

Molinari: 'I'm bitter, outraged, saddened'

USPHS to shut by month's end

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WASHINGTON — The effort to save the U.S. Public Health Service Hospital in Clifton collapsed yesterday when federal officials ordered the facility to stop accepting patients at noon and prepare to go out of business by the end of the month.

Congressman Guy V. Molinari received the news from Health and Human Services Secretary

Richard Schweiker in a telephone call to the freshman Republican's office here. "I am bitter, I am outraged, and I am saddened," declared the congressman in an interview later.

Yesterday evening, Barbara Thomas-Noble of the state Health Department said the state is considering legal action to block the closing of the Clifton hospital, based on what it alleges is a violation of the National Health Planning Act.

The act requires the federal government to ensure that patients in a closing medical facility are appropriately placed in other hospitals, something Ms. Noble says the Reagan administration has failed to do.

In addition, Ms. Noble said, the public health hospitals are designated medical facilities for American Indians under a consent decree signed by the federal government in response to a lawsuit. No provision has been made for alternative care for these citizens, Ms. Noble said.

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"There are all issues we are considering as part of a possible legal action," she said.

Schweiker apparently decided to shut down the Clifton hospital earlier this week when Congress failed to appropriate enough funds by midnight Tuesday — the beginning of the 1982 fiscal year — to pay the costs of converting the facility to local control.

However, charged that the money didn't materialize because the Reagan administration never really pushed for it on Capitol Hill. The congressman singled out Office of Management and Budget Director David Stockman for especially harsh criticism, insisting that he broke his promise to support funding for the takeover.

"In my view a commitment was made and it was violated," Molinari said. "It wasn't acted upon in good faith."

"I called the White House and advised them that from now on I was going to be openly critical of the entire administration, including the president," Molinari added. "And I told them I don't care what steps they take by retribution."

Edwin Dale, a spokesman for Stockman, said he would have "no comment" on Molinari's remarks.

Stockman promised Molinari that the administration would help implement a plan to transfer the Clifton PHS hospital to local control in a May 21 letter to the congressman. "The Staten Island hospital represents one of the most realistic prospects for such conversion," the OMB director wrote.

"The Department of Health and Human Services is committed to working with your office to facilitate that progress and to identify federal conversion resources that might be appropriate... should a qualified community group seek to operate the facility," Stockman added.

A takeover proposal was eventually submitted by St. Vincent's Medical Center. It asked for \$39 million in federal aid to absorb the federal hospital and upgrade it to state standards.

At the time of Stockman's letter, however, HHS officials warned that the success of any conversion proposal depended on whether Congress was willing to provide the necessary funding. "I can't say the department is going to write a check for the amount of money," explained Dr. John Marshall, who was as-



Dr. Florence Kavalier, director of the PHS Hospital in Clifton, announces the facility will stop accepting patients.

signed to oversee the phase out of the PHS.

"They (community groups) can come to us with a price tag and we will consider it," he continued. "And then we will work with Congress for the appropriations."

Moreover, Schweiker personally lobbied the key members for the conversion money. Over the past week, for instance, he notified the House-Senate conference meeting on the continuing budget resolution that unless it gave him at least \$177 million for the PHS, he would have to close the hospitals.

When House Democrats on the

panel expressed skepticism about the warning on Tuesday, he repeated it to them by telephone. The panel nevertheless went on to include only \$92 million for the federal medical care system.

From the very beginning there was very little support for preserving the eight PHS hospitals in Congress. It was confined for the most part to the members with facilities in their districts. None of them had the leverage to get what they wanted.

Support for the conversion money became even weaker over the last two weeks after President Reagan announced a

new round of budget cuts that called for a 12 percent reduction in all federal programs.

Prospects for the funding all but evaporated Thursday when Republicans began marshaling votes to send the HHS appropriations bill back to committee for trimming. It exceeded the administration's spending limit by \$1 billion.

Molinari said the only hope now was to persuade the president to back a special supplemental appropriation. The congressman said he would write Reagan and ask him to "intervene."

Ms. Noble said the state is

particularly concerned about the "tremendous amount of out-patients" served by the Clifton hospital.

If legal action fails to block the closing, Ms. Noble said the state will try to develop ways to make up for the loss of ambulatory services at other facilities. But she said no alternative plans have yet been developed.

Early on when the Reagan administration first announced plans to give up the federal public health hospital system, Gov. Carey ruled out a state bailout of the Clifton hospital. That position has not changed, Ms. Noble said.

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