January 16, 1981



CAROLINE MILLER Multnomah County Oregon Board of Commissioners District Three

County Courthouse Portland, Oregon 97204 (503) 248-5217 The Honorable Mark O. Hatfield U. S. Senate Washington, D. C. 20510

Dear Senator Hatfield:

We are writing to express what appears to be a growing sentiment -- among elected officials, medical providers, neighborhood interests and veterans -- that a pilot mainstreaming alternative is worth serious exploration before a new Veterans Administration Hospital is built here. Such considerations prompted the Metropolitan Service District, in December of 1979, to overwhelmingly vote a negative review of this project in exercising its A-95 authority.

Since Multnomah County phased out its operation of a public hospital in favor of prepaid packages of care for the medically needy, this approach has been documented as a more cost-effective, comprehensive and accessible method of providing care for the medically needy. A similar approach in caring for needy veterans would appear to merit more consideration than afforded to date by the Veterans Administration, particularly in light of the serious excess of acute care facilities at present.

Rather than fueling local health costs inflation with the large capital and operating expense this new hospital will require, I would support alternative options to improve both patient care for veterans and residency training carried out in our fine community teaching hospitals. If such a re-channeling of VA health care appropriations is feasible, we would be more than happy to share the county's experience with Project Health during the transitional planning.

Sincerely, when Millen

CAROLINE MILLER Commissioner

CM:brl

cc: The White House Senator Robert Packwood Bruce Etlinger

Coalition for Better Veterans Health Care



METROPOLITAN SERVICE DISTRICT 527 S.W. HALL ST., PORTLAND, OR. 97201, 503/221-1646

MEMORANDUM

Date:	January 27, 1981
.To:	Council Members
From:	JacK Deines, Presiding Officer
Regarding:	Committee Assignments

Here are the proposed Council Committees' assignments for 1981. If you should have a problem with your assignment, please contact me - 654-1449.

<u>Coordinating Committee</u>	Regional <u>Planning Committee</u>	Regional <u>Services Committee</u>
Mike Burton, Chairman	Ernie Bonner, Chrm.	Cindy Banzer, Chrm.
Marge Kafoury,Vice-Chrm.	Charlie Williamson, Vice-Chrm. Bob Oleson	Jane Rhodes, Vice-Chrm.
Jack Deines		Craig Berkman
Betty Schedeen	Corky Kirkpatrick	Bruce Etlinger
Cindy Banzer	Marge Kafoury	Mike Burton
Ernie Bonner		

JD:tj



METROPOLITAN SERVICE DISTRICT

February 4, 1981

527 S.W. HALL ST., PORTLAND, OR. 97201, 503/221-1646

Rick Gustafson EXECUTIVE OFFICER

Metro Council

Marge Kafoury PRESIDING OFFICER DISTRICT 11

Jack Deines DEPUTY PRESIDING OFFICER DISTRICT 5

> Donna Stuhr DISTRICT 1

Charles Williamson DISTRICT 2

> Craig Berkman DISTRICT 3

Corky Kirkpatrick DISTRICT 4

> Jane Rhodes DISTRICT 6

Betty Schedeen DISTRICT 7

Ernie Bonner DISTRICT 8

Cindy Banzer DISTRICT 9

Gene Peterson DISTRICT 10

Mike Burton DISTRICT 12 Honorable Mark Hatfield United States Senate 463 Russell Senate Office Building Washington, D. C. 20510

Dear Mark:

Because you have highlighted the Veterans' Hospital issue, we felt you should know there is considerable local support for an alternative.

First, we sincerely hope that the money allocated for Portland will still be made available for the care of our veterans as improvements are long overdue. However. we are still concerned that an alternative to the construction of a new hospital has not been thoroughly considered, ie: mainstreaming veterans into excess community facilities. I support re-programming funds presently authorized for the Portland acute care facility to initiate a pilot project which will offer veterans more comprehensive and accessible care of equal or higher quality and at a lower overall cost. Rather than constructing, equiping and operating this new acute care facility at a projected cost of approximately \$4 billion during its 50 year lifespan, mainstreaming veterans could further both local and national health planning objectives and curb rising hospital costs. Yet, as the A-95 review disclosed, neither the Draft nor the Final Environmental Impact Statements adequately addressed this alternative, leaving a question of the need for the facility.

Honorable Mark Hatfield February 4, 1981 Page 2

I urge you to give serious consideration to this matter. Further, it is my understanding that the \$34 million supplemental appropriation has not been approved. Please keep me apprised as to when this will be considered. And let me know if I may be of any assistance. Your help in having the Veterans Administration undertake a full review of mainstreaming would be greatly appreciated, and I look forward to hearing from you.

Sincerely,

Rick Gustafson Executive Officer

RG:pbo

Honorable Ronald Reagan cc: Honorable Robert Packwood



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Bruce Etlinger DISTRICT 10

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Dear Senator Hatfield:

Please consider rescinding previously authorized funds for the new VA Hospital here in favor of a pilot mainstreaming alternative. Besides construction costs of nearly \$200 million (including a supplemental appropriation of \$34 million now pending) it will cost between \$75 and \$100 million annually to operate this unnecessary new facility over its projected 50 year lifespan.

February 5, 1981

The Portland area has a documented excess of between 750-1000 acute care beds presently. Multnomah County has successful experience phasing out episodic care for the medically needy at a public hospital in favor of more comprehensive accessible and cost-effective health plans offered through a brokering mainstream arrangement called Project Health.

A professional opinion poll of veterans in Oregon and Southwestern Washington (the regional VA service area) last spring found that two-thirds favored such a choice of community facilities and physicians for their health benefits rather than a new VA facility in Portland. It is noteworthy this view was held by 60% of those veterans who had actually used VA medical services.

A pilot mainstreaming approach is supported as well by medical providers, a majority of local elected officials, the press in Oregon, the local business community and health consumers. A 1978 study by the National Academy of Sciences urged Congress to re-focus VA health care by not replacing older acute care facilities in light of significant under-utilization of current VA beds <u>and</u> the excess in private beds. This study found, for example, that over half the veterans now discharged from surgery wards have had no surgery. Because of a declining number of veterans--and their average age of 60--the pressing need is to convert VA facilities and staffing to provide convalescent, chronic and outpatient care. Building a new 490 bed acute care facility and a separate 120 bed nursing home is thus a mismatch of resources when compared to both the needs and preferences of today's veteran population.

To help contain rising hospital costs, avoid wasteful duplication and provide improved patient care for veterans, we recommend rescinding the funds previously authorized for the Portland VA facility and directing VA to work with local jurisdictions, medical providers and veterans groups in designing a pilot mainstreaming project using excess community facilities. Experts in the field of medical education have informed us that there could also be improved residency training, including a better focus on geriatric care, if the VA continued to support such activities in private community facilities.

We appreciate your consideration, and hopefully your leadership regarding what is currently proposed as one of the largest and most ill-conceived public investments ever considered for our State.

Most Sincerely,

Bob Oleson, District 1

District 3 Berkman.

ct

Mike Burton, District 12

Aufullilliamson Charlie Williamson

District 2

Betty Schedeen District 7

Bruce Etlinger

District 10

cc: Senator Bob Packwood David A. Stockman, Dir. Ofc. of Mgm. & Budget President Ronald Reagan, The White House

BE:tj



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> Jane Rhodes DISTRICT 6

Ernie Bonner DISTRICT 8

Cindy Banzer DISTRICT 9

Bruce Etlinger DISTRICT 10

Marge Kafoury DISTRICT 11

Mike Burton DISTRICT 12 BE/gl 2004B/D2---This Merge List

February 10, 1981

Dear :

Attached is a letter from a majority of my fellow Metro Councilors which stresses the need for Congress and the Reagen Administration to rescind funds previously authorized for a new VA Hospital here in favor of a pilot mainstreaming alternative using our existing excess of community facilities. This position follows Metro's negative A-95 Review (by a 9-2 vote on August 19, 1979) in its clearinghouse role of reviewing and commenting on the appropriateness of federal expenditures within our region.

Similar letters are being sent by all Multnomah County Commissioners, Donald E. Clark, County Executive, Multnomah County, as well as Metro Executive Officer Rick Gustafson. Hardy Myers, Speaker of the Oregon House, Dr. Robert Voy, Chairman of the Oregon State Republican Party, and former Congressman Wendell Wyatt also share this perspective and will be communicating same with Office of Management and Budget Director and Oregon Congressional delegation.

Because a decision on rescinding both the \$130 million already appropriated and \$34 million now pending is expected from OMB within a week to 10 days, cables addressed to David A. Stockman, Old Executive Office Bldg., 17th and Pennsylvania, Washington, D.C. 20500, as well as the entire Oregon Congressional delegation are suggested.

Rechanneling this wasteful expenditure into prepaid health care coverage for our needy veterans could be another

February 10, 1981 Page 2

important Oregon first. It would both improve patient care for veterans and help curb rising hospital costs due to bed excess capacity already available within our region.

Thanks for your consideration and help in this long battle to promote a more rational VA medical care program.

Sincerely,

Bruce Etlinger District 10

BE/gl 2002B/D2 Mr. Steve Schneider Ecumenical Menistries of Oregon 0245 SW Bancroft Portland, Oregon 97201 Steve

The Honorable Ron Wyden U. S. Representative 1440 Longworth Bldg. Washington, D. C. 20515 Ron

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Mr. Diarmud O'Scannlain 1005 S. W. 5th Portland, Oregon 97204 Mr. O'Scannlain

Mr. Brian DeLashmutt c/o Oregon Nurses Assoc. 9730 S. W. Cascade Blvd. #103 Tigard, Oregon 97223 Mr. DeLashmutt

Mr. Ray Crerand Providence Medical Center 700 N. E. 47th Avenue Portland, Oregon 97213 Mr. Crerand

Mr. Harry Dean c/o Project Return 1412 S. E. 25th Portland, Oregon 97214 Harry

Ms. Elaine Cogan c/o Cogan & Associates 71 S. W. Oak Portland, Oregon 97204 Ms. Cogan

Mr. Richard Rix N. W. Oregon Health Systems Agency 5201 S. W. Westgate Drive Portland, Oregon 97221 Dick

Mr. Jeff Foote 1200 S. W. Main Portland, Oregon 97205 Mr. Foote

The Honorable Donald E. Clark County Executive Attn: Sally Anderson Dean Smith Multnomah County 1021 S. W. 4th, Room 136 Portland, Oregon 97204 Don Mr. Carl Halvorsen P. O. Box 1449 Portland, Oregon 97207 Mr. Halvorsen Mr. Wendell Wyatt 1100 S. W. 6th Portland, Oregon 97204 Mr. Wyatt Mr. Ned Cook c/o Oregon Community Foundation Yeon Building 522 S. W. 5th Portland, Oregon 97204 Mr. Cook Mr. John Pihas c/o Pihas Schmid Westerdahl Company 517 S. W. 4th Portland, Oregon 97214 John Mr. Gary Whelan Multnomah County Medical Society 2188 Park Place Portland, Oregon 97208 Gary The Honorable Charles Jordan Multnomah County Commissioner Attn: Harvey Lockett City Hall Portland, Oregon 97204 Commission Jordan The Honorable Mike Lindberg Multnomah County Commissioner Attn: Dave Judd City Hall Portland, Oregon 97204 Commissioner Lindberg

Mr. Phil Bogue
c/o Arthur Anderson & Co.
lll S. W. Columbia Street
Portland, Oregon 97201
Mr. Bogue

.

Mr. Leland Johnson c/o First National Bank of Oregon 1300 S. W. Fifth Portland, Oregon 97204 Mr. Johnson

Mr. Bill Webber c/o Tektronix P. O. Box 500 Beaverton, Oregon 97214 Mr. Webber

Mr. E. Kimbark MacColl 2620 S. W. Georgian Place Portland, Oregon 97201 Mr. MacColl

Mr. Don Marmaduke President Tri-County Community Council 1001 S. W. 5th Portland, Oregon 97204 Mr. Marmaduke

BE/gl 2004B/D2---This Merge List



2

METROPOLITAN SERVICE DISTRICT

527 S.W. HALL ST., PORTLAND, OR. 97201, 503/221-1646

Rick Gustafson EXECUTIVE OFFICER

Metro Council

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A pilot mainstreaming approach is supported as well by medical providers, a majority of local elected officials, the press in Oregon, the local business community and health consumers. A 1978 study by the National Academy of Sciences urged Congress to re-focus VA health care by not replacing older acute care facilities in light of significant under-utilization of current VA beds <u>and</u> the excess in private beds. This study found, for example, that over half the veterans now discharged from surgery wards have had no surgery. Because of a

February 5, 1981

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To help contain rising hospital costs, avoid wasteful duplication and provide improved patient care for veterans, we recommend rescinding the funds previously authorized for the Portland VA facility and directing VA to work with local jurisdictions, medical providers and veterans groups in designing a pilot mainstreaming project using excess community facilities. Experts in the field of medical education have informed us that there could also be improved residency training, including a better focus on geriatric care, if the VA continued to support such activities in private community facilities.

We appreciate your consideration, and hopefully your leadership regarding what is currently proposed as one of the largest and most ill-conceived public investments ever considered for our State.

Most Sincerely,

eson,

District

Burton, District

Charlie Williamson District 2

Betty Schedeen District 7

Bruce Etlinger District 10

cc: Senator Bob Packwood David A. Stockman, Dir. Ofc. of Mgm. & Budget President Ronald Reagan, The White House

BE:tj



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Mike Burton DISTRICT 12

1

METROPOLITAN SERVICE DISTRICT

527 S.W. HALL ST., PORTLAND, OR. 97201, 503/221-1646

February 11, 1981

Mr. Michael Deaver Deputy Chief of Staff and Assistant to the President The White House 1600 Pennsylvania Avenue Washington, D.C. 20500

Dear Mr. Deaver:

I am writing to request your urgent attention regarding the potential savings of rescinding some \$170 million for construction of a new VA Hospital here in favor of a pilot mainstreaming alternative using existing community facilities.

In a professional opinion poll taken last March, two-thirds of all Oregon and southwest Washington veterans (the VA regional service area) favored a choice of community facilities for their current health benefits rather than a new VA hospital in Portland. It was particularly noteworthy that 60% of those veterans who had actually used VA medical services preferred having these benefits transferred to the private sector.

An overwhelming majority of local elected officials, medical providers, the business community and health consumers also share this view (see attached letter to former President Carter). A similar approach has been advocated by the National Academy of Sciences and the Reagan Transition Team on VA Policy.

Unless these funds are rescinded, or the VA includes an examination of the mainstreaming option in its Environmental Impact Statement, several local groups with standing intend to seek an injunction against the construction project as relief under the National Environmental Policy Act. We have been assured there is a strong legal basis forsuch a challenge.

Both improved patient care for veterans, and residency training for physicians could be provided at a much lower cost in our existing community facilities. Mr. Michael Deaver Feb. 11, 1981 Page 2

Please require the VA to consider such an approach in lieu of a new, unnecessary VA hospital here.

Sincerely,

Bruce Ettinger

Bruce Etlinger Councilor, District 10

BE:cw

Enclosures

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1

Rick Gustafson

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METROPOLITAN SERVICE DISTRICT 527 S.W. HALL ST., PORTLAND, OR, 97201, 503/221-1646

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A pilot mainstreaming approach is supported as well by medical providers, a majority of local elected officials, the press in Oregon, the local business community and health consumers. A 1978 study by the National Academy of Sciences urged Congress to re-focus VA health care by not replacing older acute care facilities in light of significant under-utilization of current VA beds and the excess in private beds. This study found, for example, that over half the veterans now discharged from surgery wards have had no surgery. Because of a

February 5, 1981

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To help contain rising hospital costs, avoid wasteful duplication and provide improved patient care for veterans, we recommend rescinding the funds previously authorized for the Portland VA facility and directing VA to work with local jurisdictions, medical providers and veterans groups in designing a pilot mainstreaming project using excess community facilities. Experts the field of medical education have informed us that Experts in there could also be improved residency training, including a better focus on geriatric care, if the VA continued to support such activities in private community facilities.

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Most Sincerely,

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Bruce Etlinger District 10

cc: Senator Bob Packwood David A. Stockman, Dir. Ofc. of Mgm. & Budget President Ronald Reagan, The White House

BE:ti

Coalition for BETTER Veterans Health Care

P.O. Box 6084 Portland, OR 97228

November 30, 1979

President Jimmy Carter The White House Washington, D. C.

Dear Mr. President:

We the undersigned -- representing a broad cross section of interest groups, governmental bodies and individuals in the Portland area -- request your urgent consideration regarding a new Veterans Administration hospital here.

To date the City of Portland, U.S. House Committee on Appropiations and the final report of the Joint Conference Committee, among others, have stated a preference for siting this facility by Emanuel Hospital in N.E. Portland. The Veterans Administration appears to support the Marquam Hill location in S.W. Portland.

A third alternative -- mainstreaming veterans into excess community facilities -has not been examined except in a most cursory fashion. We support re-programming funds presently authorized for this acute care facility in order to initiate a pilot project which will offer veterans more comprehensive and accessible care of equal or higher quality and at a lower overall cost. Rather than constructing, equiping and operating this new acute care facility at a projected cost of over \$3.5 billion during its 50 year lifespan, mainstreaming veterans would further both local and national health planning objectives, including your efforts to curb rising hospital costs.

We urge you to direct the Veterans Administration to undertake a full review of this proposed option, including thorough discussions with local jurisdictions, our Health Systems Agency, veterans groups and medical care providers before the VA makes a final decision to construct this hospital.

Sincerely,

Multnomah County Executive

Commissioners Board Multnomah

, Executive Director

Gary D. Whelan Multnomah County Medical Society-Portland, Oregon

Say incs. WOHS Northwest Oregon Health Systems Agency <u>Ex. DINGCTOL, OSPIRG</u> (Oregon Student Public Interest Research Group) Speaker of the House Oregon State Legislature National Beading of Suinces. au) M The Mudium Medical Director, Kaiser Permanente Oregon State Senator, District 5 fallo Executive Officer Metro President, Project Return VETS. Richard Hopkins ž Vier President Protect Gulan Uas. Gene - Oregon Medical Association Secretary-Treasurer CHAIRMAN, NE COALITION OF NEIGHBOR-HOUDS Coalition for National Health Security



Rick Gustafson EXECUTIVE OFFICER

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Marge Kafoury DISTRICT 11

Mike Burton DISTRICT 12

METROPOLITAN SERVICE DISTRICT

527 S.W. HALL ST., PORTLAND, OR. 97201, 503/221-1646

13 February 1981

Mr. Ron Buel Willamette Week 320 S.W. Stark Portland, OR 97204

Dear Ron,

I thought you'd be interested in this correspondence. With similar letters and cables to Congressional delegation, the White House and OMB Director Dave Stockman - we might just prevail.



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Rick Gustafson EXECUTIVE OFFICER

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METROPOLITAN SERVICE DISTRICT

527 S.W. HALL ST., PORTLAND, OR. 97201, 503/221-1646

13 February 1981

Dr. Peter Nathan 2455 N.W. Marshall Portland, OR 97210

Dear Peter,

I thought you'd be interested in this correspondence. With similar letters and cables to the Congressional delegation, the White House and OMB Director Dave Stockman - we might just prevail!



~

METROPOLITAN SERVICE DISTRICT

527 S.W. HALL ST., PORTLAND, OR . 97201, 503/221-1646

1981

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Bruce Etlinger DISTRICT 10

Marge Kafoury DISTRICT 11 Mike Burton

DISTRICT 12

Roger Larson

February

13

President Metro Hospitals, INc. 2801 N. Gantenbein Portland, OR 97227

Dear Roger,

I thought you'd be interested in this correspondence. With similar letters and cables to the Congressional delegation, the White House and OMB Director Dave Stockman we might just prevail!



Rick Gustafson EXECUTIVE OFFICER

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METROPOLITAN SERVICE DISTRICT

527 S.W. HALL ST., PORTLAND, OR. 97201, 503/221-1646

13 February 1981

Steve Berkshire NW Oregon Council of Hospitals 220 S.W. Morrison Portland, OR 97204

Dear Steve,

I thought you'd be interested in this correspondence. With similar letters and cables to the Congressional delegation, the White House and OMB Director Dave Stockman - we might just prevail!



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Bruce Ettinger

Bruce Etlinger Councilor, District 10

BE:cw

Enclosures



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BE:tj

Coalition for BETTER Veterans Health Care

P.O. Box 6084 Portland, OR 97228

November 30, 1979

President Jimmy Carter The White House Washington, D. C.

Dear Mr. President:

We the undersigned -- representing a broad cross section of interest groups, governmental bodies and individuals in the Portland area -- request your urgent consideration regarding a new Veterans Administration hospital here.

To date the City of Portland, U.S. House Committee on Appropiations and the final report of the Joint Conference Committee, among others, have stated a preference for siting this facility by Emanuel Hospital in N.E. Portland. The Veterans Administration appears to support the Marquam Hill location in S.W. Portland.

A third alternative -- mainstreaming veterans into excess community facilities -has not been examined except in a most cursory fashion. We support re-programming funds presently authorized for this acute care facility in order to initiate a pilot project which will offer veterans more comprehensive and accessible care of equal or higher quality and at a lower overall cost. Rather than constructing, equiping and operating this new acute care facility at a projected cost of over \$3.5 billion during its 50 year lifespan, mainstreaming veterans would further both local and national health planning objectives, including your efforts to curb rising hospital costs.

We urge you to direct the Veterans Administration to undertake a full review of this proposed option, including thorough discussions with local jurisdictions, our Health Systems Agency, veterans groups and medical care providers before the VA makes a final decision to construct this hospital.

Sincerely.

Multnomah County Executive

Commissioners Board Multnomah

, Executive Director

Gary D. Whelan Multnomah County Medical Society-Portland, Oregon

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Say 1205. NOHS Northwest Oregon Health Systems Agency Ex. DIRECTOR, OSPIRG Oregon Student Public Interest Research Group) Speaker of the House Oregon State Legislature М

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Medical Director, Kaiser Permanente Oregon State Senator, District 5

Executive Officer Metro

Richard Hopkins

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President, Project Return VETS.

Project Gulun Vice Preside ...

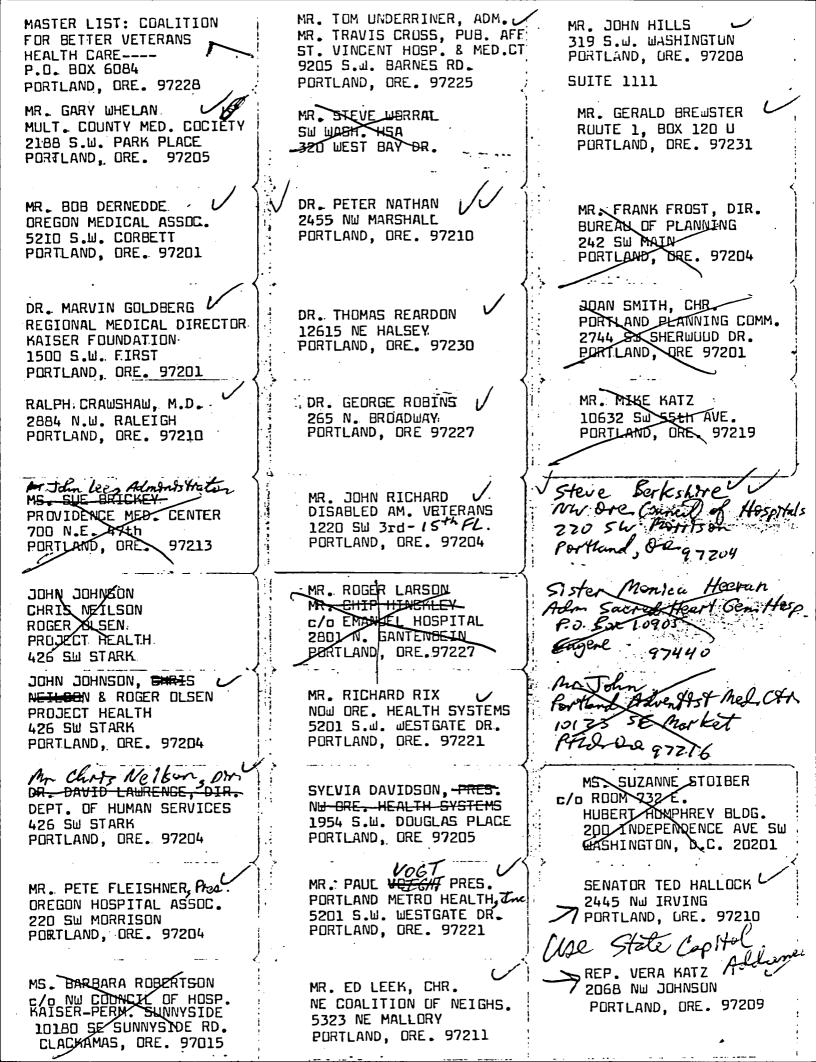
Secretary-Treasurer - Oregon Medical Association

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CHAIRMAN, NE CUALITION OF NEIGHBOR-HOUDS

Coalition for National Health Security

Dr. Etchard Ryan Sentor Health Consultant DA Harvard Medical School 25 shattuck Street MR. BOB OLESON MR NEICHARD HOPKINS C/O DRE. STATE BAR ASSOC. PROJECT RETURN VETS 1776 SIL MADISON ST. 1412 SE 25th Boston, Mars 02115 PORTLAND, DRE. 97825 PORTLAND, ORE . 97214 MR. DEAN GISVOLD National Orector of Scribels 807 Marine Ave MR. ED SULLIVAN 2815 NE 17th 811 N.W. 19th PORTLAND, DRE. 97212 PORTLAND, ORE. 97209 backer P.C. 7.0024 SENATOR ROBERT PACKWOOD MR. WILLIAM HUTCHISON C/D MR. - Joff Lewis c/o ORE. NATIONAL BLDG. 1321 DIRKSEN BLDG. PORTLAND, DRE. 97204 WASHINGTON, D.C. 20510 MR. STEVE JENHINGS SENATOR MARK HATFIELD c/o MR. VIE BILLIAM Gerry Frank DREGONIANS NEWSROOM 1320 BU BRDADWAY 463 RUSSELL BLDG. PORTLAND, ORE 97201 WASHINGTON, D.C. 20510 434 Canton House Tree Be MS KATHY DURBIN REP. LES AUCOIN John ORE GONISK NEWSROOM C/O BARY CONKETNE Atking 231 CANNON BUILDING 1320 SW BROADWAY hash R.C. POBALAND, ORE. 97201 20515 WASHINGTON, D.C. 20515 Rep. fon ligden MA DON BUTLER REP. BOB DUNCAN KOIN-TV 1440 Longworth Thes. CTO ME. DAVE BURT 140 SW COLUMBIA Trash D.C. RM. 2447 RAXBURN HOUSE PORTLAND, DRE. 97201 OFFICE BLDG. 2.0510 WASHINGTUN, D.C. 20515 Rep. Denny Smith MR. RICK MEYERS CONG AL ULLMAN 1207 Long worth Hose. C/O MR. DP GROSSWILER 1136 LONGWORTH DFF. BD. KATU-TV 2153 NE BANDY BLVD. Wallan D. C. 20510 WASHINGTON, D.C. 20510 PORILAND, ORE. 97232 Mr. Dorman Harthett Egger Larson MR. FLOYD McKAY National Dir. of Services Disabled American Vereruns Thes. - Metro Hospitale, Inc. KGW-KING BROADCASTING 2801 No Cantenber 1501 SW JEFFERSON 807 Main Aven Portland, Ore 97227 PORTLAND, DRE.97205 Wash P.C. 20074 for MR. RICHARD MEEKER Jam Lee Admonistration - Providence heard WILLAMETTE WEEK 320 SW STARK 47th 700-1.4.6 PORTLAND, DRE.97204 8-14 d. On 97213 Add all Atto Councilius Rep. Hardy Muners MR. JERRY TIPPENS except Flodies, Kirkpatrich Speaken of the - House THE OREGON JOURNAL + Deines - plus Fich G. 1320 SW BROADWAY get address PORTLAND, ORE. 97201 Sem fred Heard MS. DZ HOPKINS Ext-address) THE DREGON JUURNAL 1320 SJ BRUADJAY PORTLAND, DRE. 97201



ROBERT J. DOLE, KANS., CHAIRMAN

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ROBERT E. LIGHTHIZER, CHIEF COUNSEL MICHAEL STERN, MINORITY STAFF DIRECTOR

Alniked States Senate

COMMITTEE ON FINANCE WASHINGTON, D.C. 20510

February 25, 1981

Mr. Bruce Etlinger District 10 Metropolitan Service District 527 Southwest Hall Street Portland, Oregon 97201

Dear Mr. Etlinger:

Thank you for sending me a copy of your letter to Senator Hatfield regarding health care for veterans and the Portland Veterans' Hospital.

I agree with you and your ideas regarding mainstreaming. We should be able to provide health care to veterans more economically, efficiently, and more conveniently by using local hospitals. You can be assured that I support mainstreaming, and will work toward meeting that goal.

Again, thank you for writing.

Cordially,

BP/jbj

THE WHITE HOUSE

WASHINGTON

March 12, 1981

Dear Mr. Etlinger:

I appreciated receiving your letter concerning the proposed construction of a new Veterans Administration hospital in Portland, Oregon. The project was carefully reviewed during the development of the President's Program for Economic Recovery. Our approach to the Recovery Program required that every proposal receive careful consideration.

During the review, the Office of Management and Budget determined that project funds should be deferred for at least the next two years. As a result of the recommendation, \$137 million expenditure for the VA hospital in Portland, Oregon will be deferred for the time being and \$35 million will be deleted from the budget which would have gone to cover add-on construction costs.

Your letter addressed the question of a pilot mainstreaming alternative for veterans health care. That proposal is being reviewed by the Office of Policy Development. Our people are studying a 1977 report by the National Academy of Sciences which concluded that the present separate VA health care system is duplicative, inefficient and costly. I can assure you that in the months ahead we will review the overall health care situation for our veteran population.

Thank you for sending us your views. As we review our overall long-term health care system, your suggestions will receive strong consideration.

Sincerely,

Willing-

MICHAEL K. DEAVER Assistant to the President Deputy Chief of Staff

Mr. Bruce Etlinger Metropolitan Service District 527 S.W. Hall Street Portland, OR 97201

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Doctors believe new VA hospital not warranted

By ANN SULLIVAN of The Oregonian staff

SUNRIVER — The Oregon Medical Association does not believe a new Portland-area Veterans Administration hospital can be justified on the basis of medical needs, the group's policy-making body resolved Sunday.

However, the association's House of Delegates decided to state a site preference, "recognizing the political reality that a new VA hospital may nevertheless be built," despite the group's belief that private hospitals are adequate to take care of veterans.

The resolution adopted by a majority of the 138 policy-making delegates expressed a preference for building next to the University of Oregon Health Sciences Center, rather than near Emanuel Hospital, a site also proposed.

A dispute over which location is better has stalled congressional approval of the VA's request for \$139.1 million to build a new facility.

The delegates also voted to "strongly oppose" legislative efforts to restrict funding for or access to abortions, reaffirmeed support for federal and state funding for abortions for medically indigent women, and reaffirmed a previous OMA position that a decision on whether to perform an abortion rests solely with the patient and her physician.

The delegates voted to establish a committee to study criteria relating to the procurement, placement and use of CAT scanners (computerized axial to-mograph), a new X-ray diagnostic device.

They thus side-stepped for a time efforts to relax present regulations over purchase of the expensive scanners.

In other policy-making decisions, the OMA:

- Decided to vigorously support legislation relating to legal protection of physicians giving immunizations.

- Declined to withdraw previous support for the certificate-of-need procsmoking in OMA meetings established in 1976.

- Endorsed efforts of the Oregon State Board of Medical Examiners to promote a study conference on the management of patients dependent on drugs and alcohol.

- Asked revision of rule by the Joint Commission on Accreditation of Hospitals which requires 24-hour inhospital coverage for anesthesiology for certain hospitals.

- Encouraged every hospital medical staff in Oregon to establish costcontainment committees to limit capital expenditures and increase physician awareness of in-hospital bills. Physicians should be asked to curb duplicative use of laboratories, X-rays and medications, and re-assess standing orders and encourage maximum use of surgical facilities.

Illinois city, Westport vie for fish title

By BETTY BUTLER

Correspondent, The Oregonian

WESTPORT, Wash. — Is Westport, a Washington port town that for years has claimed to be the salmon fishing capital of the world, about to lose its title?

And — even more humiliating — is the city about to lose the title to a town that isn't even on the ocean?

This development began Friday when the mayor of Waukegan, Ill., a city of about 65,000 on Lake Michigan, challenged the mayor of Westport to a contest to decide which city actually is the world's salmon capital.

: Waukegan Mayor William Morris said his city calls itself the coho salmon

ring and Construction Co. shows be erected in Oregon to generate kilowatts at full capacity.

We think it will be a thing of beau-



For the week ending February 13, 1978

Vol. 4 No. 14



One of the givens in the ongoing debate over medical costs is that sound planning of health-care facilities is absolutely essential.

Consequently, we find ludicrous and depressing the current wrangle over where to locate a new Veterans Administration hospital in Portland. The emphasis so far seems to be on parking, air quality, accessibility, urban renewal, convenience to doctors, and politics. That is, it is on just about every concern except the primary health-planning issue, which is whether Portland needs a new VA hospital in the first place.

We think the proposed hospital bears comparison to

the now-deceased Mt. Hood Freeway. Just as the highway trust fund has supported freeways for years and years, to the exclusion of mass transit, Congress has continued to appropriate millions for the care of indigent veterans, but only in separate VA hospitals

Never mind that veteran patients don't need a new hospital here. Never mind that there are plenty of beds in the metro area that could handle the veterans. Never mind that private hospitals can provide care as good or better than that managed by the VA.

Portland, Multnomah County and the state of Oregon all said "no" to the Mt. Hood Freeway. Their decision was encouraged by a federal law which allowed state and local governments to trade in planned freeways for mass-transit funds.

No such law presently exists to allow the VA to

trade plans for a new hospital for funds to pay for care in non-VA facilities, and our congressmen, with the lone exception of Bob Duncan, appear more interested in playing pork-barrel politics with the appropriation of funds for a new VA hospital than in doing what's right for this region.

We urge them all to stop fighting over which side of the river is more appropriate for building a new VA hospital. They should go back to Washington, D.C., and introduce legislation that would give the VA the proper tools to deliver health care to veterans the way that best suits the needs of this region.



hospita

It is not as if we need another hospital in this city. Many authorities point out that Portland's hospitals are "overbedded." Furthermore, the duplication of central administrative, laundry, food and other service expenses that will occur is unconscionable. But it looks as if the Veterans Administration is going to build a new hospital here anyway.

In doing so, it will be taking another step away from the inclusion of the Veterans health program in the mainstream of health care in this country. The National Academy of Sciences recently recommended this direction in a strongly worded report to the U.S. Senate. The academy also recommended against the construction of the eight new hospitals the VA has planned, including the one in Portland.

With national health care on its way in some form or another in the next decade, it seems foolish and costly to continue a separate system of government-paid care for veterans. If everyone's care is going to be government subsidized, why separate the veterans? If we have to have the new hospital, then surely it is wiser to build it at

the Emanuel site. There, the duplication of expenses could be minimized with careful planning, although unlikely even then. And on the Emanuel site the people to be served, the veterans, will be better served. Access to Emanuel on the freeway system and by public transit is clearly superior to the Marquam Hill location. The short distance medical school students and personnel would have to drive is insignificant. The traffic and parking mess on Marquam Hill identified by the Portland Planning Commission would not be intensified. Finally, the Emanuel Hospital neighborhood badly needs the economic impetus the VA hospital would provide.

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Congress. Portland area will help to deliver he message Perhaps a poll conducted in the

interesting, especially since they come from the special constituency that the Veterans' Administration

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constituency

they continue to press

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to stop the waste or uncertained hospitals, the message somehow must get through to the somehow and the guide a change in national policy, seems to have fallen on deaf ears. But if this country ever is going to stop the waste of building unexperimental project that might the hospital, using Portland as for veterans rather than building

vided commnity carewould be of-fered instead. Outside the met-

construction of a new hospital, prowhere the VA hospital is handy, a majority - 56.5 percent - opposed

ropolitan area, where going to the VA hospital means a greater disrup-tion of their lives, three-fourths of

The statistics at the least

are

even though the metropolitan area already has vastly more hospital fa-The proposal to use the money to purchase mainstream health care cilities than it needs.

fied with their care. Even in the me

the metropolitan area

In

the veterans' hospital were satis-

on line to be built at enormous cost be penetrated. point, with a new veterans' hospital Portland, of course, is a case

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This conclusion was reached de-spite the fact that more than 80 per-cent of those who had been treated

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hospital.

ed and start providing care for vet-erans in the mainstream facilities of governmental If the nation is going to stop ouilding hospitals that are not needministration and the pork barrel of congress. heir communities, barriers will have both of these

ans seems hopelessly caught up in the bureacracy of the Veterans' Adrate health care facilities for veter-The policy of maintaining sepa-

The in-depth survey by Grubb-Stern Marketing Research indicates that veterans themselves would rather have mainstream care their communities than a separate ospital. in

the vets wan

erans showed that three-fourths them would prefer to be treated A scientific sampling of 310 vet-E C

the regular facilities of their com-munities, including 60 percent of those who have used the veterans'

: Journal 1/23/80 Hospital not needed

The battle over a new veterans' hespital in Portland has been waged by many diverse and powerful interests.

City planners, the mayor's staff and Rep. Robert B. Duncan, D-Ore., wanted to put it near Emanuel Hos pital on the East Side in Duncan's Third District.

The Veterans' Administration, veterans' organizations, medical school officials and Rep. Les Au-Coin, D-Ore., wanted to put it on Marquam Hill, where the old hospi-tal is located in AuCoin's First Distal is located in AuCoin's First District.

There has been a growing third force, diverse, but not made up of such powerful interests, that favors not building a new veterans' hospital at all.

Instead, this point of view wants veterans to receive care in the "main stream" of the health fa-

cilities of their communities. Adding a little weight to this argument are the citizens serving on the board of Northwest Oregon Health Systems, which makes recommendations on planning deci-

sions for hospitals in Northwestern Oregon. While action on the veterans' hospital is not a formal part of its work, the group believes building a new hospital would be a terrible mistake. mistake.

In all probability, the money would be better and more efficiently spent giving eligible veterans mainstream care. Furthermore, veterans from out of town could re-ceive their care at home and not have to travel to Portland.

If not having the veterans' hos-pital as part of its complex is a problem for the medical school, then it should be resolved by the State of Oregon. If there is a need for a special hospital for veterans it for a special hospital for veterans, it is not to provide a teaching facility.

A point that ought to be consid-ered is that there is no need for additional hospital beds in the Portland area. They are already in surplus.

So it would make sense to use them for veterans rather than building an unneeded, new hospital.

Veterans and Project Health

The House Appropriations Commmittee staff re-port has sent the Portland veterans' hospital back to the drawing board.

The conflict over the site - Emanuel Hospital or Marquam Hill — remains unresolved. The staff even recommended removing Vancouver, Wash., from sharing a portion of the facility, which is not going to sit well with a couple of prominent and powerful Washington senators.

Since the issue has been further complicated and additional delay is inevitable, perhaps it is time to rethink the proposal.

There are those who question the need for a separate hospital for veterans and suggest that the funds instead be spent for veterans' care in main-stream health facilities, along the lines of Mult-nomah County's Project Health.

When the question is asked, however, the an-swer from veterans' and congressional sources usu-ally is that mainstream care is a long-range goal that

cannot be realized for perhaps 20 years. In the meantime, hospitals for veterans will continue to be needed.

But now another question has been raised, and it

is one Congress ought to think about. Why not take a half step toward mainstream care by building a smaller hospital that would match more closely the health needs of the community and using the funds that would be saved for mainstream care for the veterans who would benefit from it?

Since Project Health is a model for the nation, it might be an appropriate device for funneling at least some veterans into care at regular community hospitals and clinics.

Indeed, it might guide the nation toward its long-range goal of phasing out veterans' hospitals and integrating them into the facilities of their communities

Since the progress Congress has made so far on the issue is to move it back to square No. 1, it might at least consider the proposition.

One way to vets' community care

During the prolonged dispute over the location of a new veterans' hospital in Portland, the question has been raised as to why veterans would not be better off treated in the regular health facilities of their communities rather than in special separate

hospitals. The answer always comes back that mainstream care for veterans is the long-range goal, but it will probably take at least 20 years before the nation can afford to phase out its veterans' hospitals. And so, while the Portland area has an over-all surplus of hospital beds, its veterans' hospital is decrepit and must be replaced.

decrepit and must be replaced.

However, the wrangling continues over where to put it. Rep. Robert B. Duncan, the Portland City Council and the House Appropriations Committee staff want to locate it at Emanuel Hospital. Rep. Les AuCoin, the Veterans' Administration, the Health Sciences Center and several veterans' organizations want to put it where the present hos-

pital is — on Marquam Hill, near the medical school. In a lengthy report filled with bureaucratic ver-bosity, the <u>Appropriations Committee staff conclud-</u> ed that the Emanuel site would fit into the communi-ty's planning better, and cost \$27 million less. Now, in the latest round, the Veterans' Adminis-tration has responded with a 30-page rebuttal of its own, reaffirming its previous findings in favor of the Marquam Hill location. The Portland project has been at the top of the

The Portland project has been at the top of the Veterans' Administration priority list for some time, but keeps being passed over in favor of lower prioribut keeps being passed over in layor of lower prior-ties.because neither the community nor its congres-sional delegation can get together. In fact, both sides seem to be becoming more intransigent all the time. So they may have hit inadvertently on the course to mainstream health care for veterans. They will simply keep arguing for those 20 years or however long it takes to work veterans into community

it takes to work veterans into community long health services. ournal 10/20/107

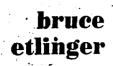
Oregon Journal, March 2, 1981

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Portland doesn't need new vets' hospital

In the last election both those who ousted the governing party and an even larger majority of non-voting Americans displayed the same disenchantment with the performance of the federal government.

Much of the blame lies with myriads of often conflicting policies, programs that are unre-



sponsive and rigid, single-purpose bureaucracies accustomed to unlimited federal largess.

The new Veterans' Administration Hospital proposed for Portland, with a projected price tag of over \$4 billion to build and operate during its 50-year life span, is a classic example of what bothers people.

Despite current efforts to limit wasteful spending at all levels of government, a supplemental appropriation of \$34 million for construction is all that stands in the way of one of the largest and most ill-conceived public investments ever considered in our state.

The unvarnished truth is that there is a considerably less costly way to provide both better patient care for veterans and residency training for physicians. Congress and the president should immediately re-channel a fraction of funds previously authorized for the hospital into a pilot mainstreaming project that would give Oregon veterans a choice of existing facilities in their home communities.

Oregon offers a unique setting for such a mainstreaming approach. In a professional opinion poll conducted last March, nearly two-thirds of all veterans in Oregon and southwest Washington said they would prefer having a choice of community facilities and physicians for their current health benefits rather than a new regional VA facility in Portland. It was particularly noteworthy that 60 percent of those veterans who had actually used VA medical services favored transfer of those benefits to the private sector.

In the early '60s, Multnomah County phased out its public hospital for the medically needy in favor of prepaid health plans such as Kaiser and Blue Cross. The result has been more comprehensive and accessible care, at a lower cost than hospital based care.

Besides the obvious cost-savings and the preference of veterans for mainstreaming, these facts should be considered:

• The Portland area has a documented excess of between 750-1,000 beds, well beyond the projected needs of both veterans and non-veterans.

• A federal moratorium is currently in effect on construction of new public hospitals in overbedded areas.

• Three private hospitals in the Portland area have recently been denied relatively small expansions in an attempt to curb skyrocketing hospital costs. Excess and under-utilized hospital capacity wastes millions in both tax dollars and insurance premium dollars each year.

• The VA has disregarded the site preference of its own consultants, local neighborhood interests, the city of Portland, and Congress itself. Recently unveiled plans call for a lavish new facility on Marquam Hill that will be the most expensive hospital, on a per square foot basis, ever built in the U.S.

In 1928, when the existing Portland VA

facility and 170 others like it were built around the country, there were millions of war-injured veterans who needed care and a shortage of both facilities and physicians in our local communities who needed care. This is no longer the case.

Because of todays' decline in the number of veterans — their average age now is 60 — Congress asked the National Academy of Sciences to réview the entire network of VA facilities and offer suggestions for future care. The Academy's 1978 study found significant under-utilization of existing VA acute care facilities. For example, more than half the patients discharged from surgery wards were found to have had no surgery. A similar excess of acute care beds was noted in private facilities. These findings prompted the Academy to recommend a major re-focusing of veterans' health care.

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Instead of replacing older acute care hospitals, like Portland's, the Academy suggested that the VA contract for this care while converting its own facilities and staffing to meet veterans needs for convalescent, chronic and outpatient care. This is far different from the proposed project here which emphasizes 490 new acute care beds, a small and separate 120 bed nursing home, and no plans for future outpatient care when the current lease

expires at the Gill Building clinic down-

Adding new hospital beds represents an enormous mismatch of scarce health resources, in view of the needs and preferences of today's veterans. Just as veterans' education benefits have been provided without the edifice of "VA colleges," it is time we provide veterans the same high quality health care enjoyed by the rest of us — in the mainstream.

Bruce Etlinger is chairman of the Coalition for Better Veterans Health Care and a METRO councilor.

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ROBERT J. DOLE, KANS. CHAIRMAN

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Anited States Senate

COMMITTEE ON FINANCE WASHINGTON, D.C. 20510



February 25, 1981

METRO SERVICE DISTRICL

Mr. Rick Gustafson Executive Officer Metropolitan Service District 527 Southwest Hall Street Portland, Oregon 97201

Dear Rick:

Thank you for sending me a copy of your letter to Senator Hatfield regarding health care for veterans and the Portland Veterans' Hospital.

I agree with you and your ideas regarding mainstreaming. We should be able to provide health care to veterans more economically, efficiently, and more conveniently by using local hospitals. You can be assured that I support mainstreaming, and will work toward meeting that goal.

Again, thank you for writing.

Cordially,



BP/jbj

OREGON

United States Senate

WASHINGTON, D.C. 20510

February 12, 1981

METRO SERVICE DISTRICI

Mr. Rick Gustafson Executive Officer Metropolitan Service District 527 S.W. Hall Street Portland, Oregon 97201

Dear Mr. Gustafson:

While I have stated that the Reagan Administration could decide to halt funding for the a replacement Veterans Hospital, my firm support for the facility has not diminished.

My support for the project is based on the fact that the current facility is substandard, and the University of Oregon Medical School could offer much in the way of medical expertise and resources for Oregon veterans in need of medical attention.

The new Administration will be examining the entire veterans health care system in the months ahead. President Reagan could either include the proposed facility in his budget rescisions or he could direct that the Veterans Administration radically alter its approach to health care. If either of these changes occur, I, as well as all Oregonians, will be forced to weigh the options as they emerge at that time. However, I am not aware of any evidence which suggests that the President is disposed to halt construction of the hospital. Whatever the outcome, the attainment of health care services for Oregon veterans which are second to none must remain the unwaivering objective.

If the effort to reduce government spending is to be successful, all of us must be prepared to assume a share of the sacrifice this will entail. However, I will not support any approach to the nation's economic problems which places a disproportionate burden on Oregon veterans.

Thank you again for writing. I hope you will continue to share your views with me.

Warm regards.

Sincerely,

Mark O. Hatfield United States Senator

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The GMA Poll

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Method:

From May 11 through May 13, 1981, GMA Research conducted the GMA Poll in the Portland, Tri-County area for KATU television. All interviews were conducted by telephone from the GMA Research central location phone bank in Portland. Respondents (384) 18 years of age and older were scientifically selected for interviewing. The sample was evenly split between male and female respondents.

Results from a sample of 384 are accurate within ±5% with 95% confidence.

If you could determine how the Veterans Administration would spend funds allocated for the health care of Oregon veterans, would you prefer health care services be provided at a new regional VA hospital in Portland or the same health care services be provided using existing community hospitals and doctors of the veterans' choice?

Response

Percent (N=384)

	(1-204)
The same health care services be provided using existing community hospitals and doctors of the veterans' own choice.	67%
Health care s ervices be provided at new regional VA hospital in Portland.	24%
Undecided	88
Refused	18
Total	100%



Coalition for BETTER Veterans Health Care

P.O. Box 6084 Portland, OR 97228

November 30, 1979

President Jimmy Carter The White House Washington, D. C.

Dear Mr. President:

We the undersigned -- representing a broad cross section of interest groups, governmental bodies and individuals in the Portland area -- request your urgent consideration regarding a new Veterans Administration hospital here.

To date the City of Portland, U.S. House Committee on Appropiations and the final report of the Joint Conference Committee, among others, have stated a preference for siting this facility by Emanuel Hospital in N.E. Portland. The Veterans Administration appears to support the Marquam Hill location in S.W. Portland.

A third alternative -- mainstreaming veterans into excess community facilities -has not been examined except in a most cursory fashion. We support re-programming funds presently authorized for this acute care facility in order to initiate a pilot project which will offer veterans more comprehensive and accessible care of equal or higher quality and at a lower overall cost. Rather than constructing, equiping and operating this new acute care facility at a projected cost of over \$3.5 billion during its 50 year lifespan, mainstreaming veterans would further both local and national health planning objectives, including your efforts to curb rising hospital costs.

We urge you to direct the Veterans Administration to undertake a full review of this proposed option, including thorough discussions with local jurisdictions, our Health Systems Agency, veterans groups and medical care providers before the VA makes a final decision to construct this hospital.

erely, Multnomah County Executive Commissioners Board 0 Multnomah

Executive Director

Gary D. Whelan Multnomah County Medical Society-Portland, Oregon

incs, NOHS

Northwest Oregon Health Systems Agency

IX. DIRECTOR, OSPICE (Oregon Student Public Interest

Research Group) Speaker of the House Oregon State Legislature

National Cudeny of Suinces.

Medical Director, Kaiser Permanente

Oregon State Senator, District 5

Executive Officer Metro

Richard Hokm

President, Project Return VETS.

Froject Beium Vice P. uuz.

Secretary-Treasurer - Oregon Medical Association D.

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CHAIRMAN, NE COALITIUN OF NEIGHBUR-HOODS

Coalition for National Health Security

OREGON REPUBLICAN STATE CENTRAL COMMITTEE

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· Grace Olsen Vice Chairman Marion Taylor Secretary

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Earnest L. Gallardo Executive Director

July 13, 1981

Mr. Peter A. Nathan, M.D. COALITION FOR BETTER VETERANS HEALTH CARE P.O. Box 6084 Portland, OR 97228

Dear Peter,

I regret I will be unable to attend the July 16th meeting of the Multnomah County Commissioners to hear and colaborate to the testimony regarding the mainstreaming alternatives to the existing Veterans Administration Hospital facility.

Although I cannot speak for the Oregon Republican Party, I can as an individual and a practicing physician, wholeheartedly support a mainstreaming or vouchure system for veterans health care in lieu of a new and costly acute care facility as proposed by the Veterans Administration Markham Hill project.

Best Regards.

Dr. Robert O. Voy State Chairman

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THE WHITE HOUSE

WASHINGTON

April 21, 1981

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Dear Dr. Nathan:

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Knowing your continued interest in the proposal to construct a Veterans' Administration hospital in the Portland, Oregon area, I am writing to bring you up to date on developments since our last correspondence.

When I last wrote to you, I indicated that a decision had been made by the Office of Management and Budget to propose deferral of this construction project. However, since that time OMB has withdrawn this proposal. The project is currently scheduled to proceed.

The major reason for withdrawing the deferral proposal was escalating cost. Cost projections for this new facility are already high as you noted in your letter. Simply deferring this project for two years without actually cancelling the authority to build it would only add to the already high cost of this facility.

I have asked, however, that VA and OMB officials monitor this situation closely, taking into account public sentiment in the Portland area in making future decisions about the continued viability of this project. You can be sure that your thoughtful analysis of the situation will receive serious consideration in this process.

Thank you again for sharing your views on this project with the President. I hope you will continue to keep us advised on your thoughts in this and other areas in the months and other areas in the months and years ahead.

Sincerely,

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MICHAEL K. DEAVER Assistant to the President Deputy Chief of Staff

Dr. Peter A. Nathan, M.D. Portland Hand Surgery Center 2455 N. W. Marshall, Suite 1 Portland, Oregon 97210

THE WHITE HOUSE

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March 12, 1981

Dear Mr. Etlinger:

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I appreciated receiving your letter concerning the proposed construction of a new Veterans Administration hospital in Portland, Oregon. The project was carefully reviewed during the development of the President's Program for Economic Recovery. Our approach to the Recovery Program required that every proposal receive careful consideration.

During the review, the Office of Management and Budget determined that project funds should be deferred for at least the next two years. As a result of the recommendation, \$137 million expenditure for the VA hospital in Portland, Oregon will be deferred for the time being and \$35 million will be deleted from the budget which would have gone to cover add-on construction costs.

Your letter addressed the question of a pilot mainstreaming alternative for veterans health care. That proposal is being reviewed by the Office of Policy Development. Our people are studying a 1977 report by the National Academy of Sciences which concluded that the present separate VA health care system is duplicative, inefficient and costly. I can assure you that in the months ahead we will review the overall health care situation for our veteran population.

Thank you for sending us your views. As we review our overall long-term health care system, your suggestions will receive strong consideration.

Sincerely,

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MICHAEL K. DEAVER Assistant to the President Deputy Chief of Staff

Mr. Bruce Etlinger Metropolitan Service District 527 S.W. Hall Street Portland, OR 97201

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Doctors believe new VA hospital not warranted

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NEWS, MOVIES, CLASSIFIED ADS, FINANCIAL, EDITORIAL, FORUM

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Asked rev Hospitals which requires 24-bour ospital coverage for

- Encouraged every - Escourages every scapital mon-containment committees to kind capital expenditures and increase physician swarenees of in-hospital bills Physi-cians should be asked to carb suplica-tive use of schoratories. X-rays and me-dications, and re-assess standing orders and encourage a mane of s

Illinois city, Westport vie for fish title

BETTY BUTLER

WESTPORT, Wash - Is Westport, Washington port town that for years as claimed to be the milmon fishing spital of the world, about to lose its

And - even more norminating - is the city about to lose the title to a town hat isn't even on the ocean? This development began Friday riben the mayor of Waskegan, III., ity of about \$5,000 on Lake Michigan. aged the mayor of Westport to a to decide which city at

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egon Association

NOT W. SKOGLUND, M.D. SENEVIEVE S. BURK, M.D. DOWALD P. DOBSON, M.D.

W. SLATE WILSON, M.D. ----and Des BOSERT L. DERNEDDE

AMESA ERONENBERG

5210 S W. CORBETT AVENUE . PORTLAND, OREGON 97201 . (503) 226-1555

July 13, 1981

Gladys McCoy, Presiding Officer Multnomah County Board of Commissioners Room 605 1021 S.W. Fourth Avenue Portland, Oregon 97201

Dear Mrs. McCoy:

This letter is submitted to you and the Board of County Commis-sioners at the request of two Oregon physicians. It should not be construed as an endorsement of the resolution regarding the proposed V.A. Hospital in Portland, nor should it be considered a statement in support of the suit to enjoin the construction of the new V.A. facility. It is merely to place into the record the considered position of this Association, to wit:

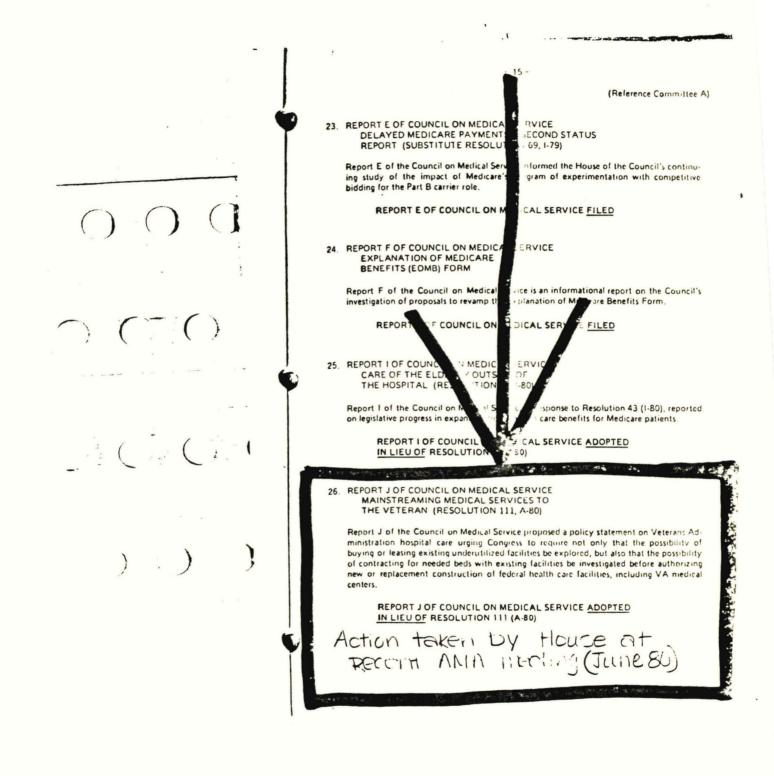
"The Oregon Medical Association does not believe that a medical need exists to justify the construction of a new Veteran's Administration Hospital in the greater Portland metropolitan area given the current and ade-quate level of hospital facilities to serve the medical needs of veterans.

The Association, recognizing the political reality that a new V.A. Hospital may, nevertheless, be built in the greater Portland metropolitan area, feels that if it is built, it should be built adjacent to the University of Oregon Medical School."

Respectfully submitted, Muglind λ C Roy W. Skoglund, M.D.

President

RWS:jlm



OREGON MEDICAL ASSOCIATION HOUSE OF DELEGATES 107th Annual Session Valley River Ian, Eugene April 24-26, 1981

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RESOLUTION NO. 12

1 Introduced by: Multnomah County Medical Society

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Subject: PROPOSED CONSTRUCTION OF VETERAN'S HOSPITAL

- WHEREAS, Senator Hatfield has recently stated that health care services for Oregon veterans should be second to none; and
- MHEREAS, an amount of over \$4 billion is projected to merely construct and maintain the new Portland VA facility over its 50-year life span, exclusive of direct costs for patient care and high interest rates the government must pay to finance this project; and
- MHEREAS, inflationary construction costs have increased to more than \$300,000 per bed for the proposed 490 inpatient bed facility, making it the most expensive hospital, on either a per-bed or per-square-foot basis, ever considered for construction in the U.S.; and
- WHEREAS, there are abundant private practicing physicians in the state to care for the veterans' meeds, with the doctor-per-patient ratio being 1:500 throughout the state and increasing to 1:167 in the Portland area, and with a 31% increase in physician population in the six most northwestern Oregon counties during the period 1975-79, compared to only a 1% concomitant increase in total population; and
- WHEREAS, a statistically valid poll conducted in 1980 reveals an overwhelming 73.1% of Oregon veterans would prefer to use hospitals and doctors of their own choosing, with the VA paying their bills, 76.6% preferred their own choice of doctor for outpatient care, and 60% of those who had previously used VA medical services would prefer to have their benefits transferred to the private sector; and
- MHEREAS, a recently completed study reveals that, at most, 374 hospital beds needed for all the veterans living in southwest Washington and the whole State of Oregon, and there are an estimated 434 extra beds in the larger Portland area alone, and in addition, projections from the designated Health Systems Agencies disclose a far greater surplus of acute care beds statewide; and
- MHEREAS, the average veteran today is 60 years old and getting older, the demand for acute inpatient care will decrease and there will be an increased need for convalescent, chronic and outpatient care: and

OMA HOUSE OF DELEGATES April 24-26, 1981 RESOLUTION NO. 12 Page 2

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MHEREAS, a 1977 study of all VA facilities by the National Academy of Sciences found significant improper utilization of existing acutecare facilities, and recommended that the VA contract with private facilities for acute care, while converting its own facilities and staffing to meet veterans' needs for convalescent, chronic and outpatient care; and.

WHEREAS, at least two-thirds of all doctors who have entered practice in Oregon during the last ten years have been trained out of state, and more than 50% of our Medical School graduates leave Oregon annually to practice; and

MHEREAS, the Medical School has found it necessary to close 171 of its beds for want of patients, and therefore should contract instead of expand through utilization of a new VA building for its teaching programs; now

THEREFORE BE IT RESOLVED, that the Oregon Medical Association reaffirms its opposition to the construction of the proposed Oregon Veterans' Hospital.

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RESOLUTION NO. 12

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Journal 1/23/80 Hospital not needed

The battle over a new veterans' bepital in Portland has been waged or many diverse and powerful in-terests.

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thrests. City planners, the mayor's staff and Rep. Robert B. Duncan, D-Ore., wanted to put it near Emanuel Hos-pital on the East Side in Duncan's Third District. The Veterans' Administration, weterans' organizations, medical achool officials and Rep. Les Au-Coin, D-Ore., wanted to put it on Marquam Hill, where the old hospi-tal is located in AuCoin's First Dis-trict. trict

There has been a growing third force, diverse, but not made up of such powerful interests, that favors not building a new veterans' hospi-tal at all.

Instead, this point of view wants veterans to receive care in the "main stream" of the health faellities of their communities.

Adding a little weight to this argument are the citizens serving on the board of Northwest Oregon Health Systems, which makes rec-ommendations on planning deci-

hospital is not a formal part of its work, the group believes building a new hospital would be a terrible mistake

mistake. In all probability, the money would be better and more efficient-ly spent giving eligible veterans mainstream care. Furthermore, vet-erans from out of town could re-ceive their care at home and not have to travel to Portland.

If not having the veterans' hos-pital as part of its complex is a problem for the medical school, then it should be resolved by the State of Oregon. If there is a need for a special hospital for veterans, it is not to provide a teaching facility.

A point that ought to be consid-ered is that there is no need for additional hospital beds in the Port-land area. They are already in surplus

So it would make sense to use them for veterans rather than build-ing an unneeded, new hospital.

Veterans and Project Health 10/31/77 Journal

The House Appropriations Communities staff re-port has sent the Portland veterans' hospital back to the drawing board. The conflict over the site — Emanuel Hospital or

The confluct over the site — Emanuel Hospital or Marquam Hill — remains unresolved. The staff even recommended removing Vancouver, Wash., from maring a portion of the facility, which is not going to sit well with a couple of prominent and powerful Washington senators.

Since the issue has been further complicated and additional delay is inevitable, perhaps it is time to rethink the proposal.

There are those who question the need for a separate hospital for veterans and suggest that the funds instead be spent for veterans' care in main-stream health facilities, along the lines of Mult-momah County's Project Health. When the question is asked, however, the an-

swer from veterans' and congressional sources usu-ally is that mainstream care is a long-range goal that

cannot be realized for perhaps 20 years. In the mean-time, hospitals for veterans will continue to be need-

But now another question has been raised, and it

But now another question has been raised, and it is one Congress ought to think about. Why not take a half step toward mainstream care by building a smaller hospital that would match more closely the bealth needs of the community and using the funds that would be saved for mainstream care for the veterans who would benefit from it? Since Project Health is a model for the nation, it might be an appropriate device for funneling at least some veterans into care at regular community hospi-tals and clinics.

Indeed, it might guide the nation toward its long-indeed, it might guide the nation toward its long-range goal of phasing out veteras' hospitals and integrating them into the facilities of their communi-

Since the progress Congress has made so far on the issue is to move it back to square No. 1, it might at least consider the proposition.

One way to vets' community care

During the prolonged dispute over the location of a new veterans' hospital in Portland, the question has been raised as to why veterans would not be better off treated in the regular health facilities of their communities rather than in special separate hearthtaken and the separate hearth and the separate

hospitals. The answer always comes back that mainstream The answer always comes back that mainstream care for veterans is the long-range goal, but it will probably take at least 20 years before the nation can afford to phase out its veterans' hospitals. And so, while the Portland area has an over-all surplus of hospital beds, its veterans' hospital is decrepit and must be replaced. However, the wrangling continues over where to put it. Rep. Robert B. Duncan, the Portland City Council and the House Appropriations Committee staff want to locate it at Emanuel Hospital. Rep Les AuCoin, the Veterans' Administration, the Health Sciences Center and several veterans' organizations want to put it where the present bos-

pital is — on Marquam Hill, near the medical school. In a lengthy report filled with bureaucratic ver-bosity, the Appropriations Committee staff conclud-ed that the Emanuel site would fit into the commun-ty's planning better, and cogi \$27 million1ess. Now, In the latest round, the Veterans' Adminis-tration has responded with a 30-page rebuttal of its own, reaffirming its previous findings in favor of the Marquam Hill location. The Portland project has been at the top of the Veterans' Administration priority list for nome time.

The Portland project has been at the top of the Veterans' Administration priority list for nome time. But keeps being passed over in favor of lower priori-tions because neither the community nor its congru-mional delegation can get together. In fact, both sides seem to be becoming more intransigent all the time. So they may have thit inadvertently on the course to mainstream bealth care for veterans. They will almply keep arguing for those 20 years or however long it takes to work weterans into community bealth services.

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Journal opinion What the vets want Congress.

If the nation is going to stop building hospitals that are not needbuilding hospitals that are not need. erans in the mainstream facilities of them would prefer to be treated in them would prefer to be treated in them communities, both of these governmental barriers will have to be penetrated. Portland, of course, is a case in point, with a new veterans' hospital on line to be built at enormous cost in the sustance' homital were action in the be built at enormous cost in the sustance' homital were action in the be built at enormous cost in the sustance' homital were action in the be built at enormous cost in the sustance' homital were action in the be built at enormous cost in the sustance' homital were action in the be built at enormous cost in the sustance' homital were action.

on line to be built at enormous cost even though the metropolitan area

the message.

The policy of maintaining sepa-rate health care facilities for veter-ans seems hopelessly caught up in the bureacracy of the Veterans' Ad-rather have mainstream care in ministration and the pork barrel of hospital.

3/19/80

A scientific sampling of 310 veterans showed that three-fourths of

in the veterans' hospital were satisfled with their care.

already has vastly more hospital fa-cilities than it needs. The proposal to use the money to purchase mainstream health care to purchase mainstream health care

to purchase mainstream health care construction of a new hospital, pro-for veterans rather than building vided commity carewould be of-the hospital, using Portland as an fered instead. Outside the met-experimental project that might guide a change in national policy. VA hospital means a greater disrup-seems to have failen on deaf ears. But if this country ever is going to stop the waste of building un-needed hospitals, the message somehow must get through to the Veterans' Administration and the Congress. Perhaps a poll conducted in the Portland area will help to deliver the message. constituency.

Enorue Acoister-Guara

ALTON F. BAKER	Pub	lisher, 1927-1961
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7/20/81

Letters -EUGENE, OREGON, MO:

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New VA hospital isn't needed

Veterans who argue that they need a new hospital in Portland are overlooking a better deal.

If the Veterans Administration proceeds to replace an aging hospital facility in Portland, veterans from communities throughout Oregon and other parts of the Northwest will have little choice but to so there when they need medical care and want to have it paid for by the government.

On the other hand, if veterans are authorized to receive care at government expense - from doctors of their choice, at any hospital they choose many will be able to stay in, or close to, their home communities when they need hospitalization.

Furthermore, along with all other taxpayers, they'll share lighter federal tax loads if the \$177million VA hospital project is revised accordingly. And many, with all their immediate neighbors, will benefit from better utilization of medical facilities in their home communities.

Some veterans were angered last week when Multnomah County's Board of Commissioners voted 3-2 to join a lawsuit that seeks to stop construction of a new 460-bed VA hospital on Marquam Hill in Portland, adjacent to the University of Oregon Health Sciences Center.

However, as Multnomah County Executive Don Clark pointed out, the basis of that suit is a contention that veterans would receive better care in the medical "mainstream." The suit asks that the VA be ordered to consider that alternative.

Two smaller Portland hospital projects were recently quashed by state authorities after they determined that existing Multnomah County area hospitals have a surplus of 700 hospital beds.

The VA's grandiose plan, for which Congress has already authorized \$154 million, can't be vetoed in the same way, However, as Clark noted, the Reagan administration appears to be on the verge of making a major change in VA operations.

The administration has, in fact, already stayed construction of several VA hospitals in other states. And Oregon Sen. Mark Hatfield has said he believes the administration intends to take additional actions to curtail the VA's expansion of its national network of 177 hospitals.

A recent survey conducted for a Portland TV station indicated that two out of three residents in that area believe veterans should be able to choose their doctors and the hospitals in which they would be treated. An earlier poll showed even stronger sentiment in favor of that option among Oregon veterans, themselves.

Refurbishment, rather than ultra-expensive replacement, of the existing 460-bed VA hospital on Marguam Hill could provide treatment for veterans from communities without adequate medical facilities. It could also serve those needing long-term care. It would maintain a "teaching hospital" adja-cent to the state's medical, dental and nursing schools there.

The VA should be required to factually demonstrate the need for, and the cost-effectiveness of. its overly elaborate Portland project.

Going further, the VA should be required to investigate the alternative of gradually mainstreaming acute-care patients across the nation. The Reagan administration should not wait upon federal court findings in these important matters.

No-build alternative included

BY ANH SULLIVAN

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By ANH SULLIVAN of The Orogens shall The Oregon Veterans Oric Cossell, while reaffirming is strong support for gene Veterans Hospital on Marquam (iii), agreed Teesday to ask the national Veterans Administration medical over-seers to consider including a so-build alternative and discussion of alternate half the care in the hospital surfrommen-tic ment antennet. 3

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swernauve and macusson of alternate bath care in the hospital savironmen-impact statement. The move angered one established veteran group representative, causing him to stalk out of the meeting held at the Federal Building. The council's action came after vet-erans groups, Veterans Administration representatives and other supporters of a Marquam Hill site for the new hospi-tal tangled for three hours with the local Coalition for Better Veterans The coalition for Better Veterans The coalition groposes the building of a pew Veterans Hospital, preferring in-stead that veterans be mainstreamed into existing medical and hospital facili-ties.

into existing metical and neoperating pos-sible study of not building a bospital, the council, made up of representatives of local VA organizations and veterans groups, asked the coalition not to pro-ceed with legal action it has proposed to try and stop construction of the hospi-al tal

tal. The council's decision to ask for in-clusion of a no-build alternative in the eavironmental impact statement an-pered some veternas, though it pleased coalition representatives.

At one point. Carl Gustafson, legis-lative chairman of the United Veterans Groups of Oregon and the Veterans of Foreign Wars, told the council it was "walking into a big trap" by including the coalition efforts on no-build and mainstreaming in its resolutions and then stalked from the room.

And the representative for the coali-tion received heat at the meeting from some veterans.

some veterans. The veterans in the meeting de-manded to know from Bruce Etlinger, temporary chairman of the coalition, the names of persons who contributed \$5,000 for a recent survey of 310 veter-nas conducted by the coalition, but Et-linger refused to reveal the names. The telephone survey found that 75 percent of the veterans polled would prefer to choose their own doctors and hospitals. rather than use a veterans facility.

Richard Kaser, district administra-tive officer for the Veterans Adminis-tration, told the council that the recent arguments over the hospital have mis-led the public to thing that all the cas-the VA provides could be assumed by the private sector.

The VA is not simply a hospital, he said, but has a series of programs, in-cluding acute hospital care, long-term eare, surning home care and social assistance programs.

Portland doesn't need new vets' hospital

In the last election both those who oust-ed the governing party and an even larger majority. of non-wwing Americans dis-played the same disenchariment with the performance of the federal government. Much of the blame lies with

performance of the federal government. Much of the blame lies with myriads of often conflicting poli-cies, programs that are unre-sponsive and rigid, single-purpose bureau-cracies accustomed to unlimited federal

larges

The new Veterans' Administration Hos-

The new Veterans' Administration Hos-pital proposed for Portland, with a pro-jected price tag of over \$4 billion to build and operate during its 50-year life span, is a classic example of what bothers people. Despite current efforts to limit wastedi spending at all levels of government, a supplemental appropriation of \$34 million for construction is all that stands in the way of one of the largest and most Ill-con-ceived public investments ever considered in our state. r state.

in our state. The unvarnished truth is that there is a The unvarnished truth is that there is a considerably less cosily way to provide both better patient care for veterans — and residency training for physicians. Congress and the president should im-mediately re-channel a fraction of funds previously authorized for the hospital into previously authorized for the bospital into a pilot mainstreaming project that would give Oregon veterans a choice of existing facilities in their home communities. Oregon offers a unique setting for such

Oregon offers a unque secting tor social a mainstreaming approach. In a profes-sional opinion poil conducted last March, nearly two-thirds of all veterans in Ore-gon and southwest Washington said they would prefer having a choice of communi-ty facilities and physicians for their cur-rent health benefits rather than a new mainer UA decility in Bortland It was rein nearly ordering facility in Portland. It was particularly noteworthy that 60 percent Bruce Etlinger is of those veterans who had actually used tion for Better Vete VA medical services favored transfer of METRO councilor.

VA medical services lavored transfer of those benefits to the private sector. In the early '60s, Multnomah County phased out its public hospital for the me-dically needy in favor of prepaid health plans such as Kaiser and Blue Cross. The result has been more comprehensive and cessible care, at a lower cost than hospi

tal based care. Besides the obvious cost-savings and the preference of veterans for main-streaming, these facts should be considered

• The Portland area has a documented excess of between 750-1,000 beds, well beyond the projected needs of both veter-ans and non-veterans.

• A federal moratorium is currently in ef-fect on construction of new public hospitals in overbedded areas.

• Three private hospitals in the Portland area have recently been denied relatively small expansions in an attempt to curb skyrocketing hospital costs. Excess and under-utilized hospital capacity wastes millions in both tax dollars and insurance remium dollars each year.

• The VA has disregarded the site prefer-ence of its own consultants, local neigh-borhood interests, the city of Portland, bornood interests, the city of portain. and Congress itself. Recently unveiled plans call for a lavish new facility on Marquam Hill that will be the most ex-pensive hospital, on a per square foot ba-sis, ever built in the U.S. In 1928, when the existing Portland VA

facility and 170 others like it were built around the country, there were millions of war-layned veterans who needed care and a shortage of both facilities and physi-cians in our local communities who need-

clans in our local communities who need-ed care. This is no longer the case. Because of todays' decline in the num-ber of veterans — their average age now is 60 — Congress asked the National Academy of Sciences to review the entire network of VA facilities and offer sugges-tions for burne care. The horder with herwork of VA facinities and other sugges-tions for future care. The Academy's 1978 study found significant under-utilization of existing VA acute care facilities. For example, more than half the patients dis-charged from surgery wards were found to have had no surgery. A similar excess of acute care beds was noted in private facilities. These findings prompted the Academy to recommend a major re-focus-

Action to be a set of the set of and staffing to meet veterans needs for convalescent, chronic and outpatient care. This is far different from the proposed project here which emphasizes 490 new bed nursing home, and no plans for future outpatient care when the current lease expires at the Gill Building clinic down-

Adding new hospital beds represents an enormous mismatch of scarce health re-sources, in view of the needs and prefer-ences of today's veterans. Just as veterans' education benefits have been provided without the edifice of "VA colleges," It is time we provide veterans the same high quality health care enjoyed by the rest of us - in the mainstream

Bruce Etlinger Is chairman of the Coali-tion for Better Veterans Health Care and a

The Oregon Journal 2 March 1981

Veterans' Hospital

SOME TIME in December, the U.S. Veterans' Adminis-Veterans' Adminis-tration plans to begin construction of a new Veterans' Hospital on Marquam Hill Congress has appropriated \$141 million for the new facility. The final cost of the new facility. The final cost of the new facility. If all goes according to plan, will be about \$176 million. That figure will include \$131 million for a new 490-bed hospital, a covered parking garage for 350 cars, and a six-story office building that will contain about 100,000 square feet of office and research space. Another \$20 million will pay for a 120-bed nursing home in Vancouver, Wash, (60 beds at hundri win ps for a 120 bed initiality bome in Vancouver, Wash. (60 beds at the existing 331 bed Vancouver hospi-tal will be kept), and the consolidation of laundry and warehouse facilities at that site. Another \$25 million will go for design fees and "miscellaneous costs" for the new facilities. Local architects Skidmore, Owings & Merrill and Zimmer, Gunsul, Frasca are together designing the projects. Because the new facility is to be built

on the rough and uneven terrain of Marquam Hill, the cost per square foot will be the highest for any hospital ever will be the highest for any hospital ever built anywhere in the country. Money for the project comes from the general fund of income tax receipts. We do not need this new hospital complex. It's not that Veterans don't

need medical care (they do), or that we shouldn't pay for that care (we should). The point is that Veterans should be put The point's that vertrans should be put into the mainstream of health care in this city. They don't need, and we can't afford, to build a separate, expensive (indeed, lavish) health care system for

Recent studies by the health-care planning agency in Portland show that there are between 750 and 1,000 excess licensed hospital beds in the Portland area. These could be put to use for Veterans, and the government could devel-op a mainstreaming program to pay for the care, much like Multhomah County's Project Health system for the poor. Indeed, such a system would be more flexible and adjustable than any ;

independently designed facility, more realistically matching the changing meeds for chronic care that Veterans will have.

will have. Despite its profuse campaign pledges to Veterans, the Reagan administration ignores this recommendation, at real cost to itself. First, there's the matter of the growing Veterans' population. This country now spends some \$25 billion a year on the Veterans' Administration. If the same level of assistance is to comtinue we will acome be steeding continue, we will soon be spending (within the four years of the Reagan administration) some \$50 billion.

Second, there's the matter of operat-ing costs. Not much attention has been ing costs. Not much attention has been paid to this. Even though the number of beds in Vancouver and Portland is actually being reduced by 110 with the new facilities, Vincent Ng, an adminis-trative assistant to the Medical Center director, estimates that the \$60 million in annual operating costs here will "not be reduced, but stay at the same level and then go up with inflation." Know-ing how the federal government works, that's quite an achievement. Consider-ing the empire-building mentality of most bureaucrats, we don't believe it.

most bureaucrais, we don't believe it. As an interesting sidelight, elimina-tion of the \$141 million expenditure would enable the Reagan administration to continue funding the health-care planning agencies that have opposed such wasteful spending. Reagan now heat to discontinue the scance in Their plans to discontinue the agencies. Their national annual budget is \$168 million. This is the most obvious wasteful federal expenditure in Oregon. It's not

too late to stop it.

Willamette Week

For the week 16-23 February 1981

Doctors believe new VA hospital not warranted

BY ANN SULLIVAN

SUNRIVER - The Oregon Medical Asociation does not believe a new Portland-area Veterans Administration homital can be justified on the basis of medical peeds, the group's policy-mak-ing body resolved Sunday.

However, the association's House of Delegates decided to state a site preference, "recognizing the political reality that a new VA hospital may neverthe-less be built," despite the group's belief that private hospitals are adequate to take care of veterans.

The resolution adopted by a majori-ty of the 138 policy-making delegates expressed a preference for building next to the University of Oregon Health Sciences Center, rather than near Emanuel Hospital. a site also proposed

A dispute over which location is better has stalled congressional approval of the VA's request for \$139.1 million to build a new facility

The delegates also voted to "strongby oppose" legislative efforts to restrict funding for or access to abortions, reaf-firmeed support for federal and state Immed support for federal and state Imming for abortons for medically in-digent women, and reaffirmed a previ-ous OMA position that a decision on whether to perform an abortion rests solely with the patient and her physi-

dan The delegates voted to establish a committee to study criteria relating to the procurement, placement and use of CAT scanners (computerized axial to-mograph), a new X-ray diagnostic device

They thus side-stepped for a time efforts to relax present regulations over purchase of the expensive scanners

other policy-making decisions, the OMA:

- Decided to vigorously support legislation relating to legal protection of physicians giving immunizations. — Declined to withdraw previous

oking in OMA meetings established In 1976.

- Endorsed efforts of the Oregor State Board of Medical Examiners to promote a study conference on the man-agement of patients dependent on drugs and alcohol

- Asked revision of rule by the Joint Commission on Accreditation of Hospitals which requires 24-hour in hospital coverage for anesthesiology fccertain hospitals

- Encouraged every hospital medcal staff in Oregon to establish cost-containment committees to limit capiza. expenditures and increase physiciar awareness of in-hospital bills. Phys cians should be asked to curb dupuctive use of laboratories. X-rays and m-dications, and re-assess standing orders and encourage maximum use of surgica facilities

The Oregonian

THE WHITE HOUSE

WASHINGTON

Councilors, Bonuce wishes to share the white House's response with yore. Joby

March 12, 1981

Dear Mr. Etlinger:

I appreciated receiving your letter concerning the proposed construction of a new Veterans Administration hospital in Portland, Oregon. The project was carefully reviewed during the development of the President's Program for Economic Recovery. Our approach to the Recovery Program required that every proposal receive careful consideration.

During the review, the Office of Management and Budget determined that project funds should be deferred for at least the next two years. As a result of the recommendation, \$137 million expenditure for the VA hospital in Portland, Oregon will be deferred for the time being and \$35 million will be deleted from the budget which would have gone to cover add-on construction costs.

Your letter addressed the question of a pilot mainstreaming alternative for veterans health care. That proposal is being reviewed by the Office of Policy Development. Our people are study-ing a 1977 report by the National Academy of Sciences which concluded that the present separate VA health care system is duplicative, inefficient and costly. I can assure you that in the months ahead we will review the overall health care situation for our veteran population.

Thank you for sending us your views. As we review our overall long-term health care system, your suggestions will receive strong consideration.

Sincerely,

ALILIAN

MICHAEL K. DEAVER Assistant to the President Deputy Chief of Staff

Mr. Bruce Etlinger Metropolitan Service District 527 S.W. Hall Street Portland, OR 97201



Rick Gustafson EXECUTIVE OFFICER

Metro Council

Jack Deines PRESIDING OFFICER DISTRICT 5

Betty Schedeen DEPUTY PRESIDING OFFICER DISTRICT 7

> Bob Oleson DISTRICT 1

Charlie Williamson DISTRICT 2

Craig Berkman DISTRICT 3

Corky Kirkpatrick DISTRICT 4

> Jane Rhodes DISTRICT 6

Ernie Bonner DISTRICT 8

Cindy Banzer DISTRICT 9

Bruce Etlinger DISTRICT 10

Marge Kafoury DISTRICT 11

Mike Burton DISTRICT 12

METROPOLITAN SERVICE DISTRICT

527 S.W. HALL ST., PORTLAND, OR. 97201, 503/221-1646

April 14, 1981

Mr. Gary Whelan Multnomah County Medical Society 2188 Park Place Portland, OR 97208

Dear Gary:

It was most kind of you to share with me the resolution which the Multnomah County Medical Society will be taking to the Oregon Medical Association House of Delegates in Eugene later this month.

As you know the Coalition for Better Veterans Health Care, of which I am Co-Chairman, has been working to promote full consideration of the mainstreaming option before construction begins on a new VA Hospital in Portland. We are a broad-based coalition of medical providers, elected officials, neighborhood interests, business leaders and veterans. Our first task was to complete a statistically valid professional opinion poll to determine the preferences of Oregon and S.W. Washington veterans. Despite the steadfast assertion of some in Congress and the leadership of national veterans groups to the contrary, it is now clear that the overwhelming majority of our medically needy veterans would prefer having their health benefits served through a choice of facilities and physicians in their home communities.

In light of President Reagen's new austerity budget, we are encouraged to see renewed interest in the voucher, or mainstreaming approach, at the national <u>and</u> local level. Recent conversations with senior staff members on Capitol Hill, as well as sources in the Executive Branch, have confirmed that a voucher system is being studied which would eventually phase out the public provision of these services.

We concur with the resolution on veterans health which the Multnomah County Medical Society has passed for Oregon Medical Association consideration. page 2

I would be most grateful for an opportunity to present the perspective of this coalition when the appropriate Committee takes this matter up.

Besides my interest as a representative of the Coalition for Better Veterans Health Care, I am also able to represent Metro, the regional government which reviews and comments on the appropriateness of federal expenditures in the Portland area. Previously I have also been a consumer representative with the Northwest Oregon Health Systems Agency, a perspective that has also motivated me to be concerned about this ill-conceived public investment.

I look forward to hearing from you soon regarding an opportunity to further discuss this important issue before the Oregon Medical Association.

Sincerely,

under Aruce (Bruce Etlinger

Councilor District 10

<u>P.S.</u> Sorry about the mis-cue concerning Multnomah County deliberations. Proper resolution was not prepared in time, though we expect it to be considered at the April 23 Board meeting.

BE:tj



527 S.W. HALL ST., PORTLAND, OR. 97201, 503/221-1646

MEMORANDUM

Date: A	pril	23,	1981
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To: Executive Officer & Metro Council

From: Bruce Etlinger

Regarding: Amendment Allowing Executive Officer to Waive Charges at St. Johns Landfill for "Woody Waste"

The only change in the attached Ordinance (see double underlined words) is the authority granted the Executive Officer to waive completely, rather than reduce, landfill charges for separated woody waste.

Free disposal of separated wood waste will encourage greater publicity, and an added incentive for those who otherwise would not separate and transport this material during the upcoming Metro Yard Debris Week(s).

Any loss of revenue should be nominal because those who do not use the reduced rate (or free disposal) will most likely burn the material. Those who utilize their regular hauler will pay for an extra haul. This would be unseparated yard debris collected during normal pick-ups and charged at normal rates.

Since the Ordinance (and "Yard Debris" program) really encourages woody waste only, convincing residents to separate and transport this wood waste to one of three area landfills is going to be difficult, especially since continued burning is to be allowed.

"Yard Debris Clean-Up Week(s)" is one of the first tangible, direct services offered by an agency known mostly for invisible planning and/or regulations. We need to build stronger support amongst the general public -- and expand the recovery of bulky wood waste. Free disposal, at least for the first year, represents a longer step in this direction.

BE:CW

BEFORE THE COUNCIL OF THE METROPOLITAN SERVICE DISTRICT

FOR THE PURPOSE OF PROVIDING) ORDINANCE NO. 81-107 FOR A TEMPORARY PARTIAL WAIVER OF) CHARGES AT THE ST. JOHNS LANDFILL) As amended by Coun. Etlinger FOR WOODY WASTES)

THE COUNCIL OF THE METROPOLITAN SERVICE DISTRICT HEREBY ORDAINS: Section 1.

Metro Code Section 4.06.005 [Definitions] is hereby amended to read:

As used in this ordinance, unless the context requires otherwise:

 (a) "Person" means any individual, partnership, association, corporation, trust, firm, estate, joint venture or any other private entity or any public agency.

(b) "Solid Waste" means all putrescible and nonputrescible wastes, including without limitation, garbage, rubbish, refuse, ashes, paper and cardboard; vehicles or parts thereof; sewage sludge, septic tank and cesspool pumpings or other sludge; commercial, industrial, demolition and construction waste; home and industrial appliances; and all other waste material permitted by ordinance to be disposed of at the St. Johns Landfill.

(c) "St. Johns Landfill" is that existing landfill owned by the City of Portland, Oregon, operated by Metro and located at 9363 N. Columbia Blvd., Portland, Oregon 97203.

(d) Woody Waste" means twigs, branches and tree limbs in a form appropriate for mechanical processing for reuse or sale. Woody waste does not include grass clippings, leaves (other than leaves still attached to limbs or branches), or other yard or construction debris that is not appropriate for mechanical processing for reuse or sale. The operator or person in charge of accepting woody waste shall make the final determination of what is woody waste based on the capacity of available machinery to process the woody waste. The Executive Officer may establish guidelines for determining what is woody waste within the meaning of this chapter.

(e) "Separated Woody Waste" means woody waste which does not contain sufficient nonwoody waste to interfere with mechanical processing of the woody waste or contaminate the processed woody waste product.

Section 2.

Metro Code Section 4.06.030 [Waiver of Rates; St. Johns Landfill] is hereby amended to read:

(a) A waiver of charges may be made by the operator of the landfill for inert material, including but not limited to earth, sand, stone, crushed concrete and broken asphaltic concrete, if, at the discretion of the operator of the landfill, such inert material is needed for cover, road base or other internal use.

(b) The Executive Officer may, from time to time, direct that separated woody waste be accepted at no charge or at a rate not to exceed the following charges:

VEHICLE CATEGORY	TOTAL RATE
PRIVATE Cars, Station Wagons Vans, Pick-ups, Trailers	\$1.00 ¹ 2.00 ²
COMMERCIAL Compacted	1.00/CY
Uncompacted	.50/CY

¹Based on a minimum load of 2 cubic yards. ²For the first two and a half cubic yards, each additional cubic yard is \$1.00. The Executive Officer may direct that such separated woody waste be accepted under such conditions as may be convenient to facilitate its processing for reuse or sale. Before directing that separated woody waste be accepted at no charge or at a reduced charge under the terms of this subsection, the Executive Officer shall determine that a sufficient demand exists for processed woody waste to ensure that the woody wastes accepted under the provisions of this subsection can be reused or sold and will not have to be disposed of with other solid waste in the landfill.

Section 3.

This ordinance is adopted as a temporary measure to encourage alternative disposal of woody waste. This ordinance shall cease to apply and shall be of no further effect after January 1, 1982.

ADOPTED by the Council of the Metropolitan Service District this 23rd day of April, 1981.

Presiding Officer

ATTEST:

Clerk of the Council

MH/gl 2820B/214

Coalition for BETTER Veterans Health Care P.O. Box 6084 Portland, OR 97228

Friday, April 24, 1981

FOR IMMEDIATE RELEASE

For Further Information, Please Contact: Mr. Bruce Etlinger, Ph: 253-3505 Dr. Peter A. Nathan, Ph: 227-1636 Mr. Thomas G. Guilbert, Legal Counsel, Ph: 225-0828

The Coalition for Better Veterans Health Care, in conjunction with the Oregon Environmental Council, residents of the Marquam Hill community and local veterans, is today filing suit in U. S. District Court to enjoin construction of a new Veterans Administration Hospital in Portland.

Bruce Etlinger, Co-Chairman of the Coalition, in explaining the reason for the lawsuit, stated, "This lawsuit asks that the government complete its obligation to review thoroughly all reasonable alternatives, including mainstreaming, before commencing the largest single capital project in Oregon's history." Etlinger is a Metro Councilor from Parkrose. Dr. Peter A. Nathan, Portland hand surgeon, is the other Co-Chairman of the Coalition.

"Beyond the adverse physical impacts, such as traffic and air pollution, the VA is legally obligated, under the National Environmental Policy Act of 1969, to consider fully the impacts of a new hospital on the <u>human environment</u> by perpetuating a segregated and often demeaning program for veterans to receive their medical care," stated Dr. Nathan.

Previous court rulings have found, for example, that the siting of a jail in lower Manhattan adversely impacted the human environment of that neighborhood. "It is a serious mistake to believe that environmental impacts touch only birds, flowers, and furry animals," charged Dr. Nathan, "...and this lawsuit seeks to require that there be full disclosure of both the environmental and financial impacts of constructing an

Coalition for Better Veterans Health Care Press Release -- Page Two April 24, 1981

unnecessary new public hospital that will cost over \$4 billion to build and operate during its projected fifty-year lifespan."

Etlinger charged that the VA had "arrogantly ignored both the needs and preferences of Oregon veterans... The VA has spent millions of dollars merely to plan and design a new hospital and to prepare an incomplete Environmental Impact Statement, without first questioning whether a new facility was really needed. In contrast, for only \$5,000 our Coalition commissioned a statistically valid professional opinion poll which showed that over 73% of Oregon and S.W. Washington veterans, including 60% of those who had actually used VA medical services, preferred having their health benefits provided through a choice of facilities and physicians in their home communities."

Beyond the sound legal basis for its claim, the Coalition is encouraged by the dramatic shift of policy under the new Reagan austerity budget. Besides cutting or deferring the other new VA hospitals which Congress had previously authorized, the Administration is seriously considering a voucher or mainstreaming plan that would phase out all VA hospital care, except those services not available in the private sector. "The voucher approach to mainstreaming would be a workable way to refocus VA medical care on the needs of today's veterans," according to Etlinger and Nathan.

"Mainstreaming would offer more comprehensive, accessible and appropriate care -- of equal or higher quality -- for a fraction of the cost associated with a new public hospital," Etlinger and Nathan further stated.

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1	THOMAS G. P. GUILBERT
2	305 Wilcox Building 506 SW Sixth Avenue
	Portland, OR 97204
3	Telephone: (503) 225-0828
4	CHARLES F. ADAMS STOEL, RIVES, BOLEY, FRASER
5	AND WYSE
6	2300 Georgia-Pacific Building 900 SW Fifth Avenue
_	Portland, OR 97204
7	Telephone: (503) 224-3380
8	Of Attorneys for Plaintiff
9	IN THE UNITED STATES DISTRICT COURT
10	FOR THE DISTRICT OF OREGON
11	COALITION FOR BETTER VETERANS)
12	CARE, INC.; PETER NATHAN;) OREGON ENVIRONMENTAL COUNCIL;)
13	SUZANNE JONES; BARBARA)
-	ALBERTY; CHARLES COULTER;) JACK FERRIS,)
14) Plaintiffs,) Civil No.
15	
16	V.)
17	ADMINISTRATOR OF THE VETERANS) COMPLAINT FOR DECLARATORY ADMINISTRATION of the United) JUDGMENT AND PERMANENT INJUNCTION
	ADMINISTRATION of the United) JUDGMENT AND PERMANENT INJUNCTION States of America,)
18	Defendant.)
19	
20	I. JURISDICTION AND VENUE
21	1. This is an action in the nature of mandamus to compel
22	an officer or employee of the United States, the Administrator
23	of the Veterans Administration, to perform a duty owed to plaintiffs
24	under Section 102(2)(C) of the National Environmental Policy Act,
25	42 USC Section 4332(2)(C). This court has original jurisdiction
26	over the subject matter under 28 USC Section 1361. The plaintiffs
Page	1 - COMPLAINT FOR DECLARATORY JUDGMENT AND PERMANENT INJUNCTION

seek a declaratory judgment under 28 USC Sections 2201 and 2202, 1 in the court's review under the Administrative Procedure Act, 2 5 USC Sections 702 and 706(2)(D), of agency action (within the 3 meaning of relevant statutes) that has aggrieved plaintiffs. 4 The action arises under the laws of the United States, and relates 5 to whether a federal facility, a proposed hospital, that would 6 cost at least \$100 million to construct may be constructed under . 7 the applicable laws. The amount in controversy exceeds \$10,000, 8 9 and this court has original jurisdiction over the subject matter under 28 USC Section 1331. 10 11 2. The facility in question is proposed to be located in 12 Portland, Oregon, and it would significantly affect the quality 13 of the human environment primarily within the State of Oregon. 14 Venue properly lies in this district under 28 USC Section 1391. 15 II. PLAINTIFFS 16 3. Plaintiff Coalition for Better Veterans Care, Inc. 17 ("Coalition") is a corporation organized in February 1980 and 18 existing under Chapter 61 of Oregon Revised Statutes. The articles 19 of incorporation of Coalition state as its purpose: 20 "To educate the general public, veteran groups, medical providers, and health 21 planning agencies regarding the health. needs of the veterans population, and 22 of the alternative means beyond current VA programs to meet those needs." 23 24 4. Plaintiff Peter Nathan is a founder and co-chairman of 25 plaintiff Coalition. Dr. Nathan is a physician who practices in 26 the City of Portland and is concerned that the quality of the human Page 2 - COMPLAINT FOR DECLARATORY JUDGMENT AND PERMANENT INJUNCTION

environment in medical care and medical student teaching facilities
 in Portland, which might be enhanced if the facility presently
 operated by defendant is abandoned, will be adversely affected
 by the proposed construction.

5 5. Plaintiff Oregon Environmental Council ("OEC") is a non-6 profit corporation organized and existing under the laws of the 7 State of Oregon. OEC's membership comprises 75 organizations and 8 approximately 2,650 individuals. OEC was organized to promote 9 environmental quality and energy conservation, and many of its 10 individual members live in the vicinity of Marquam Hill.

6. Plaintiffs Suzanne Jones, Barbara Alberty, and Charles
Coulter are residents of Portland who live in the immediate vicinity
of the Marquam Hill facility the Veterans Administration proposes
to construct, and who would be affected both by construction
activities and traffic caused by employees and outpatients if the
construction of the facility proceeds.

17 7. Plaintiff Jack Ferris is a consumer of the services 18 provided by the defendant at its present facility who must pass 19 by privately operated full-care medical facilities and through 20 the air pollution concentration zone of downtown Portland en 21 route to obtain treatment at the Marguam Hill site.

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III. DEFENDANT

8. Rufus Wilson is the acting administrator of the United
States Veterans Administration ("VA"). The VA is the "lead agency,"
and the defendant administrator is the "responsible official,"
charged with the responsibility to comply with the requirements
Page 3 - COMPLAINT FOR DECLARATORY JUDGMENT AND PERMANENT INJUNCTION

of the National Environmental Policy Act as they affect construction
 of a new facility. Defendant administrator is also the responsible
 official respecting compliance with other statutes and executive
 orders governing the operation of the VA.

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IV. FACTUAL ALLEGATIONS

9. Defendant proposes to demolish the 53-year-old 463-bed 6 Veterans Administration Medical Center ("VAMC") located on Marquam 7 Hill in Portland, Oregon, and to replace it with a new facility 8 with 490 acute-care beds at or near the same site, and a new outg patient clinic to replace leased premises at the J. K. Gill 10 Building. An integral part of the planned construction is the 11 establishment of a 120-bed nursing home, warehouse, and adminis-12 trative offices in Vancouver, Washington. 13

14 10. The present VAMC is one of the major facilities in 15 Medical Care District 28 of the Veterans Administration. It is 16 the primary acute-care VA facility in Medical Care District 28, 17 which encompasses all or most of Oregon, six counties in Southwest 18 Washington, and parts of Idaho and Montana, for certain other 19 types of tertiary medical care.

20 11. The proposed actions described in paragraph 9 together 21 constitute a major federal action significantly affecting the 22 quality of the human environment. Having determined that fact, 23 and in recognition of the requirements of Section 102(2)(C) of 24 the National Environmental Policy Act ("NEPA"), defendant adminis-25 trator prepared a draft environmental impact statement ("DEIS") dated May 1979 concerning the proposed action (at that time projected 26 Page 4 - COMPLAINT FOR DECLARATORY JUDGMENT AND PERMANENT INJUNCTION

for 600 beds) and the proposal for legislation (congressional appropriation) to implement the action. Defendant accepted comments on the DEIS and issued a final environmental impact statement ("Final EIS") dated November 1979.

5 12. The DEIS discussed 12 potential sites for location of 6 the new VAMC, six of which were in the immediate vicinity of the 7 Marquam Hill site of the present VAMC. The DEIS provided relatively 8 detailed analysis of three alternatives: location of a new VAMC 9 at Marquam Hill, location of a new VAMC near Emanuel Hospital in 10 North Portland, and continued operation of the present VAMC 11 facility.

12 13. The DEIS did not discuss any alternative to the proposed 13 action under which the present VAMC would be decommissioned and VA 14 medical services would be decentralized within Medical Care District 15 28 to a greater degree than at present, and did not discuss the 16 present environmental effects of centralized facilities or the 17 potential environmental benefits of further decentralization.

18 14. The DEIS did not discuss the effects of the existing or 19 proposed VAMC's on the quality of the human environment in relation 20 to the surplus of unused hospital beds in existing non-VA facili-21 ties in Medical Care District 28 in general and in the Portland 22 metropolitan area in particular.

15. In comments timely made concerning the DEIS, the Metropolitan Service District (a Portland-area governmental body assigned
commentary and clearing-house responsibility under Office of
Management and Budget Circular A-95) stated:

Page 5 - COMPLAINT FOR DECLARATORY JUDGMENT AND PERMANENT INJUNCTION

"The DEIS should fully address a nobuild alternative, and consider how funds appropriated for construction might be used to treat veterans at existing health care facilities near their homes."

4 At a public hearing on the DEIS, Donald E. Clark, Executive Officer 5 of Multnomah County, the local governmental unit charged with primary responsibility for health care in the Portland metropolitan б area, questioned the need for a new VAMC based on availability of 7 more cost effective and efficient local health services. Mr. Clark 8 9 suggested using the money appropriated for a new hospital and 10 other governmental health care funds to provide veteran medical 11 care through local health care systems.

12 16. In the Final EIS, defendant denied that it had any obli-13 gation to consider the alternatives suggested by the Metropolitan 14 Service District and by Mr. Clark. Defendant has refused to con-15 sider any alternative to a VAMC to provide hospital care to eligible 16 veterans and, in violation of 40 CFR Section 1502.2(g), justified 17 its refusal on the basis of decisions the defendant administrator 18 alleged to have been already made. Therefore, defendant adminis-19 trator has made no determination either of law or of fact concern-20 ing the specific alternative of providing medical services to 21 veterans in the manner proposed by the Metropolitan Service District 22 and Mr. Clark.

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V. LEGAL CONTENTIONS

24 17. Section 102 of NEPA and Title 40, part 1502, of the
25 Code of Federal Regulations require federal agencies, before under26 taking any major federal action significantly affecting the
Page 6 - COMPLAINT FOR DECLARATORY JUDGMENT AND PERMANENT INJUNCTION

quality of the human environment, to explore rigorously and 1 to evaluate objectively all reasonable alternatives to the pro-2 posed action, including reasonable alternatives not within the 3 jurisdiction of the agency. 4

38 USC Section 601(3)(C) defines "Veterans Administration 18. 5 facilities" to include "private facilities for which the Administrator 6 contracts," when facilities over which the VA administrator has 7 jurisdiction or U.S. Government facilities for which the VA admin-8 istrator contracts "***are not capable of furnishing economical 9 care because of geographical inaccessability." 38 CFR Section 10 1730(w)(3) promulgated by defendant administrator reiterates this 11 definition. 38 CFR Section 17.50b promulgated by defendant admin-12 istrator specifically provides for contracts for the use of public 13 or private hospitals when it is in the best interests of VA patients. 14 15 Therefore, the Congress has mandated and the VA administrator has 16 determined, as a matter of law and of fact, that in some instances, 17 it may be more economical or in the best interests of VA patients 18 to provide care by contract with a private facility rather than 19 by using a VAMC facility. In such instances, the administrator 20 has determined that to construct a new centralized facility to 21 replace an existing VAMC facility is not in the best interests of 22 the United States.

23 19. Notwithstanding the requests made in the comments and 24 testimony referred to in paragraph 15 to consider an alternative 25 specifically contemplated by the statute and regulations referred 26 to in paragraph 18, defendant refused to consider: Page 7 - COMPLAINT FOR DECLARATORY JUDGMENT AND PERMANENT INJUNCTION

a) whether the proposed VAMC facility is "not capable of furnishing economical care because of geographic inaccessability" in relation to the portion of Medical Care District 28 the proposed VAMC would serve or

b) whether decommissioning and not replacing the present VAMC would be in the best interests of VA patients.

Such refusal to consider an alternative mandated by statute and 7 8 recognized in the administrator's rules constitutes a violation of defendant's obligation to consider all reasonable alternatives 9 to the proposed action, and to utilize a systematic interdiscipli-10 nary approach which will insure the integrated use of the natural 11 12 and social sciences, and constitutes a violation of NEPA and the regulations promulgated thereunder by the Council on Environmental 13 Quality. 14

15 Defendant is required by 42 USC Section 8251(4) to 20. 16 consider the cost of energy consumed over the life of the proposed 17 VAMC facility as well as the initial cost of the facility. Defendant 18 failed to consider whether energy savings would result if, after 19 demolition of the present VAMC, travel by veterans and their 20 families in Medical Care District 28 would be reduced by contract-21 ing to treat such veterans in already existing private care facili-22 ties nearer than the proposed VAMC to their homes. Such failure 23 to consider an alternative to the proposed action mandated by 24 statute, which potentially could mitigate environmental consequences 25 of the proposed action, violates Section 102 of NEPA and part 1502 26 of Title 40, CFR.

Page 8 - COMPLAINT FOR DECLARATORY JUDGMENT AND PERMANENT INJUNCTION

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The National Health Planning and Resources Development 21. 1 -Act of 1974, 42 USC Section 300k et seq., establishes a National 2 Council on Health Planning and Development, on which a subordinate 3 of defendant, the Chief Medical Director of the VA, serves by law. 4 The Council is charged with making recommendations to the secre-5 tary of the Department of Health and Human Services, who is required 6 to issue guidelines concerning national health planning policy. 7 Those guidelines establish a national policy that hospital beds 8 in a community should not exceed four per thousand persons (countg ing veterans served by the VA). That ratio is currently exceeded 10 in Oregon and Portland (not counting the beds in the existing 11 VAMC). An alternative to construction of a new VAMC that would 12 more fully utilize existing private facilities by persons presently 13 using the VAMC is therefore prima facie a reasonable alternative. 14

22. Defendant failed to consider the enhancement of the 15 quality of the human environment within private health care facili-16 ties in Medical Care District 28 which would result from VA contracts 17 with private facilities under 38 CFR Section 17.50b, including 18 19 whether reduction of consumer health care costs would constitute 20 such enhancement and whether such reduction would satisfy the 21 "economical" criterion of 38 USC Section 601(3)(C), despite having 22 timely been requested to do so by the testimony referred to in 23 paragraph 15. Such failure constituted a violation of 40 CFR 24 Section 1502.1.

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Page 9 - COMPLAINT FOR DECLARATORY JUDGMENT AND PERMANENT INJUNCTION

VI. PLAINTIFFS' INJURY

23. All plaintiffs reside in the immediate geographical area 2 that the proposed VAMC would serve and would be affected by the 3 4 construction and operation of the proposed VAMC. All plaintiffs have suffered a procedural injury by being deprived of an oppor-5 6 tunity to comment upon a reasonable alternative to the proposed action and being deprived of information necessary to present 7 8 arguments to the Congress of the United States relative to whether 9 funds should be appropriated for the proposed VAMC. The interests 10 of plaintiff OEC and its members in preserving the environment of 11 Oregon generally and the Terwilliger Parkway area of Portland in 12 particular will be injured by the construction and operation of 13 the proposed VAMC. Those veteran members of plaintiff Coalition 14 and plaintiff Ferris who live further from the proposed VAMC than 15 from a private facility that would provide equal care will be 16 injured by the additional distance they will have to travel to 17 obtain medical benefits, with consequent inconvenience, delay in 18 provision of care, and exposure to environmental contaminants en 19 route to receive care. The quality of the human environment in 20 private health care facilities in Medical Care District 28 in 21 which plaintiff Nathan works would be enhanced by VA contracts 22 if defendant were to adopt the reasonable alternative it has 23 refused to consider. The quality of plaintiffs Suzanne Jones', 24 Barbara Alberty's, and Charles Coulter's environment would be 25 degraded by the construction and operation of a larger centralized 26 VAMC in the immediate vicinity of their residences. Plaintiffs have Page 10 - COMPLAINT FOR DECLARATORY JUDGMENT AND PERMANENT INJUNCTION

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1 no adequate remedy at law.

2 VII. PRAYER · 3 WHEREFORE, plaintiffs pray that this court: 4 1. Declare that the proposed federal action is major and 5 may significantly affect the quality of the human environment; б 2. Declare null and void the prior decision of the defen-7 dant to construct a new VAMC at Portland, Oregon; 8 Enjoin defendant from taking any further steps toward 3. 9 construction of a new VAMC in Portland, Oregon, pursuant to any 10 decision heretofore made; 11 Enjoin the disbursement of any funds appropriated to 4. 12 defendant by the Congress in response to a proposal made by defen-13 dant, in violation of NEPA, for legislation to construct a new 14 VAMC in Portland, Oregon; 15 Require defendant, prior to undertaking a major federal 5. 16 action significantly affecting the quality of the human environ-17 ment, to prepare, to file, and to circulate a detailed statement .18 that complies in all respects with Section 102 of NEPA and the 19 regulations promulgated thereunder by the Council on Environmental 20 Quality; 21 Declare that the alternative of contracting with exist-6. ing private facilities for medical care of veterans in communities 22 23 close to their homes is an alternative that the VA must consider 24 in the detailed statement; 25 Require that the detailed statement include an inter-7. 26 disciplinary analysis of whether centralized VAMC facilities

Page 11 - COMPLAINT FOR DECLARATORY JUDGMENT AND PERMANENT INJUNCTION

located in Portland, Oregon are capable of furnishing economical
 and adequate care to the geographically dispersed veteran popu lation of Medical Care District 28;

8. Require defendant to consider the cost of energy consumed by users of the VAMC over the life of the centralized VAMC as well as the initial cost of construction of the proposed facility;

9. Declare that the purpose of the detailed statement
9 shall be as a means to assess the impact of the proposed agency
10 action, rather than to justify the decision previously made;

10. Grant to plaintiffs their costs and disbursements
incurred herein;

13 11. Grant such other and further relief as the court finds14 necessary and appropriate.

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Thomas G. P. Guilbert Of Attorneys for Plaintiffs

Page 12 - COMPLAINT FOR DECLARATORY JUDGMENT AND PERMANENT INJUNCTION

FROM THE DESK OF

Bruce Etlinger

5/11/81

METRO

COUNCILOR/DISTRICT 10 (ROSE CITY, GATEWAY, PARKROSE)

TO: JACK DEINES, RICK GUSTAFSON & DENTON KENT FROM: BRUCE ETLINGER RE: TRAVEL COMPENSATION FOR OMA CONVENTION IN EUGENE

Gary Whelan, exec. dir. of the Mult. Co. Medical Society called in early April and asked if I would be willing to attend the annual House of Delegates meeting in Eugene on April 25. The MCMS was sponsoring a resolution opposing construction of a new VA Hospital in Portland and he suggested that the credibility of an elected official would aid in its passage.

I am quite aware that I wear two hats in speaking on this issue. One is from the designated A-95 clearinghouse which took formal action on 12/6/79 and 9/9/79, along with subsequent correspondence and action regarding the Draft Environmental Impact Stmt. prepared by the VA. The other hat is as Co-Chr. of the Coalition for Better Veterans Health Care. We have filed suit in U.S. District Court, including Metro's comments in our formal complaint which alleges that mainstreaming option was ignored-(although required bu Nat. Environmental Policy Act of '69, as well as VA's own statutes.)

Although I believe that a majority of Metro Council would vote to intervene as co-plaintiffs in this suit, I have promised Rick that such a request, on my part, will await 1)passage of legislation extending our dues authority; and 2)concurrence by a majority of elected officials within Metro area jurisdictions.

> METROPOLITAN SERVICE DISTRICT 527 S.W. HALL STREET, PORTLAND, OREGON 97201 503 221-1646

Page Z

FROM THE DESK OF

Bruce Etlinger

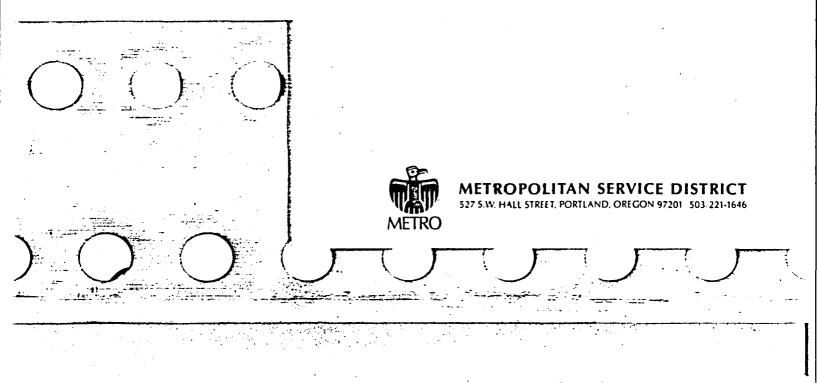
COUNCILOR/DISTRICT 10 (ROSE CITY, GATEWAY, PARKROSE)

I am requesting travel compensation in order to recover that portion of my personal expenses which emanate from my role as a Metro Councilor. (You might wish to know that I've incurred a great deal of expense pursuing this issue, including legal costs of over \$5,000 which I've helped to raise privately.)

If you have difficulty justifying this trip as a Metro expense, I will understand. I'm writing because, quite frankly, I wanted to clarify an area of policy that seemed gray to me. (This same question arises relative to upcoming trip--after NARCG convention--to Jashington D.C.)

Thanks for your guidance,

fince



527 S.W. HALL ST., PORTLAND, OR. 97201, 503/221-1646

MEMORANDUM

Date:	May	13,	1981

To: Jack Deines & Betty Schedeen

From:

Bruce Etlinger

Regarding: Funding Authorization for Upcoming Trip East

I've signed up to attend the NARC convention in early June. Attached is cost breakdown for air fare, registration, meals and lodging.

Included is a two-day add-on trip to Washington, D.C. My purpose would be to communicate the previous actions of Metro Council regarding both the A-95 Review and the comments forwarded to the Carter administration concerning deficiencies in the VA's Environmental Impact Statement. I have tentative appointments, pending your approval, to see several U.S. Senators, or their senior staff, as well as officials within OMB, the VA, and the White House.

Besides my Metro hat, I will carefully distinguish and explain how a majority of local elected officials, medical providers, the designated health planning agency, newspapers and veterans in this state have asked that the mainstreaming alternative be given consideration before the largest capital project in Oregon history commences. As an elected official concerned with assisting in more cost-effective ways to deliver services -- as well as shortfalls in crucial funding for transportation and sewage projects, among other pressing needs -- I feel compelled to make a strong pitch to decision-makers in Washington.

Although I believe that a majority of the Metro Council would vote to intervene as co-plaintiffs in the current VA lawsuit, I have promised Rick that such a request on my part will await (1) passage of legislation extending our dues authority, and (2) concurrence by a clear majority of other local elected officials within Metro area jurisdictions.

I do not anticipate any further funding requests related to the VA issue, other than the attached request for travel costs of \$57.80 incurred in accepting an invitation to address the OMA convention last April 25.

Since the amount of funds available to the District 10 Councilor

during this fiscal year were not fully expended during the first half of FY '80-'81, I would like to request that they be transferred to my expense allowance in order to cover the cost of this trip. Some \$363.57 was unused in the expense category, and \$450 in the per diem account. Informally, Rick felt this to be a reasonable request, and I hope you will find it appropriate and equitable.

It is noteworthy that the anitcipated deficit of this trip (over and beyond funds left for me <u>during the second half of the fiscal</u> <u>year</u>) equals the precise amount which Gene Peterson left unused. A transfer would avoid the necessity of borrowing against my next year allotment, though <u>for both fiscal years I will still be</u> within the alloted sums for both expenses and per diem.

BE:cw

cc: Rick Gustafson Charlie Shell

527 S.W. HALL ST., PORTLAND, OR . 97201, 503/221-1646

MEMORANDUM

Date:	May	8,	198	31
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To: Bruce Etlinger

From: Toby Janus

Regarding: Cost of Proposed NARC TRIP to Niagara plus side trips to Toronto and Washington, D.C. June 3-16, 1981

Air Fare:	Round trip	to Toronto-N.Y	
	Washington,	, D.C.	\$580.90

JUNE 4-6	Pre Convention Trip to Toronto Chelsea (single occupancy Inn Pkg.	150.00
	Daily food cost @ \$20 per day for 3 days	60.00
JUNE 7-11	NARC Registration Howard Johnson Motel (4 nights @ 40 + tax) Daily food cost @ \$20 per day for 4 days	135.00 170.00 80.00
JUNE 14-16	Hotel in Washington, D.C. for two nights (\$50 per night)	100.00

Daily food plus transportation, etc. 50.00

\$1325.90

Please note

According to the Accounting Department as of May 1, 1981: Your per Diem balance is: \$510.00

Your Expenses " 571.00





527 S.W. HALL ST., PORTLAND, OR . 97201, 503/221-1646

May 29, 1981

Rick Gustafson EXECUTIVE OFFICER

Metro Council

Jack Deines PRESIDING OFFICER DISTRICT 5

Betty Schedeen DEPUTY PRESIDING OFFICER DISTRICT 7

> Bob Oleson DISTRICT 1

Charlie Williamson DISTRICT 2

Craig Berkman DISTRICT 3

Corky Kirkpatrick DISTRICT 4

> Jane Rhodes DISTRICT 6

Ernie Bonner DISTRICT 8

Cindy Banzer DISTRICT 9

Bruce Etlinger DISTRICT 10

Marge Kafoury DISTRICT 11 Mike Burton

DISTRICT 12

,

Senator Mark Hatfield U.S. Senate 463 Russell Building Washington, D.C. 20510

Dear Senator Hatfield:

Over a year ago a broad based group of veterans, medical providers, elected officials, neighborhood interests and health planners established the Coalition for <u>Better</u> Veterans Health Care. Our goal was to promote consideration of the mainstreaming alternative to construction of a new VA Hospital in Portland.

Since then we have conducted a statistically valid professional opinion poll indicating that 73% of the Veterans in Oregon and S.W. Washington would prefer to have a choice of facilities and physicians in their It was particularly noteworthy that home communities. fully 60% of those veterans who had actually used VA medical services preferred to have these benefits transferred to the private sector. This finding is in stark contrast to the official position of the publicly subsidized national veterans organizations. We think it crucial, however, to remind you that the combined membership of the three major veterans organizations constitutes less than 10% of today's veterans.

Next we consulted the medical community, examining both the need for new acute care facilities and the VA <u>contribution to the University of Oregon Health Sciences</u> <u>Center</u>. Both the OMA and every hospital administrator contacted in the Portland area found this enlargement of the public health sector unjustified in light of the serious and documented excess of between 700-1,000 surplus beds in the Portland area alone. A survey of 1,300 Portland area physicians, with 1,000 being returned, found opposition to a new VA hospital at 70%. Senator Mark Hatfield May 29, 1981 - page 2

The designated health planning agency, Multnomah County, the City of Portland, and the prestigious National Academy of Sciences also have opposed a new and unnecessary acute care facility on Marquam Hill.

I would very much like to meet with you to discuss the true needs and preferences of today's veterans for comprehensive, high quality and accessible health care services. I am most eager, as well, to relay the concerns of many in our State, including editorial writers and business leaders, who feel that this massive investment is ill advised.

An opportunity to discuss viable alternatives, capable of meeting veterans health needs <u>and promoting improved medical edu-</u> cation, would be greatly appreciated.

As an elected official, I have come to fully appreciate the political dimensions of this issue. It is our view that there is both a strong legal case against this project proceeding and strong indications that the Administration is considering a national voucher system for improving veterans health care.

I earnestly request an opportunity to discuss this project with you because of the ground-swell of support that has continued to grow on behalf of mainstreaming.

I will be in Washington, D.C. on June 15 and 16, or available after that date for a delegation of persons to share our concerns with you in Portland.

In light of your long record of progressive leadership and the current shortfall of public funds for other pressing Oregon needs (i.e. transportation), I sincerely hope you will give our group the full hearing that has previously been afforded to the proponents of a new VA Hospital.

I will call between June 10-12 to receive your reactions to this letter and hopefully schedule a meeting where these complex issues can be more fully discussed.

Most sincerely,

Bruce Etlinger

Bruce Etlinger Councilor District 10

BE:tj



فالمتعود والمركبة والعربية المركبية

ر شار و ایر در ایم داخله و و و و ایر و و و و و و و داخله و و و و و و و و و و و و و و I AGREE WITH THIS EDITORIAL AND SUGGEST THAT WE DISCUSS AREAWIDE FINANCING OF LIBRARY SERVICE IN THE NEAR FUTURE! Bruce Etlinger



FISHER BROADCASTING INC.

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KATU TELEVISION P.O. BOX 8799 PORTLAND, OREGON 97208



LIBRARIES & TAXES

The losses being counted by the Friends of Multhomah County Library include branch closures, shorter hours and the dismissal of more than thirty employees.

You can find sympathy for the friends of the Library and their ideas for adequate funding, but the formation of another special taxing district will find little sympathy with Multhomah County voters.

A library district would be much the same as your friendly fire district, the water district, school district and the countless other "we'll do-it-ourselves because the county won't" kinds of districts that have multiplied throughout Oregon.

No less than 1,758 special voting districts run their own shows in the state of Oregon. They hold elections, levy taxes and vote for board members who supervise operations.

But the formation of a special library district in Multhomah County is totally off the mark.

The Multhomah County Library is a resource that reaches far beyond county or district boundaries. It is the major repository for reading, research and learning in the most populous area of the state. It is dramatically underfunded because of the financial burden already being carried by Multnomah County taxpayers.

As a major community resource, the Multnomah County Library ought to seek shelter under the umbrella of the Metropolitian Service District, where proper development of the resource can take place, but shared equally by all who use its facilities.

The friends of the Library should ask for a place on the Metro agenda.

Also enclosed is a resolution we will shortly submit to the City Club of Portland asking that organization to take a stand on this issue.

A new VA Hospital here represents the largest single public investment ever made in Oregon. It is clearly not in the interest of veterans, taxpayers or medical providers.

My request is that you communicate the adopted position of the MCMS to both the Oregon Congressional delegation and the White House. Our goal, in light of the current budget shortfalls <u>and</u> apparent shift in Federal policy, is to request that the President (and/or VA Administrator) defer the Portland project until the current review of mainstreaming by the White House (see attached letter) is complete.

It is my considered belief that such a posture by MCMS would put you in the forefront of efforts to curb rising health costs by matching facility planning to the true needs of our area.

Sincerelv. uce things.

Bruce Etlinger Councilor District 10

enclosures

BE:tj



METROPOLITAN SERVICE DISTRICT 527 SW, HALL ST., PORTLAND, OR, 97201 + 503/221-1646

September 23, 1981

Bruce Etlinger COUNCILOR DISTRICT 10 (ROSE CITY, GATEWAY, PARKROSE)

Brad Davis, Executive Director Multnomah County Medical Society 2188 Park Place Portland, OR 97205

Dear Mr. Davis:

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Following our phone conversation, I am forwarding material (previously supplied to your predecessors) which outlines the issue of mainstreaming and the widespread support this alternative enjoys.

Public opinion and veteran polls, the recommendation of the National Academy Sciences, the White House, Senator Packwood, Multnomah County, METRO and virtually every newspaper in the State (except the Oregonian) have favored the voucher or mainstreaming alternative to the construction of a new VA Hospital here. This view has also been echoed in resolutions passed by Multnomah County Medical Society (MCMS), Oregon Medical Association and American Medical Association. (I would also note the survey by Dr. Peter Nathan which found concurrence by an overwhelming 70% of Portland area physicians.)

Attached you will find a chronology, through 1979, of major actions relating to this issue. It indicates that every evaluation excepting the view point of the University of Oregon Health Sciences Center and the VA, <u>including the preferences of Congress</u>, have favored either the no-build alternative or the Emanuel site.

Accordingly, as per the enclosed complaint filed April 22, 1981 in U.S. District Court, there is litigation currently in progress which asks the VA to complete its legal obligation and review the mainstreaming option.

P.O. BOX 6084, PORTLAND, OR 97228/223-1030 (work) 253-3505 (home)



METROPOLITAN SERVICE DISTRICT 527 S.W. HALL ST., PORTLAND, OR. 97201, 503/221-1646

MEMORANDUM

Date: October 1, 1981

To: Metro Council

From: Councilors Etlinger and Oleson

Regarding: Proposed Amendment to Council Rules

We propose to amend Section 4 of Ordinance No. 81-113, by deleting the following language from Section 2.01.140(b):

"Each Councilor shall serve on at least one committee"

and adding:

"Any appointed committee member missing three (3) consecutive meetings without a written excuse from the Committee Chairman shall be removed from the Committee."

This amendment would do two things. First, no Councilor who does not wish to actively participate in committee deliberations shall be required to serve on a committee. Secondly, those who do accept committee assignments will be expected to take these deliberations <u>and meeting attendance</u> seriously. We believe this would strengthen the Council Committees and facilitate the regular attendance of a quorum of interested committee members.

BE:BO:sh

COUNCIL OF COMMUNITY HOSPITALS

October 2, 1981

Mr. Bruce Etlinger, CoChairman Coalition for Better Veterans Health Care 10705 NE Freemont Portland, Oregon 97220

Dear Mr. Etlinger:

The organization I work for, the Council of Community Hospitals, is interested in exploring the question of whether veterans currently being served by the Minneapolis Veterans Administration hospital would prefer to have access (as veterans) to medical care at non-VA hospitals.

Mr. Roger Larson from Emmanual Hospital in Portland has referred me to you. I have also run across your name in an article entitled "When It Comes to Planning Hospitals, the VA Marches to Its Own Beat" in <u>National Journal</u>, 8-30-80.

I read with interest that you and your organization had a local marketing firm conduct a survey of veterans in the metropolitan area to determine what percentage of veterans wanted the VA to pay medical benefits in community hospitals of their choice.

The survey you conducted sounds just like what our organization would like to use on the VA population here. Would it be possible for us to receive a copy of the survey you used, as well as a copy of the report of your findings?

We would also like to know what has happened as a result of your efforts. We, too, would like to have our local VA hospital not be replaced as is currently planned. We just received word today that the Reagan Administration has decided to defer for another year a request for money to replace the VA hospital here. We hope to use that year to see if the replacement can be deferred forever.

The Council of Community Hospitals, by the way, is an organization of hospitals serving the Minneapolis/St. Paul area. The Council's members include the chief executive officers of 30 of the area's 33 hopsitals, which account for over 95 percent of the approximately 11,800 licensed beds in the area.

I look forward to hearing from you.

Sincerely,

Marian S. adcock

Marian S. Adcock Vice President

MSA:mm

2221 UNIVERSITY AVENUE S.E., Suite 430

MINNEAPOLIS, MINNESOTA 55414 / 379-2805



Rick Gustafson EXECUTIVE OFFICER

Metro Council

Jack Deines PRESIDING OFFICER DISTRICT 5

Betty Schedeen DEPUTY PRESIDING OFFICER DISTRICT 7

> Bob Oleson DISTRICT 1

Charlie Williamson DISTRICT 2

> Craig Berkman DISTRICT 3

Corky Kirkpatrick DISTRICT 4

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Cindy Banzer DISTRICT 9

Bruce Etlinger DISTRICT 10

Marge Kafoury DISTRICT 11

Mike Burton DISTRICT 12

METROPOLITAN SERVICE DISTRICT

527 S.W. HALL ST., PORTLAND, OR. 97201, 503/221-1646

Ms. Marian S. Adcock, Vice President Council of Community Hospitals 2221 University Avenue, SE, Suite 430 Minneapolis, Minnesota 55414

Dear Ms. Adcock:

October 26, 1981

Following your letter and our phone conversation, I am sending materials which should help promote consideration of a voucher or mainstreaming alternative to construction of a new Veteran's Administration Hospital in Minnesota.

The Coalition for <u>Better Veteran's Health Care</u> began in the fall 1979 as a loose-knit group of medical providers, elected officials, health planners, neighborhood interest and veterans. Our purpose, as stated in our Articles of Incoporation, was "to educate the general public, veteran's groups, medical providers and health planning agencies regarding the health needs of the veterans population, and of alternative means beyond current VA programs to meet those needs."

As background you should know that for several years prior to our emergence there has been a protracted and widely covered siting debate about locating the new facility near the University of Oregon Health Sciences Center (near current VA) or adjacent to a private hospital on vacant HUD land. While few had voiced concerns about the need for this facility, such a logical approach was quickly drowned out.

The attached chronology of documents and actions (through 1979) gives a good overview of how an arrogant federal agency has ignored local sentiments over <u>both</u> the siting and need for this massive project. As indicated, the original appropriation for construction was made in FY 78, but delayed while the House Appropriations Committee undertook a thorough review of the siting controversy.

Though facing an uphill battle from the start, we launched our lobby campaign with a well publicized letter Ms. Marian S. Adcock October 30, 1981 Page 2

(attached) to former President Carter in November of 1979. By spring, we had a statistically valid opinion poll of veterans indicating two-thirds preferred health benefits over a new VA edifice. (Remarkably this view was embraced by fully 60 percent of those veterans who had used VA medical services.) We also were successful in attracting support from Senator Bob Packwood, a bipartisan array of State and local officials, the designated Health Systems Agencies, all but one daily newspaper in the State, and a couple of Vietnam-era veterans groups.

Our political research indicated that VA hospitals are classical pork barrell politics the Veterans Committees in Congress, VA, and national veterans groups will not support major reforms in VA health care unless forced to do so.

Although we have elevated the dialogue on veterans health needs, the VA has been determined to proceed. Last spring, a law suit was filed (attached) asking for an injunction until the VA discharged its obligation (under the National Environmental Policy Act) to consider the No-Build option. Multnomah County has joined as co-plaintiff and we plan to appeal this suit since Federal District Judge Belloni recently upheld government motion for dismissal.

There are a number of resources that can and should be marshalled to avoid the eleventh hour situation we face regarding the Portland VA.

First, you should obtain copies of the June 1977 report for the National Academy of Sciences entitled: "A Study of Health Care for American Veterans." I am compiling a list of other references, but I would also recommend reading the new book by Robert Klein, entitled Wounded Men, Broken Promises. Another would be Chapter 4 of the book The Discarded Army; Veterans After Vietnam. This is written by Paul Starr of the Ralph Nader Center for Study of Responsive Law.

Our contacts with the White House and OMB indicate that there is serious consideration of a voucher system for servicing veterans health benefits.

Because the timing of the Minneapolis facility corresponds more closely with this potential shift in Federal policy, your impact should be much greater than ours has been to date. Ms. Marian S. Adcock October 30, 1981 Page 3

I would strongly recommend organizing a broad base coalition to address the health needs of Minnesota veterans and work to have VA tailor its proposal accordingly. If, as I suspect, you have adequate supply of acute care hospital beds, the VA should probably emphasize expanded chronic and geriatric care, as well out patient services (i.e., drugs, alcohol and delayed stress problems), while contracting for hospital care.

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Multnomah County has a Project Health program which replaced the old County hospital approach to public health with a brokering arrangement that purchases prepaid care for the medically needy. Such an approach would allow the VA to deliver non-duplicated, cost-effective care that could also give veterans a greater voice than they now have over a Washington based bureaucracy.

Besides organizing early I recommend that you ask key political leaders, including members of your Congressional Delegation, to play an active role.

Gaining the trust and support of veterans, (particularly the national service organizations whose membership accounts for roughly 10 percent of all living veterans) is crucial--especially if you go public. Vietnam veterans groups are particularly upset over current VA care.

Lastly, as I mentioned over the phone, this campaign requires a full-time person to overcome the misconceptions surrounding the VA and its sacrosanct medical program.

The VA is a classic example of a sacred cow, which after 50 years of unquestioned support, needs rethinking. National and local medical providers can earn public respect for their efforts to curb rising health costs associated with both excess and underutilized hospital capacity.

Good luck in your efforts and feel free to let me know if I can provide further help.

Sincerely,

Bruce Etlinger District 10

Co-Chairman, Coalition for <u>Better</u> Veterans Health Care

BE/g1/4421B/D5



METROPOLITAN SERVICE DISTRICT 527 S.W. HALL ST., PORTLAND, OR. 97201 · 503/221-1646

October 26, 1981

Bruce Etlinger COUNCILOR DISTRICT 10 (ROSE CITY, GATEWAY, PARKROSE)

Michael Deaver Deputy Chief of Staff and Assistant to the President The White House 1600 Pennsylvania Avenue Washington, D.C.

Dear Mr. Deaver:

As you know the Veterans Administration plans to award construction contracts soon for a new VA Hospital in Portland.

Because several recent opinion polls show that over two-thirds of both veterans and the general public support a voucher or mainstreaming alternative, and in light of the current review of this approach by your Office of Policy Development (as per attached correspondence from you last Spring), I am asking that the President and/or VA Administrator Nimmo defer this project until more cost-effective options are fully examined.

Based on 1977 VA estimates, a new VA Hospital here would cost over \$6 billion to build and operate over its projected 50 year This would be the largest single lifespan. public investment in Oregon's history, and the most expensive hospital, on a per foot or per bed basis, ever built in the U.S. It is noteworthy that funds authorized thus far, including a recent \$34 million add-on for inflation, do not include relocation of the downtown outpatient clinic or the extended care facility proposed for Vancouver, Washing-This is because the original appropriaton. tion was explicitly made for all three components at a single site that is different from the site selected by VA Multnomah County, the largest local jurisdiction in the State,

(next page, please)

Michael Deaver, Duputy Chief of Staff and Assistant to the President October 26/81 - page 2

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recently joined a lawsuit which seeks to force the VA, in its Environmental Impact Statement, to thoroughly consider the "no-build" or mainstream option.

Because your correspondence has expressed interest in monitoring public sentiment regarding this project I am enclosing the following:

- Letter endorsing mainstreaming alternative from Senator Bob Packwood
- Professional opinion poll of veterans in Oregon and SW Washington
- Professional opinion poll of general public
- Letter from Dr. Robert Voy, Chairman of Oregon Republican Party
- News clipping on request of Oregon Veterans Civic Council asking VA to consider mainstream option
- Resolutions and letters from Multnomah County Medical Society, Oregon Medical Association and American Medical Association in support of mainstreaming
- Samples of statewide editorial support

On June 5 President Reagen signed a recission bill which deleted funds for previously authorized VA Hospitals in Baltimore and New Jersey. Planning and design funds for a new VA Hospital in Minnesota have recently been deferred.

Multnomah County has demonstrated the costeffectiveness of phasing-out separate, episodic, hospital based care for the medically needy at a public facility in favor of prepaid health benefits serviced through existing health delivery systems. In light of our current oversupply of hospital beds, and Oregon's unequaled ratio of phsicians to population, wouldn't it be wise to follow the 1977 recommendation of the National Academy of Science by contracting for acute care while shifting VA resources to unmet needs of veterans for chronic and geriatric care? Michael Deaver, Duputy Chief of Staff and Assistant to the President October 26, 1981 - page 3

Because of the geographical size of this VA service area, and the overwhelming preferences of veterans, a deferral of the new hospital would be a popular action. I am firmly convinced that a voucher approach, utilizing the experience of Multnomah County's Project Health program, would provide more comprehensive and accessible care, of equal or higher quality, at a fraction of the cost to build and operate a new VA Hospital.

In the near future we expect the City Club of Portland to adopt a resolution embracing the request that this project be deferred until the merits of a voucher system are examined by the VA and the White House. This position has already been embraced by medical providers, a clear majority of state and local elected officials, the designated Health Systems Agencies, Multnomah County, Metropolitan Service District, most newspapers statewide, The Heritage Foundation and veterans.

Thanks for your continued consideration of this important matter as you seek to reduce unnecessary Federal spending.

Sincerely,

Bruce Etlinger Councilor District 10

BE:tj

enclosures

cc: Senator Bob Packwood

Mr. David Stockman, Dir. of Ofc. Mgm. & Budget Mr. Robert Nimmo, Adm. of Veterans Administration

Ms. Anne Fairbanks, White House Ofc. of Policy Dev.

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321 Dirksen Blog. 1321 X = gets orange pole Washington D.C. 20518 Mr. David Stockman Director, Offail of Budget & Management Need Emelop. old Executive office Building 17th Spennsylvania, NW Also fend Washington, O.C. 20500 Ahr. Donald Motan But Not List Por 15 sociate Director Por Haman Services Vite Mr. John Merck VA Branch Chief OMB - Room 7013 office of Management + Sudget New Exec off. Blog Wash, P.G. 20503 17m + Penn Rh Mr. Robert Asmono Administrator, Veterana Administration 810 Vermont Ave (NW) Wash P.C. 20420 Ms. Ann Fatrbanks Sr Pel Adu white House office of Policy Development Mr. Mike Tognalli Office of Policy Day 1600 fernayflania Ave. NW The White Hone Wash D.C. 2420 Zosoo 1600 ferm. Ave M Wash P.C. 20420

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527 S.W. HALL ST., PORTLAND, OR. 97201, 503/221-1646

Rick Gustafson EXECUTIVE OFFICER

Metro Council

Jack Deines PRESIDING OFFICER DISTRICT 5

Betty Schedeen DEPUTY PRESIDING OFFICER DISTRICT 7

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Marge Kafoury DISTRICT 11

Mike Burton DISTRICT 12

October 30, 1981

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Because your correspondence has expressed interest in monitoring public sentiment regarding this project I am enclosing the following: Mr. Michael Deaver October 30, 1981 Page 2

. .

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. .

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Thanks for your continued consideration of this important matter as you seek to reduce unnecessaary federal spending.

Sincerely, Buce Ettinger

Bruce Etlinger District 10

BE/gl 4469B/D5

Enclosures

cc: Senator Bob Packwood Mr. David Stockman, Director, Office of Management & Budget Mr. Robert Nimmo, Administrator, Veterans Administration Ms. Anne Fairbanks, The White House Office of Policy Development Mr. Donald W. Moran, Associate Director, Human Services, Veterans & Labor



527 S.W. HALL ST., PORTLAND, OR. 97201, 503/221-1646

Rick Gustafson EXECUTIVE OFFICER

Metro Council Jack Deines

PRESIDING OFFICER DISTRICT 5

Betty Schedeen DEPUTY PRESIDING OFFICER DISTRICT 7

> Bob Oleson DISTRICT 1

Charlie Williamson DISTRICT 2

> Craig Berkman DISTRICT 3

Corky Kirkpatrick DISTRICT 4

> Jane Rhodes DISTRICT 6

Ernie Bonner DISTRICT 8

Cindy Banzer DISTRICT 9

Bruce Etlinger DISTRICT 10

Marge Kafoury DISTRICT 11 Mike Burton DISTRICT 12 November 5, 1981

Mr. Stephen A. Aanderud Arthur Andersen & Company 111 SW Columbia Portland, Oregon 97201

Dear Mr. Aanderud:

On October 22, 1981, the Metro Council confirmed your appointment to the Solid Waste Rate Review Committee. Your willingness to serve on the Committee is greatly appreciated by Metro's Council and Executive Officer.

The Committee's first meeting will be on November 18, 1981, at 7:00 p.m. in the Council Chamber at Metro, 527 SW Hall, above the Portland State Bookstore. The purpose of the meeting will be to familiarize the Committee with the activities of Metro's Solid Waste Department, and the role of the Committee in setting rates at solid waste disposal sites (see attached agenda).

Enclosed is a notebook which contains information related to the activities of the Committee. Included in the notebook are the Committee By-Laws, a membership roster and two ordinances and resolutions which provide the legal basis for rate setting and the disposal franchise program. Of particular significance are Sections 18 and 19 of the Disposal Franchise Ordinance (No. 81-111). These sections outline the composition of the Solid Waste Rate Review Committee and the rate setting process. You will also find an article in the notebook called "Appraisal of Sanitary Landfills" which provides background information on landfills including the economic basis of their operation.

The blue report in your packet was prepared for Metro by Price Waterhouse Consultants and is titled <u>Recommendations</u> for Developing A Comprehensive Management Program to Mr. Stephen A. Aanderud November 5, 1981 Page 2

Administer a Solid Waste Facility Franchise and Disposal Rate Control System. The financial/accounting information which will be submitted to Metro by solid waste disposal facility operators for the rate setting process will be contained on the forms in this report.

Again, thank you for serving on the Solid Waste Rate Review Committee. If you have any questions, please call Terilyn Anderson, 221-1646.

Sincerely,

Jack Deines

Presiding Officer

TA/srb 4398B/D4

Enclosure



527 S.W. HALL ST., PORTLAND, OR. 97201, 503/221-1646

Rick Gustafson EXECUTIVE OFFICER

Metro Council

November 5, 1981

Jack Deines PRESIDING OFFICER DISTRICT 5

Betty Schedeen DEPUTY PRESIDING OFFICER DISTRICT 7

> Bob Oleson DISTRICT 1

Charlie Williamson DISTRICT 2

> Craig Berkman DISTRICT 3

Corky Kirkpatrick DISTRICT 4

> Jane Rhodes DISTRICT 6

Ernie Bonner DISTRICT 8

Cindy Banzer DISTRICT 9

Bruce Etlinger DISTRICT 10

Marge Kafoury DISTRICT 11

Mike Burton DISTRICT 12 Mr. Edward Brunet Lewis & Clark Law School 10015 SW Terwilliger Blvd. Portland, Oregon 97219

Dear Mr. Brunet:

. . . .

On October 22, 1981, the Metro Council confirmed your appointment to the Solid Waste Rate Review Committee. Your willingness to serve on the Committee is greatly appreciated by Metro's Council and Executive Officer.

The Committee's first meeting will be on November 18, 1981, at 7:00 p.m. in the Council Chamber at Metro, 527 SW Hall, above the Portland State Bookstore. The purpose of the meeting will be to familiarize the Committee with the activities of Metro's Solid Waste Department, and the role of the Committee in setting rates at solid waste disposal sites (see attached agenda).

Enclosed is a notebook which contains information related to the activities of the Committee. Included in the notebook are the Committee By-Laws, a membership roster and two ordinances and resolutions which provide the legal basis for rate setting and the disposal franchise Of particular significance are Sections 18 and program. 19 of the Disposal Franchise Ordinance (No. 81-111). These sections outline the composition of the Solid Waste Rate Review Committee and the rate setting process. You will also find an article in the notebook called "Appraisal of Sanitary Landfills" which provides background information on landfills including the economic basis of their operation.

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Sincerely,

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Jack Deines Presiding Officer

TA/srb 4398B/D4

Enclosure



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Metro Council

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> Craig Berkman DISTRICT 3

Corky Kirkpatrick DISTRICT 4

> Jane Rhodes DISTRICT 6

Ernie Bonner DISTRICT B

Cindy Banzer DISTRICT 9

Bruce Etlinger DISTRICT 10

Marge Kafoury DISTRICT 11

Mike Burton DISTRICT 12 Mr. Mark Gardiner, Director Office of Fiscal Administration 1220 SW 5th, Room 407 Portland, Oregon 97024

Dear Mr. Gardiner:

November 5, 1981

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Jack Deines

Presiding Officer

TA/srb 4398B/D4

Enclosure



527 S.W. HALL ST., PORTLAND, OR. 97201, 503/221-1646

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Ernie Bonner DISTRICT 8

Cindy Banzer DISTRICT 9

Bruce Etlinger DISTRICT 10

Marge Kafoury DISTRICT 11

Mike Burton DISTRICT 12 November 5, 1981

Mr. George Hubel 904 SE 69th Avenue Portland, Oregon 97215

Dear Mr. Hubel:

On October 22, 1981, the Metro Council confirmed your appointment to the Solid Waste Rate Review Committee. Your willingness to serve on the Committee is greatly appreciated by Metro's Council and Executive Officer.

The Committee's first meeting will be on November 18, 1981, at 7:00 p.m. in the Council Chamber at Metro, 527 SW Hall, above the Portland State Bookstore. The purpose of the meeting will be to familiarize the Committee with the activities of Metro's Solid Waste Department, and the role of the Committee in setting rates at solid waste disposal sites (see attached agenda).

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Sincerely,

lack Dunesy

Gack Deines Presiding Officer

TA/srb 4398B/D4

Enclosure



Rick Gustafson EXECUTIVE OFFICER

Metro Council

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Ernie Bonner DISTRICT 8

Cindy Banzer DISTRICT 9

Bruce Etlinger DISTRICT 10

Marge Kafoury DISTRICT 11

Mike Burton DISTRICT 12 527 S.W. HALL ST., PORTLAND, OR . 97201, 503/221-1646

METROPOLITAN SERVICE DISTRICT

Mr. Brad Davis Executive Director Multnomah County Medical Society 2188 Park Place Portland, Oregon 97205

Dear Mr. Davis:

November 5, 1981

Attached please find letter with enclosures that has been sent to Michael Deaver and Ann Fairbanks at The White House, OMB Director Stockman and Senator Bob Packwood.

I am also enclosing letter recently received from Minneapolis-St. Paul Council of Hospitals. It indicates recent action by OMB has deferred further planning and design work on new VA hospital in Minnesota for at least a year.

What prompts the continued work of a strong coalition of elected officials, health planning supporters, editorial writers, and veterans statewide is fiscal responsibility--not merely philosophical adherence to the concept of mainstreaming. Our aim at this point is not to win new converts, nor even to halt the construction of a new VA hospital. We have serious doubts, however, about the wisdom and dubious distinction of being the last community to have a new VA facility in light of current oversupply of private health facilities. It is clear from previous action by the Multnomah County Medical Society, the Oregon Medical Association and the AMA several months ago in Chicago--as well as an independent survey amongst Portland area physicians conducted a year ago--that medical providers see no need for this facility.

Contrary to the perception by some, that medical providers are to blame for rising health costs, action on this issue would demonstrate a real concern for more accessible and cost-effective care--at a fraction of the cost to build and operate a new public hospital here. Mr. Brad Davis November 5, 1981 Page 2

As per our previous discussion, and in light of the highly charged political environment around this issue, I am asking your help in enlisting AMA action at The White House.

Our goal is to defer construction until the current study of a voucher or mainstreaming approach is completed by The White House Office of Policy Development.

Assuming that you are still willing to forward this request to the appropriate persons within the AMA, could I be apprised of the results and/or given contacts for future reference?

I will keep you posted on upcoming City Club action now being scheduled on this matter.

Sincerely,

thinger nucl

Bruce Etlinger District 10

BE/gl 4520B/D1

Attachments



527 S.W. HALL ST., PORTLAND, OR. 97201, 503/221-1646

Rick Gustafson EXECUTIVE OFFICER

Metro Council Jack Deines PRESIDING OFFICER DISTRICT 5

Betty Schedeen DEPUTY PRESIDING OFFICER DISTRICT 7

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> Craig Berkman DISTRICT 3

Corky Kirkpatrick DISTRICT 4

Jane Rhodes DISTRICT 6

Ernie Bonner DISTRICT 8

Cindy Banzer DISTRICT 9

Bruce Etlinger DISTRICT 10

Marge Kaloury DISTRICT 11

Mike Burton DISTRICT 12 Mr. Michael Deaver Deputy Chief of Staff and Assistant to the President The White House 1600 Pennsylvania Avenue Washington, D.C. 20500

Dear Mr. Deaver:

October 30, 1981

As you know, the Veterans Administration plans to award construction contracts soon for a new VA hospital in Portland.

Because several recent opinion polls show that over two-thirds of <u>both</u> veterans and the general public support a voucher or mainstreaming alternative, and in light of the current review of this approach by your Office of Policy Development (as per attached correspondence from you last Spring), I am asking that the President and/or VA Administrator Nimmo defer this project until more cost-effective options are fully examined.

Based on 1977 VA estimates, a new VA hospital here would cost over \$6 billion to build and operate over its projected 50-year lifespan. This would be the largest single public investment in Oregon's history, and the most expensive hospital, on a per foot or per bed basis, ever built in the U.S. It is noteworthy that funds authorized thus far, including a recent \$34 million add-on for inflation, do not include relocation of the downtown outpatient clinic or the extended care facility proposed for Vancouver, Washington. This is because the original appropriation was explicitly made for all three components at a single site that is different from the site selected by the VA. Multnomah County, the largest local jurisdiction in the state, recently joined a lawsuit which seeks to force the VA, in its Environmental Impact Statement, to thoroughly consider the "no-build" or mainstream option.

Because your correspondence has expressed interest in monitoring public sentiment regarding this project I am enclosing the following: Mr. Michael Deaver October 30, 1981 Page 2

- Letter endorsing mainstreaming alternative from Senator Bob Packwood
- Professional opinion poll of veterans in Oregon and SW Washington
- Professional opinion poll of general public
- Letter from Dr. Robert Voy, CHairman of Oregon Republican Party
- News clipping on request of Oregon Veterans Civic Council asking VA to consider mainstream option
- Resolutions and letters from Multnomah County Medical Society, Oregon Medical Association and American Medical Association in support of mainstreaming
- Samples of statewide editorial support.

On June 5, President Reagan signed a recission bill which deleted funds for previously authorized VA hospitals in Baltimore and New Jersey. Planning and design funds for a new VA hospital in Minnesota have recently been deferred.

Multnomah County has demonstrated the cost-effectiveness of phasing-out separate, episodic, hospital based care for the medically needy at a public facility in favor of prepaid health benefits serviced through existing health delivery systems. In light of our current oversupply of hospital beds, and Oregon's unequaled ratio of physicians to population, would it not be wise to follow the 1977 recommendation of the National Academy of Science by contracting for acute care while shifting VA resources to unmet needs of veterans for chronic and geriatric care?

Because of the geographical size of this VA service area, and the overwhelming preferences of veterans, a deferral of the new hospital would be a popular action. I am firmly convinced that a voucher approach, utilizing the experience of Multnomah County's Project Health Program, would provide more comprehensive and accessible care, of equal or higher quality, at a fraction of the cost to build and operate a new VA hospital.

In the near future we expect the City Club of Portland to adopt a resolution embracing the request that this project Mr. Michael Deaver October 30, 1981 Page 3

be deferred until the merits of a voucher system are examined by the VA and The White House. This position has already been embraced by medical providers, a clear majority of state and local elected officials, the designated Health Systems agencies, Multnomah County, Metropolitan Service District, most newspapers statewide, The Heritage Foundation <u>and veterans</u>.

Thanks for your continued consideration of this important matter as you seek to reduce unnecessaary federal spending.

Sincerely, sincerezz, Buce Ettinger

Bruce Etlinger District 10

BE/gl 4469B/D5

Enclosures

cc: Senator Bob Packwood Mr. David Stockman, Director, Office of Management & Budget Mr. Robert Nimmo, Administrator, Veterans Administration Ms. Anne Fairbanks, The White House Office of Policy Development Mr. Donald W. Moran, Associate Director, Human Services, Veterans & Labor COUNCIL OF COMMUNITY HOSPITALS SERVING THE SEVEN COUNTY METROPOLITAN AREA

October 2, 1981

Mr. Bruce Etlinger, CoChairman Coalition for Better Veterans Health Care 10705 NE Freemont Portland, Oregon 97220

Dear Mr. Etlinger:

The organization I work for, the Council of Community Hospitals, is interested in exploring the question of whether veterans currently being served by the Minneapolis Veterans Administration hospital would prefer to have access (as veterans) to medical care at non-VA hospitals.

Mr. Roger Larson from Emmanual Hospital in Portland has referred me to you. I have also run across your name in an article entitled "When It Comes to Planning Hospitals, the VA Marches to Its Own Beat" in <u>National Journal</u>, 8-30-80.

I read with interest that you and your organization had a local marketing firm conduct a survey of veterans in the metropolitan area to determine what percentage of veterans wanted the VA to pay medical benefits in community hospitals of their choice.

The survey you conducted sounds just like what our organization would like to use on the VA population here. Would it be possible for us to receive a copy of the survey you used, as well as a copy of the report of your findings?

We would also like to know what has happened as a result of your efforts. We, too, would like to have our local VA hospital not be replaced as is currently planned. We just received word today that the Reagan Administration has decided to defer for another year a request for money to replace the VA hospital here. We hope to use that year to see if the replacement can be deferred forever.

The Council of Community Hospitals, by the way, is an organization of hospitals serving the Minneapolis/St. Paul area. The Council's members include the chief executive officers of 30 of the area's 33 hopsitals, which account for over 95 percent of the approximately 11,800 licensed beds in the area.

I look forward to hearing from you.

Sincerely,

Marian S. adcock

Marian S. Adcock Vice President

MSA:mm

2221 UNIVERSITY AVENUE S.E., Suite 430

MINNEAPOLIS, MINNESOTA 55414 🖊 379-2805

t J. BRLE, KANB., CHAIRMA

SHI DACINGED, GRES. WILLIAM V. BETH, JR., BEL. John C. Guartenth, Leo, Abon H. Guartenth, Leo, Abon Herz, PA. Malcolm Wallop, WYS. Gaudi D. Byraids, Island William L. Armittions, Cold. DYSYEM D. Symids, Island Guarles E. Gaussely, Island

RUGEREL B. LENES, LA. MANRY F. BYRD, JR., VA. LLOYD BOYTSON, YEX. BRANK M. MATSUMAKA, MAWAII BANKE, BAICUE, MONT. MAX BAICUE, MONT. BAYD L. BORCH, SKLA. BUL. BRADLEY, MJ. BELS BRADLEY, MJ.

Aniled States Senate

COMMITTEE ON FINANCE WASHINGTON, D.C. 20310



REBERT E. LIGHTWEER, CHIEF COUNCL SCHAEL STERN, MINDRITY STAFF SINGLY OF

February 25, 1981

METRO SERVICE DISTRICL

Mr. Rick Gustafson Executive Officer Metropolitan Service District 527 Southwest Hall Street Portland, Oregon 97201

Dear Rick:

Thank you for sending me a copy of your letter to Senator Hatfield regarding health care for veterans and the Portland Veterans' Hospital.

I agree with you and your ideas regarding mainstreaming. We should be able to provide health care to veterans more economically, efficiently, and more conveniently by using local hospitals. You can be assured that I support mainstreaming, and will work toward meeting that goal.

Again, thank you for writing.

Cordially,

WOOD

BP/jbj

The GMA Poll

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Method:

From May 11 through May 13, 1981, GMA Research conducted the GMA Poll in the Portland, Tri-County area for KATU television. All interviews were conducted by telephone from the GMA Research central location phone bank in Portland. Respondents (384) 18 years of age and older were scientifically selected for interviewing. The sample was evenly split between male and female respondents.

Results from a sample of 384 are accurate within ± 5 % with 95% confidence.

If you could determine how the Veterans Administration would spend funds allocated for the health care of Oregon veterans, would you prefer health care services be provided at a new regional VA hospital in Portland or the same health care services be provided using existing community hospitals and doctors of the veterans' choice?

Response	$\frac{Percent}{(N=384)}$
The same health care services be provided using existing community hospitals and doctors of the veterans' own choice.	67%
Health care services be provided at new regional VA hospital in	24%
Portland.	248
Undecided	88
Refused	18
Total	100%



Coalition for BETTER Veterans Health Care

P.O. Box 6084 Portland, OR 97228

November 30, 1979

President Jimmy Carter The White House Washington, D. C.

Dear Mr. President:

We the undersigned -- representing a broad cross section of interest groups, governmental bodies and individuals in the Portland area -- request your urgent consideration regarding a new Veterans Administration hospital here.

To date the City of Portland, U.S. House Committee on Appropiations and the final report of the Joint Conference Committee, among others, have stated a preference for siting this facility by Emanuel Hospital in N.E. Portland. The Veterans Administration appears to support the Marquam Hill location in S.W. Portland.

A third alternative -- mainstreaming veterans into excess community facilities -has not been examined except in a most cursory fashion. We support re-programming funds presently authorized for this acute care facility in order to initiate a pilot project which will offer veterans more comprehensive and accessible care of equal or higher quality and at a lower overall cost. Rather than constructing, equiping and operating this new acute care facility at a projected cost of over \$3.5 billion during its 50 year lifespan, mainstreaming veterans would further both local and national health planning objectives, including your efforts to curb rising hospital costs.

We urge you to direct the Veterans Administration to undertake a full review of this proposed option, including thorough discussions with local jurisdictions, our Health Systems Agency, veterans groups and medical care providers before the VA makes a final decision to construct this hospital.

Sincerely. Multnomah County Executive anne

Multnomah County Board OF Commissioners

, Executive Director

Gary D. Whelan Multnomah County Medical Society-Portland, Oregon

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Say, incs. NOHS Northwest Oregon Health Ex. DIRECTOL,

Systems Agency

Oregon Student Public Interest

Research Group) Speaker of the House

Oregon State Legislature National Bu us of Sciences Tudius

Medical Director, Kaiser Permanente

Oregon State Senator, District 5

Executive Officer Metro

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President, Project Return VETS.

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uuz. Gene Oregon Medical Association Secretary Treasurer

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CHAIRMAN, NE COALITIUN OF NEIGHBUR-HODDS

Coalition for National Health Security

OREGON REPUBLICAN STATE CENTRAL COMMITTEE

DR. ROBERT O. VUY Chairman • Grace Olsen Vice Chairman Marion Taylor
 Secretary

Bob Hocks
 Tressurer

 Dorotha Moore National Committee Woman

 Peter C. Murphy, Jr. National Committee Man

Earnest L. Gallardo

July 13, 1981

Mr. Peter A. Nathan, M.D. COALITION FOR BETTER VETERANS HEALTH CARE P.O. Box 6084 Portland, OR 97228

Dear Peter,

I regret I will be unable to attend the July 16th meeting of the Multnomah County Commissioners to hear and colaborate to the testimony regarding the mainstreaming alternatives to the existing Veterans Administration Hospital facility.

Although I cannot speak for the Oregon Republican Party, I can as an individual and a practicing physician, wholeheartedly support a mainstreaming or vouchure system for veterans health care in lieu of a new and costly acute care facility as proposed by the Veterans Administration Markham Hill project.

Best Regards,

Dr. Robert O. Voy State Chairman

ROV:cnd

THE WHITE HOUSE

WASHINGTON

April 21, 1981

Dear Dr. Nathan:

Knowing your continued interest in the proposal to construct a Veterans' Administration hospital in the Portland, Oregon area, I am writing to bring you up to date on developments since our last correspondence.

When I last wrote to you, I indicated that a decision had been made by the Office of Management and Budget to propose deferral of this construction project. However, since that time OMB has withdrawn this proposal. The project is currently scheduled to proceed.

The major reason for withdrawing the deferral proposal was escalating cost. Cost projections for this new facility are already high as you noted in your letter. Simply deferring this project for two years without actually cancelling the authority to build it would only add to the already high cost of this facility.

I have asked, however, that VA and OMB officials monitor this situation closely, taking into account public sentiment in the Portland area in making future decisions about the continued viability of this project. You can be sure that your thoughtful analysis of the situation will receive serious consideration in this process.

Thank you again for sharing your views on this project with the President. I hope you will continue to keep us advised on your thoughts in this and other areas in the months and other areas in the months and years ahead.

Sincerely,

maleast

MICHAEL K. DEAVER Assistant to the President Deputy Chief of Staff

Dr. Peter A. Nathan, M.D. Portland Hand Surgery Center 2455 N. W. Marshall, Suite 1 Portland, Oregon 97210

THE WHITE HOUSE

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March 12, 1981

Dear Mr. Etlinger:

I appreciated receiving your letter concerning the proposed construction of a new Veterans Administration hospital in Portland, Oregon. The project was carefully reviewed during the development of the President's Program for Economic Recovery. Our approach to the Recovery Program required that every proposal receive careful consideration.

During the review, the Office of Management and Budget determined that project funds should be deferred for at least the next two years. As a result of the recommendation, \$137 million expenditure for the VA hospital in Portland, Oregon will be deferred for the time being and \$35 million will be deleted from the budget which would have gone to cover add-on construction costs.

Your letter addressed the question of a pilot mainstreaming alternative for veterans health care. That proposal is being reviewed by the Office of Policy Development. Our people are studying a 1977 report by the National Academy of Sciences which concluded that the present separate VA health care system is duplicative, inefficient and costly. I can assure you that in the months ahead we will review the overall health care situation for our veteran population.

Thank you for sending us your views. As we review our overall long-term health care system, your suggestions will receive strong consideration.

Sincerely,

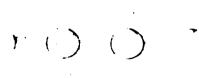
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MICHAEL K. DEAVER Assistant to the President Deputy Chief of Staff

Mr. Bruce Etlinger Metropolitan Service District 527 S.W. Hall Street Portland, OR 97201

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RTHWES

NEWS, MOVIES, CLASSIFIED ADS, FINANCIAL, EDITORIAL, FORUM

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Illinois city, Westport vie for fish title

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NOY W. SECOLUND, M.D. Anagent ETHEVIEVE S. BURK, M.B. Anagent fort "DOWALD P. BOBSON, M.D.

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SZIDS.W. CORBETT AVENUE · PORTLAND, OREGON 97201 · 15031 226-1555 ASSOCIATION

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July 13, 1981

Gladys McCoy, Presiding Officer Multhomah County Board of Commissioners Room 605 1021 S.W. Fourth Avenue Portland, Oregon 97201

Dear Mrs. McCoy:

This letter is submitted to you and the Board of County Commissioners at the request of two Oregon physicians. It should not be construed as an endorsement of the resolution regarding the proposed V.A. Hospital in Portland, nor should it be considered a statement in support of the suit to enjoin the construction of the new V.A. facility. It is merely to place into the record the considered position of this Association, to wit:

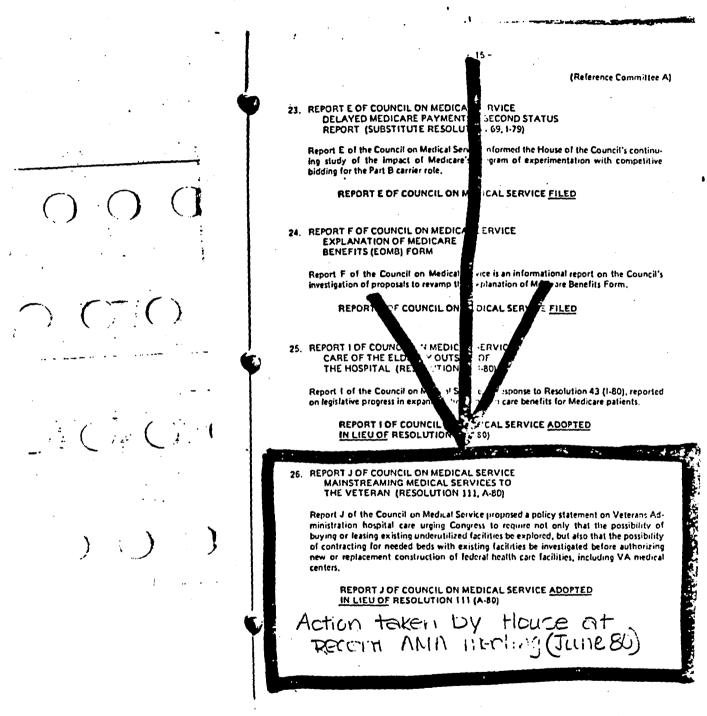
"The Oregon Medical Association does not believe that a medical need exists to justify the construction of a new Veteran's Administration Hespital in the greater Portland metropolitan area given the current and adequate level of hospital facilities to serve the medical needs of veterans.

The Association, recognizing the political reality that a new V.A. Hospital may, nevertheless, be built in the greater Portland metropolitan area, feels that if it is built, it should be built adjacent to the University of Oregon Medical School."

Respe lly submitted. highered to

Roy W. Skoglund, H.D. President

RWS:jlm



OREGON MEDICAL ASSOCIATION HOUSE OF DELEGATES 107th Annual Session Valley River Inn. Eugene April 24-26, 1981

RESOLUTION NO. 12

PROPOSED CONSTRUCTION OF VETERAN'S HOSPITAL

MHEREAS, Senator Hatfield has recently stated that health care services for Oregon veterans should be second to mone; and

Introduced by: Hultnomah County Medical Society

Subject:

34

- MHEREAS, an amount of over \$4 billion is projected to merely construct and maintain the new Portland VA facility over its 50-year life span, exclusive of direct costs for patient care and high interest rates the government must pay to finance this project; and MHEREAS, inflationary construction costs have increased to more than \$300,000 per bed for the proposed 490 inpatient bed facility, making it the most expensive hospital, on either a per-bed or per-square-foot basis, ever considered for construction in the U.S.; and MHEREAS, there are abundant private practicing physicians in the state to care for the veterans' needs, with the doctor-per-patient ratio being 1:500 throughout the state and increasing to 1:167 in the Portland area, and with a 31% increase in physician population in the six most northwestern Oregon counties during the period 1975-79, compared to put a 1% concerning the period 1975-79. compared to only a 1% concomitant increase in total population; and MHEREAS, a statistically valid poll conducted in 1980 reveals an overwhelm-ing 73.1% of Oregon veterans would prefer to use hospitals and doctors of their own choosing, with the VA paying their bills, 76.6% preferred their own choice of doctor for outpatient care, and 60% of those who had previously used VA medical services would prefer to have their benefits transferred to the private eactor: and sector; and MHEREAS, a recently completed study reveals that, at most, 374 hospital beds needed for all the veterans living in southwest Washington and the whole State of Oregon, and there are an estimated 434 extra beds in the larger Portland area alone, and in addition, projections from the designated Health Systems Agencies disclose a far greater
- 5678901123456789011234567890133335678904444 MHEREAS, the average veteran today is 60 years old and getting older, the demand for acute inpatient care will decrease and there will be an increased need for convalescent, chronic and outpatient care: and

surplus of acute care beds statewide; and

OMA HOUSE OF DELEGATES April 24-26, 1981 RESOLUTION NO. 12 Page 2

34567

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MHEREAS, a 1977 study of all VA facilities by the National Academy of Sciences found significant improper utilization of existing acutecare facilities, and recommended that the VA contract with private facilities for acute care, while converting its own facilities and staffing to meet veterans' needs for convalescent, chronic and outpatient care; and

WHEREAS, at least two-thirds of all doctors who have entered practice in Oregon during the last ten years have been trained out of state, and more than 50% of our Medical School graduates leave Oregon annually to practice; and

MHEREAS, the Medical School has found it necessary to close 171 of its beds for want of patients, and therefore should contract instead of expand through utilization of a new VA building for its teaching programs; now

THEREFORE BE IT RESOLVED, that the Oregon Medical Association reaffirms its opposition to the construction of the proposed Oregon Veterans' Hospital.

RESOLUTION NO. 12

Journal 1/23/80 Hospital not needed

by many diverse and powerful inrests.

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FILI. L City planners, the mayor's staff mic Rep. Robert B. Duncan, D-Ore., wanted to put it near Emanuel Hos-pital on the East Side in Duncan's Taird District.

Third District. The Veterans' Administration, weterans' organizations, medical school officials and Rep. Les Au-Coin. D-Ore., wanted to put it on Marquam Hill, where the old hospi-tal is located in AuCoin's First Dis-

There has been a growing third force, diverse, but not made up of such powerful interests, that favors such powerful interests, that favors such building a new veterans hospi-tal at all.

Instead, this point of view wants veterans to receive care in the "main stream" of the beath fa-

clittles of their communities. Adding a little weight to this argument are the citizens serving on the board of Northwest Oregon Health Systems, which makes rec-ommendations on planning deci-

Have to travel to Portland. If not having the veterans' hos-pital as part of its complex is a problem for the medical school, then it should be resolved by the State of Oregon. If there is a need for a special hospital for veterans, it is not to provide a teaching facility.

A point that ought to be consid-ered is that there is no need for additional hospital bods in the Port-and ares. They are already in surplus.

So it would make sense to use them for veterans rather than build-ing an unneeded, new hospital.

Veterans and Project Health 10/31/77 Journal

The House Appropriations Communities staff re-port has sent the Portland veterans' hospital back to the drawing board. The conflict over the site — Emanuel Hospital or Marquam Hill — remains unresolved. The staff even recommended removing Vancouver, Wash, from sharing a portion of the facility, which is not going to sit well with a couple of promisent and powerful Washington senators.

Since the issue has been further complicated and additional delay is inevitable, parhaps it is time to rethink the proposal.

rethist the proposal. There are those who question the need for a separate hospital for veterans and suggest that the funds instead be spent for veterans' care in main-stream health facilities, along the lines of Mult-somah County's Project Health. When the question is asked, however, the an-swer from veterans' and congressional sources us-ally is that mainstream care is a long-range goal that

cannot be realized for perhaps 20 years. In the mean-time, hospitals for veterans will continue to be need-

ed. But now another question has been raised, and it is one Congress ought to think about. Why not take a half step toward mainstream eare by building a smaller bospital that would match more closely the bealth needs of the community and using the funds that would be saved for mainstream care for the veterans who would benefit from hi? Since Project Health is a model for the nation, it might be an appropriate device for funning at least some veterans into care at regular community hospi-tals and clinics. Indeed. It might ruide the nation toward its long-

Indeed, it might guide the nation toward its long-funge goal of phasing out veterans' hospitals and integrating them into the facilities of their communities

Since the progress Congress has made so far on the issue is to move it back to square No. 1, it might at least consider the proposition.

One way to vets' community care

During the prolonged dispute over the location of a new veterans' hospital in Portland, the question has been raised as to why veterans would not be better off treated in the regular health facilities of their communities rather than in special separate

their communities rather than in special separate hospitals. The answer always comes back that mainstream care for veterans is the long-range goal, but it will probably take at least 20 years before the aution can afford to phase out its veterans' hospital. And no, while the Portland area has an over-all surplus of hospital bdds, its veterans' hospital is decrepit and must be replaced. However, the wrangling continues over where to put it. Rep. Robert B. Duncan, the Portland City Council and the House Appropriations Committee staff want to locate it at Emanuel Hospital. Rep Las AuCoin, the Veterans' Administration, the Health Sciences Center and several veterans' organizations want to put it where the present hos-

pital is - on Marquam Hill, near the medical school. To a lengthy report filled with bureaucrait ver-booity, the <u>Appropriations Committee stails (sonch-de that the Emanuel site would fil into the commur-</u> W's planning bettler, and cosi 122 million less. — Now, 1B the latest round, the Veterans' Adminis-tration has responded with a 30-page rebuttal of its own, realfirming its previous findings in favor of the Marquam Hill location. — The Portland project has been at the top of the Veterans' Administration priority list for some time. Just heeps being passed over in favor of lower price-tion because bether the community nor its congr--tion delegation can get together. In fact, both sides some to be becoming more intransigent all the time. Bo they may have hit indevertently on the course to mainstream beath car for veterans. They will simply keep arguing for those 20 years or however long it takes to work weterans into community bath services.

Journal _

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VA hospita

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Journal opinion What the vets want

their communities, both of these governmental barriers will have to be penetrated.

Portland, of course, is a case in point, with a new veterans' hospital on line to be built at enormous cost

the message.

3/19/80

The policy of maintaining sega-rate health care facilities for veter-ans seems hopelessity caught up in the burearcacy of the Veterana' Adv rather have mainatream care in ministration and the pork barrel of Congress. If the nation is going to stop building hopitals that are not need-ef and start providing care for vet-their communities, both of these munities, including 60 percent of these who have used the veterana' those who have used the veterand hospital.

This conclusion was reached de-spite the fact that more than 80 per-cent of those who had been treated in the veterans' hospital were satis-

on line to be built at enormous cost in the veterans' hospital were satis-even though the metropolitan area life with their care. Endewith their care. The proposal to use the momey majority - 56.5 percent - opposed to purchase mainstream health care construction of a new hospital, pro-for veterans rather than building vided commuty carewould be of-the hospital, using Portland as an fered instead. Outside the met-experimental project that might ropolitan area, where going to the guide a change in national policy. VA hospital means a greater disrup-seems to have fallen on deaf ears. But if this country ever is going to stop the waste of building un-needed hospitals, the measure interesting, especially since they

to stop the waste or building manual the statistics at the reast and needed hospitais, the message interesting, especially since they somehow must get through to the come from the special constituency Veterans' Administration and the that the Veterans' Administration Congress. Derivate a pull combered in the them constituency when they constituent to a source for some for some the source of Congress. Perhaps a poli conducted in the they continue to press for separate Portland area will help to deliver and expensive facilities for that constituency. constituency.

Eugene Register-Guard

Veterans who argue that they need a new hospi-

ans from communities throughout Oregon and other parts of the Northwest will have little choice but to

so there when they need medical care and want to

receive care at government expense - from doctors of their choice, at any hospital they choose -

many will be able to stay in, or close to, their home

they'll share lighter federal tax loads if the \$177-

million VA hospital project is revised accordingly. And many, with all their immediate neighbors, will benefit from better utilization of medical facilities

Some veterans were angered last week when Multhomah County's Board of Commissioners voted

32 to join a lawsuit that seeks to stop construction

of a new 460-bed VA hospital on Marquam Hill in Portland, adjacent to the University of Oregon

However, as Multnomah County Executive Don Clark pointed out, the basis of that suil is a conten-

Two smaller Portland hospital projects were

tion that veterans would receive better care in the medical "mainstream." The suit asks that the VA be

recently quashed by state authorities after they determined that existing Multhomah County area hospitals have a surplus of 700 hospital beds.

ordered to consider that alternative.

communities when they need hospitalization.

On the other hand, if veterans are authorized to

Furthermore, along with all other taxpayers,

tal in Portland are overlooking a better deal. If the Veterans Administration proceeds to replace an aging hospital facility in Portland, veter-

have it paid for by the government.

in their home communities.

Health Sciences Center.

ALTON F. BAKER, Publish ALTON F. BAKER, JR. 1 Editor and Publisher B EDWIN M. BAKER General Monager C BARRIE HARTMAN Monaging Eduor

DON V. ROBINSON Editorial Page Editor A. H. CURREY Associate Editor DON BISHOFF Associate Editor

New VA hospital isn't needed

7/20/81

1877-1961

The VA's grandiose plan, for which Congress has already authorized \$154 million, can't be vetoed in the same way. However, as Clark noted, the Reagan administration appears to be on the verge of making a major change in VA operations.

Letters

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EUGENE, OREGON, MO.

The administration has, in fact, already stayed construction of several VA hospitals in other states. And Oregon Sen. Mark Hatfield has said he believes the administration intends to take additional actions to curtal the VA's expansion of its national network of 177 hospitals.

A recent survey conducted for a Portland TV station indicated that two out of three residents in that area believe veterans should be able to choose their doctors and the hospitals in which they would be treated. An earlier poll showed even stronger sentiment in favor of that option among Oregon veterans, themselves.

Refurbishmeni, rather than ultra-expensive replacement, of the existing 660-bed VA hospital on Marquam Hill could provide treatment for veterans from communities without adequate medical facilities. It could also serve those needing long-term care. It would maintain a "teaching hospital" adjacent to the state's medical, dental and nursing schools there.

The VA should be required to factually demonstrate the need for, and the cost-effectiveness of, its overly elaborate Portland project.

Going further, the VA should be required to investigate the alternative of gradually mainstreaming acute-care patients across the nation. The Reagan administration should not wait upon federal court findings in these important matters.

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No-build alternative included

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Into existing metrical and magnetization is light of its action requesting pos-able study of not building a borplial, the council, made up of representatives of local VA organizations and veterans groups, asked the coulition not to pro-ceed with legal action it has proposed to try and stop construction of the horpl-bal

tal. The council's decision to ask for in-clusion of a no-build alternative in the environmental impact statement an-gered some veterans, though it piezzed contribut representatives.

computer representatives. At one point, Carl Gestafson, legis-lative chairman of the United Veterans Groups of Oregon and the Veterans of Portign Wars, told the council it was "walking into a big trap" by including the coalition efforts on no-build and mainstreaming in its resolutions and then stalked from the room.

And the representative for the coali-tion received heat at the meeting from some veterans.

some veterans. The veterans in the meeting de-manded to know from Bruce Etlinger, itmporary chairman of the coalition, the sames of persons who contributed \$3,000 for a recent survey of 310 veter-mas conducted by the coalition, but Et-linger refused to reveal the sames. The telephone survey found that 75 percent of the veterans polled would prefer to choose their own doctors and hospitals. rather than use a veterans facility. Blacks Veter Mercel Ampletere

rener than use a veterant section. Bichard Kaser, district administra-tive officer for the Veterants Adminis-tration, told the council that the recent arguments over the hospital have mi-ind the public to thing that all the care the VA provides could be assumed by the private sector.

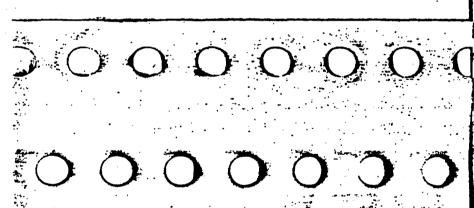
The VA is not simply a hospital, he said, but has a series of programs, in-civaling acute hospital care, long-term care, nursing home care and social as-distance programs.

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DATE OF MEETING:

December 2, 1981

GROUP/SUBJECT:

Joint JPACT/Metro Council Briefing on the Regional Transportation Plan

PERSONS ATTENDING:

Metro Council: Bob Oleson, District 1 Charlie Williamson, District 2 Corky Kirkpatrick, District 4 Jack Deines, District 5 Jane Rhodes, District 6 Betty Schedeen, District 7 Ernie Bonner, District 7 Ernie Bonner, District 8 Cindy Banzer, District 8 District 9 Bruce Etlinger, District 10 Marge Kafoury, District 11 Mike Burton, District 12

JPACT:

Bob Bothman, ODOT Dennis Buchanan, Multnomah County Larry Cole, Cities in Washington County Jim Fisher, Washington County John Frewing, Tri-Met Board Al Myers, Cities in Multnomah County Mildred Schwab, City of Portland Vern Veysey, Clark County Bill Young, Department of Environmental Quality

Guests: Ted Spence, ODOT; Gil Mallery, Regional Planning Council of Clark County; Winston Kurth, Clackamas County; Bob Blensly, ODOT - Salem; Dick Feeney, Tri-Met; Bebe Rucker, Multnomah County; Paul Bay, Tri-Met; Marty Nizlek, Washington County; Sarah Salazar, Port of Portland; Steve Dotterrer, City of Portland; John Price, FHWA; and Jane Cease, State Representative

Staff: Rick Gustafson, Andy Jordan, Peg Henwood, Andrew Cotugno, Terry Bolstad, Keith Lawton, Dick Walker, Bob Hart, James Gieseking, Bob Haas, Rod Sandoz, Dick Bolen, Richard Brandman, Dave Kline (ODOT), Clyde Scott, John Cullerton, Dan La Grande, and Lois Kaplan, Secretary

MEDIA:

None

SUMMARY:

Charlie Williamson opened the meeting by welcoming everyone and reviewing the format for the evening.

Andy Cotugno stated that the purpose of the meeting was to review with policy-makers the contents of the Regional Transportation Plan, emphasizing that detailed staff review will follow with formal release of the Plan in January. The tentative schedule of the RTP is as follows: staff review in January/February followed by a public hearing the end of February; TPAC review of comments during March; local endorsements in March; and adoption in April. Andy indicated that the RTP is in a preliminary draft stage and that this get-together was scheduled for information purposes only. 3 3

Andy explained that the focus of the Plan is targeted at "making the regional system work". He pointed out that it does not focus on the sub-regional system. Emphasis in the Plan is placed on the inter-related functions of Highway, Transit, and Demand Management programs. The RTP will provide a regional framework for development of the highway and transit systems. The intent of the Plan is to 1) capture the policy direction already being followed for transportation improvements based upon previous transportation decisions; 2) provide a package of transportation improvements needed to serve expected growth while "making the regional system work"; 3) provide an order of magnitude estimate of public investment cost; and 4) present a compelling case for the need to develop new funding sources.

Andy then reviewed what adoption of the RTP by Metro would represent in terms of major policy actions:

- Endorsement of the interrelated roles of the Highway system, Transit system and Demand Management programs;
- Endorsement of the Principal and Major Arterials, Regional Transit Trunk Routes and Regional Transitways;
- Endorsement of the order of magnitude transportation investment needed to serve expected growth;
- Endorsement of the need for and intent to seek new revenue sources; and
- 5) Endorsement of the 20-district Population and Employment forecasts as the basis for regional transportation decision-making.

A capsulized review of each chapter in the RTP was presented. Andy emphasized that the Plan's objective is to design a highway system that would provide mobility to the fast growing Portland metropolitan area, that would ensure access to jobs and shopping, and provide an adequate system for the movement of freight into the industrial areas.

Maps were displayed at the briefing showing Principal Routes and Major Arterials that are in accordance with the various jurisdictions' comprehensive plans. (Councilman Larry Cole noted that

Canyon Road was inadvertently omitted from the map.) Another map displayed regional transit trunk routes, potential transitway routes, and transit centers for the long-range transit system. Andy cited the need to provide a regional trunk route in each corridor of the regional system and also to protect our ability to provide light-rail transit service in the future.

It was stressed that this Plan represents a prudent, down-to-basics system inasmuch as all the highway projects in the Plan have previously been downscoped by their respective jurisdictions; no new major highway corridors were envisioned and a very "productive" transit system is envisioned (recovering more costs from the farebox).

Following this portion of Andy's presentation, Representative Jane Cease, Chairperson of the House Transportation Committee of the Oregon Legislature, made a presentation on the upcoming gas tax levy (Ballot Measure #4) which she encouraged every jurisdiction to support. Effective the first of January, a 1¢ gas tax has been enacted for which all jurisdictions will receive revenue sharing. An additional 3¢ gas tax is being placed on the ballot in May, 1982; the first 1¢ increment would be added on in July of 1982, the second in July of 1983, with the last 1¢ increment in July of 1984. She cited the importance of getting the measure passed as a means of attaining the objectives of the Regional Transportation Plan. She asked for any support, contributions, and endorsements to help get the measure passed.

The meeting then broke for dinner after which Andy presented information on the financing and cost of the Plan.

Andy reviewed highway revenue sources over the next twenty years (taking into account the matter of inflation) for the Portland metropolitan area. He spoke of our dependency on the fixed-rate gas tax as a major source of revenue. Mention was made of the following other minor sources of income to the individual jurisdictions: Multnomah County's 3¢ gas tax; Washington County's 1¢ gas tax; Washington County's three-year \$27 million serial levy; miscellaneous receipts from forestry, parking meters, etc.; the 6% employer payroll tax to Tri-Met; and Federal funding for capital improvements (including Interstate Transfer funds, Interstate funds, miscellaneous Federal highway funds such as Urban and Primary, Section 3 transit capital assistance, and Section 5 transit operating assistance).

Andy stressed the fact that only about one-third of our buying power will be realized by the year 2000 because of inflation (assuming it continues at 10 percent per year). New sources of revenue will have to be explored to accommodate the anticipated

funding shortfall. The primary sources of transit revenue available at this time are the payroll tax and farebox revenue, which both keep up with inflation.

Andy further spoke of the consequences of accepting the No-Build and not investing in transportation.

The Plan assumes that 80 percent of all capital expenditures are available for transit from Federal match sources. Commissioner Schwab asked if the LRT Plan would be achieved if 80 percent of the funding were not provided by the Federal Government. Andy said that if the funding were not provided, the light-rail would not be built unless other measures were taken to provide the needed funds, such as a local financing package. Ernie Bonner questioned the total cost of the Plan in terms of highways and transit. Andy stated it would be \$600 million for highway capital construction projects and, with the bus expansion on the Westside, \$460 million worth of transit capital costs. A 50 percent shortfall is anticipated for the highway program (assuming inflation). Andy pointed out that operating and maintenance expenses are included in the estimate. John Frewing asked if the estimate could be translated into a per capita charge per year in relation to a gas tax, property tax, etc., adding that he felt it would be easier to relate to. Commissioner Buchanan expressed the same concerns. Andy felt that the key on the highway funding is not to try to talk in terms of dollar amounts because of the inability of people to comprehend inflation. Of primary importance is the fact that the revenue source itself is not elastic; its relationship to inflation is the prime element.

Martin Nizlek reported that the State of Arizona has established their gas tax on a percentage basis of the average price per gallon. It was noted by others that seven states have established such a program.

Ernie Bonner expressed the need to incorporate possible sources of revenue in the RTP for transportation needs of the future. He felt it was important when approaching Congressmen for financial support that the jurisdictions and the State have previously explored the various funding avenues available. He added that this might be a consideration of the Metro Council prior to approval of the Plan.

Charlie Williamson indicated that Council would have to determine whether it wished to adopt the Plan at this time and then, in the course of the next few years, investigate areas of financing it.

Rick Gustafson spoke of the need for the jurisdictions to feel comfortable with the functional elements of the Plan which represent the framework for transportation decisions in our region. He suggested that the adopted plan could serve as a platform to address

the financial issues and should not be delayed due to the lack of a planned financial package. He agreed that the financial analysis was an important decision for the jurisdictions to deal with in greater depth at a later time.

Local jurisdictions were asked to review the Plan during January and February with endorsement anticipated during the month of March. Charlie Williamson asked that any questions relating to the draft of the Regional Transportation Plan be directed to Andy Cotugno at Metro, and written comments were requested.

There being no further business, the briefing was adjourned.

REPORT WRITTEN BY: Lois Kaplan

AC:lmk



METROPOLITAN SERVICE DISTRICT

527 S.W. HALL ST., PORTLAND, OR. 97201, 503/221-1646

MEMORANDUM

Date:	Decemi	oer 23, 1981	
To:	CINDY	BANZER, Metro	Councilor
From:	ERNIE	BONNER	
Regarding:	Joint	Development	

As Chairman of the Regional Development Committee, this is to advise you that I have assigned Councilor Bruce Etlinger as liaison to Metro's joint development activities. I am sure Bruce will keep you informed on matters pertaining to this topic.

cc: Bruce Etlinger

FROM THE DESK OF

Bruce Etlinger

COUNCILOR/DISTRICT 10 (ROSE CITY, GATEWAY, PARKROSE)

Toby Betty thinks I gooted in writing Jacks Since Schell said he'd go along with a sign-off by fick or Jack, all I needed was approval to use unspent funds from Distito account. The p.C. add on will be Controverstal, though I believe it (and the OMA trip are related to à major, woul we have acted on. Since I couldn't rettend the memos to Jack & Betty (as Betty memoer To I'll probably have to suggested) I'll probably have to fund the D.C. thip myself -- Or not go. fund the D.C. thip myself -- Or not go. fund the D.C. thip myself -- Or not go. Fund the D.C. thip myself -- Or not go. Bunch outcome.



METROPOLITAN SERVICE DISTRICT 527 S.W. HALL STREET, PORTLAND, OREGON 97201 503/221-1646