The original documents are located in Box 9, folder "Health (3)" of the Theodore C. Marrs Files at the Gerald R. Ford Presidential Library.

THE WHITE HOUSE

WASHINGTON

July 29, 1975

MEMORANDUM FOR: PAUL O'NEILL

FROM: TED MARRS

This is a valid need which I would like to see us support if there is a mechanism.

Any suggestions?

Enclosure

GEORGETOWN UNIVERSITY
WASHINGTON, D. C. 20007

OFFICE OF THE PRESIDENT
SPECIAL ASSISTANT FOR
FEDERAL RELATIONS

July 1, 1975

The Honorable Theodore C. Marrs
Special Assistant to the President
Human Resources
The White House
Washington, D.C.

Dear Dr. Marrs:

This is a follow up on our meeting on June 23rd, when you graciously reviewed our letter to you of June 13, 1975 concerning the $16,000,000 for Children's Hospital National Medical Center and the $6,000,000 for the Concentrated Care Center at Georgetown University Medical Center contained in the Second Supplemental Appropriation Act of 1975.

The specifics of the financial needs of the Children's Hospital National Medical Center were reviewed by Mr. Edgar N. Duncan, Assistant Surgeon General and Acting Director of Hospital and Medical Facilities, on July 1. We presented to him the need for authority to accept $10,000,000 in bids before July 11, 1975. Mr. Duncan agreed to the need but stated that the apportionment of the $16,000,000 to the Secretary of the Department of Health, Education and Welfare for this project must be made before he can authorize the acceptance of these bids.

At our meeting with Mr. Duncan the requirements of the additional construction at the Concentrated Care Center were also reviewed. Mr. Duncan again pointed out that the apportionment of the $6,000,000 grant funds for this project must be made before it can proceed.

On the same day (June 23rd) that we visited you, Judge Ely and we two met briefly with Mr. Paul O'Neill, Deputy Director of the Office of Management and Budget and presented our plea to him.

If there is anything else you believe we should do, we stand ready. We are praying.

We are deeply grateful for your counsel and interest.

Sincerely,

T. Byron Collins S.J.

T. Byron Collins, S.J.
Special Assistant to the President
Georgetown University

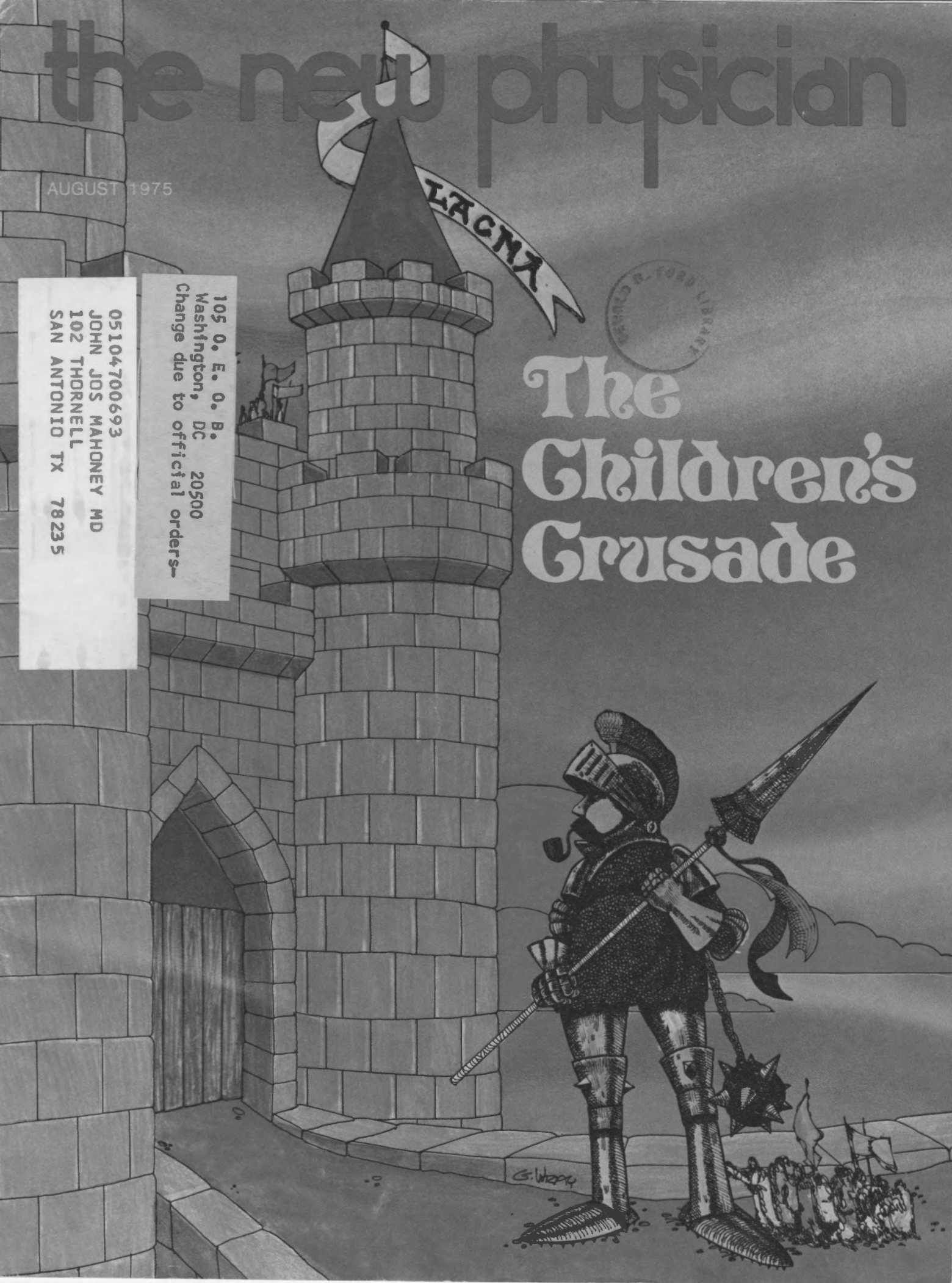
John H. Sharon

John H. Sharon
Chairman, Children's Hospital
National Medical Center

cc: Mr. Paul O'Neill, Judge Ely

the new physician

AUGUST 1975



The Children's Crusade

Some items in this folder were not digitized because it contains copyrighted materials. Please contact the Gerald R. Ford Presidential Library for access to these materials.

File - Georgetown and D.C. Children Hospitals

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE
OFFICE OF THE SECRETARY
WASHINGTON, D.C. 20201

11 AUG 1975

MEMORANDUM FOR HONORABLE THEODORE C. MARRS

This is in response to your requests of June 19 and 26 on behalf of Mr. John H. Sharon, Chairman, Children's Hospital, and Reverend T. Byron Collins, S.J., Special Assistant to the President, Georgetown University. Please excuse the delay in replying. Father Collins and Mr. Sharon's letter to you requested your intercession with the Department to seek immediate release of the $22,000,000 provided in the fiscal year 1975 Second Supplemental Appropriation Act for Children's Hospital and the Georgetown University Concentrated Care Center.

The funds were appropriated June 12 in the Second Supplemental Appropriations Act, 1975 (P.L. 94-32) to support ongoing construction projects at the Children's National Medical Center and the Georgetown University Concentrated Care Center. These funds were directly allocated and made available for obligation. In order to minimize the size of a growing budget deficit, the Office of Management and Budget advised the Department that it was considering proposing a rescission to Congress. Accordingly, the funds were withdrawn and placed into reserve. After a thorough review of the purposes and need for these funds, the Office of Management and Budget decided not to submit a rescission to Congress, and funds were released on July 25. The funds were again allocated and made available for obligation.

In accordance with standard procedures, Georgetown University was notified by the Department of the release of these funds. Since your request has been overtaken by events, we are not enclosing a draft reply.

David H. Lissy
Executive Secretary
to the Department

Ted - I understand you are aware of this + that this note is just for the record.

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

OFFICE OF THE SECRETARY

WASHINGTON, D.C. 20201

11 AUG 1975

MEMORANDUM FOR HONORABLE THEODORE C. MARRS

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/s/ David H. Lissy

David H. Lissy
Executive Secretary
to the Department

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

OFFICE OF THE SECRETARY

WASHINGTON, D.C. 20201

11 AUG 1975

MEMORANDUM FOR HONORABLE THEODORE C. MARRS

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/s/ David H. Lissy

David H. Lissy
Executive Secretary
to the Department

THE WHITE HOUSE OFFICE

REFERRAL

To: SECRETARY, HEW Date: June 19, 1975

ACTION REQUESTED

_____ Draft reply for:
_____ President's signature.
_____ Undersigned's signature.

_____ Memorandum for use as enclosure to reply.

__X__ Direct reply.
__X__ Furnish information copy.

_____ Suitable acknowledgment or other appropriate handling.
_____ Furnish copy of reply, if any.

_____ For your information.

_____ For comment.

NOTE

Prompt action is essential.

If more than 72 hours' delay is encountered, please telephone the undersigned immediately, Code 1450.

Basic correspondence should be returned when draft reply, memorandum, or comment is requested.

REMARKS:

7506240111

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EXEC. SEC.

Description:

__X__ Letter: _____ Telegram: Other:

To: Dr. T. C. Marrs
From: John H. Sharon
Date: June 13, 1975
Subject: Children's Hospital National Medical Center

7506240112

By direction of the President:

Theodore C. Marrs
Special Assistant to the President

TRACER 13916

(Copy to remain with correspondence)

AM 389

DIRECTOR'S CORRESPONDENCE

Action to: Hanna
Vic Zafra
Reply for: Dir | Dep
Control No: 0100 | Due Date: 7/14
Info Copies:

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JUN 30 10 15 AM '75
OFFICE OF MANAGEMENT & BUDGET

THE WHITE HOUSE
WASHINGTON
June 26, 1975

MEMORANDUM FOR

SECRETARY, HEALTH, EDUCATION, AND WELFARE

THRU: OFFICE OF MANAGEMENT AND BUDGET (PAUL O'NEILL)

An evaluation of the attached and an appropriate draft response will be appreciated (see page 1.)

Theodore C. Marrs
Special Assistant to the President

Enclosure

7507090010

TRACER 4628

CONTENTS

GEORGETOWN UNIVERSITY
WASHINGTON, D. C. 20007

OFFICE OF THE PRESIDENT
SPECIAL ASSISTANT FOR
FEDERAL RELATIONS

June 13, 1975

The Honorable Theodore C. Marrs
Special Assistant - Human Resources
The White House
Washington D.C. 20500

Dear Mr. Marrs:

As you know, the Second Supplemental Appropriations Bill contained additional funds towards the completion of the Children's Hospital National Medical Center ($16,000,000) and the Concentrated Care Center at Georgetown University ($6,000,000).

It is critical for the Children's Hospital project that these funds be made available immediately to enable them to receive bids on the project in sequential order. The dedication ceremony for this facility is scheduled for July 4, 1976, and as you know, President Ford has been invited to attend (cf enclosed correspondence).

The Concentrated Care Center at Georgetown University is also in critical need of the appropriated funds so that the work on their project may not be delayed.

May we ask you intercession with the Office of the Secretary of the Department of Health, Education and Welfare for the immediate release of these funds to the HEW Regional Office in Philadelphia so both of these projects may be kept in steady progress towards completion in accordance with the intent of the Appropriations bill.

On behalf of Children's Hospital National Medical Center and Georgetown University we thank you for your interest and counsel.

Sincerely,

T. Byron Collins S.J.

T. Byron Collins, S.J.
Special Assistant to the President
Georgetown University

John H. Sharon

John H. Sharon
Chairman, Children's Hospital
National Medical Center

GEORGETOWN UNIVERSITY
WASHINGTON, D. C. 20007

OFFICE OF THE PRESIDENT
SPECIAL ASSISTANT FOR
FEDERAL RELATIONS

March 10, 1975

The Honorable Warren Magnuson
The Honorable Edward W. Brooke
Committee on Appropriations
Subcommittee on Labor and Health, Education and Welfare
U.S. Senate
Washington D.C. 20510

Dear Senator Magnuson and Senator Brooke:

We thank you for having given us the opportunity to testify before your Committee on our desperate need for final phase grant funds to complete our national experimental research projects - Children's Hospital National Medical Center and the Concentrated Care Center at Georgetown University.

We are pleased to furnish you with additional information to clarify point mentioned in the hearing.

Children's Hospital Fund Drive and loan program had hoped to bring in $27,058,000. In the just completed Fund Drive analysis we find that the present pace of the economy has slowed the expected commitments to the Fund Drive. However, we are certain we can obtain the matching one-third of the project cost, $23,485,354, to enable us to finish on schedule, provided the Senate will give favorable consideration to our deep need for this final request for $21,575,000 grant funds for Children's Hospital.

Georgetown University can also meet its matching one-third of the project cost, $11,800,000, provided the Senate will give favorable consideration to the request for $8,000,000 for the Concentrated Care Center.

The request for these essential final phase funds would be for a total of $29,575,000 grant funds.

We thank you for your help in our final plea for funds.

Sincerely,

T. Byron Collins S.J.

T. Byron Collins, S.J.
Special Assistant to the President
Georgetown University

John H. Sharon

John H. Sharon
President, Children's Hospital
National Medical Center

Enc: Method of Funding

March 10, 1975

1975 SUPPLEMENTAL APPROPRIATIONS GRANT REQUEST - CONCENTRATED CARE CENTER $8,000,000, CHILDREN'S HOSPITAL NATIONAL MEDICAL CENTER $21,575,000.

Concentrated Care Center Experimental Project, Total Cost Estimate			$35,000,000
Method of Funding			
Phase I - Cost $23,000,000			
Grant HEW Appropriations 1969-70	$ 6,900,000		
Grant P.L. 92-80	8,300,000		
Loan P.L. 92-80	6,700,000		
Private Resources	1,100,000	$23,000,000	
Phase II - Cost $12,000,000			
1975 Supplemental Appropriation Grant Request	8,000,000		
From Existing Federal Loan Programs	4,000,000	12,000,000	$35,000,000
Summary of Financing of Phases I and II			
Federal Grants Phases I & II	$23,200,000	(two-thirds)	
Private Resources and Loan Phases I and II	11,800,000	(one-third)	
Total cost of Project	$35,000,000		
Children's Hospital National Medical Center Experimental Project Total Cost Estimate			$70,459,933
Method of Funding			
Phase I - Cost $44,884,933			
Grant - P.L. 90-457	$13,399,574		
Grant - P.L. 93-50	12,000,000		
Federal Loan - P.L. 90-457	13,399,579		
Fund Drive	6,085,780	$44,884,933	
Phase II - Cost $25,575,000			
Grant Request in HEW Supplemental 1975	21,575,000		
Federal Loan (from existing programs)	4,000,000	25,575,000	$70,459,933
Financial Summary			
Grants Phases I and II	$46,974,579	(two-thirds)	
Private Resources and loans Phases I and II	23,485,354	(one-third)	
	$70,459,933		

CHILDREN'S HOSPITAL
NATIONAL MEDICAL CENTER 2125 Thirteenth St., N.W., Washington, D.C. 20009 • (202) 835-4000

CHILD HEALTH CENTER • CHILDREN'S HEARING AND SPEECH CENTER • HILLCREST CHILDREN'S CENTER • RESEARCH FOUNDATION OF CHILDREN'S HOSPITAL • DEPARTMENT OF CHILD HEALTH AND DEVELOPMENT, GEORGE WASHINGTON UNIVERSITY

March 26, 1975

Father T. Byron Collins
Georgetown University
Healy Building
Third Floor
Washington, D. C. 20007

Dear Father Collins:

As you know, we carry on our Statement of Resources our land and buildings in the amount of $3,000,000, even though all of our premises have been officially appraised at a higher figure. The book value figure of $3,000,000 is both reasonable and conservative, but I have been informed that it will be impossible for us to realize at this time a sale of the premises at $3,000,000.

The District of Columbia government is anxious to purchase our land and buildings for different uses, but I have been informed that the District of Columbia at this time does not have the required $3,000,000 to purchase our facility.

With best wishes.

Sincerely,

John H. Sharon

John H. Sharon

March 26, 1975

GEORGETOWN UNIVERSITY HOSPITAL
Concentrated Care Center Phase II
Parking Structure

Estimated Cost:	$4,000,000
Capacity:	666 automobiles
Location:	Reservoir Road entrance # 3 west of Concentrated Care Center
Site:	Presently occupied by 93 automobile capacity ground level parking lot.
Parking Consultant:	Stephen G. Petersen, P.E.
Architect:	Perkins and Will
Purpose:	To provide parking for patients, visitors attending Staff and employees of the 160 Bed Concentrated Care Center, now under construction (Peak population of over 1000 persons).
Funding:	Combination of Federal Grants and Commercial loans.
Schedule:	Completion approximately 18 months, to coincide with opening of CCC.
Pro Ration of Cost:	62.5 % of this facility is required for the Concentrated Care Center. 62.5% x $4,000,000 = $2,500,000.

P.27

94TH CONGRESS } HOUSE OF REPRESENTATIVES { REPORT
1st Session } { No. 94-141

SECOND SUPPLEMENTAL APPROPRIATIONS BILL, 1975

APRIL 10, 1975.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. MAHON, from the Committee on Appropriations, submitted the following

REPORT

together with

SEPARATE VIEWS

[To accompany H.R. 5899]

The Committee on Appropriations submits the following report in explanation of the accompanying bill making further supplemental appropriations for the fiscal year ending June 30, 1975, and for other purposes.

INDEX TO BILL AND REPORT

Health Resources Administration

HEALTH RESOURCES

The bill provides $127,600,000, an increase of $61,100,000 over the budget request. This is in addition to the $159,443,000 appropriated to date for health resources. The bill further includes authority to spend $8,500,000 from the Social Security trust funds to support the review of capital expenditures prescribed in section 1122 of the Social Security Act.

This appropriation supports the implementation of the National Health Planning and Resources Development Act of 1974 (P.L. 93-641). This legislation adds two new titles to the Public Health Service Act. The first, a new Title XV, is designed to replace existing health planning programs such as Comprehensive Health Planning, Regional Medical Programs and the Experimental Health Services Delivery Systems. The second, a new Title XVI, is designed to replace the existing Hill-Burton program for the construction and modernization of health care facilities. In addition, P.L. 93-641 authorizes an appropriation of such sums as may be necessary to support the transition operations of the Comprehensive Health Planning Agencies, Regional Medical Programs, and the Experimental Health Services Delivery Systems. The Committee approved 100 of the 150 new positions requested and reduced the amount budgeted for new positions by $100,000. The total positions available for this new program will be 369.

The bill provides $50,000,000, an increase of $38,000,000 over the request for Regional Medical Programs in order that on-going projects may complete their work and thus provide for a smooth and orderly transition from the old to the new program. The appropriation of transition funds for Comprehensive Health Planning, Regional Medical Programs, and the Experimental Health Services Delivery Systems is intended to establish the level of funding for these programs in fiscal year 1975.

In recognition of the timing of this appropriation, the Committee has extended the availability of $18,700,000 until December 31, 1975 in order that these funds may be available to support the initiation of the new State agencies for Health Planning and Development, and the local Health Systems Agencies. These funds are also available to support the establishment of procedures, guidelines, and regulations to further the rapid development and efficient functioning of these new agencies.

Included in the bill is $1,200,000 for nursing research projects. No budget request was submitted for this activity. Nursing research project funds support projects dealing with all aspects of patient care, nursing as an occupation, nursing education, expanded or extended roles for nurse practitioners and communication of research findings. There have been no new projects started in the past two fiscal years. The Committee believes this is a modest amount which would fund approximately 15 new projects.

The bill includes $22,000,000 for D.C. Medical Facilities to complete construction of Children's Hospital and a Concentrated Care Center at Georgetown University Medical Center. No budget request was submitted for this item.

The total cost of Children's Hospital is estimated at $70,458,933. To date, $40,458,933 has been appropriated by Congress, and an additional appropriation of $16,000,000 is needed to complete the

project. The facility will provide specialized hospital research and patient treatment and services in units which will serve as models for delivery of health services to children in a more economical and effective way. In view of the overwhelming support that has been indicated for this project, this Committee feels that the requested Federal assistance should be provided to complete this hospital.

The total cost of the Concentrated Care Center is estimated at $32,500,000. To date, $21,900,000 has been appropriated for this project and an additional appropriation of $6,000,000 is needed to complete construction. The Concentrated Care Center is a model for renovation of over 7,000 hospitals throughout the nation. Many features of the Concentrated Care Center have been initiated by over 50 hospitals to date.

Office of Education

ELEMENTARY AND SECONDARY EDUCATION

The bill includes $4,000,000 for carrying out the Alcohol and Drug Abuse Education Act, for which there was no budget request. The amount in the bill is $1,700,000 less than the fiscal year 1974 appropriation. The Committee deferred consideration of this program in the regular bill for 1975 due to lack of authorizing legislation.

The drug abuse education program is primarily a training program for groups such as teachers, counselors, and law enforcement personnel; and a community education program for parents and other people interested in the problems of drug abuse. Although there is no budget request from the Administration, the Committee believes that there should not be an abrupt termination of the program. The amount included in the bill is sufficient to continue existing projects.

EMERGENCY SCHOOL AID

The bill includes $125,000,000 to carry out the Emergency School Aid Act, an increase of $50,000,000 over the budget request and a decrease of $109,000,000 from the fiscal year 1974 appropriation. The program provides funds to local education agencies and certain public and private nonprofit organizations in order to meet special needs related to school desegregation. Funds are apportioned among the States in accordance with the distribution among the States of minority group children aged 5–17. There are also several setasides in the basic law for various categorical programs. Some of the activities eligible for assistance under the Act are teacher aides, supplemental staff, remedial services, teacher training, guidance and counseling, and curriculum development. Two of the principal categorical setasides in the Act are for bilingual education and educational television programming for children.

The Committee has deferred consideration of the program until now because the Office of Education informed the Committee that efforts were being made by the Administration to amend the Act. Since the program is forward-funded and virtually all of the money is obligated in the fourth quarter of the fiscal year, deferral of consideration by the Committee has had no adverse impact on the program. As a result of the Administration's failure to have the basic law amended through the legislative process, the budget proposes, in effect, to do the same thing in the appropriation bill. The Committee

Calendar No. 132

94TH CONGRESS
1st Session

SENATE

REPORT
No. 94-137

SECOND SUPPLEMENTAL APPROPRIATIONS BILL, 1975

MAY 14 (legislative day, APRIL 21), 1975.—Ordered to be printed

Mr. MCCLELLAN, from the Committee on Appropriations, submitted the following

REPORT

[To accompany H.R. 5899]

The Committee on Appropriations, to which was referred the bill (H.R. 5899) making supplemental appropriations for the fiscal year ending June 30, 1975, and for other purposes, reports the same to the Senate with various amendments and presents herewith information relative to the changes recommended.

INDEX TO BILL AND REPORT

with all aspects of patient care, nursing education, and expanded roles of clinical specialists, nurse practitioners, and the communication of research findings. The Committee notes that there have been no new projects started in this important area in the last two years.

The Committee has also provided $29,575,000 for D.C. Medical Facilities to complete construction of the Children's Hospital National Medical Center and the Concentrated Care Center at Georgetown University. These funds shall remain available until expended. This is $7,575,000 over the House allowance. This level of funding will provide $21,575,000 for Children's Hospital, which, when completed, will serve as a national model, specializing in hospital research, patient treatment, and service in units which will serve as models for research health delivery systems to children. The Committee is pleased that Children's Hospital has appointed a person to have specific responsibility for its new day-care center. In light of the Committee's continued strong support of the hospital in all its efforts, the Committee requests the hospital administration to report back within 90 days of enactment of this bill on the status of the day-care center.

The Concentrated Care Center is a model for renovation of 7,000 hospitals throughout the Nation. The concentration of modules of concentrated high-cost services in the acute facility could effect substantial savings in the Nation's expenditures for hospital renovations and patient care.

Further, the Secretary of HEW is directed to provide the Committee with a report on the availability of loan funds to complete these projects.

Office of Education

ELEMENTARY AND SECONDARY EDUCATION

1975 presently available	$2, 255, 675, 000
1975 proposed supplemental	
House allowance	4, 000, 000
Committee recommendation	9, 000, 000

The Committee concurs with the House in providing $4,000,000 for alcohol and drug abuse education activities. The Congress deferred consideration of this item in the regular 1975 bill, pending enactment of authorizing legislation. Authorized by the Alcohol and Drug Abuse Education Act, this program is designed to help schools and communities respond to drug and alcohol abuse problems among school children. Emphasis is placed on assisting local communities, school districts, and State agencies in dealing with these problems. The amount recommended includes: $2,040,000 to support five regional training resource centers; $1,410,000 for training 200 school-based alcohol and drug abuse prevention teams; $400,000 for six preservice demonstration projects; and $150,000 for technical assistance.

The Committee is deeply concerned over the serious and continuing growth in alcohol and drug abuse among this nation's youth. Recent estimates indicate that the proportion of youth who drink has increased to the point where nearly all children and teenagers are involved. With respect to drugs, it is expected that the abuse of opiates and nonopiates alike will remain a national health problem, with evidence of their use increasing in some areas of the country. The problem is further intensified when added to the social and economic costs related to the abuse of these substances. The Committee believes,

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94TH CONGRESS } HOUSE OF REPRESENTATIVES { REPORT
1st Session } { No. 94-239

MAKING SUPPLEMENTAL APPROPRIATIONS, FISCAL YEAR 1975

MAY 21, 1975.—Ordered to be printed

Mr. MAHON, from the committee of conference, submitted the following

CONFERENCE REPORT

[To accompany H.R. 5899]

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 5899) "making supplemental appropriations for the fiscal year ending June 30, 1975, and for other purposes," having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 33, 41, 57, 64, 94, 122, and 172.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 4, 5, 6, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 21, 22, 34, 37, 38, 39, 50, 52, 54, 55, 65, 79, 80, 82, 84, 85, 86, 87, 89, 99, 101, 102, 109, 110, 111, 112, 113, 114, 115, 116, 118, 119, 120, 123, 124, 125, 126, 127, 135, 136, 137, 138, 139, 140, 145, 146, 147, 148, 149, 150, 151, 152, 153, 154, 155, 156, 157, 158, 159, 160, 161, 162, 163, 164, 165, 166, 167, 168, 169, and 170, and agree to the same.

Amendment numbered 7:

That the House recede from its disagreement to the amendment of the Senate numbered 7, and agree to the same with an amendment, as follows:

In lieu of the sum named in said amendment insert: *$5,000,000*; and the Senate agree to the same.

Amendment numbered 26:

That the House recede from its disagreement to the amendment of the Senate numbered 26, and agree to the same with an amendment, as follows:

In lieu of the sum named by said amendment insert *$200,000*; and the Senate agree to the same.

Amendment numbered 25:

That the House recede from its disagreement to the amendment of the Senate numbered 25, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$6,500,000*: and the Senate agree to the same.

38-006 O

HEALTH RESOURCES ADMINISTRATION

Amendment No. 40: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment which will appropriate $118,900,000 for "Health resources" instead of $127,600,000 as proposed by the House and $126,475,000 as proposed by the Senate, and will earmark $10,000,000 for carrying out section 3 of the National Health Planning and Resources Development Act of 1974, as proposed by the Senate, instead of $18,700,000 as proposed by the House. The funds for carrying out section 3 shall remain available until December 31, 1975, as proposed by the House. The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendment No. 41: Earmarks $22,000,000 of the appropriation for "Health resources" for carrying out section 305(b)(3) of the Public Health Service Act, as proposed by the House, instead of $29,575,000 as proposed by the Senate.

OFFICE OF EDUCATION

Amendment No. 42: Appropriates $6,500,000 for "Elementary and secondary education" instead of $4,000,000 as proposed by the House and $9,000,000 as proposed by the Senate. The increase over the amount proposed by the House is for Part B of the Head Start-Follow Through Act.

The intent of the conferees is that, with respect to the entering class, per child costs and enrollment levels in all ongoing Follow Through projects be maintained at levels provided in previous years.

Amendments Nos. 43 through 47: Reported in technical disagreement. The managers on the part of the House will offer motions to recede and concur in the amendments of the Senate with amendments which will earmark $185,588,000 for section 705 instead of $204,131,000 as proposed by the Senate, $11,309,000 for section 708(a) instead of $12,447,000 as proposed by the Senate, $9,052,000 for section 708(c) instead of $9,958,000 as proposed by the Senate, $6,794,000 for section 711 instead of $7,468,000 as proposed by the Senate, and $2,257,000 for section 713 instead of $2,489,000 as proposed by the Senate.

The managers on the part of the Senate will move to recede and concur in the amendments of the House to the amendments of the Senate.

Amendment No. 48: Appropriates $215,000,000 for "Emergency school aid" instead of $125,000,000 as proposed by the House and $236,493,000 as proposed by the Senate.

Amendment No. 49: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment extending the availability of funds in the bill for "Emergency school aid" until September 30, 1975, instead of August 15, 1975, as proposed by the Senate.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendment No. 50: Appropriates $250,000 for "Education for the handicapped" as proposed by the Senate.

White House.

July 21, 1975

File - Georgetown and D. C. Children Hospitals

Dr Marrs:

1. Paul O'Neill has sent the attached memo to Pres Ford - pointing out that the projects:

Children's - Georgetown - DC.

Hahnemann, Phila.

Water Works - Duluth

are not budget requests.

2. Mr. O'Neill also suggested we notify Mr. Max Friedersdorf. Paul sent a copy of our letter to Pres. Ford to Mr Friedersdorf as Mr Friedersdorf was unable to see us.

Hopefully, you would talk to Mr Friedersdorf in our behalf.

Thank you + our prayers

Nate Ely

Byron Collins (Gtn.) 625-4411

John Sharon 333-4000

GEORGETOWN UNIVERSITY
WASHINGTON, D. C. 20007

OFFICE OF THE PRESIDENT
SPECIAL ASSISTANT FOR
FEDERAL RELATIONS

July 21, 1975

The President
The White House
Washington D.C. 20500

Dear Mr. President:

This is a request for the immediate release of $22,000,000 contained in the Second Supplemental Appropriations for 1975, P.L. 94-32, for two national experimental hospital construction projects.

The first project is Children's Hospital National Medical Center in the District of Columbia. This facility, which is under construction (cf. attached photograph), will provide a combination of specialized care with research components for children from all over the United States and, indeed, the world. This project was started in 1966 and is designated as an experimental research facility in this particular field through a peer review process.

The need for these additional funds is extremely acute. The construction has been on a phased basis, which was approved by GAO. The total cost of the facility is $70,457,000. It is scheduled for dedication on July 4, 1976. We hope you will accept our invitation to attend the ceremony.

The federal grant participation is two-thirds, the remaining one-third coming from the hospital fund drive and loans in accordance with the enabling legislation. The particular time crunch lies in this: The funds in the Second Supplemental were designed to meet a construction phased bidding process. We have over $10,000,000 of construction bids which were supposed to have been acted upon by July 11, 1975. A portion of the funds are from the $16,000,000 provided in the Second Supplemental Appropriation. The first phase of the project, at a cost of $54,000,000, is nearly complete. The final phase, with bids ready to be awarded, awaits your decision.

Georgetown University's Concentrated Care Center has a ten year history. It was approved by peer review both in concept and design as a national experimental project. This project is also on a phased construction basis similar to Children's Hospital. Its purpose is to provide a model of health care that is replicable by the 7000 hospitals throughout the country. This model differentiates between two kinds of hospital care - the patient who needs constant care and attention by physicians and nurses, which is concentrated care, and the patient who needs occasional daily physician and nurse treatment. The purpose of this national experimental hospital is to demonstrate how these kinds of care can be given and cost accounted so that patients will be charged a total lower per diem costs.

The $6,000,000 provided in the Second Supplemental Appropriation will enable the construction of the second phase of this project, which is to provide for special laboratories and treatment spaces. These funds are immediately needed so that the construction schedule of the second phase will be completed to make the first phase function, (cf. attached photograph). The funds for this $35,000,000 project are made up of two-thirds federal grant and one-third from Georgetown University resources of gifts and loans.

We believe that the federal investment in these projects will be repaid many times by the innovative services and cost savings for child and adult patients.

We point out that these funds are in the fiscal 1975 appropriation and are not within the budget limit for fiscal 1976.

We thank you for considering our plea on behalf of the people of the United States whom our institutions serve directly and in affiliation with the National Institutes of Health. We pray for you and that you will, in your wisdom, allow our projects to continue.

Sincerely yours,

T. Byron Collins S.J.

T. Byron Collins, S.J.
Special Assistant to the President
Georgetown University

John H. Sharon

John H. Sharon
Chairman, Children's Hospital
National Medical Center

NATIONAL ARCHIVES AND RECORDS ADMINISTRATION
Presidential Libraries Transfer/Disposal Sheet

ITEM ID 00115

DESCRIPTION OF ITEM MOVED	One black and white 8" x 10" black and white photograph of the Concentrated Care Center at Georgetown University and one color 8" x 10" photograph of the Children's Hospital National Medical Center.
COLLECTION/SERIES/FOLDER ID	016400086
COLLECTION TITLE	Theodore C. Marrs Files
BOX NUMBER	9
FOLDER TITLE	Health (2)-(3)
ACCESSION NUMBER	70-NLF-221
MOVEMENT DATE	10/19/1989
TYPE OF MATERIAL	Photographs
NEW LOCATION	Audiovisual Collection
ARCHIVIST'S	William H. McNitt

CONCENTRATED CARE CENTER

Georgetown University
Architect-Metcalf and Assoc.
Contractor-The George Hyman Co.

Photo No. 49, March 25, 1975
General View-Rear.

February 26, 1975

GEORGETOWN UNIVERSITY HOSPITAL

CONCENTRATED CARE CENTER

CONSTRUCTION BUDGET

	PHASE I Budget	PHASE II Budget	TOTAL Budget
Construction including utilities and fixed equipment	$17,761,339	$ 9,958,661 1/	$27,520,000
A/E Fees	1, 860,416	609,584	2,470,000
Inspection & Supervision	160,000	125,000	285,000
Consultant Fees	228,485	46,515	275,000
Miscellaneous, fees, permits, etc.	431,403	108,597	540,000
Research coordination & development	378,000	32,000	410,000
Moveable Equipment	2,180,357	1,119,643	3,300,000
TOTAL	$23,000,000	$12,000,000	$35,000,000

1/ Includes $2.5 million for approximately 65% of a $4 million parking facility at the site. The rest is for automated, clinical laboratories, treatment and office space.

CHILDREN'S NATIONAL MEDICAL CENTER

COSTS:

Construction	$46,214,248	$8,880,000	$55,094,248
Equipment	267,000	6,610,685	6,877,685
Design, Consultants and Administration	5,025,000	962,000	5,987,000
Contingency	952,685	1,547,415	2,500,100
TOTAL	$52,459,933	$18,000,000	$70,459,933

March 10, 1975

1975 SUPPLEMENTAL APPROPRIATIONS GRANT REQUEST - CONCENTRATED CARE CENTER $8,000,000, CHILDREN'S HOSPITAL NATIONAL MEDICAL CENTER $21,575,000.

Concentrated Care Center Experimental Project, Total Cost Estimate			$35,000,000
Method of Funding			
Phase I - Cost $23,000,000			
Grant HEW Appropriations 1969-70	$ 6,900,000		
Grant P.L. 92-80	8,300,000		
Loan P.L. 92-80	6,700,000		
Private Resources	1,100,000	$23,000,000	
Phase II - Cost $12,000,000			
1975 Supplemental Appropriation Grant Request	8,000,000		
From Existing Federal Loan Programs	4,000,000	12,000,000	$35,000,000
Summary of Financing of Phases I and II			
Federal Grants Phases I & II	$23.200,000	(two-thirds)	
Private Resources and Loan Phases I and II	11,800,000	(one-third)	
Total cost of Project	$35,000,000		
Children's Hospital National Medical Center Experimental Project Total Cost Estimate			$70,459,933
Method of Funding			
Phase I - Cost $44,884,933			
Grant - P.L. 90-457	$13,399,574		
Grant - P.L. 93-50	12,000,000		
Federal Loan - P.L. 90-457	13,399,579		
Fund Drive	6,085,780	$44,884,933	
Phase II - Cost $25,575,000			
Grant Request in HEW Supplemental 1975	21,575,000		
Federal Loan (from existing programs)	4,000,000	25,575,000	$70,459,933
Financial Summary			
Grants Phases I and II	$46,974,579	(two-thirds)	
Private Resources and loans Phases I and II	23,485,354	(one-third)	
	$70,459,933		

acr

AMERICAN COLLEGE OF RADIOLOGY: 20 NORTH WACKER DRIVE CHICAGO, ILLINOIS 60606 (312) 236-4963
WASHINGTON OFFICE: 6900 WISCONSIN AVENUE CHEVY CHASE, MARYLAND 20015 (301) 654-6900

Jill

August 27, 1975

Guy Newell, M. D.
Deputy Director
National Cancer Institute
National Institutes of Health
Bethesda, Maryland 20014

Dear Doctor Newell:

Thank you very much for the opportunity of sitting down and discussing with you the many ramifications of radiology's involvement in the current and future status of NCI.

Your guidance and wisdom is greatly valued, for it aids in the eventual opening of doors with chiefs of various divisions. This "entrance" is extremely important and necessary for the accomplishment of future activities.

Your advice in handling the Breast Conference grant is most appreciated. We have, with all the grace we can, withdrawn the application. There are many opportunities of involvement between Cancer Control and the College which can enhance the NCI, as well as, the private sector. Therefore, the grant will not be pursued any further.

Your wisdom and forsight demonstrates your genuine interested in doing something for the American patient for whom we all serve.

I look forward to every future meeting we have and hope that there will be many. Please do not hesitate to call me to make any arrangements, as I also will be calling you.

With the kindest of personal regards.

Sincerely,

William K. Melton
Deputy Executive Director

WKM:dc

AMERICAN COLLEGE OF RADIOLOGY

6900 WISCONSIN AVENUE

CHEVY CHASE, MARYLAND 20015

Theodore C. Marrs
Special Assistant to the President
The White House
Washington, D.C. 20500

JM
GL file

THE WHITE HOUSE

WASHINGTON

September 3, 1975

MEMORANDUM FOR: TED MARRS

FROM: JACK MARSH

The President saw and appreciated the incoming letter, together with your memo, in reference to Children's Hospital and the concentrated Care Center at Georgetown.

MEMORANDUM

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE
Public Health Service
Shiprock Service Unit

DATE: 9-4-75

TO : All Physicians

FROM : SUD-Shiprock Service Unit

SUBJECT: Nursing Shortage

Due to the acute shortage of nursing personnel, we will not admit any elective patients for the coming two weeks.

Luverne A. Husen, M.D.
Service Unit Director
Shiprock Service Unit

14 Revell Street
Annapolis, Maryland 21401
November 20, 1975

Sylvia Rhodes
Acting Chief of Nursing
Indian Health Service

Dear Ms. Rhodes,

I am in receipt of your letter of November 4, 1975, in which you again refuse to refer my application for employment to Shiprock Hospital. Since you still fail to give any reasons for this refusal I must necessarily consider your action prejudicial, discriminatory and a violation of my civil rights.

You may not be aware that in my previous employment at Shiprock I received excellent ratings from Mrs. Beverly Smith, Director of Nursing and Dr. Luvern Husen, Service Unit Director. A copy of these ratings is available if you desire them. Further, as a result of my ability and professionalism I was promoted to Head Nurse, Pediatric Ward, at Shiprock. I would also like to point out that Dr. Emery Johnson, Director, Indian Health Service, wrote to Congressman Edward Mezvinsky on October 28, 1975, saying that the Indian Health Service is in need of good registered nurses and that I could reapply for employment without prejudice.

You may not be aware that the Service Unit Director, as recently as September, found it necessary to publish a memo addressed to all physicians in Shiprock Hospital concerning the acute shortage of nursing personnel at the hospital. A copy of that memo is attached for your information.

My application for employment at Shiprock Hospital is herewith resubmitted for the third time.

Sincerely yours,

Sandra J Kramer

Sandra J. Kramer

File

THE WHITE HOUSE

WASHINGTON

September 12, 1975

MEMORANDUM FOR: RON KIENLEN

FROM: JUDY JOHNSTON

SUBJECT: Emergency Medical Services Week Proclamation

Attached is a request from the American Association of Trauma Specialists urging the President to issue a proclamation designating the week of November 3 as Emergency Medical Services Week. The proclamation was issued last year.

Could you please give me your recommendations on issuing such a proclamation.

cc: Sarah Massengale
Ted Marrs

Thx Judy Johnston

American Association
of
Trauma Specialists
180 N. LaSalle St.
Suite 2201
Chicago, ILLinois 60601
(312) 782-7372

September 9, 1975

The Honorable Gerald R. Ford
President of the United States
The White House
1600 Pennsylvania Avenue N. W.
Washington, D. C. 20500

Dear Mr. President,

The concern of the Congress in passing the Emergency Medical Services Systems Act of 1973 and the efforts of the Departments of Transportation and Health, Education, & Welfare have done much to improve the level of emergency medical care in these United States.

On November 5, 1974 you kindly issued a proclamation designating the week of November 3, 1974 as Emergency Medical Services Week. We would like once again to prevail upon your good services and ask that you issue a similar proclamation for the week of November 2, 1975. We have asked the co-operation of the Governors of all fifty states and the Virgin Islands, and the mayors of the fifty largest cities to issue similar proclamations. Several have agreed to do so, and we would be pleased to have this become an annual event.

We have reviewed the proclamation you issued in 1974 and ask that you include an additional paragraph similar to the following:

> "As a tribute to those engaged in Emergency Medical Services, and to inform our citizens of their contributions to the nation's health and welfare, I, Gerald R. Ford, President of the United States of America, therefore proclaim the week of November 2, 1975 as Emergency Medical Services Week."

Your kind considerations in the past have given much needed support for our profession. We would be pleased to participate or co-operate in any ceremonies honoring our profession. We would also appreciate any credit given to our Association in connection with the issuance of a proclamation, and would like to receive copies of the proclamation and of any photographs taken at ceremonies in connection with Emergency Medical Services Week.

Sincerely,

Michael E. Hochfelder
President Pro Tem

meh/bs

September 22, 1975

Dear Pete:

Please ask your medical people to review and see if this has any potential exhibit value.

Thank you.

Sincerely,

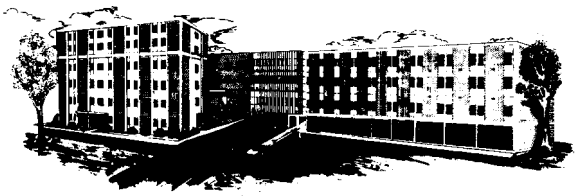
Theodore C. Marrs
Special Assistant to the President

General Duwart L. Crow
Associate Deputy Administrator
NASA Headquarters
400 Maryland Avenue, SW.
Washington, D.C. 20546

Enclosure

TCM:pft

JACKSON
HOSPITAL
AND CLINIC INCORPORATED
1235 FOREST AVENUE MONTGOMERY, ALABAMA 36106



DOUGLAS GOODE, ADMINISTRATOR

August 1, 1975

Dr. Ted Marrs
Special Assistant to the President on Human Resources
The White House
Washington 25, D. C.

Dear Ted,

Please note from the enclosures, (1) A study by Dr. Burt Edelson of Comsat- a suggested outline of an international Tele-Health Communications network with projected costs for a year's operation linking Auburn and the Medical University of South Carolina with Costa Rica, Iran, Egypt, South Africa and Queen Charlotte Islands, B.C. Canada.

(2) a letter endorsing our project by the Secretary-General of Habitat (United Nations Conference on Human Settlements, Vancouver 1976).

Vince Moseley reports that the Lister Hill Center of the National Library of Medicine in Bethesda has also endorsed our project and suggests that Dr. Kenneth Endicott, director of the Health Resources Administration has funds available that might be applied to such an undertaking. A Dr. Herbert Tahl is the liason person between the Lister Hill group and Dr. Ken Endicott's Health Resources Administration.

Since you manage so well the implantation of projects, I hope that the foregoing information may be useful in bringing together leaders in these different agencies, that might resolve our funding problems.

We look upon the Habitat Conference on Human Settlements of the United Nations as an ideal opportunity to initiate a permanent operational Tele-Health network before 5,000 delegates from the worldwide membership of the United Nations.

The Comsat budget is slightly less than $500,000, noting that some of the costs are necessarily estimates at this time. The cost estimates on earth stations at the various sites have not been included, nor has the cost of peripheral communications equipment and medical instrumentation been estimated. A reasonable guesstimate of $250,000 per installation to include personnel for a year's operation is probably conservative.

In order to establish a definitive budget, our preliminary proposal requested $50,000 for a feasability study. There is some urgency now to take action if we are to complete the study in time to marshal the forces necessary to have our project ready for the May 1976 deadline of the Vancouver Habitat Conference.

Please call me for any additional information. All or any of us will be available to meet with you whenever necessary.

Respectfully yours,

Hugh MacGuire, M.D.

Habitat

United Nations Conference on Human Settlements
Conférence des Nations Unies sur les établissements humains
Vancouver 1976

SO-147/1

Enrique Peñalosa
Secretary-General/Secrétaire général

24 July 1975

Dear Dr. McGuire:

I would like to say how extremely pleased I am at your plan for an international tele-health programme tied to the Habitat Conference. Although actual installation of the facility will be up to the host country authorities, I feel certain they will agree with me that this is an extremely useful example of international co-operation which is closely related to a central goal of the Conference. That is, to bring modern services to rural settlements, with medical care and training at the very top of the list.

Budgetary restrictions as well as general policy for conference secretariats make it impossible for this organization to offer you direct financial support. However, we feel that the tele-health project closely parallels the interests of at least three UN specialized agencies -- World Health, FAO and UNESCO -- and your proposal has been sent to appropriate divisions of each. I also think the project should be worth support from private foundations and industries, and perhaps governments as well.

A central goal of Habitat is to show practical examples of how problems of human settlements -- in villages as well as major cities -- can be solved through new ideas and techniques. But more than that, we feel that successful "pilot projects" must be followed by broad and permanent implementation. As I have heard of pilot projects before on satellite health transmissions, I hope you are including in your project provisions for the mounting of a permanent system.

Yours sincerely,

Dr. Hugh McGuire
International Tele-Health Planning Group
112 Coliseum Boulevard
Montgomery, Alabama 36109

485 Lexington Avenue, New York, N.Y. 10017 (212) 754-1234
Cable: UNATIONS Telex: 236185

COMMUNICATIONS SATELLITE CORPORATION

B. I. EDELSON
Director
Comsat Laboratories

July 10, 1975

Dr. Chester C. Carroll
Vice President for Research
Auburn University
Auburn, Alabama 36830

Dear Dr. Carroll:

The attached study describes an international communications network for medical and health services that might be established to serve five countries using voice grade circuits in the INTELSAT system. We have tried to give an example of how this might be accomplished using a reasonable mix of satellite services and terrestrial extensions. We have also attempted to estimate the operating cost for establishing a system, plus two options: one for the use of a small earth terminal, and another for possible provision of television services. I hope you find this study of interest.

Please understand that the attached study is for "planning purposes only." It does not in any way represent a commitment on the part of the Communications Satellite Corporation to provide the services described. The cost estimates are based upon our knowledge of U.S. charges. Foreign charges which are not well established will be different and probably considerably higher.

It was very nice meeting with you. Please give our regards to your colleagues.

Sincerely,

B. I. Edelson

Attachment

cc: W. M. McCord, M.D.
V. Moseley, M.D.
H. C. MacGuire, M.D.✓

COMSAT LABORATORIES • BOX 115 • CLARKSBURG, MD. 20734 • TELEPHONE 301–428–4422

INTERNATIONAL MEDICAL AND HEALTH SERVICES NETWORK

Prepared for

Medical University of South Carolina

by

Communications Satellite Corporation

July 1975

INTERNATIONAL MEDICAL AND HEALTH SERVICES NETWORK

I. INTRODUCTION

THis plan was prepared by COMSAT as a result of a request by the Medical University of South Carolina for information on the feasibility of an international communications network via satellite for the transfer and exchange of information on medicine and health care delivery.

The plan describes a baseline network which utilizes the space segment of INTELSAT plus existing earth stations in several countries connected to medical centers by terrestrial interconnections. The baseline network provides voice-band communications. In addition, the plan includes some technical and cost information on two options: the use of small, customer-premises earth stations, and the provision of television service.

II. BACKGROUND

Previous experience has indicated that useful medical services can be provided with voice-grade circuits, a good example being the COMSAT-HOPE experiment held in 1973. In that case, a small terminal using a 2.4 meter (8-ft) reflector was placed on the hospital ship HOPE, which was anchored in the port of Maceio, Brazil.

The object of this experiment was to evaluate the use of the satellite link in support of a complete teaching and operating medical facility located in a remote area and equipped with only a low-cost unsophisticated earth terminal. The satellite link between the ship and project HOPE headquarters is shown in Figure 1.

The three voice grade circuits were used to transmit voice, full-duplex teletype, facsimile, data, and slow-scan television pictures. All of these modes were used in various combinations for the individual experiments and demonstrations with excellent results.

Teletype was used in a full-duplex mode to support the administrative needs of the hospital, which were supplied from HOPE headquarters. The voice link was used to permit the physicians serving on the HOPE to consult with colleagues and experts in the U.S. Facsimile was especially useful for transmitting medical information and sketches of dental restoration work, for instance.

Slow-scan television was used in a variety of ways. The system allowed a picture to be "frozen," i.e., put on a local memory, and then transmitted to the distant television monitor in 30 seconds. A "live" scan of a stationary subject could be transmitted in 60 seconds to provide a picture with higher resolution on the receive monitor.

During the five months of the experiment a number of interesting demonstrations were made to evaluate the combined modes

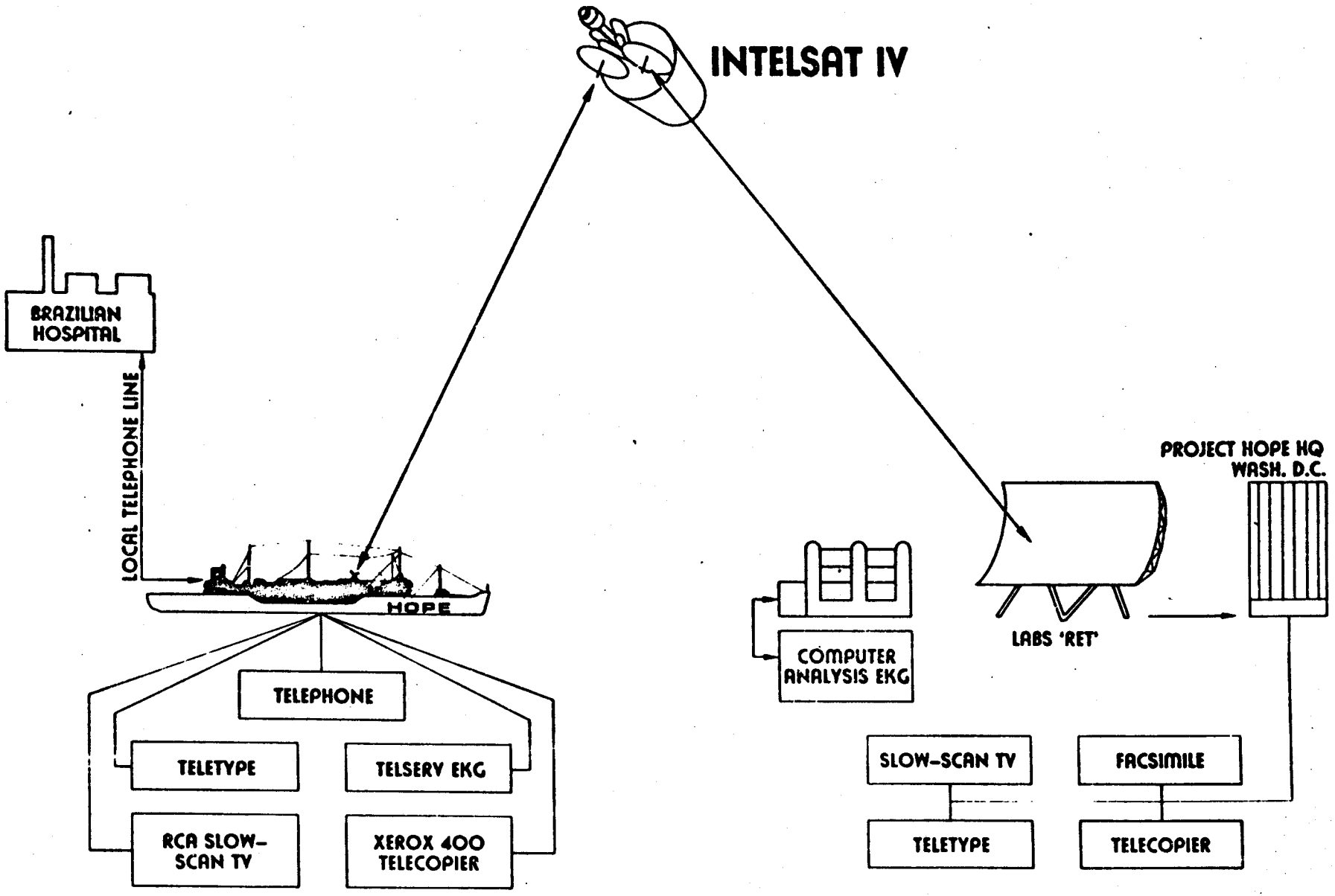

INTELSAT IV
BRAZILIAN HOSPITAL
LOCAL TELEPHONE LINE
HOPE
TELEPHONE
TELETYPE
TELSERV EKG
RCA SLOW-SCAN TV
XEROX 400 TELECOPIER
COMPUTER ANALYSIS EKG
LABS 'RET'
PROJECT HOPE HQ WASH. D.C.
SLOW-SCAN TV
FACSIMILE
TELETYPE
TELECOPIER

Figure 1.

of communications in support of a remote medical facility. Medical consultations were held by sending the patient's medical history and medication and treatment records in advance by teletype and facsimile. The condition of the patient was monitored during the consultation session either by having the patient present, or by taking polaroid pictures of the patient and sending these via slow-scan television. Other information transmitted included X-rays and a blood sample on a microscope slide. The latter was accomplished by replacing the microscope eyepiece with the television camera.

A lecture on tropical diseases was delivered via satellite by a Brazilian specialist aboard the HOPE to physicians at the Mayo clinic in Rochester, Minnesota. For this lecture, 35-mm color slides were sent by mail to Rochester to be projected on cue from the lecturer in Brazil. Otherwise, the lecture was live, and 2-way voice was available for questions. This mode of operation was found to be very effective.

It should be noted that all of the above was accomplished by using only three voice channels. As will be shown later, the cost of satellite service depends on the channel capacity required, and voice channels require signficantly less satellite resources than full-quality television. However, the carriers for the experiment used about 25 percent of the available capacity of one global-beam transponder of the INTELSAT satellite due to the small size of the HOPE antenna. An INTELSAT IV transponder has an annual rental cost of about $3 million.

III. A PROPOSED BASELINE MEDICAL NETWORK

The baseline network is designed to provide inter-connections between the Medical University of South Carolina and five remote hospitals. This network, to consist of leased voice circuits, could provide voice, analog and digital data (24–9600 bps), facsimile, and slow-scan television to be used for the exchange of medical information, diagnosis, and evaluation.

The center of the network would be the Medical University of South Carolina, which would be connected to the INTELSAT system (Etam, West Virginia) via land line. Satellite communications could be provided to the following locations:

a. a hospital in Costa Rica via the Nicaraguan earth station,

b. a hospital in South Africa via their earth station near Pretoria,

c. a hospital in Iran via their earth station in Asadabad, and

d. a hospital in Egypt via their non-standard earth station* near Cairo.

In addition, terrestrial interconnections could be provided to the following:

a. a hospital on Queen Charlotte Island, Canada; and

b. other universities and medical centers in the U.S.

*Egypt has announced plans to build a standard earth station in 1976.

Figure 2 indicates the network which has been envisioned. The communications capability required to support this network will be uncertain until the system begins to function effectively. The network capability is indicated in Table 1.

Table 1. Network Capability

Link	Capability
From the Medical University of South Carolina	1 duplex voice circuit to each of the five hospitals
From the individual hospitals	1 duplex voice circuit to the Medical University of South Carolina

A. COSTS

The costs associated with this communications network have been estimated on the basis of available information and should be considered to be at best an approximation. The costs indicated here are only those associated with the long-haul communications services and exclude termination costs (probably minor) and local terminal equipment costs (probably significant).

1. U.S. Extension Costs

For these costs an AT&T rate of $2.63/mile/month or $31.56/mile/year was used.

AN INTERNATIONAL COMMUNICATION NETWORK FOR THE
MEDICAL UNIVERSITY OF SOUTH CAROLINA

- using THE INTELSAT SYSTEM
and LANDLINES

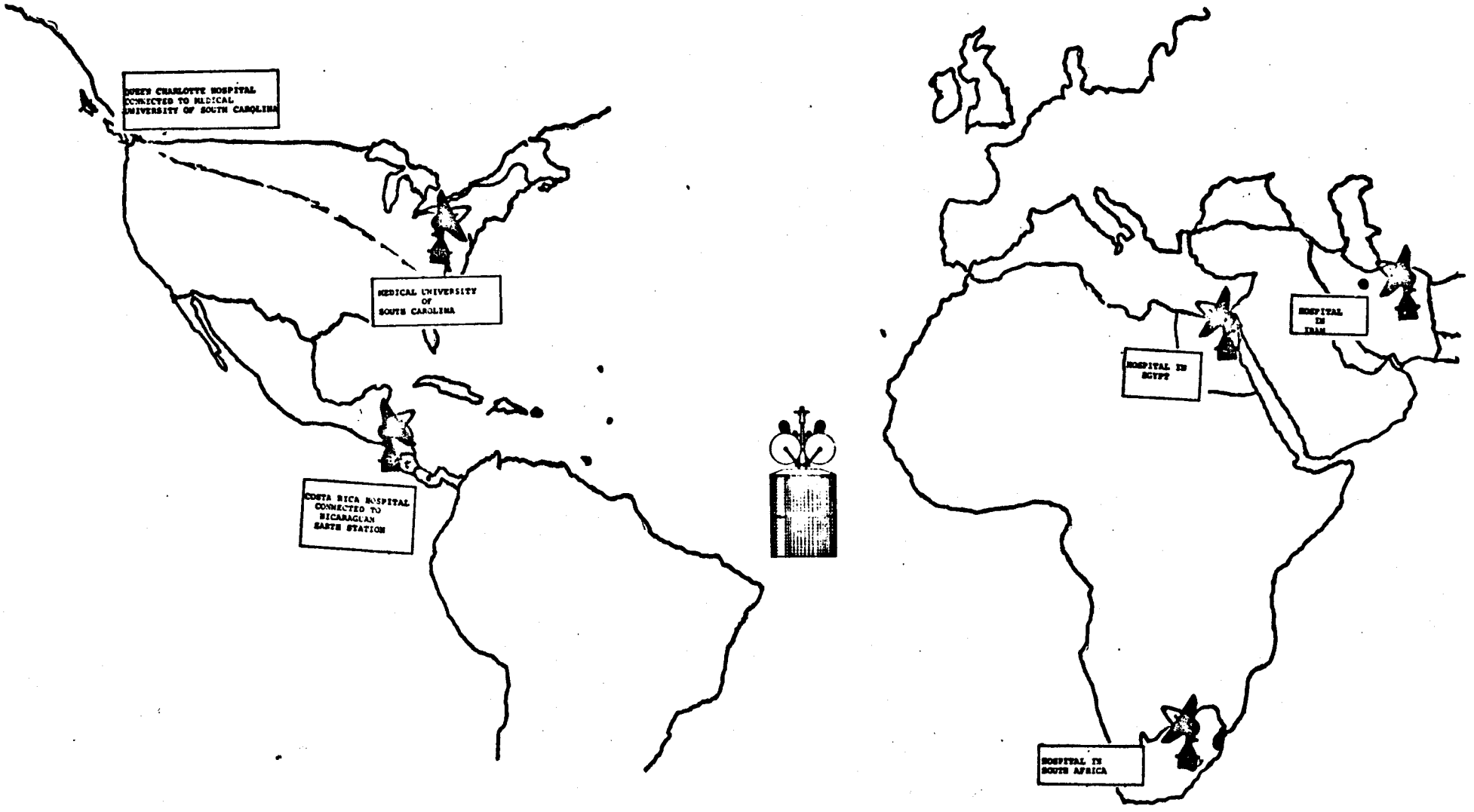


Figure 2.

2. Foreign Extension Costs

Since exact costs will vary from country to country, the U.S. costs cited above have been used throughout for foreign estimates.

3. U.S. Satellite Service

A current COMSAT tariff applicable to common carriers in the Atlantic area, $34,200 per half-circuit per year, has been used.

4. Foreign Satellite Service

The costs of foreign satellite service are generally different from (higher than) the costs of U.S. service. However, for estimation purposes the U.S. costs have been used throughout. The costs charged by INTELSAT for the space segment are a part of the satellite service costs. These space segment costs are presently $18,000 per year. The remainder of the costs are earth station and international common carrier costs, which are $16,200 for the U.S., but may vary for other countries.

Table 2 is an estimate of the annual communications costs of a baseline system. A single time-shared circuit between South Carolina and the other satellite-linked countries would reduce the U.S. satellite and extension costs by $154,650, and result in a network total of $256,150.

Table 2. Annual Communications Costs for a Baseline System

Paths from the Medical University of South Carolina (to and from)	Annual Leased Costs
A hospital in Iran (near Teheran)	
Iranian satellite link*	$34,200
Iranian extension to Teheran (300 miles)	9,500
U.S. satellite link	34,200
U.S. extension (550 miles)	17,350
	$95,250
A hospital in South Africa (near Pretoria)	
South African satellite link*	$34,200
South African extension (50 miles)	1,600
U.S. satellite link	34,200
U.S. extension	17,350
	$87,350
A hospital in Egypt (near Cairo)	
Egyptian satellite link*	$34,200
Egyptian extension (100 miles)	3,150
U.S. satellite link	34,200
U.S. extension	17,350
	$88,900
A hospital in Costa Rica	
Nicaraguan satellite link*	$34,200
Costa Rican extension (225 miles)	7,100
U.S. satellite link	34,200
U.S. extension	17,350
	$92,850
A hospital on Queen Charlotte Island	
U.S. land lines to Vancouver using special "lo" rate (2,575 miles across the U.S.)	$27,500
Canadian land lines	18,950
	$46,450
TOTAL:	$410,800

*The term "link" indicates the half satellite circuit end terminating in Iran or other country. A current COMSAT tariff has been used to estimate rates. Foreign rates will differ, and may be considerably higher.

IV. SMALL TERMINAL FOR MEDICAL COMMUNICATIONS

A. OPTION 1

A small terminal for use with an INTELSAT IV satellite can be placed virtually anywhere on the user's premises. Such a terminal in the U.S. is subject to FCC regulations regarding operation and possibly interference considerations. Similar internal governmental regulations will apply to earth stations located in other countries. However, in the past clearances and permits have been obtained in virtually all cases.

The standard earth stations within the INTELSAT system are required to have a figure of merit of G/T = 41 dB/K. Such a station would have an antenna with a diameter between 85 and 100 ft. Smaller antennas with a figure of merit less than 41 dB/K are permitted to operate within the INTELSAT system; however, the charges for the space segment, i.e., the use of the satellite, incur a penalty for the smaller G/T figure.

A small terminal to operate in the INTELSAT system might have a G/T of 31 dB/K. Such a terminal will have an antenna with a diameter of 32 ft and a parametric amplifier with a noise temperature of 55 K. The following is a description and cost estimate for this type of terminal, which is assumed to be installed at the Medical University of South Carolina.

The station equipment and its associated cost are shown in Table 3. The price of the antenna includes a step track system

that automatically tracks the satellite. A licensed operator must be in attendance to operate the station.

Table 3. Small Terminal Cost Estimate

10-m-diameter antenna (RSI)	$90,000
Receiver (55-K paramp)	25,000
50-W transmitter and driver	12,000
Up/down-conversion, cabling	10,000
FM modulator/demodulator (1 channel)	2,000
Station test equipment	10,000
Baseband interface including echo suppressors	2,000
Frequency clearance, site preparation, installation of power, and operating space in a suitable building to be supplied by the builder	6,000
TOTAL:	$157,000

The station described in Table 3 can operate with a standard INTELSAT station or with one or more similar stations in a small terminal network. The space segment rate adjustment factor for such a small station is 2.5; i.e., INTELSAT's charges are 2.5 times the rate applicable to a standard station.

To develop some tentative cost estimates for a system with one small earth terminal located, for example, at the Medical University of South Carolina, the following cost considerations should be included.

Assume the amortization of the earth station cost of Table 2 over 5 years at 6-percent interest. This would yield a

yearly earth station cost of about $37,000. For a station to handle more than one channel, a multiplex unit (MUX) would be required. The cost of this unit is estimated as $2,500 per channel per year.

An accurate estimate of the cost of the space segment for a small station is not possible. However, on the basis of the INTELSAT space segment charge of $18,000 for a standard station link times the 2.5 small terminal penalty, the small station space segment cost per link is $45,000 per year. With these estimates, the cost of option 1 using one small terminal in the U.S. is $427,600, as shown in Table 4. This cost does not include the operation of the small station. In addition, it should be noted that the above network would have one circuit between the Medical University of South Carolina and each of four other hospitals, but would not have circuits linking the hospitals to each other.

B. Option 2

If television is desired, the costs increase considerably. If it is assumed that the small terminal has a television transmit and receive capability, the additional earth station costs listed in Table 5 will be applicable.

Table 4. Annual Costs of Option 1, One Small Terminal

Paths from the Medical University of South Carolina (to and from)	Annual Leased Costs
A hospital in Iran	
Iranian satellite link	$34,200
Iranian extension	9,500
U.S. satellite link	47,500
	$90,200
A hospital in South Africa	
South African satellite link	$34,200
South African extension	1,600
U.S. satellite link	47,500
	$82,300
A hospital in Costa Rica	
Costa Rican satellite link	$34,200
Costa Rican extension	7,100
U.S. satellite link	47,500
	$87,800
A hospital in Egypt	
Egyptian satellite link	$34,200
Egyptian extension	3,100
U.S. satellite link	47,500
	$83,800
Small earth station in North Carolina	$37,000
A hospital on Queen Charlotte Island	
U.S. land lines	$27,500
Canadian land lines	19,000
	$46,500
TOTAL:	$427,600

Table 5. Additional Costs of Small Terminal for Option 2, Television

High-power transmitter	$60,000
TV picture up-link equipment	52,000
TV picture down-link equipment	52,000
Miscellaneous waveguide parts and cooling	6,000
Transmitter shelter with air conditioning	6,000
TOTAL:	$176,000

The television studio must be within a relatively short distance of the earth station for cable connection; otherwise, a terrestrial microwave link must be included in the station. Power requirements for the full TV transmit station are 3 kW. The resulting TV picture quality is about 49-dB S/N, which is quite good, but not of standard broadcast quality.

The television link would occupy almost the entire transponder in an INTELSAT satellite so that the space segment charges would increase accordingly. As mentioned earlier, an INTELSAT IV transponder has an annual leased cost of $3 million.

The cost estimates for the television channel for the small terminal are given here primarily to obtain an indication of their magnitude. The number of stations with television capability and network arrangements would have to be considered in some detail if this mode of transmission were desired.

V. SUMMARY

A proposed baseline network with two options has been presented for planning purposes. A 5-station satellite network has been described, with one station (Queen Charlotte Island) connected via terrestrial lines. This network should provide an estimate of the basic costs associated with the establishment of a communications system for providing international health care and tele-medicine service. Since there are no existing international tele-medicine networks available for comparison, care should be exercised in extrapolating from the cost estimates proposed in this study to actual operational networking costs.

October 6, 1975

Dear Dr. Toomey:

It was a pleasure to talk with you and I shall look forward to seeing you when you are next in this area. We are sorry the President could not go to Boston for the meeting.

As we discussed, two proclamations are enclosed. Thank you for your thoughtful consideration.

Sincerely,

Theodore C. Marrs
Special Assistant to the President

Edward G. Toomey, M.D.
Concord Medical Center
Old Road to Nine Acre Corner
Concord, Massachusetts 01742

Enclosure

pft

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Concord Medical Center
Old Road to Nine Acre Corner
Concord, Massachusetts 01742

Enclosure

pft

October 6, 1975

Dear Marge:

For your information, I agree with the nice things.

Sincerely,

Theodore C. Marrs
Special Assistant to the President

Ms. Marjorie Lynch
Deputy Administrator
American Revolution Bicentennial Administration
2401 E Street, NW.
Washington, D.C. 20276

pft

WHD008 WAG165(1437)(2-028756E275)PD 10/02/75 1437
ICS IPMRNCZ CSP
2062846474 TDRN SEATTLE WA 69 10-02 0237P EST
PMS DR THEODORE MARRS, SPECIAL ASSISTANT TO THE PRESIDENT, DLR
103 OLD EXECUTIVE OFFICE BLDG
WASHINGTON DC
AT THE SUGGESTION OF JACK A. MACDONALD WE ARE SENDING YOU THIS TELEGRAM TO LET YOU KNOW THAT THE MEMBERS OF THE WASHINGTON STATE HEALTH FACILITIES ASSOCIATION REPRESENTING 22,000 LONG TERM CARE BEDS IN THIS STATE ENDORSE AND SUPPORT THE NOMINATION OF MARJORIE LYNCH FOR THE POSITION OF UNDERSECRETARY OF HEALTH EDUCATION AND WELFARE. HER ADMINISTRATIVE ABILITY COMBINED WITH CONCERN FOR PEOPLE MAKE HER AN EXCELLENT CHOICE
GEORGE A FORSYTH EXECUTIVE DIRECTOR WASHINGTON STATE HEALTH FACILITIES ASSN
NNNN

Fr: Marge Lynch - (Ltr)

To: [illegible]

For your information & agree with the rest things — Sincerely —

TCM

Keep pink Cy. here

OCT 8 1975

Ms. Barbara Adams
Member, Eastern Pennsylvania
Comprehensive Health Planning Board
Technical Assistance Office
Schuylkill County Court House
Pottsville, Pennsylvania 17901

Dear Ms. Adams:

Thank you for your letter of September 16 addressed to Dr. Theodore C. Marrs, Special Assistant to the President, in which you express your view regarding the placement of Schuylkill County with the northeastern counties making up Pennsylvania Health Service Area 3, designated by the Department as requested by Governor Shapp.

The designated area was found to meet the requirements of the National Health Planning and Resources Development Act of 1974 (P.L. 93-641) as proposed. Governor Shapp's plan did alter the service areas of existing 314(b) Comprehensive Health Planning Agencies in this and other instances. However, the Department found that a public process of hearings were conducted by the Governor's designated officials in the development of the Pennsylvania health service area plan and discussions around this issue were considered.

All health service areas designated have been officially announced through the publication of the September 2 Federal Register notice. Please be assured that the Department will, as required by the Act, examine the experience of the future designated Health Systems Agency in serving their designated area. Should an area prove not to present a viable and reasonable service area, the Governor or Health Systems Agency, with the Department, may consider the re-designation of the area boundaries.

I trust that your valued volunteer services will be available in the structuring of an agency that would most successfully serve

Area 3 in providing sound health planning and resource development for its residents.

Your continued interest willl be most appreciated.

Sincerely,

/s/ Kenneth Baum

for Eugene J. Rubel
Acting Director

cc: HRA Official
ES/PHS
ES/HRA
Reading Board
Ms. Morrill
Mr. Theodore C. Marrs
BHPRD:MLMORRILL:ear:10/7/75

DEPARTMENT OF
HEALTH, EDUCATION, AND WELFARE
OFFICE OF THE SECRETARY
EXECUTIVE SECRETARIAT

TO: ASH

SUBJECT: WHITE HOUSE REFERRALS
ASSIGNED FOR DIRECT REPLY

BE SURE TO SEND THE WHITE HOUSE A COPY OF YOUR RESPONSE WITH THE ORIGINAL INCOMING DOCUMENT.

THE WHITE HOUSE HAS MADE US AWARE THAT THEY ARE NOT RECEIVING COPIES OF THIS DEPARTMENT'S DIRECT-REPLY RESPONSES TO THEIR REFERRALS.

THE WHITE HOUSE

WASHINGTON

September 22, 1975

MEMORANDUM FOR

SECRETARY, HEALTH, EDUCATION, AND WELFARE

Please respond directly with copy for our files.

Thank you.

Theodore C. Marrs
Special Assistant to the President

Enclosure

7509243112

TRACER 3/07

SCHUYLKILL COUNTY
TECHNICAL ASSISTANCE OFFICE
SCHUYLKILL COUNTY COURT HOUSE
POTTSVILLE, PA. 17901

AREA CODE 717
622-5570
EXT. 301
OR 622-6695

JAMES R. KEENAN
DIRECTOR

September 16, 1975

Dr. Theodore C. Marrs
Special Assistant to the President
Executive Office Building
Washington, D.C.

Dear Dr. Marrs:

Thank you for having sent the pictures of President Ford to members of the Railroad Task Force for Northeast Region, Inc. John Cosgrove delivered them to us last week while we were in Washington to testify on the United States Railway Association Final System Plan. Will you also accept my personal, and belated, appreciation for a most informative and delightful meeting July 22nd with the Task Force Officers.

Like you, sir, I have responsibilities whose relationships are not always clear. Aside from my railroad work, I sit as a member of the Eastern Pennsylvania Comprehensive Health Planning Board with a committee assignment on the Project Review Committee. Schuylkill County has spent the past 2½ years in the Eastern Pennsylvania Comprehensive Health Planning Board area, has habits of health consumption concurrent with this area, and thus desires to continue health planning with an agency whose procedures are developed and operational. Unfortunately, and for no apparent reason, Schuylkill County has been transferred to the Northeastern Pennsylvania region where, among other drawbacks, there is no consensus about the appropriate agency to form the Health Systems Agency.

I am approaching you on this matter because of the frustration deriving from the "shuttlecock" method of regional designation responsibility. As the attached correspondence indicates, the Federal government claims this decision must be appealed through the Governor's Office; the state maintains the matter is now one for the Secretary of HEW. While adroit, neither answer is addressing the health planning considerations involved.

Any assistance you might provide in assisting Schuylkill County in its attempt to remain with the Eastern Pennsylvania Comprehensive Health Planning Board will be deeply appreciated. Thank you very much for your attention.

Sincerely,

Barbara Adams

Barbara Adams
Member

EASTERN PENNSYLVANIA
COMPREHENSIVE HEALTH PLANNING BOARD

BA:mas

Enclosures

cc: Mr. Peter Whittier
Senator Hugh Scott
Senator Richard Schweiker
Congressman Gus Yatron
Chris Owens
Leonard Bachman

November 28, 1975

MEMORANDUM FOR

THE SECRETARY OF STATE

SUBJECT: International Blood Donors Exchanges

It is my understanding that you have been contacted by Senator John G. Tower on this matter. I would appreciate a copy of your reply to him and any additional comments which will enable us to be most responsive to Senator Tower's interest.

Thank you.

Theodore C. Marrs
Special Assistant to the President

Attachment

TCM/vhs

BCC: John Vickerman

the
Bennett Group/
Health Services
407 N Street, S.W.
Washington, D.C. 20024
202/484-3344

March 25, 1976

Honorable Theodore C. Marrs
Special Assistant to the President
Old Executive Office Building - Room 103
The White House
Washington, D. C. 20500

Dear Ted:

This may seem like a lot of background about the final Medicaid Home Health Regulations presently awaiting the Secretary's signature, but I will try to highlight those areas germaine to the proprietary issue. We could fill volumes about the need for home health agencies, the cost effectiveness, and the numbers of needy recipients not being served. For right now, though, I'll just give you the most recent history and the rather inconclusive arguments that certain members of Congress are foisting on the Secretary.

1. SRS/MSA developed several drafts of the regulations over the past two years. There has been only one Medicaid regulation (Section 249.10) on home health (copy attached) since passage of the law. Since 1965, there has been only a Policy Information Memo issued to the states (copy attached), which cannot even be called a guideline, since it is marked "For Internal Use Only" and, therefore, carries no weight.

2. On June 9, 1975, SSA issued proposed regs, under mandate from the Federal Courts, (finalized December 4, 1975) to allow non-profit agencies to subcontract for services with proprietary agencies. Otherwise, proprietaries can participate in Medicare only in those fifteen states that license home health agencies. Why all states don't license is beyond me.

3. On July 2, 1975, Secretary Weinberger sent his 1975 Medicare proposals to Congress in letter form (copy attached). These included a statutory change to include proprietaries, but were never put into bill form.

4. On August 8, 1975, Secretary Weinberger signed the proposed Medicaid regs and they were published in the Federal Register on August 21.

5. Some time after the publication, two eager Congressional Committee staff members decided, on their own, that the new regs were a "change in HEW policy", which is a Congressional prerogative.

6. On October 28, a joint hearing was held by the Senate Special Committee on Aging, Subcommittee on Long Term Care and the House Select Committee on Aging, Subcommittee on Health of the Elderly and Long Term Care. The issues were aired. (MSA Commissioner Dr. M. Keith Weikel's remarks are enclosed.)

7. On November 17, Commissioner Weikel called a meeting of all interested parties (Congress, non-profit home health association, state Medicaid directors, and proprietary home health agencies) to further discuss the proposed regs. MSA revised the proposed regs as a result of a number of suggestions put forth at the meeting.

8. On December 12, Senator Moss and Congressman Pepper sent a letter to the Secretary opposing the regs (copy attached).

The facts are clear to us, Ted, that the Secretary has all of the authority needed to issue these regs (see Intent of Congress in original Social Security Amendments). It was not, and never has been, Federal policy to keep out proprietaries.

In addition, the Moss/Pepper letter stated that the "regs would have a deleterious effect on the quality" if proprietaries were to be included as providers. In fact, testimony by the National Association of Home Health Agencies on February 24 before the Pepper Committee stated that there

was no difference in the quality of care provided whether for-profit or not-for-profit.

Statements of this type seem emotional, and not based on fact. The facts are that home health has not been a viable mode of health delivery, yet it offers one of the most viable means of keeping the patient in the appropriate setting while saving untold dollars of government money. There are 30,000 home health personnel in the currently certified 2,209 home health agencies. One of the proprietaries has 52,000; another proprietary has over 30,000. This manpower resource would be injected into the Medicaid program with no injection of federal funds for training and startup.

SRS and the Assistant Secretary for Health, Dr. Cooper, are 100% behind the regs. We feel the Secretary needs some re-assurance, and your ideas on this subject could be most helpful. We have additional figures on the unmet need, studies concluding that proprietaries are necessary, favorable comments on the proposed regs and client kudos, if you need them.

Best regards,

Berkeley

Berkeley V. Bennett
President

BVB:sg
Attachments: (1) Alabama & Washington Participation
(2) Medicare Regulations
(3) Policy Memo
(4) Secretary Weinberger's Medicare Proposal
(5) Proposed Regulations
(6) Dr. Weikel's Comments
(7) Moss/Pepper Letter
(8) Intent of Statute
(9) Chart of Medicaid Expenditures

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE
SOCIAL SECURITY ADMINISTRATION
BALTIMORE, MARYLAND 21235

May 5 1976

REFER TO:
IMI-411

OFFICE OF THE COMMISSIONER

Honorable Bob Dole
United States Senate
Washington, D.C. 20510

Dear Senator Dole:

In your letter of January 12, 1976, you raised the point of whether administrative action might better serve to make recommended changes in the Medicare program than legislative action. The delay in our response was occasioned by our desire to determine the most current status of several projects we are undertaking which impact on areas under consideration for legislative action. We understand that of the four recommendations cited in your letter, only the fourth item concerning data processing is still contained in the proposed legislation. However, we have reviewed all four proposals and thought you might be interested in our thoughts with respect to each of the concepts outlined in the enclosure to your letter.

1. Single agent for carrier and intermediary responsibilities. The separation of the administrative structure for Part A and Part B was dictated by the characteristics of the original statutory provisions and, to some extent, was an accident of legislative history. Under section 1816 of the act, providers of services for Part A (hospitals, skilled nursing facilities, and home health agencies) are permitted to nominate the intermediary they wish to deal with subject to the Secretary's approval whereas the Part B carriers are selected by the Secretary. Some long term economies would be effected by providing for a single Part A/Part B contractor agent but the transition to such an arrangement could cause serious operational problems.

Legislation would be required to effect a shift to the single agent concept because of the authority in present law given to the Part A providers to nominate their own intermediaries. We are not prepared at this time to recommend legislation to change the nomination procedure, but we are considering various approaches to how the Secretary, through legislation, could be authorized to select intermediaries.

2. Realignment of Part A and Part B geographic areas. As a general premise, we would agree to the need for some consolidation of contractor territory and reduction from the 125 contractors that we have now. To carry out such a consolidation, we think it would be necessary to give the Secretary authority to select intermediaries which, as indicated above, would require legislation.

With respect to the possible advantages of utilizing regional data processing centers, we have moved forward in exploring this alternative. A request for proposal (RFP) was issued in late fall and a review of the bids submitted by consultant firms is in process. We are hopeful that the results of this study can be used as a determining factor in our decisions on the merits of this approach.

3. Establishment of an objective and competitive process for the selection of carriers and intermediaries. There is a need, which we are addressing, to formulate standards of performance which would spell out minimum acceptable levels of performance. When complete, such comparative standards could form part of the base for an objective selection process for carriers and intermediaries.

We have been utilizing a number of measures, indicators, and reports which get at the quality and efficiency of a contractor's operation. The measurements have been primarily historical data and are detailed with respect to administrative cost experience, claims processing activity, audit activity, etc. We are achieving significant progress in developing these measures into "pass or fail" standards for minimum levels of performance. For the most critical factors in Part B of the program, we hope to have measurements in place within the next year or so. Part A would be implemented shortly thereafter. As a result of recommendations by the HEW Advisory Committee, we will shortly be contracting with a consultant firm for assistance in order to accelerate the work on performance standards.

It would be necessary to revise the existing Medicare statute to permit us to select contractors on a competitive fixed price contract basis because existing law specifies reimbursement of contractors' administrative expenses on a reasonable cost basis. We do have authority under present law to experiment with the letting of a fixed price contract on a competitive basis and will plan to do so if an existing carrier either leaves the program or has his territory reduced.

4. Determination of proper site for data processing activities. There has been much concern expressed with respect to the electronic data processing (EDP) activities of Medicare contractors, primarily in Part B of Medicare. In early years, significant problems were encountered by a number of carriers in handling their EDP workloads, and some carriers subcontracted the EDP services in order to operate more effectively.

Although only a single company offered data processing services originally, there are several companies in the Medicare field presently. As the original subcontracts expire, we are requiring the carriers to follow competitive processes in order to enter into new subcontracts. We are also sharpening our procurement procedures with the aim of creating an environment for more competition in the private sector.

There is a trend by many of our carriers to shift back from subcontracted EDP to in-house operations. Our basic position has been that a contractor has the right to change from a subcontract arrangement to an in-house operation, if the move "in-house" is more economical than the prior subcontract arrangement. The Bureau of Health Insurance reviews these decisions to move in-house to assure that the cost analysis is sound and I think they should continue to do so.

In conclusion, I hope we have been responsive to your concerns and if there is any additional information that you would like, let us know.

Sincerely yours,

James B. Cardwell
Commissioner of Social Security

cc:
Mr. Theodore Marrs
Mr. George Kelley
Regional Representative, HI, Kansas City