

COUNCIL OF TEACHING HOSPITALS
ASSOCIATION OF AMERICAN MEDICAL COLLEGES
1346 Connecticut Avenue, N.W.
Washington, D.C. 20036
202/223-5364

AGENDA

EXECUTIVE COMMITTEE MEETING (#68-4)
Thursday and Friday, September 5 & 6, 1968
Mayflower Hotel
1127 Connecticut Avenue, N.W.
Washington, D.C. 20036
202/347-3000

Thursday, September 5, 1968:

6:30 p.m.	Reception	New York Suite (2nd floor)
7:00 p.m.	1. Dinner Meeting 2. Presentation:	New York Suite
	William H. Stewart, M.D. ^a Richard M. Magraw, M.D. ^b	
10:00 p.m.	Recess	

Friday, September 6, 1968:

9:00 a.m.	Reconvene - Roll Call	Pennsylvania Suite (2nd floor)
	3. Approval of Minutes, Executive Committee Meeting #68-3, May 9 & 10, 1968	<u>Tab 1</u>
	4. Report on Action Items from Executive Committee Meeting #68-3	<u>Tab 2 - 2b</u>
	5. Report on COTH Financial Status	<u>Tab 3</u>
	6. Formal Recording Action for New Member Elected by Mail Ballot: Nassau Hospital, Mineola, New York	<u>Tab 4</u>
	7. New Applications for Membership	<u>Tab 5</u>
	A. Nominated by a Dean: University Hospital, State University of New York at Stony Brook	
	B. Self-nomination on the Basis of Approved Educational Programs:	
	1) Harrisburg Polyclinic Hospital, Harrisburg, Pennsylvania	
	2) Children's Hospital & Adult Medical Center of San Francisco, California	
	8. Withdrawals from Membership	<u>Tab 6</u>

a - Surgeon General, Public Health Service, Department HEW

b - Deputy Assistant Secretary for Health Manpower, Department HEW

9. Report of Membership Statistics (including foregoing applicants) Tab 7
10. Report of Committees:
- A. Ad Hoc Committee on COTH Program Development:
- 1) Minutes of July 29, 1968, Meeting Tab 8a
- 2) American Hospital Association Projected Dues Increase Structure Tab 8b
- 3) Proposed Revised Rules & Regulations Tab 8c
- B. Committee on Modernization & Construction - Funds for Teaching Hospitals:
- 1) Minutes, June 28, 1968, Meeting Tab 9a
- 2) Recommended Position Statement Tab 9b
- 3) COTH-AAMC Statement before National Advisory Commission on Health Facilities Tab 9c
- C. Committee on Financial Principles for Teaching Hospitals:
- 1) Minutes of June 6, 1968, Meeting Tab 10a
- 2) Recommended Position Statement Tab 10b
- 3) Two Systems of Reimbursement for Hospitals (91 Hospitals have Clinical Research Centers) Tab 10c
- D. Regional Meetings:
- 1) Minutes (note schedule of 68-69 meetings) Tab 11a
- 2) AAMC Ad Hoc Committee Tab 11b
- E. Committee on Nominations:
- 1) List of Current Membership Tab 12a
- 2) List of Positions to be Filled Tab 12b
- 3) List of Previous Office-Holders (COTH) Tab 12c
11. COTH Participation in House Staff IRS Problem
- A. Report of Cooperation with NARI
- B. Action Possibility Concerning Section 117, IRS Code Tab 13
12. Status Report on Contracts:
- A. Feasibility Study for Teaching Hospital Information Center:
- 1) Curriculum Vitae, Richard Knapp, Ph.D. Tab 14a
- 2) Quarterly Report Tab 14b
- B. Study of the Effects of Recent Social Legislation on Teaching Hospitals
13. Commission Studies:
- A. Information:
- 1) Millis Commission Report - AHA Evaluation Tab 15a
- 2) National Advisory Commission on Health Manpower - AHA Evaluation Tab 15b
- 3) Statement by Carnegie Commission on Higher Education, July 1968 - Any Action? Tab 15c
- B. Information - Other Commission Studies
- 1) National Conference on Medical Costs
- 2) National Conference on Private Health Insurance
- 3) National Conference on the Group Practice of Medicine
- 4) National Conference on Cost of Health Facilities
- 5) National Advisory Commission on Health Facilities

AGENDA

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| 14. Medicare Reimbursement for Medical Faculty Rendering Services | <u>Tab 16</u> |
| 15. Teaching Hospitals - Financial Support for the Medically Indigent | <u>Tab 17</u> |
| 16. Current Status of Program for Annual Meeting | <u>Tab 18</u> |
| 17. Annual COTH Awards | |
| A. List of Recipients Last Year | <u>Tab 19a</u> |
| B. Suggested Recipients this Year | <u>Tab 19b</u> |
| 18. Change of Name: Association of Hospital Directors of Medical Education to Association for Hospital Education | |
| 19. Search for AAMC Space, Consolidation of Washington & Evanston Locations; and Report of Current Additional Space in Dupont Circle Building | <u>Tab 20</u> |
| 20. DHEW Advisory Committee on Grants Administration Policy: Concern Relating to Multiple Payments for Residency Support | <u>Tab 21</u> |
| 21. Meeting with and Request from Bureau of Health Insurance, Social Security Administration, HEW | <u>Tab 22</u> |
| 22. Informational Items: | |
| A. August 5th Memorandum to COTH Committee on Modernization & Construction Funds | <u>Tab 23</u> |
| B. Council of Academic Societies Workshop | <u>Tab 24</u> |
| C. Workshop on Medical School Curriculum | <u>Tab 25</u> |
| D. Meetings with Various University Teaching Hospital Groups | |
| E. Second General Conference of Pan American Federation of Associations of Medical Schools | <u>Tab 26</u> |
| F. LeRoy E. Bates, M.D. - Change of Address | <u>Tab 27</u> |
| G. Prototype Pages of 1968-69 COTH Directory | <u>Tab 28</u> |
| H. House & Senate Report on DHEW Appropriations | <u>FOLDER</u> |
| I. House & Senate Report on Health Manpower Act of 1968 | <u>FOLDER</u> |
| J. House & Senate Report on Health Services Amendments of 1968 | <u>FOLDER</u> |
| K. P.L. 90-490, Health Manpower Act of 1968 | <u>FOLDER</u> |
| 23. Future Meeting Dates | <u>Tab 29</u> |
| 24. Other Old Business | |
| 25. New Business | |

4:00 p.m. Adjournment

Coffee and rolls will be served on Friday morning in the Pennsylvania Suite

Lunch will be served at 12:30 p.m. on Friday in the New York Suite

COUNCIL OF TEACHING HOSPITALS
ASSOCIATION OF AMERICAN MEDICAL COLLEGES
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MINUTES

EXECUTIVE COMMITTEE MEETING (#68-3)
Hotel Dupont Plaza
1500 New Hampshire Avenue, N.W.
Washington, D.C. 20006
Thursday & Friday, May 9 & 10, 1968

Present:

Lad F. Grapski, Chairman
LeRoy S. Rambeck, Chairman-Elect
Stanley A. Ferguson, Immediate Past Chairman
Leonard W. Cronkhite, Jr., M.D., Member
Charles R. Goulet, Member
LeRoy E. Bates, M.D., Member **
Charles H. Frenzel, Member
T. Stewart Hamilton, M.D., Member (COTH Member, AAMC Executive Council)
Dan J. Macer, Member
Lester E. Richwagen, Member
Richard D. Wittrup, Member
Harold H. Hixson, Member, Ex Officio Member (COTH Member, AAMC Executive Council)
Joseph H. McNinch, M.D., AHA Representative
Robert Q. Marston, M.D. *
Michael H. Anderson, Director, Public Relations, AAMC **
Thomas J. Campbell, Assistant Director, Division of Operational Studies, AAMC **
William G. Reidy, Editor, The Bulletin, AAMC **
Matthew F. McNulty, Jr., Director, COTH
Grace W. Beirne, Staff Assistant, COTH
Fletcher H. Bingham, Ph.D., Assistant Director, COTH
Elizabeth A. Burgoyne, Secretary to Director, COTH

Absent:

Ernest N. Boettcher, M.D., Member
Russell A. Nelson, M.D., Ex Officio Member (COTH Member, AAMC Executive Council)

I. Call to Order:

The meeting was called to order at 8:15 p.m. by Chairman Grapski. Attendance was taken as noted above.

* Attended Thursday evening only

** Attended Friday only

II. Presentation:

Robert Q. Marston, M.D., Administrator, Health Services and Mental Health Administration and Director, Division of Regional Medical Programs, NIH, presented comments on the reorganization of HEW and the possible contributions of teaching hospitals to HEW's activities. His presentation was followed by a question and discussion session.

III. Recess:

Following Doctor Marston's presentation, Mr. Grapski thanked him on the Committee's behalf. After having moved the Friday morning meeting to 9:00 a.m., the meeting was adjourned at 9:45 p.m.

IV. Reconvene -- Roll Call of the Committee:

The meeting reconvened at 9:15 a.m., and roll call was taken as previously noted.

V. Approval of Minutes -- Executive Committee Meeting #68-2, January 11-12, 1968:

ACTION #1

ON MOTION, SECONDED AND CARRIED, THE EXECUTIVE COMMITTEE APPROVED THE MINUTES OF THE JANUARY 11 & 12, 1968, MEETING AS PRESENTED

VI. Report on Action Items from Executive Committee Meeting of January 11-12, 1968:

A. Action #3:

Mr. McNulty reported that he had discussed the question of admitting osteopathic hospitals with Robert C. Berson, M.D., Executive Director, AAMC, and that Dr. Berson has arranged to meet with Mr. Lawrence Mills of the American Osteopathic Association to discuss the matter. Mr. McNulty indicated that the question is still pending since the AAMC has not yet taken a definite stand and any positive action would necessitate revision of the Rules and Regulations.

B. Action #4:

Mr. McNulty reported that concern over the Federal "fund freeze" has been expressed at the Federal level, most effectively through the AAMC testimony

to the House Appropriations Subcommittee for Departments Labor-HEW. He noted that the AAMC Committee on Federal Health Programs continues to emphasize this concern.

C. Action #5:

Dr. Bingham reported that Mr. Karol has formed a committee to study the implementation of the guidelines established in the "Guide for Hospitals", on which COTH is very well represented. This Committee met once, and a subcommittee was formed to develop an implementation report. Depreciation, interest, bad debts, and gain or loss on sale of equipment have not been discussed. However, it was recommended that the guidelines be retroactive to June 30, 1967. Mr. Goulet noted that with the current budget situation there are no more Federal funds available, and that the guidelines are not being implemented and not being followed by any governmental agency. He added that the reorganization of HEW has impeded the Committee's activities.

D. Action #6:

Mr. McNulty reported that liaison with the AHA continues good as represented by the active participation of Robert C. Linde on the Committee on Financial Principles for Teaching Hospitals and the meeting of AHA-COTH Presidential Officers, as well as other communication channels.

Mr. Rambeck reported that the meeting of Edwin L. Crosby, M.D.; David B. Wilson, M.D.; Lad F. Grapski; Matthew F. McNulty, Jr.; and himself went very well, with Dr. Crosby being interested in the relationship as having much potential with hard work from both sides. Mr. Grapski noted that it was the most successful meeting in three years; and since the Presidential Officers seemed interested in continuing to meet, the COTH-AHA Liaison Committee would become temporarily inactive.

E. Action #7:

Mr. McNulty briefly called attention to the item, noting that the Nominating Committee will meet during the Annual Meeting to present its recommendations to the AAMC Executive Council.

F. Action #8:

Mr. McNulty called the Committee's attention to the signed contract with the Department HEW for the feasibility study of a teaching hospital information center. He indicated that Thomas McCarthy, Ph.D., would be Project Officer and that COTH has narrowed its recruitment efforts for Project Director down to three people. He commented that the PHS had made the initial contact with regard to the study. Mr. Rambeck noted that the contract was quite significant in light of Dr. Paul Sanazaro's new position. With regard to the proposed HEW-COTH study of the effects of Titles 18 and 19 and other social legislation on teaching hospital patient population, Mr. McNulty reported that the contract is still being negotiated since HEW has appended several other tasks to the original concept. The prognosis, however, is good and several capable people have been interviewed to man the study. Much of the decision rests with Dr. Shannon, Director of NIH, who wants to use the study results to determine if NIH should continue traineeships and fellowships. Many members strongly emphasized the need to avoid making value judgments on behalf of HEW and to avoid any possible conflict of interest between pure research and any government objective. Mr. Grapski requested that these minutes reflect Mr. Richwagens' comment that the contract efforts represented a great deal of work on the part of the COTH staff and others.

ACTION #2

CHAIRMAN GRAPSKI EXPRESSED AGAIN THE COMMITTEE'S UNANIMOUS ENDORSEMENT OF THE CONTRACT NEGOTIATIONS BETWEEN COTH AND HEW AND ITS CONGRATULATIONS TO THE STAFF ON ITS EFFORTS.

G. Action #10:

Mr. McNulty reported that staff presented the proposed AAMC reorganization chart in lieu of a draft of proposed revisions of the Rules and Regulations because any change would depend upon the fate of the reorganization plans.

Mr. Hixson reported that at the AAMC Executive Council Meeting of March 28-29, the main concern was the participation of the CAS and the solving of any hurt feelings among the CAS members. He and Mr. McNulty noted that the question of who will have power is causing some concern. They both reviewed the proposed structure as outlined in the chart, which is attached as a permanent part of these minutes.

Discussion then arose concerning the discrepancy between CAS and COTH representation on the proposed new Executive Council. Present plans provide for the Chairman of CAS plus three and the Chairman of COTH plus two sitting on the Council. General discussion was to the effect that some statement of concern be made to the Executive Council about increasing the COTH representation to four persons for reasons of full representation and attendance. After careful consideration concerning proper wording, the following motion was made and acted upon:

ACTION #3

MR. RICHWAGEN MOVED THAT THE EXECUTIVE COMMITTEE GO ON RECORD IN SUPPORT OF AAMC REORGANIZATION AS OUTLINED IN THE CHART REVISED AS OF MARCH 29, 1968; AND THAT THE COTH MEMBERS ON THE PRESENT EXECUTIVE COUNCIL REQUEST CONSIDERATION OF AN INCREASE FROM 3 TO 4 COTH REPRESENTATIVES ON THE PROPOSED COUNCIL; AND THAT SUCH REPRESENTATION BE MADE BY COTH MEMBERS AT THE MAY 21 EXECUTIVE COUNCIL MEETING AND PRESSED WITHIN THE LIMITS OF THEIR JUDGMENT AS THE PROCESS DEVELOPS THAT EVENING. THE MOTION WAS SECONDED BY MR. MACER AND CARRIED UNANIMOUSLY.

Dr. Hamilton inquired why AHA was not included in the Federation for Health Education section of the chart. Mr. McNulty said that the invitation list was evolved outside the AAMC, but that AUPHA had been asked and had agreed by a vote of the membership to participate, yet was also not on the list. He requested Dr. McNinch to pursue the question within AHA.

H. Action #11:

Mr. McNulty, in carrying out his charge to summarize current and anticipated program activity and attached budget needs, presented a chart of COTH present and hoped for activity with an explanation of what exists and what would exist. That chart is presented as a permanent part of the minutes in lieu of Mr. McNulty's verbal explanation since it will present a more lucid description of that summary. He noted that currently COTH is working at 30-40 percent of possible program activity.

Some of his main points were:

1. the need of formal legal advice -- \$10,000
2. international teaching hospital activity, an area in which the staff could be creative, perhaps getting AID funds for program support
3. consultation demands -- need for an individual to respond to the increasing demands of "won't you come?"
4. possibility of an executive development fellowship program to evolve a talent pool in the field, perhaps using the ACE program as a model
5. a two-person Division of Membership Services; Division of Education, Research and Development; with subdivisions for handling meetings and resources information center with data accumulation capabilities all desirable activities within COTH's identity.

Mr. Ferguson stressed the need for great thoughtfulness in obtaining soft money and how to build in objectivity, especially since dependency on such funds will increase as COTH grows. Several members noted that the development of general information on which decisions are made is not necessarily a conflict of interest as long as membership services are kept distinct from research activities.

Mr. Rambeck urged the need for timing in that the Council has developed alot of momentum that should not stop, but that the momentum not conflict with AHA. There was subsequent general discussion of the problems associated with soft-money financing in the sense noted above.

Dr. Bates questioned that stress on such overall national activities might lead to overlooking the improvement of the end product. General agreement, however, was that improvement of the delivery of health care was an implicit goal in all COTH activities. Mr. Rambeck noted the importance of being certain that the Executive Committee and staff are not getting too far ahead of the membership's interests and desires. Mr. Wittrup said he did not know what more could be done to keep members informed. It was agreed that the mass of information is appreciated, but that there are several segments in a hospital that never see it.

Mr. McNulty observed that in fulfilling the charge, he did not want to be seen as pushing for an increase. He noted that financial increase could come from enlarged membership, such as more municipal or Veterans Administration hospitals.

Mr. Macer noted that he was not speaking for the Veterans Administration, but as a point of clarification pointed out the delegation of authority to the VA Hospital Director to determine membership in the Association. He pointed out, however, that when General Accounting notes an item as large as \$30-35 thousand being paid to a national association such as the AHA or AAMC (COTH) that it naturally caused questions that the Administrator of Veterans Affairs must seek to answer. He is sure that it is in this light that questions of the Administrator and discussion have taken place.

ACTION #4

ON MOTION (WITTRUP), SECONDED (BATES) AND CARRIED, THE EXECUTIVE COMMITTEE APPROVED THE CREATION OF A COMMITTEE TO REVIEW COTH PROGRAMS, CURRENT AND PROJECTED, AND ACCOMPANYING BUDGET IN ORDER TO EVOLVE A RECOMMENDATION FOR ACTION. CHAIRMAN GRAPSKI APPOINTED DR. CRONKHITE CHAIRMAN OF THIS COMMITTEE.

VII. Status Report on Membership:

Mr. McNulty called the Committee's attention to the information evidence in the

agenda, noting particularly the fact that 73 percent of total filled internships in the United States are in COTH member hospitals.

VIII. New Members Elected by Mail Ballot:

Scott and White Memorial Hospital, Temple, Texas; Nussa Municipal Hospital, San Juan, Puerto Rico; Grasslands Hospital, Valhalla, New York; Wilford Hall USAF Base Hospital, Lackland AFB, San Antonio, Texas; Veterans Administration Hospital, Providence, Rhode Island; University of Arizona Hospital, Tucson, Arizona, are those hospitals which have been elected to membership by mail ballot since the January Executive Committee Meeting.

ACTION #5

CHAIRMAN GRAPSKI REQUESTED THAT THE MINUTES REFLECT THAT THE MAIL BALLOT RESULT WAS REPORTED TO AND APPROVED BY THE EXECUTIVE COMMITTEE.

IX. New Application for Membership:

Mr. McNulty voiced the staff recommendation for approval of the Schwab Rehabilitation Hospital.

ACTION #6

MR. WITTRUP MOVED FOR APPROVAL OF THE APPLICATION FOR MEMBERSHIP OF THE SCHWAB REHABILITATION HOSPITAL, CHICAGO, ILLINOIS. MR. RAMBECK SECONDED THE MOTION, WHICH WAS APPROVED UNANIMOUSLY.

X. Other Membership Possibilities:

Mr. McNulty called attention to the lists of potentially eligible hospitals under present rules and regulations and under relaxed rules and regulations. Discussion was concentrated on those hospitals meeting present standards of membership eligibility. Mr. Grapski said that action was necessary since prior Committee action had authorized no follow-up to those who had declined a previous invitation to membership. It was brought up by several members that, pending any action on increasing dues, it would be precipitous to issue an invitation now and then raise the dues. Dr. Hamilton noted that many on the list would benefit from membership.

MOTION #7

MR. FERGUSON MOVED THAT THE COTH STAFF ISSUE MEMBERSHIP INVITATIONS TO THOSE HOSPITALS ON THE LIST HAVING THREE (3) OF THE FIVE (5) REQUIRED RESIDENCIES AND INTERNSHIP PROGRAMS AFTER THE 1968 AAMC ANNUAL MEETING. THE MOTION WAS SECONDED AND CARRIED UNANIMOUSLY.

XI. Inquiry into Possibility for Membership -- Postgraduate Medical Institute:

Mr. McNulty said this item was more pertinent to the revision of the rules and regulations since it exists as another type or category of membership.

XII. Luncheon:

At 12:30 p.m. a break was taken for an informal luncheon, after which the Executive Committee went into Executive Session.

XIII. Summary of Discussion of Executive Session:

It was noted that the Executive Committee was: (1) most pleased with the excellent performance of the duties and responsibilities of the Executive Director of the COTH, namely, Matthew F. McNulty, Jr. -- as well as his staff; (2) would encourage Matthew F. McNulty, Jr., to continue with the AAMC in his present capacity to permit the COTH to continue to grow rapidly and intelligently under his leadership, as well as to implement new programs of the COTH (to be financed by the membership); and (3) requested the Chairman, Mr. Grapski, to inform Drs. Berson and Parks of this statement.

(Submitted and Signed)
Lad F. Grapski, Chairman

XIV. Progress Report on Contracts:

Chairman Grapski noted that this subject had been covered in prior discussion.

XV. Report of Committees:

A. Committee on Modernization and Construction Funds for Teaching Hospitals:

Mr. Frenzel reported that this committee's two major concerns currently are the White Paper on modernization needs and the informal contact with members of the National Advisory Commission on Health Facilities. He also noted

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that a follow-up questionnaire on expansion needs had been prepared and is being pre-tested by Committee members at their institutions. Mr. McNulty added that since the January meeting, Dr. Appel has been more effectively contacted and that Dr. Kissick has recently visited the COTH offices to discuss several areas of mutual interest. He said the White Paper has been reviewed by several people and he hoped for Committee approval.

Mr. McNulty also noted the Modernization Committee's concern that the AHA definition of a teaching hospital would create difficulties. In response to Mr. Goulet's question as to what had been done about the word change suggested at the last Executive Committee meeting, Mr. McNulty said that at the meeting of the COTH-AHA Presidential Officers, the feeling of Drs. Wilson and Crosby was that it would be better to wait and see some "for instances" of problems. Although specific changes in wording were not brought up, the AHA officers said it is a statement of policy.

In general discussion, Mr. Goulet noted that many hospitals in Chicago do not agree with the study of the Chicago Metropolitan Hospital Council cited in the White Paper. Mr. Ferguson suggested expansion of the title of the Paper to "...Expectations for Service and Excellence..." Dr. Hamilton further suggested that "patient care" be included in the title. The subjects of borrowing to pay for cost of servicing debts and the AHA's urging of the loan route versus the grant route were discussed briefly.

B. Committee on Financial Principles for Teaching Hospitals:

Mr. Goulet called the Committee's attention to the minutes of the meeting of January 25, 1968, particularly the discussion of overhead for training grants and actions on page 4 and the draft statement of financial principles prepared by the Subcommittee. He suggested that any comments on or suggestions for the draft be sent to himself or Mr. McNulty prior to the June 6 meeting of the Committee on Financial Principles and defer Executive

Committee action until the draft has been approved by the Committee on Financial Principles.

Mr. McNulty recommended Dr. Sweeney's (Francis J. Sweeney, Jr., M.D., Hospital Director, Jefferson Medical College Hospital, Philadelphia, Pennsylvania) addition as mutually beneficial since the Committee is comprised of the medical centers in the AAMC-HEW study and Jefferson Medical College is the only study participant whose hospital is not represented on the Committee on Financial Principles.

ACTION #8

MR. GRAPSKI AUTHORIZED THE INVITATION OF FRANCIS J. SWEENEY, JR., M.D., OF THE JEFFERSON MEDICAL COLLEGE HOSPITAL TO JOIN THE COTH COMMITTEE ON FINANCIAL PRINCIPLES FOR TEACHING HOSPITALS.

ACTION #9

MR. GRAPSKI AUTHORIZED REVISION OF THE MINUTES OF THE FINANCIAL PRINCIPLES COMMITTEE MEETING OF 1/25/68 TO INCLUDE ARTHUR J. KLIPPEN, M.D., IN THE LIST OF THOSE PRESENT.

Mr. Goulet called the Committee's attention to a letter from Nathaniel H. Karol to Thomas J. Campbell clearing up the purposes of the 7-medical center cost allocation study. Mr. Campbell reported that 5 of the 7 should have data in by the end of May. Collection of data at Michigan and NYU involves the size problem. A report is scheduled for the study sponsors by October, after having gone through the Steering Committee. In response to questioning, Mr. Campbell noted that the report will present 7 different techniques for cost allocation and not one system upon which HEW would evolve a system for pro-rating costs. Mr. Campbell observed that a clear statement of purpose can be found in paragraph 2 of the Karol letter and that if there is a better way to show the Federal government the medical center costs, the government would be willing to change. In summary, Mr. Goulet said that the study can best be defined as an attempt

to change cost accounting approach from one of dealing with specific grants and objects to one of programmatic cost finding.

Mr. McNulty called attention to the HEW Release on Regional Conferences on Health Care Costs as an informational item. These conferences are invitational and Mr. McNulty urged all who could to attend since they could be forums for productive discussions. Members backed up the need for sincere participation by COTH members.

C. AAMC-COTH Committee on Federal Health Programs, and Federal Health Legislation:

Mr. McNulty commented that earlier discussion had covered this topic, but reiterated the excellent rapport that now exists which will be helpful in the long run when funds become more readily available. Miss Beirne noted that the Kennedy legislation will probably go nowhere at the moment. Mr. McNulty commented parenthetically that the NAS Board on Medicine could develop into a National Academy of Medicine and that he has informally suggested a National Academy of Health Services Administration as a policy forum of sorts. Senator Kennedy's recommendation is compatible with this concept.

D. COTH-AHA Presidential Officers Meeting:

This subject was covered in earlier discussion.

XVI. AHA Statement on Financial Requirements of Health Care Institutions and Services:

Dr. McNinch reported having heard minimal objections to the statement which eliminates depreciation. He noted that one advantage over Medicare is that it speaks in terms of current prices as opposed to historical depreciation.

Mr. Goulet and Mr. Wittrup said the AHA statement is consistent with the COTH position in terms of the concept that every program should generate its portion of operating and capital needs.

XVII. Correspondence from Committee of Interns and Residents of the New York Municipal Hospitals of the City of New York:

Dr. Hamilton reported that a committee had been formed at the AAMC Executive Council meeting of March 28 and 29 consisting of John Deitrick, M.D., Eben Alexander, M.D. and T. Stewart Hamilton, M.D., and had met on Friday, May 3, in New York City. The discussion at that meeting was to the effect that house staff are M.D.'s and while education is offered, service must take priority; that Medicare, third-party payment plans, etc. are leading to the increased demands of interns; that house staff should probably be considered hospital employees during preliminary discussion; that the tremendous gap between senior residents' pay and junior faculty members' pay should be avoided and salaries scaled down; that there should be a study in depth of the current system of graduate medical; and that while it is difficult to separate education from service, it seems that most of the house staff considers it is doing a service. Mr. McNulty commented that action is necessary, but with the number of diverse viewpoints any recommendation might be challenged.

XVIII. Annual Meeting -- 1968:

Mr. McNulty stressed the fact that this year's COTH program content would be Friday and Saturday afternoons as opposed to Saturday and Sunday and called for suggestions from members. Among the suggestions were institutionalizing medical practice; the degree of social, community responsibility the university and the hospital can be expected to engage in; the changing of "merger" to "consolidate" in the suggested program since it's a more appropriate description of the process; how to take a hospital's ability and translate it into the community for care of the poor with practicable options; what should health-care leaders be doing about cost and hospital effectiveness; and the potentially detrimental

fragmentation of educational programs. Chairman Grapski urged all members to write to Mr. McNulty with their suggestions for topics and speakers and reminded them that they need to be in Houston by noon on Thursday, October 31, 1968.

XIX. Position Statement by Association of Hospital Directors of Medical Education:

Mr. McNulty noted that this group still seems to be in a kind of limbo concerning how to develop an identity. General discussion was to the effect that their interest in the AAMC is appreciated but that their most effective participation would be having their hospitals join COTH.

XX. Resignation of Lee Powers, M.D., and Successor:

Informational copy. Dr. Powers has resigned and the search for his successor has been narrowed down to two very competent candidates.

XXI. Commemorative Resolution -- A.J. "Gus" Carroll:

ACTION #10 CHAIRMAN GRAPSKI APPROVED THE RESOLUTION AS PRESENTED AND INSTRUCTED THE SECRETARY OF COTH TO ENDORSE THE RESOLUTION AND FORWARD IT TO MRS. CARROLL.

XXII. COTH Regional Meetings:

Mr. McNulty called attention to the agendas exhibited and noted the enthusiasm of attendees at the four regional meetings. In pointing out the action at the Southern Regional Meeting, requesting a study of house staff role and stipends, he commented that this falls in the domain of the AAMC Ad Hoc Committee on which Dr. Hamilton sits.

XXIII. COTH Permanent Membership Certificate:

Mr. McNulty said two possible certificates had been circulated to Executive Committee members and the one exhibited represented the majority approval. This certificate will be distributed upon payment of the July 1, 1968, dues invoice.

XXIV. Information Items:

- A. Report on Progress of Completion of COTH History - Mr. McNulty reported that the "history" is now being worked on by a professional writer.
- B. COTH Hospitals Participating in PAS and MAP - Mr. McNulty reported that less than 50% of COTH hospitals were participating in PAS according to data collected as of January 1, 1968.
- C. Council on Academic Societies Workshop on Graduate Education - This workshop will be held in either fall of 1968 or spring of 1969. Mr. McNulty reported that the COTH staff will continue to offer assistance in planning and development. Mr. Ferguson commented that it will be an effective launching pad for CAS.

XXV. Future Meetings of the Executive Committee:

Mr. Rambeck, Acting Chairman, authorized the COTH staff to have the schedule of meetings sent out to members for response.

XXVI. Other Business:

There was no other business.

XXVII. Adjournment:

The meeting was adjourned at 3:40 p.m. by Acting Chairman Rambeck.

Attachments: Attachment #1-AAMC Reorganization Chart
#2-Proposed Chart of Program Activities for COTH