

# Nixon and Congress to Clash on Hospital Act

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WASHINGTON, Feb. 16—  
The Nixon Administration has embarked on a collision course with Congressmen of both parties by seeking to end one of the most politically popular Federal programs ever voted, the Hill-Burton Act, which in 25 years has spent almost \$4-billion upgrading the nation's hospitals.

In his first term, the President tried repeatedly to drop the construction and modernization program but was beaten back by a bipartisan coalition that all but equated the Hill-Burton program with breathing and motherhood.

The challenge to extending the act three years ago was the biggest one. The House voted, 279 to 98, to override Mr. Nixon's veto, with 67 Republicans crossing party lines to vote against the President.

However, for a number of reasons, such support for Hill-Burton might not be so strong today.

## Veto Is Prepared

Even so, faced with the expiration of Hill-Burton on July 1, Congress is almost sure to extend the act, and Mr. Nixon is already laying the groundwork for a veto. For example, in a radio address recently he said in part:

"Last year we spent nearly \$200-million on the Hill-Burton program to help build more hospitals, but today the shortage of hospital beds which existed through the fifties and sixties has been more than met. And yet, the Hill-Burton program continues to pour out funds, regardless of need."

But the version as told by Congressmen, the hospital lobbying organizations and even members of Mr. Nixon's own Federal bureaucracy is different. They say the nation needs better hospitals and more beds.

## 'Too Many' Beds

Knowledgeable persons in both camps are willing to confide that the issue of whether more hospital beds are needed is not so black and white as the two sides attempt to depict it.

Dr. Edwin L. Crosby, who was executive president of the American Hospital Association, said before his death last year that "there are too many hospital beds in the country, although the association would never want me to say so publicly."

The official position of the association, which represents 7,000 health care institutions, is that there may be an excess of beds in some areas of the nation but that the Hill-Burton program should be retained to help areas in need.

A cursory reading of the publications of the Federal agency that directs Hill-Burton, the Health Facilities Planning and Construction Service, would indicate a tremendous shortage of hospital beds.

## Figures of Agency

In a report for the fiscal year 1971, for example, the service estimated that 40 per cent of the nation's non-Federal general hospitals and long-term care facilities needed to be modernized or replaced at a cost of \$12-billion.

That report said the addition or modernization was needed of no fewer than 13,390 general hospitals, long-term care facilities, outpatient clinics, public health centers and rehabilitation units having a total of 622,304 beds.

Furthermore, a news release issued by the service in 1970 stated that "the nation's health facility needs are rising rapidly."

Some experts believe such estimates should not be taken at their face value since they are being promulgated by an administrative system that seeks to maintain itself.

Dr. W. Palmer Dearing of Washington, a former Deputy Surgeon General and long-time observer of the program, said it had "become a middle-aged bureaucracy."

"I can't disagree that the

whole question of the need for the Hill-Burton program should be called into question," Dr. Dearing said.

The problem, he noted, is of semantics as well as statistics. He said precise answers were still lacking to such questions as: What is a hospital, what is its job, what is it supposed to do for a specific community, and who should run it?

"I think the real issue is who defines the need for a hospital, and what is its purpose?" he added.

As to financing, Dr. Dearing pointed out that many hospitals were going through a transition from "the traditional beneficent outfit supported by charity and angels to a business-type operation that operates in the black."

Other specialists, including Dr. Stuart H. Altman, a deputy assistant secretary of Health, Education and Welfare, have pointed out that hospitals in the affluent suburbs are both turning profits and attracting investment funds.

But many old municipal hospitals, originally created to help the poor, may be in need of modernization, they agreed.

## 'The Edifice Complex'

This is partly confirmed by a Federal survey showing that in 1968 states with relatively low populations had more modern hospital beds for each resident than the larger states with large urban areas, many poor people and, often, outmoded municipal hospital systems.

But this situation may be due in part to the original formula for Hill-Burton which favored rural areas, those in greatest need when the act was passed in 1946. The act

is named after its sponsors, former Senators Lister Hill, Democrat of Alabama, and Harold H. Burton, Republican of Ohio.

According to Dr. Dearing, other factors influencing the demand for the building of hospitals, which he termed "the edifice complex," are community pride, construction interests and companies selling hospital equipment.

A more complex reason was cited in an 855-page report issued two months ago by the General Accounting Office, the investigatory arm of Congress.

The "Study of Health Facilities Construction Costs" underscores the lack of regional planning of health facilities in many areas of the nation. It also notes that some areas have such agencies but that they lack legal authority to block more unneeded hospitals.

## Occupancy Rate Stable

After citing examples in which unneeded facilities had been built, the G.A.O. report urged that regional planning agencies be given more authority. It also noted approvingly that regional authorities in New York, Atlanta, Honolulu, Dayton, Ohio, St. Louis and San Francisco have in recent years succeeded in limiting hospitals.

This theme has been repeated frequently by high Nixon Administration officials in recent weeks, including the new Secretary of Health, Education and Welfare, Caspar W. Weinberger.

Yet yearly statistics compiled by the American Hospital Association indicate that while there has been a dip of a few percentage points in recent years, the occupancy rate of

the nation's general hospitals has remained relatively stable since the end of World War II at about 75 per cent.

Viewed another way, this means that on the average one bed out of four is unoccupied, which could be said to be a tremendous waste of capital. However, the British National Health Service, which has been frequently criticized for not having sufficient hospital beds, reports an occupancy rate of only 82 per cent in England and Wales, not greatly different from that of the United States.

## 'A Numbers Game'

"This really is a numbers game," said Dr. Altman. To get an objective view, he said, one must examine specific locations.

"For example, Long Island, Shaker Heights [Ohio] and the San Fernando Valley [California] areas have plenty of hospital beds," he continued, "but inner city areas in some places may need to modernize theirs."

Dr. Altman insisted that the Administration was right in seeking to end Hill-Burton, not necessarily because one bed out of four is unoccupied but because funds are available from other than Hill-Burton sources to modernize or replace institutions that need new facilities.

He cited Federal housing grants, the open loan market and depreciation allowances given hospitals with Medicare and Medicaid payments.

What may have been left unsaid is that the Nixon Administration, by trying to cut off Hill-Burton, is seeking to do for hospital construction what it is doing in other social areas: forcing state and local governments to handle their own problems without turning them over to the Federal Government for solution.