

MAY 23, 1977

INTRODUCED BY CITY MANAGER JAMES L. SULLIVAN

AN ORDER CONCERNING AN APPROPRIATION FOR THE FISCAL YEAR BEGINNING JULY 1, 1976

ORDERED: That the following transfer be made in the General Fund of the City of Cambridge:

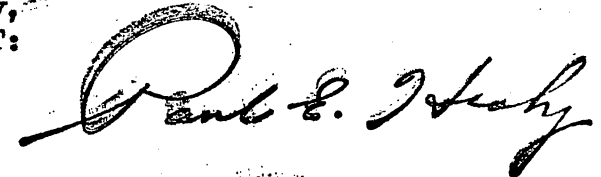
<u>FROM</u>	<u>AMOUNT</u>	<u>TO</u>	<u>AMOUNT</u>
HEALTH & HOSPITAL SERVICES		HEALTH & HOSPITAL SERVICES	
Salaries & Wages	\$327,225.		\$327,225

REASON(S)

Cost overruns in a variety of Hospital Responsibility Centers.

In City Council May 23, 1977
Adopted by a yeas and nays vote:
Yeas 9; Nays 0; Absent 0.
Attest: Paul E. Healy, City Clerk

A true copy,
ATTEST:



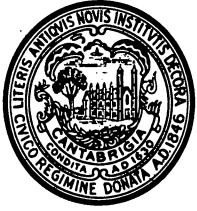
City of Cambridge

MASSACHUSETTS

Agenda #6 Transfer of \$327,225.00 in the Health City Council May 23 1977
and Hospital Dept.

	YEA	NAY	ABSENT	PRESENT
Mrs. Ackermann	✓			
Mr. Clem	✓			
Mr. Clinton	✓			
Mr. Danehy	✓			
Mr. Duehay	✓			
Mrs. Graham	✓			
Mr. Russell	✓			
Mr. Sullivan	✓			
Mayor Vellucci	✓			

9 0 0



The Cambridge Hospital

Affiliated with
Harvard Medical School



May 19, 1977

Mr. James L. Sullivan, City Manager
City Hall
Cambridge, MA 02139

Dear Mr. Sullivan:

Your authorization is respectfully requested for the following transfers within Health and Hospital Services:

FROM:

<u>Responsibility Center</u>	<u>Code</u>	<u>Amount</u>
Neville Manor - Administration	001-4-41-41-01-00-1	\$ 21,000
Neville Manor - Patient Care	001-4-41-41-02-00-1	115,000
Neville Manor - Supporting Services	001-4-41-41-03-00-1	160,000
Hospital - Emergency Room	001-4-41-60-78-00-1	31,225
		<u>\$327,225</u>

TO:

<u>Responsibility Center</u>	<u>Code</u>	<u>Amount</u>
Hospital - Chemistry	001-4-41-70-01-00-3	\$ 30,000
Hospital - Whole Blood	001-4-41-70-09-00-3	28,000
Hospital - Radiology Administration	001-4-41-70-20-00-3	29,000
Hospital - Pediatrics	001-4-41-70-45-00-3	17,000
Hospital - Pharmacy	001-4-41-77-60-00-3	50,000
Hospital - General Food Services	001-4-41-80-04-00-3	14,000
Hospital - Repairs & Maintenance	001-4-41-88-65-00-3	12,000
Hospital - Community Assistance	001-4-41-90-23-00-3	25,000
Hospital - Storeroom	001-4-41-90-43-00-3	90,225
Hospital - Executive Offices	001-4-41-95-50-00-3	32,000
		<u>\$327,225</u>

In an effort to promote cooperation among the various divisions within the Health and Hospital Services, I am requesting a transfer from the Salaries and Wages account of the Neville Manor to the Other Ordinary maintenance account of the Hospital. The funds available in the Salaries and Wages

MAY 19 2 32 PM '77
MAY 19 2 32 PM '77
MAY 19 2 32 PM '77

OFFICE OF THE
CITY MANAGER

ST. LOUIS, MISSOURI

Mr. James L. Sullivan
May 19, 1977
Page 2

account have been generated from positions which have been vacant throughout FY 77. The FY 77 budget for the Neville Manor included funds necessary to operate at a level of 156 beds. However, due to the inability to obtain the certification from the Department of Public Health necessary to operate at this level, the Neville Manor has operated at a level of 120 beds. This has resulted in substantial manpower savings.

The position of Emergency Ward Triage Physician has been vacant since the beginning of FY 77. As the Hospital has been unable to recruit a suitable replacement for Dr. Isterabadi, coverage has been provided by senior residents and staff physicians on a charge per coverage and, most recently, a fee-for-service basis. Therefore, payments have been made out of the Other Ordinary Maintenance account or directly by the responsible party. I am now requesting the transfer of these funds from the Salaries and Wages account to offset the expenditures. A new arrangement is being considered for FY 78.

The following paragraphs deal with transfers on an individual basis:

An additional \$30,000 is requested for Chemistry (001-4-41-70-01-00-3). The rental of additional laboratory equipment has resulted not only in substantial manpower savings but also in improved services to patients. A greater than anticipated increase in the volume of procedures has necessitated the purchase of laboratory supplies not included in the original budget.

In order to provide funds to purchase the necessary amounts of blood from the Northeast Regional Red Cross Blood Program, an additional \$28,000 is requested for Whole Blood (001-4-41-70-09-00-3). Based on historical information, the average monthly expenditure for blood has been approximately \$11,000. Therefore, it is clear that the allotment of \$80,000 is inadequate to meet the needs of the hospital.

In order to maintain the high level of service in the Department of Radiology, it has been necessary to retain the services of residents not included in the original budget. These services have resulted in an approximate increase of \$2,500 per month, thus requiring a transfer of \$29,000 to Radiology-Administration (001-4-41-70-20-00-3).

Additional funds are requested for the Department of Pediatrics to cover expenses incurred by the addition of a resident from the Massachusetts General Hospital not included in the FY 77 Budget. The cost for the residents are approximately \$5,200 per month, thus necessitating a transfer of \$17,000 to the net allotment of \$43,500.

The available balance for the Pharmacy as of March 31, 1977, was \$6,700. The average monthly requirement has been approximately \$20,000. Therefore,

Faint, illegible text at the top of the page, possibly a header or address.

Second block of faint, illegible text in the upper middle section.

Third block of faint, illegible text in the middle section.

Fourth block of faint, illegible text in the lower middle section.

Fifth block of faint, illegible text in the lower section.

Sixth block of faint, illegible text near the bottom of the page.

CITY MANAGER
OFFICE OF THE

RECEIVED
MAY 19 2 31 PM '77

Mr. James L. Sullivan
May 19, 1977
Page 3

an additional \$50,000 will be needed to cover expenses for the last three months of FY 77. The increase in expenditures was due mainly to the effects of inflation and the continued high use of antibiotics and drugs used to treat cancer and burns.

An additional \$14,000 is requested for General Food Services (001-4-41-80-04-00-3). The increase in expenditures is due to a higher number of patient days than had been anticipated and the increased use of the cafeteria by hospital employees. It should be noted that the increase in cafeteria revenue more than offsets the increase in expenditures attributed directly to the cafeteria.

An order to continue the high level of maintenance required at the Hospital, it is necessary to transfer \$12,000 to Repairs and Maintenance (001-4-41-88-65-00-3). It is anticipated that expenditures in this account will average approximately \$15,000 per month for the last three months of FY 77.

In order to provide funds to cover the expenses incurred by the increased use of credit and collection services to recover revenue due to the Hospital, an additional \$25,000 is requested for Community Assistance (001-4-41-90-23-00-3). It is anticipated that approximately \$2,000,000 in charges will be given to the collection service during the last four months of FY 77. It should be noted that for each dollar expended the City receives at least four (4) dollars in revenue.

Based on the current level of expenditures, an additional \$90,225 will be required to meet expenses in the Storeroom (001-4-41-90-43-00-3) for the remaining three months of FY 77. It has been determined that the original allotment of \$729,385 would have been adequate to meet the average monthly expenditure of approximately \$60,000 if transfers had not been made from this account. However, several situations e.g. increased laundry service costs, postage, increased computer capabilities, ER coverage, occurred during FY 77 which required the transfer of funds from this account.

As a result of findings by the United States Department of Labor, the City has been directed to pay \$260,000 in damages to 283 present and former employees for discriminatory labor practices. The request of a transfer of \$32,000 represents that portion of the total to be paid by the Hospital during FY 77.

In summary, it is being requested that \$296,000 from the Neville Manor and \$31,225 from the Hospital's Salary and Wages accounts be transferred to the Hospital's Other Ordinary Maintenance account in order to continue to provide services to patients at the present level. Your approval is

Faint, illegible text at the top of the page, possibly a header or address.

Second block of faint, illegible text in the middle of the page.

Third block of faint, illegible text in the lower middle section.

Fourth block of faint, illegible text near the bottom of the page.

OFFICE OF THE
CITY MANAGER

RECEIVED
MAY 19 2 31 PM '77

Mr. James L. Sullivan
May 19, 1977
Page 4

respectfully requested.

Thank you.

Sincerely yours,



Francis L. Comunale
Acting Commissioner of Health & Hospital

FLC:sem

cc: Mr. Leslie N.H. MacLeod, Director

MAY 19 5 31 PM '77

RECEIVED
MAY 19 2 31 PM '77
OFFICE OF THE
CITY MANAGER



CITY OF CAMBRIDGE

CAMBRIDGE, MASSACHUSETTS 02139
Tel. 876-6800

EXECUTIVE DEPARTMENT
JAMES L. SULLIVAN
City Manager

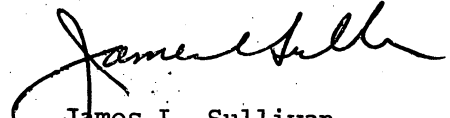
May 23, 1977

To the Honorable, the City Council:

I transmit herewith self-explanatory communication from Dr. Francis L. Comunale, Acting Commissioner of Health and Hospitals, requesting a transfer of \$327,225.00 from Health and Hospital Services Salaries & Wages to Health & Hospital Services Other Ordinary Maintenance. This transfer is necessary to cover cost overruns in a variety of Hospital responsibility centers.

Passage of the enclosed order is recommended.

Very truly yours,


James L. Sullivan
City Manager

JLS/b

Agenda #6

F-182

Transfer of \$327,225.00 in the Health and
Hospital Dept.

In City Council,

May 23, 1977

5/23/77

Order

Adopted

9-0-0