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DEDICATION CEREMONY

SEVEN RIVERS COMMUNITY HOSPITAL

CRYSTAL RIVER, FLORIDA

AUGUST 20, 1978

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IT IS ALWAYS A PLEASURE TO VISIT THE FLORIDA GULF COAST AND I AM PARTICULARLY PLEASSED TO BE IN CRYSTAL RIVER TODAY TO HELP DEDICATE THE SEVEN RIVERS COMMUNITY HOSPITAL.

I KNOW THIS IS A PROUD OCCASION FOR THE MEDFIELD CORPORATION AND FOR THE MANY COMMUNITIES ALONG THE COAST WHICH WILL BE SERVED BY THIS HOSPITAL. FOR THE SEVEN RIVERS COMMUNITY HOSPITAL IS MORE THAN A NEW BUILDING, A MODERN EDIFICE EQUIPPED WITH THE BEST MEDICAL TECHNOLOGY AVAILABLE. MORE IMPORTANTLY, IT WILL PROVIDE THE HIGHEST QUALITY WORK ENVIRONMENT FOR THE DEDICATED HEALTH CARE PROFESSIONALS WHO WORK HERE TODAY AND WHO WILL WORK HERE IN THE DAYS, MONTHS, AND YEARS AHEAD.

REMARKS OF SENATOR BOB DOLE

DEDICATION CEREMONY

SEVEN RIVERS COMMUNITY HOSPITAL

Crystal River, Florida

August 20, 1978

It is always a pleasure to visit the Florida Gulf Coast and I am particularly pleased to be in Crystal River today to help dedicate the Seven Rivers Community Hospital.

I know this is a proud occasion for the Medfield Corporation and for the many communities along the coast which will be served by this hospital. For the Seven Rivers Community Hospital is more than a new building, a modern edifice equipped with the best medical technology available. More importantly, it will provide the highest quality work environment for the dedicated health care professionals who work here today and who will work here in the days, months, and years ahead.

When the need arises, the people in this area will enter Seven Rivers, confident that their health needs will be thoroughly and professionally met by the administrators, physicians, nurses and staff. And it is that confidence, that certain knowledge of ready access to quality health care, which means as much to patients as the elaborate, life-saving technology and competent staff inside the hospital.

We dedicate this hospital at a time when our health care system is viewed by many as uprooted and disorganized, in constant need of more money, more community support, and, some say, more governmental assistance. We all know too well that the costs of medical care today are substantial, the demands on health care providers ever-increasing, and the future of America's health delivery system uncertain.

GOVERNMENT AND PRIVATE HEALTH INDUSTRY MUST WORK TOGETHER

It is not surprising, therefore, that demands are increasing for Government--especially the Federal Government--to take on a more active role in health care delivery. I think we all agree that Government does have an obligation to encourage development of needed services, to make improvements in existing health care delivery systems, to make the best possible health care available to the American people. But it is also important to recognize that Government and the private health care industry must work together, for a common goal: making quality, affordable health care for everyone not just a hoped-for dream, but a fact of life.

NEED FOR COST CONTAINMENT

And no problem weighs more heavily on the minds of hospital administrators, physicians, and patients than the dramatically escalating costs of medical care in this country. Unquestionably, a need exists for containing the costs of medical care. The Medicare and Medicaid programs alone will cost American taxpayers nearly \$50 billion this fiscal year. And, with the average hospital receiving 40% of its operating revenue from Medicare and Medicaid, these programs exert considerable influence in the hospital marketplace.

UNAVAILABILITY OF HEALTH CARE A PROBLEM

Medicare and Medicaid hold out the promise of health care to thousands upon thousands of the poor and elderly in this country. And, while program costs have escalated at an alarming rate, it is clear that there are still many for whom the availability of quality health care is a persistent problem, one which ought properly be a matter of urgent priority.

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That is why I believe we all--congressmen and senators, hospital administrators and doctors, the public--must work to improve our present health care system, to make it more affordable to the American people. But I do not believe that now is the time to scrap it entirely and replace it with an untested, ambitious new scheme of medical care delivery which could fall prey to even worse cost and availability problems.

ARBITRARY COST CONTAINMENT IS NOT THE ANSWER

In my opinion, the answer to the hospital cost escalation dilemma is not to isolate hospital costs from the marketplace by arbitrarily limiting increases in hospital revenues.

A cap, by its very nature, is arbitrary, tending to penalize hospitals which have been efficient and frequently rewarding those which have not. It is a bit like putting all hospitals on a crash diet because a few, as Secretary Califano has put it, are "obese."

An arbitrary cost containment policy which fails to take account of real differences between hospitals and their unique fiscal needs could be disastrous. And, it could penalize hospitals with sound medical and management practices.

OUTLINE FOR COST-EFFECTIVE HOSPITAL MANAGEMENT

That is why I have sponsored legislation which will provide incentives for efficient cost-effective hospital management.

In my opinion, the first step towards restoring fiscal sanity to health care is for the federal health care programs, such as Medicare and Medicaid, to put their own fiscal house in order, for the Federal Government to encourage voluntary cost containment programs by hospitals and health care providers. It is an effort I believe should be given every opportunity to succeed. Because the best way to hold down rising hospital costs is to minimize government red tape and encourage individual responsibility and accountability.

Of course, many of the cost pressures on hospitals and medical care could be eased if the Government put its overall fiscal house in order. We simply will not be able to afford to live, to get sick, or to eat if double-digit inflation continues to ravage our economy. Until Government balances its budget, families will have trouble balancing theirs. And so will America's hospitals.

That is not to say Government should turn its back on the legitimate health care needs of our nation. Medicare and Medicaid must continue. The poor and the elderly--those least able to afford quality health care--deserve a helping hand from their fellow citizens. And I believe every American family should be assured that catastrophic illness will not wipe them out financially. And if that requires a national program of Catastrophic Health Insurance, I am prepared to support it.

I do not think it would be wise to embark upon a comprehensive National Health Insurance program until medical care cost inflation--and inflation generally--is brought under control. And there are many valid reasons why a comprehensive health care scheme should not be enacted even after inflation abates.

For even in stable economic times, I am not convinced that we can devise a comprehensive National Health Insurance program that can fully cover all the medical care needs of all of our people without committing more dollars than our nation can afford and without bringing the health care delivery system in America to a grinding halt.

CATASTROPHIC NATIONAL HEALTH INSURANCE

With this in mind, and aware of the unquestioned need for some government-sponsored health care protection for all the American people, I have joined Senators Long, Ribicoff and Talmadge in sponsoring a Catastrophic National Health Insurance program. We are urging the Congress to develop a health insurance program which protects all of our citizens from the financial disaster that can strike the individual and the family beset by long-term, expensive illness.

The first part of the bill, which creates the Catastrophic Insurance program, is particularly important. Catastrophic illness and accidents can strike anyone at any time, and the fear of the disabling or even fatal illness or injury should not always be accompanied by the fear of the crippling financial burden of the cost of treatment.

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The second part of the bill, which would replace Medicaid with an entirely new basic health benefits program for low-income individuals and families, would help to correct some of the inequities of that program, such as the state-by-state variations in eligibility and benefits. The need for reform in this program has been evident for some time.

The third part provides for a voluntary federal certification program for basic private health insurance to encourage the private sector to make basic coverage available in all areas of the country.

All in all, I believe this bill is a realistic approach to dealing with some of our most pressing health needs and at a cost we can afford. There is a great temptation to do more with a national health plan, to attempt to provide all types of health care to nearly everyone, but the potential for bankruptcy and the chances of error are too great for such an expansive approach.

You can be sure that those who favor comprehensive national health insurance will oppose our plan and continue to press for total federalization of the health care industry. For the sake of Seven Rivers Hospital, the Crystal River area, and the people throughout the nation, I hope they are unsuccessful. Because a hundred billion dollar-plus national health plan will only fuel health care cost inflation and in all likelihood, it would not guarantee readily available, affordable health care for our people.

What we can guarantee to the American people is that health care will be available when they need it, that all segments of society--the poor, the middle class, the wealthy--will bear their fair share of the cost of staying healthy.

I believe this is a sound and reasonable approach, one which will permit us all to plan more rationally, secure in the knowledge that we have chosen to protect one another from the financial ruin accompanying many illnesses, some of which we have as yet been unable to conquer. It is an approach which gives us time to improve our health care delivery system, to rein in the runaway costs, and move toward a program that will equalize access for all and improve the health of all.

I know the administrators and staff of the Seven Rivers Community Hospital share these goals. And I know we will all be working together for the health care benefit of Crystal River and the Gulf Coast communities which will be served by this outstanding facility.

AUGUST 17, 1978

MEMORANDUM TO:

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SENATOR

FROM:

SHEILA

SUBJECT:

BACKGROUND INFORMATION
SEVEN RIVERS COMMUNITY HOSPITAL

Medfield Corporation is a publically held hospital management and development group with business activities primarily located in Florida and Georgia.

At present they own and manage 4 hospitals in Florida with an additional facility under construction. They also have a hospital under development in Georgia and manage one other existing facility in that same State.

The Seven Rivers Community Hospital is a non-profit hospital with 73 beds at present, and 320 projected. The project was begun in 1974 and will serve a population of approximately 100,000. The majority of the citizens to be served are 45 years of age or older.