

Stop the Privatization of D.C. General Hospital

by Marianna Wertz

On Dec. 6, an explosive meeting of hundreds of Washington, D.C. residents heard Lynne Speed, a spokesperson for London LaRouche and *EIR*, denounce the planned shutdown of D.C. General Hospital and call for an immediate moratorium on all such shutdowns of necessary services in Washington, demanding that the D.C. City Council move on this immediately. When she likened the planned shutdown of the District's only full-service hospital for the uninsured and indigent, to the "crimes against humanity" for which Nazis were hanged at Nuremberg, the audience of 400 or more broke into loud applause.

Other speakers at the meeting, including its organizer, Rev. Mildred King, City Councilman Kevin Chavous, and Dr. Victor G. Freeman, a member of the Public Benefit Corp. board, which oversees D.C. General (see Dec. 1, 2000 *EIR*), all denounced the plans for privatization or shutdown of the hospital. Dr. Freeman cited the Hippocratic Oath, which binds physicians to "do no harm" to their patients, saying that the plan to downsize, privatize, or shut down D.C. General would indeed do harm to its thousands of patients, and that, in good conscience, he could not support it or remain silent any longer.

In our Dec. 1 issue, *EIR* reported on the impending privatization or closing of D.C. General Hospital, the only hospital in the nation's capital that accepts patients regardless of ability to pay. D.C. General is located in the Southeast quadrant of the District, home to most of the 80,000 uninsured D.C. residents, who rely on the century-old institution for most of their medical needs. That privatization is now in motion, with a bidding deadline set for Jan. 2, 2001.

Two days before the Dec. 6 meeting, the D.C. Financial Control Board, which runs the District's finances on behalf of the banking interests, issued an ultimatum that the city's elected leaders lay off 500 hospital workers by Jan. 31, to prevent what they said was the likely shutdown of the hospital on Jan. 15, when funding for D.C. General is expected to run out.

The fight over D.C. General is paradigmatic for the whole nation, not only because it is going on in the nation's capital. More than 15% of all hospital beds have been eliminated in the United States since the late 1980s, in privatizations and consolidations, as the ravenous managed-care industry has spread its tentacles nationwide. Many of the remaining hospitals are now in or near bankruptcy, just as the flu and cold season begins to hit. The loss of D.C. General as a full-service

hospital, willing and able to treat the uninsured in an area with Third World disease-levels, as labor leader Cynthia Perry points out in the interview below, will leave thousands more helpless citizens with nowhere to go.

This is also a fight over who will run the nation's health-care system—the financiers, or the duly elected government. At the head of the D.C. Financial Control Board sits former Federal Reserve Board member Alice M. Rivlin, who gave her royal imprimatur to the privatization deal in late November, pouting in a *Washington Post* interview that "this has taken too long, but at least we're here." It was Rivlin who then upped the ante on the city on Dec. 4, by demanding the layoff of 500 hospital employees—on top of the privatization plan.

Washington, D.C.'s elected City Council is in near unanimous opposition to the shutdown of the hospital as a full-service institution, though they are not all opposed to its privatization. Mayor Anthony Williams, a tool of the banking crowd, wants to privatize and convert the hospital into a 24-hour outpatient center, which leading medical officials in the District have warned will guarantee the needless loss of life this Winter (see *EIR*, Dec. 1, 2000).

The privatization plan would, at minimum, eliminate union representation and employment for D.C. General's 2,000 employees. Henry Nicholas, president of District 1199C National Union of Hospital and Health Care Employees/American Federation of State County and Municipal Employees (AFSCME), AFL-CIO, representing more than half the hospital employees, strongly opposes the plan and warned in late November that the union will go to court, if necessary, to stop the privatization.

Interview: Cynthia Perry

Cynthia Perry is the staff representative of the District 1199C National Union of Hospital and Health Care Employees/American Federation of State County and Municipal Employees (AFSCME), AFL-CIO at D.C. General Hospital. She spoke with Marianna Wertz on Nov. 27.

EIR: Last week it was reported by the *Washington Post* that representatives of the D.C. Financial Control Board, Mayor Anthony A. Williams (D), the D.C. Council, and the board of the Public Benefit Corp. (which runs D.C. General), have proposed to privatize D.C. General Hospital. District 1199C President Henry Nicholas said that the union would go to court to prevent this. Can you tell us more?

Perry: I met with the City Administrator this morning. What he did tell us, is that some of the information in the *Washington Post* is not correct, that they are in the process of setting up the specs for the consortium or individual to come in to take over the services at D.C. General.

Speaking from the labor point of view, which I did voice

at the meeting, that is a service that I believe the District should provide. I don't know if you're aware of the history, but the workers there have not had a raise in over ten years. We have a contract which was bargained two years ago, which was never paid off on. Meanwhile, you have management who come and go, who receive bonuses and raises, all on the backs of the workers in D.C. General.

So, now it looks like they're willing to sell those same workers, who have sacrificed, down the drain, in order to maintain some semblance of being a health-care provider.

I don't think, in actuality, that the private companies ought to be doing the District of Columbia's job. The District of Columbia, including the Mayor and everyone else who makes the decisions, has not had any commitment, period, to health care at all. They have sat around and watched it go down the tubes for a long time. This problem did not begin this year or last year. They have been content with just turning their heads and letting mismanagement run in the hospital, without anyone being held accountable.

As far as their privatizing it, the District of Columbia does not have a good track record of paying their bills, period. I can't imagine that there will be a company that will step forward to take over D.C. General. I posed the question in the meeting: What would happen if no one takes over? I don't know if you've tried to get answers from anyone in the District, but their answers are always evasive.

EIR: I presume that privatization means the end of the union.

Perry: It will be the end of the union as far as D.C. General, but I don't think that would preclude us from going wherever those workers go. Whoever takes over those contracts, we'll unionize them. Wherever they go, we'll be there.

EIR: When will the privatization process begin?

Perry: In mid-December, they are going to put out an intent-to-bid, they're going to do a pre-bid meeting, and they expect to have bids in by mid-January.

EIR: So nothing will happen until then?

Perry: Nothing will happen until then, but this is just what they said today. As you and I know, things will probably be subject to change in the next 12 hours.

The Public Benefit Corp., the City Council, the departments of the District have put all kinds of things in place, and everything has failed. Before anything hits, they already have put all these limitations on it, such as, if nothing is decided by a certain date, the hospital will close. It makes you ask, if they can't come up with a decision, is that their intent: to close it, anyway?

EIR: Several people have told me that that, in fact, is their intent, including the Mayor's.

Perry: I think it is the Mayor's idea. He was the Chief Financial Officer, not when the problems began, but he was the

Chief Financial Officer when the problems were happening. All of a sudden, he's Mayor, and he wants to take action. I think that, as Chief Financial Officer, he should have stepped in at that point, before it got to this point, where people say it can't be saved.

But I went over D.C.'s appropriation bill [in Congress], and it doesn't tell you what plan you have to do. It does say that there has to be a plan. And the plan can be the city running the hospital itself. When they come up with a plan to streamline finances, the plan can go forward. They can run their own hospital. They have funds available up to \$90 million that can be made available, once they have a plan in place. That's not limited. There are also capital funds, where they can build a new building. It doesn't have to touch anyone's budget. They have the tobacco settlement money, which can go toward health care and help fund the hospital.

But they don't want to look at those options of funding. You have those same people, who don't want to commit to health care in the District, they were willing to set up a private hearing on floating a bond for Georgetown University Hospital, but there's just no political commitment to health care in the District. And the District has high infant mortality, high morbidity rates, right there in the area where D.C. General is located.

EIR: It's among the highest in the country, isn't it?

Perry: Actually, the rates are comparable to Third World countries.

EIR: Have you looked at who the privatizers are, and what their relationship is to those who are pushing this?

Perry: One of the biggest institutions in there trying to get the money is Greater Southeast Hospital, and we all know how the District bailed them out. We also know how they're not in good financial standing right now either. How can the government be willing to send the money out to private companies, to take care of something that they can take care of themselves?

EIR: That's the question that has confronted us since it was first solved by Franklin Roosevelt, when he said, get the "economic royalists" out of government.

Perry: If you have anything for us to take to the table, we are more than willing to look at it.

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