United States in which medical care had in effect been subsidized by the salaries that were being paid to unskilled personnel in the hospitals. Hospitals had been experiencing a very high personnel turnover rate. This has been extremely inefficient. It has been recognized as being a place where you could go to get a position if no other place was available, but as soon as you could aspire to a better job people left these hospitals, and as a result, hospitals were confronted with a situation in which they had complex equipment cared for by unskilled personnel, with high turnover rates; they were cognizant that some of these pieces of equipment were being improperly managed.

A second force has been the introduction of unionization into the hospital field. These union groups have been asking for what they considered an appropriate salary for personnel.

As Dr. Grant pointed out in his testimony, the brunt of the rising costs have been attributable to personal services which in hospital operations represent about 70 percent of the operating costs.

The service charge as carried by the District of Columbia General Hospital is certainly within the range of service charges offered by hospitals of comparable size in the United States.

We have pointed out in our testimony the need for additional long-term care facilities and extended care facilities in the District. Manifestly, if there is a shortage of such facilities it means that patients have to be cared for in an acute care facility where obviously the service charge will be much higher than in a long-term care or extended care facility.

Thus, by building more extended care facilities one could expect to make a contribution toward reducing the total cost for hospitalization.

I would like to point out, sir, that while the service charge has been going up in hospitals the length of stay has been going down, so the cost of illness in many instances has been much less, or it has not been increasing at any rate. You can pay more but you stay a shorter period of time. Thus theoretically the return of a person to a useful occupation comes about at an earlier point.

We also feel that there has been far too much attention given to the care for the horizontal patient and not enough care for the vertical patient. In this regard hospital communities are given increasing attention to the provision of ambulatory care facilities, and you will notice in the legislation before you that the higher participation percentage is included at 66 and two-thirds percent for long term care facilities, for ambulatory care facilities (or diagnostic care facilities) and rehabilitation facilities because we view these as being of greater public interest.

Mr. SISK. Thank you, Dr. Graning.

Mr. WHITENER. I have no questions.

Mr. WALKER. I have no questions.

Mr. GUDE. Dr. Graning, in your testimony you mentioned that in some areas they have corporate support of hospital facilities. Could you give us some specific examples compared to the situation here in the District of Columbia?

Dr. GRANING. I can offer this bit of information. Last year in terms of philanthropy for various causes throughout the entire United States health became the second cause—religious causes were first,