

50% CUT IS WEIGHED IN CITY'S HOSPITALS

Koch Assails System as Wasteful
— Plans Reductions by 1982

By RONALD SULLIVAN

Mayor Koch will seek to reduce the number of municipal hospitals the city operates by as many as half by 1982, according to the Mayor's top health adviser, Dr. Martin Cherkasky.

The projection, given in an interview Wednesday, was the first public disclosure that the city hoped to achieve a major dismantling of the largest and most costly municipal-hospital system in the country.

City officials, including Philip L. Toia, the Deputy Mayor for Financial Management, had suggested previously that the Mayor would seek to cut the current \$1.2-billion-a-year budget of the New York City Health and Hospitals Corporation, the semiautonomous city agency that operates the city's 17 municipal hospitals, by as much as 10 percent for the fiscal year beginning next July. Such a cutback would almost certainly force the closing of some hospitals and the layoffs of hundreds of hospital workers.

The deeper cutback described by Dr. Cherkasky drew a bitter reaction from a leader of municipal-hospital employees and strong criticism from advocates of the municipal hospitals. The latter charged the Mayor with seeking to abdicate a responsibility to provide free hospital care to the working poor, aliens and other patients who cannot afford hospital care and are not covered by Medicaid or other forms of hospital insurance.

Asked what kind of municipal system he envisioned when the reductions were completed, Dr. Cherkasky said, "I think we're talking about something in the neighborhood of half." He emphasized, however, that the figure was only an estimate.

He said there were some hospitals in the system that the city could not do without, and he cited Lincoln Hospital in the South Bronx as an example.

Later, a top city health official said Dr. Cherkasky envisioned a vastly reduced municipal system that would have only about seven or eight existing general-care hospitals remaining open under city auspices.

The official, who asked not to be identified, said that the Bronx should probably have two, Lincoln and Bronx Municipal; Manhattan two, Bellevue and Harlem Hospitals; Queens one, City Hospital at Elmhurst, and Brooklyn two, the new Woodhull and a vastly reduced Kings County Hospital Center.

The remaining hospitals could be closed, given away or converted to ambulatory-care centers where possible.

All told, the 17 municipal hospitals, which also include several long-term-care institutions that do not figure in the city's projected cutbacks, account for 7,761 beds, or 22 percent, of the 35,000 general-care hospital beds in the city. Private voluntary hospitals have a total of 24,651 beds, or 70 percent of the total. The 2,836 beds in proprietary hospitals account for the remaining 8 percent.

Political Battle Is Expected

Varying city, state and Federal calculations estimate that there are 3,000 to 5,000 unnecessary hospital beds in the city, a surplus that they regard as prohibitively wasteful. And since the city must pay for a major share of that waste in its own hospitals, Mr. Koch is said to be determined to cut his own losses regardless of the almost certain political battle it promises with local political interests, community organizations, municipal workers and leaders of the city's black and Puerto Rican constituencies, which account for most patients and employees in the municipal hospitals.

In a private meeting with city labor leaders last Monday, Mr. Koch said that the municipal-hospital system was riddled with waste and redundant medical services that had the "potential for bankrupting the city."

The leaders said later that they had been most alarmed by the Mayor's statement that the city could no longer afford the cost of providing its own "national health insurance" with city tax funds to the more than one million municipal-hospital patients who have neither Medicaid nor funds of their own to pay for hospital bills. It is estimated that their care is costing the city \$422 million this year.

System Termed Unmanageable

Consequently, the Mayor and Dr. Cherkasky, who is also president of the prestigious Montefiore Hospital and Medical Center in the Bronx, are determined to force drastic cutbacks on a system that City Hall regards as "monstrous and unmanageable," and shift the financial burden for providing free care for the working poor and aliens somewhere else — presumably to the state and Federal governments.

Dr. Cherkasky also said he believed that many private voluntary hospitals should be cut back or closed. They contend that only the state — not the city — has the power to do it.

However, critics of the projected dismantling offered a far different perspective.

Donald Rubin, the head of the Consumer Commission on the Accreditation of Health Services, a nonprofit, public-interest organization, said Mr. Koch and Dr. Cherkasky "are simply trying to fill up the empty beds in the voluntary and proprietary hospitals at the expense of the public system."

"It's a power struggle for the health-care dollar, and it seems the Mayor has sided with the private sector," Mr. Rubin said. "Our national health priority is to foster health services for the poor, and

that's what the municipals try to do — not the voluntaries."

Mr. Rubin also said that the major voluntary hospitals in the city were already filled and that displaced municipal patients would be "funneled into second-rate voluntary institutions that should be forced to close."

The Committee of Interns and Residents, an organization that bargains for most of the physicians in municipal hospitals, said the "Mayor's hospital closing and giveaway plan" would mean the "almost complete destruction of city health services for the poor and uninsured."

The group organized a strike committee on Thursday and a spokesman said job actions to protest against the Mayor's plan would begin at municipal hospitals on Jan. 15 and then grow toward a complete walkout by physicians by early February if the cutback plans were not abandoned.

'Would Not Save a Penny'

Lillian Roberts, an associate director of District 37, American Federation of State, County and Municipal Employees, which represents the city's 37,000 hospital workers, said that "any tampering with the municipal hospitals would only compound the city's fiscal problems," presumably by forcing hospital workers on welfare.

"It would not save a penny and it would cost the lives of poor patients," she said. "The city has got to decide whether it is going to turn its back on the poor by trying to save money on their backs."

John Gardner, a spokesman for the Coalition to Save the Public Hospitals and the chairman of the citywide Council of Municipal Hospital Community Advisory Boards, said his organizations "have no intention of allowing the Mayor or Dr. Cherkasky to dump public funds into private hospitals." He predicted that there would be "bitter public protests in demonstration form, just like the 60's."