PROPOSED AMENDMENT—LOANS FOR CERTAIN HOSPITAL AND HEALTH FACILITY CONSTRUCTION

Section — (*a*)

In order to aleviate hardship on any recipient of a grant under section ( ) of this title, to assure the immediate planning and construction of those projects to meet demonstrated community needs, to meet Congressional directives to control the costs of health care services, and to meet increased constructional costs (over the estimated cost of such project on the basis of which such grants were made and those previously estimated) through no fault of such recipient, the Secretary is authorized to make a loan to such recipient not to exceed 50 per centum of such project costs, as determined by the Secretary if the Secretary determines that such recipient is unable to obtain such an amount for such purposes from other public or private sources.

(b) Any such loan shall be made only on the basis of an application submitted to the Secretary in such form and containing such information and assurances as he may prescribe.

(c) Each such loan shall bear interest at the rate of 2½ per centum per annum on the unpaid balance thereof and shall be repayable over a period determined by the Secretary to be appropriate, but not exceeding fifty years.

(d) There are hereby authorized to be appropriated $44,700,000 to carry out the provisions of this section.

FURTHER COMMENTS

Mr. BUCHER. In addition to that I would like to call your attention to the fact that while we do not have all the participating financial hospitals present here, we have representatives in the audience of the three hospitals not participating:

Miss Elizabeth M. Rogers, President of Casualty Hospital.

Mr. Victor F. Ludewig, Administrator of George Washington University Hospital.

And Mr. George T. Stafford, Administrator, Morris Cafritz Memorial Hospital.

Mr. SISK. Will they please stand?

(The persons named stood.)

Mr. BUCHER. There is also present Dr. Robert Parrott, Director of Children's Hospital.

I would like to attempt to answer some queries that were not answered.

Mr. Walker spoke of the proportion of the amount of funds we are talking about relating to aftercare facilities. Approximately $33 million out of the $42 million is related to the extended care or nursing care facilities. The combination of a portion of these funds and the remaining funds is related to modernization.

The additional point Mr. Whitener made concerning the use of funds available here in the District and not available to his home State, I think should be looked into in terms of the allocation to the major medical center in North Carolina wherein funds similar to what we are talking about here may have been made available by the Federal Government over and above the matching funds available to the State.

In connection with the point that Mr. Gude raised on the availability of educational programs to staff some hospitals, I would call your attention to training programs in the District of Columbia through my organization which have turned out in excess of 300 new hospital employees within this past year. We are supported by the Department of