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TRANSCRIPT OF PROCEEDINGS

DEPARTMENT OF HEALTH EDUCATION AND WELFARE

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DIVISION OF REGIONAL MEDICAL PROGRAMS

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AD HOC REVIEW COMMITTEE

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Panel "B"

Rockville, Maryland
May 22, 1974

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DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

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MEETING OF AD HOC CONSULTANTS REVIEWING

REGIONAL MEDICAL PROGRAM APPLICATIONS

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Conference Room H
Parklawn Building
5600 Fishers Lane
Rockville, Maryland 20852

Wednesday, May 22, 1974

Panel B convened at 11:00 o'clock, a.m., Mr. Peterson, Chairman, presiding.

PANEL B:

Mr. Kenneth Barrows, West Des Moines, Iowa

Dr. Joseph Hess, Detroit, Michigan

Dr. Albert Heustis, Three Rivers, Michigan

Dr. John Hirschboeck, Milwaukee, Wisconsin

Mr. Joseph de LaPuente

Dr. Charles McCall, Dallas, Texas

Dr. William Thurman, New Orleans, Louisiana

Dr. Paul Teschan, Nashville, Tennessee

Sister Ann Josephine, Notre Dame, Indiana

C O N T E N T S

P R O C E E D I N G S

MR. PETERSON: We might as well get started.

(Discussion off the record.)

MR. PETERSON: Before we do get down to individual regions, I would like to mention some things going back to what Herb took off on, not trying to repeat, on the other hand, but get down to some of what I see as the more nitty-gritty details.

You have already heard from Herb and the review guide that I hope all of you got, the kind of things that seems to me is almost imperative that we individually and collectively sort of try and keep in mind, the necessity for trying to keep our focus on the overall region and its proposal, need to try and couch our review in terms of the criteria and factors which we specified as being the basis for our judgment. Clearly if we try to look at very many projects, we are in trouble I think I calculated we would have two minutes per project if we operated on a project basis.

On the other hand, there certainly are going to be some instances where the reviewers and staff will want to single out some projects. I guess primarily because they may raise policy issues or they have attracted strong negative CHP comments. So those are exceptions.

On the other hand, as Herb indicated to the total group this morning, I think we are going to be confronted

in a number of instances with projects which staff has already identified and perhaps others which you and in the applications you have looked at, there are some policy issues about which we may not be able to resolve in our best tact at this juncture, maybe simply to flag those.

And certainly the time that Herb dwelt I think on that last table, he passed out to everyone, I guess the column C we spent more time talking about than anything else.

That target amount, while it is not a formula, while it is not an assurance that the region will receive that much, I think yet in many ways it is going to have to serve as the principal benchmark or backdrop against which we look at these applications, rather than necessarily the much larger amount in some instances that is being requested.

But in terms of the review procedure itself, we have tried to assign each application to two people. We haven't designated them as primary or secondary reviewer, and the fact there is one column and another doesn't really have any great significance. I may deviate from that certainly.

There are a few instances, I know you have one or two, Mr. Barrows, where due to last minute cancellations Dr. James I think just called the other day and I had someone call me who had their third numeral thorax within the past day who isn't here, so there will be a few applications where we only have a single reviewer because of last-minute cancellations.

In a few instances we have tried to get to someone else. I know Bill, apparently there was a contact with you on Northern New England since you had visited that region and possibly Bill will be able to pinch hitter as another reviewer on Northern New England.

Generally I would propose to not have the staff comments -- you do have brief summary sheets in your books, not to have staff comments precede the reviewers, but rather to follow as appropriate after the two reviewers have addressed themselves to the applications.

I think in sitting down with Dick Russell -- where is Dick? -- who is chief of the Western Operations Desk and with Frank Nash who is chief of the Eastern Operations Desk, yesterday afternoon, we have singled out a couple of applications where we will deviate from that rule where I think in the case of Hawaii, for example, there is some significant background we think we probably would like to present initially, perhaps also a Metro New York where we have got a different kind of application. But generally we will look to the reviewers initially and any staff comment subsequent to that if appropriate.

Certainly apart from the two reviewers that will be called on, on the other hand, I think we do need to permit ourselves some time for a brief discussion from the others, questions and answers, hopefully aimed at either bringing specific information or general impressions to bear, other people

on the panel have where they may have them, or to get some issues crystalized.

We will ask the two reviewers, in those singular instances where there is only one, the reviewer, the two or single reviewer to prepare the rating sheet which, again, I believe was sent out to everyone along with the review guide and it is my understanding that each of you in the folders that you had in front of you have about five or six blanks there. We have got additional ones if anyone runs out. But subsequent to each review, where Dr. Hess or Dr. Teschan is one of the reviewers, I would like to ask each of you to, as we go along, to the best of your ability, to try and complete a rating sheet for each of the regions where you have been asked to review it. And to either let myself or Shirley Simons have those. Because we are going to try, as we get back on Friday, that will be one basis upon which we will try and give the total group again an impression of how the two groups have looked at their respective regions.

We also will need to get from you, from the group, some kind of recommendation, as to your recommended level of funding with respect to each region based upon their current application, recognizing that in the overwhelming number of instances, regions will also be submitting applications in July. But we do need that.

I think we have heard enough about the kinds of

constraints that we are operating under. Not the least of which are lack of really good current information in many instances.

Time is obviously something we are going to be wrestling with I think for the next 2-1/2 days.

There are, for those of you who may not have brought all of your applications with or misplaced one in the cafeteria, or indeed if there is a region you weren't asked to review you might be interested in taking a look at, we do have a small supply of applications for all of the regions this panel is concerned with back on that table behind Tom Simonds.

So feel free to pick up an application if you have any desire to do so.

As far as conflict of interest is concerned, we have tried to arrange these two panels so that at least in the gross geographic institutional sense, people from Great Midwest are looking at the eastern and western parts of the country than vice versa.

In other words, Joe and Al are from Michigan, we are not going to be dealing with Michigan and hopefully at least you won't be dealing with Michigan in this context.

DR. HEUSTIS: We couldn't really help you on that.

MR. PETERSON: On the other hand, there may be instances, I can't think of any, but where based on your own knowledge, where you feel there is some potential conflict of

interest that-- if that does occur, that you acknowledge it, and we will -- then the individuals can leave the room while that region is being discussed. Hopefully that will not occur, because we tried to arrange the groups where the obvious conflicts of interest would not arise.

One final thing before we do get into the actual review. I do need to know if there are any people, particularly the reviewers, who for whatever reason will not be able to be here on Friday.

Charlie McCall, when we asked him to participate in this, indicated as part of his participation he had a long-standing commitment that forced him to leave late tomorrow afternoon, and thus I am going to have to make some adjustments vis-a-vis the regions Charlie has been asked to participate in the review. But if there are any others of you -- Paul.

DR. TESCHAN: I am paled on airline computers--

MR. PETERSON: That seems more like a bowl of jelly, from airline computers I have dealt with they are not that sharp.

DR. TESCHAN: Loused up so there is not much I can do about it. So I will let you know.

MR. PETERSON: You are going to let me know if you have to leave early?

DR. TESCHAN: The reservation says we will be leaving Friday morning.

MR. PETERSON: Okay.

DR. TESCHAN: Early.

MR. DE LA PUENTE: I have only one commitment this afternoon that I could not avoid.

MR. PETERSON: So as far as you are concerned, Joe, we need to avoid looking at the regions, Northern New England and a few others you are going to be the reviewer on, we have to defer those until tomorrow.

MR. DE LA PUENTE: Yes.

MR. PETERSON: Okay.

MR. BARROWS: I have a 4:30 flight on Friday.

MR. PETERSON: No, I think we calculated--

MR. NASH: We would like to get to Northern New England sometime today if we can, because Spencer won't be here tomorrow, if we can work that out.

MR. PETERSON: What time is your engagement this afternoon?

MR. DE LA PUENTE: Three o'clock.

MR. PETERSON: Okay, we will do that this afternoon.

It may not be a good decision, but that is what is important in Washington -- don't worry about the judgment, do it on time.

In addition, because some of the staff -- Spence Colburn is a prime example, but not the only one -- some of the staff that have departed MRP but have been brought back for this also have some crunches and commitments. We are going to

have to do some adjustment there and I think I have identified most of that in my discussions with Dick and Frank yesterday, but we are going to try to handle all of the applications Spence has the backgrounds on, because he is going to be out of town beginning tomorrow in connection with his new job in the Bureau of Quality Assurance.

Well, with that brief introduction, before we get started, I wonder if there were any additional questions in terms of details, procedures, or quite apart from details and procedures, profound philosophical issues, some of which I would be willing to take up at lunch.

MR. BARROWS: I believe some of us are better prepared on some than others. I went down mine alphabetically.

MR. PETERSON: You are better prepared on Albany?

MR. BARROWS: Than I am on the last two. I hope to do that tomorrow.

I think Paul is in the same boat. I don't know about the rest of us.

MR. PETERSON: Well, again, if I should call for an application where you or someone else would like a little more time, if you would let me know that, I will, on sort of an ad hoc spontaneous basis, at least in the beginning we have all kinds of flexibility. When we get down to the last two applications, our flexibility is considerably reduced as to the number of adjustments we can make.

MR. DE LA PUENTE: One issue we could discuss very briefly, it has to do with vacancies that many of the applicants have made in view of the fact we are dealing with just one year and that has a conflict, you know, as to-- we let them fill all the vacancies because as far as the money is concerned, they are within range. I have a problem.

Does anybody else have it?

MR. BARROWS: Yes, we have that, we have it from another direction. Assuming they get the budget, will they be able to fill the vacancies and do the job within the time span available?

MR. DE LA PUENTE: Precisely.

MR. BARROWS: I would guess we had better take a look at those on an individual basis. They tend to vary, critical shortage of staff or--

DR. TESCHAN: One philosophic comment, I think you put your finger on as usual, mainly the local decision may be the ultimate reality. RMP's think affirmatively in the most distressing circumstances and I think right now the stance in many of the RMP's is to think affirmatively about the transition in the future.

I think quality of the professionalism even in the short range -- talents, if anybody has any -- is going to pick up the staff in whatever mode it will be.

Whatever is recruited for next year is available for

follow-on.

I am not nearly as much worried.

MR. PETERSON: There is only one thing I would have to say, the issue Joe has raised, we did see the RMP's with the announced phase out in January of 1973 go down in the aggregate and there are obviously considerable variations here from roughly 1400 full-time staff to about 700. In other words, last fall, September, when we got to -- well, it was the November application, but it sort of reflected the situation as of last September, the RMP's were down in terms of program staff about half of what they had been prior to the phaseout.

By January of this year they had picked up about 300 additional people. That was during the period when neither they nor we knew what the court was going to order, and, in other words, it was at a time when I think the imponderables were even worse than they are now.

At least now I can see down the tunnel for 15 months, maybe less. It is only 13 months now. It is almost the end of May. In December and January, I really couldn't see down the tunnel for more than at the best six months.

So I don't think that answers your concerns, Joe, but I think it is not irrelevant.

DR. HESS: I think ill founded though it may be, we must have some confidence between the Congress and Administration that the intents that are now being expressed will find

expression in some legislation that will allow this type of activity to continue in some form or another. I think that is what you are saying.

I think that has sort of been a backdrop and if they fail to come through, you know, I guess that is not our responsibility.

But at the same time, looking at the public's need, and the fact that this type of activity has proven itself to be effective for doing a job that needs to be done, that somewhere or other there is enough broad support that somewhere or other the political element of this system will find a way to continue it.

DR. TESCHAN: I think the corollary for me from all that is we should make some effort, I hope we get some agreement to that, make some effort to make sure that as well as possible, each of the regions is ready for the transition for the follow-on. I think this is the time to get ready.

DR. HESS: Yes.

DR. TESCHAN: Even though the imponderables shut off the enthusiasm for that in the region, I think perhaps we could help stimulate what changes need to be made to get regions in line.

SISTER JOSEPHINE: You know, in going over some of these applications, I have noticed in many cases where they were looking for staff, they picked up staff from CHP programs, which

to me is the direction toward the change in total administration, and this should be commented wherever they do this, because I think this is addressing itself to the transition you are talking about.

MR. PETERSON: Well, I am sure there are going to be all kinds of issues of both a generic and specific nature surfacing during the next two days. We might kick off and I thought my sense of geography, what it is we might kick off with Maine, since it is in the upper right-hand corner of the map of the United States, it obviously is not at the head or end of the alphabet, neither the larger or smaller states, but that is my rationale. Besides, Spence Colburn, that is one of the states we are looking to Spence for some additional comments, since we do have two reviewers there.

I wonder, do you want to lead off on that, Charlie?

DR. McCALL: Be glad to.

MR. PETERSON: Okay.

DR. McCALL: I wish I had had an opportunity to review this program back when I found a direct line, I found opportunity to look at a quality program, and it obviously has strong leadership at the staff and advisory group level.

It comes through loud and clear this program makes great plans not only in transitioning what is coming, but in continuing and financial support from other sources. And I really don't think there is any-- there is no question raised in my mind in terms of their conflict, in terms of their stated objectives and their program, the lements to achieve those objectives.

The only question I had in my review was since their funding seemed to be a little low currently, and I assume that was because of all of the vagaries of the past years that we have been going over and the excellence with which the program has been based, other sources of funds not only planned but in hand and being utilized at the current time. So that that needs to be looked at when we come up with a figure or recommendation.

DR. TESCHAN: Who is the grantee?

DR. McCALL: Medical--

MR. PETERSON: Medical Care Foundation, Incorporated. It is a private nonprofit corporation and has been since day one.

DR. McCALL: I will confess when I received these two

volumes -- this is only half of it, oh, gracious (indicating) -- material, just padded in here, and I since learned they were asked to come in with a complete application but I enjoyed going through this application. It is clear, it is informative, and I really found this operation useful certainly.

MR. PETERSON: Al, you also looked at Maine.

DR. HEUSTIS: All I can say is I had two impressions. I received these two beautifully bound books and thought who are they trying to convince?

I received this other one from California with the other material, and I didn't really think they were trying to convince anybody.

Beautifully done -- graphs, different styles in the typewriter, different colored paper and so forth. And I looked at it with a negative prejudice.

DR. McCALL: I agree.

DR. HEUSTIS: And I read it. Everything you said is true.

DR. McCALL: Unbelievable.

DR. HEUSTIS: This is the only one I reviewed that had any need or basic population data.

DR. McCALL: All there.

DR. HEUSTIS: This is the only one I reviewed that indicated the other than the RMP support that was going into the current programs.

This had a pretty definite and clear-cut attention to process as far as priority ranking in how you got that way.

All of the questions I had were answered and a few of the questions I didn't have also were answered.

I thought it was well organized, that certainly their record right down the overall list we had, all of the different criteria.

I took this document which you have in the review sheet and broke down each paragraph into the number of things that you mentioned, plus a few of my own. And on Maine, I rated everything that was ratable in the good column except for the reflection of needs identified by comprehensive planning, which I put down as insufficient data. This may well be about as comprehensive planning has not identified any needs and not been doing the overall job.

I would support any extra money that anybody has in going to the Maine program as being capable of being extremely well spent, with great results as far as continuation projects at cost levels.

I was particularly impressed that they were able to get some help from the state government. Not only in picking up some of the projects that RMP had started, but help from state government as I understood it, at least to go into the regular day-to-day operation of the program for the next fiscal year.

I feel very strongly and very positively about this program. It was a refreshing one to read and made reading some of the others -- well, it even compensated. It was a very refreshing one.

DR. McCALL: No collaboration, but I obviously had the same impression.

My recommendation was funding maximum eligible.

MR. PETERSON: What about the other reviewers who may have questions or comments about Maine?

DR. HIRSCHBOECK: I don't have any comments about the application. I haven't seen it. But I have always been curious about the interface with neighboring states in Northern New England, whether this is well taken care of.

DR.McCALL: If it is not spoken to one way or the other, I have no knowledge other than the application.

DR. HEUSTIS: Any more than Michigan's at least as it used to be a number of years ago doesn't say anything about Ohio or Minnesota or Wisconsin; maybe it should have.

DR. HIRSCHBOECK: How they relate.

MR. PETERSON: Maybe Spence or Frank have something to say on that?

MR. COLBURN: They have been very close working staff, three programs, tri-state who has New Hampshire and Maine and Vermont, all of New England.

The New England program, an epidemiologist used

to go to Maine quite frequently and he has helped the Maine program, has capitalized on what was done in Vermont with regard to coronary care networks, safety program. Now they are moving into the area of establishing guidelines and standards within the coronary care network for treatment. And I think this is capitalizing on the success of that type of activity in Vermont just as an example of the exchange that takes place between those three programs in the upper part of New England.

MR. BARROWS: If the titles of the project are at all valid, the direction of the program seems to be excellent, very much on target.

DR. HEUSTIS: There isn't any question in this particular program where there has been great leadership, at least material available to me, by the program staff.

They haven't tried to sit back and say, "What would you fellows like to do and we will fit it into an overall pattern." They have come out and said: This is what we want to do; would you be willing to work along that?

That is the kind of regional program that I think is carrying out the real mission.

DR. McCALL: They list their new projects, continuing projects, list those they are requesting no further RMP funds for, exceeds-- either they have finished their mission or have other source of funding.

DR. TESCHAN: I want to ask about the CHP relationship.

I am not quite clear, there are no functional (b)'s, Chattergy has not done anything with the (b)'s to try to get them going or he has and they aren't functioning, or-- I am not quite sure, or can you tell?

DR. HEUSTIS: I cannot answer.

MR. PETERSON: There are four or five.

MR. COLBURN: Five.

MR. PETERSON: Functioning, there are five funded, be (a). (b). (c).

DR. TESCHAN: He is getting no statement of priorities objectives?

DR. HEUSTIS: None from (b)'s. All I could say was there was really insufficient data presented on what the (b)'s were contributing to come to any value judgments, at least on my part how the cooperation was.

MR. PETERSON: Again, I think Spence or Frank will have to help me with this. I do not recall that Maine is a region where the CHP comments either were negative or pointed a direction, but perhaps I am wrong.

MR. NASH: Spencer, didn't he invite the (b)'s in and have them sit around during the discussion of these applications?

DR. HEUSTIS: Excuse me, may I -- I misspoke a moment ago.

I looked in the wrong column.

DR. McCALL: He really met with them ahead of time, the (b) agencies even came into the R&D review I think.

DR. HEUSTIS: I have down "Extended cooperation and coordination with the CHP is good. Highest possible effective relationships are good. Joint activities are satisfactory."

I misspoke; I was looking at the next column. Sorry. I misled you.

DR. TESCHAN: Trying to get a feel.

DR. McCALL: It seems they did.

MR. BARROWS: It would be awfully difficult for us to pull dollar figures out of the air for recommendation, but would it be feasible for us to say break these down into groups of fives and the preferences we think they should share in the budget?

It sounds, for instance, this should be one of the top ones.

MR. PETERSON: I am not sure when you say break them down into groups of fives, what--

MR. BARROWS: Top --

DR. HEUSTIS: Aren't you thinking of this overall assessment activity?

MR. BARROWS: If that is what it is to be, then, then fine. I thought we had to come up with some financial recommendations.

MR. PETERSON: We do need to come up with some

recommendations. It is obvious if the recommendation exceeds the total supply of money, there is going to have to be some adjustment. But perhaps I can answer your question in part. At least it was our hope that as a result of the review discussion and the rating sheets that had been able at the time we get the two groups back together, be able to sort of display literally what the two groups had come up with separately and probably falling out into not unlike a bell-shaped curve, there were some at one extreme considered among the better, some at another extreme that were considered poorer, with parenthetically the amounts recommended for them, and I think perhaps triparte -- again I don't-- but this we had hoped to be able to do. Because I think it is difficult, because some of this indeed is comparative.

DR. McCALL: And we are going to come back and look at what we have recommended here.

MR. PETERSON: That is our intent.

DR. McCALL: Set maximum rating, I would like $2 million requested.

DR. HIRSCHBOECK: How do they deal with their funding? They don't get as much as they have?

DR. McCALL: Yes. It has been in use all along, one has been in use and is effective.

DR. TESCHAN: Do you recommend two?

MR. NASH: It is target figure, bear that in mind.

DR. McCALL: I didn't when I put my $2 million down, I didn't see the target figure, and it exeeds it by over half a million dollars.

DR. HESS: I would like to introduce another element in this discussion.

What is the population served by that RMP?

MR. PETERSON: Slightly under one million if my--

DR. McCALL: About a million.

MR. PETERSON: The State of Maine has a little less than a million people.

DR. HESS: I think that factor has to modify, put into considerations.

Now, another factor is what, within that document--apparently they have done a better job than most in terms of outlining the health needs of the population. In my own mind I don't think of Maine as a-- well, it is a rural, but comprised of, at least my image is of pretty hardy self-sufficient people who, you know, can take care of themselves pretty well. And that may be a reflection why they have got such a good application, I don't know, leadership there. It boils down ultimately to a handful of people.

But be that as it may, I think we have to modify our thinking about how the needs of the people in Maine compare with the needs of people in Mississippi or Alabama, or, you know, other areas of the country. And look at the

relationship between funding recommendations, the size of the population, and what we know about the health needs of that particular region.

If they have got a million people, just to give us a rougher index, and $2 million application, roughly $2 per capita, RMP funding for that; at the other end of the scale there are RMP's that come out with something like 25 cents per capita. And I am not suggesting a capita thing except I think we do have to keep in mind the needs of the population, how large the population and the amount of money that is going in. There ought to be some kind of rational way to rationalize that at that level as well as just how good the program is.

DR. McCALL: I totally agree with you, having come from a region that had 12 million people. And under my great leadership was reduced to $1.2 million funds. So that is a very important point that I am very sensitive to, and my only reason for taking this high level at this point is to say we don't know where these others are going to shake out.

If you are going to come back when these things are finally looked at in terms of the total dollar available for quality, need, population served, it would be final figure, this program comes through at such high quality to me I would like to see us not start low and not be able to give them the maximum they should get when you look at the overall.

DR. HESS: These folks sound to me like people who can make efficient effective use of money.

DR. HEUSTIS: This is really what came through to me.

DR. McCALL: They are going to function if we don't give them a dime. I think you shouldn't penalize them for that.

MR. BARROWS: That is important; as a taxpayer I hate to see these bucks spent on the basis of need without productive use of them.

DR. HEUSTIS: I recognize need, but in these troubled times it seems to me efficient productive use of money might be things that would impress the Congress rather more than taking another program that I reviewed that has a large need and a large problem and not as good a program.

DR. HESS: I am not recommending putting a lot of money into a poorly managed program, but to carry this argument to a ridiculous level, if they could use $5 million, would you give Maine $5 million just because they are a top-notch program you see?

DR. HEUSTIS: I think you have to balance relative--

DR. McCALL: Fine thing, I am not sure I would even recommend $2 million.

MR. BARROWS: I wanted to bring this down, bring another factor into the decision.

DR. McCALL: It might make it easier for you to try

to make some better judgment of all these things at this point.

MR. PETERSON: I think, you know, our judgmental process which is collective and right now bifarcated, I am not going to intrude too much on that.

Let me only mention one thing, Maine is requesting slightly over $2 million. It is one of the few regions which has indicated to us this is their total package, so their $2 million is not going to be a supplemental or additional, or further request in July.

Their target figure, column C, was roughly $1.4 million. I think that again looking at it in terms of some rough per capita, Maine indeed exceeded the national norm at an earlier point in time by virtue of the fact that it had been considered a good program at the time we were steering towards selective funding.

I think what I have heard is a range from $2 million and somebody said they are going to continue whether we give them a dime or not, so we have got between a dime and $2 million.

Would somebody like to put somewhere between those two points, perhaps lay a recommendation as to an amount on the floor?

MR. BARROWS: That is the thing that bothers me. We do not have a target budget for our whole business. If we had something like this and then could say classify them, and then cut the melon when we get them all through on the amount

of money to be spent, it would be a lot easier.

Just picking figures out of the air, I am afraid our results will be very fortuitous.

MR. PETERSON: I didn't mean to.

DR. HEUSTIS: It seems to me you have on overall assessment five categories.

MR. PETERSON: Right.

DR. HEUSTIS: In all good conscious, more data is available in Maine about previous funding than any of the others I reviewed and there was just insufficient data about background and use of money and about progress to really make a valid funding judgment on the basis of the written material that they gathered together with all of the constraints. I feel very strongly the same as you do, perhaps the best we can do is to say that this is an interior program and it is entitled to maybe better treatment if the need is there and--of course, if there are two superior programs and both have needs, I would agree with you.

Some of these things on the basis of more information we could come up with dollars.

MR. BARROWS: Even divide them into groups, the plus group, average group and minus group, and cut it like that.

MR. PETERSON: Let me see if I can help us out of this. Since we will in one sense be operating against a

benchmark of a target figure, what I hear the group saying is that it would like to make a recommendation vis-a-vis Maine -- correct me if I am wrong -- that says here is a region that, in our judgment, without giving a specific amount it should perhaps be above the target figure, whatever that increment is.

I think we, again, as staff, Dr. Pahl is the Director, in the final analysis, who is going to have to divide $109 million or $114 million up, certainly is going to be influenced I think by virtue of the fact that this whole review process is operating with a great deal of lack of information and the like. And that the pluses or minuses will be incremental rather than order of magnitude.

It is more defensible to say let's give this region 20 percent or 10 percent more, as opposed to 100 percent more or less. Because I don't think any of us feel comfortable with that process.

I wonder if in those terms somebody would --

DR. McCALL: Maybe to help you have the figures, the sense is there in what you are saying, I think we all recognize it, with all the constraints and time, we have to come into focus. We really can't go back and write all the imbalances and inequities that may exist. Maybe $1.5 million recommendation does that, it is a little above requested, it reflects its superior rating. If there are others, that is the sense. And

it would take into consideration per capita needs and other things as well as their quality.

DR. THURMAN: Second.

MR. BARROWS: Their request is $2 million.

DR. McCALL: Yes.

MR. PETERSON: You are saying recommendation of $1.5 million?

MR. COLBURN: I was going to say in the past, the previous procedure was to make a recommendation regardless of the availability of funds. Then you know the distribution of funds would be based on total recommendations.

MR. NASH: I think Dr. Pahl wanted some sort of recommendation.

DR. HESS: I think it would be helpful if we go through and we come to grips with a specific figure on each project, and then come back if we want to adjust it at the end of time.

DR. McCALL: This is what I am integrating into the $1.5 million.

MR. NASH: I think that gives us a benchmark to work with as we move along.

DR. HEUSTIS: I would have great difficulty on anything except political grounds of recommending that you approve anything except the request. I can-- if you asked me to make a technical decision, the program is worthy of support.

If you ask me to make a political decision, there is not enough money, then it seems to me the political decision, at least as I see it, ought to be made at a higher level than which I have said at the present time.

SISTER JOSEPHINE: I would like to say I made a site visit to Maine with Dr. Brandon and Dr. Vaun, who is in the other group, and I guess in 1969 or 1970. It was at the time when they were first beginning to get their resources together. And I had an opportunity to stay several days and so a couple of us went around and we visited in different places in the state. And in response, Dr. Hess, to the number of people, you know, I am so impressed with the distance, the distances, the scattered population -- really, the total lack almost of services, you know, that were available.

I was also impressed as we sat and talked with the people, with the fact that, you know, they had already been involved in the process, the people were listening to what they need. And the program that has been developed, you know, I would be reasonably sure has been developed in response to needs that were really identified, and I don't feel that is true of all programs.

DR. HESS: No, I am not questioning the needs were identified. I think that has been well done.

MR. BARROWS: Introducing the equity.

If we adopt this thing, what we are saying then is

we have concluded our formulas as an outstanding program, and get 75 percent of what they asked for.

DR. THURMAN: No. Not at all. I think what we are saying is can any group operating at $1.5 million leap to $2 million?

Now, in seconding the motion, I am not proposing we give 75 percent. I think this is a region that gets results.

I rather doubt if it would be able to leap to $2 million.

MR. BARROWS: You are bringing up a very valid consideration, do they have the capacity to do this job; in effect, they are asking for two times present budget.

DR. THURMAN: The other thing we have to consider is there has never been a human being who wrote a grant who didn't add something to it.

DR. HEUSTIS: I disagree, but go ahead and make your point.

DR. THURMAN: That is my only point. They knew they might as well ask for everything they could get. But I don't believe it is possible for them to spend $2 million in a reasonable way.

DR. HESS: That is a 100 percent increase.

DR. HEUSTIS: Mr. Chairman, the thing that bothered me was the fact the only figure we have on this sheet is this

currently annualized level of what they are getting. This doesn't take us back to what they did before they were cut, and not having that information and not having the information on how well they had spent their money before they were cut, I am just wondering --

MR. NASH: That figure, Doctor, does not include a large supplemental award for EPS or HSA activity out of 1972. Actually they have been operating at a level over $1 million.

Spence, do you have --

MR. COLBURN: I am trying to recall --

DR. HEUSTIS: I am just saying on the basis of one year of restricted allocation --

MR. NASH: You are talking about ability to handle a large group of money and this actually isn't that.

MR. PETERSON: There are, as Frank points out, in a number of regions, Maine isn't the only one, where the current annualized level which is really the present six-month award times two, it is that simple, is perhaps misleading -- not in all instances. In some ways the column C figure, which reflects a percentage of the immediate pre-phaseout level is more indicative of the kind of annualized level, approximating the kind of annualized level that Maine and nearly all the other programs were operating on prior to January 1973.

But again, in the interest of moving the discussion

along, we have got a situation here now where two reviewers, one in effect has laid a recommendation on the table for $1.5 million, I heard Al indicate that he would have problems with anything less than the full amount requested. I think simply in terms of the order in which those two figures were mentioned, I would ask if Charlie regards his $1.5 million as a recommendation to that effect? If so, if there is a second?

DR. THURMAN: I seconded it.

MR. BARROWS: Did you say a real index of their pre-crisis funding was this targetted available thing.

MR. PETERSON: That target figure is an extrapolation from that and it more clearly approximates the level of activity in the region than necessarily the first column which doesn't reflect in some instance rather significant supplemental funds.

Maine, for example, had a good deal of activity fund for a couple of years which now does turn up again in some of these projects.

MR. NASH: Actually at one time they were managing $2,872,000 in one year.

DR. TESCHAN: I would like to make the point, Frank, if we would be able to have that kind of figure, at least ready during these discussions, that would answer that kind of question.

MR. PETERSON: I think we do.

MR. STOLOV: For every region we have computer funding printout.

MR. PETERSON: Is there any other discussion?

Again, I think I have heard a motion, a second, for $1.5 million, and I think if there is, I would put the question to the group.

Those in favor of the motion?

MR. BARROWS: Is the $1.5 million based on what you just said is not a significant increase in the level of activity they have been carrying?

MR. NASH: No. In fact, it is a decrease from one prior year.

DR. HESS: But they have also cut back in staff probably.

MR. NASH: No, they maintained basically pretty well staff even through the phaseout.

They lost a few, but basically it is pretty much the same staff.

MR. PETERSON: I wonder if I could ask the question.

Those in favor of $1.5 million?

(Show ofhands)

MR. PETERSON: Oh, we are going to have one of these.

No, divided -- all right.

No, it isn't divided. I am sorry, Sister, and we have got nine people; I was looking at the eight, four for and

five against.

MR. BARROWS: Could we put the $1.5 million on the hook and come back to it?

DR. HEUSTIS: I think we should do this.

Is this motion lost then?

MR. PETERSON: Yes, it has.

DR. HEUSTIS: Is not column C the amoutn of money available for funding this fiscal 1975?

MR. PETERSON: That was our estimate at a time when we weren't even as sure as we are now.

DR. HEUSTIS: So it may or may not have any relevance to the previous funding levels of the programs?

MR. PETERSON: Oh, I see.

The column C does have relevance to the previous funding levels, A1. We took pre-phaseout levels, annualized levels, and calculated a percentage thereof. At the time--it still does, it adds up to $114 million. At the time we did that, that was our best guestimate of roughly what we were going to have, and we were trying to give regions a target.

It so happened that we are going to, in all likelihood, end up with either $109 million or $114 million.

DR. HEUSTIS: May I suggest if we have to make what I call a political decision, could we lay the funding amounts for each of these programs on the table until after we have had a chance to look at them all, and then we can look at the

request, we can look at what you have got down here and then we can go through and decide what can we do to come out somewhere within the available money and be fair.

DR. TESCHAN: I think we could easily indicate that Maine is in the top, divide the regions into approximately three big groups and with the details of the population, and the kind of other comments we have had. And then begin to adjust after we see the total group.

MR. PETERSON: Is that the sense of the group that we lay recommendations as to funding amounts aside until Thursday afternoon, Friday morning?

MR. BARROWS: No, we could strike a tentative figure but I personally don't feel that we are doing justice to these by just picking a figure out of thin air.

I have no way of knowing whether $1.5 million is better than $1,450,000 or $1,750,000.

To me it is just picking a figure out of the air.

DR. HIRSCHBOECK: We have to deal with this problem, those who are not applying for July 1st money.

This is exactly the significance here.

If we do not take that into consideration, we might be short changing them considerably.

MR. PETERSON: Charlie.

DR. McCALL: I am concerned, as we had reviewed, on the whole, the gaps, the changing situation, and we are

coming here in the last chapter of this program, the structure having been designated, very fine people still here, but small in numbers, overworked, mechanism torn asunder. And even when it was there, we knew there were some inequities and some things that needed correcting, we were working on.

It seems we are really taking on something that really doesn't make sense.

To think with all those limitations we are not--as last gasp, use some sort of judgment, start a new benchmark, write all of this in terms of population and everything else.

Not that I am not for doing those things; it seems to me this is not the point in time at which we are armed with and able to do that any better than taking all of the problems and our disagreements about them, the former benchmark, and using it as where we start, and then modify up and down in light of what comes in here rather than trying to go back and go through all of these and now come up with some sort of new--

MR. BARROWS: I wrestled with that in my own mind and came up with this general feeling, whether right or wrong, anybody can say, but I felt we had a responsibility to preserve reasonable stability of the program. But we should take away from programs that didn't appear to be able to use this one-time money effectively within reason and give that extra money to

the programs that are doing the top-notch job.

DR. HEUSTIS: Great.

MR. BARROWS: Whether that is good policy or not, that is the way I came out with it.

DR. HESS: And you do that purely on the quality of the job and setting aside any other factors about the region?

MR. BARROWS: Well, one factor, the population inequities being on historically, and I don't think we can dramatically change that now in this short time.

DR. HESS: It is not a matter of changing it. But to my mind it is not a matter of carrying that to excess.

MR. BARROWS: I would keep a reasonable stability saying treat the average in one way, cut down a little bit on the programs that are not too effective andgive that money to the programs that are. But not make violence with 30 percent to 190 percent.

DR. THURMAN: I hope we won't have this emotional kind of discussion with each application. A lot of us would like to have more information than we have to make a decision, yet we have never had enough information at any time in the past to make any better decision than what we have been asked to make right now.

I don't see any difference as we sit here, except the understanding the programs as they exist have gone through living hell as far as from an organizational standpoint. But

either they have had the relationship and capability of doing it, they have known their state, they have known their capability -- but the only rationale -- I don't mean that in a derogatory concept. The only rational comment was Sister's because she was there.

To me I am not the least bit concerned about reaching into midair pulling out a figure in May of 1974 and I was concerned in June of 1972 doing the same thing, with the same kind of program.

So that I think we are trying to find an excuse for our inability to approach something in an irrational fashion when we have always approached it in an irrational fashion.

So that I just-- this sheet doesn't mean a damn thing -- pardon me, ladies -- doesn't mean a damn thing to me, because here is a program, the people have come in, excellent grant writers, two reviewers have been snowed -- again, I don't mean that derogatorily -- been snowed by this preparation. Sister has said that the people in Maine are interested in it. These people have asked for $2 million. They have got one year of self-sufficiency for a small population. And then they have got to carry these programs without us.

What more do we need to make a rational decision than those facts?

MR. BARROWS: I don't say this is going to be

without us, the succeeding programs contemplated by Congress will absorb at least some of this?

DR. THURMAN: Let's see, if you and I knew the answer to that, we would be the world's greatest --

DR. TESCHAN: What is the punch line?

MR. PETERSON: What is the figure?

DR. HEUSTIS: Mr. Chairman, I would offer a motion.

MR. PETERSON: Fine.

DR. HEUSTIS: To bring this to a head.

Motion was for $1.5 million, request is $2 million; I'll be rational and split the difference.

MR. PETERSON: Is that a motion for $1.75 million?

DR. HEUSTIS: $1.75 million.

MR. PETERSON: Do I hear a second?

DR. TESCHAN: I will second it.

MR. PETERSON: Second to get a vote.

Any other comment?

Question: How many would recommend -- and I think we do have the sense that all of these are tentative plus, minus kind of motions, it is again a rough motion, it is again-- how many would concur at $1.75 million for the Maine RMP?

All those that do, show their hands.

(Show of hands)

MR. PETERSON: That motion is voted down also I think, four to five again.

I don't know whether we are moving in the right direction.

Do we have another motion?

DR. TESCHAN: Let me fly this one: 10 percent or more of recommendation to Dr. Pahl that he consider Maine in the top group; secondly, that he consider funding at more than the approximate ratio that he has dealt with before, on which these figures were completed, say something like 10 percent or so more than that, on up to the total amount of the application, depending on availability of funds.

DR. HEUSTIS: I will support that.

MR. BARROWS: That sounds good to me.

DR. HESS: Cop out.

DR. TESCHAN: Sure, it is a cop out.

DR. HEUSTIS: As I understand your motion, you are leading us to put these into ranking things, so that some will be financed more than before, some at about the same level and some at less than figure to be decided after we have all of the evidence.

I think this gets me off the hook from making a political decision for which I do not feel qualified. I am perfectly willing to make a political decision.

DR. HESS: I think that Dr. Pahl wants from us a figure and that for us to avoid the need for making that recommendation, difficult though it may be, even though it feels

like we are rolling dice, as we like to pride ourselves in, you being very logical, rational people, but when it comes right down to it, you have to take a leap and make some judgments.

I would say I think we ought to not avoid the responsibility that we have been asked to assume and do it even though we are uncomfortable about it.

With that preface, I would like to offer a motion for $1.6 million.

MR. PETERSON: We have a motion of $1.6 million. Do we have a second?

DR.McCALL: Second.

MR. PETERSON: Question.

DR. THURMAN: Call for the question.

MR. PETERSON: Call the question.

DR. HESS: Are you asking for?

MR. PETERSON: Yes, for those in favor, $1.6 million, five for and four presumably against.

Okay, the recommendation of this group, by painful process and high degree of tentativeness, is $1.6 million.

DR. THURMAN: Fully with the understanding we may come back.

DR. HESS: We may come back and revise this.

This is kind of a breaking-in process.

MR. BARROWS: We are cutting the melon without

knowing how many shells we want to cut.

DR. TESCHAN: Right.

MR. PETERSON: Dick, you had wanted to say something.

MR. RUSSELL: Yes, I was a little bit disturbed and concerned during this discussion. It seems to me we are getting two issues mixed up. One is the role of this group in terms of making recommendations for funding levels; the other, as Dr. Heustis talked about, was the political part of the decision Dr. Pahl and the Administration will have to make in making the funds actually available.

What I heard in this discussion -- I have no vested interest in Maine whatsoever -- here we have an application that apparently is well put together, the projects do fit the goals and objectives; historically this program has been very strong. All the pieces fit together.

I think it is that type of information on which this group should make its decision.

Now, in terms of the target figure where we have programs that don't come across as strong, I think that is going to be important to look at that, so you do have to take that into consideration. But I really don't think it should be whether or not the actual funding made available will come out as your recommendation.

You do have a chance--

DR. TESCHAN: But, Dick, you are not helping, you

are at variance with the imperatives to come up with a number.

I am comfortable with that kind of ambiguity, say "hoorah for Maine" and leave it at that. But if we are under an imperative, maybe we should settle the question, are we or aren't we. If we are, we have to go beyond where we are.

MR. PETERSON: Herb Pahl's decision in terms of deciding signing a grant award, statement for Maine with a figure, that is going to take place after the Council meets.

I think with a Council that insisted upon a review committee, kind of restructured review process, 13 new members that while it is true that the Council is in a sense the formal recommender, I think they are going to have more difficulty coming up with numbers if we don't provide some benchmark for them.

I think, Dick, at least in our skull sessions, in the preceding days, you know, I think we can belabor and overdo the numbers game. And I am speaking personally, not as your chairman.

I think we as staff, and Herb -- you know if there are no numbers, we aren't all that helpful.

MR. RUSSELL: I am not saying-- I think you need numbers ultimately.

MR. PETERSON: Right.

MR. RUSSELL: But the viewers have a chance to rate

the RMP's.

DR. McCALL: I think there may be some abstaining.

MR. PETERSON: I am sorry.

DR. HEUSTIS: Mr. Chairman, I object to this. We spent already too much time on this.

DR. McCALL: I don't mean -- I am talking about the future. I am not talking about calling for Maine.

In the future. I don't want to go back and do that on this one.

DR. HEUSTIS: I have the very strong -- I like what you said and--I like what you said and it seems to me even though we have done it before, and I wasn't a party to it, I may have gone along the same as you did. But it seems as though if we give him the ammunition, if we have extra money, this is what you do with it, this is who you give more and this is who you take away, that is our primary function.

DR. TESCHAN: I feel better about that.

DR. HESS: He is not bound to use these figures.

DR. HEUSTIS: Not bound but as he makes the political decisions, I don't know the gentleman, but being a politician probably to better or lesser degree, and somebody questions it, he says, "But, haha, the Ad Hoc Committee, Advisory Council, this is what they recommended." And he justifies in some instances where it is convenient, he justifies it. And he is no different from any governor or any legislature that tries to

get a program person to cut his budget so that he doesn't have to make the political decision.

DR. HESS: Al, just let me comment on that.

If I understand the purpose of this ad hoc review, it is to bring some additional perspectives to bear on these very complex issues and so to ask this group to weigh in our minds as best we can all the various dimensions that should go into decision making about, you know, this national program on a region by region basis. And that the most precise reflection of the summation of those judgments is in dollars at this stage of the game. And that the role that the Director and Council are not bound in any way, shape or form by those recommendations, but nevertheless that is the most concrete translation of judgment that we make.

MR. BARROWS: Pete, let me make a proposal that may simplify this whole problem.

We clearly have two distinct philosophies on this thing and we are going to be talking about that all night.

Could we do this, could we let these numbers come out of the air from the frequent revelation from the record or wherever, get them altogether, take a look at them when we are all done and go over them and do--

MR. PETERSON: We propose to do that.

MR. BARROWS: Do our equity on it.

MR. PETERSON: I feel less concerned about spending

a little time with the first few applications, because I think this is where we are going to have to wrestle with some issues and set some guidance to ourselves as to how we operate.

It seems to me there are at least three things that will go to the Council and Herb Pahl, at least there are three inputs from this group. There is a number that may be the softest and least offensive.

There may also be in most instances some kind of half quantitative rating based on several people; and thirdly, there will be the general sense which I hope staff will be able to reflect accurately and which in the case of Maine, quite apart from more or less, that there was a general, general sense consensus that this was, all things considered, a comparatively good strong program that had Maine stability during the period of the last 18 months. And I think, you know, it is not as if the number is the only thing we are go ing to feed him. I think we need to keep that in mind. So we are triangulating.

Sister Ann.

SISTER JOSEPHINE: Yes. May I say one other thing. I think the 53, out of 53 programs there are only 6 that are complete, as we are going to review them, that aren't going to have anything for the May 1st review, or the July 1st review.

I think that that is a consideration also, we have to keep in mind, and this is one of them and I th ink this is

very important.

MR. PETERSON: Well, I would like to ask the group at this juncture, it is ten after twelve, our cafeteria is probably most crowded now; on the other hand, by the time you get to certainly 12:45, the fare starts becoming severely diminished. Not that it is all that great to start with.

It seems to me we have got to make a decision either to go to lunch now or try to wrap up and let our bellies push us in terms of one more before we go to lunch.

DR. THURMAN: Move for one more.

Nobody here needs the fare that badly.

DR. HEUSTIS: Who do we give these things to we don't need any more? (Indicating)

MR. PETERSON: You can put them under the table. Hand them behind you and somebody will put them back farther.

MR. RUSSELL: As usual, we will pass them on down.

(Laughter)

MR. PETERSON: I wonder if we could take Albany. This is an instance where, by virtue of the fact of a recent last-minute cancellation, we only have one reviewer, Mr. Barrows, and move on with Albany then, since you said you were best prepared for Albany.

MR. BARROWS: That is a small tribute to my preparation, I assure you.

I think most of us on this committee can make extended and culpatory statements of the same kind that were made on behalf of staff. I quite honestly had difficulty in doing justice to five applications.

I say that in advance, because if I didn't say it, you would detect it as I went along.

In any event--

DR. THURMAN: We won't be critical.

MR. BARROWS: No, but you would cut hell out of the budget.

To end the suspense, I have a pretty good impression of the Albany program. It is a 24-county program. The grantee is the Albany Medical College. These were all the figures, but I had to go by them.

Budget request was for $1,066,000. Their present funding for half a year was $556,000 so about the same level of funding they are seeking.

The director, Dr. Kraft, has been with the program since its inception except he has be director since January 1973.

The chairman is a retired physician hospital administrator.

Executive committee represents a wide variety of

interests and remarkable -- includes education, labor, community agencies, business, and so on.

Staff of 70 full time, two part-time professionals. They plan to add two more.

Their survival, staff survival through the phaseout looked to me good. Variance ranges from two to eight years. Regional Advisory Group 43 of them.

I noted the director is an ex-officio member of RAG. This is a philosophical thing. I think that puts him in a peculiar position to influence the whole process. And from the looks of the staff, I think this is kind of a one-man type of program, but that is just a guess.

The executive committee exercises planning. Basically the committee structure looks pretty good.

Logical structure, I can't say who dominates from what is reported.

Past performance, the direction has been I think quite acceptable. They made a prompt effective response to the '71 change. Their track record is good; of 27 active projects since '71, 12 are continuing with RMP support, but 10 they are flying under other support. Only two have terminated.

Their goals and objectives are very well articulated and very congruant, as the record shows the RMP mission.

The proposal situation to me better than average

compliance with their own stated objectives. I had more trouble with that factor. Everybody states the same objectives in glowing terms, then they go off and do something else; but I think they stayed pretty close to their objectives.

There is no CHP agency in their area except in Western Massachusetts. They are working with that one. That seems to be harmonious. And they are trying to get another one off the ground. So I think their CHP agency relationships are good.

I think they have got a reasonable chance of success. Much, of course, is going to depend especially on these programs designed to serve the underserved areas. Much will depend on future funding from a variety of sources.

Icame up with a good to excellent rating for the total program.

I summarize it this way: ARMP has retained essential strengths. Well managed and well oriented. Proposals consistent with basic RMD mission. Recommend funding proportionate share of what is available, at least equal to past level.

MR. PETERSON: You have heard Mr. Barrows' review. This is one we don't have two reviewers. Check with Frank, I don't think any people around the table in their prior incarnations had at least site visited Albany, but I am sure

there are some of you who have some impressions, perhaps have had some specific information about the Albany RMP. So before I check with staff, I was wondering if there is any-- from the rest of the reviewers, whether there is anything specific or general they want to add to what Mr. Barrows had to say?

DR. TESCHAN: What is the population? I missed it.

MR. BARROWS: 24 counties. Metropolitan area -- Albany, Schenectady --

DR. TESCHAN: I just meant millions.

MR. PETERSON: We don't have a fact book, do we?

MR. NASH: No, I don't know.

MR. PETERSON: I will have some population figures after lunch.

My guesstimate in the Albany area is probably approaching or over a million certainly. It may be a couple of million.

You have Schenectady, Rensselaer, Troy -- you also have a lot of Adirondack, without too much population except up around the Plattsburgh area.

MR. BARROWS: Pushing over a million and a-half.

I have one question. Let me just throw out, obviously, on the basis of my information, it is terribly difficult for me to say what is the proper problems for relating to "other federal initiatives," that is particularly true in the

case of emergencies here.

The activities for which there has been $138,000 looked to me to be fairly consistent in that they were more preparing to get ready for entering the emergency systems program than they were in doing the same things that the emergency systems program I understand is doing.

I am just mentioning that as something that ran through my mind.

MR. PETERSON: Frank, do you or Norm have anything--there were a number of projects listed in the summer here that relate to HMO's, EMS's, et cetera. Are there any significant problems or policy issues that you see posed by these?

MR. NASH: I think the HMO, I believe, is a feasible study.

MR. PETERSON: Within our guidelines, earlier policy guidelines.

MR. NASH: Yes.

Yes, I'd say EM activity is continuing.

MR. PETERSON: Something started by the EM legislation.

MR. NASH: Yes.

MR. ANDERSON: Also program activity supports previous approved policy we had; it complements.

MR. PETERSON: And I know Albany is one of those places that are few in number now where there is no major

(b) agency in the Albany area. There is one they overlap with in the Berkshires, northern Massachusetts.

Albany said, "Throw this sheet away" -- not-- figuratively. Albany is a region which, again, we had indicated target figure of about 1.5 million. We have an application here which is entirely continuation, program staff and some projects continuations. They have indicated that they will be coming in with an additional application on July 1 for new starts totaling about half a million dollars. This one, this request totals just slightly over a million. Thus our estimate at this juncture is that Albany will be requesting-- happens to be a couple of thousand less. Just about that target figure. But the present application is for $1,056,000.

DR. TESCHAN: I wonder, management assessment, review verification, if there is any indication whether, in essence, the grantee is behaving according to policy? Any evidence on that?

MR. PETERSON: Norm, we did have some problems I know some years ago, but both with respect to review and management, review process has been verified and found in compliance.

MR. ANDERSON: Yes. Right.

MR. NASH: Right.

MR. PETERSON: Are there any recent management assessment figures?

MR. SIMONDS: That is one of the very early ones. That has been several years ago, would have no relevance today.

MR. ANDERSON: We here, program staff, support what Mr. Barrows said.

MR. PETERSON: Can you lift that up four decibels?

MR. ANDERSON: During the phaseout period, they were able to maintain pretty much the program staff, kept it pretty much intact. The RAG did continue to meet on an every-two-month basis.

They continued to maintain a stable level of operation throughout this time period.

DR. TESCHAN: Would you identify the program as being in the big middle group?

MR. BARROWS: The big--

DR. TESCHAN: Middle group?

Would you put it at the top of everything you have seen or bottom?

MR. BARROWS: I would say probably top of the middle group.

I was impressed with something concerning which I have mixed feelings, perhaps more than any other program that I looked at. They have addressed themselves to the problems of the underserved. That is a high risk type of activity. So prospects of success are low. Brownie points for trying to do a good job are high. I come out with a stand-off on that.

I don't know how the rest of you feel about this.

MR. PETERSON: Are there any more questions, comments, observations from the review panel members? Staff? Norm? Frank?

MR. NASH: No.

DR. TESCHAN: Do you want a motion?

MR. PETERSON: Yes. I was go ing to say it looks like -- much as I regret it -- now this is a request only for $1 million.

DR. TESCHAN: Yes.

MR. PETERSON: So I don't think we are--

DR. TESCHAN: I am sensitive to Sister Ann's point here, that we have to consider the later -- perhaps after considering the later--

MR. NASH: Even if you consider what they propose to come in with July 1st, they would still be a little less than the targeted figure if you give the targeted figure any force.

MR. PETERSON: Yes. I think here we clearly have to be guided, Paul, by the fact while in Albany and in many, many others of these, we will be seeing a second request which will total X or Y amount that really our recommendation at this session, certainly the other inputs will have a bearing on the second set of recommendations, hopefully many of the same people will be involved, that we have got to look at this request and make our recommendation in those terms. So that I

guess I am saying --

DR. TESCHAN: Motion for $1,066,000 then, approximately.

MR. PETERSON: That is the maximum.

Yes, John.

DR. HIRSCHBOECK: These request figures include the indirect costs as well?

MR. PETERSON: These are total costs I believe, that is a battle I think I have finally won. We used to show you people direct costs whichwas very deceptive. These are total costs, direct and indirect. And that is what it costs to run the Albany program.

DR. TESCHAN: Do you have the indirect cost rate?

MR. BARROWS: Yes. Somewhere.

MR. PETERSON: Medical College, it is probably in the neighborhood of 40 or 50 percent of salaries and wages.

DR. THURMAN: 50 percent on salaries.

MR. PETERSON: That is roughly what you are running on.

MR. ANDERSON: 60 percent.

MR. PETERSON: Probably the best guess I will make in three days.

DR. TESCHAN: The record ought to show that is one of the things that kills a program in Congress. And we ought to raise the question as to whether this isn't the time for the

Albany group to recognize that fact, and see whether or not they can begin the staff processes necessary to get them ready for corporate grantee.

MR. PETERSON: This I don't think has ever been actively considered in Albany, has it?

MR. NASH: I don't think so.

MR. PETERSON: I know what you are saying. I don't know whether it is even in our jurisdiction to recommend it or to move it, or whether that is our duty; but it seems to me if we have responsibility for the program, for the public accountability of funds, that this is one critical issue.

MR. BARROWS: They will be doing that under any pending new legislation, won't they?

DR. HEUSTIS: Mr. Chairman.

MR. PETERSON: Yes, Al.

MR. HEUSTIS: Out of the projects I reviewed, it seemed to me California and I think Maine made no provision that I could see for any indirect costs whatsoever.

MR. PETERSON: Thœ are private nonprofit corporations established essentially for that purpose, so those became direct costs.

DR. HEUSTIS: This is even for--

MR. SIMONDS: Both of those programs right now are in process of negotiating indirect costs, because they are managing funds other than RMP funds, so if they don't,

RMP money is going to be spent on the management of these outside.

DR. TESCHAN: They generally pay indirect costs to universities, but the direct administrative costscoordinators put together varies with the years, as you may remember, and 10 percent being a pretty good figure to put on it.

DR. HEUSTIS: I think Maine had a policy, if I recall correctly, of not being indirect cost to anybody. I don't know whether it is carried out and I may be in error.

MR. PETERSON: Paul, I think many of the things you say are true, but I wonder whether the issue of direct cost or indirect cost is something which this review group -- it maymore appropriately be a matter of Council.

I happened to a number of years ago once sat and tried to take on indirect costs at National Foundation on the Arts and Humanities and I had three university presidents sitting on that Council: Princeton, fellow just left the University of Washington, and Brown.

I didn't realize what kind of tiger I had walked into. I at least at that juncture -- I acknowledge everything you say, but I, one, question whether the review group is really the forum in which to deal with it, and two, at least in the next 14 months, I can see, of some stability, whether it is a policy we are probably going to accept as regions take it on themselves and many have, but Albany is not one that has

made any move to disassociate itself from a medical college and sets up a nonprofit corporation.

It is a cost of doing business. It may indeed have done the program harm. Again, a personal view.

DR. HESS: Maybe the best thing can be done, note in the comment, the question was raised and would be worked out administratively.

MR. PETERSON: Right, and I have done that.

Did I hear a motion recommending the amounts requested for this application, $1,066,000?

DR. HEUSTIS: Somebody made it and I support it.

MR. PETERSON: Okay, you seconded it.

Are there any other comments?

If not, those in favor of that recommended amount raise their hand.

(Show of hands)

MR. PETERSON: Everyone.

Anyone against or abstaining? I think I saw nine hands up.

All right, we have in an hour and ten minutes -- which comes out to 35 minutes per application -- disposed of two easy applications. So while I am encouraged, I don't think any of us ought to get overly encouraged. I think it probably would be a good time to break for lunch, as I say.

DR. THURMAN: Will we finish today?

MR. PETERSON: If we take some class action.

What would be a reasonable time to ask the group to reassemble? 1:15? 1:30?

DR. HESS: 1:15.

MR. PETERSON: Can we try and be back by 1:15.

We will start with Northern New England by virtue of the fact Joe has a three o'clock deadline.

Thank you all so much.

(Whereupon, at 12:30 o'clock, p.m., the meeting was recessed, to reconvene at 1:15 o'clock, p.m., the same day.)

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AFTERNOON SESSION

(1:17 p.m.)

MR. PETERSON: We were going to pick up with Northern New England, but I did want to mention a couple of things.

Again, on the rating sheets, I am not going to, at least to the best of my ability, let you get out of this room tonight where you have reviewed a region without letting me have those rating sheets.

Secondly, to the extent that any of you have, as I think perhaps Mr. Barrows did, had some notes from whence you spoke, even if they are in longhand, I would also appreciate your leaving those with us, although I won't insist upon that. Because there has been a great deal, as you know, of litigation about correspondence and notes in Washington of late, and I don't want to get into that.

MR. BARROWS: What was that you were referring to?

(Laughter)

MR. PETERSON: I should also have mentioned this morning that if any of you need any assistance with travel and the like, I think we can handle that and maybe I can ask Shirley or someone, but to the extent you have got those kinds of problems, let us have them and we will take care of that.

Finally, and this is really directed to staff, I would appreciate it, for the benefit of Mrs. Chiang, that when staff does speak up for the first time, if you would

identify yourself -- not for my benefit, not for most other people, but for her benefit.

With that brief, if not lucid, introduction, could we push on for Northern New England, sometimes known as Vermont.

Joe de LaPuente.

MR. DE LA PUENTE: This is an application for the support of program staff and selected continuation of on-going projects. They will present some new projects that have a high priority in their July 1st application.

The program is committed to addressing community problems and the development of their solutions. By now they have developed a cardiac care management system, a respiratory disease communications network, a high risk infant care and transportation system, and a strategy for addressing emergency medical services issues.

Their present thrust will be that of encouraging and developing community involvement in program development, in program planning, and in program evaluation.

The region is particularly involved in the continued evaluation and improvement of the medical care system, and they are doing it by developing specific guidelines and delivery of selected services. They are doing it through the support of "Disease management committees" towards the assessment and the maintenance of established guidelines. And also they are doing

it through the support of providers engaged in improving their programs towards the maintenance of established guidelines.

They have linkages with the Department of Medicine at the University of Vermont, the State Health Department, the Medical Society, voluntary agencies, and most hospitals in the state.

Community support seems to be demonstrated by the continued involvement of their Regional Advisory Group during this period of indecision. Their Regional Advisory Group continues to be intimately involved not only in the management of the program, but also in the development and support of substantial program priorities. The Regional Heart Management Committee, for example, includes 29 standing members, and they have continued their activities during the last 12 months.

The present core staff includes eight persons, four of whom have advanced degrees. Their staffing pattern appears to be very similar to that existing prior to the phase-out order.

The present vacancy pattern may represent an opportunity for the director to develop a staffing pattern more consistent with his future program plans.

Their present request is for a core budget of $432,800, including $292,800 for salaries and wages. Their request for the seven projects envisaged amounts to $687,000, for a total request of $1,039,670. This represents approximate1

40 percent core staff activities.

The core staff, however, is continually involved in the support of disease management committees.

Their present application is for $1,039,670. It is estimated that their July 1 request may amount to $1,839,670 compared with a projected availability of $1,199,300.

I will not go into the cluster of projects. I was very much impressed with the type of projects that they have: a regional end-stage kidney treatment program, a project to increase the capability of rural ambulance and emergency room personnel, a regional program for high-risk infants and mothers, a regional respiratory disease program, an ambulatory pediatric care project, a voluntary problem-oriented health care information system, and a program addressing the sources of communication among school children.

In summary, this region possesses a good track record in obtaining community support for its activities. They want to shift their program emphasis to improve primary care and strengthen community level organization.

Presently they are involved in providing an environment where quality assurance can become a living reality. Their present request alone exceeds that of previous funding.

But special consideration should be given to determine whether or not the staffing level presently proposed is consistent, both with the activities proposed for the coming

year and the level of support that they will probably receive.

This is not to detract from how much I was impressed by this region in terms of how precisely they develop their priorities, how the project they have forthcoming agree with those priorities. So I have a recommendation.

MR. PETERSON: Maybe we should hold that, Joe.

MR. DE LA PUENTE: Yes.

MR. PETERSON: This is an instance where Dr. James was the other reviewer, but I wondered, Bill, since you had been up there either in a structured or kind of offhand fashion, if you might want to briefly address Northern New England and then I will ask staff if they have any comment before we open it up to the whole group.

DR. THURMAN: I had your emphasis -- first of all, since our site visit, there has been a change of directorship. The new person seems to be a relatively strong leader. There has been stability of a corporation now where there wasn't before, which was one of the recommendations that was made at the time of the site visit.

One of the strong continuing strengths as Joe indicated was the RAG chairman who was the strongest person at our meeting, much stronger than the director at that point in time is still there and still actively involved.

I think that some of the things that was suggested at the site visit have not truly been carried out and many

people here know that Vermont or Northern New England had more data than anybody in the country, including Census Bureau. And the feeling was that RMP money did not support that in a significant way.

They have cut it back, but it is still there, significant amounts in the project they are bringing forth right now.

I would second what Joe said from the standpoint community programs are certainly strong as are the disease committees and those have continued to develop.

One of the most significant things to me in reviewing this now is that when we were up there before, the state liaisons were not well worked out as far as continued support for many of these programs. This is now very clearly defined and working quite well.

Staff is quite small. Staff goal, 10 percent of the total money related to the project, but that doesn't come out in their proposal. It is written, but that is not the way the figures come out.

I th ink the projects in essence show good cause.

Kidney project is needed in their state.

EMS, despite data base, does not expect, what you expect to show in the application we have in front of us, they have one of the best high risk infant programs in the country.

I think they have certainly met the goals and

priorities with this application and I think that they will with the others.

I have just two concerns. The first is each of the projects is overbudgeted for what they expect to accomplish in a period of time; and the second is they clearly state in the application that core staff should be 10 percent of the project and yet it is almost 50 percent of the project. So that I think subsequent to the time that expense and our group were up there, this program has made a lot of changes in reference to the advice letter that went forward from staff after review committee and Council. And I think that the director is an unknown factor because he is totally new. He was not in the program then.

I would support everything Joe said.

MR. BARROWS: Could you identify on this list of items the ones that you say are--

DR. THURMAN: 007 has a very strong -- ER, emergency services program has data base information. The respiratory disease is very much that way. And, of course, 037 is primary data program. And 038 is again data base program related to the school system, but was already available to them.

So those are the ones that still have a heavy -- that is nothing -- when were we up there, '72 August, you should have seen it then. It was nothing but one floating base of data. So I think this program hs come a long way and certainly

deserves--

MR. BARROWS: You say these items are too fat in their data budget?

DR. THURMAN: Yes, sir.

MR. PETERSON: Let me ask staff, before we fully open this up, as to whether there are any particular concerns or policy issues that we see posed by this application, which I would hasten to point out is essentially a continuation of program staff and some ongoing, previously ongoing projects.

It totals a little over a million dollars. We have an indication from Northern New England that they will be in for almost-- for roughly $800,000 worth of activities, all new, with their July submission. So that it is a little difficult, I suppose, to deal with what is no more than 60 percent of what we anticipate, although this is sort of core and on-going activity.

Spence or Frank, do we have any particular information concerning the policy issues?

MR. COLBURN: I have no kidney, PSRO, HMO. I don't think we have any conflict with policy.

MR. PETERSON: Okay.

Frank.

MR. NASH: No, I don't have anything to add.

MR. BARROWS: Let me ask a question.

MR. PETERSON: Okay.

MR. BARROWS: The continuation request is based on some things that have been suggested, are really not all that productive.

Does staff have any idea what is going to come in or will they zero in more on immediate needs?

MR. COLBURN: I didn't.

MR. PETERSON: Spence probably has been away from DRMP, away from us--

MR. NASH: Most of these regions gave us a projected dollar figure of what their July application contains.

DR. THURMAN: I think through their application, you feel strongly they are coming in more in the priority line. It never specifically says that as Frank says. But their proposals that they are discussing in the distance in their actual application for continuation indicate that they will be much more in the line of priority, rather than this group.

MR. BARROWS: I take it you would be inclined to be more generous with what is coming up than what they are asking for here.

DR. THURMAN: Correct. I am interested in seeing what Joe's proposal is. I think I would be different.

MR. PETERSON: Are there any other of the reviewers who have comments, questions, observations?

DR. HESS: General policy question about renal, in

the material we were sent ahead of time it was indicated that this is an area of at least decreasing concern as far as RMP, because Social Security rules, and so on, permit funding there. And yet, on the other hand, wewere told this morning that, you know, their restrictions are essentially lifted, so whatever was being done two years ago could still be done now.

In this area of renal disease, what is permissible and what is not is still a little fuzzy in my mind.

mr. peterson; let me try to clarify that, although I don't think I can state it very felitiously.

There was, of course, with the enactment of HR-1, the extension of Medicare to really cover most end stage. On the other hand, most of the RMP activities, both prior to thattime and now, are more aimed at resource development, training, and some other aspects.

One of the things that we have as a matter of routine, I guess, in the earlier award we made, sort of a formula basis during the past year, have had to do, is, in effect-- here I am groping for words and perhaps some of the other staff can be a little more clear on this.

As you know, under the Social Security, those Social Security amendments, the reimbursement for the actual end stage treatment, dialysis, transplantation, is restricted to certain approved facilities and if facility is not approved, they have to request an exception under what are still interim

regulations I believe.

In the process we have, in effect, told regions that before you go ahead and fund anything, you need to make sure vis-a-vis that particular institution sponsor, et cetera, that this is a facility that either has or-- you know, the kind of approval for reimbursement under Medicare or is in the process of getting an exception.

I am not sure that really answers your question. But we certainly -- we have not in our previous approvals nor is clearly in this case, we have not said end-stage kidney activities are no longer eligible for support.

I do think we probably, even if the program were to continue, RMP, for two, three, or four years, we would probably see a downswign in that as reimbursements arrangements begin to possibly begin to pick up the other costs, the kind we have.

We, of course, pay for little or nothing in the way of direct patient services.

DR. TESCHAN: Maybe experience would help; that is, as Pete has been pointing out, the HR-1 primarily has addressed reimbursement.

Indeed, they have tried to get a quality because of the limitation of where centers are.

The instructions we have here I think are very explicit in saying we don't fund things that will result in new facilities being constructed, or new services made available

without prior clearance with SSA. But what all that discussion leaves out is the enormous piece of work that nothing covers, that has to do with building relationships between centers and organizing some kind of rational patient flow, so that the right kind ofpatients relative to their stage of renal disease reach the right kind of talent and facilities. And that whole thing has to do with the community end and educational function which I don't think can be paid for under SSA so far as I can tell, although I notice your comments just at the end there, that is very-- I mean, if that is substantiated, that is great.

We were wondering where additional funding of those things is. We were concerned SSA, in dealing with these things and in the regulations, totally ignore one of the most important contributions; namely, the organization of the patient flow. And we are disturbed about that. It seems to me there is a big job for RMP to do in that.

DR.HESS: I was a little confused about that statement because RMP never was,or supposedly, in business of subsidizing direct patient services, although in a sense they also were.

Any time you train people to care for patients to some extent you are subsidizing it, but the bulk of it was in organizational work, developing a plan, the working out of-- collaborating relationships, this kind of thing we are talking about.

I have, you know, wondered whether if indeed that was being picked up by some other mechanism. So it is just unclear.

MR. PETERSON: I think our concern, RMP's concern at this juncture is that the kind of what you referred to as indirect subsidization sort of activities not continue or be created in an institution or facility that doesn't have or isn't likely to have the patient care reimbursement under it.

A sidelight, if you will, it is not relevant to this application, but there is almost a separate quality of care, many PSRO arrangements being established for end stage renal disease treatment. And that is what Spence and some of the staff left here are working on specifically in BQA.

We find that in many of the regions, these local review boards -- that is I believe what they are called, isn't it, Spence, but they really have a quality assurance function among other things, that local review board at the regional level will be handled out of the HEW regional offices; that in many regions they are turning to existing kinds of RMP arrangements, resources, people that have been collected to establish that.

That is not true across the country, but certainly in some states -- I recently was in California where there would be a number of such local review boards. And that process is being greatly facilitated by the kind of planning

resource development and people have been pulled together under the aegis of the California RMP in connection with some of its end stage renal disease activity.

We have had reviews by Joe and Bill.

Are there any additional questions, comments from the other reviewers or from staff?

DR. HEUSTIS: I would like to hear Joe's recommendations.

MR. PETERSON: Yes, I am sorry, Joe.

Thank you all. I don't know what I would do without you.

(Discussion off the record.)

MR. DE LA PUENTE: The chairman will have to check me on this. But it would go something like this:

Thus $700,000, at this stage of the game, with strong recommendation for maximum funding on the July 1 application, if they are the types of request from the size of our expectation.

MR. PETERSON: Let me make sure I heard that; more importantly that all of the others heard it.

$700,000 recommended at this point against a slightly over $1 million request, but with a strong corollary recommendation that the anticipated $800,000 request that we will see in July and you people will be looking at then be looked at if the proposals in a very fair light; is that the sense of

it, Joe?

MR. DE LA PUENTE Yes, that is about the size of it.

DR. TESCHAN: Second.

MR. PETERSON: Is there any discussion on that?

Yes, Al.

DR. HEUSTIS: I was not doing the fire part. Only thing I know about is what I heard you say and what I read in the staff document. But as I looked at the staff document, at the numbers for the projects that were indicated as having perhaps more than their necessary sahre of checks, it adds up to a substantial number.

Then I like what you said about the program staff perhaps thinking twice about filling the vacancies and reacting to the other, and it seemed to me that maybe you were being a little generous recommending $700,000.

The figure I had tentatively written down was $600,000. I was wondering could I have your comment as to why you chose the seven rather than perhaps six?

MR. DE LA PUENTE: In the spirit of having them make their own choice, $100,000 figure I had in mind, to permit them to get staff if they feel it will fit with the new projects that are going to come out in support for them, giving them sort of the benefit of the doubt. So they can do their own administration. And not fully saying go and fill all the vacancies and go full fledged. But that was the only reason.

DR. HEUSTIS: You are not bothered by the 25 percent for program or central staff rather than the 10 percent which they say in the document? Or did I misunderstand you?

MR. DE LA PUENTE: Tell me that again.

DR. HEUSTIS: I thought I understood you to say the written document said for their central staff, they were interested in having about 10 percent. Did I misunderstand?

DR. THURMAN: That is correct, I said.

DR. HEUSTIS: 25 percent according to the document, 50 percent, 430 -- not quite 50 -- out of a million, 43 percent.

Does that not bother you or didn't it bother you when you made your recommendation? That is probably where our difference is.

MR. BARROWS: Discrepancy of that magnitude, I wonder if there could be an error?

DR. HESS: In the accounting.

DR. TESCHAN: First of all I think unless you have an enormous program, primarily contractual work, to run a program on 10 percent I think would be a little unusual, especially when you see the developmental activity staff should be in. I think 10 percent would be unrealistically low.

DR. HEUSTIS: I am not disagreeing, but this is what they said in their program. This is all I am going by.

DR. TESCHAN: I think that would be a mistake.

DR. HESS: The total staff is 14 people. Bulk has to be for programmatic activities, not for staff personnel.

MR. DE LA PUENTE: This is what happened, the way I figure before is actually about 40 percent of the management core staff activities, however the core staff is going to be continually involved with management committees, which is a programmatic issue. So whether you call it a program or core staff, council -- they support -- it is a group of staff that spends an awful lot of time with these diseased management committees and they give them other support.

DR. HEUSTIS: Is 40 percent too much?

MR. DE LA PUENTE: 40 percent would be too much definitely, in my opinion, if it was just staff managing the projects or being supported by the RMP.

If it is the staff doing what I call intramural support and supporting some of the activities, then it is not really 40 percent, probably comes down to 20. And that was the reason I looked at it.

DR. HEUSTIS: I don't care to pursue it.

MR. PETERSON: We do have a motion, $700,000, which has been seconded with the caveat that the favorable cast towards the July request proposal subsequently warranted. I guess there is a concern of the group that the $400,000-plus may be a little on the large side certainly in terms of the action taken today, but again if one looks at the $800,000

request which may be coming in that that perhaps could be expressed.

Are there any other comments?

MR. DE LA PUENTE: I would like to include in there comments of Dr. Heustis, concerning personnel situation in the ward problem.

MR. PETERSON: Okay, that concern be expressed.

MR. DE LA PUENTE: Right.

MR. PETERSON: Particularly until action -- we don't know how many projects they will have to manage until their new activity is looked at in July.

You know, it is possible the group's action would be much less than what they request in July.

Certainly that concern I have down, Joe.

MR. DE LA PUENTE: Okay.

MR. PETERSON: If there are no other comments or questions, may I have the question.

Those concurring with that recommendation raise their hand.

(Show of hands)

MR. PETERSON: That is everyone, including a weak "yea" from Bill Thurman or tired riding on the airplane?

DR. THURMAN: Tired.

MR. BARROWS: If I were the coordinator, RAG chairman up there, I would very much appreciate knowing the basis for our conservatism on continued funding and basis for relatively

optimism on future funding.

Will that be transmitted to them?

MR. PETERSON: Let me make sure. I see no reason that it wouldn't be. The basis for the less than requested was still a concern with the overly richness of the data involvement in some of the projects.

Is that correct? Is thatan accurate reflection?

MR. DE LA PUENTE: That is right.

MR. PETERSON: All right, having disposed of Northern New England, I would like to suggest we try to move now to West Virginia.

Joe, your meeting isn't until three. You are more than welcome to stay until then.

On the other hand, I am going to avoid bringing up any other regions this afternoon that you are reviewer on, so if you do want to leave, feel free to do so.

He will be here tomorrow, I assume that.

DR. TESCHAN: I am not ready to talk about West Virginia on the basis of the application.

I would have a little bit of past history, you know, previous contact.

MR. PETERSON: I am not sure what you are saying.

DR. TESCHAN: I think it would be better if I had a chance to read the application.

MR. PETERSON: Okay. What you are saying is we ought

to put West Virginia until tomorrow.

We have to get it in the morning, because Charlie McCall is going to have to leave I guess around two o'clock.

DR. TESCHAN: Be happy to accommodate a busy colleague.

MR. PETERSON: Well, if we can't come to grips wit-- if you prefer putting off West Virgina until tomorrow morning, I am willing to do so, if that doesn't pose any problems for Charlie.

I wonder in that case, though, how are you fixed with Connecticut?

DR. TESCHAN: Fine.

MR. PETERSON: Because you are also a reviewer there. I thought since we were sliding with the easy ones, maybe we ought to take a look at Connecticut at this juncture where Al and you are the reviewers.

Al, you came second last time. I will let you lead off this time with the nutmeg state.

DR. HEUSTIS: Thank you.

DR. HEUSTIS: This application from Connecticut is the first of two applications, and together they anticipate that these two amounts of money will approximate $2.6 million.

The current request provides for one year for central staff or core staff, or program staff, which I think I am using all interchangeably, although I know there are some little inuendos as faras differences. And there is approximately 50 percent level of increase requested for the core staff over the level, pro rated level of funding in which they have for the first six months of 1974.

They have some two months request for continuation in each of 13 specific projects in eight program areas. The only program area in which they have more than one project is in the area of hypertension, where there are five.

I had some problems with this document.

I found it to be written in extremely general terms with very minimum attention to process.

There was much repetition. Also it referred back from one place to another, something that was allegedly covered in an earlier section. Some important things. And I just-- when I checked back at the earlier section, I had great difficul in finding. I couldn't help but get the impression they were trying to use all of the right words they thought would impress people.

I couldn't help but getting the impression the

Regional Advisory Group was following the lead of most people that were requesting projects and staff as well, rather than providing any direct and strong leadership in program development.

I saw no great evidence of any real central staff involvement in a true leadership role. It may well be there, but I just wasn't able to see it.

The predominant leadership seemed to come from the chairman of RAG. I had to base my decision on he is the fellow who responded to all the problems and his response seemed to me again was not really how to adjust to the problem or how are you wrong in bringing up the problem, but kind of why didn't you come to the meetings and if you had come to the meetings, you would know all of these things.

I could be very sympathetic with his point of view, but it didn't seem as though he really approached this group.

Now, the Regional Advisory Group has been a well-rounded compliment or representation including the representatives of 5(b) and the 1(a) agency that I could identify.

One other representative of a planning group on it. It was quite obvious that they, at least at the time this document was written, they hadn't succeeded in getting comprehensive health planning to understand or appreciate what they thought they were trying to do.

There are many letters from the planning folks that

helped to bring this out.

They do have a high, medium and low priority designation or rating system for both accomplishment and for the request. But there is no summation, whatsoever, that I found.

It may be there, but I didn't find it. But no information whatsoever as to what kind of criteria they used for high, medium and low, in this area. And it came out that most of the ones as far as they requested were high. I think eight out of the nine. And as far as progress, there were five, and four or five highs and four mediums. There weren't any lows.

Then it referred to seven states had priorities which I had one devil of a time finding. I finally found one tiny paragraph in the middle of a page in which some very general things were said about seven specific areas, but there weren't any specific short-term priorities or objectives by which these seven important areas could be implemented.

It is a new process which involves a number of committees in the RHA and says this took place over a period of time, and I certainly read by inference that there were meetings, that therewas a process. But very little information about them.

While quite a bit was made of the complex of workable system of regionalization, they were trying to carry

out complex yet workable-- (inaudible) -- and formal network of cooperating institutions.

The reference to accomplishment was in very general terms.

I gathered that some of the projects which they had started they continued funding, but the extent as well as the meaningfulness of the effort was unclear as well as it was also unclear as far as continued funding as to which areas this had already occurred in or which area it was hoped for.

In general, I was not impressed with the staff activities. For example, the central staff, as far as the material that was presented, and on specific forum, it said something about the staff plans will rapidly unfold against background of the CRMP's program facilities and strategy and will further see CRMP's responsibilities to emerging national priorities.

This kind of language doesn't say very much.

Material reported what the staff had done.

Golly, it seems to me they must have done more than they wrote down.

They developed a good staff. They achieved some alternate financing of programs, staff skills, assured central direction. They did do some planning and specifically mentioned hypertension program and they claimed more effective cooperation with CHP. But again, the nebulousness of it all bothered me.

In rating, in thinking about this, fortunately Connecticut was not very high on my list. I rated program leadership from poor to adequate, equally unkind to program staff.

Regional Advisory Group, except for the review process, gave the same kind of ratings for past performance and accomplishments, objectives and priorities, and feasibility--because I couldn't tell whether these folks had any feasibility of doing what they said they were doing, because the thing that I suspect is that in complete contrast to Maine, they must be doing some things they just did not put into the application, they just must be.

I rated this as a poor application and as far as funding mechanism, we will get to in a moment, it seemed to me they ought to be on the very short end of any funds that might be available and so forth.

MR. PETERSON: Okay.

DR. HEUSTIS: I did -- I was disturbed. Connecticut was the first one of the five which I had that I looked at.

I was so disturbed by it and by my reaction -- I guess I was disturbed by my reaction to it -- that I went back and took this sheet which we have here, this review sheet, and some of the criteria we used, and some of the background Judy had, made myself a chart which I endeavored to not only pick out the main headings, but every one of the subheadings of

the paragraph and tried to rate these good, fair, and poor, to see even though this was a subjective evaluation, was there any -- were they just being too unkind. And it just came out the same way.

I am sorry, but that is the way it impressed me.

MR. BARROWS: Doctor, let me ask a question for clarification.

Are these deficiencies you speak of, do they appear to be the end result of a lack of leadership and management capability and staff?

DR. HEUSTIS: Yes, sir, and the RMP.

Again, I hope I thoroughly qualified this, all I know is what I read.

MR. PETERSON: I think I would like to ask Paul, who was the other reviewer on this, if he has what he would like to add to it.

I know, for example, John Hirschboeck was on a site visit 104 years ago in Connecticut.

Paul, what do you have to add, subtract from, what you have heard Al say?

DR. TESCHAN: I would like to add a couple of -- oh, supplementary points which will not change the basic them I don't think.

First point is as you read Connecticut, it is unique in my experience, having talked to the predecessors of the

present group also, in that its basic philosophy says if health care is going to be approved in a state, in any region, it is going to be done through primarily interinstitutional network, starting from the university centers, and through faculty type and educational contacts in community hospitals.

If health care is then going to be benefitted as individual consumers in the state receive it, it is going to be by those consumers coming to those centers influenced by this network.

That is, there is virtually nothing other than the outpatient department of the hospitals in which the full-time staff have been impressed by the prior history of Connecticut RMP. The individual ambulatory patient is going to be particularly benefitted, that is not quite true, there are exceptions. But the overall driving basic thrust, that program apparently has been monochromatic like that, at least as a fundamental concept. It is quite different from many other RMP's. And I gather Harold, Stan Olson probably had wrestling matches on this same subject, but if anybody didn't know that about Connecticut, that is one fundamental piece of it.

Now, it followed from that that the budget has certain characteristics. It follows that if you work at it you can find out of requested total amounts -- and my figures are a little different, they are added up a little differently -- out of approximately, I came out with a figure of 942,000,

you can find annualized rate, that is this is six times the two-month rate just to get an annualized rate of their application.

To get out of 942,000, you can find about 180,000 that appears to be outside the immediate jurisdiction, either of the CR&P staff or of Yale, or of the University of Connecticut.

That is, how far out I don't know. I don't know whether this institute for health manpower is not a child or progeny of the universities; it may be. Could very well be. It may be the EMS. I can't find the sponsor to be sure. It is stated as Yale University.

It is a committee of some sort that appears to be a sponsor. I can't tell whether that is a child of the university.

Otherwise, it appears all the cash is flowing into and through the universities and is not turning up with independent applicants or independent group.

So you have to sort of figure whether you buy the philosophy and if you don't buy the philosophy, you are climbing uphill against the X years of '67, seven years of precedents in that istuation, so that is one main point.

The other point is that the staff is missing a controller and is missing an evaluator. And our feeling is that those two seem to be critical. There are, you know, I

raise serious question whether the staff can manage the business of the program.

I would agree fully that the RAG chairman appears to be the active person in Connecticut. Everything seems to hinge around him and his activity, that that CHP is a disaster, obstruction.

I thought whoever wrote those letters in reply at least, among all the words, seemed to do a professional job about lining up the facts. I agree with your comments on the argumentative nature of it. But there were I thought a good deal of professional stance, documented, and seemed to be well done.

DR. HEUSTIS: CHP?

DR. TESCHAN: No. Many of the arguments CHP brought up were after the fact, almost written in ignorance, because he was able to show in that CHP's own district CHP members had been contacted. Interview indicated that.

Well, coming out to the other end of it, there are minor differences in the rating.

I felt that the feasibility was probably pretty high in view of a seven-year precedent that that kind of activity does work. If I buy that, my problem is, is it a performance Does it setp up the pike?

I think if you are this far down, activities are feasible, I looked at a below-average rating. However, I felt

somewhere between 80 and 100 percent of the program staff funding, that is two-year extension and year's extension of staff, either somewhere between 80 to 100 percent of that was at this point a reasonable step in order to carry them through, at least to their July 1 application, with the contingencies that the staff positions be recruited for. And that the new application does need to be considered in terms of widened participation and initiative come in from elsewhere.

I also feel the domination of university, which obviously from every corner of the thing, the theme ought to be established as a precedent, it ought to be undertaken, running by itself.

And the application projects are primarily involving students of various sorts doing primarily theoretical studies, rather tha having something actually happen.

So I think that, you know, I would move to change the grantee and to get this influence totally excised in the course of the next little bit, and to shift this thing over to a situation where other applicants will have a chance to begin to do it.

MR. PETERSON: Does that--

DR. TESCHAN: The alternative is to stop the RMP funding. That is possible to do.

MR. BARROWS: Do any of you fellows see any prospect of turning this thing around?

(Laughter)

MR. PETERSON: I wonder if I might help--

DR. TESCHAN: Question, turning it around -- if you mean turning it all the way around, so that all--

MR. BARROWS: Even sort of in the direction --

DR. TESCHAN: -- all the habits of the seven years are reversed, of course, is absurd.

But I disagree with the notion we are dealing with a one-year story.

I wouldn't make this suggestion if I thought this were a one-year proposition.

Last year we dealt with it as a one- to three-year proposition. I don't think that is right.

MR. PETERSON: I wonder if I might do this before I ask staff to comment, there may be one or two staff comments, then throw it open for broader discussion.

John, since you were on a site visit, which was made when?

DR. HIRSCHBOECK: I think three years ago.

MR. PETERSON: That long ago?

Everything has been a year and a-half, two years ago.

DR. HIRSCHBOECK: I have to agree with most of what Paul is saying, although I must say the grant idea, when RMP went into Connecticut, it had a good test, identifying every hospital in the schools with medical schools, so a

full-time person is linked with the medical school and that hospital, whether that is a workable thing in the United States. Whatever results have occurred will perhaps give the answer.

There is something that has happened I think, but whether this is going to continue in the way that Clark originally thought it was going to, of course, is not the case.

I am particularly impressed with the fact they still don't have anybody in evaluation and their staff is lean. This is the major criticism. This is pretty much a one-man show, as Dr. Clark left shortly after that. Morse is his deputy. He has followed through the sameway. So I don't think there is much more to say.

MR. PETERSON: Frank or Spance, are there some specific things here including the CHP which -- at least one of them --

MR. NASH: I think that was the major thing. CHP really -- yes.

MR. COLBURN: With regard to the chief of staff, they are not supporting those positions any more.

I think this request is to bring different chiefs into networks to exchange.

DR. HIRSCHBOECK: I might say too, there was an ongoing fight with the medical society. I don't know how that will end.

MR. PETERSON: It hasn't resulted in the same pyrotechniques, letters -- they were more advanced, they sent telegrams to the National Advisory Council. Nobody has phoned us yet. Maybe because we don't have a phone in this room, I don't know.

Paul, I think, made one important factual kind of point. We are looking here at a request which is essentially to continue a number of on-going programs for just two months.

DR. HEUSTIS: Just two months.

MR. PETERSON: And then to continue somewhat expand not a great deal, core staff, and we will probably be taking a look at the larger portion of the picture in July. So that I think I have heard both Al and Paul, and some of the other comments, I have phrases down like "Not impressed, troubled, below average rating, short end of funding." That certainly, I think we have got a cast as to how we would look at that larger portion in July perhaps. But we are looking at a relatively modest portion in terms of duration and amount of funding in this particular application.

Other comments, observations?

DR. TESCHAN: That suggestion is to fill those vacancies.

I think the evaluator has to be in there. That is the point.

I like the idea they have had the evaluator separate

from the planner in the staff.

MR. NASH: Dr. Shan-- I think this is probably Dr. Clark's evaluation on evaluation. He didn't want a single individual on his program staff to have that responsibility.

I don't know if this comes through in his application, but he relied very heavily on the program planning, program setting, prioritizing, evaluation of activities, on a review evaluation committee.

I think another statement should be made about this region, they are to be processed, certified by RMP.

The basic reason is the staff aswell as previous site visits, almost everyone who reviewed the program agrees the evaluation committee in Connecticut has done in the past and appears to still be doing those fucntions that we feel a regional advisory group should be doing.

For that reason they have been so advised of this, or withheld their due process for that reason.

DR. TESCHAN: I think you know my reaction to that would be that funding be contingent on getting that squared away.

MR. NASH: It concerns me a little bit because-- I certainly understand the concerns of this review group here because we have them also, but if you look at the current application onthe one hand and try to take action based on this application to make seven years' history in that region, this

would present me a problem, perhaps Dr. McCall one, if this is what the group wants to recommend.

I would think the July application might be a better place--

DR. TESCHAN: I think if it were approved in July, if wewere to look at the Connecticut application, and recommend funding that shows the ramifications and other issues turning up, I think the message would be spelled out in dollars, spell it out.

MR. NASH: Yes.

MR. PETERSON: Any other comments, observations?

DR. HEUSTIS: Is my arithmetic incorrect there was a 50 percent increase in the money, ona pro rated basis, requested for the central staff?

MR. PETERSON: I will have to ask Frank or--

DR. HEUSTIS: Evaluator for those two important positions, I wonder what the dollar may be. They may well have made a data--

DR. TESCHAN: I don't have the data.

DR. HESS: Is the funding sheet available, printout?

MR. PETERSON: I thought you were going to ask a question about what was the arithmetic really added up to? I was reminded of Mark Twain's man who only spelled a word one way.

DR. HEUSTIS: So six months award $168,000, one

year request for $479,000, which at least according to my arithmetic is three times that, or 50 percent.

MR. PETERSON: It doesn't seem right just looking at it, eight to twelve kind of junk, but I must say I am not that familiar with the figure.

DR. HEUSTIS: Maybe there are other factors in this. I have no breakdown than the total amount.

MR. BARROWS: On this sheet you show $297,000 for six months.

MR. PETERSON: I have that sheet, too

MR. BARROWS: As compared with what we are asking for 395-479..

DR. HEUSTIS: I have $158,000 for six months.

MR. BARROWS: Summary program to date.

MR. COLBURN: I know one problem. One of the increase in program staff is due to the fact DMS activity was funded out of program staff, rather than a separate project. That is what it is. Staffing pattern is consistent with what it has been for seven years.

DR. HEUSTIS: Okay. Can some approach be made as far as the AMS--DMS to limit that for two months also.

MR. COLBURN: I think it is being done.

DR. TESCHAN: It is a two-month figure.

DR. HEUSTIS: I am looking on page 3. I see the $158,000.

MR. COLBURN: Page 3?

DR. HEUSTIS: Page 3, bottom of the page, $158,000 for six months.

Next to the last line above the total. And $479,000 for the full year.

MR. COLBURN: Yes.

DR. HEUSTIS: $159,000 times three is three undred times -- almost $479,000.

MR. COLBURN: Oh, this request is for 14 months and for projects for two months.

In other words, take program staff through $675,000 through June 1975.

MR. PETERSON: How could it be--

MR. COLBURN: Question of requested support for staff through June 1975 and projects through August 1, 1974.

DR. HEUSTIS: But the staff starts first of June 197[illegible].

MR. COLBURN: It would be 12 months then, 12 months for staff, two months for projects.

DR. HEUSTIS: Something we don't have to worry about. I have concern about it.

DR. TESCHAN: Do it right.

MR. PETERSON: Yes. We always seem to be embarrassed by numbers. Whether it is the Maryland lottery or what have you, it is never the right one.

Given the nature of this application, which is for

program staff for 12 additional months, but the limited number of on-going projects for only two months, thus totaling $637,000 volume, does anyone have a recommendation as to amount either of the reviewers or someone else?

DR. HEUSTIS: Would you care to commit yourself?

DR. TESCHAN: Sure. I move to fund either between 80 and 100 percent of the amount requested; namely, 80 to 100 percent of $636,220, with hopefully the conveying to-- perhaps it is too late to convey to the group concerning their July 1 application the concerns we have about it.

DR. HEUSTIS: Do you feel strongly about the 80 to 100? What about 80?

DR. TESCHAN: I would be perfectly happy with 80 percent.

DR. HEUSTIS: I can support 80. I would have trouble with 80 to 100.

DR. TESCHAN: The only reason for the latitude, I know it is slightly hypothetical a situation. The other feature, if the funding doesn't have all the money needed to get these people for-- I feel the salary levels, I think hypothetical --

DR. HESSL: They certainly have the option within the total funding package to reallocate.

DR. TESCHAN: So 80 percent is fine.

MR. PETERSON: 80 percent if any arithmetic is worth a dime, is about $509,000. Somebody had better check me, though,

on that.

DR. HEUSTIS: Did you make a motion?

DR. TESCHAN: Yes, I move 80 percent fund of the request for a month.

MR. PETERSON: We will say $510,000.

DR. HESS: That is somewhat low.

MR. PETERSON: Your feeling is that is low? That is a recommendation.

DR. HESS: That sounds less than 80 percent.

I am questioning the arithmetic.

DR. TESCHAN: $508,000.

DR. HESS: You dropped it by one-sixth?

DR. TESCHAN: It would be a fifth.

DR. HESS: Okay, I guess that is right.

MR. PETERSON: Is my arithmetic at fault?

DR. HEUSTIS: No.

DR. THURMAN: Second.

DR. McCALL: Second thing you have done right.

MR. PETERSON: Was that a second?

DR. THURMAN: Yes.

MR. PETERSON: Is there any other comments, discussion, with respect to Connecticut?

We have a motion and a second to provide funding, $500,000 -- $10,000 for this particular application, recognizing that a major additional amount, if I can read, nearly $2 million

is anticipated in the July action, so we are dealing with the tail of the dog, at this juncture.

If there is no further discussion, let's call the question.

Those in favor of the recommended amount?

(Show of hands)

MR. PETERSON: Unanimity.

Okay, there is no need to ask about those who are against or those who are abstaining.

MR. BARROWS: Again, in order to save a lot of extra work on their part and agony on our part, it would be appropriate to tell them this future discussion would be contingent on change in direction.

DR. HESS: Not change in direction. All they can do is be more selective than they might have been in what they submit, because they have to submit what is already piped.

One of the things so amusing about this discussion is we have two new reviewers who hadn't reviewed this region before, they come up basically with the same answers I have heard twice, maybe three times. There have been strong messages, including special site visits of that region, trying to turn them arounad, and it goes on and on.

The comments, trying to turn this around one year, before you end up funding, is totally out.

All you can do is cut off disapproval to--

DR. HEUSTIS: Help phase out.

DR. HESS: Help them phase out. Evaluation.

You are not going to get evaluation that means anything in one year.

MR. PETERSON: What I gather Joe is saying, we are still continuing to send a message of essentially the same kind.

DR. HESS: Yes. Thumbing your nose in a sense, all direction they have gotten from the review committee, Council, staff, all the way down the line.

DR. HEUSTIS: Still give them 80 to 100 percent.

MR. BARROWS: Pete, how do you answer a phone when Senator Ribicoff calls up?

MR. PETERSON: Carefully and courteously.

(Laughter)

I have never had a call from Senator Ribicoff or the other 99 members of the U.S. Senate. That doesn't mean they don't call.

MR. NASH: Their staffs do, I want to assure you.

MR. PETERSON: See, Frank gets those calls. I suppose he at least starts where I do, courteously.

DR. HEUSTIS: Is it possible, parenthetically -- may I speak off the record for a moment?

MR. PETERSON: Yes, off the record.

(Discussion off the record.)

MR. PETERSON: I don't think in most regions the

flack we have had in years past has not been essentially from a Congressional delegation, although there have been exceptions to that.

That hasn't been a major problem on a region basis.

I think we are at another juncture we have to make one of those crucial decisions. We can go on with another region and if so, we are probably going to miss coffee. The cafeteria is operated around here for the benefit of what, I am not sure whom, help or customers, closes at three.

We can take a quick ten-minute break, but I think it would have to be a quick break.

I hear one vote.

MR. NASH: Two votes.

MR. PETERSON: Ten minutes which would mean 2:35.

Okay.

(Whereupon, a short recess was taken.)

MR. PETERSON: We are missing Bill Thurman of the group. Because I haven't had a chance to check with Bill -- we still will have time for Hawaii if Bill wasn't really prepared. With him not in the room, since he is one of the reviewers, again to extemporize, perhaps we might pick up on Central New York, which you indicated, Joe, you were prepared to address, and then we will pick up on Hawaii after that. I that way we will take care of one of your additional regions, Charlie, Central New York.

DR. McCALL: Yes.

MR. PETERSON: I will let you sort of be the second reviewer on that.

Let's pick up on Central New York, then. Dr. Hess and Dr. McCall are the reviewers.

I will let you lead off, Joe.

Central New York, Syracuse.

DR. HESS: First just some general comments.

I had some difficulty getting a very good feel for this program from the application, and I have had no prior personal history on the basis of site visit or having been in a primary or secondary reviewer on this region.

I do have some vague recollections being in some discussions, but those are not of much value at this point.

But what I would like to do is just go over and comment and convey, summarize for the committee's information what I have been able to abstract from information available, and then have this supplemented by Stolov who is familiar with the region.

First, in terms of program leadership, I sort of get a mixed feeling here, on the one hand, the application indicates how active the RAG has been. The number of meetings, something like 15 meetings of RAG in 12 months, and the RAG--members of the RAG have been on the review committee and intimately involved with reviewing projects and this type of thing.

So I think one can say that assuming this is true, that the RAG has been spending a lot of time on Central New York RMP activities, and it is stated that they reaffirmed their goals and priorities. However, I did not find in this particular application their goal statement.

They do talk about major thrust which I would infer are similar to goals, at least they have stated certain directions they plan to follow.

DR. McCALL: Health resources, planning, regionalization, and primary care.

DR. HESS: Yes. So that there is that incongruity; the goals and priorities I do not find to use as a yardstick to measure some of the other things here.

They indicated in an area they have given due consideration to that.

The program staff is quite small. At the present time there are five full-time professionals, one part-time professional. They propose to go up to eight, eight full-time professional and one part-time plus four other personnel. So it is a relatively small staff.

I would gather from some of the background information, however, that the management skills of this staff leave something to be desired, that there have been concerns conveyed to the staff from Council and from central RMP staff that have I guess to say mildly if not been completely acted upon or

accepted, and perhaps someone, Mr. Stolov can fill us in on that.

I mentioned the Regional Advisory Group. They have had goals and priorities and the listing of projects, priority rankings have been given included in the application, but how that fits with their overall priorities I can't determine.

Now, on terms of past performance and accomplishments, their report indicates some things which to me are quite exciting. For example, let me just read a paragraph or two here. "In the north area of the region," that to me indicated if they can take a major credit for it, I would consider it a rather substantial accomplishment.

The report states: "As a result of our efforts and cooperation with health care institutions and citizens groups over 60 doctors have come into the area within the last two years. This is more than 25 percent of the total number of doctors practicing in this area, prior to our effort. Successful physician recruitment can be attributed to our widespread thrust."

Then they list ten different activities in which the RMP engaged in that area, which they believed were related, and somewhat instrumental in attracting the 60 new physicians into the area.

I will just indicate one of these is a series of well baby clinics developed by citizens group using professionals

whose time is donated by institutions. From one 1972, the operation has expanded to fifteen clinics in April 1974. So in this area, in particular, it seems they have a remarkable accomplishment.

They have a number of activities in the area of primary care and in health education network, they have actively been involved in EMS development in the region and so on.

So that I think there are a number of programmic pluses in terms of accomplishments that they deserve credit for.

I have spoken about the objectives and priorities. The proposal, I have had a little difficulty relating to specifically the proposal, the projects to -- well, as I mentioned, there are no objectives, priorities; there is the programmic thrust. But I would gather most of those programmc thrusts are core staff activities rather than project related activities.

The feasibility, I have some difficulty judging that one.

Their past performance has been reasonably good. I would think that in these types of things they have done previously, coordination, organization type of things, that you know they have got a pretty good track record and probably is feasible.

The CHP relationships appear to be reasonably good, although it is indicated that due to the time constraints,

that all these have not been specifically reviewed by CHP prior to submission, although there was some indication there have been some telephone contacts, some effort at liaison with CHP during the time available.

My overall assessment of the program was that it is-- I would rank it in average category with some pluses and some minuses, the pluses in terms of some of the things they have been able to accomplish, the minuses mainly being in the management area which in part I think is reflected by the nature of the proposal, the way the proposal is put together and organized.

I sort of had the feeling perhaps they may be a somewhat better program than the proposal reflects, and I am not sure.

But as I indicated, I am impressed with some of the things that they had done and they are reporting on. So perhaps I can stop there.

MR. PETERSON: Okay, Charlie, you were the other reviewer on this one.

DR. McCALL: All right, sir.

Just a few comments to basically agree with Dr. Hess' evaluation.

There is a tone in the rather poorly put together proposal, optimism and enthusiasm, which I think most of us like to see, that you couldn't tell from this application how well

founded that optimism and enthusiasm were, however, and he has already alluded to, well, the small staff in spite of many projects, multiple activities, without goals projected. It is a fragmented program, doesn't hang together well. But it's accomplished in sort of a short-gun way many things, but with the multiple activities related to small staff it does raise serious question of capability of monitoring such diffuse activity and fiscal management thereof.

One place in our evaluation Dr. Hess and I differed, I checked degree of CHP. relationship.

Nothing from the CHP in here. Application says what the process is, but the only thing we are asking for here is really a continuing application. They really aren't reviewed now, but some 84 proposals are to be reviewed by CHP.

So I felt that I couldn't really say that that was plus or minus at this particular point.

And last question, they have the arthritis proposal in here. This is legitimate, I suppose, as a continuation project. Jerry can tell us whether that creates any problems.

MR. PETERSON: Okay. Do you have any sort of summary, one word, one phrase impression of the region, Charlie?

Yours was sort of average, some pluses, some minuses?

DR. HESS: Yes.

DR. McCALL: I also had him as an average region, almost exactly. I think we would have the same pluses and same

minuses.

MR. BARROWS: Before we get around to numbers, may I ask, budget 100 -- 20 percent, $147,000; EMS radio communications. Is that the purchase of equipment or is that something else?

MR. PETERSON: Jerry, would you react first to the arthritis point?

MR. STOLOV: As far as I know, the only project we felt did not get CHP comment was the hypertension to some time constraints up there.

As the arthritis, I have not been in contact with the Arthritis Review Group. They are taking into considerations whether or not CHP did respond to it and they will, through their own mechanis, message to Council or others, will let us know whether (b) comments were missed. But the only project that hasn't been seen or reviewed in the region was the hypertension project.

As to the EMS, the EMS we put in the items to be looked at in terms of only the mobile units were not part of the request, and interestingly enough, the RAG looked at the mobile unit almost as a second project and rated that low, but gave the Bay stations a higher priority, as you see in their application.

This was a tag-on through local pressure, to the EMS councils which they are supporting. So total EMS is not just

equipment, but to continue their EMS councils and also to go to complete the base station network, but they slipped in the mobile units to let Washington make the decision. This is the way I interpreted it.

MR. PETERSON: How much of that particular $147,000 is mobile units hardware?

MR. STOLOV: $36,150.

One point not mentioned, which is a plus, is this is based on local matching. Very strong point for the region, their equipment was locally matched.

DR. HESS: Bringing in outside funds, much of this is shared funding. And they have had a pretty good record of--well, they have listed a number of activities, they have started, which are now phased out as far as RMP funds were concerned, so they do have a good record of getting things started, organized, going, and finding other funding sources. I think they certainly deserve credit for that.

MR. BARROWS: Is that outside support for this $147,000 mobile unit and so on?

MR. STOLOV: What was your question? Was there outside support? 50 percent matching on form 16.

MR. NASH: What they did, Mr. Barrows, the first part of the EMS activity they agreed with the hospitals in the area to purchase half or pay half of the costs of communications equipment if the hospitals would put up the other

half. Now, they are proposing I think to do essentially the same thing on this.

MR. PETERSON: $300,000 plus, local funding in the whole conjury of EMS activities.

What we have here, of course, is an application which is largely continuation, that may be a little misleading. There are only a couple of small new projects. We have an $800,000 application with just a very small amount of new activity.

Some of the continuation, I think it is particularly true of the EMS, is continuation at an expanded level of funding. You will note from your table that we have an estimate tha Central New York is going to come to us in July with like a million dollars plus in new activities, while they are requesting now roughly -- not quite $800,000 against a target, overall target figure of roughly again a million dollars.

Were there any other things, Jerry or Frank, of significance, policy issues, major problems or other things we want to point out to the group?

MR. STOLOV: By and large, the CHP relationships have been good. In fact, they are the subcontractors to the EMS councils.

Again, the hypertension was an oversight. We don't know the arthritis.

As to the management assessment, the gentleman

who prepared the report is away doing other management assessment today. We have only received a brief feedback on it.

MR. NASH: Do you have any general ideas?

MR. SIMONDS: Didn't even talk to him about it. Nothing about it.

MR. STOLOV: It appears the fiscal management end was considered much improved or found satisfactory upon review.

There were other management problems related possibly to how the director conducts his business, et cetera, but the major thing we did want him to focus in on was the fiscal management aspect.

There is just one other thing. Goals, objectives, and priorities were forwarded to the region through the last letter from council as not being systematically identified. Based on that we do have that and the Director, his answer to this was that he put staff on to do modified review process, rather than redesign his goals, objectives and priorities.

So that is where it stands now. He still has not, to the best of our satisfaction -- or my satisfaction -- changed the goals, objectives and priorities, but at the same time he does address it in his project.

MR. PETERSON: Are there any other comments, objections, observations from the review panel members?

MR. BARROWS: I would like to ask one.

If in the light of the relatively modest rating this

program has come up with, if we were to scale back there with a request here, would it have any wholesome effect on making them a little more selective or a little sharper on their new project applications?

DR. McCALL: They are going to have to be fairly selective, they indicate they have 84--

MR. BARROWS: They are going to ask for another 800.

MR. PETERSON: They are coming in with a statement of $1 million. You know, this may have changed. Obviously it has if you look at the EMS. One of the recent characteristics of Central New York was that it tended to have a lot of small invitational contract type proposals, you know -- $5,000, $10,000, $25,000. So that 84 may not add up to, you know, much more than a million dollars. I don't know, but that certainly was true in the recent past.

MR. STOLOV: I think it was $3.9 million, adds up to about $3 million now. We estimate about a million.

I can't answer your question.

I think the review committee has to further discuss it.

MR. PETERSON: I think what we are faced with in many cases here certainly is for all practical purposes things are in the pipeline and moving out there and may not have had final RAG action, but nothing we do or say by and large in terms of July applications, if I got on the phone with the Senator

from New York this evening, which I am not about to do, and we had something very definite to tell Central New York or any other region, I think the timing is such that the cast of the application we are going to see in July is pretty well set.

DR. McCALL: Simply I don't know how many dollars, we would limit the number you could fund and limit the number of activities that would be monitored satisfactorily.

DR. HESS: They will already, if their performance on the July application is the same as they will already have prioritized those project applications so when decision is made, they will already have the framework for making their decisions about which get funded and which don't. So in that sense they are well organized and prepared.

MR. PETERSON: And the group in that sense would have some rough notion that if you gave them 50 or 60 or 90 percent of the request, how that would fall out, roughly.

DR. HESS: Yes.

MR. BARROWS: But giving them, say, $700,000 or $800,000 they are asking for now wouldn't whet their appetite for the remainder.

MR. PETERSON: I can't answer that.

DR. HESS: I would like to get to a recommendation.

MR. PETERSON: Certainly.

DR. HESS: In going over the applications, it seems to me I could pick out -- well, approximately $180,000 worth

of applications that most of which are low priority on their list and which would not do great damage to the program in my estimation. And would still give them $200,000 more than they are currently operating on and there is another batch coming down the pike for July, and would require them to be selective -- for this batch -- and then we can further exercise some selective advice via funding level in the July batch.

I think that would-- you know, we can deal with them in a fairly what I would consider fairly even-handed and equitable fashion. So I would like to recommend $615,000 for this particular package.

DR. TESCHAN: Second.

MR. PETERSON: $615,000 against the request of not quite $800,000 at this juncture.

DR. HESS: That's right.

DR. McCALL: I was going to say recommend $600,000.

DR. HEUSTIS: I will support his. Mine was the same.

MR. PETERSON: Did I hear a second?

DR. TESCHAN: Second.

MR. PETERSON: Okay.

We have a motion and a second. Is there any more discussion or comment with respect to Central New York?

If not, those in favor?

(Show of hands)

MR. PETERSON: Again, I think I see unanimity.

Okay. I think we are again doing reasonably well under not very good circumstances.

I would like to, because we have spent all of our time thus far with regions that are at least for our administrative purposes in the Eastern Operations Branch or Desk, I would like to switch our focus, if you can, for a moment across the continent and take up at least one or two regions out of the Western Branch. I couldn't get much farther away. I thought we would try Hawaii for starters.

John and Bill Thurman are the reviewers on that.

I might ask you to kick off on that, John. I believe you were on the site visit out to Hawaii.

DR. HIRSCHBOECK: Yes.

MR. PETERSON: You have lost your tan I see. That was sufficiently long ago.

DR. HIRSCHBOECK: Yes. That was January.

Well, the regional medical probram of Hawaii, as I review this application and read correspondence of what has happened since our visit, I am pleased in the very positive change of direction and improvement in the affairs of the program there.

So although the history has been turbulent in the past, it seems there is some opportunity now to see some progress being made with new leadership.

The present coordinator, Satoru Izutsu, was a coordinator for the Pacific Basin Program. He is now, since May 1st, coordinator of the Hawaii.

The staff is quite stable. There have been no serious departures as a result of phaseout activity.

Staff is presently full-time equivalents of 1575 with proposed expansion.

The question of program leadership I think is now somewhat resolved in that the coordinator seems to have taken over, well -- certainly the way the application was put together, if this is an example of his ability to take over, I think this is one evidence.

There is a new rate chairman and the relationship of the grantee agency apparently has also been approved.

It seems to be a criticism a small clique was operating the regional medical program of Hawaii and I think this is pretty well gone now with these changes.

As far as the program staff is concerned, it is a reasonably good staff. They have an economist there who even as a result of the visit I wasn't quite clear in my own mind just what his role was other than perhaps work in the problem of cost control.

The rest of the staff had strong community interest and certainly the man involved in charge of the Pacific Basin now seemed to have everything well in hand to take over the responsibility.

The local involvement of the staff with other agencies seems to be quite evident. This is not an ivory tower staff. They seem to be involved in many, many things.

Regional Advisory Group hasn't changed very much since its inception until recently. It's I think an average regional advisory group as I know them.

Review evaluation of projects was carried on with a special committee or project implementation and evaluation committee. This seems to be done almost apparent from the Regional Advisory Group.

Past performance and accomplishments, program has had its troubles. It perhaps has not risen to the challenge of great opportunities that presents itself in this far-flung

program, where innovative ideas may have been experimented with. It has been using more traditional approaches to many health care services, and much of this, of course, is right within Hawaii itself.

Only recently, according to the applications that are in this particular package, has there been a great spurt of projects for the Pacific Basin; the new projects are being proposed for the Pacific Basin. Truly not great in dollar amount, but they are for the benefit of specific people.

The objectives in priorities are, again, as I said, rather traditional and we think there might be others they could come up with as a result of the opportunities, increase in medical program.

They are fairly, fairly rational. I will read some of them: Encourage innovative arrangements for organization of health services, methods of financing, reduce unnecessary duplication of health resources, encourage improved productivity of individuals and organizations, and so on.

The proposal itself is for the continuation of some on-going projects that were started this year, and a number of new projects. They intend to have substantial package in for the July 1st review.

As to the feasibility of this particular program carrying out its program functions, likelihood of prosperity,

progress, I think under the new leadership we will have a chance to see whether there will be improvements.

I think that in general things look pretty optimistic compared to what they were before.

CHP relationships, certainly here is an area of great improvement. This is evident in the application. Under the old regime the relationship with the CHP, H&C, was almost nonexistent, although the director of the CHP was a member of the advisory group, yet collaboration at a working level was apparently not very evident.

And now I notice in the application that there is very active criticism and comment about the various projects that have been proposed in this particular application.

The whole problem of CHP in the PacificBasin is an unknown quantity as far as I am concerned and there is only one (b) agency in Hawaiian Islands itself, so that it is a very unusual type of situation to deal with, although this is a very active CHP agency at the so-called state level.

My overall assessment is I would say average with possible improvement in the near future as a result of the change in management direction.

MR. PETERSON: Thank you, John.

I wonder, because of the long history of Hawaii, the kind of problems that we have had there, I had intended, in spite of my best intentions, had forgotten, I had intended to

depart on this one from our format and was going to ask Dick Russell initially to fill you in, because there have been so many developments literally within the last few months. And if you have no objections, Bill, I will try and make that half good and ask Dick to perhaps fill in some of the background very quickly as it relates to Hawaii and the developments literally of the past two, three, or four months since the new coordinator came on April 1, I think it was, rather than May 1.

It is a matter of months in any case.

Dick.

MR. RUSSELL: I think Dr. Hirschboeck has covered some of the points very well.

I would like to say that this particular application was put together under the direction of the deputy prior to Dr. Izutsu assuming coordinatorship.

Unfortunately the deputy is still operating under the old philosophy that anything was fair. There is going to be a lot of money. He still hadn't gotten the message about what the problem had been with the program -- he has it now.

The Regional Advisory Group has not yet come to the maturity of setting priorities. This has been done by a small group, planning-implementation-evaluation committee. I think they try to do a good job, but it is all on a personal criteria.

In view of this, Dr. Izutsu is now orienting Regional Advisory Group, new members as well as the old members, and at their June -- I think it is June 23rd meeting, they are going to reset priorities.

I think 35 letters of intent they have now that will probably come in as projects as well as those projects in this application.

In other words, by that time he hopes to get some sort of system where the Regional Advisory Group will in an objective manner set priorities.

I was in Hawaii for a week with Dr. Izutsu, and it is a completely new program, no doubt about it. Leadership here is unbelievable. He has whipped the staff into shape. They are participating sharing information which before the information was not shared with key staff nor was it shared with the Regional Advisory Group. It was a clique, no doubt about that.

The RAG has been revamped. Dr. Izutsu has gone back to our advice letter, which came out of the November 1973 visit. Mr. Barrows was on it. He has gone back -- Dr. Hirschboeck had a copy of a progress report. All I can say is what he says in there is indeed fact.

The Hawaii Medical Association is now very willing to be involved in the program in view of the absence of the former coordinator.

The University of Hawaii School of Medicine,

Dr. Rogers is very much interested in being involved now as well as Mr. Michael, dean of the School of Public Health.

CHP relations, night and day, it is really great.

The community's image to the RMP has changed in the six or seven weeks -- he tells the same story to everybody and that is a rarity in that RMP.

We have just recently, as was noted in the summary here -- there is a duplication between trust territory, cerebral cancer projects, and one that has been submitted to NCI. I worked with NCI staff. NCI staff is in touch with Dr. Izutsu. And he is plugging the trust territory again with NCI, and this is the type of-- he is really the RMP, now has become facilitator which it has not been all these years. He is having meetings between hospitals -- hospitals never met before because nobody ever called them together.

Thereis a grantee relationship with relation to RMP that's very good. We had some concerns because the executive director of the Research Corporation of Hawaii was -- what do you call it -- proctor? Dr. Izutsu, some were concerned there might be this type of influence on Dr. Izutsu.

I sat in a meeting between these two men. Dr. Izutsu gave it straight from the shoulder with the grantee as with anybody.

It is unbelievable what he has done.

There are some weak spots in the staff. Dr.

Izutsu in seven weeks hasn't had time to cure all of the ills of the past, but no doubt in my mind he will.

DR. TESCHAN: What is the population?

MR. RUSSELL: Of Hawaii?

DR. TESCHAN: Of the region.

MR. RUSSELL: 100,000 in Hawaii.

MR. PETERSON: 100,000? I think it is over a million in the Island of Honolulu.

MR. RUSSELL: 800,000 in Honolulu?

MR. PETERSON: And trust territory. And all that great big expanse of blue water doesn't add a heck of a lot.

I imagine a million when you add sand crabs -- we spent occasional beer-drinking sessions in 1945.

There may be people there now, weren't many then.

MR. RUSSELL: Not many people, but it is a 3 million square mile area.

MR. PETERSON: Sister Ann, who often thinks the distances coming from the west, Maine, Utah, and even Alaska I think, pale by comparison to what in one sense is the turf or the geography of the Hawaii RMP.

Bill, you were the other reviewer on this. I wonder what you have in the way of additional reinforcing/subtracting kind of comments, both to what Dr. Hirschboeck and Dick have mentioned?

DR. THURMAN: There are two points that have come

over here, three points I would make, and that is communication situation, Dick has discussed, is very obvious they have not really talked to people and they recognize this. I am sure they will take care of it.

They still don't understand the priorities. They are ill defined and they are working on that.

I think the last thing that disturbs you about the thing, all of us knew this before from when Len Shirlis and others went to Hawaii, was when projects terminated, nothing ever happened from then on, you know. Nothing ever came of the projects that were funded in the past. And I think that is going to be the real thing here.

Really it depends on whether or not they develop some Hawaii projects.

If they can't develop Hawaii projects, this is going to be still not a good program.

Almost everything they have put in there is basic.

MR. RUSSELL: I did just get the minutes of the planning-implementation-evaluation committee, what point they are screening -- last week they were letters of intent.

Here one hears comments, we will consider this if these three letters of intent are taken, worked together, as a single project. So this type of thing is occurring.

You know, here, again, when we talk about unified health planning, that Hawaii of all the states, because of its

geography, is in excellent position to pull the resources together and work together. I think this is the type of direction Dr. Izutsu is going to give the program.

MR. PETERSON: Mr. Barrows, I didn'trealize you had been on the site visit.

MR. BARROWS: I was. As these fellows found it, I found it completely fascinating, positive sure for me.

The program is hard to compare with the ones we are acustomed to first in terms of geography, when you start thinking about the Pacific Basin. AsI recall, it is something like seven hours flight time to get to the nearest point from Honolulu, and so you can't be making daily calls-- the Pacific Basin is terribly tough from anything we are familiar with economically and socially. Therefore for health resources, it is almost wholly dependent on government operations.

There is no private, to provide health care. It is quite unique in that respect.

Back into Hawaii itself, the islands are physically separted, which poses some problems for them. You can't have ambulances shuttling back and forth, that kind of thing. And then on top of all of this, their social attitudes still reflect considerable Oriental influence, and they look at things a little differently than the way they do in Chicago. Maybe they shouldn't under our creed, but it just happens to be that way.

So I think when you look at Hawaii, you have got to look at that as this is a unique -- judge on its own merits and not necessarily compare it.

MR. PETERSON: Any comments from the other reviewers?

DR. HEUSTIS: Has the word got to the new administration about the great opportunity that Dr. Hirschboeck mentioned for innovation on the part the staff had raised, here is a real fertile field?

I am thinking that you had such a thing off the coast of Maine, not 7 miles away but shorter distance, they put a nurse with a television connecting her to the mainland, things like this, where she can get--a less well trained person can get consultation.

Has Hawaii thought of anything like this? Can they be stimulated to do--

MR. RUSSELL: We are talking about two programs; we are talking about the program in the State of Hawaii, we are also talking about the second program which is the PacificBasin. So I have to ask, you know--

DR. HEUSTIS: I just understood from comments, I had not read -- the comments about the great opportunity for innovation apparently from the standpoint at least I heard the reviewer saying was not exploited -- taken advantage of, capitalized on.

DR. THURMAN: I think my answer for that would be

yes, in the progress report the new man has just forwarded, he sees what has been talked about over and over again. And I think from the way he writes, he has got the moxy to pull it off.

DR. HEUSTIS: Okay.

DR. THURMAN: He understands what you are saying and what we have said in the past about it. So I would feel comfortable, he may get egg on his face but I think he knows what we are talking about, yes.

DR. HEUSTIS: Just corollary, does he need support from us, help getting the egg on his face?

DR. THURMA: I think Mr. Russell is providing that support in a very meaningful way. Putting grease skids under the last man was a very essential thing.

MR. RUSSELL: Yes, I think he could use support from the reviewers.

You know, quite frankly, no one quite knows the problems we have had there.

If one looks at this type of application, the types of projects in this application, and a new direction that the program staff is going to take, facilitators, it seems to me this is perhaps where they might want to concentrate a little bit more on perhaps in the future than being so project oriented as in the past.

DR. HEUSTIS: If in some way, in whatever way is appropriate, he could get some encouragement so that he

could go to whoever the traditionalists are and simply say this is what the Regional Advisory Group or the Council or the staff whink I should be doing in getting support, sometimes this is helpful.

DR. THURMAN: It might be worthwhile for us to consider in our proposal he be asked to consult with those who are beyond the traditional realm.

As Mr. Russell indicated, the guy who just took over the school of public health out there is an innovative schemer for delivering health care. It is his big bag. I think if we were to push Dr. Izutsu toward this man--

MR. RUSSELL: They are already together. I sat in a joint meeting with them, together.

DR. HEUSTIS: A fellow like this needs all the support he can get to keep somebody from knocking him down.

DR. HESS: He only has a year to go, so far as we know, under this particular program. So I think our enthusiasm for you know, specific recommendations for getting all geared up and wound up have to be tempered by that life span.

DR. HEUSTIS: Something is going to be there.

DR. HESS: Yes. But it sounds to me like this guy will find his way in. Figure out what can be done.

SISTER JOSEPHINE: Two things I have been impressed, two ways of getting a program to bone up is either to deny funds or pressure the poor coordinator to leave.

MR. RUSSELL: He just happened to resign when we were out there.

DR. HEUSTIS: That's right.

MR. PETERSON: John, do you have a recommendation?

DR. HIRSCHBOECK: I will make a recommendation that maybe we approve the $1.5 million.

MR. PETERSON: That is the full amount that they are requesting this time. They are coming in we understand, and I think Dick has much better intelligence on this region than we do on most, in terms of what is likely to be coming in.

They are coming in with another request in July, which will perhaps bear more of the imprint of the new coordinator, the reconstitute of RAG, et cetera. Roughly a half million dollars.

I am reading my figures correctly.

We probably, over the two sessions, will be looking at close to a $2 million package; three-quarters of it is requested at this time, against, again, a benchmark or target figure of about $1.5 million.

DR. THURMAN: I am going to have to take issue with a fellow reviewer and say I would cut this $1.1 million to $1.2 million to let's see if he can do all the things we are looking at. That is the only place I would disagree. I think it needs our approval and support, but I think $1.5

million, although they are already at $937,000 -- he is in a situation now where I think with adequate staff support, he can bring about a change in this program even though it is only for a year, to answer Joe's question. But I think $1.5 million is a little more than they will be able to utilize if they are coming in with another half a million dollars.

DR. HEUSTIS: Thaty would leave some money to take care of the half million.

DR. THURMAN: Yes. I would put it at $1.1 million, I believe.

DR. HIRSCHBOECK: I think I agree with you.

DR. HEUSTIS: I support your motion.

MR. BARROWS: I think they might relax a little bit. It might go too far. Give them a little bit of encouragement.

DR. THURMAN: I would make a substitute motion of $1.1 million.

DR. HIRSCHBOECK: I second it.

MR. PETERSON: John seconds that.

I gather one of the important things we want to convey, because we are talking about a dollar figure, but that the group, and presumably the Council, if it listens to your advice and what have you, that the group feels that the program is at least showing indications of moving in the right direction.

We are going to ask the new coordinator to do what

he has probably already started to do, started to looking beyond the traditionalists out there; so the figure of $1.1 million, which has not been voted on yet, we need to be careful that isn't interpreted as a largely negative signal if I heard the discussion.

It has been moved and seconded we recommend $1.1 million in this case.

Are there any other comments, observations, or questions about Hawaii RMP in this application?

If not, will those in favor, if they will raise their hand, either one will do.

(Show of hands)

MR. PETERSON: Again -- I don't know whether it is the lateness of the hour or monotone of the chairman or what, but we seem to be drifting into the complacency of unanimity.

DR. THURMAN: Never, never.

MR. PETERSON: Never?

I was going to try possibly to put a little life into the meeting by suggesting that if we have dealt with Hawaii now, we might pick up on another one of the Western Desk regions. This happens to be Arizona, Paul Teschan, by virtue of Dr. James not being able to be here, will be the only reviewer.

I think staff will have some comments here. But if it is satisfactory with everybody, we will move from Hawaii and the blue Pacific to the southwest and take a look at

Arizona, which I think is one of the fastest growing states in the Union.

Paul.

DR. TESCHAN: In contrast to the fastest growing state in population, I find the application a fairly pedestrian production.

The application is for program staff and for six projects, five of which are continuing.

There are evidences of three more coming to the end of funding in the process of working up the various pages of the form.

In going over the application, we are unable, really, to find what program goals and objectives have been stated.

There is moreover in some of the ancillary information we were sent in the summary of program status, issues raised by staff on the basis of their visits, et cetera, that a review verification is pending, pending conformance to DRMP policy. And the issues are that the bylaws need revision and the RAG membership needs better representation.

The application is silent on the subject of bylaws, bylaws revision or anything about the process.

The RAG membership, the application is silent on the question of RAG membership change.

The membership continues to have 18 individuals. They tend to show at the rate, according to the application description, of 11 to 12 per meeting. And in looking at the membership of the RAG, one does not get the impression that the principal leadership of health -- of the health forces in

Arizona are in fact members of the thing.

There are issues of racial balance and I am not a good enough geographer of Arizona to tell how geographic the balance is. But it would appear the issues that are raised in that document are still with us as far as I can tell from the application, no change at all.

Now, the staff is indeed stable since 1967 and you get the sense that there is not, as a matter of fact, somewhere between the coordinatorRAG chairman, executive committee, ability for program leadership and direction in line with at least the administrative issues having to do with review process verification.

On the other hand, there are issues of expansion of health service sites having access continuation project for one more year, extension of medical manpower, a recruitment program extension for one more year, and a fairly localized health information dial-access type of program, which by the title itself provides health education which is also scheduled for extension.

There is EMS project and hypertension control project. There is a carry-over into two more counties of a streptococcal infection project, control project.

There is in addition a rather surprisingly, I think from the buildup, apparently a cessation of the continuation education service area project. It comes to the end as we see it in the end of 1974 according to the application.

However, I think in supplemental information I got across that I have just received and have not carefully studied, it may be that there is a further extension of that, because in the application on page 19 the RAG suggests that there should be maintenance of activity in the continuing education service area project.

I have to ask for staff help on that particular point, particularly in how there is actually organized, in view of the fact there appear to be in the sites pages 19 separate committees in various places which are supposed to identify local needs and assist in development of those local programs.

MR. BARROWS: Are those rural?

DR. TESCHAN: Well, I would imagine small communities. They are not in Phoenix and Tucson primarily by any means. They are scattered out quite widely.

The interesting feature about that particular project statement, however, why I am ambiguous about it, why I thought its discontinuation was a plus, is because the evaluators, at least the capacity for evaluation, page 61 of the application, say there are at least three basic changes that have-- two basic changes have to be made to qualify for further RMP support beyond June 30, 1974.

Did you want to clarify? I certainly wander around that one, because that is the state the application is in.

MRS. SADIN: The CESA program, they are going to

continue it for three more months without additional funds requested until it gets a complete review. They may come in July 1 but I am not sure. They have had problems with it. The staff feels that it should change its emphasis even though it does have that many committees and it is throughout the state. They also feel the medical school, university in general, should have taken over some of it, or some medical society or some other professional organization.

In order to help the staff, they asked an outside committee, ad hoc consultant, to come in and evaluate CESA. I guess unfortunately for staff, the outside committee felt it was marvelous, and recommended to RAG that it is a very good activity and ought to be continued. And I was at the RAG meeting where all of this was being discussed. The way they handled it was, as I said, just asked for two months without additional funding have a complete review of the CESA program. If they do come in again, there be a different emphasis that it not-- well,several things, one is that there be a different emphasis in terms of need, patient care need, rather than just what you think you would like to know.

Two is the university and health professionals put some money in themselves. And they were going to have all of this ready by July 1. That is why-- but it is not in here for money right now.

DR. TESCHAN: I mentioned this simply to say it

seemed to me that the comments made right here showed me more staff. I had been developing a fairly pedestrian picture of staff function and all of a sudden I come across some very good "sort of either it shapes up or we don't continue it," and I thought that is great, that is a plus on that. And I was seeing the thing end based on the terminal date here. And they are basically saying the thing so I won't go further on that.

So I am sort of at a questionmark on program leadership under insufficient basis. That really is pretty limited judgment. It is hedging one's bets pretty severely.

But it looks to me as if-- it looks like there may be some pluses, maybe some minuses.

I would say I can't quite-- it sounds like the staff is moving particularly because of their access projects, extension projects. It looks like the staff has more life in it than the application would suggest and that the RAG is inadequate to deal with this situation.

So I left the leadership in questionmark, program staff probably satisfactory, and it is because there are pluses and minuses, and that the Regional Advisory Group has to set goals, objectives and priorities, they have got to come to grips with the review process requirements, the bylaw system, and I don't have any evidence that they know how to do technical review. I don't have evidence.

MRS. SADIN: Yes. Okay.

MR. PETERSON: We are back recently, I guess it has been a couple of months now.

MRS. SADIN: One month.

MR. PETERSON: One month -- she has in Arizona, on a review verification visit, which I think it is very relevant to this consideration and I wonder if you -- I am not sure at which juncture, Paul.

DR. TESCHAN: I am going to finish up reading--

MR. PETERSON: Why don't you do that, then there are some issues staff might comment.

DR. TESCHAN: That would allow you to comment as you go.

MR. PETERSON: Okay.

DR. TESCHAN: In past performance, it added up to be satisfactory I thought in the sense that substantive problems of availability and access, I didn't get a sense there has been any input from the region in the defining of it. They did launch renal, and so forth. They got funding after termination, continuation funding for this. So it was from poor to good on that.

Objectives and priorities, again we don't have that, for program. And that note was noted in CHP correspondence, which was in this application very extensive.

Also the arguments back and forth are very

interesting. We will get to that in a moment.

The proposal, I simply wasn't able to determine what the explicit objectives and so on were, and I have the distinct feeling, again CHP comes up here, in terms of 6(c), the CHP has been virtually silent in any useful way.

That is to say, when this comes to the CHP, say something to which Dr. Malnik should address the program, they don't help him. What they do is complain after the fact in loud and somewhat, oh, vituperative language which doesn't help anything in particular.

I should add at that point the correspondence between the director and the CHP, various CHP's, is very interesting, in that where the replies have been has beenvery substantive.

You get a feeling there is a professional expert who knows how to reply, how to deal with the situation, in those arguments.

Feasibility, we felt what was going on could be achieved, I felt this was a below-average situation.

It currently, based on their request, has nearly 49 percent of the total budget will go to program staff as we see the story. You know, depending on which numbers you use. But it looked like a high degree, high amount at most of the activities are either Arizona RMP staff-- there are two programs out of the total of $1.3 million; namely, to the tune of $207,000, which appears to be the League of Cities and Towns in

Arizona Heart Association, that are not either the College of Medicine or the RMP.

There are two College of Medicine proposals which come to $88,000.

So there is a large proportion of RMP in College of Medicine type activities in the application.

MR. PETERSON: Thank you.

Do you want to comment on what Paul may have said, but also the issues that appeared to you as a result of the review verification? It was made in April-May.

MRS. SADIN: It was spent both times.

Actually I spent a lot of time in Arizona lately.

MR. PETERSON: Climate agrees with you. California, too.

MRS. SADIN: There are several times-- sometimes we leave too little to our reviewers. I do remember a review process verification report.

DR. TESCHAN: One up.

MRS. SADIN: I do have it.

We were there at actually several stages of our review process. One is where they just provide staff assistance in the development of a project, project development, and we saw one where-- this was in an appraised project, this is where their ad hoc committee, review committee met. We saw that stage. And we came back later, saw three different stages.

Their review really is pretty good. Their staff assistants is good. Their technical reviewers -- as a matter of fact, the technical reviewers had much to say about this particular potential, they were looking at all of those comments, were taken into consideration and modified by the time it came direct, so they did make those changes.

Your comment about RAG, we have been sending letters to Arizona yearly about their RAG composition. The RAG has remained more or less the same since it started--

DR. TESCHAN: Appointed by whom?

MRS. SADIN: Appointed by the dean of the Medical School.

Now, they had a draft of revised bylaws and they decided to shelve it because of VASA. When we were there before the review visit, they said they were not conforming. They are now revising -- they have to have 30 days before they can consider any changes, that is in their bylaws. They know, it is said in their letter they must revise their bylaws and they will.

And their revised bylaws of which we have seen draft and which trans-management has seen, looked at, to conform.

On the other hand, we have indicated that we can't certify until it is done. So that will be taken care of.

At their last RAG meeting they did vote to increase their RAG membership by six. And they indicated that these

six members would be from areas not presently within the state, both geographically and nonprovider types. And this, again, is in the next letter, Dr. Malik, after review process.

There was another visit, that was in January, and I made that one with Dr. Cannon, who used to be in our Council, he had visited Arizona with us before; this was done, because in their supplemental application, which showed they really had made a lot of changes since their pre-phaseout applications, we wanted to make sure they really did it and it wasn't on paper. And there were a lot of changes.

Their RAG had recommended, for instance, they work with CHP and they had visited and worked with CHP. So this is really the (b) agents telling what the needs are.

It may not be true of Phoenix and Tucson, remote areas of the state they are working there. At their RAG meeting, as I indicated in that summary I gave you this morning, there was a lot of discussion about what Dr. Hess mentioned this morning which is, you know, the cost; do you spend $350,000 in remote areas where there are 150,000 people, or do you concentrate on South Phoenix, areas that are higher density population?

That can be a philosophical question.

Again, in remote-- they are, what they are trying to do is provide services and provide sites and provide where you can't support a professional now, they can't support one professional -- it may not work out if you are going to do it per

person.

DR. HESS: This is an example of where I think support ought to go. They have unusual obstacles and limited resources.

MRS. SADIN: Yes.

DR. HESS: And I think this is where RMP ought to be playing a limited role in whatever it sees.

If government doesn't play at least a facilitating role, it will be a long time before people get access to health services.

Maybe you are misinterpreting what I am saying.

MRS. SADIN: No, I am not. I say you couldn't do it on a population basis.

DR. HESS: You have to take geography, needs, and obstacles that have to be overcome into account.

MRS. SADIN: That, by the way, is part of the program staff budget, even though termed an activity. So the program staff budget is kind of not a true budget.

It could just as well do a project.

Your comments on leadership are kind of interesting because it is kind of yes and no.

I don't know if I go off the record or not.

(Discussion off the record.)

MRS. SADIN: RAG grantee policy will be taken care of if they pay any attention to their advice letter, and I imagine

they will.

What you do about the coordinator I don't know. Their review process, as far as staffing is quite thorough. And in terms of objectives, that is really kind of ironic, because one of their main criticisms, when we were there, just before phaseout, was that they had the mostbeautiful chart on the walls which is still there -- I guess always will be.

(Laughter)

Showing not only just goals, but objectives, sub-objectives, sub-sub-sub-sub-objectives. It reminded -- one of the visitors commented it looked like somebody all dressed up and no place to go. So they have that.

DR. DR. TESCHAN: It is in the book, but it doesn't come through.

MRS. SADIN: It is in all their other books.

They do have very eloquent objectives.

DR. TESCHAN: What I recommended, was thinking of recommending, was something like 80 percent or so of request. Funding approximately 80, you know -- we go back and forth, up and down on this. But something like 80 percent of the request.

In order to particularly get the message that we encourage their move out of the metro areas, that is to say it seems to me a movement is afoot which has a reason for being supported. We want to be sure that if the group feels

that is the case, if we want to do this, that they get that message and not other messages, that all the funding, et cetera, should be contingent on the verifications that you have just already certified, so that this appears out of it. That there should be some attempt to possibly in terms of the total funding to double up on staff if they can, because the staff costs relative to the total request is pretty high, although I am not now talking about-- not core project so much. But I think with the new application--

MRS. SADIN: They are also putting some people out as area representatives.

DR. TESCHAN: Yes, I saw that.

SISTER JOSEPHINE: May I ask, what is the possibility of seeing thi recommendation that they move out of the metrpolitan area and some of the other recommendations you made, the fact they are complying with it, to be visible by the time of the next review; is that realistic?

MR. PETERSON: It is in the pipeline now. That is the problem, Sister Ann.

I think the only way it might be minimally heated, helpful, would be if there is a large variety of activity and they were to sort of take that into account in their priority setting or the mix that they submitted -- but really, I think if we don't have anything in the pipeline or the drawing board that fits this, they aren't going to have it again,

regardless of how instant that communication is, and how forceful, how heated. Time just won't allow.

DR. TESCHAN: I would like to ask one critical question. When you look at that group of 12, and now adding the 6 more you have just said, it is obvious Dr. Duvall is going to be the dominant personality in the group.

MRS. SADIN: He has been, was, I was at the RAG meeting. He does turn votes around.

DR. TESCHAN: You say he is a leader?

MRS. SADIN: He is not going to be on the RAG any more.

DR. THURMAN: He is also not going to change his rule.

MRS. SADIN: Probably not.

One of our recommendations is that they not do their prioritizing verbally as it does happen tremendously.

MR. BARROWS: Would you clear why you want a shift to their rural area, you have two things to go on, need and opportunity. Need in rural areas is frustrating, no question.

I don't think people have been working on for 50 years -- in terms of opportunities in the metropolitan areas, it seems to me there is kind of a swinging mood to get things done, to improve the delivery system.

DR. TESCHAN: Two answers to that. If I understand

what they are talking about, what little gossamer phrases go by on the progress side of those statements, I get the feeling that there is some possibility of personnel recruitment and new services to be established when rural communities get together and make an attractive or possible life style for the new profession. So I have the feeling something is moving in that direction.

Secondly, the swinging mood you are talking about in my view probably could be taken care of with precious little assistance rather than dollar resources. In other words, that is already moving and there are already resources in that area to function.

MR. PETERSON: Are there any other--

DR. THURMAN: Yes. It seems to me--

MR. PETERSON: Bill.

DR. THURMAN: It seems to me Arizona is probably the closest to Connecticut the review committee has ever faced year in and year out. And we have always made these very strong solid recommendations about how the program could not exist in the medical school and how be damned if I see how it has changed.

MRS. SADIN: It has. I was on that site visit with, you know, everybody else, when words were said. And as I said, all of these things, you know about having all these eloquent things, but not having-- same staff, same coordinator,

same chairman of the RAG for six-plus years, then it was totally in the medical school and it isn't now.

DR. THURMAN: Where I disagree with you is they still think it is. They think they control--

MRS. SADIN: They control because dean of the Medical School appoints members of RAG.

I am saying in their reviwed bylaws, they are changing their RAG grantee relationship.

DR. THURMAN All I am really saying is -- Dick, bear me out of I am right or wrong -- every time we have discussed Arizona, review committee staff has been enthusiastic, review committee has been pessimistic. And I still sit here and say in all that time it ain't changed one little bit.

MRS. SADIN: The funny part is I am being an advocate right now and it is particularly funny, because in the office, I am usually not. But they have made some changes, they really have.

DR. THURMAN: It must have vote those people 80 percent of the money they have requested when you have a guy sitting in the driver's seat six years can't tell you the time of day. That continues to strike me as something short of ridiculous.

MRS. SADIN: He runs the program.

MR. BARROWS: Who is current chairman of RAG?

MRS. SADIN: Running for state legislature.

No.way of circumventing.

DR. THURMAN: Run by Monte.

From the day it started it has been run by Monte and will be run by Monte until the day it dies.

DR. TESCHAN: The answer to that in practical terms is for the new RAG on the basis of the new bylaws to make a change in the director. If the grantee doesn't agree with that, to change grantees.

In other words, it is appropriate action is that of the RAG.

DR. THURMAN: Thirteen months.

DR. TESCHAN: That is your view. I tend to have caveat on that one.

MR. PETERSON: Well, I do feel a little -- not taking sides in this -- feel a little like Bill, I heard this a couple of times before, but that doesn't get us off the need to make some kind of recommendation.

We have a $1.3 million request here, an indication that in the case of Arizona roughly another $400,000 will be coming in in July for a total of about $1.7 million, $1.8 million, which is very close -- slightly above that so-called target figure, benchmark that I have been referring to all day.

I heard, not in the form of a motion, I heard you earlier, Paul, say something like about 80 percent -- which is

really giving me another function, if you people talk in percentage terms I have a second function, figure out what 80 percent of $1.3 million is.

In my arithmetic, which I hope will be checked again, that was like $1,080,000.

Now, that was not in the form of a recommendation, but at least that translates your 80 percent you were thinking outloud about 10 minutes ago into a figure.

Do you or someone else want to make a recommendation as to the funding recommendation here?

MR. BARROWS: I like that, because it is not in round numbers and it sounds as if it is scientific.

(Laughter)

DR. TESCHAN: Of course, it is scientific. Deep balance between the pluses and the minuses.

MR. PETERSON: I have always told my children never to fib in even numbers. It is not as credible as if you say 83. If you say 83, people think you know what you are talking about; but say 100, people question you.

Charlie.

DR. McCALL: Did we have that as a motion we are considering or are you asking for a motion?

MR. PETERSON: I don't know whether-- Paul, do you want me to treat your 80 percent as $1,080,000, as a motion?

DR. TESCHAN: Sure.

MR. PETERSON: That is a motion. We don't have a second.

MR. BARROWS: Second it.

MR. PETERSON: Mr. Barrows seconds it.

Do we have any additional discussion?

DR. McCALL: Call for question.

MR. PETERSON: Okay, call the question.

How many would concur with that $1,080,000 recommendation?

(Show of hands)

MR. PETERSON: Four. Since we lost one-- was your hand up, Al?

DR. HEUSTIS: No, sir.

MR. PETERSON: I didn't think so, but I just wanted to be sure, since we are down to an even numbered group.

That unfortunately -- not unfortunately -- that will not carry.

DR. HEUSTIS: Make your motion. I will support it. See if we have any strength.

DR. THURMAN: If we can go forward with one more, strong staff letter for the 5,647th time, recommend for $800,000 $700,000-$800,000.

DR. HEUSTIS: I will support it.

MR. PETERSON: We hear $800,000. Is there a second?

DR. HEUSTIS: Second it.

DR. HESS: That is below the current level.

DR. THURMAN: Which is the exact point. We have always tried to cudgel people by firing the director or not giving them money.

SISTER JOSEPHINE: I have to go back to the main discussion. You know, I almost feel we are on the horns of the dilemma of the Prodigal Son. We are encouraging all of these people with hundreds of thousands of dollars, and we were very hesitant to reward a well organized program. I think we have to look at the philosophy we are implementing.

DR. TESCHAN: I am in the further dilemma, I am delighted that in the framework and history we have had with the setting, leadership you just have been describing that the change in the bylaws has happened and change in the RAG has gone under way.

Sure, we would like to have some other things and I would be much more satisfied with a much more dramatic development in several dimensions. But the reason I made the motion specifically before was to split a balance so there is an element of reward, that is why I dilated on the point of making sure that reward idea got down to them.

DR. HESS: Let me say if this can be coupled with the recommendation that the projects having to do with inferring definition of what these projects are, expansion health service site, that is reaching out to underserve and extended

medical manpower, that those you know are-- again, this is dipping into the prerogatives of the local region. But my concern is if we cut the total, what is it going to do to those things? That if we can couple this with some advice, those we see as extremely worthwhile activities, that we would, you know, encourage they support, then I would feel better about that.

But I am concerned about the possibility of, you know, diluting that type activity.

DR. THURMAN: Again, one of my concerns, there is no state in the United States that has better survey of the needs of the State of Arizona. Why are they asking for more money?

They can tell you right down to the guy who filled the tube yesterday what is wrong.

DR. HESS: Except I understood this was based on prior study, prior data. This is not more survey; it is actual implementation of getting services out to the people.

DR. THURMAN: I have to admit I have not read it as thoroughly as you did. But I didn't see that as implementation.

DR. TESCHAN: Unfortunately all I read has very little solid evidence of what really is going to happen. I have read quite a number of these, had a lot of stirring experiences about a lot of talk, no documented action.

When you have the evaluator you have to hire, you

didn't get this kind of thing in the writings.

MR. BARROWS: Could we accommodate these varying viewpoints with a sharply reduced budget, such as has been proposed, coupled with a statement that if these promised changes they have started are really reflected in their new proposals we may look more generously on their next go-round, would that have any impact with them?

DR. HEUSTIS: Next go-round is almost in the pipeline.

DR. TESCHAN: That should be a memo to us.

(Laughter)

DR. HESS: Is there going to be time after the Council acts for any communication or rearranging of priorities of projects that are already written up by the regions?

MR. PETERSON: Again,--

DR. HESS: Is that out of the question?

MR. PETERSON: It seems to me very little, Joe, as a practical matter. Our Council, and we would not be communicating by and large with any RMP based just on a review committee action, our Council meets the fourteenth-fifteenth of June and again, given the best of all worlds, instant, good communication. And assuming the receiver on the other end with minimum of dissonance-- you know, most of the RAG's will have just, you know, they will have taken their action. The stuff will be flowing from a committee room into a set of

typewriters to become a final application.

So I think as a realistic matter, it is unfortunate but I think it is no, we can't communicate significantly at this juncture. In one sense I think-- this was your remark -- that kind of advice is almost correctly more of a memo for the record to remind ourselves in July than doing any good in terms of really making a difference with respect to Arizona's -- or anyone else's July 1 application.

DR. TESCHAN: I would like to ask Mrs. Sadin if I can what would be the impact of this budget there?

What kind of staff investments in these fundamental changes at this late, late date-- after all, it is more than nearly two years since the policy came into effect, June 1972 when Council first passed the fifth-sixth of June, finally came out of the Council's office in August, or at least published as of the thirty-first of August 1972 policy was out. Okay, this is May 1974, just a little late in the day.

The staff probably has been chaffing at some kind of a bit.

I am just wondering what would happen if we sent a curtailed budget?

MRS. SADIN: You know, I am leaving Monday and I am glad.

(Laughter)

MR. PETERSON: Leaving DMRP.

MRS. SARIN: Leaving DRMP.

I am going back to Arizona, because you have your problem of-- you are talking about, you mentioned RAG policy -- I was at the RAG meeting where I mentioned they were not in conformance. They have to be in conformance. And Dr. Duvall, who sat next to me, said, "When I was in Washington, I argued against this policy." He says this to the whole RAG.

Now, you don't get an instant reaction on, "Well, okay, Mrs. Sadin, we are going to do that tomorrow."

You have these factors to deal with. And I think they are real factors.

DR. TESCHAN: They are real factors.

DR. THURMAN: It is.

Real factor. We never want to undercut staff. Never be in that position.

DR. THURMAN: You know, from sitting in before we have always come back and said, "How is it going to affect staff?"

MRS. SADIN: I think staff's morality could be uplifted now, especially Billy V. and some of the others who have really been trying real hard to work with the area-- it is their push that has done this. They are the ones who were trying to terminate CESA. It is the staff, you know. And they got an outside committee to try to help them and it didn't work out.

DR. TESCHAN: And they do it against every obstacle.

MRS. SADIN: Every obstacle in the world. It is staff that is trying to do it. I would hate to punish them. On the other hand--

DR. McCALL: Maybe if we up this to $860,000, current level --

MR. BARROWS: I could go along with that.

DR. McCALL: And at the same time get a strong message, not satisfactory with, you know, recognizing some progress, some change, at least not cut them below their current level.

DR. HESS: Let me ask another question. Are their projects prioritized in any way or can you tell?

MRS. SADIN: Yes. They have it in the application.

And, you know, expansion of service sites was the lowest priority.

DR. TESCHAN: Program staff was number one, as I recall.

DR. THURMAN: Yes, it is.

DR. HESS: That is natural, but what about going from this?

MRS. SADIN: One was program staff, two was hypertension; seven is the lowest. Streptococcal infection -- no, EMS was three, four was streptococcal infection, consumer education is five, manpower recruitment is six, and expansion seven.

That was done verbally, as I said, and I really think they would not have arrived at this priority rating if it had been done by written document, I really think people changed their minds. But nevertheless, those are the priorities you have in this application.

DR. THURMAN: R&M has supported that streptococcal infection ad nauseum. It never should have even started.

MR. BARROWS: Dr. McCall, is that a motion?

MR. PETERSON: I think Bill did, he threw out $800,000 and I don't know whether he regarded that as a motion or whether he would be willing to adjust his motion to $860,000.

DR. THURMAN: So move.

DR. TESCHAN: Second.

MR. PETERSON: We talked initially about roughly $1.1 million, now we are down to $860,000 level. I just throw it out for consideration because I didn't want to extend this caution much longer if we can -- we seem to be coming to a decision.

I think one of the things that again we need to keep in mind as a possibility here, and others, that one could possibly make a grant award, whatever the sum, with some fairly specific conditions in terms of some things that had to be met or reflected, or they didn't get that full amount. That is, again, a possible option that you may want to think about.

DR. HESS: What I am concerned about is that priority listing, the things are going to be cut are the ones that I would be most interested in seeing kept in.

Now, if that somehow, with the award letter, you know, the feeling, thinking -- they ought to reconsider those priorities. We feel in light, you know, of the need of the region, the study that went into developing those particular projects, that they ought to consider giving a higher priority. Can't tell them to give them, but strongly suggest they give high priority to those two projects, I would feel better.

DR. TESCHAN: But they are on annual review status and I think --

DR. HESS: This is the last review, though, isn't it?

DR. TESCHAN: The point I am saying is the degree of national intervention in local program is different, is it not?

DR. HESS: They still are on annual.

DR. TESCHAN: I don't know what status is now.

MRS. SADIN: They were, it was taken back.

MR.RUSSELL: We too have the same problems with this. We finally asked staff, brought this to the committee and to the Council, triennial status was taken away from this program.

DR. HESS: That modifies it, then you do have a better--

DR. TESCHAN: But do you? That is the plan. Do you

have more intervention here than on triennial--

MR. RUSSELL: Yes. Depending on the degree.

In taking away the triennial status, the next time the program is being reviewed a year later was to be based on Council's site visit. And then being phased out -- Dr. Cannon went, and we are really not quite sure what happened, are we?

MRS. SADIN: Yes.

DR. HESS: The issue is what is our status in relationship to being able to offer advice to them about changing their priorities?

Is that legitimate with them being in annual status or is it not?

MR. RUSSELL: I think very legitimate, because, as Rebecca pointed out, in the letter going back to the review process, it was suggested that they prioritize their-- well, projects by ballot or something to this effect. And we can always suggest they go back and do it. I dont mean they have to.

MR. BARROWS: They have to follow what this guy says anyway.

MRS. SADIN: There were people there saying, "considering what you just said, I will change my vote."

MR. BARROWS: That is what I mean.

It seems to me you are fooling around with established policy if we attach internal constraints on RAG

through this grant. But is it possible for staff to informally say that these are the questions that occurred inthe review committee and if you want to fair a little bit better, the next time you had better--

DR. HESS: There is no "next time."

MR. BARROWS: There is when they come in for July 1st.

DR. HESS: It is too late.

MR. BARROWS: No, if staff communicates now--

MR. PETERSON: Can't communicate now. I think this action has got to be confirmed by Council.

Let me again, to try to get us off both the substantive and time dilemmas, would there be any recognizing that it is not the usual order of the day, either now or in the past, would the group perhaps want to, in a sense, partially punt to the Council on this saying we do feel either X amount or somewhat larger amount, provided that a couple of the things we think ought to be of high priority, if there is some assurance that they remain in? That one project you are talking about, Joe, is really a significant amount of money, $339,000 or whatever it is. The health sites in remote areas.

DR. HESS: Yes.

MR. PETERSON: Otherwise I think we are-- you know.

DR. HEUSTIS: Excuse me. Before we do this, would you call for the question on the motion to see if we are going to get --

MR. PETERSON: All right, let's call for the question on the motion: $860,000. All those in favor raise their hands.

(Show of hands)

MR. PETERSON: Seven. And I think in one sense, the problem has been resolved.

MR. BARROWS: This brings up the numbers, though, to bring up another Council policy question. Taking the whole past history of review committees and councils dealing with the regional programs, is it appropriate to be too severe in our swings -- this is an old problem and is this the right time to apply an entirely new, harsher solution than in the past?

DR. HEUSTIS: This is the thing we really leave to the Council. It is their responsibility.

MR. BARROWS: It is their baby, not ours.

DR. TESCHAN: Do you think it is possible to move in this connection, that the approve at this level, recommends the funding to the RAG in Arizona that the C001, 2, and 3 be funded.

It doesn't say how much, but it clearly states level of priority. They can rearrange the budget.

Does that help?

MR. PETERSON: Well, I think that is the kind of first advice that you people -- if that is what you are suggesting we ought to give to Council and if Council feels

strongly in the same way, then I think that again, as advice, we ought to be passing it on to Arizona.

DR. TESCHAN: I so move.

DR. THURMAN: Second.

MR. PETERSON: Okay. That is on 1, 2, and 3, those three projects. Okay.

Arizona is our record for the day -- 50 minute region. There may be some correlation between problems and time.

I wonder, do we want to try and put one more? We have put one more region under our belt tonight.

MR. BARROWS: Do you have an easy one?

MR. PETERSON: No, I didn't necessarily have an easy one. I thought since -- I guess it was Al or somebody earlier in the day was wondering what we did when Senator Ribicoff called, I thought we might escalate to potential call and discuss greater Delaware Valley.

DR. THURMAN: Wonderful.

MR. PETERSON: Either John or Bill or Joe, feel ready?

I think you indicated youwere ready on that, Joe.

DR. HESS: I read most of it.

MR. PETERSON: Do you want to lead off?

Both of you I know were in on the site visit, I was on. But that has been a long time ago.

Greater Delaware Valley.

MR. HESS: Well, there have been changes in leadership since I was there on site visit. The new coordinator is Dr. Dean Roberts, who had been the coordinator for Hanaman -- perhaps I had better give a little background here for this region.

This region was organized basically around the five Philadelphia medical schools and the grantee is the University City Health Sciences Center, which is a kind of consortium of educational institutions which was gotten together for funding of educational and related programs and research and so forth.

The initial district was the medical schools which took the initial leadership and got the program going.

This region and many others, the problem then was to bring in a broader balance into the leadership and management of the program. And that was one of our concerns when I was there-- were we together, Bill?

DR. THURMAN: With Pete.

MR. PETERSON: December '72 I believe.

DR. THURMAN: '72.

MR. PETERSON: Or '71.

DR. THURMAN: '71.

DR. HESS: And we were concerned about trying to bring a better balance into the management program.

We also recognized that there were some good thing going on there, but that there was probably unduly heavy medical school involvement still at that point.

One o the good things I felt at least that had happened was that the schools had looked over the entire RMP and had divided up responsibilities for organizing, supporting and working with health care institutions, providers throughout the regions. There were five areas within the total region which were the responsibility of a given medical school in terms of providing support.

They have developed area offices, you might say satellite offices, in each of these five regions, which, as I understand it, are not medical school controlled, but medical schools do relate to these coordinating offices. And they have been doing a lot of organizational planning, coordinating work in each of the areas. So that from that standpoint the region is quite well developed, well organized.

Going down the major criteria, the program leadership, at the time of our site visit I was quite favorably impressed with Dr. Roberts. I don't know what his performance has been since he has been in that job, but he seems to be a man with a good background, seemed to be reasonable, and know

how to proceed.

Dr. Wolfe, I believe, was the RAG chairman then, still is the chairman of the RAG, and again seemed to be forward-looking, had the best interest of the region at heart.

He at that time was dean, now he is vice president for planning of -- I forget the name of the school, or college. But it is an upstate--

MR. PETERSON: It is up in the Scranton or Wilkes-Barre area.

DR. HESS: So he was away from the Philadelphia area and brought that perspective.

One of our concerns at that point was the domination of the executive committee of the RAG by the medical school representative. That seems to me to have been balanced out a bit, now, and there is a broader representation on the RAG.

The program staff, they have a rather large program staff when you consider both the central staff plus the area staff.

There is something like-- is it 27 all told?

So it is a large staff. But also we have to consider this is a large population area of high density, including Philadelphia, and the surrounding area.

I don't have population figures here, but my guess is it is probably in the neighborhood of five or six million people, so that that would require fairly large staff to try

to cover the many organizations, institutions and problems that are there.

The Regional Advisory Group has been quite active. They subdivided into executive committees and in addition, there are area committees that relate to the area coordinators and look at the problems with each of these five areas of the region.

They do have a set of goals, objectives, and priorities and the application is well put together in that every project relates to agoal and objective. So you know they know how to think and manage in those terms.

Their past performance, there have been a number of activities in the City of Philadelphia, metropolitan area, as well as in the outstate regions, that have been effective in bringing together health care providers and try to improve both the quality and accessibility of care.

The proposal is a sizeable one, both in terms of number of projects and in dollar amounts. Most of them seem to be fairly well thought out. And appropriate for the region.

Feasibility is a little bit difficult for me to estimate, but my feeling is probably with the experience of the group and so on, that these are things that could be done.

The CHP relationships generally seem to be quite good as near as I could tell from the document. Maybe the staff will have some other comments, but it seems to me a

good working relationship between the CHP and RMP.

My overall assessment of the region, as based on this, was above average considering the complexity of the region and the organization. There is one question that was a continuing problem or issue, let me say not necessarily a problem, there is a large proportion of the funds still going to the medical school. And I was surprised at the apparently high salary levels, at least compared to our school, of some of the people who are paid partly through the RMP budget.

I have no way of knowing whether commensurate services are being rendered by those on part-time RMP salary.

DR. TESCHAN: How many part-time professionals are there? A lot of people?

DR. THURMAN: Fifty-two altogether, about ten or twelve.

MR. PETERSON: Ten or twelve.

I am trying to recall how many it was when we were up there. That may be somewhat less, but it has always been a phenomenon of the GED program, I guess it has always raised some questions in a lot of people's minds.

But I think it is twelve, roughly, my count, if those figures are correct.

Bill, how did GED revisited look?

DR. THURMAN: I think I would second what Joe said from the standpoint Roberts was a stronger person and one of

the few strong people we saw on our initial visit really, so I think that could do nothing but help.

The Regional Advisory Group is still largely a one-man realtionship and that is Wolfe himself, who does run it and runs it reasonably well.

I think that they have developed some new projects, but they have largely used ideas from other people and other programs and have added minimum innovation to it.

They have not terminated some projects again they were asked to terminate multiple times.

I agree with Joe's assessment, I would just emphasize the points he made; that is, there was not a single medical school budget in this whole proposal, that is a realistic thing, and one of them, for instance, they have had the chairman of preventive medicine getting 50 percent of his salary for running a community hypertension program in one segment of the Pennsylvania community, and that is not realistic.

Where we don't have professionals, we are paying secretaries. So that is again an unreal situation.

Some of the projects are overfunded, but I think their analysis of their programs and progress they have made since we were there is significant. I think they have come a long way.

DR. TESCHAN: How is the RAG appointed, do you know that?

DR. TESCHAN: You wouldn't necessarily pick it up here.

MR. PETERSON: I don't know. Spence?

MR. COLBURN: They have their own nominating committee.

They do have institutional representation, that type of thing -- is that what you are getting at?

There is guaranteed representation from the Medical School on the RAG, also on the executive committee. But all six schools are not represented -- in fact, I don't think we have more than three medical schools represented.

DR. HESS: That is reduced substantially.

MR. COLBURN: Policy Board of Directors used to call all of these shots, now they have a true executive committee. Doesn't have a great deal of experience.

DR. HESS: Ten part-time medical school professionals at the doctoral and master level, so they are not all physicians. Some with master degree.

DR. TESCHAN: I just was summarizing the general notion part-time people are dreadfully hard to keep track of, especially when they are professionals.

MR. BARROWS: Am I right in reading these figures, the four segments of the university-based staffs total about $250,000.

DR. THURMAN: You are.

MR. BARROWS: That is a helluva lot of money.

MR. PETERSON: Used to be $600,000.

DR. THURMAN: I was going to say you aint seen nothing yet.

MR. BARROWS: Let me ask a question. They are in an area with a large underserved population. Have they addressed themselves from that?

DR. THURMAN: Yes.

DR. HESS: They got into that from the very beginning.

That is where the medical schools have put a lot of their effort.

MR. BARROWS: It is not all bad.

MR. PETERSON: I wonder, Spence or Frank, if there were any particular aspects of this application -- I don't recall who it was that mentioned now whether it was Bill or Joe about some project that may have gone beyond what we consider to be the normal funding period. Council did have a policy of generally not to exceed three years, whether you have any comment to that question, which I thought I heard raised specifically, or any other significant point, policy issue or problem as staff has perceived them with respect to GEA?

MR. COLBURN: As I recall, they have several new projects.

About the time we phased out, they were fitting an application for review. They were phasing out continuing

activities. They went on the shelf. When they were instructed to phase out, they discontinued the other activities and the program was almost just, you know, an inch away from being completely out of business in August of 1973 when they started beating programs on a monthly basis, spoon-feeding on a quarterly basis; so you have grossly here the new projects in the application not reviewed.

DR. HESS: Ten continuous and ten new.

MR. PETERSON: I notice from our summary sheets which, needless to say, I am not very conversant with any of these applications in any detail, but most of the projects had elicited CHP reviewing comments. There were a couple where they had not.

We do have Tom Smith here from the Philadelphia Regional Office.

I don't know whether you, Tom, had any particular information with respect to CHP comment or relationships in this area; specifically, greater Delaware Valley, Philadelphia.

TOM: To the best of my knowledge the relationships were reasonably good.

MR. PETERSON: The chief CHP agency, of course, is Philadelphia and there also happened to be an experimental system there. There is also another one greater up north, Representative Flood.

MR. BARROWS: We came up with the conclusion this

was pretty appropriate?

DR. HESS: Yes, I rated it overall above average.

DR. HEUSTIS: Budget somewhat inflated?

DR. THURMAN: I think so. They are asking for $2.8 million and they have been at $1.7 million, and they really -- exactly half of the project, continuing project. Many of them in the year phased down. They said that very clearly this is the last year of support; either they will be terminating or supported by someone else.

So that I tend to say yes to that all the time.

DR. HEUSTIS: Whenever indicated?

DR. THURMAN: Not necessarily. I do it when it is not indicated. It is a fault. I think it is over-inflated.

MR. PETERSON: We do have -- this application is roughly a $2.8 million request which, as Bill points out, was considerably above; their sort of funding level now is roughly equal to the sort of target figure we have had an indication that they are going to-- Greater Delaware Valley is going to be coming in with a roughly $1.3 million second phase two request which would put this program at least in terms of its request in the $4 million range, so against that backdrop I don't know whether either of the reviewers has a recommendation.

DR. HESS: I have a figure.

DR. THURMAN: Go ahead.

DR. HESS: I would recommend $2.3 million, which

recognizes that this is the good region -- reasonably good region, rated above average, seems to have good leadership. They have got a large population, many underserved, who need assistance. They seem to be addressing those problems.

Also I was aware of the July 1st estimate realizing that there is going to be another big batch coming in at that time. And this seems to me is a $600,000 increment over their current level, which is rather substantial.

It seems to me to be a fairly reasonable compromise.

MR. BARROWS: 35 percent boost, is it that strong? Over where they are now?

MR. PETERSON: Again, Mr. Barrows, I don't-- it does seem to me that the present six months funding rate in many regions, that could be column one which is a function of times two. It has one sense of reality and the other; it does reflect-- it hides some things in some instances and certainly is not indicative in most instances, including this one, the kind of level the regional is functioning at pre-January 1973.

MR. BARROWS: $2.3 million would reflect what percentage increase over-- I try to get this feelfor other programs.

DR. HESS: I personally feel they have management ability to use that.

MR. BARROWS: What percentage increase?

DR. THURMAN: That would be 86 over 17. I am not a

mathematician.

MR. PETERSON: A little more than a third.

MR. BARROWS: Seventeen isn't a real figure.

DR. HEUSTIS: These white sheets show a billion one hundred thousand plus for a six-month budget, so that is realistic; 174 to 674 present one, six months; multiply that by two. You are not too far away from $2.3 million.

MR. BARROWS: That kind of move--

DR. HEUSTIS: Thereis a good deal of difference between the material in the white sheets and the other on this printout. Great difference.

MR. BARROWS: Your recommendation if the white sheet is right, keep this about where they are.

DR. HEUSTIS: No, give them a little bit more.

MR. PETERSON: I have got to cry help to staff here.

What are we talking about?

MR. NASH: I am not talking about the one on the printout; I am talking about the one -- this sheet here (indicating).

Is this an accurate figure?

DR. THURMAN: Is that figure accurate?

MR. COLBURN: Pediatric, pulmonary -- is that added in there? Included there?

MR. PETERSON: It may well have earmarked funds. Also $170,000--

MR. COLBURN: You are right about $1.8 million. After site visit. That is what we recommended.

They were funded at that level, so half of that would be $900,000. And they had about $400,000 for pulmonary, that is pretty close.

DR. THURMAN: Mr. Chairman, my recommendation is $200,000 off from his, but I have no concern about Joe, say $2.3 million. I was thinking $2.1 million. But I can easily live with $2.3 million, because I think this is a good program.

MR. PETERSON: Do you two want to talk together for 30 seconds?

DR. THURMAN: I second the motion.

MR. NASH: Do you want to include with that dollar figure recommendations, any further recommendations from committee so far as removing additional funds from the medical school?

DR. HEUSTIS: You are speaking to Dr. Hess?

MR. NASH: Yes.

DR. HESS: This I didn't think was something we really have enough information on now, but I think perhaps the concern as to whether or not the region is getting value received for the money that is going to medical school now, the RAG may or may not need a little muscle to take a look at that. It is hard to ask that kind of question unless you have got some

reason for asking it.

But I personally don't feel I am in position to make a judgment on this. I don't know.

MR. PETERSON: But you do see that as--

DR. HESS: Potential concern.

MR. PETERSON: Despite the fact figure is down from $600,000 to $250,000.

DR. HEUSTIS: You gave Paul about 50 percent salary obviously. You would think he would be more busy carrying out his administrative work-- didn't sound very realistic.

DR. HESS: See, there may be some compensating factors. He may have some of his people doing some running and for budgetary purposes, you know, it gets too much of a hastle to put somebody on part-time salary for so and so.

DR. TESCHAN: That is very optimistic. Our experience is the opposite.

DR. HESS: It may be justified.

DR. TESCHAN: Here is where a site visit would be helpful.

DR. McCALL: Still talking about unknowns?

MR. PETERSON: Yes.

DR. McCALL: The way it is expressed, it seems to me as far as we can go now. Call the question.

MR. PETERSON: Those in favor of the motion for $2.3 million with indication of concern, fed back, about the

still quarter of a million dollars of medical schools, all those in favor?

(Show of hands)

MR. PETERSON: We still didn't manage to slip out of the complacency and unanimity.

It is ten til five. As your chairman I am at your beck and call.

Do you want to go on with still another? I am prepared to do that. If you want to wrap it up for--

MR. BARROWS: I have some homework to do. I would just as soon wrap it up.

DR. THURMAN: I have a quicky -- no, I will conceive--

MR. PETERSON: What is your quicky?

DR. THURMAN: Puerto Rico. It's a quicky.

MR. PETERSON: We are really talking about a ten or fifteen minute discussion.

DR. THURMAN: At the most, yes.

MR. PETERSON: It is a very unusual-- would that do too much violence with your needs?

MR. BARROWS: No.

MR. PETERSON: I hadn't programmed Puerto Rico, but let's pull it out.

The reviewers are on that, in addition to Bill -- let me see that sheet of paper again, Bill -- I don't think we would do violence if we confirm our review

and recommendation with Jill in the morning. Again, I don't think it is going to take that much time first thing in the morning, Bill.

DR. THURMAN: I don't mind putting it off.

MR. BARROWS: It might be a little more courteous.

MR. PETERSON: Yes.

Okay. Before we leave, a couple of things here. Feel free to leave your materials in the room. On the other hand, if you are going to be doing homework with them, you obviously can't do that.

Secondly, I did have a note handed to me late this afternoon. If any of you did not use RTRs if you please -- that is the grain IBM card that buys an airplane ticket -- if you would return them to the desk, to Mrs. Leventhal, if there are any that were not used.

Before we break, on the other hand, I would like to have your indication of what time we would like to get started.

By my calculations, we reviewed eight regions today which means we have 17 to go. We did not really start the review process until well after eleven. We convened at eleven and I took some time with generalities. So on the one hand, we are not in my view terribly in arrears. On the other hand, we dont have a lot to coast on.

I don't know how they are doing, but I just figure we would be ahead of them.

DR. TESCHAN: I would like to start about 8:30.

MR. PETERSON: All right, 8:30 with a pledge to dispense with Puerto Rico and California before nine.

DR. HEUSTIS: And California will only take ten minutes.

MR. PETERSON: I know, and you are reminding me that is a very simple application at this juncture. It is one of the few regions which the Council, along with Arizona and Hawaii, expressed some great concerns about last November; it was site visited.

Bill Thurman was on it and I think without telling his story, it happens to be a site visit that came back more than allaying the kinds of concerns the Councilhad at the time.

Okay, with that, I want to certainly express my personal thanks and appreciation for your diligent work today.

I would only make the plea, at this juncture, it is a plea rather than intimidating request. If you haven't given me your review sheets for those regions which we have looked at, would you please let me have them before you go home, then I will be able to take them back up to my office.

Thank you and we will see you at 8:30, this half of the room.

(Whereupon, at 4:53 o'clock, p.m., the meeting recessed, to reconvene at 8:30 o'clock, a.m., Thursday, May 23, 1974.)

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