

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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