Health care costs spiral for elderly

The spiraling cost of elderly health care may be linked directly to increased state red tape, according to complaints emerging from area nursing homes.

"Today's health care programs in Oregon face a crisis," according to Brother Andrew Rank, SSP, St. Jude's board chairman.

He cites increased state and federal regulations determining the "quality and expense of care" during the past decade.

"On the one hand, the government is increasing cost of care by regulations, and on the other providing less than adequate reimbursement as the biggest payee of health care services."

The nursing homes are now plowing through their seventh report since the first of the year, and many of the reports required by the state are new and burdensome, according to facility operators.

Homes now must report number of meals served, cost for meals, pounds of laundry, and even do personal bookkeeping for resident elederly for as little as $15 in monthly personal expenses to include combs and hairbrushes.

There are other reports to the Bureau of Census, several state reports and a state-required monthly statement for a new Hospital Accounting System.

The Hospital Accounting System, with statements all fed into a computer, is new to the bookkeeping crunch since March 1, and carries a local filing fee and penalty for non responses.

There are also annual budgets to the state required of the rest home facilities today.

At St. Jude's Home, two bookkeepers this week worked two days to complete the latest required form.

There is talk at Willamette Nursing Home in Portland of adding a new bookkeeping just to keep pace.

St. Jude's has 50 Medicaid welfare residents on its nursing floor, and only 12 private patients.

With government reimbursement paying only $22.43 per person per day and actual cost running $24.31, the intermediate care facility is losing money on 80 percent of its patients.

If costs exceed that maximum amount paid by Adult & Family Services and welfare, then the facility must absorb the difference.

Consequently, it's the private patients who pay more to keep the nursing homes solvent.

At St. Jude's, the lowest private rate is $24.50.

St. Jude's administrator Marilee Swarthout says efforts are made not to show any differences in quality of care between welfare and private patients.

A Real Problem

"More and more," she said, "people are living longer, and their funds are running out. The funds that they have saved for retirement just don't last."

Orchard Crest, another local nursing home offering intermediate care also experiences the crunch of new government red tape.

Of 28 beds, 98 percent are occupied by Medicaid patients.

St. Jude's administrator Swarthout cites other money problems associated with attracting and keeping qualified personnel.

The hospitals pay more than most nursing homes, and recent efforts of St. Jude's to find one new nurse have proved futile, despite a reported 6,000 nurse surplus in Oregon.

"At the same time," Swarthout said, "we're trying to get rates up to where we can pay staff better. Nurses aide's earn a meager $2.80 per hour in a thankless profession," she said.

Sometimes St. Jude's experiences a near 100 percent staff turnover in one year.

Recently St. Jude's inaugurated a certification program for nurses aides and graduates 18 since the first of the year. Each completed 40 hours of classroom and clinical study in addition to regular work hours.

St. Jude's is not subsidized, "although we do get gifts from church members usually around Christmas," Swarthout said.

There is no option of staff reduction to reduce overhead at nursing homes, because staff number is set by the licensing division of Board of Health.

While 80 percent of St. Jude's intermediate care facility residents (nursing home) are Medicaid patients, another 65 percent of residents in the home's home for the aged upstairs are state-aided residents.

"The percentage will increase—not lessen—as more middle class Americans need of long-term care must rely on tax-supported assistance," Brother Andrew said.

Alarming Trends

He is alarmed about the trends.

"The recent determination by the Emergency Board to not increase the amount the state pays to actually meet the cost of care," he said, "is morally inconsistent.

"The state must either increase what it is willing to spend for care or decrease regulations and the public in general demad less," he said.

The cost of health care, he said, is being priced out of the reach of private incomes, and the person caught in the crossfire is the aging middle-class Amercian.

"The message must be brought from all sectors of the community," he said, "that there must be a reconcilliation between what the state demands and what the state pays for services. . ."

He urged citizens to write their representatives, the chairman of the Emergency Board and the Governor.

Post photo

LOUISE SMITH, RN, of St. Jude's Home brushes the hair of Jessie Findlay, a resident of the nursing home since 1965.

Hooper-Ruby clash over investment

One difference between the two candidates for county treasurer could be a matter of more than $2.5 million.

Another difference-endorsement-could determine who will be elected.

Both Thelma Hooper and Bob Ruby have long experience in the treasurer's office. Both have worked closely with local districts in the county. Both want to explore more modern methods of accounting.

And with the treasurer's office in its strategic position at the front of the county courthouse, both recognize it must be courteous and helpful to citizens lost in the maze of county government.

However, when it comes to where to invest the county's idle funds, Hooper and Ruby head in opposite directions.

Hooper wants to continue current Treasurer Wayne LaFarge's practice of depositing the money with local banks, while Ruby wants to join a statewide investment pool.

High Stakes

The stakes are high. County and local districts in 1976-77 earned a total $2.1 million on their investments. The 1977-78 return could rise over $2.7 million.

Arguments over investment practices fly back and forth like pies in a Keystone Kops movie. They could all be rendered academic, however, by the second difference between the candidates: LaFarge, the popular 56-year old treasurer, is supporting Thelma Hooper. That in itself sources say, could assure her the election.

Hooper is casting herself as the heir apparent to ears-old, she has worked 18 years in the treasurer's office, nine years as chief deputy treasurer.

For much of that time, she has helped administer the investment program, and for the last 10 months she has run it singlehandedly in LaFarge's absence.

Present Program

The program, she explains, accepts funds from any public agency in the county, including school districts, fire districts, water districts and cities. The county invests the combined funds in local banks and savings and loan associations, transferring funds back to the districts as they pay off their bills.

"We keep the funds working within the local economy, to stimulate the local economy and promote economic stability," Hooper says.

In addition, she says, it reduces taxes for all county residents on all the service districts that participate, which means most of the service districts in the county.

Would the state investment pool yield more interest?

"Probably not," Hooper says. Even if it did, she adds, only the county's funds could be invested, not those of any other district. Thus, she argues, taxpayers actually earn more for their dollars with the local school and service districts participating in the program.

Hooper feels she is qualified to take on the treasurer's post, both because of her experience and because "I've been working so closely with all the local entities."

Hooper is married and has four children.

"I like my work, I take pride in it," she concludes, "and I want to continue in it."

Robert Ruby

Robert Ruby, 50, was Hooper's predecessor as chief deputy treasurer, working under LaFarge for 18 years before taking a similar job with the city of Portland.

"We've got to judiciously determine the best return on our dollars," Ruby says.

"It is obvious that (the return) would be more" on the state pool than investing in local banks, Ruby says. Because the state pool is operating a long-term deposit, it will pay a higher interest rate than the short-term deposits the county makes, he claims.

In addition, Ruby argues, the local investment practice creates a large amount of bookkeeping work for the treasurer's office and puts a dam in the county cash flow. "In the state pool, you can put money in and out" from one day to the next and still earn interest. The county local deposits, he says, are tied up for a period of time, making all bill-paying a cumbersome process.

Local Investment

While Ruby admits that investing locally has some impact on the economy, "the banks will get the money they need. We don't have a problem at this time." Interest rates on local loans will remain the same whether or not the county invests locally, he says.

Yet another strike against the local investment program, Ruby says, is that the bank's charges for deposits are higher than the state pool's.

Ruby feels his experience in Portland has broadened him. He also points to his 18 years on the Gladstone city budget committee and to his six years as budget officer for the Gladstone school district. Ruby feels his work at different levels of government give him an advantage in experience over Hooper.

Ruby is married and has three children.

WHERE PATENTS BLOOM

Countries issuing the largest number of patents are the United States, France, Great Britain, Germany, Canada, Italy, Japan, Belgium, the U.S.S.R., Switzerland, Spain, Australia and Sweden in that order.