

Owens: I personally don't like managed care. The reason for that, and it's just my opinion, is that they treat patients as if they were on an assembly line. In 15 minutes, and out. Well, if you were infected with HIV, you couldn't be seen like that, and I thank God that these doctors here, that work in Phoenix Health Center, don't treat patients like that. They take the time, and give the patients the time that they need to be serviced. I can't tell you anywhere else in the hospital how they're seeing other clients, but I do know that you want to treat people as if you were treating your mother, or your father, or someone you cared about. You take the time, all the time that's needed.

EIR: Your job is probably in question now, isn't it?

Owens: Let me tell you something. God gave me this job and man cannot take it from me. All the things that they are putting me through, because of my speaking out, no weapon formed against me shall prosper, not one.

EIR: Anything else you'd like to say?

Owens: I would like for somebody to listen to the front-line workers. I would like for someone to listen to the labor leaders, because we're getting our information from those persons that have elected us to represent them. If somebody would just take the time and listen, there can be a turnaround here, without shutting down the hospital.

Interview: John Fairman

Who Is To Blame for Health-Care Crisis?

John Fairman, former CEO of D.C. Health and Hospitals Public Benefit Corp., grew up in a family of twelve in rural Mississippi, where his father was a minister and his mother a school teacher. Mr. Fairman worked in Houston's public hospital system for almost 14 years, rising to the number-two spot there when he was 24 years old. He was then recruited to Denver's public hospital system, where he worked for nearly four years, before being hired in Washington, D.C. in 1992, to head up the PBC. He has a graduate degree in hospital and health care administration from Trinity University in San Antonio. He spoke with Marianna Wertz, on July 21.



John Fairman

EIR: You charged in an interview last week with Washington's *The Common Denominator* newspaper, that your removal and the developments around D.C. General Hospital in recent weeks, are a first step in an effort, by the D.C. Financial Control Board and the Mayor's administration, to shut down the D.C. General Hospital. Could you elaborate on that?

Fairman: Yes. From 1995 through August of 1996, the D.C. Health and Hospitals Public Benefit Corporation was formed, to oversee D.C. General, ten clinics, and the nurses in 147 public schools, to build one integrated delivery system, so people, the most vulnerable, wouldn't fall through the cracks. At that time, the Control Board had just come in.

That was done after 37 different reports over 17 years, all recommending that you build one, community-based system connected to D.C. General. Report after report had consistently recommended that. When this was done, the new regime [the Control Board] came in and they started all over again, about whether or not you should close the hospital and contract out the care. I presented numerous pieces of information to the Control Board, the [City] Council, and the Mayor, Marion Barry at that time, that that was *not* a sound idea, that managed care was something that had holes in it, and that those of us in health care knew that this was going to eventually blow up, like a lot of other things purported to be ultra-conservative and also life-giving, in terms of expanding care.

So the PBC was formed. The new Chief Financial Officer law had been passed, and Anthony Williams took over as the CFO. Immediately, he started discussions about—these were in budget meetings with the Control Board, the City Council, and himself—“If you want to go against national trends and keep a public hospital, then this is what it will cost,” he said.

In concert with Paul Offner, who was the Medicaid director at the time, they did all kinds of things, trying to cut our appropriations, slow up our payments, question our claims at the Medicaid office. Ironically enough, this is all part of the same family, the D.C. government, yet our biggest fights were within this family with the Medicaid office.

I guess everybody was embattled in their own ways, and thought that this was too complicated to understand, and we never got any real support. Every time I appealed to the Federal government, over being mistreated, and demanded that they honor their fiduciary responsibility and make sure that we were treated according to what's called the State Health Plan, which is the bible that governs how Medicaid operates, we were *systematically* not paid according to what was in law then, and what is in law now.

EIR: Rep. Ernest Jim Istook (R-Okla.), who is in charge of the House Appropriations subcommittee relevant to this, has written to Mayor Williams, saying that the hospital could soon close, because of the lack of funds.

Fairman: That is tied to something different. The law that created oversight over the hospital, said that we were legislated authority to go to the banking market and the bond market, to secure funds, on our own, independent of the D.C.

government. Systematically, the Control Board and Mayor Williams opposed that and would not allow us to do it, though it had been done for the past 100 years. What they are erroneously calling a cash deficit, that Istook is reportedly upset about—he’s calling it a “loan to the hospital,” saying the D.C. government has no authority to loan us money—well, the D.C. government has operated in that relationship with D.C. General for over 100 years! There is *nothing new*.

The internal documents that they are well aware of, say that, if the District government paid D.C. General in a timely manner, and paid it what it owes according to its *illegal* way of paying, that the problem would be somewhere between \$3 million on the low side, and, on a high side, \$10 million. Now, on a \$160 million budget, that’s not a major problem to fix. If they paid us according to the State Plan, it would clearly be in the black without question. So, D.C. government controls this issue, and they’re controlling the spin, the Mayor is.

To withhold the information, and then go to Istook and criticize the fact that it’s costing the city cash, at the same time that you won’t let the hospital go to the banking market and the bond market to borrow money, which the law allows—that smells of a different game. And that game was, fundamentally, they do not want to continue to operate D.C. General as an acute care hospital.

EIR: D.C. General is the major provider to the 81,000 uninsured in Washington, D.C.?

Fairman: Absolutely. Sixty percent of all of the uninsured care is provided by D.C. General. And it is the *only* public acute-care hospital in D.C.

EIR: So, if it shuts down, what happens to those people?

Fairman: They say, that they can take some money and expand Medicaid, and therefore give the poor “freedom of choice.” Now, all across the country, it is clearly documented that the mere presence of insurance does not guarantee access; because there are socio-economic, cultural, all kinds of things that require outreach: going into drug-infested markets, going into markets in which people have little hope of making sure that their health is in good stead, and also that disease and other things are controlled.

More importantly, is whether one is talking about the private sector or the public sector. Managed care is when the doctor and managed-care organization get the money. They have no incentive to see you on a timely basis.

EIR: They’re actually cutting off seniors all over the country right now.

Fairman: That is absolutely correct. So, you’ve got the money and it’s easy to say, three weeks, six weeks down the line, come and see me, and hope that six weeks down the line, either somebody has gone to an emergency room, like the ones that are in Medicaid managed care in D.C.—D.C. General was prohibited, barred, from even creating our own HMO [health maintenance organization]. They said we didn’t need

one, we could just contract with the existing HMOs. We said, we need to create our own, because over 50% of the persons with Medicaid usually do not exercise their legal option to choose an HMO or to choose a doctor. So, consequently, they were randomly assigned to seven HMOs.

EIR: Most of which were not in the poor area of the District.

Fairman: Absolutely. In the case of Prudential, in the early stages of it, they had doctors many miles away from the area where the underserved needed care. These persons, before then, were coming to D.C. General and its clinics. So, when they were randomly reassigned, they still came, but we could not get reimbursed because we didn’t have prior authorization, or they wouldn’t give it. So, the emergency room [case load] increased without reimbursement.

The same patients that we used to bill for, on fee for service, now we could not bill for, and we were put in an adversarial relationship with people who have been coming there for, sometimes, two or three generations or more.

EIR: Where do you think this is going to go in the immediate days ahead?

Fairman: I think that all indications are that they will end up closing or changing the character of D.C. General away from an acute-care hospital. I think that would be very consistent with the fact that just a year and a half ago, the Mayor attempted to cut the appropriations to D.C. General by 50% in one year, with just a couple of months notice. I opposed that, so that did not make me the favorite son of this administration.

EIR: You’re definitely not anybody’s favorite son right now!

Fairman: Yes, but it’s okay. I think that, as you know, it doesn’t make any difference how much the *Washington Post* proselytizes itself in bashing me. The truth of the matter is, that the record speaks for itself. I think it is unfortunate that, regardless of what one’s philosophy is, that you figure that you have to demonize somebody else, so that you can lie to the public and make it seem like it was a situation of mismanagement that led to closure, rather than what your plan was, that is very evident and printed in all the budgets and all that for the past years.

EIR: You may know that Mr. LaRouche has called for the shutdown of managed care and the ousting of any Congressman who continues to support it.

Fairman: Let me tell you one thing that is beginning to go on around the country, according to one of my colleagues with one of the large national health care firms. He said that hospitals all over the country are beginning to refuse to do business with managed-care companies.

EIR: Including here in Loudoun County, Virginia.

Fairman: There is strong agreement that is just sprinkling all over the country right now, in agreement with Mr. LaRouche.