In the New York Times on March 8, 1981, an article by Robert Reinhold described the efforts of the State of Massachusetts to reduce medical costs paid by the various governmental agencies. The Department of Welfare of the City of New Haven, Connecticut has been involved for the past 14 months in negotiating a fixed cost contract, with a private health provider, for General Assistance recipients.

After long deliberations with the State of Connecticut, and The Hill Health Community Center, the many details involved in this cost savings program are now in its final form.

We have, also, been in negotiations with the large medical centers of our community (Yale-New Haven Hospital and St. Raphael) as this program will impact upon their operations.

The financial savings will be the following:

Projected total medical costs, for New Haven General Assistance recipients, for Fiscal Year 1981-82 approximately 1.9 Million dollars -- projected caseload 3223 individuals.

Under the proposed contract, we will pay the Hill Health Center \$1,007,615.

EX-107-176 SECRETARIAT
1981 APR 15 AM 10:20
HCFA, DPP CONTROL

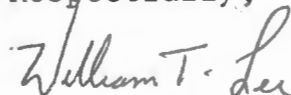
President Ronald Regan
March 9, 1981
Page 2

The savings to both the State of Connecticut and the City of New Haven are significant. At the same time, we will provide a higher quality of medical service with control. The significance of this cut in the cost of government is unique: we are providing a better service at a greatly reduced cost.

Mr. President, I bring to your attention this proposal, of the City of New Haven, to not only highlight our effort but also to offer our experience for review and consultation to others who might so desire it. I should also note that our efforts have not been made without resistance from the wide spectrum of health providers who anticipate individual financial loss.

While we are sympathetic with their concerns, we are more alarmed at the continuing and rising costs of both local and state government. I am pleased that within the next two months our efforts will become a reality.

Respectfully,



William T. Lee
Director

cc: Robert Reinhold
N.Y. Times
Edward J. King
Governor-Mass.

HE005

**WHITE HOUSE
CORRESPONDENCE TRACKING WORKSHEET**

O - OUTGOING

H - INTERNAL

I - INCOMING

Date Correspondence Received (YY/MM/DD) 8/10/05

Name of Correspondent: Guy V. Molinari

MI Mail Report User Codes: (A) _____ (B) _____ (C) _____

Subject: Follow up to May 1, 1981 meeting re the importance of the Public Health Service Hospital on Staten Island.

ROUTE TO: ACTION DISPOSITION

Office/Agency (Staff Name)	Action Code	Tracking Date YY/MM/DD	Type of Response	Code	Completion Date YY/MM/DD
<u>DO Frie</u>	ORIGINATOR	<u>8/10/05</u> ^{TR}	<u>NAN</u>	<u>C</u>	<u>8/10/05</u>
	Referral Note:				
		<u>1 1</u>			<u>1 1</u>
	Referral Note:				
		<u>1 1</u>			<u>1 1</u>
	Referral Note:				
		<u>1 1</u>			<u>1 1</u>
	Referral Note:				
		<u>1 1</u>			<u>1 1</u>
	Referral Note:				

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S - Suspended
- FOR OUTGOING CORRESPONDENCE:**
Type of Response = Initials of Signer
Code = "A"
Completion Date = Date of Outgoing

Comments: Per conversation with Lee Mosdale -- Cong. Molinari is aware of status of PHS hospital on Staten Island. No action necessary.

Keep this worksheet attached to the original incoming letter.
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RECORDS MANAGEMENT ONLY

CLASSIFICATION SECTION

No. of Additional Correspondents: _____ Media: L Individual Codes: 1240

Prime Subject Code: HE 005 Secondary Subject Codes: HE 004 JL 003
EG 02210
SI 032

PRESIDENTIAL REPLY

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C		Time: _____	P- _____
DSP		Time: _____	Media: _____

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 - n - 5 - Ron Reagan
 - n - 6 - Ronald
 - n - 7 - Ronnie
- CLn - First Lady's Correspondence**
 - n - 1 - Nancy Reagan
 - n - 2 - Nancy
 - n - 3 -
- CBn - Presidential & First Lady's Correspondence**
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- L - Letter
- M - Mailgram
- O - Memo
- P - Photo
- R - Report
- S - Sealed
- T - Telegram
- V - Telephone
- X - Miscellaneous
- Y - Study

GUY V. MOLINARI
17TH DISTRICT, NEW YORK

31
COMMITTEE:
PUBLIC WORKS AND
TRANSPORTATION
SUBCOMMITTEE ON INVESTIGATIONS
AND OVERSIGHT
SUBCOMMITTEE ON
SURFACE TRANSPORTATION
SUBCOMMITTEE ON WATER RESOURCES

Congress of the United States
House of Representatives
Washington, D.C. 20515

PLEASE REPLY TO:
WASHINGTON OFFICE:
501 CANNON BUILDING
WASHINGTON, D.C. 20515
(202) 225-3371
DISTRICT OFFICES:
FORT WADSWORTH, BLDG. 203
STATEN ISLAND, NEW YORK 10305
(212) 981-9800
26 FEDERAL PLAZA, ROOM 1643
NEW YORK, NEW YORK 10007
(212) 264-9335

023594

1077
To: The Honorable Ronald Reagan, President of the United States
The Honorable George Bush, Vice President of the United States
The Honorable Robert H. Michel, Minority Leader
Mr. Max L. Friedersdorf, Assistant to the President for Legislative Affairs
From: Guy V. Molinari, Member of Congress *GVM*
Date: May 1, 1981
CC: The Honorable David Stockman, Director of Office of Management and Budget
Re: Today's meeting

Immediately following our meeting at the White House this morning, I received word from my Staten Island Office that the Richmond Memorial Hospital which normally has the lowest level of bed occupancy on Staten Island, had made an emergency request for beds from the Public Health Service Hospital. Richmond Memorial had exceeded its limits for emergency patient care. They requested additional beds which were immediately supplied by the Public Health Service Hospital.

This is the second instance recently where a local hospital exceeded 100% occupancy, and because of the situation, they were required to violate State regulation. They run the risk of being fined by the State of New York, because they supplied necessary health care, while exceeding 100% occupancy.

I relay this information as just another example of the importance of the Public Health Service Hospital on Staten Island and the disastrous circumstances that would accompany its closing.

I thank you again, for allowing me some of your valuable time this morning.

4
Dg

ID # 023595

HE005

WHITE HOUSE CORRESPONDENCE TRACKING WORKSHEET

O - OUTGOING

H - INTERNAL

I - INCOMING

Date Correspondence Received (YY/MM/DD) 8/105/05

Name of Correspondent: Guy V. Molinari

MI Mail Report

User Codes: (A) _____ (B) _____ (C) _____

Subject: Express gratitude for opportunity to present the very serious problem that confronts the Staten Island Community if the US Public Health Hospital is closed.

ROUTE TO:

ACTION

DISPOSITION

Office/Agency (Staff Name)	Action Code	Tracking Date YY/MM/DD	Type of Response	Code	Completion Date YY/MM/DD
<u>✓ X9 Frie</u>	ORIGINATOR	<u>8/105/06</u>	<u>NAN</u>	<u>C</u>	<u>8/105/12</u>
	Referral Note:	<u>1 1</u>			<u>1 1</u>
	Referral Note:	<u>1 1</u>			<u>1 1</u>
	Referral Note:	<u>1 1</u>			<u>1 1</u>
	Referral Note:	<u>1 1</u>			<u>1 1</u>

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RECORDS MANAGEMENT ONLY

CLASSIFICATION SECTION

No. of Additional Correspondents: _____ Media: L Individual Codes: 1240

Prime Subject Code: HE 005.0 Secondary Subject Codes: FG 022.10 JL 003.01
ST 032
PP 010.02

PRESIDENTIAL REPLY

<u>Code</u>	<u>Date</u>	<u>Comment</u>	<u>Form</u>
<u>C</u>	_____	<u>Time:</u> _____	<u>P-</u> _____
<u>DSP</u>	_____	<u>Time:</u> _____	<u>Media:</u> _____

SIGNATURE CODES:

- CPn - Presidential Correspondence**
 - n - 0 - Unknown
 - n - 1 - Ronald Wilson Reagan
 - n - 2 - Ronald Reagan
 - n - 3 - Ron
 - n - 4 - Dutch
 - n - 5 - Ron Reagan
 - n - 6 - Ronald
 - n - 7 - Ronnie
- CLn - First Lady's Correspondence**
 - n - 1 - Nancy Reagan
 - n - 2 - Nancy
 - n - 3 -
- CBn - Presidential & First Lady's Correspondence**
 - n - 1 - Ronald Reagan - Nancy Reagan
 - n - 2 - Ron - Nancy

MEDIA CODES:

- B - Box/package**
- C - Copy**
- D - Official document**
- G - Message**
- H - Handcarried**
- L - Letter**
- M - Mailgram**
- O - Memo**
- P - Photo**
- R - Report**
- S - Sealed**
- T - Telegram**
- V - Telephone**
- X - Miscellaneous**
- Y - Study**



HOUSE OF REPRESENTATIVES
WASHINGTON, D. C. 20515

37
m7
GUY V. MOLINARI
17TH DISTRICT, NEW YORK

May 1, 1981

023595

Dear Mr. President,

I am deeply grateful for the time that you extended to me today so that I was able to present the very serious problem that confronts the Staten Island Community if the U.S. Public Health Hospital is closed.

It is difficult to put into words the feelings that I experienced. You showed a great concern and sensitivity to the problem and it is the first time since the serious question arose, that I have the feeling a solution would be found.

I must also say I was absolutely delighted to see you looking in such good health. You have made a remarkable recovery and we all thank God.

Sincerely,

A handwritten signature in dark ink, appearing to read "Guy".

The Honorable Ronald Reagan
President of the United States
The White House
Washington, D.C. 20500

ID # 024709

HE005

WHITE HOUSE CORRESPONDENCE TRACKING WORKSHEET

- O - OUTGOING
- H - INTERNAL
- I - INCOMING

Date Correspondence Received (YY/MM/DD) 81105112

Name of Correspondent: Mrs. Clement Studebaker III

MI Mail Report User Codes: (A) _____ (B) _____ (C) _____

Subject: Mrs. Studebaker asks for action on enclosed information.

ROUTE TO:

ACTION

DISPOSITION

Office/Agency	(Staff Name)	Action Code	Tracking Date YY/MM/DD	Type of Response	Code	Completion Date YY/MM/DD
<u>F.L.</u>	<u>EBER</u>	ORIGINATOR	<u>81105112</u>	<u>SE</u>	<u>A</u>	<u>81,05,12</u>
<u>HHS/SSA</u>		Referral Note: <u>R</u>	<u>810513</u>		<u>A</u>	<u>810618</u>
		Referral Note:	<u>1 1</u>			<u>1 1</u>
		Referral Note:	<u>1 1</u>			<u>1 1</u>
		Referral Note:	<u>1 1</u>			<u>1 1</u>

ACTION CODES:

- A - Appropriate Action
- C - Comments
- D - Draft Response
- F - Fact Sheet
- I - Info Copy/No Action Necessary
- R - Direct Reply w/Copy
- S - For Signature
- X - Interim Reply

DISPOSITION CODES:

- A - Answered
- B - Non-Special Referral
- C - Completed
- S - Suspended

FOR OUTGOING CORRESPONDENCE:

- Type of Response = Initials of Signer
- Code = "A"
- Completion Date = Date of Outgoing

Comments: _____

Keep this worksheet attached to the original incoming letter.
 Send all routing updates to Central Reference (Room 75, OEOB).
 Always return completed correspondence record to Central Files.
 Refer questions about the correspondence tracking system to Central Reference, ext. 2590.

RECORDS MANAGEMENT ONLY

CLASSIFICATION SECTION

No. of Additional Correspondents: _____ Media: 2 Individual Codes: 4000 _____

Prime Subject Code: HEC05 Secondary Subject Codes: 2S001 _____
PPC05-01 _____
VP012-02 _____

PRESIDENTIAL REPLY

Code	Date	Comment	Form
C	_____	Time: _____	P- _____
DSP	_____	Time: _____	Media: _____

SIGNATURE CODES:

- CPn - Presidential Correspondence**
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- X - Miscellaneous
- Y - Study



FT-22

JUN 18 1981

Mrs. Clement Studebaker III
47 C South Main Street
Cohasset, Massachusetts 02025

Dear Mrs. Studebaker:

This is in further reply to your letter regarding the Medicare program.

You might be interested to know that the admission and discharge policies of hospitals and skilled nursing facilities (SNF) are not determined by Medicare, but by the hospital's administrative and professional staff. We do not have the authority to decide whether or when any patient is discharged from a hospital or SNF. These decisions are for the patient's physician to make.

Where a utilization committee determines that a patient's continued hospitalization is not medically necessary, his stay in the hospital is not covered by Medicare after the third day following the day that the notice of the decision is given to him, his physician, and the hospital. However, whether he remains in the hospital, without Medicare coverage is up to him, his physician, and the hospital. We make no decision on that point.

I am unable to comment on the material you submitted regarding supplementary benefits, since the Federal Government has no jurisdiction over private health insurance plans. You can obtain that information by writing directly to the Commissioner of Insurance located at 100 Cambridge Street, Boston, Massachusetts 02202.

I am also returning the material you received from the National Home Life Assurance Company.

Sincerely yours,

Robert D. O'Connor
Director
Bureau of Program Policy

Enclosure

cc:
The White House

FROM: STUDEBAKER
MRS. CLEMENT
ORG: WH-024709

DUE IN OS/ES: JUN-03-81
(EXCLUDING DIRECT REPLIES)

8105210117

ADD: 47 C. SOUTH MAIN STREET
COHASSET MA 02025

DOL: APR-28-81
DLR: MAY-20-81

SUB: CONCERNED THAT SHE HAD TO LEAVE BETH ISRAEL HOSPITAL DUE TO
MEDICARE REGULATIONS ON LENGTH OF STAY. WR18J

ON BEHALF OF: SORG, LESLIE

MISCELLANEOUS:

ACTION: DIRECT REPLY

DATE INTERIM SIGNED:

ASSIGNED TO: HCF

ON: MAY-20-81

DATE FINAL SIGNED:

EXEC SEC RESP/STAFF: E88/ 2

-- ROUTING SECTION --
(RECIPIENT SHOULD SIGN AND DATE WHEN RECEIVED)

SENT TO	DATE	I	RECEIVED BY	DATE
BPP	5/21/81	I		
		I		
		I		
		I		
		I		
		I		

CC: BROGLIE,

-- CLEARANCE SECTION --

SENT TO ROOM	ORGAN	SENT FROM	CONCURRENCE/ NON-CONCURRENCE	BY	DATE

-- INDEX SECTION --

BOX: 0 FILE INDEX NO: PO-2-3
KEYS: MEDICARE /

MICROFILM INDEX NO: /

8105210117

-- COMMENTS --
(OS/ES USE ONLY)

HHS-OS-CCC

MAY 19 9 57 AM '81

THE WHITE HOUSE OFFICE

REFERRAL

MAY 15, 1981

TO: DEPARTMENT OF HEALTH AND HUMAN SERVICES
ATTN: SSA

ACTION REQUESTED:
DIRECT REPLY, FURNISH INFO COPY

DESCRIPTION OF INCOMING:

ID: 024709
MEDIA: LETTER, DATED APRIL 28, 1981
TO: NANCY REAGAN
FROM: MRS. CLEMENT STUDEBAKER III
47 C. SOUTH MAIN STREET
COHASSET MA 02025

SUBJECT: MRS. STUDEBAKER ASKS FOR ACTION ON ENCLOSED
INFORMATION

CORRESPONDENCE
81 MAY 22 11:40
HCFA. ISPP

PROMPT ACTION IS ESSENTIAL -- IF REQUIRED ACTION HAS NOT BEEN
TAKEN WITHIN 9 WORKING DAYS OF RECEIPT, PLEASE TELEPHONE THE
UNDERSIGNED AT 456-7486.

RETURN BASIC CORRESPONDENCE, CONTROL SHEET AND COPY OF RESPONSE
(OR DRAFT) TO:
AGENCY LIAISON, ROOM 33, THE WHITE HOUSE

BY DIRECTION OF THE PRESIDENT:
LESLIE SORG
DIRECTOR OF AGENCY LIAISON
PRESIDENTIAL CORRESPONDENCE

003

May 12, 1981

Dear Mrs. Studebaker:

Mrs. Reagan has asked me to thank you for your message and to assure you that she appreciates the confidence you have placed in her.

Since the matter about which you wrote involves the attention of those outside Mrs. Reagan's jurisdiction, we are forwarding your letter to the appropriate government officials for a report directly to you.

With the First Lady's best wishes,

Sincerely,

Sheryl Eberly
Deputy Director of Correspondence
Office of the First Lady

Mrs. Clement Studebaker III
47 C South Main Street
Cohasset, MA 02025

HHS

SE:elb
SE-22

SE 2
HHS

Mrs. Clement Skidobaker III
47 E South Main Street
Cohasset, Massachusetts 02025

024709

April 28, 1987

Dear Mrs Reagan

I am sending the enclosed to you asking if you could see The President and give him the enclosed.

It is something I would appreciate the President reading it. Since I am eighty-four years old, I am particularly interested in it becoming a bill the President could consider.

I had a most unpleasant thing happen at Beth Israel Hospital. I was there having broken my right leg. It was in a cast from my knee to my ankle.

file 8.E
ID # 025480

WHITE HOUSE
CORRESPONDENCE TRACKING WORKSHEET

HE 005

- O - OUTGOING
- H - INTERNAL
- I - INCOMING

Date Correspondence Received (YY/MM/DD) 8/1/05/18

FLEBER

Name of Correspondent: Mrs. Virgil A. Lacey

MI Mail Report User Codes: (A) _____ (B) _____ (C) _____

Subject: Mrs. Lacey requests that Mrs. Reagan assist her in getting an FHA grant for the Good Shepherd Lutheran Home.

ROUTE TO: ACTION DISPOSITION

Office/Agency (Staff Name)	Action Code	Tracking Date YY/MM/DD	Type of Response	Completion Date YY/MM/DD
<u>F.L. EBER</u>	ORIGINATOR ^{CH}	<u>8/1/05/18</u>		<u>8/1/06/11</u>
<u>USDA/FmHA</u>	R	<u>8/1/05/20</u>		<u>8/1/05/28</u>

- ACTION CODES:**
 A - Appropriate Action
 C - Comments
 D - Draft Response
 F - Fact Sheet
 I - Info Copy/No Action Necessary
 R - Direct Reply w/Copy
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- DISPOSITION CODES:**
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FOR OUTGOING CORRESPONDENCE:
 Type of Response = Initials of Signer
 Code = "A"
 Completion Date = Date of Outgoing

Comments: _____

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 Send all routing updates to Central Reference (Room 75, OEOB).
 Always return completed correspondence record to Central Files.
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RECORDS MANAGEMENT ONLY

CLASSIFICATION SECTION

No. of Additional Correspondents: _____ Media: L Individual Codes: 4.500 4.800 _____

Prime Subject Code: HE 005 - _____ Secondary Subject Codes: WE 010 - _____ LG FILLM
WE 005 - _____ EI 005.02
RM 033.08 PP 005.01

PRESIDENTIAL REPLY

Code	Date	Comment	Form
C	_____	Time: _____	P- _____
DSP	_____	Time: _____	Media: _____

SIGNATURE CODES:

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 - n - 1 - Ronald Reagan - Nancy Reagan
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- T - Telegram
- V - Telephone
- X - Miscellaneous
- Y - Study



United States
Department of
Agriculture

Farmers
Home
Administration

Washington
D.C.
20250

Mrs. Virgil A. Lacey
Good Shepherd Lutheran Home
Rushford, MN 55971

MAY 28 1981

Dear Mrs. Lacey:

This letter on behalf of Mrs. Reagan, is in reply to your recent letter regarding the Good Shepherd Lutheran Home's request for a loan from the Farmers Home Administration (FmHA).

FmHA State Office officials in Minnesota have determined that the Good Shepherd Lutheran Home is eligible for FmHA assistance. Many applications for the development of essential community facilities have been received in the State. The amount of money needed to meet these requests exceeds the State's allocation. It is, therefore, necessary in utilizing funds to give every consideration to projects that will benefit the largest number of rural residents, and provide or improve facilities for public safety, health care, and public service in that order of preference. Although this project meets many of these conditions, funds are not available at this time.

The request will be considered along with others on hand if other projects fail to materialize or other funds become available.

You may be assured that FmHA will do everything possible within its authorities and available funds, to provide assistance.

Sincerely,

DWIGHT O. CALHOUN

DWIGHT O. CALHOUN
Acting Administrator

The White House ✓
Agency Liaison
Room 33



Farmers Home Administration is an Equal Opportunity Lender.
Complaints of discrimination should be sent to:
Secretary of Agriculture, Washington, D.C. 20250

10-001341
-UNTRD
AGENCY *FmHA*
EXEC. CORR. & REC.
The Good Shepherd Lutheran Home

VIRGIL LACEY
ADMINISTRATOR

MARY ANN SNYDER
DIRECTOR OF NURSING

81 MAY 20 A 8: 48
Rushford, Minnesota 55971
Phone 864 - 7714

May 8, 1981

025480

Mrs. Ronald Reagan
The White House
Washington, D.C. 20515

Dear Mrs. Reagan:

Because of your interest and involvement in matters affecting our Nations Senior Citizens, especially the "Foster Grandparent Act", may I take a few minutes of your time to request your assistance and support in the Good Shepherd Lutheran Home's efforts to provide a comprehensive care program for the elderly in the Fillmore County area?

The Board of Trustees of the Good Shepherd Lutheran Home and myself are especially anxious and asking your assistance because of a loan application we have with the District 7 Office of the Farmers Home Administration in Minnesota. If granted, this loan would allow Good Shepherd Lutheran Home to expand and provide the following services/programs to the elderly in our community:

1. Day care facilities
2. Respite (temporary) care which would allow families to keep their elderly in the family setting for longer periods of time.
3. Complete physical therapy services for the residents of Good Shepherd Lutheran Home, as well as members of the Rushford area requiring these services, (precluding their driving long distances for services, thus negating the benefits they might derive).
4. Nineteen (19) additional skilled beds
5. Eleven (11) Board and Care Beds
6. Facilities for Community Education Programs
7. Better facilities to enlarge our present Foster Grandparent Act, possibly a day nursery

In reference to numbers 4 and 5, Good Shepherd Lutheran Home has an active verified waiting list of elderly in the community requiring nursing home care.

(continued on page two)

May 8, 1981

To provide you with some information regarding Good Shepherd Lutheran Homes current status: we are a 66 bed nursing home, licensed for 33 skilled beds and 33 intermediate care beds. The Good Shepherd Corporation (sponsored by eight area Lutheran churches) also sponsors and operates a 32 unit low income apartment complex for the elderly and/or disabled. We have 44 single rooms with private baths and 12 double rooms with private baths. Our per diem rate is \$34.00 for skilled care and \$31.00 for intermediate care, regardless of single or double room (one of the lowest in this area of the State).

Our long range plan is to offer comprehensive and total care, beginning with independent living apartment units, progressively inclusive of Board and Care, Intermediate Care, Skilled Care, Day Care, Respite Care and outpatient physical therapy services. Good Shepherd Lutheran Home would be the only facility in Fillmore County offering these vitally necessary services. A Farmers Home Administration Loan with low interest rates would allow us to maintain low per diem rates.

Ours is an excellent, loving and caring home; this is not only personal opinion, but is substantiated by results of Minnesota Department of Health surveys, Quality Assurance surveys, and many, many others. I am enclosing some letters of support for your review, the first four from legislators and the Fillmore County Welfare Department. We would be happy to provide you with other supportive documentation should you so desire.

I realize this is extremely short notice for someone with your busy schedule, but I will be in Washington, D.C., the week of May 18, 1981, and would be most grateful if you could arrange to see me, even for ten minutes.

I look forward to hearing from you and will appreciate anything you can do to assist us.

Most Sincerely and Cordially,


(Mrs.) Virgil A. Lacey
Administrator

VAL:jc

enc.

GOOD SHEPHERD LUTHERAN HOME

LETTERS OF SUPPORT

ID # 025482

HE 005

WHITE HOUSE
CORRESPONDENCE TRACKING WORKSHEET

O - OUTGOING

H - INTERNAL

I - INCOMING

Date Correspondence Received (YY/MM/DD) 8/105/16

Name of Correspondent: Mr. & Mrs. Vincent D'Accardi

MI Mail Report

User Codes: (A) _____ (B) _____ (C) _____

Subject: Request assistance with regard to Amblyst Convalescent Home, refusing to accept self paying patient.

ROUTE TO:

ACTION

DISPOSITION

Office/Agency (Staff Name)	Action Code	Tracking Date YY/MM/DD	Type of Response	Code	Completion Date YY/MM/DD
99 HHS	ORIGINATOR A:CH	8/05/80			8/10/80
	Referral Note:				
	Referral Note:				
	Referral Note:				
	Referral Note:				
	Referral Note:				

ACTION CODES:

- A - Appropriate Action
- C - Comment/Recommendation
- D - Draft Response
- F - Furnish Fact Sheet to be used as Enclosure

- I - Info Copy Only/No Action Necessary
- R - Direct Reply w/Copy
- S - For Signature
- X - Interim Reply

DISPOSITION CODES:

- A - Answered
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FOR OUTGOING CORRESPONDENCE:

- Type of Response = Initials of Signer
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Comments: _____

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RECORDS MANAGEMENT ONLY

CLASSIFICATION SECTION

No. of Additional Correspondents: _____ Media: M Individual Codes: 4000 _____
Prime Subject Code: HE 005 Secondary Subject Codes: IS 001 _____

PRESIDENTIAL REPLY

Code	Date	Comment	Form
C	_____	Time: _____	P- _____
DSP	_____	Time: _____	Media: _____

SIGNATURE CODES:

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 - n - 5 - Ron Reagan
 - n - 6 - Ronald
 - n - 7 - Ronnie
- CLn - First Lady's Correspondence
 - n - 1 - Nancy Reagan
 - n - 2 - Nancy
 - n - 3 - Mrs. Ronald Reagan
- CBn - Presidential & First Lady's Correspondence
 - n - 1 - Ronald Reagan - Nancy Reagan
 - n - 2 - Ron - Nancy

MEDIA CODES:

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- X - Miscellaneous
- Y - Study



JUN 03 1981

FT-22

Mr. Vincent D'Accardi
101 North Beverwyck Road
Lake Hiawatha, New Jersey 07034

Dear Mr. D'Accardi:

President Reagan asked us to look into the problems you are having getting your mother admitted to the Amherst Convalescent Home.

From the information furnished we are unable to determine why your mother is not being accepted to the convalescent home. Therefore, I asked our Medicaid regional officials in New York to look into this situation you described and to furnish you a report.

Sincerely yours,

Robert D. O'Connor
Director
Bureau of Program Policy

cc:
White House

HHS-OS-CCC

THE WHITE HOUSE OFFICE

MAY 20 2 24 PM '81

REFERRAL

MAY 20, 1981

TO: DEPARTMENT OF HEALTH AND HUMAN SERVICES

ACTION REQUESTED:
APPROPRIATE ACTION

DESCRIPTION OF INCOMING:

ID: 025482
MEDIA: MAILGRAM, DATED MAY 12, 1981
TO: PRESIDENT REAGAN
FROM: MR. AND MRS. VINCENT D'ACCARDI
101 NORTH BEVERWYCK ROAD
LAKE HIAWATHA NJ 07034
SUBJECT: REQUESTS ASSISTANCE WITH REGARD TO AMHERST
CONVALESCENT HOME, REFUSING TO ACCEPT SELF
PAYING PATIENT

CORRESPONDENCE

81 MAY 28 AM: 56

HCFA, ISPP

PROMPT ACTION IS ESSENTIAL — IF REQUIRED ACTION HAS NOT BEEN
TAKEN WITHIN 9 WORKING DAYS OF RECEIPT, PLEASE TELEPHONE THE
UNDERSIGNED AT 456-7486.

RETURN BASIC CORRESPONDENCE, CONTROL SHEET AND COPY OF RESPONSE
(OR DRAFT) TO:
AGENCY LIAISON, ROOM 33, THE WHITE HOUSE

20000018112

BY DIRECTION OF THE PRESIDENT:
LESLIE SORG
DIRECTOR OF AGENCY LIAISON
PRESIDENTIAL CORRESPONDENCE

LAKE DEVELOPERS V D'ACCARDI
301 NORTH BEVERLYCK RD
LAKE HIAWATHA NJ 07034

western union Mailgram



4-0516918132 05/12/81 ICS IPPMTZZ CSP WSHB
2013347300 MGM TDMT LAKE HIAWATHA NJ 145 05-12 0413F EST

HMS

PRESIDENT RONALD REAGAN
WHITE HOUSE
WASHINGTON DC 20500

025482

MR PRESIDENT

AN EMERGENCY EXISTS WHEREBY I HAVE CHOSEN THE AMHERST CONVALESCENT HOME IN AMPERST NEW YORK TO ACCEPT MY MOTHER AS A SELF-PAYING PATIENT TODAY THEY HAVE REFUSED TO ACCEPT HER APPLICATION AS A PATIENT BECAUSE SHE CAN QUALIFY FOR MEDICAID, BUT HAS ELECTED TO PAY HER OWN EXPENSE AND REFUSE AID FROM THE FEDERAL GOVERNMENT THE NURSING HOME ADMINISTRATOR HAS REFUSED TO ACCEPT HER ON THE BASIS THAT MEDICAID CAN PROSECLTE FOR FRAUD THE NURSING HOME ADMINISTRATOR IF A PATIENT IS ACCEPTED AND PAYS HER OWN EXPENSE, I KNOW HOW YOU FEEL ABOUT GOVERNMENT INTERVENTION AT ANY LEVEL THIS ONE I CAN'T BELIEVE EXISTS THE AGED SHOULD GET PROPER ATTENTION AND WHEN THEY CAN FUND THEIR OWN EXPENSE I FEEL GOVERNMENT INTERFERENCE SHOULD CEASE PLEASE HELP US IN THIS SITUATION

MR AND MRS VINCENT D'ACCARDI

16:11 EST

MGMCOMP MGM

CORRESPONDENCE

81 MAY 28 AM: 56

HCF.A.ISPP