Fighting Class Cleansing at Grady Memorial Hospital

Samuel R. Newcom Department of Medicine Emory University

GRADY BACKGROUND

The 106-year-old Grady Memorial Hospital was renovated in 1994 and has 50,000 outpatient visits each month. About 16% of the annual support is provided by two counties: Fulton and Dekalb. The county supplement has been reduced 25% since 1992 and is currently \$90 million. Medical staff are provided by the Emory University School of Medicine. In 1984, Morehouse School of Medicine assumed responsibility for 10% of the patients. The medical schools were paid \$55 million as reimbursement in 1999. Patients are 90% Black, they may be indigent, and the patient population includes a large number of people older than 65. One third of the patients have Medicaid, one fourth have Medicare, and a small percentage have private health insurance. A card system identifies each patient's coverage. Patients with no income, no holdings, and no insurance are given "zero" cards.

On July 1, 1984, the year I joined the faculty, the President of Emory University and the two counties signed 30-year contracts to provide care for the patients of Grady and to supplement the budget as needed. Prior to 1998, the "zero" card patients received no bills for their medical care and received free medications from the outpatient pharmacy.

Emory University has an \$8 billion endowment that is the sixth largest in the nation. As health care in California, Boston, and New York was coming under the control of organized business, Emory administrators took no defensive action. The medical school continued to recruit new faculty. Funding was found for new projects including \$275 million for a new Crawford Long hospital, \$125 million for a Cancer Center, \$75 million to supplement the overhead of the Emory clinic, and money for two research buildings and

Requests for reprints should be sent to Samuel R. Newcom, 154 Hurt Street, Atlanta, GA 30307.

three additional floors for the Emory Clinic. A contract was signed by the university awarding clinical administrative decisions to Columbia/Hospital Corporation of America. Many other projects were planned including suburban clinics, a new nursing school, and major campus alterations including reconfiguring the Quadrangle into the shape of a Coke bottle. In 1994, the current vice president for health sciences and the president of the university were recruited from the Northeast.

Even though 50% of the medical students and Emory house staff are at Grady at any time, the new administrators ordered further reduction in expenditures at Grady. Several patient care programs, such as the Minority Patient Cancer Program funded by the National Institutes of Health, were closed.

PERSONAL BACKGROUND

For 10 years (1984–1994) I served at Grady in the Section of Hematology/Oncology as Chief of the Hematology Clinic and as a medical oncology attending. In 1994 all three Grady medical oncologists were transferred to other duties leaving Grady with no medical oncologist. I was reassigned as Chief of Hematology/Oncology for the Veterans Affairs hospital adjacent to the Emory campus. I lobbied the Dean and was allowed to keep a busy hematology clinic downtown at Grady.

Further devastation occurred in July 1996, when the Veterans Administration (VA) had no Fellow assigned for the first 6 months of the year. At Grady there was no Fellow for 10.5 months of the year and, after 1 year with no faculty, one part-time clinical oncologist was assigned there from the Emory clinic.

Early in 1997, the Emory Clinic revealed that it was approaching bankruptcy. Overexpanded, there were 20 hematologists and oncologists attempting to earn a living in one 500-bed hospital. Several had asked for their own Fellow and all had been enjoying a generous travel budget. Using the purloined VA Fellow, one faculty member had been able to cover two large practices, one at the Emory University Hospital and one at an affiliated hospital, Crawford W. Long. This double coverage had earned more than \$4 million. The reported overhead was 90%. Most of the other physicians had been much less successful.

After two faculty meetings in April and May 1997, it was proposed that additional Fellows be pulled from Grady and the VA and assigned to help cover the other private practices at the Emory Clinic. Medical residents at Grady were decreased to half-time. Simultaneously, I was asked to become a full-time VA employee. Emory would provide a "teaching supplement." An offer of faculty promotion (to full professor) would accompany the agreement. My income and personal status would improve. My relationships with my supervisors would remain good. Student evaluations stating that I was an excellent physician and teacher could be sustained.

ETHICAL DILEMMA

The evolution of American health care funding has left many physicians with a terrible conflict. For example, Emory President William Chace has written that physicians are no longer bound by the Hippocratic Oath. He stated that physicians are employees under the direction of nonphysician employers and therefore function under the direction of their supervisors, regardless of the best interests of their patients. My dilemma, therefore, was whether to accept this partial removal from my profession and its guidelines. More specifically, should I ignore the misuse of VA Fellows and the severe negligence at Grady? Could I overlook the withdrawal of care from the poor and its transfer to the insured in return for a steadily rising secure federal salary, comfortable benefits, and a faculty promotion?

The patients at both the VA and Grady were suffering. A Morehouse student was hospitalized at Grady with acute lymphoblastic leukemia. He had a perfectly matched sister but was denied a bone marrow transplant at the Emory Clinic because his father's insurance would only pay \$10,000. At the time, he was 21; he is now dead. A Georgia Tech student stopped all therapy for his hypereosinophilic syndrome and died at Grady because of professed hopelessness induced by his distress over the loss of mature and experienced physicians. A midtown caterer was given high doses of chemotherapy at Grady and died. These were avoidable deaths and, although not my responsibility, occurred in my former service.

At the VA, the reduction in house staff was accompanied by the "Service-Line" reorganization. This created a health maintenance organization facsimile with timed clinic visits (20 min), physician's assistants, a restricted formulary, and no teaching or research time for physician faculty. There was also an experiment in capitation with patients being limited to \$2,500 per illness. One patient had his platelet support arbitrarily stopped after 10 days (he had expended more than \$2,500) and died with a brain hemorrhage. Other patients did not receive their medication (immunoglobulin), which was temporarily considered too expensive for VA patients; both died of infection.

ETHICAL DECISION

Despite President Chace's dictum, I did not see any choice for a physician who had sworn the Hippocratic Oath. My allegiance to the poor at Grady continued. The care at the VA was being misrepresented as an improvement when, in fact, it was clearly a withdrawal of care. I felt that I was being asked to defraud sick people and, as a teacher, to defraud physicians-in-training. I refused to tell medical students that withholding medicine from their patients was an appropriate action or that it was necessary to accept this rationing of care. The United States was wealthy beyond all measure and denying health care to uninsured military veterans and the poor was unacceptable to me.

Although I began my protest in the academic way, setting up meetings with my division head, my VA chair, my Emory chair, and the dean, it became obvious that decisions could not be changed. The university president would not meet with me. In a letter, I reminded the president that this withdrawal of medical care from the VA and Grady was designed to maintain huge salaries at the Emory Clinic, some greater than \$1 million to \$2 million. I told him of the large number of faculty demanding support from private practice. I pointed out that those faculty administrators at Grady and the VA who were not complaining were receiving salary supplements from the Emory Clinic and that I had been offered a similar supplement. I was emboldened by my own speech.

Although Emory administrators now identify the decision to withdraw support from the two public hospitals as self-preservation, I believe the decision was made easier by racism, greed, and reprehensible concepts of class cleansing. The medical school administrators talked about "winning" a competition for patients, about maintaining the "outstanding" reputation of Emory, and about "teamwork." I included copies of my letter to Former President Jimmy Carter (a professor at Emory), to Dexter King (Director of his father's Center for Nonviolent Action), and to the chiefs of staff at the affected hospitals. When there was no response, I added elected and appointed officials.

UNIVERSITY'S RESPONSE

The response was predictable. The Chief of Medicine at the VA, who had not received the letter directly, exploded. I could not write to anyone outside the VA without his permission and without his review of the document. I reminded him of the Constitution, the Bill of Rights, and told him that he was out of line.

I received a proposal for reprimand. The VA Chief of Medicine was made Director of the Hospital for 1 day and reviewed his own proposal, said it was accurate, and I was formally reprimanded. I was then fired as Chief of the Section (September 1997). I was assigned to do things I was already doing and then asked, in writing, why I did not do them. I was eventually terminated from the VA in April 1998 for not attending a clinic, even though I had been given permission to miss it. I was escorted to my car by three armed federal officers with handcuffs.

As evidenced from memos, my chair at Emory and the dean of the medical school were watching these events closely. I was immediately informed by the university that termination of my tenured faculty position had been requested "for failure to carry out duties as assigned." I was ordered off campus. The locks on my office and laboratory at Grady were changed. When I produced e-mail confirmation of permission to give a lecture in Germany, an additional charge was added, "making written allegations of wrongdoing circulated to university administrators and prominent individuals outside of Emory ... that are injurious to both Emory

University and to patient care." The patient care charge was explained by the fact that I knew I would be fired and therefore would be denying my patients my services. I was placed on administrative leave in April 1998. I continued to receive my full salary (the VA portion now being covered by Emory) and will for at least another year.

ADMINISTRATIVE LEAVE

While I was on administrative leave, the accreditation council for graduate medical education sent a letter of warning to Emory's division of hematology/oncology for failure to properly supervise and educate trainees. The ear—nose and throat department was placed on probation. Letters of warning were also sent to cardiology, pediatric cardiology, pediatric cardiology, pediatric surgery, and nuclear radiology. The Emory obstetrical and gynecology faculty were submitting bills for procedures that students had performed at Grady. At the request of the state Attorney General, the university repaid the state of Georgia \$4.5 million. Emory University was found to have applied and received \$1 million from the state's Indigent Care Trust Fund. The money proved to have been used for Emory University campus activities.

In 1998, the Grady administration, supervised by Fulton and Dekalb commissioners and overseen by Emory trustees (the Emory-Grady Committee), quietly activated a requirement for the "zero" card holder to pay \$0.50 per prescription. Many saw this as a hardship but Emory faculty were not informed and did not protest. Doctors for some patients prescribe 10 to 15 different medicines. The pharmacy would not fill a prescription for more than 30 days. As a busy physician embroiled in faculty turmoil, I was not aware of this new copayment.

In 1999, however, I was on administrative leave. I could read the newspaper thoroughly every day. Thanks to a diligent reporter, David Pendered, I soon learned that full pharmacy charges were being proposed for these "zero" card holders. The counties were reducing their support once again and the Federal Balanced Budget Act was forcing deep cuts in Medicare and Medicaid. "Zero" card patients were being looked to as a source of revenue.

In February 1999, the Atlanta Journal/Constitution editorial staff began to call for state intervention at Grady. I wrote a supporting letter to the editor entitled "State Must Act to Save Grady" that decried the pharmacy plan and pointed out that Emory University was at least partially responsible for the financial crisis at Grady. The phone rang from a number of readers. One call came from Reverend Murphy Davis, one of my patients, now cured. She and her husband are Presbyterian ministers who maintain a 64-room homeless shelter on Ponce de Leon Avenue, known as the Open Door Community. Murphy and her husband, Reverend Ed Loring, were concerned and had seen my letter. Because of immediate outrage about the proposal to charge full price, the pharmacy proposal had been changed to

a \$10 copayment for each prescription as well as a \$5 copayment for each clinic visit and a withdrawal of transportation. Emory trustees and the Grady administration had obviously targeted the very poor (the "poorest of the poor") for elimination from the health care system. Murphy said that the Open Door Community would be "in the street" in front of Grady in 1 hr. I said that my wife Janis and I would be there too. I put on my white coat with stethoscope, name tag, flashlight, and percussion hammer.

NONVIOLENT CIVIL DISOBEDIENCE

Although I was at Berkeley in the 1960s and helped 25,000 marchers take back Forsyth County, Georgia, from the Ku Klux Klan in 1985, I had never really picketed before. The experience is exhilarating and empowering. The newspaper said there were 60 of us. We marched back and forth chanting and singing on Butler Street in front of the hospital and in front of the Glenn building, which holds some of the low-level Emory medical school administrators. The Open Door brought a bullhorn and we made speeches. My white coat attracted a lot of attention. Television news covered my words and they were quoted in the newspaper: "Medical students and young doctors are being taught not to care." We challenged politicians to speak out. We asked why wealthy Emory University had no public or moral stand on this life-threatening issue affecting their patients.

We picketed weekly during March 1999. Our numbers grew and it was an impressively diverse group with Black and White politicians and ministers, community leaders, patients, the homeless, nurses, lab technicians, concerned citizens, and one or two doctors. I was not the leader of this group but many said they were comforted and inspired by my presence. We demanded and eventually received a 51/2-hr conference with Edward Renford, the \$200,000-per-year Chief Executive Officer of Grady. He promised that no patient would leave the hospital without medication and signed the statement. At our request, a secret Grady document was produced that showed that the Grady pharmacy had predicted that 6.500 people would die or suffer within 60 days of restricting access to medication. Within 24 hr, Dr. Neil Shulman, a second Emory faculty member with free time, had documented that patients were still being forced from the pharmacy without medication. One man had a seizure in front of the Open Door Community and fractured his arm. Although doctors agreed to treat him for the fracture, he was once again sent out from Grady without either his seizure medicine or pain medicine.

Monday, March 22, 1999 was an important march. We entered the hospital for the public Grady Hospital Authority Board meeting. Almost at the same time, I was notified that the university would hold its Faculty Hearing Committee meeting the week after that to make recommendations about my faculty position. My lawyers were ready.

The Hospital Authority Board meeting was tense. The room was packed with most of us standing. The board attempted to carry on its business concerned with various committee reports, but the media and the activists were overwhelming. A man in a wheelchair, Ronald Spencer, cried in pain because he could not receive his medications. Finally, business was set aside to discuss the pharmacy issue. Several of us spoke, pointing out the death-dealing nature of the Board's decision and their own prediction that 100 people per day would die or suffer. Mr. Spencer begged the Hospital Authority to give him relief. Despite our pleas, the board voted to maintain the \$10 copayment. A near riot ensued. There was no physical violence but the news media have continued to show Reverend Loring, Dr. Shulman, Reverend McDonald, and others shaking their fingers in the faces of these board members. The board ran out of the back of the room. Riot police appeared in the doorways. The newspaper reported that two lock-up vans were brought to Grady to take the protesters to jail. Fortunately, order returned, as did the board members. They voted again and put the policy on hold for 30 days.

FACULTY HEARING

The following week my faculty hearing was held with five tenured Emory faculty members, my department chair, the medical school lawyer, my two lawyers, the department chair's personal lawyer, the university's lawyer, and a time keeper. President William Chace refused to appear. The VA had prohibited all VA employees from participating. I presented two affidavits from former VA employees and my own testimony. I was not allowed character witnesses or to submit a current curriculum vitae. The "failure to perform duties" charge was dismissed by a 4 to 1 vote. However, the "irresponsible" speech charge remained by a 3 to 2 vote and was presented to the President and the Emory University Board of Trustees for a decision that has not yet been rendered. During my hearing, State Representative Billy McKinney and his daughter, U.S. Representative Cynthia McKinney, with several others, picketed the administration building with a large sign saying, "We support Dr. Newcom and Grady Hospital." My VA Chair, who had been transferred to Oregon, did not testify or submit an affidavit. My division head, who expressed support for me, resigned 2 weeks later and is now a Mormon missionary in Munich, Germany, having retired from medicine. Following the hearing, my department chair stepped down and accepted a research and development position. Alumni formed an organization (ABDICATE) and have demanded the President's resignation.

CURRENT STATUS

In addition to the hearing and the near riot, I participated in a Georgia State House hearing on Grady. I suggested to the 100 representatives, senators, and commissioners present that Emory University should be held financially and professionally re-

sponsible for the patient care at Grady. I also participated in a state Senate hearing held by Senator Nadine Thomas, a Grady nurse. As in the House hearing, during the Senate hearing I showed that Emory University was partially responsible for the difficulties at Grady. The Emory Clinical Dean, William Cassarella, was the first Emory administrator to be present at any public Grady event. The Grady Coalition (now several hundred) demonstrated at the Fulton County commission and received an additional \$3.5 million for the pharmacy budget at Grady. We repeatedly picketed, lobbied, rallied, and met at the Dekalb County commission, receiving \$1.1 million on the same day that property taxes were reduced by 35%. These Dekalb County demonstrations resulted in the arrests of 7 of us on one day and 30 of us on a second day. Fortunately, the sheriff of Dekalb County was a vigorous supporter so release was immediate if desired and treatment exemplary. As of this writing, the Grady Coalition is preparing to lobby Emory University directly. We are asking for 15% of the endowment to be set aside for Grady support (4%-8% to be used annually) and investment management to be continued by Emory's brokers. We propose that control of this money (\$40-80 million annually) remain in the hands of community activists in collaboration with concerned Emory and Grady physicians.

Except for family and neighbor consultations, I have not practiced classical medicine for over 1 year. However, I feel I have contributed more significantly to the health of my patients. Regardless of the outcome, I still could not accept the alternate path. I am fortunate to have already experienced a 35-year medical career and to have financial resources. Young physicians are frequently unable to protest in this way because of their great financial dependence. Society must act vigorously through legislators if excellence is to be maintained in future physicians and health care. Universities with huge stock market endowments should provide increased financial support for their public teaching hospitals. It is the right thing to do.