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December 6, 1974

Paul D. Ward  
Executive Director  
California Regional Program  
7700 Edgewater Drive  
Oakland, California 94621

Dear Mr. Ward:

Your letter of November 25, requests approval to rebudget pilot arthritis funds from the Scripps Clinic and Research Foundation project (154L), to overall CRMP coordination of the remaining pilot arthritis activities. We are aware of the circumstances which proscribed the inauguration of this promising activity, and we share your regret with its loss.

Your proposal to employ the \$26,322 thus freed to provide Regional arthritis program coordination and staff assistance is appropriate, and the request is approved. We will appreciate receipt of Forms 15, and 16 documentation of this change at your earliest convenience.

With regard to the limitations placed on RMP funding of arthritis activities (i.e., "no other RMP funds can be expended for arthritis activities"), the prohibition was not intended to proscribe the normal RMP program coordinative/evaluative activities which do not result in program enlargement, per se. The ongoing RMP responsibility for these functions is recognized, and the earmark ceiling on pilot arthritis activities is not considered by us to be violated when arthritis is subjected to the same management controls as are addressed to other RMP programs. We recognize the confusion surrounding this matter, and we will issue a clarifying statement soon, probably in the imminent announcement of a conference of the pilot arthritis programs, to be held in Kansas City, Missouri, on January 19-20, 1975.

Yours truly,

Matthew Spear  
Public Health Advisor  
Division of Regional Medical Programs

cc: Mr. Gardell  
Mr. Teets  
Mr. Russell