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CORPUS CHRISTI, TEXAS 78403

June 24, 1976

The Honorable Bill Clayton
Speaker, House of Representatives
Capitol Building
Austin, Texas 78711

Dear Mr. Clayton:

Before his retirement, Dr. Skinner, long director of the Tuberculosis Control Division of the Department of Health, sent me a copy of the 1974-75 Annual Report entitled Tuberculosis in Texas. In it there is information which would seem to be supportive of the possible changes relating to the San Antonio Chest Hospital. These details are set forth on page 41 of that report. A copy is attached.

Although my information is not complete, as a general conclusion we may assume that the patient mix and quality of care are comparable in the three chest hospitals; but it is costing about \$32 per day per patient more at San Antonio than at either of the other two.* To put this another way, it costs almost \$1.5 million (\$1,460,000) per year more to care for the small number of chest patients in San Antonio than it would cost for the same number in Harlingen or in East Texas.

If we look at the San Antonio picture as a whole, the reason for the exorbitant cost becomes obvious. On the entire section of land encompassing that campus, there are only 837 patients. (Present SASH population: 717 - Chest Hospital: approx. 120.)

The Health Department report focuses attention on the end result of our keeping up more than three-fourths of an acre of that beautiful campus for each patient there. And our building utilization is no better than our land utilization.

It occurs to me that any resistance to change will come from a lack of understanding that no one intends to close the San Antonio Chest Hospital. The proposal is only that the patients be moved, with their same doctors and nursing staff, into a multistory building on the same campus. The operating suite and intensive care unit would remain undisturbed. Fortunately, Dr. Inglis has wide experience in chest diseases. He ran the San Antonio Chest Hospital when we had 1,000 patients there, and he tells me that if SASH had the chest hospital he would no longer need the medical-surgical building.

* All of SASH's surgical procedures are done at the chest hospital. This should not distort the per-patient per-day cost figure since these patients would be counted in the average daily population.

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The SASH medical-surgical building has an attached wing on either side that would make possible beds for twice the number of patients now at the chest hospital.

The buildings thus given to TDMHMR would enable us to accomplish two goals much desired by Dr. Gaver and the MHMR Board: We would bring back San Antonio's own and bring nearer to their homes the retarded from the San Antonio catchment area -- Del Rio, Eagle Pass, Carrizo Springs, Crystal City, Uvalde, Sabin, etc. This would reduce the population at the overcrowded schools such as Austin State, Mexia and Abilene.

The general support services required by the retarded, the mentally ill and the tuberculosis patients (personnel, food services, laundry, housekeeping, maintenance and repair, etc.) are so similar that to maintain on that 640 acres a single management unit responsible for everything would be both practical and economical.

This should not be difficult from an administrative standpoint since in this new arrangement there would be no intention of having more than a total of 2,000 patients on the entire campus, whereas we had at one time 4,000 there. (3,000 M.H. and 1,000 T.B. patients.)

The Department of Health Resources now cares for many of its chest patients by making contracts with hospitals in various cities. In San Antonio they would need only to make an interagency contract with SASH.

We can point to a successful precedent for such a move. TDMHMR contracted for the care of the tuberculosis patients left in San Angelo when that facility was made into a state school.

In San Antonio the long-range operational savings would be far more significant than the saving on construction. However, the money saved on buildings would be substantial. TDMHMR is now spending huge sums on buildings far less suited to the care of the retarded than are those at the chest hospital.* If we spend several million on meeting Federal standards and perhaps on a ward building or two, we could have 800 students there. Based on TDMHMR's recent construction contracts, and allowing for the inflation since those contracts were let, 800 beds at a new institution would cost at least \$25 million. We got only 512 beds for the \$14.5 million appropriated for Fort Worth -- and the first of the Fort Worth contracts was let several years ago.

* See TDMHMR Construction Report - May 31, 1976

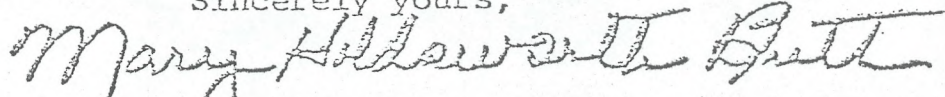
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I appreciated your having sent Miss Spain to meet me in San Antonio. Dr. Inglis devoted the day to helping her gather facts that might be useful to you in evaluating the situation. Please tell her that I look forward to other opportunities to work with her.

Sincerely yours,

A handwritten signature in cursive script that reads "Mary Holdsworth Butt". The signature is written in dark ink and is positioned above the typed name.

Mary Holdsworth Butt
(Mrs. H. E. Butt)

MHB:cs
Att.

I should like to make clear that this proposal is entirely my own. It in no way involves other TDMHMR Board members. It is written in support of my personal belief that if it were possible to utilize the good buildings now empty in Texas, TDMHMR might be able to ask for a moratorium on new institutional buildings without lessening the care for any of our patients. By so doing, this agency could set an example of cooperation with the economy move initiated by Governor Briscoe and other state officials.

EXHIBIT III

STATE CHEST HOSPITAL
FINANCIAL REPORT
FISCAL YEAR 1974-75

<u>DESCRIPTION</u>	<u>EAST TEXAS</u>	<u>HARLINGEN</u>	<u>SAN ANTONIO</u>
Program Cost Summary			
General Administration	\$ 386,031	\$ 214,704	\$ 386,593
Physical Plant	384,768	228,997	473,354
Auxiliary Activities	205,080	136,317	354,171
Food Service	285,449	190,311	398,100
Medical & Special Services	1,151,451	285,259	1,344,043
Medical Treatment & Care	<u>1,493,895</u>	<u>621,953</u>	<u>1,297,002</u>
Sub-Total, Inpatient Care	\$3,906,674	\$1,677,541	\$4,253,263
Plus: Outpatient Care	274,654	144,075	179,627
Research & Education	<u>314,141</u>	<u>-0-</u>	<u>47,836</u>
 GRAND TOTAL	 <u>\$4,495,469</u>	 <u>\$1,821,616</u>	 <u>\$4,480,726</u>
 Program Cost Per Inpatient Per Day			
General Administration	5.61	6.84	8.02
Physical Plant	5.59	7.30	9.83
Auxiliary Activities	2.98	4.34	7.35
Food Service	4.14	6.06	8.26
Medical & Special Services	16.72	9.09	27.90
Medical Treatment & Care	<u>21.70</u>	<u>19.81</u>	<u>26.92</u>
 Total - Inpatient	 <u>\$56.74</u>	 <u>\$53.44</u>	 <u>\$88.28</u>
 Inpatient Population (Average)	 <u>188</u>	 <u>86</u>	 <u>132</u>
 Outpatient Clinic			
Total Cost	\$274,654	\$144,075	\$179,627
Number of Visits	5,804	6,362	3,613
Average Cost Per Visit	\$ 47.32	\$ 22.65	\$ 49.72