

Official Copy -

Office Copy Medicine

S. W.

Oct. 3, 1914

C O N C E R N I N G
THE HOSPITAL OF THE GOOD SHEPHERD
AND ITS ACQUISITION AS A
TEACHING HOSPITAL
FOR
THE COLLEGE OF MEDICINE OF SYRACUSE UNIVERSITY

1. Description of Hospital.....Supt. M.R. Pratt, M.D.
2. Map of Block Showing Hospital Property
3. Inventory of Property.....D. B. Woodford
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7. Letter.....Dr John M. Peters, Sup't Rhode Island Hospital

HOSPITAL OF THE GOOD SHEPHERD

Description of Buildings and Equipment

The main hospital building is a well built brick building consisting of five stories and a basement in the east section and four stories and a basement in the middle and west sections. It is practically fire proof and is in good physical condition. The floors are of concrete covered by wood and the walls, except for the doors and windows, are fireproof.

In the EAST SECTION, the general hospital offices are on the first floor, the Internes' rooms, Chapel and Board room on the second floor; private rooms on the third floor; kitchen on the fourth floor and childrens's ward on the fifth floor.

The MIDDLE SECTION contains dining rooms in the basement; wards on the first and second floors and private and semi-private rooms on the third and fourth floors.

The WEST SECTION has an accident room and admitting rooms in the basement; private rooms on the first and second floor; operating suite on the third floor and laboratory on the fourth floor.

Practically the entire building has been repainted and repaired except the operating and laboratory floors in the west section and the first floor ward and fourth floor semi-private ward in the middle section. The semi-private ward is now being repainted. The wood floors in each of the general wards need repairs.

The entire building is heated and lighted from a central plant situated directly south or back of the east section. The refrigerating plant is also installed there. The heating and lighting equipment in the hospital building is good. The lighting plant consists of two 50 HP engines and two 35 HP dynamos, either of sufficient capacity to light the entire hospital plant. In the BOILER ROOM are two 86 HP Babcock & Wilcox boilers and one 250 HP Babcock & Wilcox boiler with a Murphy furnace attached so that soft coal may be used without the chimney giving off any smoke. The last mentioned boiler and Murphy furnace were installed new last November at a cost of about \$13,000. The large boiler is more than sufficient to care for the present plant - the two smaller boilers working together are barely able to care for the present plant. If the two smaller were made into one and a Murphy furnace attached they would be of much greater capacity, but these are only emergency boilers and are not needed except in case of accident to the big boiler.

These structures were built after plans made by Architect Brockway in 1898. To complete the plant, the original design calls for a section with wards similar to what is here described as the MIDDLE SECTION, to be built on the east side of the present EAST SECTION. The plans for this building are in the hands of the President of the Board of Trustees of the Hospital. Mr. Brockway estimates that at an outside figure it can be erected, furnished and equipped for \$60,000.00, and that it can be heated by making the changes in the present heating plant suggested above. The property next west of the hospital can be purchased, rearranged and equipped for a laboratory and library for \$15,000.00.

HOUSE AT 802 UNIVERSITY AVE., is a two story and attic frame building used for nurses' rooms. It has recently been papered and painted on the inside but is in need of some repairs.

HOUSES AT 804 and 806 UNIVERSITY AVE., are similar to the one at No. 802 but are connected by a two story bridge. These are used as a Maternity Pavillion.

HOUSE AT 808 UNIVERSITY AVE., or the most southerly house, is in the best physical condition of the four as well as the largest. It is used at present as quarters for the maids.

All four of the above houses are heated and lighted by the central plant.

NURSES HOME ON WAVERLY AVE., is a large two story frame building with cellar and attic and has twenty-one (21) rooms, lighted from the central plant but heated by a furnace in the cellar.

NURSES HOME AT CORNER OF CROUSE AND WAVERLY AVES., is a large two story and attic frame building of sixteen (16) rooms and cellar, lighted by the central plant but heated by a separate furnace.

HOUSE AND LOT ON CROUSE AVE. Story and a half frame cottage in not very good condition. At present it is occupied by the head laundress. The driveway to the ambulance garage situated on the rear of this lot runs through the south side of this lot. The garage is a wooden building in good condition.

ROOMS FOR PATIENTS

THIRD FLOOR EAST WING, MAIN BUILDING - six private rooms, one two bed room and one interne's room.

FIFTH FLOOR EAST WING (Children's ward) - two wards of five beds each - two rooms of two beds each and one single room.

MIDDLE SECTION. The first and second floors are general wards and contain nineteen beds each with room for four or five beds in the sun parlor off each of the wards. One semi-private room of three beds on each of said floors; also a room containing three beds in which noisy or delirious patients may be cared for.

MIDDLE SECTION, Third floor. Five private rooms and two rooms of two beds each.

MIDDLE SECTION, FOURTH FLOOR. One single room and eight rooms, each containing two beds.

MATERNITY DEPARTMENT has four ward beds, four semi-private and eight private beds.

TRAINING SCHOOL consists at present of 55 pupil nurses and four graduate nurses or teachers, housed as above mentioned.

The real property was valued on Oct. 1, 1913 at \$467,519.04						
Furniture & equipment	"	"	"	"	"	31,777.47
Investments and endowments	"	"	"	"	"	18,952.17
Total						<u>\$518,248.68</u>

Since October 1st the above sum of investments and endowments has been increased by \$10,000.00, the gift of Mrs. Sage.

The furniture and equipment is the regular hospital furniture, which is in good condition, and the usual medical and surgical equipment as found in a general hospital. The equipment in the X-Ray department is perhaps the least up to date.

To make the hospital fully competent for teaching purposes and to accommodate the University Infirmary, the EAST WARD SECTION should be erected, and the property west of the Hospital on Marshall Street should be secured and converted into a clinical and pathological laboratory and a library. This, however, need not be an absolute condition for taking over the property but should be considered very carefully now. A proposition for the financing of such needed extension of the hospital property will be made under "Arguments in Favor of Taking Over the Hospital of the Good Shepherd".

ESTIMATED VALUE OF HOSPITAL PROPERTY JULY 14, 1914

by D. B. Woodford

Free and clear of encumbrance	Conservative value	Quick sale
802 Univ. Ave. house & lot 44 x 132	\$6,000	\$5,000
804 Univ. Ave. house & lot 44 x 132	6,000	5,000
806 Univ. Ave. house & lot 44 x 132	6,000	5,000
808 Univ. Ave. house & lot 44 x 132	6,500	6,000
810 Univ. Ave. vacant lot 88 x 132 at \$70 ft.	6,160	6,000
Cor. Crouse & Waverly house & lot 48-1/2x132	<u>8,500</u>	<u>8,500</u>
	\$39,160	\$35,500
Property covered by \$27,000 mortgage held by Onondaga County Savings Bank		
Waverly Ave. house & lot 100 x 132 at \$60 ft.	8,500	8,500
Crouse Ave. small house & lot 78 x 198 at \$60 ft.	5,000	5,000
Main Hospital property Marshall st. 196 x 198		
<u>Land only appraised</u>	<u>12,000</u>	<u>12,000</u>
	\$25,500	\$25,500
	<u>39,160</u>	<u>35,500</u>
	\$64,660	\$61,000

C O P Y

May 26, 1914.

Chancellor James R. Day,
Syracuse University
Syracuse, N. Y.

Dear Sir:

In accordance with my suggestion after the meeting of the Committee from the Hospital of the Good Shepherd with your Executive Committee last Wednesday afternoon, I am putting in typewritten form some of the statements made by me verbally with regard to the HOSPITAL OF THE GOOD SHEPHERD.

I have been very closely associated with the hospital since the spring of 1912 when I was employed to make a survey of the entire hospital situation in the city of Syracuse. At that time I installed a uniform system of accounting and made recommendations for a business administration looking toward the practical elimination of deficits.

The results of my work have been entirely satisfactory to the various hospital Boards but particularly so in the case of the Hospital of the Good Shepherd. That institution had been incurring annual deficits in the neighborhood of \$20,000.

In the first year the new system had an opportunity to be tried out, namely, the fiscal year ended September 30, 1913, the deficit from the Hospital of the Good Shepherd was reduced from \$19,640.29 to \$8,232.86, a reduction of \$11,407.43. This deficit was still further reduced by contributions from the Women's Auxiliary and dividends on investments, amounting to \$1,571.89, to a net deficit of \$6,660.97. This included the payment of \$2,870.64 for interest on loans and mortgage, and \$1,840.30 for repairs. If the interest had been eliminated the net deficit would have been only \$3,790.33.

In the fall of 1913 and through the winter, which has just passed, conditions existed with which I believe you are familiar, and which resulted in a falling off in the number of patients cared for by the institution. This has resulted in a poor showing for the past eight or nine months.

The schedule which accompanys this report marked Exhibit "B" and the diagram marked Exhibit "C" will indicate the deficits by months accounted for wholly by the falling off in the number of patient days at the hospital.

While the matter of deficits is contingent largely upon whether the hospital gets its proper proportion of patients, it can also take care of its prorata share of ward or free patients and still run on an even basis.

The capacity of the Hospital of the Good Shepherd in all classes of patients for the period, October, 1912, up to the Spring of 1914, was an average of 4,700 patient days per month. That is to say, the hospital could take care of 157 patients every day in the month. The following will indicate to what extent the capacity of the hospital has increased in the various months and what the gain or loss was in hospital operation:

Month	% of Capacity	Gain	Loss
Oct. 1912	64	\$700.02	
Nov. "	64.2		\$968.34
Dec. "	66.3		755.79
Jan. 1913	74.2	177.66	
Feb. "	71.5		182.26
Mar. "	80	773.57	
April "	68.5		719.74
May "	73	222.04	
June "	67.2		672.82
July "	65.1		849.02
Aug. "	65.5		1,284.46
Sept. "	68.5		391.96
Oct. "	68.7		511.46
Nov. "	53		1,780.91
Dec. "	61		889.53
Jan. 1914	57		1,818.41
Feb. "	54		910.60
Mar. "	67.2		676.27
April "	65	674.79	

A reference to Exhibit "B" will show detail of these figures and will indicate in many instances that the largest monthly losses have been in those months where the number of private and semi-private patients has been away below the average. It is recognized of course that the only way to get patients for a hospital is through the friendly cooperation of the medical staff and the friends of the institution. I understand that the Hospital of the Good Shepherd is lacking in this support which has resulted in a small daily census. If some plan can be devised whereby the beds at the hospital could be kept up to about 70% of capacity, I believe the expenses of operating the hospital can be kept within the income received from patients. I do not believe there is any necessity for deficits under such circumstances.

On Exhibit "A" I have shown a statement of the financial condition of the hospital as of April 30, 1914. The figures shown

there for the value of the real estate and buildings are those carried on the books of the hospital. You will note that the liabilities amount to \$55,696.86 and that there are assets, exclusive of endowment securities, amounting to \$544,098.07.

In addition there is cash and other assets supporting the endowment funds amounting to \$27,052.17.

If there is any further information I can give you with regard to this subject, I shall be glad to get it for you.

Respectfully submitted,

(Signed) F. H. Hurdman

Certified Public Accountant.

HOSPITAL OF THE GOOD SHEPHERD

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EXHIBIT "A"

STATEMENT OF ASSETS AND LIABILITIES

April 30, 1914

A S S E T S

Current Assets

Cash - General	\$ 532.70
Due from Patients, City of Syracuse, etc.	12,457.79
Campaign Fund, Cash and Accounts	12,842.17
Inventories of Supplies	4,377.41
Stock, U.S. Transportation Company	1,900.00
Unexpired Insurance	738.76

Total Current Assets

\$32,848.83

Plant

Real Estate and Buildings (subject to Mortgage of \$27,000)	\$479,874.17
Furniture and Fixtures	31,375.07

511,249.24

TOTAL ASSETS

\$544,098.07

L I A B I L I T I E S

Mortgage Payable	\$27,000.00
Notes Payable	17,000.00
Accounts Payable	11,291.86
Accrued Interest	405.00

TOTAL LIABILITIES

\$ 55,696.86

Equity (On Book Values)

488,401.21

\$544,098.07

In addition to the above there is an Endowment Liability of \$27,052.17, invested as follows:

11 shs. Gt. Lakes S. S. Co.	\$ 1,100.00
3,000 Syracuse, Lake Shore & No. 1st 5s	3,000.00
10,000 Rochester, Syracuse & Eastern 1st 5s	10,000.00
12,500 Little Falls & Dolgeville 1st 3s	9,898.75
Syracuse Tr. Co. Deposit	2,067.67
First Nat'l Bank "	884.50
Trust & Deposit Co."	101.25

\$27,052.17

EXHIBIT "B"

MONTHLY STATEMENT OF PATIENT DAYS AND HOSPITAL OPERATIONS

	P a t i e n t D a y s			
	Private 1,215	Semi- Private 1,125	Ward 2,370	Total 4,710
<u>1912-1913</u>				
October	717	705	1,582	3,004
November	599	678	1,741	3,018
December	648	523	1,963	3,134
January	908	751	1,846	3,505
February	776	666	1,921	3,363
March	1,055	780	1,942	3,777
April	680	697	1,847	3,224
May	687	665	2,090	3,442
June	589	627	1,954	3,170
July	610	608	1,845	3,063
August	518	607	1,960	3,085
September	552	636	2,034	3,222
TOTALS	8,339	7,943	22,725	39,007
AVERAGE	695	662	1,894	3,250
	57%	59%	80%	69%
<u>1913-1914</u>				
October	772	594	1,871	3,237
November	661	407	1,441	2,509
December	683	540	1,644	2,867
January	554	640	1,382	2,576
February	732	565	1,261	2,558
March	976	597	1,609	3,182
April	791	610	1,647	3,048
TOTALS	5,169	3,953	10,855	19,977
AVERAGE	738	565	1,551	2,854
	61%	50%	65%	60-1/2%

Per Cent
of
Capacity

Earnings

Expenses

Gain

Loss

64	\$6,782.44	\$6,082.42	\$700.02	
64.2	5,937.82	6,906.16		\$968.34
66.3	6,085.11	6,840.90		755.79
74.2	6,955.20	6,777.54	177.66	
71.5	6,452.80	6,635.06		182.26
80	7,572.80	6,799.23	773.57	
68.5	6,293.73	7,013.47		719.74
73	6,577.99	6,355.95	222.04	
67.2	5,972.76	6,645.58		672.82
65.1	5,475.41	6,324.43		849.02
65.5	5,439.86	6,724.32		1,284.46
68.5	6,168.19	6,560.15		391.96
69	\$75,714.11	\$79,665.21	\$1,873.29	\$5,824.39
		TOTAL LOSS		<u>\$3,951.10</u>

68.7	6,978.94	7,490.40		511.46
53	4,678.81	6,459.72		1,780.91
61	5,397.02	6,286.55		889.53
57	5,342.30	7,160.71		1,818.41
54	5,274.22	6,184.82		910.60
67.2	6,623.71	7,299.98		676.27
65	6,995.76	6,320.97	\$674.79	
60.5	\$41,290.76	\$47,203.15	\$674.79	\$6,587.18
		TOTAL LOSS		<u>\$5,912.39</u>

ARGUMENTS IN FAVOR OF TAKING OVER THE HOSPITAL OF THE GOOD SHEPHERD

1. Several states and several medical schools have added to the four year's course in Medicine a fifth hospital year before the license to practice medicine can be obtained. This law is already operative in our neighboring state, Pennsylvania. New York has such a law under advisement and it is certain that it will be enacted as soon as the necessary preliminaries can be cared for. The essential preliminary is the registration by the Regents of such hospitals as are acceptable as teaching hospitals. They require a certain size and equipment and that each registered hospital have a well equipped pathological and clinical laboratory and a library.

2. The University control of a teaching hospital is now recognized as a necessity to Medical Schools of the first class. It is a demand and we shall be forced to meet it in the near future. Yale University has just completed arrangements with the New Haven Hospital by which control of the medical and surgical service of the hospital is secured to the Medical School by the payment of \$500,000.00 and the erection of a laboratory at an expense of \$125,000.00 more. New Haven is just the size of Syracuse. The Yale Medical School is smaller than ours and has limited the number in its classes to thirty each.

3. In College owned and controlled hospitals the clinical teachers are salaried men and devote all or half of their time to bed-side teaching. The Rockefeller Foundation demands a full time clinical teacher in Medicine, Surgery, and Pediatrics in schools which it aids. On that condition it has awarded Yale \$500,000.00, Johns Hopkins \$1,700,000.00, Washington, at St. Louis, \$1,500,000.00, etc. In a college like that of Syracuse, where the clinical teachers are not paid, it will be difficult to satisfy the demands of medical pedagogy in non-controlled hospitals. But, as the present rank of our Medical School, which is the same as those mentioned, has been attained with a voluntary faculty, it is thought that it will be possible to keep the rank in which we are, provided a college hospital is secured and the hospital is adequately equipped and managed.

4. The support of the Hospital of the Good Shepherd depends upon the earnings of the hospital and upon the voluntary contributions of its friends. Mr. Hurdman estimates that when the hospital is 70% full it is selfsupporting.

The University has no Infirmary. If this hospital should be designated the University Infirmary, it would increase the patronage of the hospital, not only by students, but by members of the faculty. In Harvard their Infirmary is supported by an annual per capita tax of four dollars levied upon all students and all unmarried members of the teaching faculties. Upon the students the tax is obligatory and is charged in the term bills at the beginning of each year. Upon the teachers the tax is permissive. This tax in Harvard yields an income of about \$28,000.00 annually.

The acquisition by the University of an hospital should secure the loyalty to the hospital of all members of the various faculties and of all the supporters of the University in this vicinity and thus enlarge the circle of its friends.

The reputation of a well conducted college hospital is always great. In Michigan and in Minnesota the college hospital is the center to which medical and surgical cases are sent for diagnosis and treatment from all parts of the state. It is certain that the reputation of this hospital will be greatly extended and its patronage increased if it becomes a part of the Medical College and is well conducted.

The Workingmen's Compensation Act makes it incumbent upon the employers and their insurance companies to provide hospital care for those who come under the provisions of this act. If this hospital be selected for that work it will increase the patronage and so increase the clinical material needed for study.

The city of Syracuse cares for its poor in the various hospitals. It is believed that the patronage of this hospital by the city can be greatly increased if it becomes the University Hospital.

Thus, the increase in patronage by reason, 1st, of the reputation of the College; 2nd, of the interest of the faculties and supporters of the University; 3rd, by making it the University Infirmary; 4th, by its designation by the Liability Insurance Companies as their hospital under the Workingmen's Compensation Act, and, 5th, by the more extensive patronage by the City of Syracuse, would seem to be more than enough to keep it 70% full after its capacity is increased by the erection of the new section.

It would be necessary to make arrangements for the erection of this new ward building and to provide a laboratory and library building in order to accommodate prospective patients and in order to make it an efficient teaching hospital. The need of ampler and more modern accommodations for the better class of private patients in this hospital is urgent. The lack of them is one of the reasons of its lessened popularity and its diminished income. It is a need that can be met only by the completion of the original plan of the hospital by the erection of this ward section, in the upper two floors of which private rooms with at least six en suite would be provided for.

For this purpose the following plan is proposed for your earnest consideration. If the Trustees of the University shall

authorize an infirmary fee of three dollars each, it should yield an income of over \$12,000.00 annually. The total value of the property of the Hospital of the Good Shepherd is such that it should be easily possible to borrow \$75,000.00 for the purpose of erecting and equipping the new section and the laboratory building. From the infirmary fee the sum of \$3,750.00 could be set aside annually to meet the interest upon this loan. The maintenance of these two new buildings should be practically sure from the rent of suites in the upper stories of the ward building and from the increased patronage as our Infirmary and as the hospital under the Workingmen's Compensation Act. The laboratory should be largely supported by fees from work done for private patients, though its equipment for work on ward cases by faculty and students should be accounted a college asset and considered of the greatest importance.

By accepting the offer of the Hospital of the Good Shepherd and by carrying out the plan here proposed, a teaching hospital could be secured for the College that would meet the demands of modern medical educators. It is the belief of those who have studied the matter that the expense annually would not be burdensome, and that such expense is warranted in order to secure to the Medical College its prominent position.

John L. Heffron

Syracuse, N. Y.

July 31, 1914.

ARGUMENTS IN FAVOR OF TAKING OVER THE HOSPITAL OF THE GOOD SHEPHERD

BY

AN ALUMNUS OF SYRACUSE UNIVERSITY

In the near future the University must unquestionably have an Infirmary of its own. Nearly as surely it must have a Teaching Hospital. It would be wasteful financially and from the standpoint of medical education to have separate plants for the Infirmary and the Hospital. Therefore, there shall sometime be a single institution which will serve as both Infirmary and Teaching Hospital. In order to be satisfactory for Infirmary purposes it should be within a few blocks of the University. The ground to the south of the University is occupied by Oakwood Cemetery; that to the north, east and west is held at prices which are notoriously high and which are not likely to depreciate. Nearly all of the land in the vicinity of the University is already occupied. The scattered lots, which are still vacant, are being built on rapidly. Consequently, the purchase of a block or even half of a block would involve great expense at present and much more in the future. The property of the Hospital of the Good Shepherd includes real estate valued at \$467,519.04. The location of the Hospital of the Good Shepherd is ideal for an Infirmary and entirely satisfactory for a teaching hospital. The expenditure of \$75,000.00 would put its buildings and equipment in satisfactory condition. Sometime the University will buy or build a property similar to the Hospital of the Good Shepherd. Under no circumstances other than those now existing

can the University hope to acquire an Infirmary-Hospital at any but great expense. The land itself, not to mention the hospital buildings, is so valuable as to make the expense seem prohibitive.

All in all, the acceptance by the University of the proffered gift of the Hospital of the Good Shepherd appears to be a matter of economy, pure and simple. Its rejection would be gross extravagance.

COPY OF LETTER FROM DR. JOHN M. PETERS, SUPERINTENDENT OF THE
RHODE ISLAND HOSPITAL, PROVIDENCE, R. I.

September 24, 1914.

Dr. John L. Heffron,
Syracuse, N.Y.

Dear Dr. Heffron:

Some weeks ago I received in the mail a pamphlet "concerning the Hospital of the Good Shepherd and its acquisition as a teaching hospital for the College of Medicine of Syracuse University", with the request to express my opinion on the subject.

From the standpoint of the hospital there can be no question but what it would be helped materially by its becoming a part of the University, and that its reputation would be automatically greater by this association. From the standpoint of the University, I think the offer of the hospital authorities to turn over this existing plant, well located near the University buildings, would be of great weight in adding to the reputation of the Medical School and to the reputation of the University as a whole.

The financial burden to the University, as you have outlined it, would not be great and I think the increased income which could be obtained from the greater number of private patients going to the hospital would practically wipe out the deficiency which you have had year after year.

The trouble in Syracuse, so far as the hospital situation goes, is the fact that you have four hospitals scattered in different parts of the city where two, which could afford to get the many pieces of modern equipment, could do the work to better advantage and at a much less financial cost. However, I suppose that situation can not be changed. Under the conditions, I think it to be of great advantage to the Medical School to have full control of a hospital in the way of using for teaching purposes the clinical material which undoubtedly would increase as soon as it became known that the hospital was under the direct control and auspices of the University.

Yours truly,

(Signed) John M. Peters, M.D.

Superintendent.