HOSPITAL ADMINISTRATION ORAL HISTORY COLLECTION

Lewis E. Weeks Series

Frank S. Groner

FRANK S. GRONER

In First Person: An Oral History

Lewis E. Weeks
Editor

HOSPITAL ADMINISTRATION ORAL HISTORY COLLECTION
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Frank S. Groner, LLD

CHRONOLOGY

1911	Born, Stamford, Texas, September 25
1934	Baylor University, BA
1934-1936	College of Marshall, Registrar
1934	Baylor University, graduate work
1936-1946	Southern Baptist Hospital, New Orleans
	Assistant Administrator, 1936-1944
	Chief Executive Officer, 1944-1946
1946-1980	Baptist Memorial Hospital, Memphis
	Administrator, 1946-1972
	President, 1972-1980
1980-	President Emeritus,

MEMBERSHIPS AND AFFILIATIONS

Alabama Hospital Association, Honorary Member

American College of Healthcare Executives

- Chairman, 1957-1958
- Board of Governors, 1944-1955
- Committee on Institutes, Member 1945-1957, Chairman, 1953-1957
- Committee to Reorganize the College, Chairman, 1964-1965
- Educational Policies Committee, 1953-1957, Chairman, 1957
- Executive Committee of the Board, Member 1949-1955
- Fellow
- Regent, 1949-1959
- Selection Committee to Select Director, Member 1972

American Council on Prepaid Health Care, Chairman

American Hospital Association

- Board of Directors, Member, 1958-1962
- Chairman, 1961
- Committee on Hospital Architects Qualifications, Chairman, 1953-1959
- Committee on International Relations, Member 1958-1963
- Committee on Regulation and Approval of Health Care Institutions and Organizations, Member 1959-1962
- Committee to Select Director, Member 1971
- Council on Administrative Practice, Member, 1944-1947
- Council on Blue Cross, Financing, and Prepayment, Member 1963-1965
- Council on Coordination of Activities, Member, 1953-1956, Chairman, 1960
- Council on Hospital Planning and Plant Operation, Chairman, 1953-1956
- House of Delegates, Member 1938-1946, 1948-1952, 1959-1962

MEMBERSHIPS and AFFILIATIONS

American Hospital Association (continued)

Liaison Committee, Hospital Industries of America, Member

Liaison Committee with Health Insurance Council of America, Member

Life Member

American Public Health Association, Member

Blue Cross

Memphis Plan, Incorporator, 1947, Member, Board of Directors 1947-1975

Blue Cross Association, Member Board of Governors 1960-1966, Member of Executive Committee, 1963-1966

Blue Cross Commission, Board Member 1957-1959

Cordell Hull International Foundation, Board Member

Future Memphis, Board Member

Health, Education and Research Foundation, Director, 1960-1968

Hospital Research and Development Institute, Board of Directors, 1961-1975

Governor's Commission for Health Care Planning(Louisiana)Chairman, 1940-1946

Indiana Hospital Association, Honorary Member

International Hospital Federation

Delegate 1959, 1961, 1967, 1969

Chairman, Administrative Committee, 1962-1965

Joint Commission on Accreditation of Hospitals, Board Member 1961-1967

Louisiana Hospital Association, President, 1940-1942, Life Member

Memphis Chamber of Commerce, Board Member

Memphis Community Chest, Board Member

MEMBERSHIPS and AFFILIATIONS

Memphis Theological Seminary (Presbyterian) Board Member 1976-1982

Mississippi Hospital Association, Honorary Member

Napoleon Avenue Baptist Church, New Orleans

- Chairman Board of Deacons
- Chairman Finance Committee

National Council for Quality Health Care (past)

National League for Nursing, Member (past)

New Orleans Association of Commerce, Member of Board

Ohio State University, Member Advisory Committee on Research

Oklahoma Hospital Association, Honorary Member

Preceptor in Hospital Administration Programs

- University of California
- University of Chicago
- Duke University
- University of Minnesota
- Northwestern University
- Trinity University
- Washington University

Rotary Club, Memphis, Honorary Member

Royal Academy of Health, London, England

Southeastern Hospital Conference, President 1946-1947

Southern Institute for Hospital Administration, Board Member

Southwide Baptist Hospital Association, President 1947-1948

Teaching

- University of Minnesota, School of Hospital Administration, Lecturer
- University of Tennessee College of Medicine, Instructor

MEMBERSHIPS and AFFILIATIONS

Washington University, Adjutant Assistant Professor of Health Care Administration

Tennessee Hospital Association, Life Member, President 1955-1956

Tennessee League for Nursing, Member

Texas Hospital Association, Honorary Member

Union Avenue Baptist Church, Memphis, Deacon, Chairman of the Finance Committee

U.S. Bureau of Family Service on Medical Matters, Consultant

U.S. Chamber of Commerce, Social Security Committee, Member

U.S. Department of Health, Education and Welfare, Advisory Committee for Demonstration Grants, Member

U.S. Department of Health, Education and Welfare, Consultant

U. S. Department of Health, Education and Welfare, Division of Hospital and Medical Facilities, Consultant

U.S. Department of Health, Education and Welfare, Advisory Committee on Vocational Rehabilitation, Member

U.S House of Representatives, Testimony before the Ways and Means Committee

United States Public Health Service Committee on Rehabilitation of Hospital Facilities, Chairman

United States Public Health Service, Research Project on Hospital Design, Chairman

United States Public Health Service, Advisory Committee to the Surgeon General, Member 1943-1946

United States Public Health Service, Committee on Hospital Construction, Chairman

U.S. Senate, Testimony Before the Finance Committee

MEMBERSHIPS and AFFILIATIONS

Utah Hospital Association, Honorary Member

Vermont Hospital Association, Honorary Member

Washington State Hospital Association, Honorary Member

HONORS and AWARDS

Louisiana Hospital Association

Distinguished Service Award, 1941

East Texas Baptist University, Marshall, Texas

Doctor of Laws, 1946

Southeastern Hospital Association

Distinguished Service Award, 1946

Union University, Jackson, Tennessee

Doctor of Laws, 1952

American Hospital Association

Justin Ford Kimball Award, 1964

Distinguished Service Award, 1966

Memphis and Shelby County Medical Society

Distinguished Service Award, 1967

State of Arkansas

Traveler Award, 1967

American College of Healthcare Executives

Gold Medal Award, 1968

Baylor University, Waco, Texas

Doctor of Laws, 1969

University of Chicago Alumni Association

Distinguished Service Citation, 1969

Rotary Club

Vocational Service Award for Outstanding Service, 1975

Memphis Civitan Club

Outstanding Citizen Award, 1976

HONORS and AWARDS

State of Tennessee

Award of Merit, 1976

L. M. Graves Memorial Award

Recipient, 1977

Tennessee Hospital Association

Distinguished Service Award, 1977

City of Memphis

Award of Merit, 1981

American Protestant Hospital Association

Award of Merit, 1981

Memphis Kiwanis Club

Outstanding Senior Citizen, 1982

Baylor University

Distinguished Alumni Award, 1983

Rotary International

Paul Harris Fellow, 1984

Who's Who in the World

Listing, 1984

American Heart Association, Memphis Chapter

Heart Sunday, Chairman, 1985

Healthcare Hall of Fame, 1988

WEEKS:

Dr. Groner, I have a note that you were born in Stamford, Texas, on September 25, 1911. Would you like to talk about your parents and your early life?

GRONER:

My parents were a very devout couple. My father, Frank Shelby Groner, Sr., was trained in the law and practiced in general law although he had several railroad clients. He was a devoted family man. He had five children and was also very devoted to his brothers and sisters. Early in his career and before I was born, he lost his mother and three brothers in a tuberculosis epidemic, so he was deeply interested in serving the sick. He had a brother who was a doctor and two who were pharmacists. About this time he felt called into the ministry - - in keeping with his strong faith.

Soon after I was born he moved from Stamford, Texas, to become pastor of one of the larger churches in Texas at Waco. Later my father became the C.E.O. of what is called the Baptist Convention of Texas. Some denominations call it conference, others association; some churches call them districts. Under the direction of the Baptist Convention of Texas were all of its colleges, hospitals, orphanages, and social institutions. He remained there until he thought he was going to retire. He became president of a struggling Baptist junior college at Marshall, Texas. He thought the family would have more time together. However, it turned out to be the most difficult job of his career. I graduated from that junior college in Marshall.

On finishing junior college, I enrolled in Baylor University. Because of the influence of my father and from of my older brother, Edward, I debated whether to go into college administration or hospital administration. Therefore, I remained out of Baylor a year and worked in a hospital. While working in the hospital, Dr. Louis J. Bristow, who was the administrator of the Southern Baptist Hospital in New Orleans, visited with me and suggested that I return to Baylor and take graduate work. He actually suggested some courses leading to hospital administration. I should add that this was prior to the graduate programs in hospital administration were developed. I completed requirements for the Bachelor's Degree in 1933 but did not graduate until May 1934. I took graduate courses during the year 1933-34 which I thought would help in a career in hospital administration.

I served what was known then as an externship. I worked in a hospital a year before completing undergraduate requirements and doing graduate work.

WEEKS:

After leaving Baylor in 1934 you spent two years at the College of Marshall as registrar, I believe. Do you want to talk about your life during this period?

GRONER:

Actually, I felt that in taking graduate courses at Baylor I was preparing myself for work in hospital administration. Also, I had had one year of externship. Dr. Bristow said he felt that he would need an assistant in two years, so it appeared I would be in limbo for that period of time. However, the man who was registrar of the College of Marshall, where my father was president, asked for a two-year leave of absence to do graduate work. The dean advised me to take the position. It consisted of being the registrar, the business manager, and the head of the Department of Business.

Of course, in small junior colleges during the depression people served several capacities. As registrar, I performed the customary duties in enrolling students and following up with grades, and so forth. I also handled the business affairs of the Institution. I tripled, you might say, in the department of business in teaching accounting, business law, and courses of that kind. This was an opportunity in Marshall, which I enjoyed very much.

WEEKS

How did you happen to go from a registrar of a college into hospital administration?

GRONER:

I felt I had an opportunity to serve, to study, and to learn something about the two professions I considered for my career. I felt very definitely that I wanted to get into hospital administration. Like so many young men of that day, or this day, I was fascinated with hospital administration as a career. I might add I had a brother, Edward, who had been in hospital administration. He had gone into what was group hospitalization, the forerunner of the Blue Cross movement. Also, this explains why I went from a registrar of a junior college to be the assistant administrator of a hospital of about 160 beds running about 120 patients, in New Orleans. My father had headed campaigns for raising funds for hospitals as well as colleges. Another interesting fact is that my younger brother, Pat Neff, nine years my junior, also went into hospital administration. Actually, the facts were that my parents impressed on all of us the need to make a contribution to society. This, I think,

dictated the careers of all three of us. My younger brother, Pat, started by serving an internship at the Mary Fletcher Hospital in Burlington, Vermont. He remained in Vermont at the Barre Hospital and then went to build the Baptist Hospital in Pensacola, Florida. He remained there thirty five years, until his recent retirement. It is about a 600 bed hospital now. So all three of us have been in the health care field.

WEEKS:

Tell us about your experience during your ten years at Southern Baptist Memorial Hospital at New Orleans.

GRONER:

Dr. Bristow was kind enough to invite me to come to New Orleans as his assistant. I thought I was the most fortunate young man in the field. At that time, I felt that this man was the finest administrator in the South. My view was shared by many others. He had some thirty-five or forty years of experience. He had been very active in the health care organizations. He permitted me, under very strict supervision I should add, to have the run of the place. He wanted me on a graduating basis to take more and more responsibility. Soon after I came there, unfortunately, he had a coronary and was out for a while. He returned to work about the time of the American Hospital Association meeting in 1937. He had told me he wanted me to take an active part in association work. I had almost unlimited time to participate in all organizations, which explains my activities in association work.

The work there was just wonderful. In many respects, being assistant to this man was the best job I ever had. He had the responsibility and I got more credit than I deserved. I did succeed him after eight years as his assistant.

The hospital in New Orleans had a remarkable growth. I believe it was 160 beds when I went there. The country was coming out of the depression in 1936. When I left we had completed our third addition - which had been stopped by World War II. We had grown to 440 beds and had plans on the drawing board for another addition as soon as the government would permit. Pearl Harbor Day was Sunday, December 7, 1941 - the following day there was a presidential edict that there should be no more hospital construction. This stunted our growth.

Early in my career, I think it was 1938, I was elected to the House of Delegates of the American Hospital Association by the Louisiana Hospital Association. I am sure it was because in those days not many people were permitted to travel to national conventions. I had the privilege of serving as the president of our state hospital association at an early age - twenty nine.

I became president of the Southeastern Hospital Conference which encompassed the six southeastern states in 1946. Those ten years in New Orleans were just wonderful, wonderful years for my wife, Daisy, and me.

WEEKS:

During those ten years in New Orleans you began your long career in hospital administration - - and became active in regional and national professional affairs too, didn't you?

GRONER:

Yes, I did. As I mentioned previously, I had opportunities few people had, not only to travel and participate, but also to meet people in positions of leadership. For instance, I think it was the first year I was in New Orleans, Dr. Robin C. Buerki, who was president of the American Hospital Association, came to the city primarily to visit some kind of seminar or institute. He and his wife, Louise, took my wife and me under their wings. We had a wonderful association with the Buerkis from that day. Also, I guess I should add that Dr. Basil MacLean, who also was president of the American Hospital Association, had been at Touro Infirmary at New Orleans. James A. Hamilton visited and he and I became very close friends. Also, while I was in New Orleans and attending the American Hospital Association, I had the opportunity of meeting people like Dr. Harvey Agnew. In mentioning a few names, I guess I should mention Dr. Malcolm T. MacEachern. At that time he was with the American College of Surgeons and was putting on seminars of accreditation. It was during the illness of Dr. Bristow that Dr. MacEachern asked me to serve on some of his programs. The result was that probably long before I was ready, I had the opportunity of serving on his traveling team on accreditation.

In summing up those ten years in New Orleans, it was a wonderful experience for my wife and me. We came from Texas where there was the pioneer atmosphere. People looked out for their neighbors and had great community pride - - a young, developing country in that day. Then to go to New Orleans with its French influence, with its cosmopolitan, sophisticated population, it was a tremendous change. So, we got an education living in New Orleans aside from learning hospital administration under the tutorship of an excellent administrator.

WEEKS:

Your next move was to Baptist Memorial Hospital in Memphis, wasn't it? How did that come about?

GRONER:

I guess I felt that in all probability I would stay in New Orleans the rest of my life. I inherited a modern, up-to-date hospital. It was in excellent financial condition. It had no debt. It was preparing to enlarge and had funds for the program. As I reflect on it, I think one of the main reasons I came to Memphis for an interview was because of the chairman of the Board of Trustees, Lawrence T. Lowrey, Ph.D. who was a legend in his time. The opportunity of just visiting with him and discussing the hospital in Memphis was a great challenge. I might add that this was only the second time I had ever wished to interview a Board. I had never thought of making a change until I talked with the Board in Memphis.

The hospital in Memphis had 500 beds and was the largest non-tax-supported hospital in the South. It had had a great tradition. It had built the first hospital-owned physicians' office building. It had a hotel for out-of-town guests and outpatients. It had had wonderful, wonderful leadership. However, the C.E.O., whom I greatly admired, had let things deteriorate rather badly in his last years. The medical staff was dissatisfied with the leadership. When I arrived on the scene it was obvious that here was a sleeping giant.

My predecessor had built an excellent institution basically, although it had come under criticism. This was at the close of World War II and the hospital had not been able to modernize, had not increased rates, and had developed a large charity service. It did have some economic problems. As one studied it, he realized that these were the types of problems that could be worked out.

Three things, I guess, attracted me to the hospital. One was that the Board assured me that it would give me the opportunity to build a true corporate structure, to have an administration and organizational structure patterned along the lines of some of the great corporations in the country. The second was the fact that, even though the physicians had been in rebellion, the hospital had one of the best trained medical staffs in the nation, certainly, unsurpassed in the South. It had been my experience that you have more success dealing with qualified physicians than with people not so qualified. The other thing that drew me to the Board, drew me to the hospital, was the quality of the Board and its leadership, particularly Dr. Lowrey.

I guess really I wanted to persuade myself that I could turn a hospital around. I was given the opportunity. Let me mention two other things. The hospital is owned by three Baptist Conventions. The CEO of each of those conventions gave us the opportunity to make recommendations for the Board. They set up board requirements and tenure that to me are ideal for a hospital. A trustee serves a term of three years, he may succeed himself

once, and he must lay out a year. This is a wonderful opportunity to remove deadwood from the Board and at the same time it affords an opportunity for inducing good trustees to have a long tenure.

The fact that the majority of the Board, approximately 90 percent, comes from outside the city of Memphis could be cause for concern. But it does put great responsibility on the administrative staff. I was interested in developing a strong management-oriented hospital. The Board was comprised of a a wonderful group. We were afforded civic leaders in the states of Arkansas, Mississippi, and Tennessee.

The Board had agreed to support reorganization. Within ninety days of my arrival, it had completely reorganized itself. It was working with the medical staff to reorganize the medical staff.

One of the factors the hospital had in its favor, that had not been exploited, was the proximity of our hospital to the campus of the medical college of the University of Tennessee next door. This will help explain why we had such a fine medical staff. We set up, what I believe was the highest requirements for admission of any medical staff in the country. One of the reasons for restricting membership was the fact that we were overcrowded and we thought that, even though we had plans for a 100-bed addition, it would not be adequate. We would be adding to an existing building forty years of age. It's a paradox, but instead of reducing the demand on us by reducing the numbers on our medical staff, the reverse was true. Our staff just exploded, numerically speaking. The young men who were getting out of the service and being certified by the boards found meaning to them. The hospitals with high standards for admission appealed to them. The result was that this move drew qualified doctors to Memphis Baptist Hospital like a magnet.

The medical staff was very easily reorganized. The board abandoned the plans for the 100-bed addition. It approved a fifty-year long-range program with an ultimate capacity of 1,500 beds. This was to be accomplished in three stages.

We decided on this long-range program for 1,500 beds, with three additions of 500 beds each, approximately fifteen years apart. The first addition was begun in 1953. The question of Hill-Burton was considered. This may be a good time for me to discuss our viewpoint. I may refer to it a little later. Southern Baptists for theological reasons do not accept largesse or gifts from the government. The principle of separation of church and state, I agree with it. I also support it for practical reasons. I believe we were one of two hospitals of any size that did not accept Hill-Burton funds. We had no governmental strings attached to our program. We were able to build the type of hospital we wanted. For instance, contrary to the accepted beliefs of the times, our studies showed it was more

economical to treat patients in private rooms than it was in multi-bed accommodations. We also found that it would save nursing time to put baths in each room. Our studies indicated that improvements such as television that occupied the patients' mind and air conditioning that added to their comfort were an advantage. This was the first fully air conditioned large hospital building in the country, I believe. It was the first with central television. I am sure of the latter for this capability developed while we were under construction. Fortunately we had put an extra conduit to each room. We did have a bath in each room. We were one of the first hospitals to have nurse-patient audio-visual communication. We pioneered with dumbwaiters and automatic elevators. We had oxygen piped to every room, oxygen and nitrous oxide piped to surgery. I could go on, but this unit, when completed, attracted the attention of hospitals all over the country. I would guess that we had 1,200 or 1,300 institutions visit us. We felt this was the most modern hospital built. I considered this to be the second most significant hospital building in America. I admit to prejudice. I considered the first one to be the first physicians' office building that included private hospital rooms with baths and a hotel, which I mentioned earlier.

We planned to open 500 beds and to deactivate 250 beds in our old building and thus, have a net of 250 beds. We could not do this because of demands. We were able to take out about 150 of our oldest beds, all in large multiple bed wards. We followed this with additional 10-story physicians office buildings in 1958 and in 1964.

At this point we again had to turn away patients. Because of demand, we decided to complete the next two phases of our 50 year program at that time. This was about 1,000 beds. We started in early 1966 and began opening beds in late 1967. This brought us to over 2,000 acute beds, about 1,500 in our new building, 400 in our older building. In the meantime (1959), we had acquired a freestanding rehabilitation building of a little over 150 beds. The demands continued.

We decided to plan another periphery hospital - - the first having been the rehabilitation unit. We purchased property in what Adlai Stevenson would have described as "the Gold Coast Area" and Huey Long "the Silk Stocking District" in 1968. This was the last phase of the "50-year program" - which had been completed in a little over 20 years. We had deactivated all beds in use at the beginning of this program. This, I believe, brings us up to date on our physical construction during that period of time. We did build three physicians' office buildings and Baptist Memorial Hospital- East, our 400 bed satellite. Our capacity remained at slightly over 2,000 beds with all our adjustment.

WEEKS:

Will you please talk at length about the events and stories you would like to have remembered as well as the persons who came into your life.

GRONER:

I suppose the most newsworthy event of this period was a fire that almost consumed the Baptist Memorial Hospital, Memphis. Since its' inception it had been across the street from the baseball park which was nestled between the University of Tennessee College of Medicine and the Baptist Memorial Hospital. Since the turn of the century, the wooden grandstand had additional tar applied to the roof each year. On Easter Sunday, 1960, in the evening, it caught fire. The wind was out of the north and blew it into our newest building. The fire department estimated that the heat of the flames hitting our building to be in the neighborhood of 1,300 or 1,400 degrees. Fortunately, when we built this unit, we had used thermopane (double-glazed glass) windows which, I understand, was the first used in a hospital. We installed these windows for several reasons: one, we thought this would help us with our air-conditioning load; two, we were on a main thoroughfare and we thought it would help us control noise; three, we received dust from the ball park and this should result in a cleaner building. They resisted the flames although every conventional glass on that side of the building was destroyed. Nowhere (from the second floor up) did any of the double-glazed windows break.

Employees pulling curtains with their bare hands received blisters. Our one casualty, interestingly enough, was a visitor's little boy who was running around the hall and someone ran over his toe with a wheelchair.

We evacuated over 200 patients with a minimum of problems. Not a patient left the hospital. This did make national headlines. One of the newscasters called it "The Miracle of Easter." This was the one event that stands out more than any other. Our disaster plan worked.

We have gone through a continuous physical enlargement. The professional growth was equally as great although it was much more difficult to monitor. In 1968 for the first time in our history, we averaged 1,000 patients a day. We were proud of the fact that our costs were the lowest of any hospital in the nation in that category. We attributed it to having built functional buildings and also because of what we consider an excellent staff of employees. I would mention our type of management orientation. A large percentage of employees are from our own educational programs. For instance, our retention rate is 85 percent of the students graduating each year from our school of nursing. I might add that we have averaged over a 1,000 patients each year since 1968. For these 20 years the

American Hospital Association's _Guide Issue_ has shown us as the lowest cost hospital in that classification each year.

You asked me about the events and, also, people who had affected me. I should mention that we did have a formal opening at the time of our 1,000 bed addition. As a matter of fact we published a book at that time. It afforded me an opportunity to invite, as participants in this program, people who had been influential in my own life and my own professional career. In addition to the ones named elsewhere, the participants included Robert Cunningham, Jr. who was editor of what was _Modern Hospital._

Another was Dr. Edwin L. Crosby, Director of the American Hospital Association.

Others included Walter J. McNerney, President of the Blue Cross Association; Richard J. Stull, President of the American College of Hospital Administrators; John D. Porterfield Director of the Joint Commission on Accreditation of Hospitals, and Milford O. Rouse, M.D., President of the American Medical Association.

One other person I must mention was Ray Brown. When I first met him he was at the Baptist Hospital of North Carolina Most of our association was while he was director of the program in hospital administration at the University of Chicago. I managed to be there for many of his programs. Ray was here for virtually every significant event. He, Tol Terrell, who I will mention later, and I, were almost inseparable for 30 years. I am naming persons who are deceased. I fear I may overlook some if I discuss others.

I would list these men in the health care field along with the Buerkis the Hamiltons, the MacLeans, the MacEacherns as having a tremendous influence on my personal and professional life.

I mentioned Dr. Lawrence T. Lowrey who was chairman of the board and chairman of the Search Committee who talked with me about coming to Memphis.

Mr. A. E. Jennings who was the CEO at Baptist Memorial Hospital, Memphis, and operating with the title of Chairman of the Executive Committee.

I wish to mention Mr. George Sheats, who was in reality subordinate to Mr. Jennings. He was called administrator and was the chief operating officer of the hospital. He and Mr. Jennings both retired prior to the time I arrived.

WEEKS:

We have talked some about New Orleans and Baptist Memorial Hospital, Memphis. As we get into the details of your affiliations with other organizations, we shall undoubtedly refer to New Orleans and Memphis to a further degree. We have a busy life to examine. Is this method agreeable to you?

GRONER:

I appreciate this suggestion. I believe taking these other affiliations, as you have mentioned, would be the proper way to proceed.

WEEKS:

Let's start with the American College of Administrators. You became interested in the College during your last years in New Orleans, didn't you?

GRONER:

Yes. Almost from the beginning of my work. I believe when I went to New Orleans the College was only three years old. Dr. Bristow had been interested in the professional society. He was a Fellow. He did encourage me to work with ACHA.

WEEKS:

Was this how you happened to become interested in ACHA, later ACHE?

GRONER:

As I mentioned, I was encouraged by Dr. Bristow. Also, soon after I arrived in New Orleans, I attended one of College's basic institutes. I believe this was in 1937. I might add that I immediately made application to the college for affiliation.

Even at that early stage one could recognize that our profession needed spokesmen. Prior to the advent of the college most administrators received on the job training. I think we realized there was need for this type of organization in our field. There was some opposition primarily on the grounds that it would be an "old boys club" or an "elite fraternity."

The college was organized by a group of hospital administrators in the Chicago area in 1933. In 1934, I think, they developed their group of charter Fellows. I assumed that Dr. Bristow joined the following year, in 1935.

WEEKS:

Was Gerry Hartman still the executive of the College when you first participated? I believe he was there in the period of about 1937 to 1942.

GRONER:

I think that is correct. I believe I met Gerry Hartman the first time at an AHA/ACHA annual meeting in Atlantic City in 1937. I do recall that he directed an

institute I attended in Dallas in December of 1941. I remember this particularly for two reasons. One, Gerry and I had dinner together while we were in Dallas and spent the evening talking about the college.. Gerry mentioned to me at that time that he was planning to go to Newton-Wellesley. The second was the fact that my certificate of attendance was dated December 5th, 1941, two days before Pearl Harbor. Gerry and I have been friends through the years, never close friends. We have had a very pleasant relationship. Of course, Gerry was great for the College. He was a scholar. He brought scholarship to the organization. He gave it the type of leadership that it needed so badly at that time.

WEEKS:

Will you take time to talk about the College under Dean Conley? Someone has said that under Conley the ceremonials were developed -- the robes and caps, processionals and other ceremonials. How about developments in qualifying for affiliation? For Fellowships?

GRONER:

Dean came to the College following Gerry's resignation and did bring a different type of leadership. Yes, he was the person who introduced the robes,the ceremonials, and the convocation. These were recommended by Dr. Malcolm T. MacEachern who had a very similar type of proceedings, I believe, when he was with the American College of Surgeons. In any event he was the person who influenced Dean in this direction. Dean Conley was at the college so long it is hard to capsulate how the College developed under Dean. I shall mention other developments later on in our discussions.

One of the things the College lacked was any consistent type of program for the admission or advancement of persons who wanted to affiliate with and advance in the College. One of Dean Conley's strong points was the interest he took in individuals. He dealt in details and personalities. In this regard he was wonderful. He knew the background of every person in the College from the newest nominee to the president. He was in office when they began prescribing the requirements for the various levels of affiliation. For instance, there was an ever changing table of equivalents when Dean came. Anyone who had been around long enough could gain admission regardless of any type of educational background. Subsequently a baccalaureate degree was required along with service.

At one time, the individual was judged on what his job was, not how knowledgeable he might be. The length of service and title outweighed capability. There were also artificial requirements. There were comparatively few hospitals in the country

with over 200 beds. A requirement for a nomineeship was that a person must have 3 years experience in one of two types of positions: an administrator of a hospital of 100 beds or assistant administrator of a hospital of 200 or more beds for three years. One of the changes that took place after Dean arrived was the requirement that everyone had to go through the nomineeship. He should have two years of experience during the nomineeship before advancement to membership. He must advance within five years.

There were other requirements that were later washed out. I might add that these took place during Dean Conley's administration.

You asked about the requirements for Fellowship. I recall that when I received my Fellowship (in 1948) a person must meet one of three basic requirements: one was a thesis which they expected to be at the doctorate level; the second was participation in a specific number of approved hospital seminars and Institutes, and a third, that a person must have five published articles in approved publications.

Voting at the College was at the Fellow and Member levels. Oral and written examinations were established for membership. As a matter of fact, I think I was in the first class that took the oral and written. This was in 1942. The written was based on Dr. MacEachern's book on hospital organization and management. The oral was rather simple. The questions asked about a person's own hospital. In that period of the development of the College everyone in the college was a hospital administrator. "How many nurses do you have?" "What is your average occupancy?" "How is your board elected?" were the kind of oral questions asked.

WEEKS:

According to information I have, you were a member of the ACHA Board of Governors, 1944 to 1955. This is during the period Conley was CEO. What problems and responsibilities did you face as a board member?

GRONER:

I was a member of the Board of Regents from 1949 to 1959. At that time the Board of Regents was the governing body for the College. The responsibilities we had as a member of the Board of Regents, I guess, started off with financing. The American College of Hospital Administrators was continuously in financial difficulty. The dues were inadequate. It is difficult for a personal organization with limited membership to raise enough money through a dues structure to do everything the College wants to do and even everything the College needs to do.

Another problem we faced was actually establishing the College as a viable organization in the health care field. The College was needed to improve the quality of hospital administration and also to improve the status of people in those positions so they would command enough respect to be able to do an adequate job in administering a hospital.

The other major problem that I would mention is, "how do you form a strong organization out of so diverse a membership?" I might add that when I went on the board in 1949 the College was about 16 years of age. In reflection it had come a long way but it was still an embryonic institution . The dues structure was inadequate. We did, during that period of time, raise dues twice. We also had the fund raising campaigns. I might add here that financing has been a perennial problem. I am sure it is today. We should have provisions in the College for institutional membership. I believe institutions that are benefiting from the production of the College should have an opportunity to participate in the financing. Hospitals and other institutions that are getting better trained administrators because of the work of the College should at least be invited to join in the financing..

I might add that I presented this on several occasions, twice with some support while I was on the board. Obviously, it was one of the many, many fights I lost in my career. I still feel this is a solution. It is very difficult to get enough contributions to the College to properly finance the organization with all its possibilities for dynamic leadership in the healthcare field.

WEEKS:

Were you chairman of ACHA when there was a committee to reorganize the College? If so, what happened in those deliberations? Did personal feelings enter into this?

GRONER:

I was not chairman at the time of reorganization. However, I was involved in the deliberations and I can speak to that matter. The reasons for the reorganization, I think, were apparent. The College was organized on the bases of other organizations, mostly professional, but it really did not fit an existing professional organization pattern. The Board of Regents kept growing and became too large. Also, it was a popularity contest and petty politics entered. One of the changes was to have a manageable sized Board of Governors. Another was to pick, through a nominating committee, the most capable rather than the most popular directors for the governing board.

The final authority in the College was the membership. The board reported to an annual membership meeting which was a town-hall type of meeting except there were so many people present. You can imagine the difficulty one would have in a discussion of dues in a general membership meeting, particularly with many uninformed members. I observed this twice.

In the reorganization - -the Board of Governors was elected through a nominating committee and reduced to manageable size. The general memberships authority was placed in the hands of the Regents to whom the Board of Governors reported. This council had one member from each state but there was a weighted vote based on the number of members in each state.

I believe these changes were made during the presidency of Boone Powell. In any event, Boone furnished leadership. However, there are several other presidents who were involved: Tol Terrell, Ray Brown, Ronald Yaw, all of whom I believe, had preceded Boone in office. I might add that I think Peter Terenzio was the first president under the new organization. Also, Don Cordes and Zach Thomas shepherded the changes through the early days of application. I was involved in these meetings. I rather think I was a member of the committee to reorganize, although, I may have been an ex officio member of virtue of the fact that I was asked by Boone Powell to chair the Bylaws Committee. It presented all these changes, to what was then a membership meeting, after they had been approved by the Board of Regents. (Parenthetically, this is where all the discussions took place, or one could say the battle took place.)

At the outset Boone Powell called the key people together. Boone, Ray Brown, Tol Terrell, and I met in the first meeting in Dallas. We attempted to lay out the goals the College should attain, the route to attain those goals, and the committees to involve. The group spent one full week-end together. Subsequently a second meeting was held in Memphis with the same group plus Ronald Yaw and Zach Thomas, if I remember correctly. From this, Boone took the rough plans and the agenda to all appropriate committees. The next step, of course, was to the Board of Regents and then to the membership meeting.

We were successful in getting all the changes approved , primarily because of those I mentioned. These were the changes necessary to have a more effective, viable, responsible organization.

Yes, there were personal feelings that entered into it. As a matter of fact, there were two large camps. One was made up of the people who wanted to make the College very exclusive with minimal number of people. At the other extreme, was the group that wanted to open it to everyone. I feel that I probably was somewhere in between the two. I did

want to elevate the standards of admission. I did want to improve the requirements. I did want the carrots and stick approach to give the young people coming into the field the incentive to have better training than some of us older people had had. At the same time, I felt that we should take in anyone who qualified on that basis.

WEEKS:

You were in a leadership position in the College from 1944 to 1958, or later, as chairman, member of the board, member of the board's executive committee, Regent, and Fellow. What were you interested in having the College become?

GRONER:

I wanted it to become representative of the field of hospital administration. I later changed my view to broadening it from hospital administration to health care administration. My reason for that was that no other organization came into the field to take care of the professional aspects of some of these groups on the perimeter of hospital administration. I wanted it to use its efforts toward continuing education in hospital administration. I wanted it to undergird the graduate programs and I emphasize, graduate programs in hospital administration. I did want it to encourage everyone who was eligible to affiliate. I felt that if we made it attractive enough any professional administrator would want to be a part. The non-professionals, I hoped, would stay out. I think that describes what I was interested in it becoming.

WEEKS:

How did the College change during your period?

GRONER:

It changed in several ways. First, from the standpoint of the respect it commanded. When I saw administrators with twenty, twenty-five, or thirty years of experience who had passed the College by, and changed their minds and joined the organization, I saw its influence increase. I thought it did represent the profession of hospital administration. I saw representatives of the College invited into professional meetings with people from other professional groups in the health care field. I saw it represented on the Joint Committees with the American Hospital Association. Numerically, I saw it triple, or possibly, quadruple in size in that ten year period because people had a motive in wanting to join. It was prestigious. It was an affiliation that boards of trustees began to ask administrators about when they interviewed them for positions.

WEEKS:

Some of the ACHA committee work deserves discussion: The Educational Policies Committee, for example. Was this committee charged with the educational activities of the College or the educational facilities such as graduate programs in hospital administration? Please discuss fully the College's role in education.

GRONER:

The Educational Policies Committee did establish the educational policies and activities of the College. For instance, it became interested in programs in hospital administration at the graduate level. It decided to give a rather small amount of financial help to the Association of University Programs in Hospital Administration(AUPHA). It also set up acceptable types of continuing education in hospital administration. These with a limited budget.

WEEKS:

You spent a lot of time on the ACHA Committee on Institutes. Were the Institutes what we today would call continuing education? Please discuss the purpose and content of the Institution.

GRONER:

The two committees we have been talking about, the Educational Policies Committee and the Committee on Institutes, really carried out what the names would indicate. The first set the policy, the second, the Committee on Institutes, decided the types of institutes to have - where they would be located, and how often they should be held. I might add that the chairman of the Educational Policies Committee sat on the Committee on Institutes, and conversely, the chairman of the Committee on Institutes, sat on the Educational Policies Committee. So there was a flow of information.

WEEKS:

Dean Conley served as executive director of ACHA from about 1942 to 1965, as I remember. Did you serve on the selection committee that chose Dick Stull to succeed Dean Conley? If so, please describe the procedure.

GRONER:

I did serve on that committee. I should add here that it is rather difficult to discuss the transition from Conley to Stull apart from the reorganization. They were tied together, the two of them, so closely.

The committee first decided to determine what we wanted of the College. As a result of the reorganization, we had the framework or a road map of where we go from here. The second thing was to try and to determine who fits this pattern. You will be interested to know that after the committee reviewed all the names submitted only two were considered.

Dick Stull was offered this position and he had, in my opinion, a background that was just ideal. He was the only person offered the position. By giving a little of his background, one may get an opinion of the direction we wanted to take. He had been a vice president of the University of California. He had been a director of a graduate program in hospital administration. He had been in industry, I believe, as president of one of the large hospital supply corporations, the second largest in the country. He had been a partner in the consulting firm of Booz, Allen, and Hamilton. He had been eminently successful. To go with that, he was very popular and was highly respected by every element in the field, particularly by administrators. He was able to bring together professionally trained administrators. By the time he became President, the majority of the people in the field had a graduate degree. Then, there were the older people like me who had not had the opportunity. Dick was so well known in the field that every member of the committee was personally acquainted with him. I think my experience was very similar to the others. I had known him as a consultant and in industry.

At least two other members of the committee and I knew Dick as a professor at University of California. I feel confident that Dick made a financial sacrifice to come to the College. I think he wanted to end his career by making an unusual and distinct contribution to the health care field. Obviously, Dick was the unanimous choice of the committee. This was presented to the Board of Governors of the American College of Hospital Administrators. He was the unanimous selection of the Board of Governors. This was the procedure through which the committee operated, within the framework of the authority given the Board, through the Council of Regents.

WEEKS:

I talked with Dick Stull. My impression was his biggest problem as executive director of ACHA was to find funds to operate. About Dick Stull renewing existing grants

(Eli Lilly Company) and soliciting a large grant from Mr. McGaw of American Hospital Supply Corporation, what do you know about this?

GRONER:

Dick was correct - and I certainly agree with the statement he made that the biggest problem he had as executive director of ACHA was finding funds with which to operate. Dick was successful in obtaining grants. The McGaw Grant was unusually helpful. Dick was able to persuade Foster McGaw and others in the industry that rather than be solicited by individual hospitals, unless the hospital was in the same town, that they should look at hospital organizations. Dick knew, as we all did, that very few of them were giving to the the individual hospital unless there was some reason such as being in the same locale. The result being that in comparison with what has happened elsewhere in similar positions, Dick was successful. This is not a very fertile field but he did unusually well. I did remember that he got a gift from Eli Lilly. I think I know the intermediary but I do not know how much he received. This was the way the ACHA was able to meet its operating cost. Dick also was able to get a few gifts to help with specific items such as scholarships. He also got a grant from Word, Dresham, and Reinhard Fund Raising Counsel to finance the ACHA directory.

WEEKS:

I noted that you seemed less active in ACHA after 1965. Was there a great change after Conley's retirement in 1965? Or was it that you were less active because you were more involved in AHA?

GRONER:

I guess there were two reasons. The first is that I have a feeling that when a person has served as president of an organization, he should truly be a past president. I think there are so many qualified people in this field, it is a mistake for a person, who has been honored by being asked to serve as president, to become a hanger-on. (I guess that is as good a word as any). I regretted this in the College because Dick and I were close friends. It made it doubly hard on me because my wife and Molly Stull were unusually good friends.

The second reason is that I did become more involved in the American Hospital Association. I completed my term as immediate past president of the College and went off the Board of Regents on Monday. On Wednesday of the same week, I was made President Elect of the American Hospital Association. I had more than I could say grace over in

either job, particularly in the AHA. I do want to add here that I have supported Dick through the years. I consider him one of the best things that ever happened to the American College of Hospital Administrators, not because of our friendship, but because of his dedication, hard work, and ability.

WEEKS:

It must have been in the late 1950's and early 1960's that you became involved in AHA. Please discuss your progression and experience as a member of the AHA House of Delegates, a member of the AHA Board of Directors, and finally as Chairman.

GRONER:

I actually became involved in AHA at a rather early date through the House of Delegates. I believe I was 26 years of age when I was first elected by the State Hospital Association. In Louisiana there were not many of us who were active. I continued to serve on the House of Delegates and on committees from time to time at AHA. A large assignment came when I was made chairman of the Council of Hospital Planning and Plant Operation which was in 1953.

The structure of the AHA (it had been restructured shortly after George Bugbee was made director) was such that the membership assignments (committees) came through councils. There were a few board committees but most of the work came through councils. The Council on Hospital Planning and Plant Operation had to do with hospital construction. It dealt with the physical aspects of hospital operations - engineering, physical planning, and these types of things. This was a demanding job because of the peripheral assignments. For instance, the chairman of the Council was also chairman of the Committee on Hospital Architectural Qualifications. He served on the approval committee on health care institutions. This also called for a great deal of work with the federal government.

In my opinion, the council/committee type of government or organization was the best for AHA at that particular time. My own opinion was that George Bugbee had done a magnificent job restructuring the AHA. I had an opportunity to serve on the Council on Administrative Practice. The Council on Hospital Planning and Plant Operation, I am sure, called on me because we were building what I believe was the largest hospital addition in the United States at that time. We did it without Hill-Burton funds. This gave us a great deal of latitude in that we were able to bring into play the latest knowledge in hospital construction.

This was a very demanding job because institutes on hospital planning and construction came under the council. The Coordinating Council of the AHA was the working body and did report to the Board of Trustees. It was made up of the chairmen of the councils. This is where one got into AHA affairs very deeply. I would guess that within this period, 75 or 80 percent of the presidents of the AHA came through the Coordinating Council or through the chairmanship of one of the Councils.

I might add that the council chairmanship is wonderful training for the board of directors. This is what happened in my instance as in so many others. I went from council chairman to the AHA Board of Directors. I had served one year on the Board of Directors when I was made President Elect of the American Hospital Association.

WEEKS:

You were active in AHA during the Hill-Burton days. How about the following committee assignments and their possible relation to planning for Hill-Burton? I refer to: Committee on Hospital Architects Qualifications, Committee on Regulations and Approval of Health Care Institutions, and Council on Hospital Planning and Plant Operations.

GRONER:

Since your question is couched in Hill-Burton, let me mention that first. Our Institution did not accept Hill-Burton funds, although we were eligible. This goes back to the Baptist principle of separation of church and state, stating that we accept no gifts from the government. I might add that we do sell services to government. We treat Medicare patients. We sell services to employees of government, to the postmen and so forth. However, this is a theological position of Baptists. I am a Baptist, but as a hospital administrator, I agree on a philosophical plane. I like to operate, where possible, with as few government strings as possible. Also, from a practical standpoint it does make future administration much easier - the government is less likely to make demands. Having said that, I would like to state that I favored Hill-Burton. I supported it. I felt that it made a tremendous contribution to the health care of this country. Many excellent Hill-Burton hospitals exist today. Many good hospitals would not have existed had it not been for Hill-Burton.

To go a step further, yes, I did relate to Hill-Burton primarily because of my position as chairman of the Council on Hospital Planning Plant Operation. My work with that council led to many of my assignments with the government. I also think some felt there was a degree of objectivity in my government work. They had someone working who did not take funds from the government.

The Committee on Regulations and Approval of Health Care Institutions and the Committee on Hospital Architects Qualifications did come as the result of being chairman of the Council. The chairman automatically served on those committees.

Also, in relation to government and the advisory committee with the U.S. Public Health Service on the rehabilitation of hospital facilities, I was chosen to that chairmanship because of this Council. This was actually anti-cyclical legislation (a term used in Washington at that time). It was planning by the Eisenhower administration in order to have programs on the shelf that could easily be put into operation in case of a recession. The program was to rehabilitate older hospitals with a government plan of assistance. The Committee on Hospital Construction and a research project on hospital design - both of those came as a result of working these years on the Council on Hospital Planning. It was a natural development in this program.

WEEKS:

You mentioned in your CV that you were a member of a search committee to recommend a candidate for the position of CEO of the American Hospital Association.

Was this in the middle 1950's when Dr. Edwin Crosby was selected to succeed George Bugbee, in 1972 when Alex McMahon was chosen to follow Dr. Crosby, or in the mid-1980's when Carol McCarthy took the position? Please talk about the processes and personalities.

GRONER:

I was on the committee to select a successor to Dr. Edwin Crosby. Dr. Crosby had been such an outstanding person that it was very, very difficult to pick a person who would satisfy everyone as his successor. I do not know how I happened to be on the committee. I was concerned when I saw the personnel of the committee. It consisted of four past presidents of the AHA and one man who had been a former board member of an AHA member hospital.

I had concerns because none of the current board of trustees members or officers of the AHA was involved. There was a minimum of communications between the Board and our committee. It seemed obvious that we were going to have problems. As a result, for all practical purposes, we just passed the buck back to the trustees. They made the selection. We had considered Alex McMahon, and also some others, but the board of trustees made the selection. As far as I know, every member of our committee supported the selection and applauded the board. Obviously, McMahon did an outstanding job. He

brought the AHA to a peak during his administration and had as much grass root support throughout the country as anyone could have had.

WEEKS:

You served on at least four AHA councils, I believe. (Councils no longer exist since the restructuring of AHA, am I correct?) Will you please describe those councils and what they contributed?

GRONER:

Dr. Weeks, you are correct in your assumptions of the councils. I believe at that period of time, they served very well. I think it gave a chance to involve members of the association. This was needed when George Bugbee took office in 1943. I think he did coordinate the activities of the councils. I might add that by the time I became president, I felt we had too many councils. I believe there were seven or eight. We eliminated one and merged the Blue Cross Commission with the Council on Prepayment. I do think councils served a purpose at that time.

WEEKS:

Will you discuss the restructuring of the AHA and your assessment of the end product? Did the AHA council coordinating activities have an effect on the restructuring?

GRONER:

I am not the person to ask about the restructuring. The major restructuring during my active career with the AHA was by George Bugbee and was done before I was that much involved in AHA activities. Although, I was in the House of Delegates when the restructuring was approved. I had given up my AHA work when the last restructuring took place. By giving up my work - I mean being involved in the inner-workings of AHA.

I believe I discussed the activities of the Coordinating Council, which was made up of the chairmen of all the councils. It did not have any effect on the restructuring, as far as I know.

WEEKS:

You also served on two liaison committees, I believe. One was the Hospital Industries of America, the other with Health Insurance Council of America. Would you care to talk about the work and results of these committees?

GRONER:

I believe I mentioned that in addition to the Councils there were certain committees that reported directly to the Board of Trustees of the AHA. One of these was the liaison committee with Health Industries of America. The purpose of this committee was to try to coordinate the activities between the association and its exhibitors. For instance, the Southeastern Hospital Conference was composed of six states. The Carolinas and Virginia Conference was composed of four states and the Kentucky Hospital Association was an orphan. In the realignment of these eleven states through the influence of the AHA and this committee, these were brought together into one conference. Thus, it gave the opportunity to have better educational programs and to have stronger scientific exhibits. Also, it reduced the time the exhibitors had to spend on the road and reduced the amount of money it cost the companies to exhibit.

The other liaison committee was with the Health Insurance Council of America. The committee was to try to coordinate the activities between the AHA and the Health Insurance Council. What the AHA representatives tried to do was get better health care insurance coverage for the people of the country. We realized at the outset that we were not going to get commercial insurance to use community-wide ratings - which would have been ideal. At this particular time there was no government program for the health care of the aged. We did attempt to get these insurance companies to broaden their policies to cover the unfortunate people who did not have the opportunity to purchase insurance.

This included primarily three groups. One was the non-working population, two was the retired population, and three were individuals who worked in groups of less than five employees. Our main thrust , in order to accomplish this, was to plead with the insurance council to ask its members or to offer policies that were non-cancellable. Had we been able to do this, it would have been just a question of years until there would have been coverage for people who had retired. Also, the people who had been in small employee groups. These companies objected, actually declined. The reason being - that this would require them to increase premiums and therefore lose their competitive advantage in dealing with non-conforming companies and also Blue Cross. We did ask them to offer a service contract which means that they would cover operating rooms, laboratory, x-ray, etc without dollar limitation. This committee was not as successful as the liaison committee with Hospital Industries of America. However, we found many companies sensitive to the needs.

WEEKS:

There are a few affiliations you may wish to comment one. Were you active in the American Public Health Association?

GRONER:

Dr. Weeks, I was not. I participated in some of their programs. I have a tremendous appreciation for the association and it's goals and ideals, but I did not participate. I do not want to confuse that with the U. S. Public Health Service where I was rather active in my participation.

WEEKS:

Another affiliation was the American Congress of Executives. Would you care to comment on that?

GRONER:

It is really a misprint. What it should have said was "the American Congress on Administration." This is the College's Congress on Administration. It was conceived by Ray Brown and he was responsible. I just happened to be President of the College at the time and served on the committee to establish the congress. However, it would be an injustice to Ray Brown to suggest that anyone else should have any credit. In my opinion, it is the outstanding administrative program in the nation. I think it has been since its inception.

WEEKS:

You also mentioned the American Council on Prepaid Health Care. What is their field of activity?

GRONER:

Again, Dr. Weeks, we have to put this in the context of the time. This was organized by the AHA and the AMA and was composed of representatives of the American Medical Association, the American Hospital Association, Blue Cross and Blue Shield. At that time AHA was working with Blue Cross; the AMA was working with the Blue Shield. The goal of the AMA and the AHA was to coordinate these activities. As a result the Blue

Cross, Blue Shield groups did work together, and in most instances, consolidated rather quickly and made an organization to sell non-profit insurance for health services , not just insure medical care or hospital care.

WEEKS:

Dr. Groner, what is the Baptist Memorial Health Care System?

GRONER:

The Baptist Memorial Hospital is owned by three State Baptist Conventions. The Baptist Convention is very similar to what the Methodists call conferences, and the Presbyterians call synods. These three state conventions of Arkansas, Mississippi, and Tennessee are owners of the Baptist Memorial Hospital. In 1978 they approved the acquisition and merger with other hospitals. At that time we were operating in three locations in Memphis, each a part of Baptist Memorial Hospital. In 1980 the first regional hospital was acquired by what was then Baptist Memorial Hospitals(plural) the precursor of the Baptist Memorial Health Care System. The owners approved the establishment of the Baptist Memorial Health Care System which provides health care and related services in this area. Baptist Memorial Hospital is the flagship of the System. About 55% of the patients treated in Baptist Memorial Hospital are from outside the City of Memphis, and the County of Shelby. Eastern Arkansas, Northern Mississippi, and Western Tennessee provided a large percentage of our patients. However, an additional 8% comes from Missouri, Western Kentucky and Northwest Alabama. A little over 4 percent comes from outside these immediate areas - and a few from foreign countries. Possibly the best way to define the function of our health care system is to review what we are doing.

In addition to Baptist Memorial Hospital, there are five other general functions. One, the Regional Health Care Development Corporation, the corporate services, and the regional hospitals. There are now nine hospitals with a total of 700 beds outside of Memphis and not a part of that Baptist Memorial Hospital. Most of these are owned by the Baptist Memorial Health Care System, although three are on long-term leases which the system has the option of renewing for extended periods. In addition, we have an affiliation with about 20 other hospitals. These affiliations range from management to shared services. The second of these other areas is the Ambulatory Service Corporation. It handles ambulatory service, our brace shop, our clinical services, counseling, and a Health Plex, incorporated as Health Plex, cardiac rehabilitation, health education, health promotion, and sports medicine. Also, home health care, industrial medicine, rehabilitation services, retirement center, satellite clinics, and supplemental staffing.

The third of these additional functions is the Health Care Management Service Corporation that includes the collection service, data processing, financial consulting, and management contracts.

The fourth is a for-profit corporation. It has functions which would be in competition with a for-profit corporation. For instance, we own a surgical supply store - and have since 1926. We felt we should pay taxes on these entities.

The Foundation which is the last of the five handles the endowment funds of the System.

WEEKS:

You have been active in Blue Cross: a founding father, a plan board member, a board member of the Blue Cross Commission, a board member of the Blue Cross Association and you served on the AHA Council on Blue Cross and prepaid programs - - not to mention your being the winner of the Justin Ford Kimball Award for service in Blue Cross.

I think this long, distinguished service deserves a long description by you of Blue Cross and the events that shaped the development of the movement.

GRONER:

I have been active in Blue Cross. My older brother, Edward, who passed away over 25 years ago, was one of its pioneers. While he was the administrator of a hospital in Alexandria, Louisiana, he established a hospitalization plan for a single hospital. In this program he copied the original Baylor plan which was founded by Dr. Justin F. Kimball which began by insuring just school teachers. Dr. Kimball was superintendent of Dallas public schools. My brother was requested by the hospitals in New Orleans to set up a hospitalization program in New Orleans. This was before Blue Cross. He set up the New Orleans Hospital Service Association in 1934.

I might add that at an early date my brother and I visited Dallas to look at the Baylor plan and to talk at some length with Dr. Kimball, who was a friend of our father's. Blue Cross served a dual purpose in my opinion in that day. Our Nation was in the great depression. Hospitals needed occupancy. People did not have funds. Group Hospitalization Plans helped with hospital occupancy. Also, they were a tremendous help to people who were unable to pay for hospital care. I should add that during this period in the health industry of this country there was no insurance. The commercial insurance companies built on the experience of Blue Cross.

Later, when I moved to Memphis, each of the large hospitals in the community had it's own plan. Fortunately, we administrators worked together well.. Thus, we were able to establish a Blue Cross Plan in Memphis without difficulty. I think this is an appropriate time to talk about the Blue Cross and how it was established.

In Memphis, four hospitals put up the funds. The amount of money advanced was based on the number of beds each operated. The Plan Board was composed of trustees as follows: four from hospital administrators; four from the medical profession; and four from leaders in the community. The national Blue Cross principles, which were so important to us at that time, included the following; one, a prepaid mechanism; two, a non-profit organization; three, service benefits. With service benefits the plan paid for total service. There were no dollar limitations. The fourth was a community rating, which meant that people of all ages were covered. The total cost of hospital care was lumped together and divided by the utilization. Later, physicians charges were covered through the Blue Shield mechanism on the same basis. In other words, the young person in perfect health in his twenties, with a minimum of hospital care, paid the same rate as the person 65 or over.

With the experience of working with the plan in New Orleans and having been involved in organizing the plan in Memphis, it was natural that I be considered for the Blue Cross Commission which at that time was the governing body of Blue Cross. I feel sure that my brother being so deeply involved in Blue Cross at the national level was a contributing factor. I was acquainted with most of the Blue Cross managers from its beginning through my brother.

When Blue Cross needed to reorganize, four persons were chosen to serve, with the Blue Cross Plans approving the hospital representatives and the AHA approving the Blue Cross representatives. Tol Terrell, who had done so much for the Texas plan, and I were the two A.H.A. representatives chosen. I was asked to chair that committee.

With the reorganization completed I think this was the beginning of the golden era for the Plans. They had coordination of benefits between the Plans, national advertising with a national organization, and outstanding leadership. Moving from the rather restricted Blue Cross Commission to the Blue Cross Association, the Plans were able to attract outstanding leadership such as Walter J. McNerney.

I believe this probably describes my role in Blue Cross. I will discuss the Justin Ford Kimball Award later.

WEEKS:

Now I would like to ask a few miscellaneous questions. What are the functions of the Cordell International Foundation and your part in them?

GRONER:

The Cordell Hull International Foundation is to promote international relations. I have been inactive in the organization. I have missed the two meetings that have been called - due to conflicts. It fosters relations between businesses in our nation and businesses in other countries.

WEEKS:

"Future Memphis." Was this a planning group?

GRONER:

This was and is really an extension of the Chamber of Commerce. It is for the betterment and development of the community.

WEEKS:

Health, Education, and Research Foundation. Please identify and discuss your connection.

GRONER:

My connection was serving on the board. This organization was founded and operated by the Medical Center of Memphis.

WEEKS:

I note that you were active as a delegate to the International Hospital Federation during the time you were chairman-elect, chairman, and past chairman of the AHA. What was the IHF activity at that time? Did the Federation need the moral, and possibly the financial support of AHA during these years? Was Mr. Harrington-Hawes head of IHF at that time? This was before Miles Hardie was head, I believe.

GRONER:

At that time the International Hospital Federation sponsored such activities as health planning for developing countries, non-hospital care for the elderly, and managing the cost of health care. Particularly, it spent a great deal of time on hospital design and construction. Obviously the exchange of information, customs, and so forth were high on the agenda. The Federation, of course, also emphasized international relations. The Federation did need members, moral support, and also much financial support. In each of these instances the leadership of Dr. Edwin L. Crosby was apparent. He was responsible for membership growth, both institutional and individual, particularly in the United States.

He was the leading factor in the financial support through donations. I can remember two; the General Electric Corporation and the Eastman Kodak Company. I believe the latter continues. In addition, there were some large accounting firms that contributed manpower to collect specific data.

I do not remember Mr. Harrington-Hawes - - although he may have headed a panel on which I appeared. It was moderated by a very distinguished Englishman. I do not recall his being the head of IHF. I believe this was the era before Miles Hardie.

WEEKS:

Hospital Education, Research, and Development Institute. Was this a group of hospital administrators whose hospitals agreed to use new products in their institutions for practical trial, the results of which were reported to the manufacturers or suppliers?

GRONER:

The Hospital Research and Development Institute is a most interesting organization. About 30 years ago in the middle or late 1950's, it was a "think tank", an informal group that met usually at the AHA annual meeting to spend the day in the exchange of ideas. It was a group of young creative thinkers. As a matter of fact, I was so impressed with the group that I asked to be included. The success of these people is evident by the fact that a large number later became president/chairman of the American Hospital Association, and another ten or twelve served as chairman/president of the American College of Hospital Administrators (now American College of Healthcare Executives). Five have been recipients of the Distinguished Service Award of the A.H.A. and another twelve of the Gold Medal Award of the A.C.H.E. It evolved on this basis: two of the well-known corporations came to HRDI and asked for the type advice you mentioned. They sought knowledge about hospital operations. This snowballed and HRDI had more requests than

it could handle. The organization was not product oriented, rather a management and information service with a code of ethics. It does limit the number of people with whom it consults. It conducts seminars and orientation sessions for industry.

It has had critics through the years but most are converts now, I believe. There was much disinformation about the organization in the early days. Several persons who wanted to be involved were not invited to join. One was quite outspoken in criticism of HRDI. I should add that the last time I saw Dick Stull we discussed HRDI. He had been one who looked with some question upon the activities of HRDI. He had changed. Dick told me that HRDI probably had a niche in the health care field.

WEEKS:

You were a board member of the Joint Commission on Accreditation of Hospitals, representing AHA, during its early years, 1961-1967. Please discuss the JCAH from its early days when it was an outgrowth of the American College of Surgeons to the present.

GRONER:

Dr. Weeks, as you have noted, accreditation began with the American College of Surgeons. It is my information that in the beginning very superficial reviews of hospitals were made by the ACS to be sure that the surgeon seeking affiliation had done his surgery in an adequate institution.

At that time, the qualifications for Fellowship in the ACS, as I understand, were to have successfully operated on a given number of patients. The doctor was judged on his diagnosis, treatment, and the prognosis as well as results. In the course of time, with the growth of health care institutions, ACS was unable to carry the full load of accrediting hospitals.

If I remember correctly, there was little survey activity - few were conducted during World War II. There was much discussion about where we should go. The ACS alone could not support it, yet the program was needed - - and it needed financing. I was a member of the AHA House of Delegates. There were heated discussions. Many of the members thought we should go it alone but a majority in the House seemed to think we (AHA) should at least invite the AMA to join us. At this point, again I am trusting my memory, the AMA's board felt it should participate. It was much more difficult to get this through the AMA's House of Delegates, but it finally passed.

The organization was set up. Each organization bought seats on the board. This accounted for the total budget. The AHA had six seats, the AMA had six seats. The College of Surgeons wanted to continue as a member. It had two seats. The American

College of Physicians had the other two seats. It was at this point when I served. I might add that at that time they had strengthened the accreditation process in a number of ways. These four organizations supported it. In addition charges were made to the hospitals requesting a survey. Consequently, accreditation became very important to the way of life of the hospitals of this nation.

WEEKS:

I believe you are a member of seven or eight hospital associations. At least two of them granted you life memberships - AHA and Louisiana. Did these memberships come into being principally during the three years you were going through the AHA chairs?

GRONER:

I think it is a tradition with some of our associations to give honorary or life memberships to a person after he or she has served as president or chairman of the organization. With two exceptions, the others came while I was going through the chairs of AHA. I think it had become a custom for some to recognize the president of AHA who visited the state association. There were two exceptions. One was Texas, my native state. The other was Mississippi where I labored long and hard due to the limited resources of that association.

WEEKS:

While you were chairman of the AHA, did you travel extensively? Dr. Groner, what were your travel duties then?

GRONER:

During the ten years that I was chairman of the Council on Hospital Planning and Plant Operations, going through the chairs of AHA, going through the chairs of ACHA, serving in Washington, and working with Blue Cross, I traveled a little over a million miles. During the three years at the AHA I averaged being on the road 100 days a year. I did feel I kept up my work at home. I averaged a little over forty hours a week in my office. It included many nights and weekends, obviously. I was blessed with a very supportive Board of Trustees and an outstanding administrative staff.

My travel with AHA, I assume, was similar to other presidents during that era.

During the three year period I was "going through the chairs" of AHA. I believe I attended every Regional Meeting in the United States, Hospital Associational Meetings in 3 of the Canadian Provinces, about 20 State Associations and about a dozen local hospital

groups. I had appointments at ACHA Congress and Seminar Sessions with Department of H.E.W. (now H.H.S.). I met with the American Nursing Home Association and American Association of Hospital Pharmacies. We had meetings with ACHA, AMA, H.I.A, and H.I.C. I was in Chicago on an average of once every 3 or 4 weeks. This included not only AHA Board Meetings but committee meetings and conferences. We had conferences of the "president officers" about every 3 months.

My schedule calendars for those three years also note meetings with personnel directors, hospital accountants, hospital purchasing agents, hospital engineers, physical therapists, nurse anesthetists, and representatives of blood banks.

In addition, I guess each of us carried some special assignments. The two that demanded much of my travel time were Blue Cross and Government. The reorganization of National Blue Cross came during my administration. This included heavy demands on the committee to reorganize. Other Blue Cross meetings included local (state) plans with member hospitals on matters which needed adjudication and, also, annual meetings of plans. The committee assignments in Washington were due to pending legislation. This was the era of "King-Anderson." - the forerunner of Medicare legislation.

There were other assignments such as the International Hospital Association, NLN, a State Medical Association, and a meeting with AMA Legislative Seminar. The White House Conference on aging, 3 other White House meetings, and sessions with selected congressman and senators.

WEEKS:

You are active in church work, aren't you?

GRONER:

Yes, I am, and I have been all of my adult life. My wife and I have both been very active in church work. Quite frankly, we have found it the most rewarding of all the opportunities we have had for service.

WEEKS:

Would you care to talk about the Southeastern Hospital Conference of which you were president in 1946-1947?

Is this conference associated with the Southern Institute of Hospital Administration or the Southwide Baptist Hospital Association?

GRONER:

May I answer the second question first? No, it is not affiliated with Southern Institute for Hospital Administrators. The Southern Institute for Hospital Administrators was set up by the American College of Administrators for the purpose of identifying an area of the country in which it would hold some institutes. The Baptist Hospital Association was an organization of Baptist Hospitals and held its annual meeting in conjunction with the Protestant Hospital Association.

The question about the Southeastern Hospital Conference: During the 1940's and 1950's, particularly, regional hospital associations became very active. They continue to serve a purpose from the standpoint of educational services and scientific exhibits. In the forties and fifties they thrived because many people in the health care field, and particularly the hospital field, did not have the opportunity to go to national meetings and were eager to reach beyond state associations. In later years the AHA and state associations have become focal points for most administrators because of the importance of the legislatures and the legal processes.

WEEKS:

Will you discuss your teaching in health care at Minnesota, Tennessee, and Washington University?

GRONER:

I should have mentioned my work at the University of Minnesota. It was a former relationship and took place during the administration of Jim Hamilton. I continue to work with Washington University at this time, primarily working with the residents in health administration. For many years I lectured on the campus of Washington University in St. Louis to their classes on health administration. My work with the University of Tennessee was lecturing to medical student in health, medical economics, medical staff organization, accreditation, and so forth. This is now done by Charles Baker, Senior Vice President of Baptist Memorial Hospital.

WEEKS:

You have been a preceptor for hospital administration program students from a least seven universities. Will you describe your preceptorships and the differences in the ways they were structured? Or did you design the preceptorships yourself?

GRONER:

The affiliations with the University of Chicago, Duke University, and Northwestern were during the period of time that Ray Brown was director of these programs. I designed the residency program. We made a few adjustments with each university to make the residency meld into a good program for the resident. We picked the universities and I assume they picked us. We wanted affiliation with the one whose philosophies and programs in hospital administration and health care administration would enhance our training. We did change from time to time when we felt the students were better served in taking their residency training elsewhere. We felt consistently that Washington University worked well with us. We had a resident from the University of California during Dick Stull's era. We had residents from Minnesota, as I mentioned, during Jim Hamilton's time.

I did design our preceptorship, adjusted it from time to time with the directors of the programs. I think I mentioned earlier, we are a management oriented administration and, as a rule, we look for students who have a strong administrative background, for they seem to work best with our hospitals.

WEEKS:

In what ways have you been active in state or national leagues for Nursing?

GRONER:

I have been relatively inactive in the state nursing associations and the NLN, although I have served on joint committees with their representatives. Many years ago I staked out what I believed was a sound position that no nursing program should be terminal in itself short of a Ph.D. I assume that this was rather well-known. I did not make many friends in the nursing field until rather recently. But there have been more and more affiliations between what is known as diploma schools and universities, and I might add, some community colleges in our part of the country. We now work with two universities.

WEEKS:

You have done considerable work with the U. S. Department of Health, Education and Welfare and the U. S. Public Health Service. Would you please tell me what you have done for these agencies?

GRONER:

It began when I was asked to serve on an advisory committee to the Surgeon General of the U.S. Public Health Service during World War II. This was a very satisfactory relationship and this appointment led to several others. The greatest impact was when I was chairman of the Council on Hospital Planning and Plant Operation of the AHA. This position led to a committee on hospital construction and several research projects.

We also tried to establish a parameter to give guidance to the number of hospital beds. Some of this work did get into the construction recommended for the Hill-Burton program.

WEEKS:

You are the only person I know about who has received the three major awards in the hospital business: The AHA Distinguished Service Award; the Justin Ford Kimball Award; and the American College of Hospital Administrators Gold Medal Award.

Would you like to comment on this unusual circumstance?

GRONER:

I have been fortunate in having been selected for several awards in the health care field. I often wonder if one could justify some of the awards which he receives. It is often difficult to single out a specific individual and put him apart from his colleagues. As far as the Justin Ford Kimball Award, I believe the previous awards had gone to Blue Cross operators and Blue Cross individuals in leadership roles. They thought they should broaden the award by going to others outside their own group. I happened to be the chairman of the committee to reorganize Blue Cross. At that particular time the focus was on me. My own feelings were that Tol Terrell of Texas deserved the award more than I for he had been a member of the committee to reorganize Blue Cross. He served as chairman of the board of one of the largest plans in the country which was doing very well at the time.

The Distinguished Service Award of the AHA often goes to a former president and I assume that I was a natural prospect although I doubt that my contribution was greater than many others.

The Gold Medal Award of the American College of Hospital Administrators was established during my presidency. The Congress on Administration was established

during my administration, although I had comparatively little to do with either, other than being a very strong supporter of the Congress.

In addition, I had a role in the College's reorganization. However, there were others who had more important roles. This points out the fact that it depends on who is where at a particular time. I am frank to admit that on the first two, I was quite surprised. This type of thing is not turned down by one when it comes from people with whom he has worked all his professional life.

WEEKS:

I have discovered that you have at least three LL.D.'s and a long list of other outstanding honors. Do any of these have special meaning to you?

GRONER:

Yes. The LL.D. degrees, each has a very special meaning to me. East Texas University is an outgrowth of the College of Marshall where my father was president, and where I had gone to school. This was the first honorary degree the school granted, so I was very grateful. Several on the faculty had served with me while I was on the faculty. Some knew me when I was a student. The president, who succeeded my father, was a man of great stature. His accolades meant much. I might add that the dean who invited me to join the faculty was the man who made the award. This not only was a nostalgic time for me but also very, very, meaningful.

Union University is in the area of Tennessee in which I have spent most of my life. It is wonderful to feel accepted in your adopted state.

The third LL.D. was from my alma mater, Baylor University which had, I am sure, much more distinguished alumni than I. It also had many large benefactors. At this particular time, they awarded only one honorary degree.

I do appreciate these honors which came my way. I have a feeling that none was awarded lightly. I have declined honors from a university, and also, one from a local service club. I say this, not for the sake of vanity, but to emphasize a point. Often these are not given to the proper person.

I might mention two others very quickly. I have been very interested in Rotary all of my professional life and I received its two awards. Neither of them came to me when I was an active member. They were very meaningful. The other award which I greatly

appreciate was the Distinguished Alumni Award from my alma mater, Baylor University. I have never been active in alumni affairs and had not been on the campus in 15 years.

WEEKS:

Will you talk about the future, Dr. Groner? What changes are in store for - first, hospitals?

GRONER:

I think hospitals have changed more in the past eight years than the previous fifty. I think most of these changes will be picked up as I discuss other factors which; you have mentioned under the heading, "the future," Dr. Weeks.

WEEKS:

Dr. Groner, what changes are in store for HMO's?

GRONER:

I think in looking at HMOs, one should recall the original HMO created by the Kaiser Permanente Group in California. This was a model for this type of organization. However, Kaiser had a very select group insured and a limited dependent family. If I remember correctly, this dependent family was spouse and minor children. I am under the impression that originally contracts were not continued after retirement, age 65. Therefore, it had a group with exposure controlled by the employer. They also had as the insured group people with the lowest possible risk and the highest motive for returning to work and for getting out of sick bay. In view of this, they had excellent experience. Also, they had controls on the providers. Therefore, the cost of delivery was relatively low.

It is my observation that HMOs with proper selectivity do very well. For a while, it appeared to some that consumers had found a panacea. However, HMOs have had comparatively little effect in containing hospital costs. Many are now losing money. I recently saw a report from Minnesota - a leader in this field - - that said a high percentage of their plans are operating with losses in the millions of dollars. At first the HMOs could cut their costs with relatively little trouble. Their deductibles and co-pay clauses are now causing complaints from contract holders - -individuals who are having to pay more of the costs. Also, as it shortened hospital stays, complaints increased about the quality of care.

Additional questions have arisen recently on what pressures are going to be applied on doctors to reduce the number of tests, and are we beginning to see the start of rationing of health care. Who gets it? And, who gets what? The hospitals, I think, are the victims of their own success. The crystal ball is very cloudy when one considers the cost of medical advances in the foreseeable future.

WEEKS:

What changes are in store for multi-hospital groups?

GRONER:

This seems to me to be a natural development. I hope there will be more voluntary cooperation with about three stages from tertiary care institutions down to the community hospital, plus the clinics. Common ownership, or a least working agreements, will enhance the viability of multi-hospital systems. The institution is put in a peculiar situation at this stage. Where does it truncate itself and say "our obligation to patient care stops here?"

WEEKS:

What changes are in store for Blue Cross vs. pressure for lower premiums?

GRONER:

Because of pressure for lower premiums, Blue Cross has had to compromise its principles in order to exist. Years ago, as I mentioned, we attempted to get commercial insurance carriers to write non-cancellable policies. They declined and became more selective of their insured. The result being that Blue Cross got poorer risks. Therefore, Blue Cross was forced into experience rating, rather than community rating. Subsequently, many of the plans went to a dollar limit for services and/or a limited service contract. Also, in order to obtain more profitable business and increase volume, Blue Cross began to go in other areas, primarily life insurance. It did so in order to make money and, also, to help sell its hospitalization policy. The result is that unless there is a change in Blue Cross from this practice, it is going to become more and more like an insurance company. I would hope there is a common ground on which we could write a modified policy. I have a feeling that Blue Cross is going to lose its tax exemption. It probably

should if it competes with tax-paying organizations. I do not know whether it is too late to re-establish a different relationship, or an improved relationship, with hospitals or not. I would like an effort made to renew the hospital-Blue Cross partnership.

WEEKS:

What changes are in store for the possible general territorial line breakdown between Blue Cross plans?

GRONER:

I can see some evidences of territorial line breakdown. I think it is unfortunate but it may be practical for some specific plans. I think part of this is due to some of the Blue Cross plans forming their own PPOs, letting hospitals compete for patients. In view of this, when they allow a particular hospital or hospitals in one area to service certain contracts, to the exclusion of another hospital or hospitals, the mischief begins. I think the excluded hospital or hospitals will retaliate. This scenario seem to appear more often through HMOs. It is very regrettable but I can see this happening and it is going to cross territorial
lines. Also, I think, you may see governments step in because I think they are going to regulate Blue Cross more strictly than in the past.

WEEKS:

What changes are in store for physicians working for salaries?

GRONER:

It appears to me a greater percentage of doctors will be on a salary basis. In my limited contact with medical students, I see a distinct difference in the attitude of young doctors, or doctors to be, in reference to working for salary. Also, hospitals, particularly in small towns, offer a guaranteed income to physicians in private practice to move to their community. It is in many instances the equivalent of a salary. Also, the hospital-based physician services have increased greatly.

WEEKS:

What changes are in store for those persons who can pay a larger portion of health care costs?

GRONER

Health care providers are meeting more resistance from persons who can pay a larger share of health care costs. The paying public is now aware that individuals are being charged additionally for services rendered to the underprivileged - cost shifting. It is my contention that this is the role of government, to take care of the needy. These patients should come under the welfare clause in our constitution. The fact is that at the present time providers, especially hospitals, are having to underwrite the cost of treating the lower economic groups to a large extent. Of course, the institutions are doing this and charging the paying patient - - usually through insurance companies. This is one of the reasons many contend that we will move to at least two levels of health care or the rationing of care - depending on the patient's ability or willingness to pay.

WEEKS:

What changes are in store for long term care insurance, including home health care?

GRONER:

There is going to be a catastrophic insurance program. I believe the President has signed the one passed by Congress. I have not seen the details of the bill. The question to me is how inclusive it is to be now and in the future - also, the cost. Even though home health care may not be included in the present bill, it is my opinion that it will be at a later date. I would predict that this would be financed by additional taxes on those in the higher income brackets, including those on Medicare. It is my belief that private insurance will follow suit, and also write additional catastrophic care if there is an area for it to function profitably.

In the case of long term care, it may establish some deductible and co-insurance, put a ceiling on their coverage, and place other safeguards into the contract. Home health care will be structured in such a way as to try to reduce the need for institutional care.

WEEKS:

What changes are in store for Medicare and Medicaid?

GRONER:

These programs, which have a tremendous effect on hospitals, will go a long way in making a determination of the future trends of health care in this nation. Inadequacy of most programs is causing providers, especially some hospitals, tremendous financial problems. Politicians have promised more than government can finance. Unless there is a change in direction, we will see the quality of care suffer, the availability of care diminish. We are beginning to see patients suffer inconvenience and we more frequently hear direct criticism of the quality of home care and institutional care.

A few moments ago I said that the care was more than the government was able to finance. I should have said - more than the government was able or willing to finance.

WEEKS:

Possibly you would like to end this interview with words about the people you have met and worked with, persons who may have influenced your life and talk about the events you think were most significant in your long professional life.

GRONER:

Yes, I do appreciate the opportunity to talk about the people who have influenced my life. As Tennyson said: "I am a part of all I have met." Samuel Johnson, Ralph Waldo Emerson, Byron, all made very similar statements. I have found that to be true. I mentioned my father who had great influence on his three sons. Dr. Bristow, who was my preceptor and mentor; Dr. Lawrence Lowrey who was the chairman of the board of trustees when I came to Memphis. I am also grateful to my predecessors at Baptist Memorial Hospital in Memphis for leaving such a foundation on which to build. They were A. E. Jennings and George Sheats. I should also like to thank my successor, Joseph H. Powell, Baptist Memorial Hospital President, with whom I have worked for thirty four years; Charles Baker, senior vice president, with whom I have worked for twenty eight years. I am tempted to list some of the trustees; some of the community leaders, but I feel my list would be too long, and I would miss someone.

I would like to comment on some people on the national scene. I have discussed my seniors who helped me so much at the beginning of my career. During my career I worked very closely with two of my contemporaries, Ray Brown and Tol Terrell. We had, literally, hundreds of discussions and I like to think they were well balanced. Fortunately, all three of our wives became close friends. This gave us additional time for deliberations under the most favorable circumstances. I consider Ray Brown the outstanding health care executive in my 50 years of experience. Tol Terrell was the most beloved. We were quite different. Ray was the most liberal of the three. Tol was moderate and I was the most conservative. My career would have been quite different if it had not been for these two men - and many others I have mentioned. I talked with you about my brother, Pat. Several times each week we shared experiences. We reviewed plans and programs with each other regularly. With the exception of my two associates,my wife and my brother, everyone I have mentioned is deceased. I dare not discuss my friends who are living for fear of overlooking someone.

In concluding, I would like to pay tribute to the person who has affected me the most, that is my wife. There is a saying in the hospital field that an administrator has to be a bigamist, he has to be married to his job and to his wife to make a success and to be true to both. I firmly believe that the most difficult job in the field is to be the wife of a hospital administrator. To say it briefly, she has to have great interest in what is going on at the hospital without interference. My wife has made many sacrifices. Many of her friends are from outside our home town, scattered all over the country. She has been a constant source of strength to me. I am grateful to her.

Dr. Weeks, I would like to make two observations at this time. First, to express my appreciation to you for your insight in the health care field, for your incisive questions which has made it much easier for me to reply. I hope it is in a satisfactory manner.

The second is that I have a chronic throat condition. I hope your transcriber will forgive me. However, if he or she has a cure, I would appreciate hearing from him or her.

Interviews from Memphis
June 22,29 and July 6, 1988
with the assistance of
Dr. Charles W. Crawford of
Memphis State University

I want to record my deep
appreciation to Charles
W. Crawford, Ph.D.for his
assistance in this project.
It would not have been possible
to handle my portion of this
oral history in this manner
had it not been for him. He
has been helpful in every
respect.

Frank S. Groner, L.L.D.

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