

Dr. Robert Felix, Dean of St. Louis University, said, "I cannot emphasize too strongly that the very life of my school and a number of others hangs in the balance. If assistance is not forthcoming soon, we will disappear from the scene. It is not a question of how many more students we can accept, but if we can accept any at all."

A principal aim of institutional and project grants is to salvage these important National resources. This is predicated on the fact that it is less costly, particularly with respect to time, to assist a school to continue its operation than to permit it to close and replace it with a new school at a cost of many millions of dollars, and a loss of as many as ten years of output of graduates. To say that it is "less costly" should not, however, be interpreted as being "inexpensive".

Considerable sums will be needed annually for at least several years by these and other schools which have equally grave but unpublicized problems.

Evidence was presented to the Congress that annual operating deficits approaching \$2 million will be experienced by some schools. It is not enough, however, to aid a weak school in keeping its doors open. If such schools are to continue to operate, the quality of their educational programs will, in many cases, require improvement at added costs.

Before public funds were committed in the amounts which would be required an exhaustive study would be made of the school.

It is envisioned that a special site visit team or task force would be established to seek information about the school's situation and its prospects. The group would probably include representatives of the appropriate review committee (study section), officials responsible for administering the grant program, the appropriate school association (such as AAMC), and perhaps fiscal and management experts. It would also be helpful if members of the accrediting body would serve as members of, or consultants to, the group.

Information would be sought concerning such matters as the following:

1. The immediate problems confronting the school, the factors responsible for the situation, and the probability of their continuation.
2. The size of the annual deficit over the past several years, and the reasons therefor.
3. The efforts that the school has made to obtain support from non-Federal sources; its plan for and probability of success of continuation of such efforts.
4. The school's proposals with respect to its continued operations, including its plans to increase the quality of its educational program to acceptable standards, and to improve its business and fiscal management, if indicated.
5. The immediate and longer-range probable cost to the Federal Government of underwriting the school's operation.

The group's report and recommendation would be given thorough study by the review committee which, in turn, would make recommendations to the Council for its further consideration. The Surgeon General could not approve the application without favorable action and recommendation by the Council.

One of the most important objectives of this bill is to provide a mechanism for preserving and strengthening health professions schools which are dying from financial starvation.

The legislation must be sufficiently flexible to permit the Secretary to make judgments about the needs of the school and whether it would be in the public interest to underwrite its deficit.

It is not possible at this time to foresee the magnitude of grants which will need to be made for this purpose, and it is for this reason that it is proposed to delete the statutory ceiling on project grants. Such ceilings could jeopardize or thwart achievement of goals which are necessary for amelioration of existing critical health manpower shortages.

Mr. ROGERS. This would be in addition to an institutional grant?

Dr. LEE. In addition to a formula grant.

Mr. ROGERS. We could go out and build a medical school, then?

Dr. LEE. You can't use this money for construction of new buildings.

Mr. ROGERS. There are other moneys for construction?

Dr. LEE. Yes, but—

Mr. ROGERS. You could go in and staff it.

Dr. LEE. You could assist in staffing it if faculty could be recruited.

Mr. ROGERS. Should we build medical schools?