Lawmakers Warn: Take-Down of U.S. Hospital System Has Reached Emergency

by Marcia Merry Baker and Mary Jane Freeman

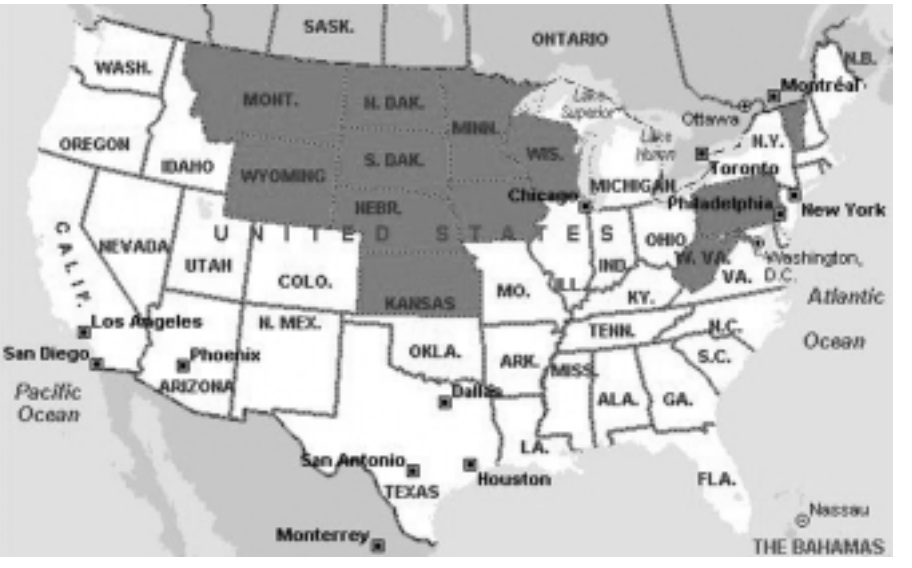
On July 15, lawmakers from many states and cities attending the LaRouche in 2004 webcast event in Washington, D.C., had a chance to review illustrations showing the rise and fall of the physical economy of the United States—industrial, transportation, health care, and other features—what LaRouche has called "the incredible shrinking U.S. economy." Of uppermost concern to everyone is the emergency state of medical care—due to the absence of facilities and staff, and to the immediate threat of denial of Medicaid/Medicare. The comments of leaders from three states—Arkansas, Mississippi, and Alabama are reported here.

The three maps in **Figure 1** are drawn from a series shown in LaRouche's July 15 webcast presentation. As the caption summarizes, the United States saw solid improvement from the late 1940s through the mid-1970s, in the goal of providing hospital facilities accessible to all citizens, as mandated by the 1946 "Hospital Survey and Construction Act." This was a simple, nine-page law, called the "Hill-Burton Act" after its bipartisan sponsors, Sen. Lister Hill (D-Ala.) and Sen. Harold Burton (R-Ohio).

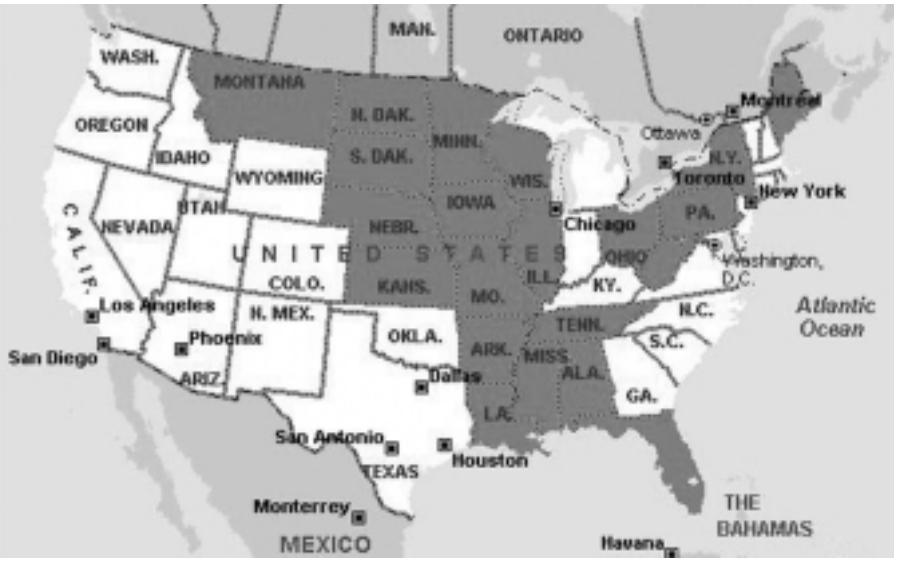
Under the Hill-Burton Act, states began with the density patterns of their population by county, and aimed to provide access to modern hospital services, based on the patterns of concentration of population, with a desired goal of providing a ratio of 4.5 hospital beds per 1,000 persons in urban areas, and 5.5 beds per

FIGURE 1
U.S. Federal States At or Above the Hill-Burton Standard for Hospital Beds

1969



1980



1,000 in rural areas. States and localities worked with the Federal government either to expand pre-existing facilities—be they parochial, such as Jewish, Catholic or Protestant facilities; or philanthropic, community-serving (e.g., Shriners); or county or city-owned outright, as in famous institutions such as Philadelphia General, or Cook County Hospital in Chicago. The principle involved was: The facility must competently serve all the public. In the 1960s, any remaining Jim Crow practices were specifically banned from Hill-Burton compliance.

Over the 1950s, '60s, and early '70s, hospital-building progressed to the point that nationally, as of 1980, the average number of beds per 1,000 people stood in the range of the Hill-Burton overall standard of 4.38; ranging from 6 or more in rural Wyoming and Montana, to 4.51 in Pennsylvania and New York. Accordingly, national mortality and morbidity rates declined, as facilities came into place to care for people. This process is seen in the first two of the three maps in Figure 1.

Note how the states of Alabama, Arkansas, and Mississippi—below the Hill-Burton standards in 1969—had attained standard by 1980. Alabama went from 4.03 to 4.90 beds per 1,000; Arkansas, from 4.05 to 4.65; and Mississippi, from 3.64 to 4.84.

Then came the shift away from providing infrastructure, into deregulating and privateering of all kinds. On Dec. 29, 1973, President Richard Nixon signed into law the bipartisan Health Maintenance Organization and Resources Development Act—the law that created the HMO system, opening the way for restricting care in order to yield shareholder profiteering. The rationalization? "Cost control through competition." Among other similar ripoffs, approval was given to for-profit chains, such as the infamous Columbia/HCA, to raid non-profit community hospitals, and generally bilk the Medicare and Medicaid systems.

Over 20 years, more than 2,000 hospitals shut down. By 1990, the national average beds/1,000 ratio had fallen to 3.73, with many counties lacking any facilities at all. By the year 2000, the national average ratio had fallen to 2.93 beds per 1,000! Alabama fell to an average of 3.73 beds per 1,000, lower than 1969; Arkansas fell to 3.63, also lower than its 4.05 in 1969. And Mississippi—while still shown as above Hill-Burton standard in 2000, with 4.86 beds per 1000, is at present facing huge and sudden losses.

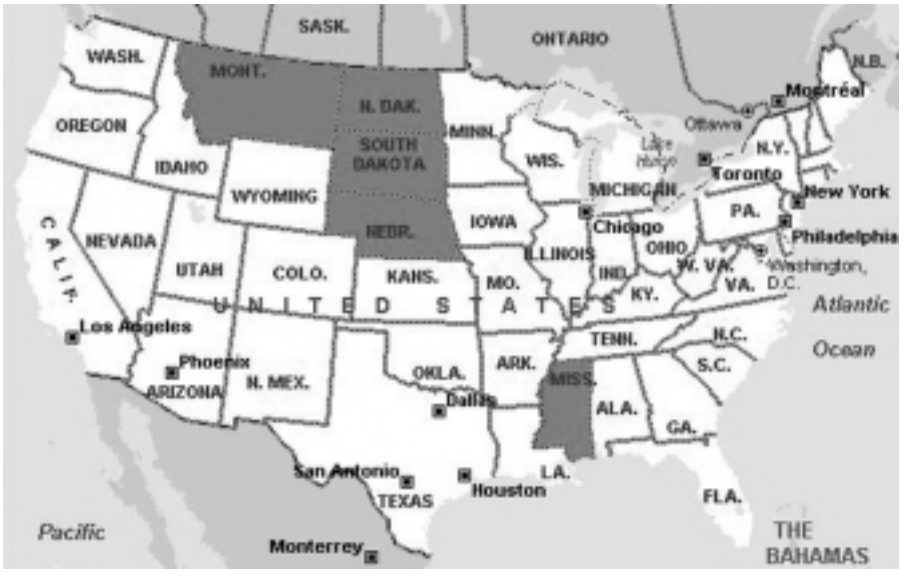
Fierce Cutting on State, Local Level

Other medical ratios are dropping at the same time; for example, breast cancer diagnostics. A new report out June 10, by the Institute of Medicine, documents that the number of mammography facilities has dropped more than 8% since 2,000, now down to 8,600. This decline reflects many factors, including HMOs lowering reimbursements, and medics not wanting to do this work because of long hours with low pay, lawsuits, and constraints on their ability to do their job. At least 40% of women in the age group that should get cancer scans do not, and that ratio is worsening.

On top of all this comes the extreme emergency factor of sudden cut-offs of Medicaid and Medicare treatment coverage. To meet the end of their fiscal year on June 30, dozens of states and localities are resorting to service cuts that will cut lives as well as budgets. This results directly from continued adherence to "fiscal austerity" policies, adopted in response to the drastic economic decline underway—which instead, should be met by mobilizing for FDR-style economy-restoring emergency measures.

Blacked out by the national media's electioneering mind-control, are the state-by-state horror stories of cuts in essential services—especially healthcare. The situation is urgent in all parts of the country. In Michigan, facing a $1.3 billion bud-

2001



Over the 1950s-1970s period, most of the 3,069 U.S. counties were provided with hospitals, by Federal-local cooperation under the 1946 "Hill-Burton" Hospital Survey and Construction Act, to provide modern medical treatment at a standard of about 4.5 beds per 1,000 persons (urban) and 5.5 per 1,000 (rural), depending on population density. By 1969, the U.S. national average beds per 1,000 was 4.06, with the states shown shaded, at or over the standard, and most counties nearing the goal; by 1980, the national average reached 4.38. But by 2000, this process had been reversed under the HMO-era deregulations. The national average beds per 1,000 had fallen to 2.93. Many counties are without hospitals, as they were over 50 years ago.

get shortfall next year, the state is looking at how to dump some poor people off Medicaid, whose budget line has reached $7 billion a year, the second-highest item after public schools. As the economy has tanked, *one in every seven Michiganders now gets Medicaid*—the program set up in the 1960s as a medical-care safety net. Cutting it will mean cutting lives. Already last year in Michigan, Gov. Jennifer Granholm (D) eliminated dental and other services for adults on Medicaid, and she does not plan to restore them.

In Georgia, hundreds of nursing home residents were in line to have their Medicaid benefits cut off on July 1. The Georgia Department of Community Health, under orders from Gov. Sonny Perdue (R) to make cuts, is eliminating a program called Nursing Home Medically Needy Medicaid. This program helped people whose income exceeds $1,692 a month, but who are unable to afford the $3,500-4,000 a month needed for a typical nursing home. Hundreds now have nowhere to go. The state has readied termination letters.

Mississippi Legislator Speaks Out

Rep. Credell Calhoun (D-District 68) represents Hinds County, Mississippi. He was interviewed in Washington on July 15 by Marcia Merry Baker.

EIR: You have an emergency situation for Medicaid, with the Governor just writing off 6,000 people?
Calhoun: What we are really concerned about in Mississippi is the Medicaid; we have cut 65,000 people off of Medicaid, to transfer them to Medicare. It's going to take effect on Sept. 15. At that point there will be from 5-6,000 that will not be eligible for Medicare, so they will be dropped from the roll, period. That's going to be a disaster for the State of Mississippi; and of course, there are lots of people in that 65,000 that won't get adequate medical care because of that.

I don't know if Haley Barbour will call a special session to help alleviate some of the problem. He's saying he's going to get some waivers from the national Medicaid Agency to continue service to them, but up to this point, they have not got a waiver. We don't expect it to come through, so we're going to have a very bad disaster. There is a petition to recall the governor, floating right now.

EIR: When did that come about?
Calhoun: Right after the Medicaid fiasco, they started a petition. Now we don't have such a constitutional provision to recall a governor; but if enough signatures get on there, I think that's going to take him out of really any power, anyway. So he might as well come out, if they get—say—200,000 signatures, it's going to be tough for him to do anything in the legislature, come next session. So he'll be really ineffective as a Governor for the next three years, if that comes about.

Rep. Credell Calhoun, Democrat of Mississippi: On Sept. 15, the state is cutting 65,000 people off Medicaid.

EIR: And the other thing is, the shrinking healthcare delivery system. You know how Lyndon LaRouche is making an issue of the physical delivery system for care. Even if everybody had money, the system itself has been taken down a lot in recent decades: Where can you get treatment? It was built up by Hill-Burton after the Second World War, up through the 1960s and mid-'70s. But now, many counties have lost their licensed beds, or their hospital, or wards have been shut. In Mississippi, you've seen that too?
Calhoun: Oh yes. We've had many beds taken away. They were supposed to—when they took the beds away, the charity hospitals; we have several of them, and they closed them—but Medicaid was supposed to come in and take that problem away, and now they're taking the Medicaid away, so it's really going to be—See, evidently, they forgot, or somebody forgot that the charity hospitals were closed, and that Medicaid was supposed to take care of that. Now here we are, in a situation where we're going to have no Medicare for at least 5-6,000 of our people who desperately need it. It's going to be very tough.

If we can get to the next session, which is in six months, I think that we, as a legislature, will take care of the problem, but some of them are going to die before then, if we don't do something. So I don't know what Haley Barbour is going to do. He may call a special session and let us deal with it before.

See the Senate, for some reason, capitulated and just did everything that the Governor wanted, and it made it hard on the House to try to keep things in any kind of sequential order to make sure that people were taken care of. Because if the Senate doesn't cooperate with you, and the Governor is working with the Senate, it makes our job much more difficult, to try to—

We had a very good Speaker in McCoy; only he got sick and almost died from all the pressure, with tort reform and all of those things. He's trying to stand tall for the people. And here you have a Senate that's going along with the Governor, and the Governor is Big Business all the way, and doesn't care about the little people, the indigent, and the people who really can't do for themselves.

EIR: And then other aspects of your facilities; there's been also a national order that many Veterans hospitals are to be shut down. Do Mississippi people already have to go up to Little Rock, or do you have a functioning state Veterans Hospital network open still?
Calhoun: Up to this point, the Veterans Hospitals are still in operation in Mississippi. Hopefully that will continue. So far, they are still open. We have several, but we have a big one there in Jackson, and then we have some Veterans homes, taking care of our elderly.

EIR: Residential?
Calhoun: Yes, and they are doing fine, so far. Hopefully we won't get the cuts. I've been hearing about the cuts for the Veterans Hospitals. So far, they haven't hit Mississippi yet.

Rep. Johnnie Pugh, Democrat of Arkansas, says the state has a serious shortage of nurses, leaving some wards empty.

Hospitals Gone in Alabama and Arkansas

Ms. Johnnie Pugh, City Director, Ward 1, Little Rock, Arkansas; and Thomas E. Jackson, Member of the House of Representatives (D-District 68), Alabama, were interviewed on July 15 by Marcia Merry Baker in Washington.

EIR: Johnnie, let's start in Little Rock, where you've had a nursing career; you worked in a Veterans Hospital for seven years, and other facilities. So, you have seen up close how the hospital system, once built to serve all, is now being taken down. Little Rock is a hospital center, but you say, there are facilities with empty wards—no staff or beds?
Pugh: Well, I know St. Vincent's has wards—I have been through at least two wards—that had no beds and no people in them. The hospital has the rooms; there is no problem with the rooms; but the beds are just closed down.

There is really a nursing shortage, because since they have started working 10 and 12 hours, a lot of the people just don't want to do that. And they are so short, and they give them so many patients, so that a lot of nurses have gone to other professions because of it being too hard. So they just don't want to do it, because a lot of people—you know, you think about it, you do something that would take somebody's life, or something like that; that's something that you've got to live with.

EIR: So, short-staffing is one of the immediate problems.
Pugh: My granddaughter, an LPN, was working at Baptist Medical Center; and she quit because she was afraid of losing her license because she would be so tired that she felt she could not do it, and she didn't want to give the wrong medication.

She worked on one ward, and in the next ward over, if the nurse called in sick, she had to take her own ward *and* that ward. And she said that it was hard to just do her own ward, so she was not going to take a chance on doing her ward, and the other ward too, because she was afraid of what was going to happen. Because she knew how tired she was, and at a certain period of time she just felt like she wasn't even thinking well. So she quit the job for that reason.

EIR: Has it come to pass anytime during flu season, or some other emergency, where they needed more beds, but didn't have them all?
Pugh: Not that I've heard. You know, we do have the University of Arkansas Medical Center; plus, then, we have Children's Hospital, and in the Children's Hospital we have a lot of people.

EIR: In Alabama, Representative Jackson, you have spoken out for some time about the distances people now have to go to try to get care. It's getting worse?
Jackson: [For some treatments] you have to go 60 miles away from the communities. . . .

EIR: Just for regular care, for having a baby, or falling off a truck, or something?
Jackson: They have closed obstetrics in some hospitals in communities, and you can't even go in for ob-gyn. You have to go to another community, and that's probably 40 miles away.

We're in a very dire situation when it comes to healthcare in my state, which is Alabama. And I think the nation is in pursuit. It's terrible.
Pugh: Well, we're worse than that. In West Helena, it's over 100 miles from Little Rock; and they have vans to bring people back and forth to Little Rock, to get the care of nurses, and what not. And when you leave there, between Little Rock, it's where the hospitals are, to Memphis.

Down in in Marianna and all that, Helena—this area is called the Delta. And the Delta area is poor. And those people have to go a long ways to get to a doctor and to a hospital.

EIR: In that particular place, Helena, or a similar town, do

Rep. Thomas Jackson, Democrat of Alabama: "We're in a very dire situation when it comes to healthcare in my state. . . . And I think the nation is in pursuit."

you recall when there was, at sometime in the past, some kind of hospital on site, but it's now gone?

Pugh: In Marianna there was a hospital; they closed it down at least 20 years ago. And they use this van to go back and forth; at certain times that they bring people. Of course, that happens a lot of other places down around Eldorado. They have small hospitals down there, but really, to get to larger hospitals and health clinics they have to bring them to Little Rock.

Jackson: In my district, in particular—especially in Southwest Alabama, in Choctaw County which is on the Mississippi line—they have no hospitals. There's a clinic, a rural health clinic, that a doctor comes in to maybe once a week; but a practitioner would be there to do blood pressure.

If there is an emergency, if there's a real catastrophic illness or stroke or heart attack, they're dead on arrival. Meridian is about 45 miles to their West, and anything to the East doesn't exist, for medical care. This is what rural Alabama is suffering from the most in this Medicare/Medicaid—the nonexistent hospital beds.

In Alabama alone, we were going to lose something like 9,600 beds, Medicaid/Medicare. We had to increase the tobacco tax just to maintain those beds—no new services!—just to keep people from being put out of Medicaid/Medicare, statewide.

EIR: When did you make that decision?

Jackson: This past session. We increased 26¢ per pack on cigarettes—just to maintain those 9,600 beds to keep our elderly and senior citizens from being put on the street. The meals-on-wheels program also survived with this increase in tobacco tax for the state of Alabama.

EIR: And just for one year?

Jackson: Unless we can reform tax structure in our state. This is a band-aid approach, we need to go in and do surgery and we're putting a band-aid on everything. It is not well.

EIR: LaRouche is saying, make the economy work again.

Jackson: *We need to re-make our economy.*

EIR: Because you could fight over the tax structure, and I'm sure it's corrupt. . . .

Jackson: It is. The poor pays the taxes, and the rich pay none.

EIR: Look at places like the City of Pittsburgh, which is bankrupt; and that's exactly what a rotten grouping is saying to do: They say, "Let's tax non-profit institutions, like schools and hospitals!"

Jackson: Non-profit? I mean, you are already paying the taxes to keep the schools running, so how are you going to tax? It's an extra tax on the poor! Most of these taxes we are doing now are taxes on the poor, instead of hitting the corporations who are making mega-millions or billions of dollars in the state, and paying little or no corporate income tax.

EIR: Then if you look back decades ago, there was a time in Alabama, when, say in Birmingham, you would tax "big steel."

Jackson: Yes, but that's not there anymore. Steel is—

EIR: So that's what you've been talking to LaRouche about, on infrastructure and industry?

Jackson: To rebuild the infrastructure of our nation and state, yes.

EIR: What is involved?

Jackson: Look at the transportation system. The interstates are falling apart, the state roads need repair. And then we need a rail system. We need maglev trains from North Alabama to South Alabama. Huntsville to Mobile.

EIR: Your only one train goes east to west, is that right? Near Montgomery?

Jackson: Yes. That's the only one we have. I don't know if it is conducive for travel even, now. The system is so shut down, so messed up.

Several years ago we had an accident right on Interstate 65, where the overpass gets washed out, with a tractor-trailer rig that had carried fuel. It was repaired in less than a year's time. But we need to go through the entire state and rebuild all these bridges that are in very bad, poor condition.

You know, there was one time when school buses had to let the students off on one side of the bridge, and cross the bridge, and then students had to walk to the other side to get on the bus, to meet the specs of the bridge. They couldn't stay on the bus, and cross the bridge.

And we have many more bridges in that condition. We need to rebuild the State of Alabama. We're in trouble.