

Losses increase hospital bills

By Marian Green

Lane County residents are paying as much as 25-percent higher medical bills than they would if federal subsidies completely covered the costs of medical welfare programs, according to area hospital officials.

Medicare, Medicaid and bad debt patients comprise 40 percent of the patient population at Sacred Heart General Hospital, but the federal government fails to reimburse the hospital for the total treatment costs of those patients, says hospital spokesman Tom Lawry.

"Consequently, the hospital takes a loss on each of those patients." he says.

Lawry estimates those losses will add up to nearly \$12 million by the year's end. Last year, the hospital took a \$7 million loss in services to patients under the federal programs, he says.

The hospital passes those losses on to paying customers in the form of higher medical costs, Lawry says.

"If we could do away with the bad debt and receive full reimbursement from the government, we could reduce (medical bills) about 20 cents on the dollar," he says.

Lawry says the federal government will cover only what it determines are patient treatment costs, but the government and hospitals differ on the extent of that coverage.

Of the patient dollar, 53 cents covers employee wages and benefits, 23 cents makes up the difference in federal reimbursement and actual costs of subsidized programs, and the balance offsets operating costs, he says.

Recently, Sacred Heart raised its rates 12.5 percent, and 8 percent of that increase is a "direct result" of the rising number of Medicare and Medicaid patients, Lawry says.

"It's a real moral dilemma," he says.
"Our mission is to treat people with real
need, regardless of ability to pay, but we also
have a responsibility to the paying customer
to provide quality medical care at a

competitive price.

In Springfield, McKenzie-Willamette Hospital also is experiencing the same kind of dilemma.

Medicare and welfare patients comprise 40 percent of that hospital's patient load, and much of McKenzie-Willamette's 9-percent rate increase this January went to offset those patients' costs, says Bill Johnston, the hospital's finance director.

He says the federal government picks up about 80 percent of those patient costs. The hospital — and ultimately the patient not covered by a federally subsidized program — pays the remaining tab, Johnston says.

"It's basically a hidden tax, pure and

Johnston estimates the consumer would pay an average \$100 less, and medical bills would be reduced from 20 to 25 percent, if the government were paying the total cost of the subsidized programs.

"It's getting to the point where it's pretty astronomical," he says.

While the dwindling reimbursements also present problems for the Eugene Hospital and Clinic, the smaller scale of that hospital enables a better reimbursement rate, says hospital comptroller Bob Hubbard.

"We have a pretty good rate," he says.
About 43 percent of the hospital's
population are funded by Medicare, and
another 6 percent are served by Medicaid, he
says. Only 10 percent of the hospital's
Medicare and Medicaid patient costs are not
reimbursed, Hubbard says.

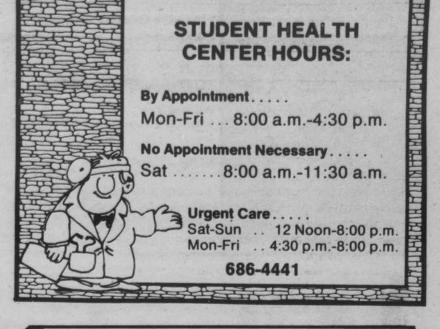
"That amounts to about 5 percent in losses that must be picked up by the privately paying patients," he says. "And that's not fair."

Rates increased to 14 percent this month at Eugene Hospital and Clinic, but he attributes only 1 percent of the increase to the reimbursement problem.

"Our main problem is the higher prices of equipment," Hubbard says.

Nevertheless, he says he's worried that the federal government will erode the reimbursements further.

"Every year, they're a little bit less and less."



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Assist. Professor of New Testament at Westminster
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SATURDAY, noon —"Why go to seminary? Why Westminster?" (By reservation only, please call 686-0853.)

6:30 pm — "Asking questions in Bible Study."
SUNDAY, 11:00 am — "Forgiveness and Love"
6:00 pm — "Coronation Gifts"

LOCATIONS: All meetings except Saturday noon are at Oak Hill Pres. Church, 33rd and S. Willamette. Saturday luncheon is at North's Chuck Wagon.

ONE AND ALL ARE WELCOME.

UNIVERSITY OF OREGON BOOKSTORE, INC.

Post Office Box 3176, Eugene, Oregon 97403

April 16, 1982

University of Oregon Students, Faculty, and Classified Staff From: Jim Williams

General Manager of UO Bookstore Re: Bookstore Annual Meeting for the membership

Salutations!

As members of the Bookstore, you are invited to the Bookstore's annual meeting. Inventory's been taken and it's time we reported to you on the current operations and success level. At the annual meeting the officers of the Bookstore will give the annual report and will be seeking your comments and suggestions.

The Bookstore prides itself on being responsive and guided by the University members. Six positions on the Board of Directors are open for nominations:

Two sophomore positions for two year terms

Come student at large position for a two year term

One graduate position for a two year term

One faculty position for a two year term

One classified staff position for a two year term

Nominations for the Board will be asked for at the meeting.

Nine cash certificates, totaling \$100.00 will be given away, and donuts and soft drinks will be served.

Please come to the Bookstore's annual meeting, April 22, 1982, at 3:30 pm, Room 341, Gilbert Hall.

Jim Williams
General Manager

