The hospital administrator has the primary responsibility for the effective use of the public investment be it in bricks or people. He also has major responsibility for creating the kind of environment in which new methods can be introduced and effective manpower utilization schemes implemented. If there is to be innovation in the allocation of health duties, it will come through the efforts and stimulation of effective management in the hospitals. Hospital administrators have also taken the leadership in extending the role of the hospital to serve more than patients in bed—so that other needs of the community are served with the highly expensive resources concentrated at the hospital.

The graduate programs are preparing administrators for these tasks. The fact is, however, that the impact of the graduates has been limited. Less than half of the 7,000 general hospitals in this country are headed by professionally trained administrators. Very large segments of the Nation's health facilities have almost no trained administrators. This is true of mental hospitals—with half of the Nation's beds—rural hospitals, and extended care facilities.

Within the past few weeks, the 24 programs awarded about 400 master's degrees. It has been estimated that more than twice that number could have been placed. The demand for trained administrators far exceeds the supply, but the supply can be enlarged through increased teaching capacity and ability to compete for the really excellent students which this field can attract.

The graduate programs are quite small. The 2-year curriculum is intense and demands excellent faculty resources and seminar teaching. The number of well-qualified applicants is only slightly below the number of openings nationally and the more well-established schools have more applicants than they can now take. The Hill-Burton program recently provided support to our association for a recruiting effort which we are confident will close the gap in a short time and is significant recognition of the importance of the field. We are also encouraging the establishment of new programs and establishing formal accreditation to stimulate educational quality. The pimary barrier to meeting the Nation's needs for more well-trained health administrators is adequate faculty and the second acute need is student support.

Mr. Chairman, we have been working for 12 years for hospital administration graduate programs to have equal access to funds made available under sections 306 and 309 of the Public Health Service Act. Perhaps it is a surprise that this is a problem. For a long time the Public Health Service staff held that hospital administrators are not public health workers and the programs therefore ineligible for assistance.

At the same time other divisions of the Public Health Service worked to promote the hospital as the nucleus of community health programs. More recently, on June 5, to be exact, the University of Chicago, one of our outstanding programs in hospital administration, was refused support because the review committee "became convinced that the program was basically one in hospital administration," and that priority is given to the development "of curriculums stress the community as a base and the interrelationship of the various community organizations related to the coordination of health care systems as opposed to the approach reflected in many present day