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# A dose of politics kills

New York News

WASHINGTON — Overriding objections from staff members of the Health, Education and Welfare Department and from local authorities, the Federal Housing Administration approved a \$62 million mortgage for a now-bankrupt Miami hospital in 1970 after the White House intervened, it was learned yesterday.

President Nixon dedicated a new multimillion dollar addition to the Cedars of Lebanon Hospital, Feb. 14,

and praised it as a model for his privately financed national health insurance plan. Kenneth R. Cole Jr., Nixon's chief domestic adviser, called the hospital the "most progressive in the country."

Today the 13-year-old hospital is in financial shambles. Its operating head, Sanford K. Bronstein, was fired March 30 amid published reports that some hospital funds went to a Bronstein-owned jewelry firm and that thousands of dollars for "consultants" were

siphoned out of the country.

The hospital owes the Internal Revenue Service more than \$800,000 in taxes, and there is little hope the \$62 million mortgage will be repaid.

There were warnings about the hospital's feasibility in 1969 from the Health Planning Council of South Florida, which noted that there already was a 1200-bed public hospital and a 800-bed Veterans Administration hospital within 500 yards of Cedars of Lebanon.

## a hospital

Wood McCue, executive director of the Council, has said the group recommended the 25-bed hospital be expanded to about 500 beds. But Bronstein sought and eventually was authorized 700 beds.

He got help from then-Rep. William C. Cramer (R-Fla.), who met with top FHA and HEW officials in March, 1969. According to a memo, Cramer said he had "discussed the matter with the President with a view towards making this a pilot

project or one of the first to be approved by mortgage insurance."

The application then had relatively smooth sailing, although one of the participants at the meeting, William Green of HEW, later recommended that the mortgage be limited to \$34.8 million after a consultant had reviewed the hospital's plans.

Green was overruled by his superiors at HEW, who hired a consultant to supersede Green's consultant.