The Robert Wood Johnson Foundation

Annual Report 1983

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The Robert Wood Johnson Foundation
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Introduction

The Robert Wood Johnson Foundation is an independent philanthropy interested in improving health care in the United States. It was established in 1936 by General Robert Wood Johnson, who died in 1968.

Robert Wood Johnson devoted his life to public service and to building a family-owned business into a major international corporation. An astute businessman, a statesman, soldier, and patriot, General Johnson devoted much of his life to improving the world around him. He had a tenacity of spirit that enabled him to accomplish many of his goals, but he also planned for the long-range fulfillment of other objectives that could not be achieved in one man's lifetime.

Despite the intensity and determination he displayed in his role as a business leader, General Johnson had a warmth and compassion for those less privileged than he. He was always keenly aware of the need to help others, and during his lifetime, he helped many quietly and without fanfare.

The true measure of General Johnson's deep concern for the needs of others was his decision to leave virtually his entire estate to The Robert Wood Johnson Foundation. With the settlement of this bequest in December 1971, the Foundation began its transition from a local institution active primarily in New Brunswick, New Jersey, to a national philanthropy.

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The president's statement

The challenge of a rapidly changing health care system: make it better

Since our beginnings as a nation, the American health care system has continuously evolved and changed in response to public attitudes about its role in society, the demands and needs of the communities it serves, and in recent years, in response to advances in medical knowledge. The direction, degree, and speed of change have depended on which of these forces have most fully captured our national attention at a particular moment in time.

Today, Americans have one overriding concern about medical care: they think it costs too much. Expense is the dominant force now driving change, and it is prompting major and rapid alterations in how medical care is organized, financed, and delivered. This concern about medical care costs, when coupled with other problems brought on by a changing society—including a rapid rise in single-parent families, a virtual epidemic of teenage pregnancies, rising problems with drug and alcohol abuse, an aging population with its accompanying problems of chronic illnesses—are leading to searching looks at how medical care is organized or practiced or paid for all over the country. As a consequence, our health care system is changing at a bewildering pace and more swiftly than at any time in the past.

To put first things first, we too share the concern about costs. Ultimately, costs impinge on our national ability to support many other important human needs. However, as a foundation that has been devoting its energies and resources to improving American health and medical care for over a decade, we are following the rapidly shifting scene with some ambivalence.

On the one hand, we are pleased with the solid evidence that the nation has made splendid recent strides in making medical care more broadly accessible to all who need it, and that death rates from most of our major killers have been on the decline. We also believe that any period of change creates new possibilities for making things better.

On the other hand, the almost exclusive preoccupation with controlling costs leaves us worried about whether we will shortsightedly allow such side effects as erosion of those gains, or ignore problems about the quality of care rendered. Clearly, having a healthy population is important in maintaining an effective and productive America.

Thus, to decide where the Foundation can use its resources most effectively for the most good, we have tried once again to assess the power of forces that will most affect our national ways of doing business in medicine and health care. This most recent examination leads us to

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conclude that a number of recent developments and longer-term trends will have a major influence on the nation's health care arrangements. The most striking of these are:

- rapid shifts in the way we pay hospitals and perhaps physicians;
- a potential excess of physicians extending into the next century;
- the rapid development of a myriad of new technologies, some of which permit the treatment of more serious illnesses on an outpatient basis;
- small but significant groups of Americans who, despite overall gains in access to medical services, are likely to continue to have trouble getting the care they need; and
- mounting problems with chronic, disabling illness as our demographics change.

Let me expand on the potential effects of these developments.

Changes in the way we pay hospitals and physicians

Today, only about one-third of our health care expenditures are paid directly out-of-pocket by patients. The remaining two-thirds are paid by private health insurance companies and government programs, particularly Medicare and Medicaid. Historically, this dominance of third-party payment has been coupled with cost-plus reimbursement for most hospital and other health care services. These arrangements have fueled much of the alarming rate of increase in national health expenditures and have blunted awareness of true health care costs by physicians, hospitals, and patients.

Today, in the aftermath of a severe recession, business, labor, government, and individuals are finding it increasingly difficult to sustain our costly health care enterprise and view these escalating costs as a pressing national problem demanding action. As examples, consider the potential bankruptcy of Medicare, or the growing number of states strapped by their Medicaid costs, or the mounting problems of industry trying to compete in world markets while the costs of their employee health benefits are ballooning out of control.

Although having to pay one-third of one's personal health care expenses out-of-pocket sounds benign, the mountainous rise in total costs is making this a serious burden for many. Today, in terms of income share, the out-of-pocket cost of medical care is as great for elderly Americans as it was before Medicare was enacted. Indeed, if we continue on the present track throughout this decade, U.S. health care expenditures will reach $675 billion by 1990. This translates to a staggering $8,000 per family per year!

If patterns of care remain the same, more than half of these health expenditures, and by far the largest single share, will pay for care provided in hospitals and nursing homes. Obviously, those responsible

for paying the bills are directing most of their attention to these institutions in trying to mute the projected rises. It is also not lost on anyone that it is doctors and their decisions that determine where care is rendered, what technologies are employed, and for how long. Thus, those in both the private and public sectors working to put the brakes on cost increases are now beginning to look at the physician as well as the hospital. The recent passage of amendments to the Social Security Act, with its new system of Medicare hospital payments (i.e., DRGs); the establishment of hospital rate-setting commissions in nine states; and the growth of such private-sector arrangements as HMOs and preferred provider organizations are changing the previously open-ended nature of our health care payment system. These changes are giving not only hospitals, but physicians as well, a new menu of incentives and disincentives. For the first time, hospitals are being forced to couple price competition with their traditional patient care mission. At the same time, pressure is building to make physicians more accountable, financially as well as professionally, for utilization of health care services of all kinds. Thus, doctors and hospitals alike will have new pressures to avoid admissions to hospitals and nursing homes, reduce lengths of stay, and to make more conservative and constrained use of new medical technologies.

The potential surplus of physicians

Most now agree that we are over-producing physicians. A prestigious recent report projects that by 1990, the nation will have almost 80 percent more physicians than in 1970 and that this may represent 70,000 more physicians than will be needed.* While the fit between projected supply and estimated needs varies considerably according to specialty—and some kinds of doctors will be in short supply—most of the surgical and medical subspecialties are believed to be pursuing a course that will produce nearly double the number of these practitioners required under our present arrangements for health care.

Obviously, this creates some interesting and potentially upbeat opportunities for improving American medicine. Increasing numbers of physicians might mean that more are willing to go into new practice arrangements, or practice in areas previously underdoctored. More attention to the cost-effectiveness of their services or returning people to work or independent living more swiftly might reduce the downtime and other burdens of disability. Physicians might be willing to spend more time with their patients, listen to them more carefully, occasionally make home visits, or generally do more of the things that people want their doctors to do for them. More medical school graduates might opt for

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*U.S. Office of Graduate Medical Education, *Report of the Graduate Medical Education National Advisory Committee to the Secretary, Department of Health and Human Services*, 7 vols. (Hyattsville, MD: U.S. Department of Health and Human Services, 1980).

primary care careers, or public health, or psychiatry, as the more popular subspecialties become glutted.

Emerging technologies permitting the treatment of more serious conditions on an outpatient basis
As a further encouragement of such shifts in physician behavior, there is much to suggest that the next decade will see many new advances in medical technology that will reduce the need to hospitalize or place patients in a nursing home. Less invasive surgical techniques, improved anesthetics, new diagnostic imaging technologies, new drugs, improved rehabilitation services, improved home care services and the like will allow the management of much sicker patients outside of institutions than heretofore. Conversely, and at the same time, other new technologies such as organ transplantation and ever more powerful therapeutic agents will make hospitalization yet more complex and more expensive.

Americans who may continue to have trouble getting medical care
Recently, we have funded another careful study updating information on how the American people are faring in getting to doctors and hospitals. It has shown us that the nation continues to make progress.* More people have greater access to health care than ever before. There remain, however, some disturbing shortfalls for some groups, which are highlighted in this study. As examples:

About 12 percent of Americans—or 28 million people—continue to have trouble in coping with the health care system and obtaining care when they need it. These include almost 21 million adults and 7 million children. In general, the group having the most trouble has had one or more of the following experiences:

- Because of their financial problems, or because they do not know where to seek medical care, they do not have a regular source of care.
- Many lost health insurance coverage during the previous year and, as a consequence, put off seeking care or were unable to find it.
- They needed care in the previous 12 months but were unable to obtain it.

As one might anticipate, those in serious trouble are predominantly those who are poor, unemployed, or uninsured. Minority populations—blacks, Hispanics, and others—are much more likely to be in serious trouble than are whites.

With the number of doctors and health facilities continuing to increase, we are particularly struck by the study's finding that suggests one million

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**Updated Report on Access to Health Care for the American People.* Princeton, New Jersey: The Robert Wood Johnson Foundation, 1983.

U.S. families were refused care for financial reasons in 1982. While most families believed that their ability to get medical care that year was about the same, and 3.2 million families believed it was easier, 4.2 million families said medical care was tougher to come by—and this was particularly true for the poor, the unemployed, and the uninsured.

Clearly, these families are among America's medically disadvantaged. They are distributed across many segments of our society. They represent a substantial concern for health care leaders—indeed for all of us who aspire to appropriate access to health care for all of our citizens.

Without being Pollyanna-ish, however, I see opportunity rather than gloom in these statistics. To me, the "access" problem is now much less a problem than in the past. We have made fine progress in getting care to most in our nation. We now know who the underserved are and where they are. If we can get a handle on runaway costs, we should be able to reach out and include these groups in our system of medical care. The analogy with smallpox comes immediately to mind. As long as smallpox constituted a vast, worldwide problem, its eradication looked hopeless. However, fewer than ten years ago, when only a smattering of smallpox cases remained, a world commitment to eradicate it led to a well-targeted program that has, to date, eliminated this scourge from our world.

We will continue to work with groups that are attempting to develop programs and get medical care to the diminishing number of men, women, and children in our country for whom health care remains hard to find.

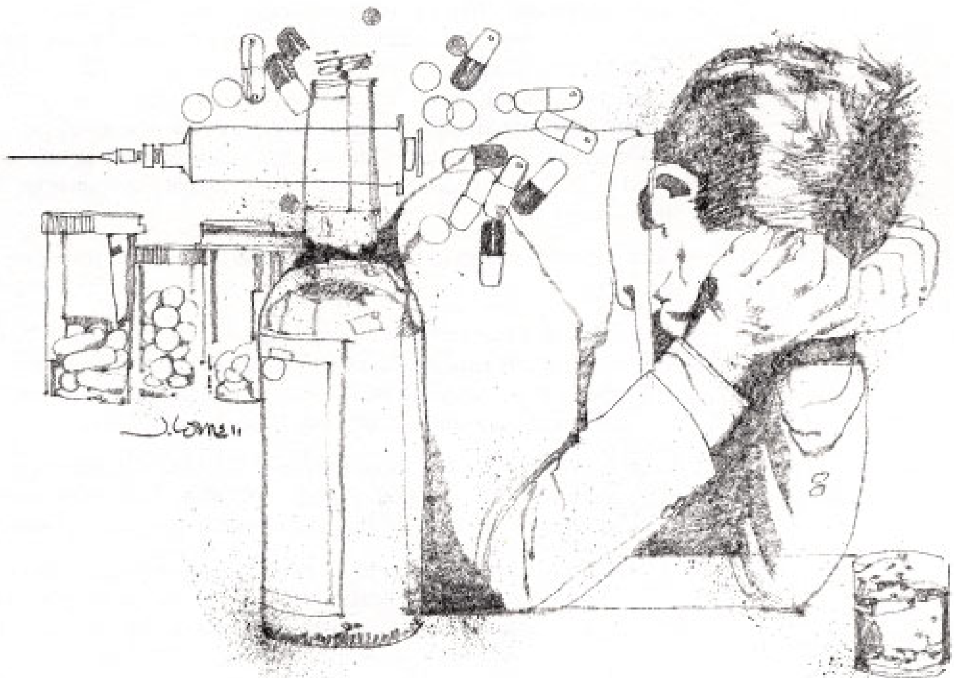
The mounting problem of chronic, disabling illness

Infant mortality was 65 per thousand live births in 1930. It is now under 11 per thousand. Further, in this country today, people 45 years of age can, on average, expect to live nearly 33 more years as against 25 years for those age 45 in 1901. These improvements at both extremes of life have been accompanied by the emergence of a new set of chronic health problems for which we currently have few curative medical technologies.

Obviously, these chronic diseases exact a heavy toll in lives lost. However, of more immediate concern to us is the enormous burden, both economic and human, produced by the amounts of disability they create among our population. The chronic nature of the conditions in many cases results in years of suffering and diminished capacity to carry out activities of daily living at work or at school or at home.

Again from our recent study:

- About 6.5 million, or 9 percent, of families care for a seriously or chronically ill family member living at home. About 12 percent of these invalids are children, 26 percent are elderly, and about one-third (33 percent) are adults in the prime of life—25 to 54 years of age.
- The incidence of chronically ill homebound people is almost two-and-one-half times greater among families with only public



insurance coverage, compared with those covered by private insurance only.

- Nearly 1.5 million of these 6.5 million families reported that the chronic illness caused them major financial problems last year. Among families at or below poverty levels, almost 40 percent of those with chronically ill family members reported major financial problems as a result of that illness.
- A number of these families reported that caring for a chronically ill person taxed other family resources as well. In more than one million families, the chronically ill person required someone else present in the home at all times. This often required major changes in living arrangements, or housing, or jobs in order to provide that care.

There are many other forces shaping health care for the future, but we believe the foregoing five will be the most influential. Some, as I have suggested, offer possibilities for continuing improvement in our American system of health care if we are both aggressive and imaginative in planning for that future. An increase in the number of physicians, for example, may allow more ready access for those who continue to have problems getting the medical care they need. More

ambulatory care may permit us to develop more sensible, more personally-oriented services. It may reduce the need to separate people from their families and their homes for stays in hospital beds and permit more people to be taken care of close to where they work or live. It may encourage more attention to their effective functioning in everyday life.

On the other hand, all of these forces could lead to problems that we need to anticipate and try to avoid. As examples of questions we should be asking:

- Will the health of people be hurt in the process of trying to cut costs?
- Will an excess of physicians lead to health care costs being reduced, or will this surplus paradoxically escalate costs as physicians provide unnecessary health services to patients, or raise their fees as a way of sustaining their own financial well-being?
- If there are indeed to be profound shifts to outpatient care, what will we do to adapt our current system of clinical training for young physicians and nurses that is so heavily hospital focused?
- Of particular concern to us as a humane and responsible nation, if these changes are to occur, who will reach out to those who continue to lack the care they need? And who will treat the poor or patients with multiple health and social problems? Will institutions focusing on these groups disappear because they are unable to survive in this new price-competitive health care marketplace?

It is the hope of this foundation that it can help health professionals, hospitals, other institutions, communities, and government to move in the direction I first described—that of providing more accessible, high quality, and less costly services to all in this country. We believe our existing programmatic objectives remain reasonable guides for our grant making: to improve access to care, to make systems of health care more effective and affordable, and to encourage health professionals to give greater attention to the functional outcomes of their interactions with patients.

As new health care arrangements emerge with less emphasis on traditional hospital and nursing home care, we hope that our communities will move progressively to develop integrated systems appropriately linking ambulatory care, inpatient care, and after-care services together in one logical continuum making effective health care widely accessible at a cost that we as a nation can afford. We will support some of these efforts.

Already there are movements in this direction, suggesting that hospitals can reorganize the delivery of certain services to improve both productivity and patient outcomes. Providing more intensive services of shorter duration in the hospital setting followed by hospital staff continuing to monitor patients recuperating at home is an option that

shows promise. The utilization of hospital surgical facilities for ambulatory surgery and the utilization of hospital birthing rooms for same-day delivery of mothers and babies are two such examples. There are many more that deserve careful exploration.

This overall strategy will require hospitals to develop organized linkages to care that extend well beyond their own walls. In a period demanding cost containment, this will mean shifting hospital resources around—closing down some things and opening others—rather than the add-on approach that has characterized health care changes of the past several decades. None of this will be easy. Hospitals would have to depart rather markedly from their traditional missions, and we should be careful in such a process to ensure that the core activities of these vital institutions are not impaired.

We will also continue to focus Foundation attention on programs that look more carefully toward improving actual, everyday-life outcomes of care for health problems producing the largest losses to the economy and heaviest burdens on our society. In looking at certain of these problems we will try to broaden our view and to be receptive to imaginative programs that extend and expand the effectiveness of medical care by other than strictly medical approaches.

Today, a number of the most serious problems that end up in medical hands and consume large resources are, in the late Dr. Walsh McDermott's term, "transmedical." By that we mean they have roots extending well beyond the bounds of any particular disease or disorder and require greater attention to social pathology and nonmedical interventions for their prevention or correction. Obvious examples include problems in mental health, including drug abuse, alcoholism, or dementia; teenage pregnancies; and death and disability due to accidents. In certain areas where the problems loom large, but the nation's investment in their management small, we will see if we can play a role in directing attention to them. Thus, we anticipate funding a limited number and range of projects that employ other than strictly medical approaches in attempting to overcome transmedical problems. No decisions have been made with respect to specific targets, but the emphasis will be on those exacting a particularly heavy human and financial toll and that appear to be amenable to intervention.

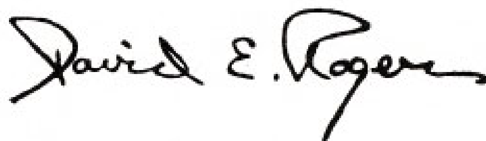
In all of our program areas, we are vividly aware that the Foundation's grants, while sizable, are small in terms of overall national health expenditures. To be effective, we must choose our targets and approaches with great care. Within the limits of our three stated objectives, we will launch new programs only after we have extensively researched a problem, and will limit our involvement to the roles we previously defined for the Foundation. These roles are to assist:

- development and testing of new and previously untried approaches to health care problems;

- demonstrations to objectively assess the operational effectiveness and value of selected new health care arrangements and approaches that have been shown to be effective in more limited settings; and
- projects designed to promote the broader diffusion of programs that have been objectively shown to improve health status or to make health care more affordable.

To conclude, we think the future looks exciting in terms of its potential for yet further improving health and medical care for Americans. We've come a long way in the last decade. On the other hand, in a period of unprecedented change in our health care system, there is the potential for diminishing those gains, for backsliding and hurting some of our less fortunate countrymen. We will try to help our health institutions seeking to avoid those pitfalls to weather this period and to come out yet more effective.

The changes that are coming will probably have major effects on American health care. While not as profound as the changes caused by the introduction of antimicrobials or other very fundamental biomedical advances, they will be felt by all of us. But even those advances had potentials for both good and bad, and required thoughtful management in their application. It is our belief that the same measures of venturesomeness, wisdom, and dedication to the public good that have seen us through other periods of change will see us safely through this one. We can hope that as our health care system responds, as it did in other periods of rapid change, it will be stronger and better for the tempering.



The 1983 grant program

The 1983 grant program

During 1983 the Foundation made 266 grants totaling $57.7 million in support of programs and projects to improve health care in the United States. The types of activity supported were:

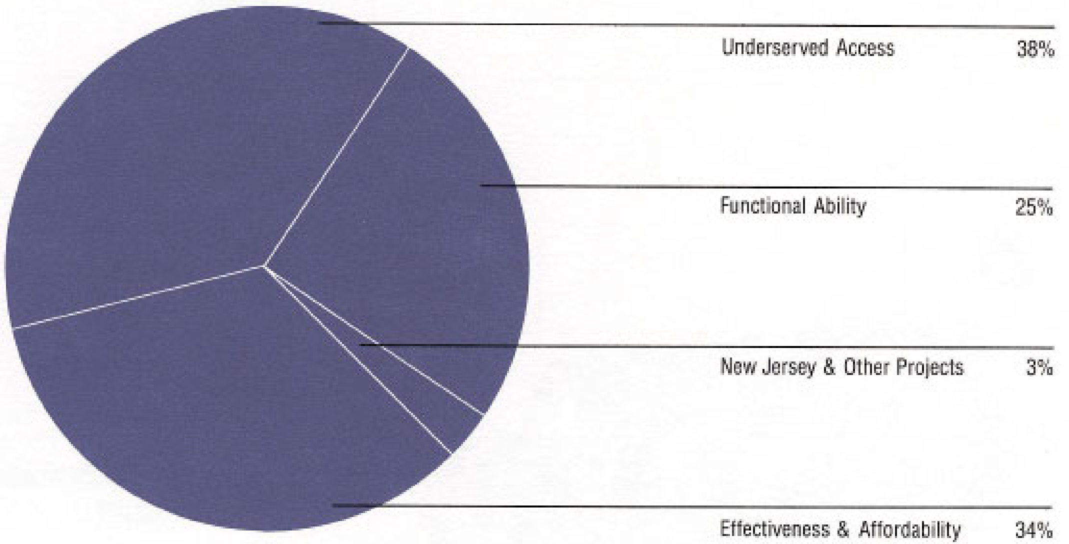
- developing and testing new ways of providing health care services, $22.8 million, or 39 percent of the 1983 grant funds;
- helping health professionals acquire new skills needed to make health care more accessible, affordable, and effective, $13.7 million, or 24 percent;
- conducting studies and evaluations to improve health care, $21.1 million, or 37 percent; and
- other projects, $150,000, or less than 1 percent.

These same grant funds, viewed in terms of the Foundation's principal objectives, were distributed as follows:

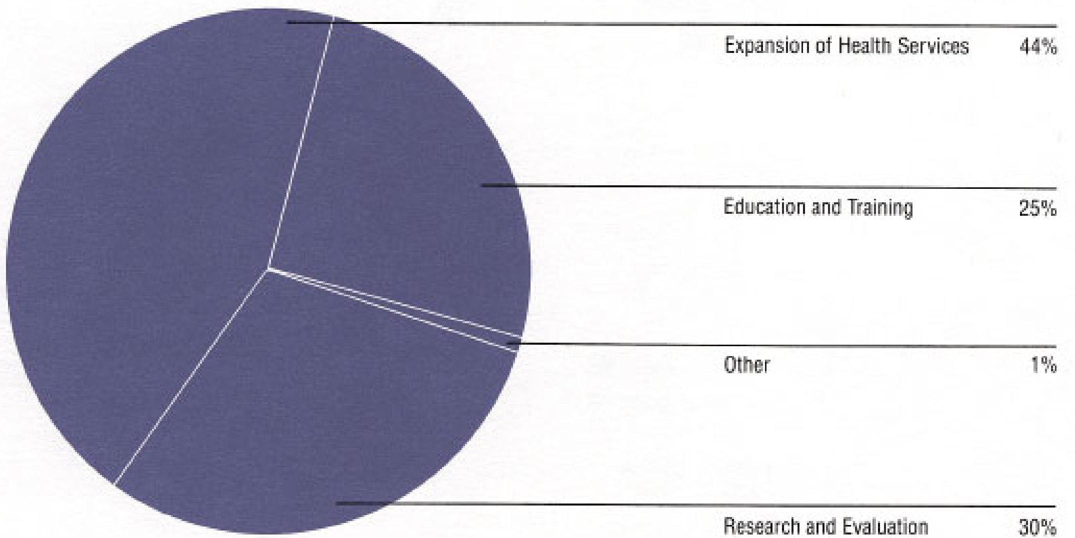
- $16.9 million, or 29 percent, for programs to improve access to personal health care for the most underserved population groups;
- $19.3 million, or 33 percent, for programs to make health care arrangements more effective and care more affordable;
- $18.3 million, or 32 percent, for programs to help people maintain or regain maximum attainable function in their everyday lives; and
- $3.2 million, or 6 percent, for a variety of other purposes, principally in the New Brunswick, New Jersey area where the Foundation originated.

Appropriations totaling $151.0 million have been made since 1981 when the Foundation changed its principal areas of interest to those stated above. The distribution of these funds by types of activities supported as well as by areas of interest is charted on the facing page. Since becoming a national philanthropy in 1972, our appropriations have totaled $558.5 million, and a chart depicting the geographic distribution of these funds is on page 26.

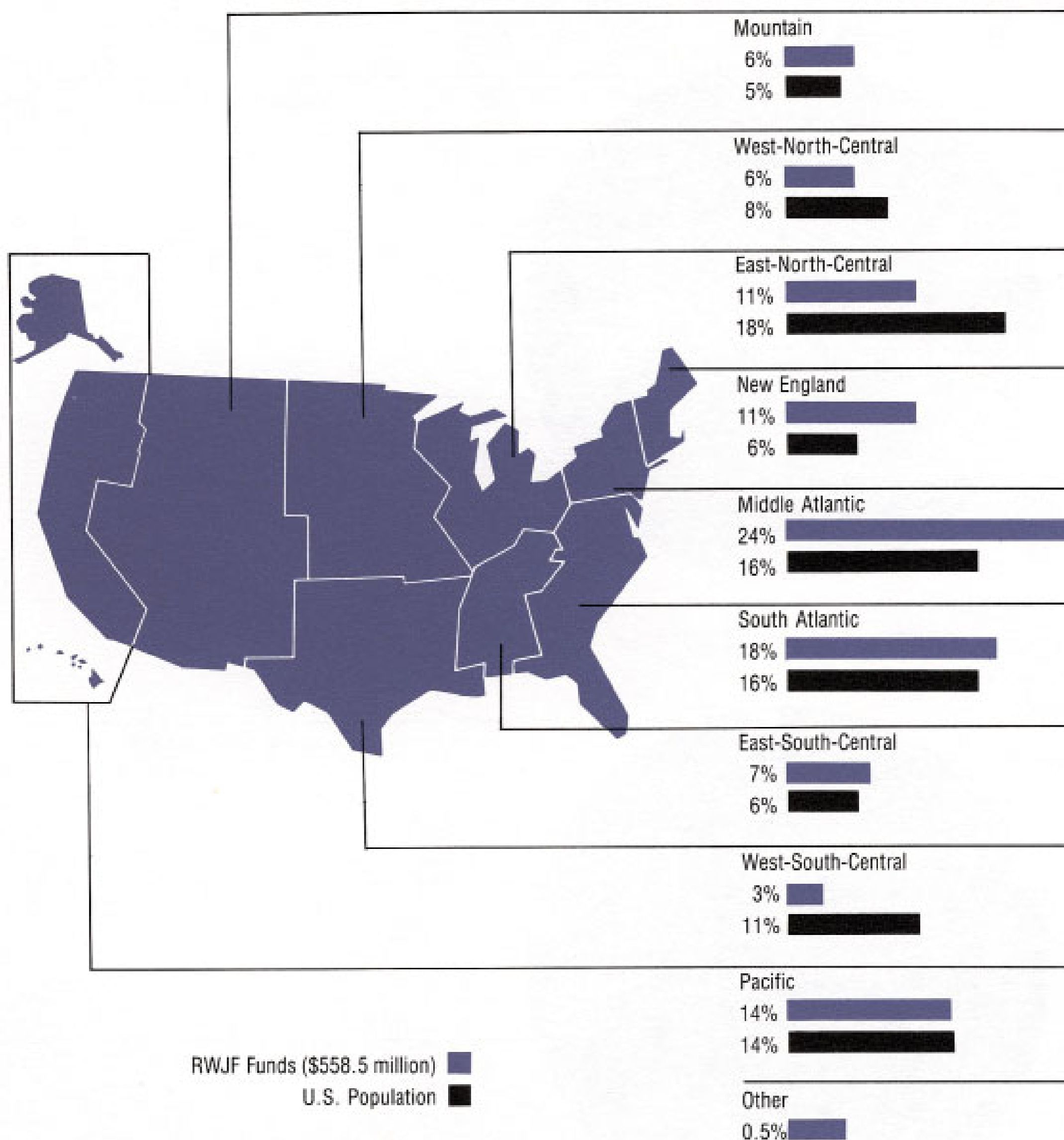
Appropriations by RWJF Objectives and Types of Activities Funded, 1981-1983



RWJF 3-year appropriations: $151 million



Appropriations by Geographical Region Compared to Population, 1972-1983



U.S. Population figures taken from the 1980 Census of Population, Supplementary Reports, U.S. Department of Commerce, Bureau of Census, May 1981.

MAJOR DEVELOPMENTS IN THE 1983 GRANT PROGRAM

The grant-supported projects and programs described in this section were selected to illustrate the Foundation's 1983 grant program. A complete list of grants made in this year begins on page 47.

In addition to the activities funded during 1983, however, staff of the Foundation continued to monitor and, when appropriate, provide technical assistance in connection with projects and programs supported by 399 grants authorized in previous years that were still being paid. The funds initially authorized by these grants totaled more than $168 million.

Assisting in these tasks with 1983 and prior year grants were 20 senior program consultants and their staffs at medical schools, teaching hospitals, and other institutions administering the Foundation's multi-grant national programs.

REACHING OUT . . .

Over the past two decades, this nation has made enormous progress in bringing basic medical services to most Americans. For certain segments of our population, however, medical care is elusive. A substantial share of our grants this year, and more than $370 million since 1971, has been to assist groups and institutions that are reaching out to offer health care to people isolated from mainstream medical care. Even projects and programs supported by grants primarily addressing our other objectives—to improve people's functional status and to make health care more effective and affordable—also often have this characteristic of reaching out.

. . .to the homeless

Estimates are that from 800,000 to as many as 2,000,000 Americans may be homeless at any one time. The diversity of this population—which includes alcoholics, runaway and cast-off children, the unemployed, and the deinstitutionalized mentally ill—defies attempts to create any simple solution and attests to the complexity of the problem.

This year, The Pew Memorial Trust joined with us in creating a program to help communities find ways to improve the medical care of these unfortunate people. Under this Health Care for the Homeless Program, up to 14 four-year grants will be made in 1984 to coalitions of health professionals and institutions, voluntary organizations, religious groups, and public agencies that will provide an array of services targeted on the broad range of problems encountered by the homeless in big cities. The program is co-sponsored by the United States Conference of Mayors.

. . .to the poor and isolated

The Foundation's Community Care Funding Partners Program is enlisting the leadership and support of other foundations and corporations across the country in bringing basic medical services to population groups otherwise unable to obtain such care on their own. Local grant-making organizations are encouraged to identify underserved groups in their communities and to establish affordable primary care health services geared to local circumstances and these people's needs. For projects that qualify under this program, we match local funding to underwrite the services for eight years. Three new health centers were assisted in 1983 through this program—in Flint, Michigan; Fort Worth, Texas; and Kansas City, Missouri—bringing the number of projects funded to six.

Two similar initiatives, these by health care institutions willing to make eight-year commitments to primary care for the medically underserved, also received grants. The Roanoke Amaranth Community Health Group is expanding a rural satellite clinic serving two North Carolina counties, and Carbondale (Pennsylvania) General Hospital will establish

a satellite health center that will serve 11 rural communities having virtually no access to health care locally.

CARING FOR CHILDREN

Minimizing potentially disabling conditions of childhood through preventive services and effectively treating such conditions when they occur give children the best chance for full and productive lives. In terms of both individuals and society, the benefits can be enormous. This year we supported a number of activities focusing on the problems of our young.

A national collaborative study

Declines in infant mortality during the past decade are due, in large part, to medicine's growing success in keeping babies alive weighing less than 2,500 grams (5.5 pounds) at birth. While the survival rates of these tiny infants have improved, however, the consequences of low birthweight place them at risk of developmental delay.

The Foundation's Infant Health and Development Program, announced this year, has been designed to address this problem. The product of 18 months of planning by leading experts from around the country, this national collaborative study will test the efficacy of combining early child development services with pediatric care to reduce the incidence of health and developmental problems among low-birthweight infants. Six medical schools or their affiliated teaching hospitals will be selected in 1984 to receive funding and participate in this study. The Program seeks to create a national data base that can be used to measure the effects of these services and to enable future identification of children most likely to benefit from them.

Communicative disorders

Approximately 4.6 million children in this country have hearing, speech, and language disorders affecting their ability to communicate. Often, these problems are not identified early in life. Upon entering school, a child may be categorized as poorly motivated, emotionally disturbed, or even mentally impaired. The lifelong impact of such a misdiagnosis can be catastrophic.

In a concerted attack on this problem, academic medical centers in five states have begun establishing model networks of coordinated screening, referral, diagnosis, intervention, and follow-up services under the Foundation's Program of Coordinated Care for Children with Communicative Disorders. Performance and outcome data collected from the Program sites will be analyzed and reported by a Harvard University study team also funded this year.

Services in rural areas

Vanderbilt University's Appalachian clinic network, assisted by the Foundation since 1975, serves a region characterized by poverty, unemployment, high birth rates and teenage pregnancy, and excessive infant mortality and morbidity. With our 1983 grant and Ford Foundation funds, six clinics in Tennessee, Kentucky, and West Virginia will employ trained home visitors to bring needed services to pregnant women at risk for poor birth outcomes and to their newborn infants and other children.

Four years ago, with our assistance, the University of Florida and the Florida Department of Health and Rehabilitation Services began a demonstration program serving chronically ill children in a 16-county rural area in North Florida. Nurse health care coordinators work with the children and their families, local physicians, and specialists at the University of Florida's medical center to ensure that appropriate and continuous care is maintained. Children in the program include those with epilepsy, rheumatic heart disease, orthopedic problems, blood diseases, cancer, and serious vision and hearing problems.

A final grant was made this year toward completion of the program's evaluation. An early indicator of success: the state has begun

to fund and expand the program as an ongoing public service.

Encouraging program replication

A Harvard University medical school project is seeking to identify and encourage the development of child care programs in communities where any children lack such services. With our grant, project staff and consultants are preparing case studies on a number of highly effective child care programs and planning a targeted national information campaign. Pediatricians and others concerned with child health will be encouraged to assess their communities' needs and then to draw upon the case study materials and a network of experienced professionals available through the Harvard project in order to develop affordable, locally financed services.

CARING FOR ELDERLY PEOPLE

The number of Americans over 65 will increase 38 percent by the year 2000, and the number over 75 will grow by more than 60 percent. As life expectancy has climbed, however, so have the rates of disability from both acute and chronic illnesses. Across the country, new programs are being developed to care for the elderly, and during this year, we assisted a number of such efforts.

In the largest, 25 hospitals nationwide are planning and implementing demonstration projects that will offer comprehensive services — institutional and home-based — for enrolled elderly. The primary objective of the Foundation's Program for Hospital Initiatives in Long-Term Care is to enable elderly individuals to remain in their homes, maintain maximum functional independence, and avoid the unnecessary use of costly hospital and nursing home services. The Program also seeks to improve the capabilities of hospitals to work with other community institutions and agencies in coordinating a wide range of services for the aged.

People helping people

Up to 25 ecumenical coalitions of churches and temples committed to using volunteers from their congregations to identify and assist frail elderly, other disabled people, and those who care for them are to receive grants in 1984 under the Foundation's Interfaith Volunteer Caregivers Program, co-sponsored by the National Interfaith Coalition on Aging. Services will include home care, meals, shopping, and companionship. Because more than 80 percent of the care given to the impaired comes from family members and friends, volunteers will also provide respite care and arrange for self-help groups for caregivers. The Third Age Center at Fordham University, with Foundation support, will include the project sites in this program as part of a national study of the impact of church volunteer efforts on the lives of the frail elderly.

St. Vincent's Hospital and Medical Center of New York is conducting a demonstration and study using elderly volunteers as home aides for the frail and homebound elderly. Particular emphasis will be given to how such efforts might be funded through Medicaid, Medicare, provisions of the Older Americans Act, and other government programs.

Daniel Freeman Memorial Hospital in Inglewood, California, trains developmentally disabled adults to become in-home aides and matches them with frail elderly at risk of institutionalization. Through this arrangement, elderly individuals receive in-home care while their companions gain social skills and work experience. Foundation support will enable the hospital to collaborate with the University of California, Los Angeles, in conducting an evaluation of this program.

Payment innovations

Interesting and creative approaches to services for the elderly are also being developed in conjunction with efforts to ensure that adequate care can be made available at affordable costs. One new approach, termed a

social health maintenance organization (S/HMO), would offer prepaid medical and hospital care, long-term care, and social services, all consolidated under a central case management system. Planning and development of a four-site demonstration of this approach has received support from several other foundations and the federal government's Health Care Financing Administration. In 1983, we approved loans for two of these planned S/HMOs and a grant to assist the University Health Policy Consortium at Brandeis University, which pioneered the S/HMO concept, in overseeing the program. The loans are contingent upon the program receiving Medicare and Medicaid waivers.

A somewhat similar project is under way with our assistance by On Lok Senior Health Services, a nonprofit community-based organization offering services only to frail elderly residents in San Francisco. Although all patients enrolled in the On Lok program are certified for institutional care, most have been able to continue living in the community because of the broad range of services provided.

Other Foundation-supported projects targeted on the elderly this year include:

- an analysis by New York University investigators of public benefit program expenditures across the country for the disabled elderly, and then the development of alternative proposals for restructuring these expenditures to overcome inequities;
- an Urban Institute study of the potential for elderly individuals using their home equity as a means of financing home health services; and
- a study by Boston's Hebrew Rehabilitation Center for the Aged using information from 18 major program evaluations and/or community surveys to examine: (1) the relative cost and effectiveness of serving the vulnerable elderly through various kinds of service programs; (2) the tailoring of services according to particular disabilities or functional problems; and (3) the integration of informal supports given by relatives or friends with services offered under institutional auspices.

ANNUAL R&D PROGRAMS

Twenty-one projects exploring or refining means to enable individuals to regain their capacities to perform the everyday tasks of living were funded this year in the third annual round of grants under the Foundation's Research and Development Program to Improve Patient Functional Status. These include a wide variety of imaginative ideas ranging from the rehabilitation of visually-impaired infants and young children to new ways to handle patients with head injuries in order to reduce subsequent disability.

This same approach to grant making—issuing a request for proposals broadly addressing one of the Foundation's objectives—was also incorporated in our Program for Research and Development on Health Care Costs, inaugurated this year. Thirteen projects funded from among the 187 proposals received include a group medical practice testing the use of home nursing care to reduce hospitalization; a study-demonstration of rural family physicians providing cancer chemotherapy; and the evaluation of a state Medicaid program to encourage shifting hospitalized patients, when appropriate, to less costly nursing home care.

Additional rounds of grants under both these R&D programs will be offered during 1984.

REDUCING COST INCREASES

Rochester Area Hospitals' Corporation (RAHC), a voluntary cost-containment consortium, will use our grant to develop a new clinical management planning approach for its nine member-hospitals. Physicians,

nurses, and hospital administrators will be brought together by RAHC to examine institutional and regionwide patterns of resource use and to plan alterations in these patterns to increase efficiency and effectiveness.

The University of Rochester's Strong Memorial Hospital, a member of RAHC, is using funds from another of our grants to decentralize its financial management to departmental teams. Each team will be led by the chief physician in the department and include that unit's nursing director, financial administrator, social services director, and pharmacist.

George Washington University researchers are using our funds to target on intensive care unit (ICU) services, which account for 15 percent of all hospital costs. They are further developing and evaluating an assessment technique (1) to differentiate between patients who will and will not benefit from this costly level of care, and (2) to test the effectiveness of new and existing medical procedures used in ICUs.

Another aspect of cost

Researchers at the Urban Institute are using our grant to extend its pioneering investigations into the correlation between increased health expenditures at macro levels and reductions in mortality and morbidity. Specifically, this analysis will: (1) consider whether and how medical care expenditures can be targeted on high-risk groups to contain costs and produce the greatest improvements in health; (2) examine the effect on illness and disability of increasing medical care expenditures; and (3) evaluate the relative effect on health of expenditures for Medicaid, Medicare, and other government programs.

Diagnosis related groups

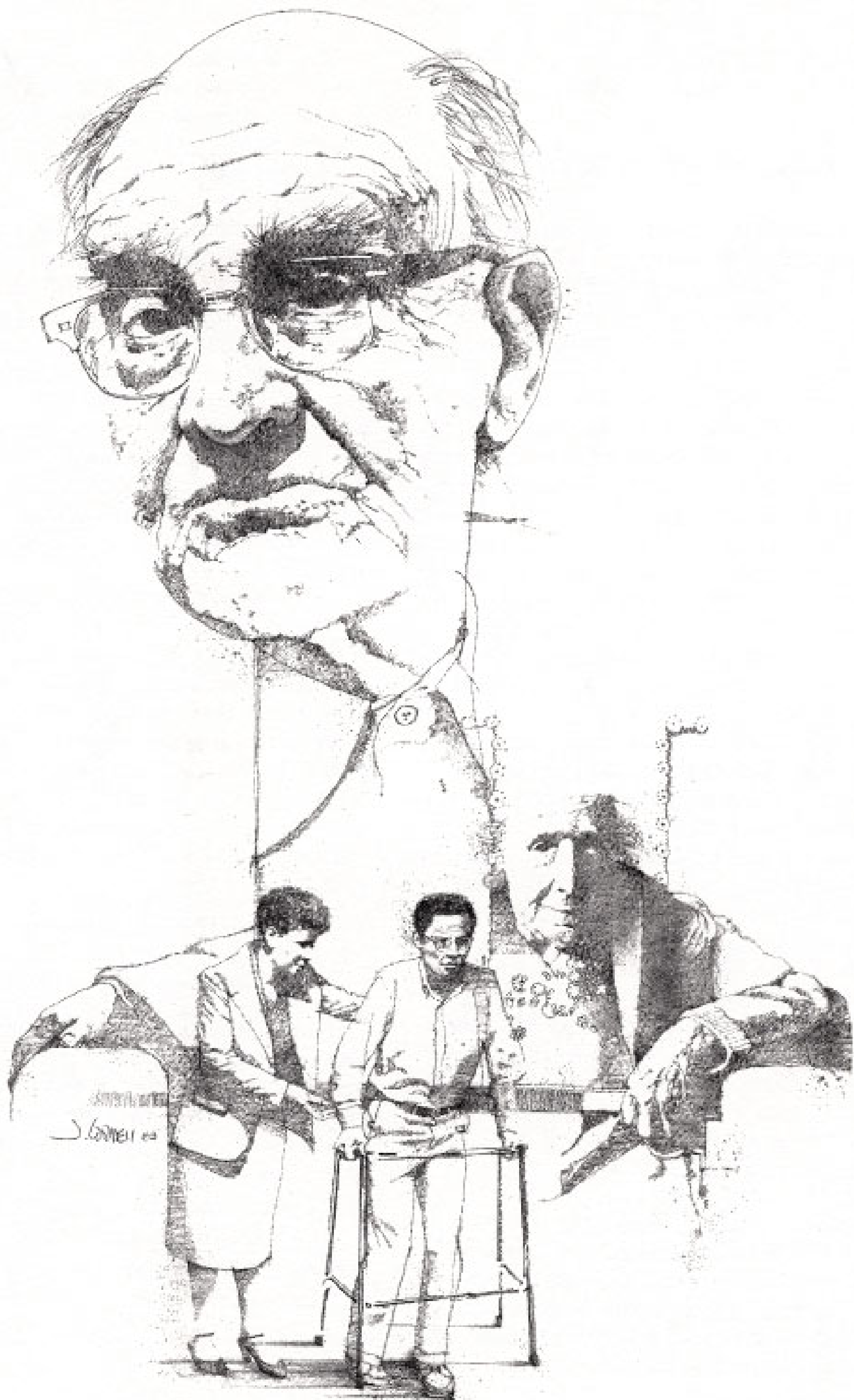
In 1980, New Jersey implemented a system of reimbursement in which hospitals receive a fixed amount for each patient based on the diagnosed condition. In 1983, this "diagnosis related group" system became the basis for Medicare reimbursement nationwide. With the Foundation's assistance, the Massachusetts Institute of Technology and the Health Research and Educational Trust of New Jersey are cooperatively conducting the first major, independent evaluation of the impact of the New Jersey payment system on hospital operations and medical practice.

Community action on costs

Planning grants were given to groups in 12 communities committed to slowing the rate of increase in health care costs under the Foundation's Community Programs for Affordable Health Care. Groups supported under this program—which is co-sponsored by Blue Cross/Blue Shield and the American Hospital Association—include representatives of hospitals, Blue Cross/Blue Shield plans and commercial insurers, business, and labor. They provide local matching funds at a level of 50 percent of the Foundation's grant. Projects being planned include the development of innovative reimbursement arrangements and comprehensive benefit packages, mechanisms for utilization review, and financing health services for the uninsured. Additional planning grants and the first implementation grants under this program are to be made in 1984.

Prepaid managed health care

One approach to slowing increases in health costs combines prepayment and the management of patient care by physicians who give primary care and oversee necessary referrals to specialists and hospitals. This approach is basic to the Foundation's Program for Prepaid Managed Health Care, which was announced and began reviewing applications this year. It is co-sponsorsed by the federal government's Health Care Financing Administration and the National Governors' Association. Up to eight grants are being offered to medical institutions—working with state and federal agencies and private health insurers—that are each organized to provide



prepaid managed care to at least 15,000 people. Grants are to be made in 1984.

PROFESSIONAL DEVELOPMENT

The Foundation supports a number of programs that offer advanced training for health professionals in areas consistent with our programmatic objectives and important to meeting the nation's future health care needs.

Schools of nursing at the University of California, San Francisco, The University of Pennsylvania, and The University of Rochester received continued support to serve as training sites in the Foundation's Clinical Nurse Scholars Program. This year the first group of nine Scholars was selected and began two-year postdoctoral fellowships of clinical practice and research. The Program seeks to prepare a cadre of faculty and advanced clinicians dedicated to stimulating a new emphasis in nursing schools on in-hospital clinical care and teaching.

Similarly, dental schools at the University of California, Los Angeles, and Harvard University received continued support as training sites for the Foundation's Dental Services Research Scholars Program. The first five Scholars were appointed this year and began two-year postdoctoral studies in health services research and policy analysis.

The Foundation's Family Practice Faculty Fellowships Program was extended for an additional three years. For the past five years, this program has prepared young physicians for academic careers in family medicine. The University of Washington training site received a continuation grant, and two other grants are planned for 1984.

Medical careers for minorities

Eight Fellows were selected this year under the Foundation's new Minority Medical Faculty Development Program. This program offers four-year postdoctoral research fellowships to minority physicians committed to academic careers. It is intended to produce minority faculty members who can serve as role models to foster and encourage minority medical students and postdoctoral fellows in future years. Originally, up to 12 Fellows were to be selected over a three-year period. Due to the large number of outstanding applicants in this first year, however, the Program has been expanded: up to 16 Fellows will be selected in the next two annual rounds, bringing the projected total to 24.

Five programs to encourage and assist minority high school and college students interested in medical careers were also funded this year. In addition, a major grant was made to National Medical Fellowships to provide continued support for scholarships for minority first-year and second-year medical students.

PROGRAM INFORMATION

A brief, descriptive *Program Summary* is available without charge for most of the 1983 grants, as well as for those made in prior years. When possible, requests should include the title of the grant, the institutional recipient, and the grant ID number. This information on the 1983 grants is available from the listing beginning on page 47. Address requests to:

Communications Office
The Robert Wood Johnson Foundation
Post Office Box 2316
Princeton, New Jersey 08540.

Also available without charge from the same address is the Foundation's *Special Report*, a non-periodic publication that describes the progress and outcomes of some of the programs assisted by the Foundation. Titles issued in 1983 were:

- Updated Report on Access to Health Care for the American People
- National Preventive Dentistry Demonstration Program.

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Each year the Foundation's grantees report the publications and other information materials that have been produced as a direct or indirect result of their grants.

In 1983 these reports cited 23 books, 92 book chapters, 586 journal articles, 406 reports, and 21 films, tapes, and other audiovisual products.

This bibliography is a sample of citations from each category reported in 1983, and from among the publications of the Foundation's staff. These publications are available through medical libraries and/or the publishers. Copies are not available from the Foundation.

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Financial statements

Introduction to financial statements

The annual financial statements for the Foundation for 1983 appear on pages 43 through 46, followed by a listing of grants authorized in 1983.

Grants authorized in 1983, net of cancellations and refunds of prior years' grants, totaled $54,858,519. Program development, evaluation, administrative and investment expenses for the year came to $5,458,209; and federal excise tax on income amounted to $1,319,217, making a grand total of expenditures of $61,635,945. This total was $4,600,258 less than gross investment income of $66,236,203. In 1982, total expenditures were $4,712,445 more than gross revenue.

A list of investment securities held at December 31, 1983 is available upon request to the Treasurer, The Robert Wood Johnson Foundation, Post Office Box 2316, Princeton, New Jersey 08540.

William R. Walsh, Jr.
Vice President and Treasurer

Opinion of independent certified public accountants

To The Trustees of
The Robert Wood Johnson Foundation:

We have examined the statement of assets, liabilities and foundation principal of The Robert Wood Johnson Foundation as of December 31, 1983 and 1982 and the related statement of investment income, expenses, grants and changes in foundation principal for the years then ended. Our examinations were made in accordance with generally accepted auditing standards and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the financial statements referred to above present fairly the financial position of The Robert Wood Johnson Foundation at December 31, 1983 and 1982 and the investment income, expenses, grants and changes in foundation principal for the years then ended, in conformity with generally accepted accounting principles applied on a consistent basis.

Coopers & Lybrand

Newark, New Jersey
January 17, 1984

The Robert Wood Johnson Foundation
Statement of assets,
liabilities and Foundation principal
at December 31, 1983 and 1982

	1983	1982
Assets		
Cash	$ 301,151	$ 236,741
Investments (at cost, or market value on dates of gifts) (Note 2):		
Johnson & Johnson common stock 19,383,258 shares in 1983, 22,273,258 shares in 1982 (quoted market value $792,290,670 and $1,105,310,428)	185,217,742	212,833,283
Fixed income investments (quoted market value $438,517,784 and $309,105,018)	441,726,659	289,401,406
Program related investments	1,600,000	800,000
Land, building, furniture and equipment at cost, net of depreciation (Note 1)	5,493,650	5,632,807
	$634,339,202	$508,904,237

	1983	1982
Liabilities and Foundation principal		
Liabilities		
Unpaid grants (Note 1)	$ 96,951,485	$ 92,407,229
Federal excise tax payable	3,037,623	1,013,288
Total liabilities	99,989,108	93,420,517
Foundation principal	534,350,094	415,483,720
	$634,339,202	$508,904,237

See notes to financial statements.

The Robert Wood Johnson Foundation
Statement of investment income, expenses, grants and changes in Foundation principal
for the years ended December 31, 1983 and 1982

	1983	1982
Investment income:		
Dividends	$ 21,807,002	$ 23,025,243
Interest	44,429,201	27,938,215
	66,236,203	50,963,458
Less: Federal excise tax	1,319,217	1,013,288
Investment expenses	275,341	299,081
	64,641,645	49,651,089
Expenses:		
Program development and evaluation	3,743,785	3,596,759
General administration	1,439,083	1,236,936
	5,182,868	4,833,695
Income available for grants	59,458,777	44,817,394
Grants, net of refunds and cancellations	54,858,519	49,529,839
	4,600,258	(4,712,445)
Adjustments to Foundation principal:		
Capital gains on sale of securities less related federal excise tax (Note 3)	114,265,916	10,412,857
Contributions received	200	126,041
	114,266,116	10,538,898
Net increase in Foundation principal	118,866,374	5,826,453
Foundation principal, beginning of year	415,483,720	409,657,267
Foundation principal, end of year	$534,350,094	$415,483,720

See notes to financial statements.

1. Summary of Significant Accounting Policies:

   Grants are recorded as payable in the year the grant requests are authorized by the Board of Trustees. At December 31, 1983 unpaid grants are as follows:

Year Grant Authorized	Amount Unpaid at December 31, 1983
1979	$ 1,195,576
1980	3,848,812
1981	14,516,147
1982	28,378,932
1983	49,012,018
	$96,951,485

   Depreciation of $201,498 in 1983 and $227,636 in 1982 is calculated using the straight-line method over the estimated useful lives of the depreciable assets.

   Interest and dividend income is recorded when received and expenses are recorded, except for federal excise taxes, when paid. The difference between the cash and accrual basis for such amounts is considered to be immaterial.

2. The quoted market value of the sizeable investment in Johnson & Johnson common stock does not necessarily represent the realizable value of such investment.

3. The net capital gains (losses) on sales of securities for the years ended December 31, 1983 and 1982 were as follows:

	1983	1982
Johnson & Johnson common stock	$109,652,193	$33,599,724
Other securities, net	4,613,723	(23,186,867)
	$114,265,916	$10,412,857

4. Substantially all employees of the Foundation are covered by a retirement plan which provides for retirement benefits through the purchase of individually-owned annuities. The Foundation's policy is to fund costs accrued. Pension expenses were $289,859 and $253,962 in 1983 and 1982, respectively.

Summary of grants
authorized in the year ended December 31, 1983

	1983 grants authorized
American Academy of Pediatrics Evanston, Illinois *Health initiative program for the U.S.–Mexican border area (for 5 months). ID#8484*	$ 22,400
American Fund for Dental Health Chicago, Illinois *Research on strategies to identify and treat children at high risk for dental disease (for 2 years). ID#8614*	369,254
American Institutes for Research in the Behavioral Sciences Palo Alto, California *Studies of factors influencing the career development of black physicians (for 1 year). ID#7820*	108,779
Aspira of America, Inc. New York, New York *Program to increase minority enrollment in medical schools (for 2 years). ID#8651*	467,450
Baylor College of Medicine Houston, Texas *High school program to encourage minorities to enter the health professions (for 3 years). ID#8395*	196,200
Boston City Hospital Boston, Massachusetts *Urban health program for adolescents and young families (for 1.5 years). ID#6095*	388,000
Boston University Boston, Massachusetts *A randomized controlled trial of alcoholism treatment in industry: phase I (for 1 year). ID#8318*	57,192

	1983 grants authorized
Boston University, Center for Industry and Health Care Boston, Massachusetts	
Operation and evaluation of a physician-directed program to contain hospital costs (for 3 years). ID#7934	$ 491,209
Boston University, School of Medicine Boston, Massachusetts	
Early medical school selection program for minority students (for 4 years). ID#8768	453,980
Brandeis University Waltham, Massachusetts	
Technical assistance to the Social Health Maintenance Organization demonstration program (for 2.5 years). ID#8563	390,484
Design study for continuing care retirement community off-site programs (for 2.5 years). ID#8268	441,492
Brigham and Women's Hospital, Inc. Boston, Massachusetts	
Administration of the Foundation's Teaching Hospital General Medicine Group Practice Program (for 1 year). ID#7977	194,303
Brown University Providence, Rhode Island	
Clinical management decisions and cancer patients' functional levels (for 1 year). ID#8820	169,975
University of California, Berkeley Berkeley, California	
Follow-up study: medical care needs of the chronically mentally ill (for 3 years). ID#8207	288,853
University of California, Los Angeles, School of Dentistry Los Angeles, California	
Implementation of the Foundation's Dental Services Research Scholars Program (for 2 years). ID#8275	162,349
Evaluation of the Foundation's Hospital-Sponsored Ambulatory Dental Services Program (for 11 months). ID#6783	198,925

	1983 grants authorized
University of California, Los Angeles, School of Medicine Los Angeles, California	
Mutual assistance program for the developmentally disabled and the elderly (for 3 years). ID#8771	$ 128,712
Analysis of data from Foundation-assisted studies (for 15 months). ID#8834	100,000
Health services utilization study (for 3 years). ID#7309	492,881
Carbondale General Hospital Carbondale, Pennsylvania	
Establishment of a rural health center (for 5 years). ID#8712	201,420
The Center for the Study of Social Policy Washington, D.C.	
Developing state strategies for Medicaid and related health care programs (for 2 months). ID#8979	14,691
University of Chicago Chicago, Illinois	
National study on medical care outcomes (for 51 months). ID#8270	2,500,000
Princeton, New Jersey *Support for the national advisory committee (for 51 months). ID#8586*	47,700
Chicano Health Policy Development, Inc. San Antonio, Texas	
Statewide program to identify and prepare Mexican-American college students for medical studies (for 3 years). ID#8440	180,726
Children's Hospital Corporation Boston, Massachusetts	
Development of a medical program for children with impaired function (for 2 years). ID#7570	565,025
The Foundation's Chronic Disease Care Program	
Development of physician-directed, nurse-managed programs providing ambulatory care for patients with chronic diseases. ID#4891	
Princeton, New Jersey *Administrative costs (for 1 year).*	20,940

	1983 grants authorized
The Foundation's Clinical Nurse Scholars Program	
Postdoctoral fellowships of advanced in-hospital clinical practice and research (for 3 years). ID#7514	
University of California, San Francisco, School of Nursing San Francisco, California	$ 619,701
University of Pennsylvania, School of Nursing Philadelphia, Pennsylvania	583,528
University of Rochester, School of Nursing Rochester, New York	598,939
The Foundation's Clinical Scholars Program	
Postdoctoral fellowships for young physicians to develop research skills in non-biological disciplines relevant to medical care. ID#5109	
University of Pennsylvania, School of Medicine Philadelphia, Pennsylvania *(2 years)*	85,423
University of Washington, School of Medicine Seattle, Washington *(2 years)*	66,629
Princeton, New Jersey *Administrative costs (for 1 year).*	125,640
University of Colorado, Health Sciences Center Denver, Colorado *Evaluation of the Foundation's Teaching Nursing Home Program (for 55 months). ID#6439*	789,129
Columbia University New York, New York *Program to monitor and assess restructuring in the health care sector (for 3 years). ID#9017*	393,035
Columbia University, Graduate School of Journalism New York, New York *Pilot seminars on issues in health care (for 6 months). ID#8874*	50,000
The Foundation's Community Care Funding Partners Program	
Primary care projects for underserved groups, jointly funded with local foundations and other private sources (for the periods indicated). ID#6397	
Flint Area Health Foundation Flint, Michigan *(5 years)*	233,376

	1983 grants authorized
The Greater Kansas City Community Foundation Kansas City, Missouri *(57 months)*	$ 347,399
Neighborhood Health Horizons, Inc. Fort Worth, Texas *(5 years)*	400,000
Urban Affairs Corporation Houston, Texas *(29 months)*	208,000

The Foundation's Community Programs for Affordable Health Care

Planning local projects to slow the rate of health care cost increases (for the periods indicated). ID#6748

Allegheny Conference on Community Development Pittsburgh, Pennsylvania *(1 year)*	99,612
Blue Cross Research, Incorporated Pittsburgh, Pennsylvania *(14 months)*	100,000
Clark University Worcester, Massachusetts *(1 year)*	100,000
Greater Atlanta Coalition on Health Care, Inc. Atlanta, Georgia *(1.5 years)*	100,000
Greater Detroit Area Health Council Detroit, Michigan *(1 year)*	100,000
Health Policy Corporation of Iowa Des Moines, Iowa *(1.5 years)*	100,000
The Health Services Improvement Fund, Inc. New York, New York *(1 year)*	100,000
Minnesota Coalition on Health Care Costs Minneapolis, Minnesota *(1.5 years)*	100,000
New York City Health and Hospitals Corporation New York, New York *(1.5 years)*	100,000
North Carolina Foundation for Alternative Health Programs, Inc. Raleigh, North Carolina *(1 year)*	100,000

	1983 grants authorized
The United Way of San Diego San Diego, California *(1 year)*	$ 100,000
Virginia Health Care Research Foundation Richmond, Virginia *(1.5 years)*	100,000
Conference of Mayors Research and Education Foundation Washington, D.C. *Activities in support of the Foundation's Health Care for the Homeless Program (for 2 years). ID#8985*	120,000
The Foundation's Program of Coordinated Care for Children With Communicative Disorders *Development of networks for the identification and treatment of hearing, speech, and language disorders (for 4 years). ID#8028*	
University of Colorado, Health Sciences Center Denver, Colorado	598,348
The University of Iowa Iowa City, Iowa	600,000
University of Medicine and Dentistry of New Jersey, Rutgers Medical School Piscataway, New Jersey	599,840
University of South Florida, College of Medicine Tampa, Florida	594,939
Vanderbilt University, School of Medicine Nashville, Tennessee	600,000
Cornell University Medical College New York, New York *Administration of the Foundation's General Pediatrics Academic Development Program (for 1 year). ID#7970*	85,117
Daniel Freeman Memorial Hospital Inglewood, California *Mutual assistance program for the developmentally disabled and frail elderly (for 32 months). ID#8690*	257,306
The Foundation's Dental Services Research Scholars Program *Dental faculty fellowships in health services research (for 2 years). ID#6720*	
University at Buffalo Foundation, Inc. Buffalo, New York	103,039
University of Florida, College of Dentistry Gainesville, Florida	96,464

	1983 grants authorized
Marquette University, School of Dentistry Milwaukee, Wisconsin	$ 96,000
University of Rochester, School of Medicine and Dentistry Rochester, New York	83,880
Saint Francis Hospital and Medical Center Hartford, Connecticut	94,640
The Foundation's Family Practice Faculty Fellowships Program	
Program to prepare physicians for academic careers in family practice. ID#3579	
University of Washington, School of Medicine Seattle, Washington *(3 years)*	1,210,103
Princeton, New Jersey *Administrative costs (for 13 months).*	24,100
State of Florida, Department of Health and Rehabilitative Services Tallahassee, Florida	
Improving functional ability of rural children with chronic illnesses (for 2 years). ID#8356	248,851
Fordham University New York, New York	
Study of programs for the elderly conducted by local church volunteers (for 3 years). ID#8279	409,458
The Foundation Center New York, New York	
Data collection and analysis on the foundation field (for 3 years). ID#5895	150,000
The General Hospital Corporation — Massachusetts General Hospital Boston, Massachusetts	
Administration of the Foundation's Program for Prepaid Managed Health Care (for 1 year). ID#8466	273,452
The Foundation's General Pediatrics Academic Development Program	
Completion of an effort begun in 1979 to expand research and training for academic careers in general pediatrics (for 2 years). ID#4610	
Duke University Medical Center Durham, North Carolina	474,595
The Johns Hopkins University, School of Medicine Baltimore, Maryland	400,000

	1983 grants authorized
Medical Associates Research and Education Foundation (The Children's Hospital of Philadelphia — University of Pennsylvania) Philadelphia, Pennsylvania	$ 400,032
University of Rochester, School of Medicine and Dentistry Rochester, New York	362,430
Stanford University, School of Medicine Stanford, California	357,396
Yale University, School of Medicine New Haven, Connecticut	412,835

George Washington University
Washington, D.C.

Research on the severity of illness and outcome of intensive medical care (for 2.5 years). ID#8498	758,353
Support of the National Health Policy Forum (for 3 years). ID#8483	330,000

Georgetown University, School of Medicine
Washington, D.C.

Analysis of health policy issues (for 1 year). ID#8123	270,911
Study of home health care (for 1 year). ID#8329	88,543

Harvard University
Cambridge, Massachusetts

Study of the Foundation's Program of Coordinated Care for Children with Communicative Disorders (for 4 years). ID#8881	385,522

Harvard University, School of Dental Medicine
Boston, Massachusetts

Implementation of the Foundation's Dental Services Research Scholars Program (for 2 years). ID#8276	203,334

Harvard University, Medical School
Boston, Massachusetts

Program to encourage the development of children's health services (for 1 year). ID#8321	199,980

The Foundation's Health Policy Fellowships Program

One-year fellowships with federal government in Washington, D.C. for faculty from academic health science centers (for 1 year). ID#4888

	1983 grants authorized
University of Alabama in Birmingham Birmingham, Alabama	$ 50,000
University of Chicago Chicago, Illinois	41,513
Emory University, School of Medicine Atlanta, Georgia	47,000
Georgetown University, School of Medicine Washington, D.C.	48,680
University of Medicine and Dentistry of New Jersey, New Jersey Medical School Newark, New Jersey	48,600
University of Pittsburgh, Graduate School of Public Health Pittsburgh, Pennsylvania	49,600

Health Research and Educational Trust of New Jersey

Princeton, New Jersey

Study of the effects of diagnosis related group payment on New Jersey hospitals (for 2 years). ID#8031	149,268

Hebrew Rehabilitation Center for the Aged

Boston, Massachusetts

Comparing costs and effectiveness of long-term care services (for 2.5 years). ID#8136	399,738

Home Health Agency Assembly of New Jersey, Inc.

Princeton, New Jersey

Development of a consulting services unit (for 2 years). ID#8255	71,571

The Foundation's Program for Hospital Initiatives in Long-Term Care

Comprehensive service projects for defined elderly populations (for 1 year). ID#7832

University of California, Los Angeles, School of Medicine Los Angeles, California	149,976
Craven County Hospital Corporation New Bern, North Carolina	134,565
Cuyahoga County Hospital System Cleveland, Ohio	150,000
Dallas County Hospital District—Parkland Memorial Hospital Dallas, Texas	146,851
The General Hospital Corporation—Massachusetts General Hospital Boston, Massachusetts	149,148

	1983 grants authorized
Geriatrics Service Complex Foundation, Inc. — South Shore Hospital Miami Beach, Florida	$ 150,000
Good Samaritan Hospital Puyallup, Washington	148,330
IHC Foundation, Inc. Richfield, Utah	150,000
The Johns Hopkins Hospital Baltimore, Maryland	149,781
Kuakini Medical Center Honolulu, Hawaii	139,212
Lutheran Hospitals and Homes Society of America— Valley Lutheran Hospital Mesa, Arizona	122,611
University of Maryland, School of Medicine Baltimore, Maryland	149,998
Meharry Medical College, George W. Hubbard Hospital Nashville, Tennessee	142,781
Morristown Memorial Hospital Morristown, New Jersey	149,283
Mount Sinai Hospital Hartford, Connecticut	149,967
Mount Sinai Medical Center Milwaukee, Wisconsin	150,000
Mount Zion Hospital and Medical Center San Francisco, California	149,975
Rush-Presbyterian-St. Luke's Medical Center Chicago, Illinois	149,952
St. Luke's Regional Medical Center Boise, Idaho	149,235
St. Vincent's Hospital and Medical Center of New York New York, New York	85,281
San Francisco Department of Public Health San Francisco, California	149,720
Senior Health Plan, Inc. St. Paul, Minnesota	150,000
University Hospital Boston, Massachusetts	141,715

	1983 grants authorized
University of Virginia, School of Medicine Charlottesville, Virginia	$ 149,660
West Virginia University Hospital Morgantown, West Virginia	131,586
Hospital Research and Educational Trust Chicago, Illinois	
Administration of the Foundation's Community Programs for Affordable Health Care (for 1 year). ID#8467	375,214
Technical assistance for the Foundation's Program for Hospital Initiatives in Long-Term Care (for 2 years). ID#8482	120,010
University of Illinois, Chicago, College of Nursing Chicago, Illinois	
Administration of the Foundation's Clinical Nurse Scholars Program (for 8 months). ID#8981	132,590
Reducing sleep disruption of high-risk infants—study of effects on growth (for 1 year). ID#8982	19,266
Industrywide Network for Social, Urban and Rural Efforts Washington, D.C.	
Phase II study of the impact of lifecycle preventive health services (for 4 years). ID#8944	381,026
The John F. Kennedy Medical Center Foundation, Inc. Edison, New Jersey	
Equipment support for the Robert Wood Johnson Jr. Rehabilitation Institute. ID#8845	74,500
The Johns Hopkins Hospital Baltimore, Maryland	
Administration of the Foundation's Faculty Fellowships in Health Care Finance (for 1 year). ID#8588	198,091
Administration of the Foundation's Municipal Health Services Program (for 1 year). ID#7726	149,950
The Johns Hopkins University, School of Hygiene and Public Health Baltimore, Maryland	
Study of health care cost containment through payment reform (for 3 years). ID#8523	707,067

	1983 grants authorized
Kingston Hospital Kingston, New York *Administration of the Foundation's Program for the Health-Impaired Elderly and the Foundation's Interfaith Volunteer Caregivers Program and for other consulting services (for 17 months). ID#7975*	$ 390,656
Maine Medical Association Augusta, Maine *Statewide medical assessment to increase effectiveness and contain costs (for 2.5 years). ID#8783*	734,136
Massachusetts Institute of Technology Cambridge, Massachusetts *Study of the effects of diagnosis related group payment on New Jersey hospitals (for 3 years). ID#8397*	697,204
Meharry Medical College Nashville, Tennessee *Administration of the Foundation's Program to Consolidate Health Services for High-Risk Young People (for 1 year). ID#7971*	242,760
Middlesex County College Edison, New Jersey *Registered nurse refresher course (for 2 months). ID#7974*	9,899
Middlesex General – University Hospital New Brunswick, New Jersey *Property acquisition. ID#8448*	2,299,375
University of Minnesota, School of Nursing Minneapolis, Minnesota *Administration of the Foundation's Clinical Nurse Scholars Program (for 1 year). ID#8114*	171,171
Minority Medical Faculty Development Program *Four-year program to provide two-year biomedical, postdoctoral research fellowships (for 2 years). ID#7854*	
Dana Farber Cancer Institute, Inc. Boston, Massachusetts	117,979
Foundation for Advanced Education in the Sciences, Inc. Bethesda, Maryland	114,876
Memorial Sloan-Kettering Cancer Center New York, New York	119,457

	1983 grants authorized
Stanford University, School of Medicine Stanford, California	$ 120,000
University of Washington, School of Medicine Seattle, Washington	113,949
Washington University, School of Medicine Saint Louis, Missouri	120,000
Yale University, School of Medicine New Haven, Connecticut	119,263
Princeton, New Jersey *Administrative costs (for 11 months).*	81,100

University of Missouri, Columbia, School of Medicine
Columbia, Missouri

Administration of the Foundation's Rural Infant Care Program (for 1 year). ID#8126 — 140,797

Montefiore Hospital and Medical Center
Bronx, New York

Administration of the Foundation's Program for Hospital Initiatives in Long-Term Care (for 1 year). ID#8272 — 291,693

The Morehouse School of Medicine, Inc.
Atlanta, Georgia

Study of factors affecting black physician manpower (for 3 years). ID#8922 — 208,985

National Governors' Association Center for Policy Research
Washington, D.C.

Activities in support of the Foundation's Prepaid Managed Health Care and Hospital Initiatives in Long Term Care Programs (for 2 years). ID#8188 — 259,803

National Medical Fellowships, Inc.
New York, New York

Scholarships for minority medical students (for 4 years). ID#8529 — 2,000,000

New Jersey Health Care Facilities Financing Authority
Trenton, New Jersey

Strengthening the planning capability of the New Jersey Department of Health (for 1 year). ID#8942 — 200,000

	1983 grants authorized
New Jersey Hospital Association Princeton, New Jersey	
Development of a statewide network of personal emergency response systems (for 15 months). ID#7410	$ 109,894
New York University New York, New York	
Administration of the Foundation's Rural Hospital Program of Extended-Care Services (for 1 year). ID#8120	223,320
Administration of the Foundation's Urban Hospital Program of Extended-Care Services (for 1 year). ID#8647	182,277
New York University, Graduate School of Public Administration New York, New York	
Analyses of options for financing services for the disabled elderly (for 19 months). ID#8263	136,236
University of North Carolina at Chapel Hill Chapel Hill, North Carolina	
Planning the evaluation of the Foundation's Infant Health and Development Program (for 11 months). ID#8426	88,826
Development and technical assistance for the Foundation's Infant Health and Development Program (for 1 year). ID#7890	263,101
University of North Carolina at Chapel Hill, Health Services Research Center Chapel Hill, North Carolina	
Administration of the Foundation's Dental Services Research Scholars Program (for 1 year). ID#8115	199,749
Northwestern University, Center for Health Services and Policy Research Evanston, Illinois	
Exploration of potential reimbursement demonstrations (for 11 months). ID#8274	24,869
On Lok Senior Health Services San Francisco, California	
Consolidated prepaid services for the health-impaired elderly (for 3 years). ID#7846	228,930

	1983 grants authorized
University of Pennsylvania, School of Nursing Philadelphia, Pennsylvania *Administration of the Foundation's Teaching Nursing Home Program (for 1 year). ID#8113*	$ 200,286
The Foundation's Program for Research and Development on Health Care Costs. ID#7867	
Brandeis University Waltham, Massachusetts *Study of a managed primary care network in an urban area (for 2 years).*	193,763
University of Connecticut Health Center Farmington, Connecticut *Study of capitation financing for dental services (for 2 years).*	182,830
Georgetown University, School of Medicine Washington, D.C. *Study of home nursing in a community practice to reduce hospitalization (for 3 years).*	299,806
Health Services Foundation Chicago, Illinois *Study of incentive programs to reduce hospital maternity lengths of stay (for 1.5 years).*	161,051
The Johns Hopkins University, School of Hygiene and Public Health Baltimore, Maryland *Study of population-based prospective global budgeting in rural hospitals (for 2 years).*	219,979
Kaiser Foundation Hospitals — Kaiser Foundation Research Institute Oakland, California *Study of home blood pressure monitoring by hypertensive patients (for 2.5 years).*	193,221
Lovelace Medical Foundation Albuquerque, New Mexico *Study of primary care physicians' incentive reimbursement plans (for 2 years).*	181,897
University of Lowell Lowell, Massachusetts *Evaluation of a preferred provider organization in containing costs (for 3 years).*	288,213

	1983 grants authorized
People-to-People Health Foundation, Inc. Millwood, Virginia	
Incentive reimbursement plan for Medicaid home health services (for 2 years).	$ 299,269
The University of Texas, M.D. Anderson Hospital and Tumor Institute Houston, Texas	
Demonstration of cancer chemotherapy for rural patients by local physicians (for 3 years).	258,018
University Hospital Boston, Massachusetts	
Evaluation of computer-assisted administrative changes to reduce unnecessary testing (for 1.5 years).	167,188
The Urban Institute Washington, D.C.	
Evaluation of Maryland's Medicaid program to reduce costly hospital stays (for 1.5 years).	210,836
Vanderbilt University, School of Medicine Nashville, Tennessee	
Evaluation of alternative health care plans for the indigent (for 3 years).	299,967
Princeton, New Jersey *Administrative costs (for 1 year).*	100,000
The Foundation's Research and Development Program to Improve Patient Functional Status. ID#6329	
University of Arkansas, College of Medicine Little Rock, Arkansas	
Study of factors influencing return to work after a heart attack (for 2.5 years).	150,000
Boston University, School of Medicine Boston, Massachusetts	
Impact of a special evaluation unit on functioning of elderly patients (for 3 years).	149,522
Alternative therapy in alleviation of paralysis in stroke patients (for 3 years).	149,342
Impact of functional assessments on outcome of care for arthritis patients (for 3 years).	129,662

	1983 grants authorized
University of California, Los Angeles, School of Medicine Los Angeles, California *Assessment and treatment of incontinence in the elderly (for 3 years).*	$ 149,963
University of California, San Diego, School of Medicine La Jolla, California *Study of cognitive rehabilitation therapy in patients with head injury (for 2 years).*	149,076
Children's Hospital of Los Angeles Los Angeles, California *Study on the prediction of poor functioning in children with epilepsy (for 3 years).*	149,974
Children's Hospital Research Foundation Columbus, Ohio *Rehabilitation of visually impaired infants and young children (for 3 years).*	146,211
Columbia University, College of Physicians and Surgeons New York, New York *Reducing disability in sickle cell anemia patients through self-hypnosis (for 1.5 years).*	113,147
Cornell University Medical College New York, New York *Identifying pregnant women at risk of developing progressive hypertension (for 3 years).*	149,980
East Carolina University, School of Medicine Greenville, North Carolina *Evaluation of the gastric bypass operation in restoring function in the morbidly obese (for 3 years).*	148,878
The University of Iowa, College of Nursing Iowa City, Iowa *Increasing communication ability in stroke patients (for 3 years).*	149,999
University of Miami, School of Medicine Miami, Florida *Alternative therapies for restoring function in the spinal cord injured (for 2 years).*	128,147

	1983 grants authorized
University of Missouri, Columbia, School of Medicine Columbia, Missouri	
Evaluation of an in-home educational program for women with arthritis (for 3 years).	$ 149,834
University of North Carolina at Chapel Hill, School of Medicine Chapel Hill, North Carolina	
Assessment of spinal manipulation as an effective therapy for low back pain (for 2 years).	72,432
Northwestern University Medical School Chicago, Illinois	
Study of effects of arthroscopic surgery on patients with osteoarthritis (for 3 years).	149,608
University of Rochester, School of Medicine and Dentistry Rochester, New York	
Identifying older persons likely to injure themselves in falls (for 2.5 years).	109,039
Study of the impact of a family support program for chronic mental patients (for 3 years).	149,905
Vanderbilt University, School of Medicine Nashville, Tennessee	
Impact of functional assessment on outcome of rheumatoid arthritis patients (for 3 years).	149,618
University of Washington, School of Nursing Seattle, Washington	
Study of long-term effect of rocking and heartbeat stimuli on premature babies (for 3 years).	127,587
Yale University, School of Medicine New Haven, Connecticut	
Effects of home glucose monitoring on diabetic children and their families (for 3 years).	149,804
Princeton, New Jersey *Administrative costs (for 1 year).*	103,620
Roanoke Amaranth Community Health Group, Inc. Jackson, North Carolina	
Expansion of a rural health clinic (for 4 years). ID#8495	97,000

	1983 grants authorized
Rochester Area Hospitals' Corporation Rochester, New York	
New clinical management planning approach for hospitals under prospective payment program (for 3 years). ID#8744	$ 532,012
University of Rochester, Strong Memorial Hospital Rochester, New York	
Decentralizing the management of a teaching hospital (for 3 years). ID#7899	391,710
Rutgers University New Brunswick, New Jersey	
Analysis of data from Foundation-assisted studies (for 20 months). ID#8519	100,000
Rutgers University, College of Nursing Newark, New Jersey	
Joint nursing program with Middlesex General – University Hospital (for 3 years). ID#8560	598,220
St. Peter's Medical Center, School of Nursing New Brunswick, New Jersey	
Support for a nurse training program (for 10 months). ID#7972	30,000
St. Vincent de Paul Society Highland Park, New Jersey	
Program of assistance to the indigent (for 1 year). ID#8682	17,000
St. Vincent's Hospital and Medical Center of New York New York, New York	
Administration of the Foundation's Health Care for the Homeless Program (for 1 year). ID#8640	205,723
Demonstration and study of a senior volunteer home aide program for the elderly (for 19 months). ID#8542	199,750
The Salvation Army New Brunswick, New Jersey	
Program of assistance to the indigent (for 14 months). ID#8083	53,550

	1983 grants authorized
The Foundation's Teaching Nursing Home Program	
Completion of an effort begun in 1980 for developing nursing home-nursing school affiliations to improve long-term care of the elderly (for 3 years). ID#6362	
Case Western Reserve University, Frances Payne Bolton School of Nursing Cleveland, Ohio	$ 392,596
The Catholic University of America, School of Nursing Washington, D.C.	385,168
University of Cincinnati, College of Nursing and Health Cincinnati, Ohio	444,642
Creighton University, School of Nursing Omaha, Nebraska	373,060
Georgetown University, School of Nursing Washington, D.C.	346,473
Oregon Health Sciences University, School of Nursing Portland, Oregon	391,953
The Research Foundation of the State University of New York Albany, New York	398,867
Rush-Presbyterian-St. Luke's Medical Center Chicago, Illinois	419,473
Rutgers University, College of Nursing Newark, New Jersey	422,541
University of Utah, College of Nursing Salt Lake City, Utah	399,720
University of Wisconsin, Madison, School of Nursing Madison, Wisconsin	427,301
United Way of Central Jersey, Inc. Milltown, New Jersey	
Support of the 1983 campaign (for 1 year). ID#8257	250,000
United Way — Princeton Area Communities Princeton, New Jersey	
Support of the 1983 campaign (for 1 year). ID#8465	35,000
The Urban Institute Washington, D.C.	
Study of the effects of medical care on mortality and morbidity (for 2 years). ID#8737	336,028
Study of home equity conversion to finance home health services for the elderly (for 7 months). ID#8425	76,331

	1983 grants authorized
Vanderbilt University Nashville, Tennessee *Analysis of data from Foundation-assisted studies (for 1.5 years). ID#8247*	$ 100,000
Vanderbilt University Center for Health Services Nashville, Tennessee *Rural clinic maternal and infant care outreach program (for 3 years). ID#8184*	150,071
Virginia Commonwealth University Richmond, Virginia *Administration of the Foundation's Hospital-Sponsored Ambulatory Dental Services Program (for 1 year). ID#7847*	141,807
Wake Forest University, The Bowman Gray School of Medicine Winston-Salem, North Carolina *A medical careers program for minority high school students (for 3 years). ID#8220*	335,111
Washington University, School of Medicine Saint Louis, Missouri *Evaluation of the Foundation's Program to Consolidate Health Services for High-Risk Young People (for 3 years). ID#6743*	828,033
University of Wisconsin, Madison Madison, Wisconsin *Consulting services for the Foundation's Community Care Funding Partners Program (for 1 year). ID#8481*	11,432

PRESIDENT'S GRANTS

American Medical Student Association Foundation Reston, Virginia *Health Watch Project feasibility study (for 6 months). ID#8096*	9,771
American Sociological Association Washington, D.C. *Dissemination of social science findings relevant to clinical health care (for 17 months). ID#9038*	24,798

	1983 grants authorized
Beth Israel Hospital Boston, Massachusetts	
National study of facilities for care of end-stage renal disease (for 1 year). ID#8627	$ 21,765
University of California, San Diego, School of Medicine La Jolla, California	
Analysis of regional health policy issues for the 1980's (for 1 year). ID#8571	24,866
University of Chicago Chicago, Illinois	
Preparation of public-access tapes of Foundation-supported study data (for 4 months). ID#8839	10,896
Child Trends, Inc. Washington, D.C.	
Development of an interagency project to improve child and family statistics (for 11 months). ID#8866	25,000
Cornell University Medical College New York, New York	
Analysis of medicine over the past fifty years (for 1 year). ID#8883	14,170
University of Delaware Newark, Delaware	
Research on factors affecting nurse vacancies in hospitals (for 11 months). ID#9094	14,934
Duke University Medical Center Durham, North Carolina	
Workshop on the role of the hospital in continuing care for the elderly (for 21 months). ID#8882.	15,000
Educational Broadcasting Corporation New York, New York	
Television program on health, science, and technology in New Jersey (for 5 months). ID#8386	20,000
Foundation for Health Services Research, Inc. Washington, D.C.	
Expanding the uses of health services research (for 1 year). ID#8021	24,973

	1983 grants authorized
Harvard University Cambridge, Massachusetts	
Technical assistance for the Foundation's Program on Communicative Disorders in Children (for 6 months). ID#8772	$ 24,961
Harvard University, Medical School Boston, Massachusetts	
Study to improve health care targeting for the elderly (for 1 year). ID#8393	25,000
Hospital Research and Educational Trust Chicago, Illinois	
Videotaping for a teleconference on ambulatory care (for 2 months). ID#8782	20,000
Independent Sector Washington, D.C.	
Support of program start-up (1 month). ID#8392	25,000
Klamath Indians for Economic Development Chiloquin, Oregon	
Project to improve access to health care services (for 1 year). ID#8664	8,991
The Matheny School Peapack, New Jersey	
Project to demonstrate personal care aides for the physically handicapped (for 1 year). ID#8816	25,000
Middlesex County Recreational Council Edison, New Jersey	
A summer camp experience for children with health problems (for 8 months). ID#9186	15,870
The Morehouse School of Medicine, Inc. Atlanta, Georgia	
Dissemination of a study of black manpower and education in health professions (for 4 months). ID#8683	25,000
National Association of School Nurses, Inc. Englewood, Colorado	
Long-range planning study for financing school nursing services (for 1 year). ID#7779	10,000

	1983 grants authorized
National Foundation for Dentistry for the Handicapped Denver, Colorado	
Planning a prepaid dental program for the developmentally disabled (for 9 months). ID#8431	$ 24,891
National Governors' Association Washington, D.C.	
Special initiative in health care cost containment (for 4 months). ID#9176	28,950
National Governors' Association Center for Policy Research Washington, D.C.	
National symposium on the health needs of at-risk children (for 3 months). ID#8785	20,000
National Interfaith Coalition on Aging Athens, Georgia	
Activities in support of the Foundation's Interfaith Voluntary Caregivers Program (for 1 year). ID#8592	6,845
University of Medicine and Dentistry of New Jersey, Rutgers Medical School Piscataway, New Jersey	
General medicine academic program—a feasibility study (for 1.5 years). ID#8551	15,474
Plainsboro Rescue Squad Plainsboro, New Jersey	
Purchase of communications equipment (for 1 month). ID#8418	6,300
Refugee Policy Group Washington, D.C.	
Analysis of refugee health policy issues and options (for 9 months). ID#8033	12,000
Rutgers University New Brunswick, New Jersey	
Workshop on health care funding at national conference of state legislators (for 6 months). ID#9005	2,625
San Francisco Mental Health Education Funds, Inc. San Francisco, California	
Study of access to care following California Medicaid changes (for 1 year). ID#8437	24,915

	1983 grants authorized
Spelman College Atlanta, Georgia	
Conference on black teenage pregnancy (for 4 months). ID#8462	$ 14,472
Sun Valley Forum on National Health, Inc. Stanford, California	
Forum on the future of state and local health departments (for 15 months). ID#7660	25,000
Thomas Jefferson University, Jefferson Medical College Philadelphia, Pennsylvania	
Follow-up study of a family practice home visit program (for 6 months). ID#8707	19,675
Vanderbilt University, Institute for Public Policy Studies Nashville, Tennessee	
Improving services for chronically ill children—a dissemination project (for 1 year). ID#7722	24,873
University of Washington, School of Public Health and Community Medicine Seattle, Washington	
Planning and developing a program to provide care for the indigent (for 1 year). ID#8333	24,976
Yale University, School of Medicine New Haven, Connecticut	
Evaluation of computers as a tool to help children control their asthma (for 8 months). ID#9019	10,949

Total 1983 grants	$57,726,619
Refunds of prior years' grants	(327,634)
Cancellations	(2,540,466)
Grants net for 1983	$54,858,519

Secretary's report

Secretary's report*

Trustees elected

In December 1983, Robert H. Myers and Richard B. Ogilvie were elected trustees of the Foundation. Mr. Myers is a partner in the Washington, D.C., law firm of Williams, Myers and Quiggle. He has served as a trustee of Suburban Hospital in Bethesda, Maryland, for 35 years and retired from that voluntary post in 1983 after 13 years as the Hospital's president. For three years he also was counsel and trustee of The Children's National Medical Center in Washington, D.C. Mr. Myers is a graduate of Princeton University and the George Washington University School of Law.

Mr. Ogilvie is a former governor of Illinois and is a partner in, and chairman of the managing council of, the Chicago law firm of Isham, Lincoln & Beale. As Illinois' governor, Mr. Ogilvie was well known for his strong interest in health affairs. He also is a former president of the Cook County (Illinois) Board of Commissioners. Mr. Ogilvie is a graduate of Yale University and the Chicago-Kent College of Law.

We are pleased to welcome two such able and experienced individuals to our board.

Staff changes

Bruce C. Vladeck, Ph.D., assistant vice president, who joined the staff in 1982, left the Foundation in the summer of 1983 to become president of the United Hospital Fund of New York. He made important contributions to our program development and planning particularly in the area of long-term care.

William E. Walch, assistant vice president for communications, departed the Foundation staff in the spring of 1983 to assume the position of associate vice president for development and public affairs at the University of Chicago Medical Center. Mr. Walch, who joined the Foundation in 1975, helped develop the Foundation's initial communications program, was responsible for press relations and media productions, and assisted many of our grantees with a variety of communications projects.

Douglas H. Morgan, senior program officer, left in the fall of 1983 to become assistant secretary for medical care administration in the Department of Health and Mental Hygiene for the State of Maryland. Mr. Morgan started at the Foundation in 1980 and was involved in our minority and long-term care programs.

**To present as up-to-date a picture of staff changes as possible, this report covers the period through February 15, 1984.*

John J. Cahill, portfolio assistant, departed the Foundation staff in the fall of 1983 to accept a position with Shearson American Express in New York City. Mr. Cahill joined the staff in June 1980.

In 1983, two communications officers—Andrew I. Burness and Victoria D. Weisfeld—joined the Foundation. Mr. Burness previously worked as public information officer for the President's Commission for the Study of Ethical Problems in Medicine and Biomedical and Behavioral Research in Washington, D.C. He graduated from Duke University in 1974 and received his master of business administration degree from the University of Maryland in 1981. Ms. Weisfeld was formerly staff director to the Board on Health Promotion and Disease Prevention at the Institute of Medicine, National Academy of Sciences, in Washington, D.C. She graduated from the University of Michigan at Ann Arbor and received her master's degree in public health from the University of Pittsburgh in 1975. Ms. Weisfeld is in charge of post-grant reporting for the Foundation.

Paul Jellinek, Ph.D., joined the staff in 1983 as program officer. Dr. Jellinek received a degree in political science from the University of Pennsylvania and a degree in chemistry from the University of South Florida, Tampa. He has a master's degree in health administration and received his doctorate in health policy and administration from the University of North Carolina, Chapel Hill.

James R. Tesone also joined the staff in 1983 as portfolio manager. Mr. Tesone, who received a degree in business administration from Fordham University, managed his own accounting/financial consulting firm, John R. Tesone Associates, Ltd., in New York prior to joining the staff.

Senior program consultants

Distinguished outside professionals play important roles in the development and management of our multi-site national programs.

During 1983, Carl J. Schramm, Ph.D., J.D., completed his assignment directing the Foundation's Municipal Health Services Program. Dr. Schramm was appointed senior program consultant to this program in 1978. In January 1984, he was reappointed to administer the Foundation's Program of Faculty Fellowships in Health Care Finance. Dr. Schramm is director of the Center for Hospital Finance and Management at The Johns Hopkins University.

During 1983 one other senior program consultant joined the Foundation. Philip Brickner, M.D., was appointed to administer the Foundation's Health Care for the Homeless Program. Dr. Brickner is director of the Department of Community Medicine at St. Vincent's Hospital and Medical Center in New York.

Three other senior program consultants who have made important contributions to the success of our programs completed their tenures of service during 1983.

Michael H. Alderman, M.D., completed his assignment directing the Foundation's Chronic Disease Care Program. Dr. Alderman was appointed senior program consultant in 1979.

Catherine DeAngelis, M.D., completed her assignment directing the Foundation's School Health Services Program. Dr. DeAngelis was appointed senior program consultant in 1979.

John J. Salley, D.D.S., Ph.D., completed his assignment directing the Foundation's Hospital-Sponsored Ambulatory Dental Services Program. Dr. Salley was appointed senior program consultant in 1978.

Board activities

The Board of Trustees met six times in 1983 to conduct business, review proposals, and appropriate funds. In addition, the Policy, Finance, and Audit Committees met as required to consider and prepare recommendations to the board.

J. Warren Wood, III
Vice President, General Counsel, and Secretary

Application for grants

Application for grants

The Robert Wood Johnson Foundation is a private philanthropy interested in improving health in the United States. We are concentrating our resources on three well-defined needs in health:

- the need to improve access to personal health care for the most underserved population groups;

- the need to make health care arrangements more effective and care more affordable; and

- the need to help people maintain or regain maximum attainable function in their everyday lives.

To increase the potential impact of our grant funds within our three areas of interest, we have further defined our role to assist:

- development and testing of new and previously untried approaches to health care problems;

- demonstrations to objectively assess the operational effectiveness and value of selected new health care arrangements and approaches that have been shown to be effective in more limited settings; and

- projects designed to promote the broader diffusion of programs that have been objectively shown to improve health status or to make health care more affordable.

We give priority to proposed programs and projects that address regional or national problems. The one exception to this and our other guidelines is support for a small number of activities in New Brunswick, New Jersey, where the Foundation originated.

Policy guidelines established by our Board of Trustees will normally preclude support for the following types of activities: (1) on-going general operating expenses; (2) endowment, construction, or equipment; (3) basic biomedical research; (4) international activities or programs and institutions in other countries; and (5) direct support to individuals.

Also, we do not support programs concerned solely with a specific disease or with broad public health problems, except as they might relate to our three areas of interest. The decision not to support such programs, worthy though they are, in no way implies a failure to recognize their importance. It is simply a consequence of the conviction that progress in the areas we have selected depends in large measure on our ability to

concentrate our funds. Unfortunately, even within our program interests and guidelines, requests have always exceeded our resources, and thus we are unable to support many deserving proposals.

There are no formal grant application forms. Applicants should prepare a letter that states briefly and concisely the proposed project as well as its objectives and significance; the qualifications of the organization and the individuals concerned; the mechanisms for evaluating results; and a budget. This letter should be accompanied by a copy of the applicant institution's tax exempt status under the Internal Revenue Code. Ordinarily, preference will be given to organizations that have qualified for exemption under Section 501(c)(3) of the Internal Revenue Code, and that are not "private foundations" as defined under Section 509(a). Public instrumentalities performing similar functions are also eligible.

Proposal letters should be addressed to:

Edward H. Robbins, Proposal Manager
The Robert Wood Johnson Foundation
Post Office Box 2316
Princeton, New Jersey 08540.

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