Pondville Struggles with Basic Issues

An intricate controversy surrounding the future and possible sale of Pondville State Hospital exposes issues that may be present each time the state considers transferring a public institution to private enterprise.

The parties to the controversy are the unions and legislators, although the issue could have broad effects on patients and caregivers as well. The issues raised by the possible sale of Pondville are, will care cost more in the private sector, what will happen to the state employees, and why is the state anxious to sell?

Much of the last question is answered by a look at the numbers. Of more than 100 beds, Pondville regularly uses less than half. In fact, the daily census goes as low as 30% in some estimates, considerably less than the recommended industry minimum of 70%. A combination of fixed costs, under-utilization, and hospital charges too low to cover costs led to a $1.6 million deficit in 1978.

The problem did not develop suddenly; bed use has dropped 33% since 1972. Resulting pressure to sell has come from several sources: the Governor, the legislative Health Care Committee, and private agencies, such as the Health Planning Council of Greater Boston. Bed use has dropped, they say, because Pondville no longer occupies the unique position it once held as a cancer care unit. Greater competition from other hospitals, the stigma some people feel about entering a state hospital and the availability of third party payments (e.g. Medicare) to private hospitals have led patients elsewhere. In addition, private physicians cannot admit their own patients.

Advocates of a sale further note that state ownership hinders hiring and firing according to patient volume. The hospital has not been able to attract qualified personnel at state-set salary levels. Two studies undertaken for the state concluded that the best choice was to sell Pondville.

In accordance with those concerns, bills were drawn up last year setting certain conditions for sale of Pondville. Successful opposition immediately mounted from employee associations, patients, and advocates concerned about the loss of a much-needed and historic cancer care unit. They also wanted to know what would happen to employees and how much care would cost under non-state ownership.

This year three different bills were submitted. The Health Care Committee produced one of its own, hoping to meet the different concerns of those involved. Health Care's bill, H6462, requires the purchaser (or lessor) to maintain the cancer facility and hire all staff that wished to remain, at comparable positions. In addition, the state would retain any employee who wanted to remain in state employ. Any sale or lease of Pondville would have to be approved by the Legislature. The effect of the last requirement may be to shield the sale of public property from questionable private deals.

Supporters of the bill are leery of its chances for passage this year; union opposition continues over the cost question. In addition, Senate Ways and Means Chair Chester Atkins, at Senate budget hearings in May, intimated he might hold the bill if that would spur the Department of Public Health to develop a comprehensive state hospital plan.

A decision on the sale is anxiously awaited by several parties, not the least of which are patients and caregivers who constantly live with the uncertainty.

Also in need of a quick decision is Norwood Hospital, the most likely purchaser at this time. Close to crowding, Norwood has received a certificate of need to expand. Buying Pondville would save Norwood an estimated $40 million-plus construction of new facilities, savings it says would be reflected in a reduced cost of health care. Norwood has agreed to all the conditions of H6462, including non-profit status. Norwood has no union.

The unions feel that Pondville has not been given enough chance to increase bed usage and thus reduce per-patient cost.

Rep. Kevin Poirier of North Attleboro, spearheading a move to halt last year's Pondville bill, noted that a public relations campaign in 1976-77 had begun to increase the bed use. Simultaneously with the campaign's end, Gov. King said sell or close Pondville, and the census dropped again.

The unions are also supporting a bill, S555, that would allow private physicians to admit and care for patients there.

Poirier suggested more cost effectiveness, aggressive public relations and the physician's bill could result in better usage.

The main concern of sale opponents remains, however, a possible increase in patients' costs. An AFCSME newsletter noted that, even though most Pondville patients use third party payments, increased charges would affect the 60.2% of Pondville's patients on Medicare; Medicare only covers 80% of total costs.

A Pondville surgeon noted that costs would probably go up because there would be better care and better salaries.

Steve Lenhardt, Assistant Commissioner of DPH, disputes the "inevitable" rise in charges if Pondville should go into private hands. He said since the increased volume of both in- and out-patient use would decrease the actual cost of the care, that it would, he hopes, not lead to a significant increase in patient charges in a private setting.

Different reasons have been suggested for the state's eagerness to sell Pondville; in addition to cutting losses, the revenue could be used to build other, more needed facilities. Primarily, however, some state agencies seem to consider their role better served as a regulator than as a care provider. The decisions used to settle this controversy could well determine if and how other agencies, like the departments of Social Services, Mental Health and Public Health make the transition.

Guest Column

Whither An Energy Assistance Program?

Community Action Programs (CAPs) and other advocates of fuel assistance for the low-income and elderly are alarmed at decisions that have, and have not, been made by state and federal governments in recent weeks.

In failing to appropriate money in the FY1981 budget to continue a state energy assistance program, elected state officials showed they can consider the critical energy related problems of the poor and aged only when temperatures are cold.

Just as disillusioning is the obvious impact of special interest groups on national energy policy. Several proposed regulations severely hamper effective administration of the program at the local level. The influence of big oil companies and utilities speaks loud and clear in regulations explaining that "the State's energy program must not provide assistance for weatherization, conservation, or repairs." No matter that the intent of the Home Energy Assistance Program (HEAP) is "...to make grants to states to provide assistance to eligible households to offset the rising costs of home energy that are excessive in relation to household income." How better meet the espoused goal of offsetting rising energy costs than by making low-income and elderly households more energy efficient?

Another winter of filling oil tanks which supply inefficient burners to heat drafty apartments and homes is an intolerable prospect to consider in the opinion of many CAPs. Enabling HEAP to pay for oil burner efficiency tests, replacement of nozzles, installation of clock thermostats, and like conservation measures would reduce energy consumption and render households less vulnerable to energy cost increases.

CAPs have operated energy assistance programs for the past four winters. Now they question the wisdom of continuing in this role—of becoming the boy holding his finger in the dike. Particularly when the dike will feel increasing pressure next winter from a reservoir of additional eligible households, less available money and escalating energy costs.

Energy policy must not be dictated by short-sighted elected officials and special interest groups. Positive steps must be taken to remedy cruel inadequacies of the state and federal energy assistance programs now—next winter will be too late.

Bob King is Assistant Director of the South Middlesex Opportunity Council, Inc.

Conference Committee Wrap-up

At nearly record-breaking speed, this year's Conference Committee resolved in little over a week two major policy differences between Senate and House budgets: higher education reorganization and emergency assistance. The results have legislative observers wondering whether the top priority for this conference was prorogation rather than the issues.

The Conference Committee document shocked the advocacy community by its omission of the Senate's proposed Emergency Assistance reform. Observers speculate that EA was one of those issues ultimately sacrificed because it was seen by leadership as not sufficiently important to hold up the budget process.

Most agree that Senate Ways and Means Chair Chester Atkins is strongly committed to a return to a less restrictive and complex EA program. An effort by advocates to bring House Ways and Means Chair John Finnegan closer to Atkin's view failed.

Having expected the 1% difference between House and Senate welfare cost of living increases to be the bargaining factor, advocates expressed dismay that EA was instead "compromised out of existence." The Senate's 6% increase was kept.

A coalition of low income advocates is directing its energies behind S599, an emergency assistance bill incorporating the Senate budget language.

Whether the Conference Committee acted too hastily and privately is a major issue in the debate raging over the Conference's Higher Ed reorg report.

The outside budget sections on higher ed replace the Board of Higher Ed and the Secretary of Education with a strong central Board of Regents vested with system-wide planning, budgeting, and personnel authority. The five existing governing Boards of Trustees make way for 28 new, weaker boards, one at each university, college, and community college.

The issue for poor and working people, of course, is continuation and improvement of an affordable, accessible, diversified public education system in the state.

Debate in the next months, possibly years, is apt to center on such issues as the merits of a highly centralized system, challenged by such studies as a 1976 Carnegie Commission report; the system's vulnerability to patronage and non-academic considerations in personnel matters; its over-reliance on gubernatorial appointments (all 200 positions) and if that permits influence by special interest groups.

In spite of a process that was not only accelerated but generally closed from public scrutiny, most of the less controversial items below were resolved satisfactorily.

- Supplemental Security Income (SSI) recipients will receive food stamps as of October 1981, maintaining a Senate provision.
- The Elder Affairs Home Care Account is set at $52,250,000, halfway between Senate and House versions. An additional $2 million will be carried over this year.
- Displaced homemakers will receive the higher Senate appropriation of $75,000.
- Battered women also received the top number, $750,000.
- A DES program of education and screening was established under the Administration of Family Health Program line item.
- Strong affirmative action language pertaining to all state personnel expenditures was maintained in outside section 54.
- The Community Enterprise Economic Development (CEED) program got $250,000, slightly less than the higher House figure.
- Dept. of Mental Health received the $10 million reserve fund proposed by the House—$7 million for existing programs, $3

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