Dr. Matthew Sentenced To 3 Years

NEW YORK, Dec. 26 (AP)—Dr. Thomas Matthew, the black self-help leader convicted of illegaly diverting Medicaid funds, was sentenced today to three years in prison.

Matthew, the founder of NEGRO — the National Economic Growth and Reconstruction Organization — had been convicted of 71 counts of grand larceny for using Medicaid funds intended for Interfaith Hospital in New York City for other projects run by his organization.

Justice Thomas Agresta, announcing the sentence, described Interfaith Hospital as "a shambles, a disgrace and not an institution where anyone should be sent for treatment."

Execution of the sentence was stayed 60 days pending appeal.

If upheld, the jail term will be Matthew's second. He went to prison in 1969 for failure to file personal tax returns on an estimated \$100,000 in income in 1961-63. He had said he used the money for "black uplift" projects.

He served 50 days of a sixmonth sentence, then was freed in January, 1970, by a presidential act of executive clemency.

Officials of federal agencies were instructed by the White House to funnel funds to Matthew's projects, according to Anthony Chase, a former deputy chief of the Small Business Administration.

The White House confirmed after Matthew's second conviction that President Nixon had hoped NEGRO would be a pilot effort in the President's campaign to further black capitalism.