

# Carey tells D.C. state not interested in USPHS

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WASHINGTON — Gov. Carey has officially disavowed any interest in assuming control of the U.S. Public Health Service Hospital in Clifton — a move that clears the way for a local takeover of the federal medical center.

In a letter delivered yesterday to Health and Human Services (HHS) Secretary Richard Schweiker, Carey said the state had no intention of claiming the 400-bed facility when the federal government abandons it sometime next year. The Reagan administration has announced plans to scrap the eight-hospital PHS network as a part of the president's economic recovery program.

Carey also told Schweiker that the state is willing to help private hospital officials implement their plan to take over and operate the hospital. A spokeswoman for state Health Commissioner David Axelrod, however, emphasized that this did not mean financial aid.

"We don't have any funding means to provide assistance," said Barbara Thomas. "We're talking about technical assistance."

But Republican Congressman Guy V. Molinari, who has been

instrumental in the fight to save the hospital, said last night, "I would hope that the city and state would help with money to make the new institution, whatever it's called, financially viable."

The congressman said whoever takes over the facility will initially "be faced with an almost certain loss."

Thomas said the letter was signed by Carey's top aide, Robert Morgado, earlier this week and then sent down by Telex to the HHS communications center here.

Although the letter arrived one day past the Wednesday deadline for filing, Molinari said Schweiker agreed to accept it.

He also said the second part of the letter indicated a 90-degree turn on the part of the governor, who originally advocated closure of the hospital.

According to Molinari, the "significant" portion of the letter reads, "We strongly urge you to work with interested groups to develop a plan to continue those services which are necessary on Staten Island."

Under federal law, states have the "right of first refusal" on any U.S. property that becomes available within their boundaries. Carey announced several months ago that he supported the proposal to eliminate the PHS system, but would not assume responsibility for the Sta-

ten Island hospital.

Albany's cooperation in the takeover process is crucial because any plan to transform the hospital into a local facility would have to be approved by the state Health Department. In addition, the state agency controls the purse strings of Medicaid.

The takeover plan, however, would have to be first approved by HHS, which has promised financial assistance. Private hospital officials must submit their proposals by July 15 to the federal agency. HHS officials will then pick the best one.

In a related development, aides to Molinari confirmed here yesterday that the GOP 1982 budget legislation passed by the House last week does contain an additional year of funding for PHS hospitals whose communities secure federal approval for their takeover proposals by October.

The aides said the language on the item is identical to that proposed by Democratic Rep. Henry Waxman of California in the Democratic version of the budget bill. The Republican legislation originally contained no money for the hospitals. Office of Management and Budget Director David Stockman agreed to the extra year of funding after Molinari threatened to back the Democratic bill.