

**The**

**John A.**

**Hartford**

**Foundation**

**1990**

**Annual**

**Report**



*This has been the guiding philosophy of the*

*Hartford Foundation since its establishment*

*in 1929. With funds from the bequests of its*

**"It is necessary to carve from the whole vast**

*founder, John A. Hartford, and his brother*

**spectrum of human needs one small band that**

*George L. Hartford, both former chief exec-*

**the heart and mind together tell you is the area**

*utives of the Great Atlantic and Pacific Tea*

**in which you can make your best contribution."**

*Company, the Hartford Foundation seeks to*

*make its best contribution by supporting*

*efforts to improve health care in America.*





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1990 was a year of extremes—the euphoria over the demise of the Berlin Wall, the democratization of much of Eastern Europe, the hope for a Peace Dividend—all suggested that the end of the Cold War would result in many good things for the U.S. and its citizenry. We even hoped that progress could be made on containing the astronomical rise in health care costs and that we might see an improvement in quality. The Peace Dividend could be helpful in solving the difficult problem of providing long-term care for the disadvantaged elderly. As we moved through the year it became increasingly clear that many of our hopes and dreams would not be realized. At home the economy headed for

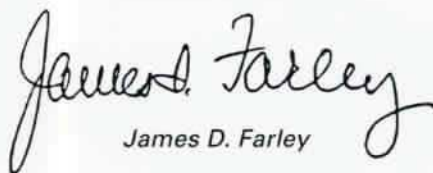


recession, the bailout of the S&Ls added billions to our budgetary problems, weakening real estate values resulted in greater pressure on the banking system, and, finally, the invasion of Kuwait added a whole new dimension to an already murky crystal ball.

The Hartford Foundation managed to come through this year of extreme divergence successfully. While the performance of our assets did reflect the difficult economic environment, our reduction in size of only 4.4 percent after our disbursements speaks well for the acumen of our Finance Committee, investment managers, and staff. On the grantmaking front, we decided to alter priorities in our Health Care Cost and Quality program toward a more localized approach under our new Community Health Management Initiative. We hope to work with community leaders to help them demonstrate the value of concerted action to manage the cost and quality of local health care. We feel our Aging and Health grants are providing very useful results and we continued our work during 1990 within these programs.

We regret the retirement of our long-time Trustee, Charles Moeller, Jr., who did not stand for reelection at our Annual Meeting in May. Charlie joined our Board March 5, 1974, and brought a strong background in finance to our Foundation. He was the first Chairman of our Evaluation Subcommittee and helped to develop this most important review process which today serves us well.

As we enter 1991 with its myriad of uncertainties, I am proud of our team of dedicated Trustees and staff. Our Foundation will maintain its position as a preeminent influence in the Health Care and Gerontology fields.

  
James D. Farley

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▶  
Left to right, seated:  
James D. Farley,  
Alexander M. Laughlin,  
Charles E. Murphy, Jr.,  
William Corbus, Robert H.  
Mulreany, Nuala Pell,  
Richard A. Cramer.  
Standing: Norman H.  
Volk, Matthew E. Welsh.  
Missing are Leonard  
Dalsemer and Michael D.  
Dingman.



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## Community Health Management Initiative

Today, despite decades of vigorous effort, America still faces formidable health care problems. Costs continue to rise dramatically. The number of uninsured is now estimated to have reached over thirty-five million. It is widely believed that the quality of care is deteriorating. And there is still scant attention paid to both the prevention of illness and the promotion of "wellness."

As we learn more, we find we must adjust our course accordingly. Some have argued for a greater public sector role, but most worry that would only make matters worse. To date, the "market approach" has fallen short in its impact.

This current uncertainty argues for a period of experimentation and innovation. In this way we believe we can best inform national policy. The challenge is, of course, to identify what might be tried that could make a real difference. What can be done to contain costs (including a reduction in inappropriate services), promote quality, foster wellness, and reduce the numbers of uninsured?

The Community Health Management Initiative, launched by the Hartford Foundation in 1990, is one response to that question. The Foundation will help a few carefully selected communities develop and demonstrate an effective approach to local health problems. The key ingredients of such an approach are: strong *leadership* by those in the private sector who pay for the services; concerted *action* which overcomes the fragmentation among both those purchasing services and those providing the services; *organizational mechanisms* for managing the use of, payment for, and quality of the community's health care services.

◀ A promising approach to measuring health care quality is to use the patient as an informant. John E. Ware, Jr., Ph.D., of Boston's New England Medical Center is a leading expert on these patient-centered measures of quality. A Hartford Foundation grant supports the work of a special resource center, headed by Dr. Ware, in assisting others to employ such measures. Here, he is shown consulting with Patricia Drury, Executive Director of the Minnesota Coalition on Health, who is using Hartford's support to assess health care quality.

"Several conditions are essential for an efficient market: (1) that decisions be made by consumers, (2) that they know the value and cost of the goods they are contemplating buying, and (3) that they pay the full cost and receive the full value of the goods they choose to receive. All three fail in medicine."

David M. Eddy, M.D., Ph.D.  
"What Do We Do About Costs?"  
*Journal of the American Medical Association*,  
September 5, 1990



Under the Community Health Management Initiative, grants were made in 1990 to support the development of the Greater Cleveland Health Quality Choice program of Cleveland Tomorrow, and of the Employer-Sponsored Managed Care System by Seattle's Health Care Purchasers Association of Puget Sound. A Foundation-Administered Project was also approved for support of activities which meet shared needs of communities pursuing community health management.

The Cleveland and Seattle projects illustrate exciting variations on the theme of

*"Coverage that buys unnecessary or inappropriate care, that pays for poor quality, that fails to promote efficient delivery, or that shifts costs from some purchasers to others wastes private and public dollars that could be used elsewhere."*

*A Call for Action, Final Report,  
The Pepper Commission,  
September 1990*

community health management. With strong leadership by the chief executive officers of the city's leading employers, Cleveland is seeking better measures for comparing the quality of local hospitals, so that employers can encourage their employees to use the best and most cost-effective hospital services. Greater Cleveland Health Quality Choice has designed an innovative set of such measures in collaboration with area hospitals and physicians. It plans to collect data and disseminate the results in 1992.

The Seattle project also draws on strong employer commitment. The Health Care Purchasers Association will design and launch a system to be controlled by the private sector, supported by the community, and available for use by both the private and public sectors in Washington State. Key to the project is an innovative system for gathering data directly from physicians by which to monitor the cost, appropriateness, and effectiveness of their inpatient and ambulatory practices.

### Measuring Health Care Quality

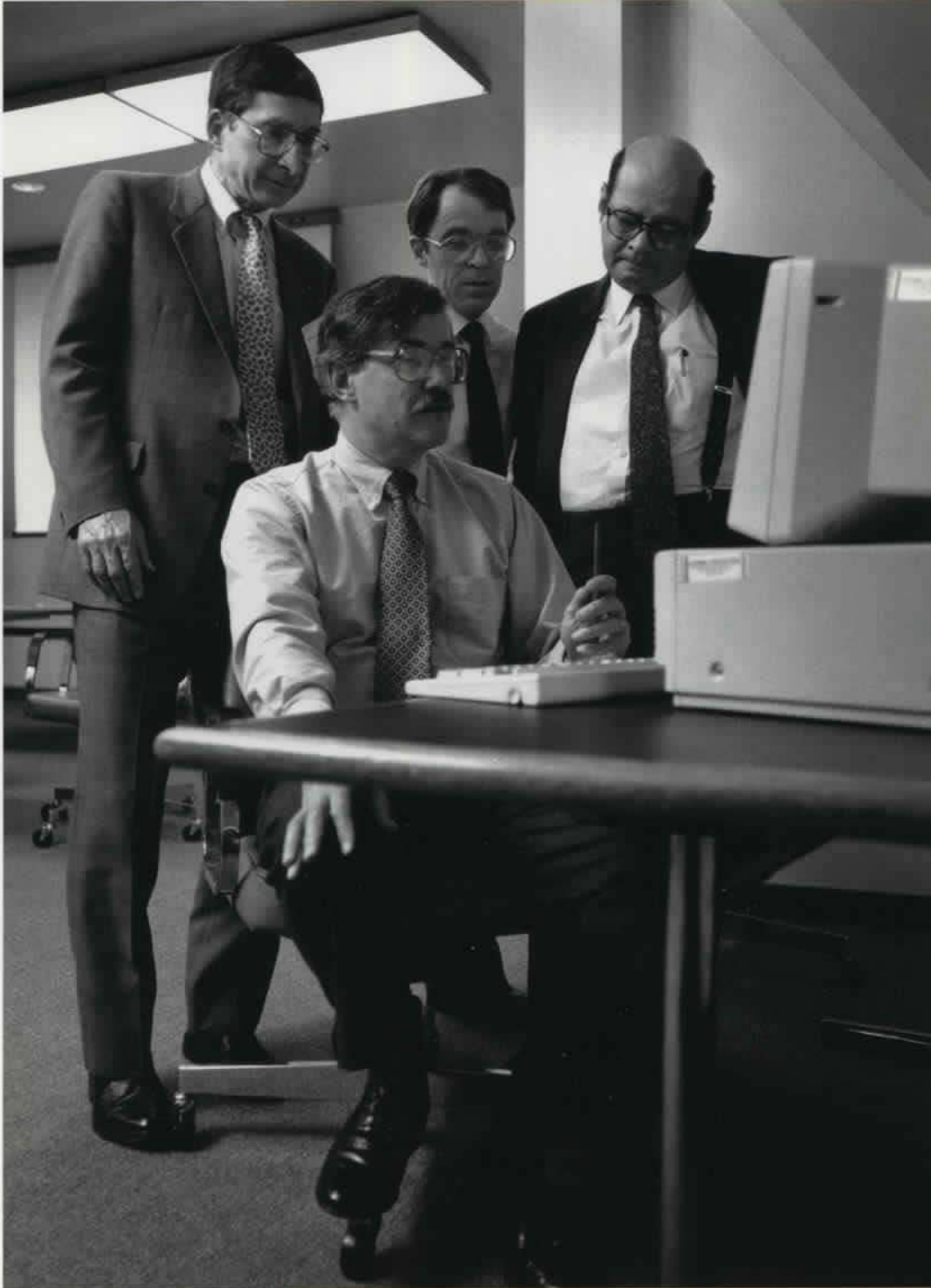
The Foundation in 1990 renewed its longstanding commitment to improving the measurement of health care quality. U.S. health care reform will depend heavily on developing better measures and applying them to aid purchasers in their comparison of hospitals, health plans, and physicians. To gain widespread use, quality measures must be considered valid by health care providers. But the extreme



The Greater Cleveland Health Quality Choice program of Cleveland Tomorrow is using Foundation support to develop profiles of local hospitals' quality. These profiles will be widely disseminated to encourage the use of the area's most cost-effective hospitals. The effort was initiated by local businesses who are working closely with Cleveland's hospitals and physicians. John C. Morley (standing), President and CEO of Reliance Electric, chairs the CEO Leadership Group and Steering Committee which guides the program. In this photograph he is conferring with (left to right) Richard A. Shatten, Executive Director of Cleveland Tomorrow, Powell Woods, Vice President for Human Resources and Community Affairs at Nestle Enterprises Inc., and Dale V. Shaller, consultant, who are assisting with the program.







complexity of medicine and the pervasive lack of data make it difficult to gauge the effectiveness of medical practices and the competence of those providing care.

A team at the University of California, San Francisco, led by Harold S. Luft, Ph.D., will use a Hartford grant approved in 1990 to plan a major project aimed at helping consumers and purchasers make better-informed choices among Bay Area providers for their inpatient and outpatient surgery. This grant complements others, awarded in previous years to the Rochester Area Hospitals Corporation and to the Beth Israel and Brigham and Women's hospitals in Boston, for similar ongoing projects in selected surgical and medical diagnostic areas.

The Foundation renewed its support in 1990 for a project at the University of Pennsylvania's Leonard Davis Institute to develop a prototype system to provide corporate health care purchasers and others with a uniform basis for comparing hospitals' quality in a given market area.

With a grant awarded in 1988 the Minnesota Coalition on Health continues to develop profiles to be used to compare the quality of Twin Cities hospitals, drawing on billing data collected by the Council of Hospital Corporations and on patient-centered measures. The Health Policy Corporation of Iowa is using a 1989 Hartford grant to strengthen its approach to measuring the quality of Iowa's hospitals, with the assistance of leading health services researchers.

#### 1990 Grant Commitments

The Hartford Foundation awarded six grants and one Foundation-Administered Project under its Health Care Cost and Quality Program in 1990, for commitments totaling \$2,238,252.

*"In an ideal market, competition among health care providers in response to the consumer demand will work to improve the quality of health care, largely by eliminating so-called outliers but possibly also by rewarding good performers by, say, increasing their volume of patients. This tenet is viable only to the extent that someone — patients, outside evaluators, the clinician community itself — can recognize good and bad care."*

**Medicare: A Strategy for Quality Assurance**, Report of the Committee to Design a Strategy for Quality Review and Assurance in Medicare, Institute of Medicine, 1990

◀ A team led by Mark V. Pauly, Ph.D., at the University of Pennsylvania is using Hartford's support to develop a prototype system for rating hospital quality. The goal is to provide a more accessible and universally applicable tool for use by corporate purchasers in comparing hospitals than has been available to date. The system will take into account factors which purchasers consider to be important in measuring quality. Here, Dr. Pauly (seated), taps Peter M. Karapelou, Account Executive, Beyer Barber Company, consultant Ted J. Ackroyd, Ph.D., and Ernie Collins, Manager, Benefits Planning & Communication, Hershey Foods Corporation (standing, left to right) for feeding such preferences into the computer-based rating system.



## **Health Care Cost and Quality Grants**

### **Cleveland Tomorrow**

*Cleveland, OH*

*John C. Morley*

#### *Greater Cleveland Health Quality Choice*

The Greater Cleveland Health Quality Choice program is a cooperative effort among Cleveland area business leaders, hospitals, and physicians to measure and improve the quality, affordability, and accessibility of health care services community-wide. Under this grant, technical consultants will be hired to assist in developing and disseminating profiles of local hospitals. These reports will be useful to corporations who wish to encourage their employees to use the best and most cost-effective hospital services. The grant also will support the design of new arrangements for selective health care purchasing by local employers. The project includes collection of baseline data on cost and utilization to monitor the program's impact.

**Grant Award: \$400,000; 2 years**

**Starting Date: January 1, 1991**

### **Foundation-Administered Project**

#### *Community Health Management Initiative*

The funds appropriated for this project will permit the Foundation to pursue the goals of its Community Health Management Initiative through directly administered activities. Specifically, the Foundation will organize meetings, arrange for technical assistance, and contract for the development of tools or systems that can help more than one community in pursuing the goals of the Initiative. For example, a meeting in November 1990 brought together representatives from Cleveland, Seattle, and Iowa to discuss their shared interest in the Initiative. In 1991 the Foundation expects to use project funds to contract with experts for the development of systems by which communities could collect and disseminate needed information on the cost and quality of local health care.

**Amount: \$150,000; 1 year**

**Starting Date: September 15, 1990**

### **Foundation for Health Care Quality**

*Seattle, WA*

*Keith L. McCandless*

*Health Care Effectiveness Information Utility - Obstetrics Quality and Access  
Demonstration Project*

**The Foundation for Health Care Quality will attempt to demonstrate the potential of a health care information utility for Washington State. The project's ultimate goal is a statewide health care database to provide information needed by purchasers, providers, researchers, and public agencies for assessing the effectiveness and appropriateness of health care services and evaluating access to such services. Under this grant, a pilot effort will be undertaken in obstetrics.**

**Grant Award: \$331,000; 18 months**

**Starting Date: July 1, 1990**

### **Health Care Purchasers Association of Puget Sound**

*Seattle, WA*

*Andrea B. Castell*

*Employer-Sponsored Managed Care System*

**The Health Care Purchasers Association of Puget Sound is developing an "Employer-Sponsored Managed Care System" (ESMCS). It is envisaged as a health care management system which will be controlled by the private sector, supported by the community, and available for use by both the private and public sectors in Washington State. A major challenge in the development process supported by this grant is gathering information to help purchasers choose hospitals and physicians on the basis of quality and cost. The system will tie ESMCS data collection and services to transactions at the point of service for both ambulatory and hospital care of individual patients. The grant also supports the development of an ESMCS business plan and the collection of baseline data which will be needed for later program evaluation.**

**Grant Award: \$100,000; 8 months**

**Starting Date: January 2, 1991**

**National Academy of Sciences**

**Institute of Medicine**

*Washington, DC*

*Marilyn J. Field, Ph.D.*

*Design of a Structured Approach to Medical Practice Guidelines*

**Concerns about inappropriate care have stimulated widespread interest in standards for appropriate medical practice. However, the emerging field of standards development and use is marked by inconsistency and fragmentation. Many health care leaders feel it would be useful to design some kind of structured national approach to standards development. In this project a committee of experts, convened by the Institute of Medicine, will design such an approach.**

**Grant Award: \$300,000; 18 months**

**Starting Date: May 1, 1990**

**University of California, San Francisco**

*San Francisco, CA*

*Harold S. Luft, Ph.D.*

*Improving Provider and Consumer Information about Surgical Care*

**Under this grant, the University of California, San Francisco will plan a major project to enable health care consumers and purchasers to make better informed decisions in choosing among Bay Area providers for their surgery; at the same time it will help providers improve the quality of their services. The project's goal is a system to measure the quality of both inpatient and outpatient surgical procedures. It will utilize insurance claims to identify post-operative complications and questionnaires to elicit information from selected patients. This grant supports only the planning phase of the project.**

**Grant Award: \$207,252; 1 year**

**Starting Date: November 1, 1990**



**University of Pennsylvania**

*Philadelphia, PA*

*Mark V. Pauly, Ph.D.*

*Corporate Hospital Rating Project*

**This grant to the University of Pennsylvania's Leonard Davis Institute provides continued support for the development of a system for rating hospital quality, which could be combined with systems already used by firms such as Moody's and Standard & Poor's for rating the financial strength of hospitals. The goal is to provide a more accessible and comprehensive basis for comparing hospitals than has been available to date. The award will be used to refine and validate the prototype developed with previous Foundation support, and then to demonstrate its usefulness, using data from Pennsylvania's Health Care Cost Containment Council and other sources. Two major firms have agreed to test the rating system.**

**Grant Award: \$750,000; 3 years**

**Starting Date: January 1, 1991**

The goal of our medical endeavors should be not only to add years to life, but also life to our years. Yet too often the price we pay for longevity is compromised function. Although only five percent of seniors live in nursing homes at any given time, it is estimated that almost half of the people who celebrated their sixty-fifth birthday in 1990 will use a nursing home at least once before they die. These figures suggest that nursing home residents, who now number about one-and-a-half

*"Even with all the accomplishments, Medicare and Medicaid's 25 year history is replete with gaps...the elderly are paying out over 18 percent of their incomes for health and long term care... and over 200 million Americans lack long term care protection other than spending down to Medicaid."*

Edward R. Roybal,  
Chairman of the House Select  
Committee on Aging

million, could reach six million in fifty years.

Simultaneously there will be a strain on community-based services, (since far more disabled people live in the community than in nursing homes), as well as on hospital and ambulatory capabilities.

The diseases and disabilities of the elderly are particularly numerous and diverse, and their clinical presentation is often atypical. Some sixty percent of newly diagnosed cancers occur in people above the age of sixty-five. The elderly are also disproportionately afflicted with chronic impairments of both physical and mental health, such as arthritis and dementia.

How can a foundation with limited resources best ameliorate the human misery that underlies these statistics? One obvious way is to promote the scientific study of medical *and* functional decline, including the development and assessment of new therapies. Another is to identify and improve the *coordination* of the various types of care that will be needed by those of us on our way to, and beyond, four score years of life.

The Foundation's Aging and Health projects reflect a range of strategies to accomplish these aims. Some support individual scientific career development, while others demonstrate ways to coordinate and finance needed services and improve clinical practice.



*In an attempt to help elders evaluate their risk for premature disability, the Carter Center of Emory University is using Hartford Foundation support to develop a Health Risk Appraisal for Older Americans. The project is incorporating available knowledge about disability into a questionnaire that can be used to advise people who complete it about their individual risks and steps that could be taken to reduce the possibility of disability. Here, volunteers at the Carter Center test an early draft of the questionnaire.*







◀ Six hospitals are participating in the Foundation's HOPE (Hospital Outcomes Projects for the Elderly) Program. They are testing interventions designed to reduce the functional loss which often accompanies hospitalization of frail elderly patients. Here, at St. Marys Hospital Medical Center in Madison, Wisconsin, physical therapist Jill Johnson works to maintain a patient's mobility. The impact of her efforts, along with other interventions, will be evaluated as part of the St. Marys HOPE project, supported by a Hartford grant.

## Academic Geriatrics

The Foundation has long been dedicated to increasing the geriatric training capability of the nation's medical schools. It has sought to attract students to a career in academic geriatrics at ten "centers of excellence," most of which have allocated a portion of their Hartford grant funds to student recruitment. In 1990 an additional grant was awarded to one of these centers, the University of Michigan, to bring together student scholars receiving support from their respective medical schools for a scientific session held in conjunction with the annual meeting of the American Geriatrics Society. It is hoped that this will reinforce their interest in academic geriatrics and bring more students into the "pipeline" leading to academic careers.

A second grant in this area was made to the American Federation for Aging Research (AFAR), Inc. It complements the "centers of excellence" strategy by enabling these centers to offer fellowships for advanced research and training to those in surgical and other specialties interested in acquiring geriatric expertise. The project represents the Hartford Foundation's participation in a multi-foundation effort on behalf of academic geriatrics led by The Commonwealth Fund.

*"We will continue to be far short of the numbers of people we need to staff education and research programs in Geriatrics and basic aging aspects for some time to come. Therefore, everything that we can possibly do to develop more leadership is of critical importance."*

**T. Franklin Williams, M.D.,**  
*Director, National Institute on Aging*

## Reducing Functional Deterioration of Hospitalized Elders

In 1989 the Foundation awarded seven grants to researchers at geographically and organizationally varied hospitals to test strategies for reducing the functional deterioration of the hospitalized elderly. Recognizing that inadequate hospital emergency services are a critical link in the chain of functional decline, the Foundation awarded a grant in 1990 to the Society for Academic Emergency Medicine to survey the status of emergency care of the elderly in U.S. hospitals today, and to recommend priorities for improving this key segment of the eldercare system.



## Organization and Financing of Long-Term Care

The Foundation continued its support of efforts to define and strengthen the continuum of services needed by elders as they become increasingly frail. A grant was made to On Lok, Inc. relating to the replication and testing, in different settings, of the PACE (Program of Affordable Care for the Elderly) model—a pre-paid approach, including acute and long-term care, originally developed in a San Francisco Chinese community. A Foundation-Administered Project supported a study by

*"A large body of data indicate that there is considerable room for improvement in the way medications are used in the over-50 age group."*

*The Second 50 Years,  
Institute of Medicine, 1990*

**Milton Residences for the Elderly, a subsidized housing complex near Boston, to determine the feasibility of offering a supportive services package to its residents.**

**An award to the Community Coalition for Long-Term Care of the County of Monroe (the Rochester, New York metropolitan area) will help the coalition deliver services**

**and improve financing for long-term care of the community's elderly. The San Diego Hospital Association's Sharp HealthCare is a vertically integrated organization, coordinating physician, hospital, nursing home, rehabilitation, and home care services. A 1990 Hartford grant will help Sharp evaluate the feasibility of developing comprehensive insurance products for the elderly that could more effectively integrate those services.**

## Medications and the Elderly

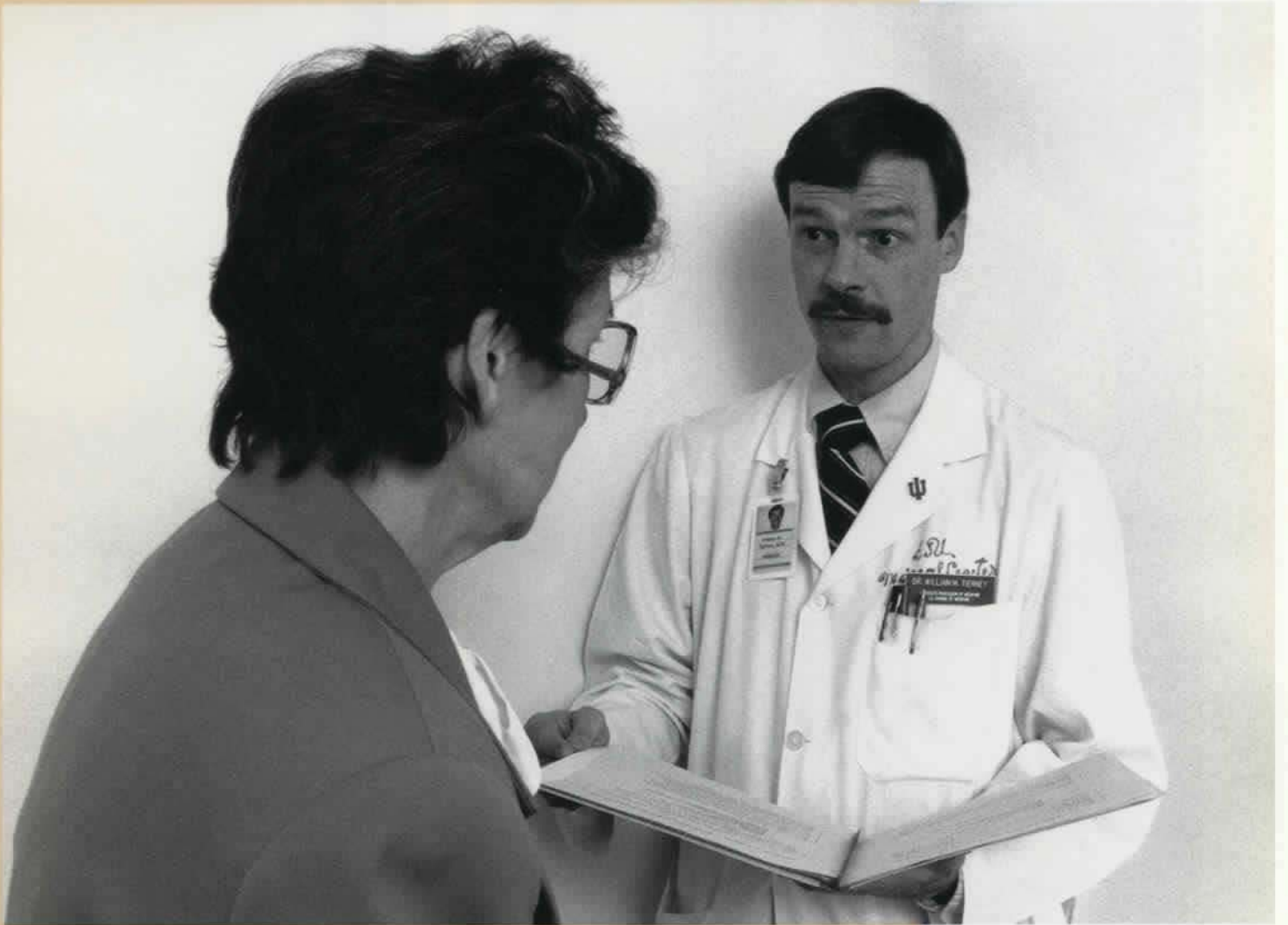
Continuing its effort to improve medication therapy for elders, the Foundation awarded two grants in 1990. One, to the American Federation for Aging Research (AFAR), Inc., supports medical students' research in geriatric pharmacology to encourage their pursuit of academic careers in that field. The second award, to Indiana University, supports an experiment to improve the role of medications in both the incidence and treatment of depression in the elderly.

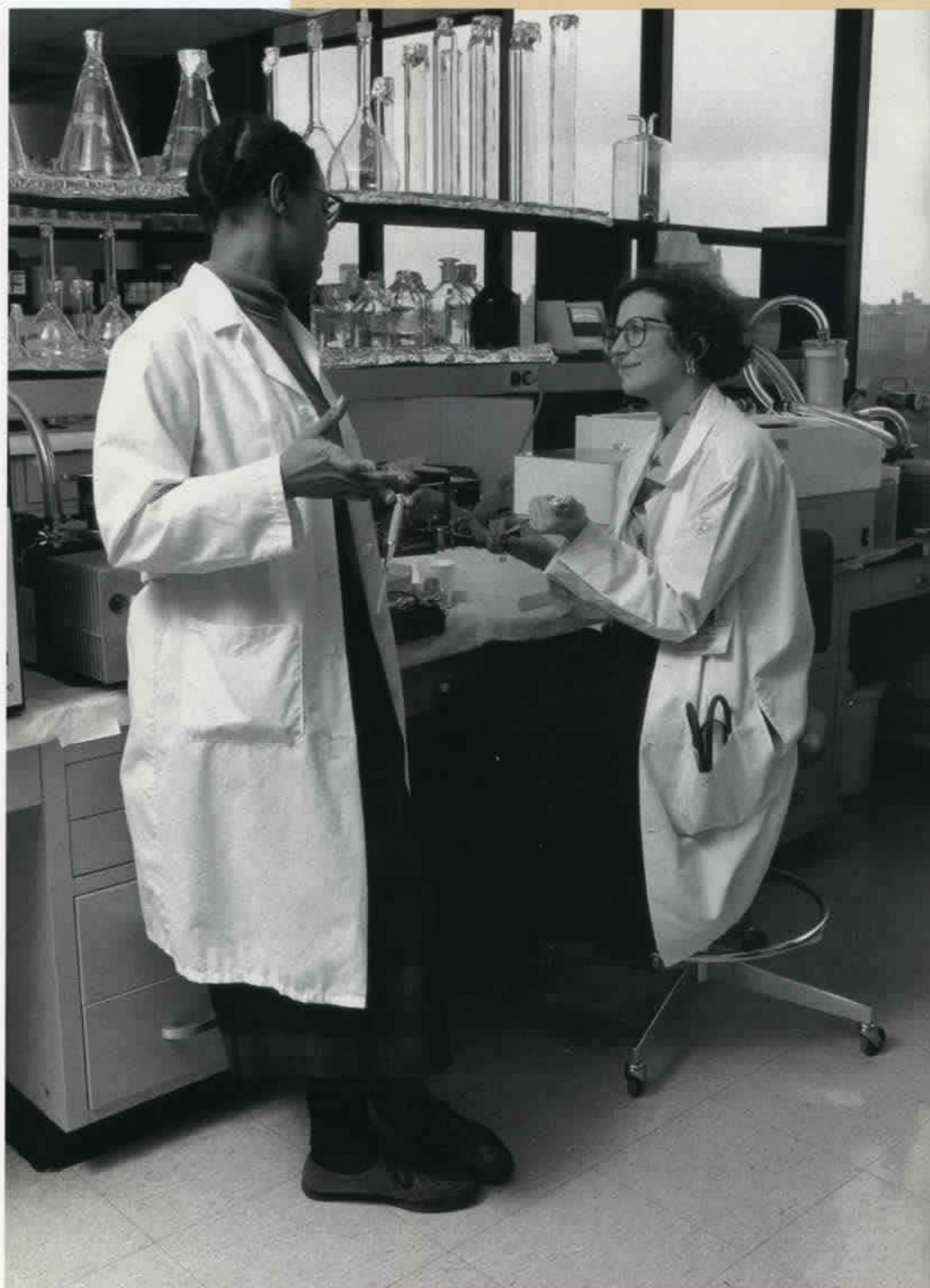
## 1990 Grant Commitments

During 1990 the Hartford Foundation awarded eight grants and one Foundation-Administered Project under its Aging and Health Program, for commitments totaling \$3,434,072.

▶ A team at Indiana University is using a grant made under the Foundation's Medications and the Elderly Program to test the effect of improving physicians' knowledge both for preventing medications-related depression and for using medications to treat depression in the elderly. Co-principal Investigator William M. Tierney, M.D., is shown here discussing project details with one of the project's research assistants, Ginny McGriffin.







◀ New York City's Mount Sinai Medical Center is one of ten "centers of excellence" in geriatric research, teaching, and patient care receiving support under the Foundation's Academic Geriatrics Recruitment Initiative. Grant funds are used to support young physicians in aging-related research and clinical care training, with the hope that their exposure to such work might attract them to academic careers in geriatrics. Deborah Friedlander, M.D. (right), a third-year Fellow, pictured here with Research Assistant Michelle Wiltshire-Clement (left), is using Foundation support to further her work in diagnostic testing for Alzheimer's disease.

## **Aging and Health Grants**

### **American Federation for Aging Research (AFAR), Inc.**

*New York, NY*

*Harold Epstein*

#### *Geriatric Pharmacology Scholarships for Medical Students*

**Under this grant, the American Federation for Aging Research (AFAR), Inc. will award scholarships designed to interest medical students in research relating to the use of medications by the elderly. AFAR will widely publicize these awards, which will be offered to as many as fifteen medical students, at any stage of study, each year. Renewable three-month summer stipends will provide support for both student and mentor to study some aspect of geriatric pharmacology, including biomedical, clinical, and epidemiological research. The long-term goal of this project is to improve elders' medications usage by getting researchers involved in this area early in their careers.**

**Grant Award: \$535,700; 3 years**

**Starting Date: June 1, 1990**

### **American Federation for Aging Research (AFAR), Inc.**

*New York, NY*

*Harold Epstein*

#### *Gero-Physician-Scientist Development Program*

**Physicians in non-medical specialties such as anesthesiology, surgery, and gynecology typically receive minimal training in geriatrics, even though a large proportion of their patients are elderly. With this grant the American Federation for Aging Research (AFAR), Inc. will award two- and three-year fellowships in support of geriatric training for physicians in selected non-medical specialties. The stipends may be used for aging-related research and/or the development of curricular materials for medical student and resident training. This grant is part of a multi-foundation initiative.**

**Grant Award: \$598,400; 4 years**

**Starting Date: January 1, 1991**



**County of Monroe**

*Rochester, NY*

*Kenneth J. Naples*

*Innovative Financing and Delivery Systems for Long-Term Care*

**With the assistance of an earlier Foundation grant, the County of Monroe (the Rochester, NY metropolitan area) has designed a community-wide financing and service structure for providing long-term care to the community's elderly, regardless of their income or health/disability levels. This award supports pilot testing and implementation of the system's most promising components, including innovative ways to meet medical and personal care needs, and the use of long-term care insurance for community-based services as well as nursing homes.**

**Grant Award: \$626,544; 3 years**

**Starting Date: June 1, 1990**

**Foundation-Administered Project**

*Improving the Fit Between Health Services for the Elderly and  
Their Housing Environments*

**Many persons who are at high risk for nursing home placement live in government-subsidized housing. Providing supportive services to this group, where economies of scale exist, is a highly promising concept. Under this project Milton Residences for the Elderly, a subsidized housing development outside Boston, will test the feasibility of developing a package of services for their residents that could provide an alternative to relocation to a nursing home. Dissemination of findings will also occur.**

**Amount: \$51,500; 8 months**

**Starting Date: June 1, 1990**

**Indiana University**

*Indianapolis, IN*

*William M. Tierney, M.D.*

*Christopher M. Callahan, M.D.*

*Medication Use and Depressed Elderly Patients in Primary Care*

**To improve the use of medications for depression in the elderly, the primary care physician's ability to recognize and treat depression must be improved. In this controlled clinical trial, all patients over sixty-five years of age in a large university-based primary care practice will be screened for depression. The experimental group of physicians will be given a list of medications which may be contributing to their patients' depression, along with recommendations for treatment. The control group will receive no intervention. Evaluation will focus on the use of prescription drugs with depressive side effects, patients' health and well-being, and cost of health care.**

**Grant Award: \$623,511; 3 years**

**Starting Date: July 1, 1990**

**On Lok, Inc.**

*San Francisco, CA*

*John Shen, D.S.W.*

*Implementation of a Multi-Site Initiative for Risk-based Long-Term Care*

**This grant provides continued partial support for replicating San Francisco's On Lok model. Originally developed in San Francisco's Chinese community, this pre-paid approach integrates service and financing for acute and long-term elder care. It focuses on those elders who would likely be in nursing homes without such a program. Under this grant, On Lok will provide technical help to six sites that are seeking to replicate the model, with the assistance of waivers which will bring in Medicare and Medicaid financing.**

**Grant Award: \$214,122; 1 year**

**Starting Date: April 9, 1990**

**San Diego Hospital Association (Sharp HealthCare)**

*San Diego, CA*

*Bettina Experton, M.D., M.P.H.*

*San Diego Senior Health Initiative*

The Sharp HealthCare system includes hospitals, nursing homes, and rehabilitation facilities, as well as home care and physician office practices. It serves an estimated one-fourth of the over-sixty-five-year-old population of San Diego. Under this grant, Sharp will evaluate the feasibility of developing comprehensive insurance products for the elderly, including long-term care coverage. Thus it will analyze the service needs, utilization, and expenditures of senior patients who are likely or certain to require long-term care.

**Grant Award: \$624,752; 3 years**

**Starting Date: May 1, 1990**

**Society for Academic Emergency Medicine**

**(The University Association for Emergency Medicine)**

*Lansing, MI*

*Arthur B. Sanders, M.D.*

*Emergency Department Care of the Elderly*

Hospital emergency departments are an important and neglected component of the health care system for the aged. Although twenty percent of emergency visits are by the elderly, little explicit attention is paid to the emergency care needs of these patients. With this grant the Society for Academic Emergency Medicine will conduct surveys of physicians, patients, and emergency medicine program directors in a variety of hospitals to identify the areas of greatest need in geriatric emergency medicine. With this information a task force will develop priorities for improving emergency care of the elderly.

**Grant Award: \$90,309; 1 year**

**Starting Date: December 5, 1990**



**University of Michigan**

*Ann Arbor, MI*

*Jeffrey B. Halter, M.D.*

*Coordinating Center: Academic Geriatrics Recruitment Program*

**In December 1989, the University of Michigan received a grant to serve as the coordinating center for the Foundation's Academic Geriatrics Recruitment Program, which seeks to increase recruitment for careers in academic geriatrics. The original grant was to facilitate communication among the ten medical schools in the program, and to arrange a meeting where students could present their research. This new grant will allow the University of Michigan to plan a second session at which students discuss their research at the 1991 American Geriatrics Society meeting. This continues the "tradition" of the first successful meeting held in May 1990.**

**Grant Award: \$69,234; 9 months**

**Starting Date: October 1, 1990**



The annual financial statements, which have been audited by Owen J. Flanagan & Co., appear on pages 33 to 43.

On December 31, 1990, the Foundation's assets were \$247.9 million, a decline of \$11.4 million for the year after cash payments of \$12.5 million for grants, expenses and federal excise tax. Total return on the investments, income plus realized and unrealized capital gains, was 0.2 percent. In 1990 revenues totaled \$12.5 million, a yield of approximately 5 percent for the year.

The Foundation's investment objective continues to be securing maximum long-term total return on its investment portfolio in order to maintain a strong grants program while assuring continued growth of our assets at a level greater than the rate of inflation.

In light of this objective, the Foundation continually seeks further diversification of its assets, either by asset class or investment management style. In 1990 the Foundation made an investment in a new pooled fund for the acquisition of diversified real estate properties. The stock and fixed income portfolios comprised 50 and 45 percent of the total investments at the end of 1990 compared with 55 and 41 percent, respectively, on December 31, 1989. The balance of the investments, venture capital partnerships, real estate pooled funds and other investments, totaled 5 percent at the end of 1990, an increase from 4 percent at 1989 year-end.

As of December 31, 1990 the Foundation's investments are managed by Capital Guardian Trust Company, Towneley Capital Management, Sound Shore Management, Luther King Capital Management, Morgan Stanley Asset Management, William Blair & Co. and T. Rowe Price Associates. In addition, the Foundation is an investor in the Oak Investment Partners III, Brentwood Associates IV, Mayfield V and Middlewest Ventures II venture capital limited partnerships, and the Tullis-Dickerson Capital Focus Limited Partnership. Real estate investments consist of funds managed by TA Associates Realty and JMB Institutional Realty Corp. The Foundation is also an investor in two private placements of preferred stock and an equity mutual fund managed by Grantham, Mayo, Van Otterloo & Co. The Finance Committee and the Board of Trustees meet regularly with each of the investment managers to review their performance and discuss current investment policy. The Chase Manhattan Bank, N.A. is custodian for all the Foundation's securities. A complete listing of investments is available for review at the Foundation offices.



## Independent Auditor's Report

The John A. Hartford Foundation, Inc.  
55 East 59th Street  
New York, NY 10022

Ladies and Gentlemen:

We have audited the balance sheets of The John A. Hartford Foundation, Inc. (a New York not-for-profit corporation) as of December 31, 1990 and 1989 and the related statements of revenues, grants and expenses and changes in fund balance for the years then ended. These financial statements are the responsibility of the Foundation's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The John A. Hartford Foundation, Inc. as of December 31, 1990 and 1989 and the results of its operations and changes in fund balance for the years then ended in conformity with generally accepted accounting principles.

Our audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The data contained in pages 37 to 43, inclusive, are presented for purposes of additional analysis and are not a required part of the basic financial statements. This information has been subjected to the auditing procedures applied in our audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Respectfully submitted,



Owen J. Flanagan & Company  
Certified Public Accountants  
New York, New York  
March 6, 1991

## The John A. Hartford Foundation, Inc.

## Exhibit A

## Balance Sheet, December 31, 1990 and 1989

	1990	1989
<b>Assets</b>		
Cash in operating accounts	\$ 4,753	\$ 8,097
Interest and dividends receivable	1,714,567	1,492,969
Prepayments and deposits	41,382	41,440
	1,760,702	1,542,506
<b>Investments, at market or adjusted cost</b>		
(Notes 1 and 2)		
Short-term cash investments	29,955,259	30,432,415
Stocks	120,647,698	140,709,714
Long-term bonds	81,212,706	72,945,219
Venture capital partnerships	4,260,793	4,439,424
Real estate pooled funds	4,562,434	3,588,338
Other	2,654,327	2,566,038
Total Investments	243,293,217	254,681,148
<b>Office condominium, furniture and equipment</b>		
(net of accumulated depreciation of		
\$1,079,335 in 1990 and \$831,041 in 1989)	2,862,947	3,104,520
<b>Total Assets</b>	<b>\$ 247,916,866</b>	<b>\$ 259,328,174</b>
<b>Liabilities and Fund Balance</b>		
<b>Liabilities:</b>		
<b>Grants payable (Note 1)</b>		
Current	\$ 6,992,650	\$ 7,795,950
Non-current (Note 6)	4,962,368	7,894,948
<b>Accounts payable</b>	<b>313,781</b>	<b>319,178</b>
<b>Deferred federal excise tax payable</b>		
(Note 1)	67,780	422,810
<b>Total Liabilities</b>	<b>12,336,579</b>	<b>16,432,886</b>
<b>Fund Balance (Exhibit B)</b>	<b>235,580,287</b>	<b>242,895,288</b>
<b>Total Liabilities and Fund Balance</b>	<b>\$ 247,916,866</b>	<b>\$ 259,328,174</b>

The accompanying notes to financial statements are an integral part of these statements.

## Statement of Revenues, Grants and Expenses and Changes in Fund Balance

Year Ended December 31, 1990 and 1989

	1990	1989
<b>Revenues</b>		
<i>Dividends and partnership earnings</i>	\$ 4,106,292	\$ 4,146,638
<i>Long-term bond interest</i>	6,376,168	5,821,318
<i>Short-term investment earnings</i>	2,058,634	2,098,040
<i>Total Revenues</i>	12,541,094	12,065,996
<b>Grants and Expenses</b>		
<i>Grants awarded (less cancellations and refunds of \$16,158 in 1990 and \$100,449 in 1989)</i>	5,861,536	10,870,765
<i>Foundation-administered projects</i>	45,998	126,664
<i>Grant-related direct expenses</i>	77,822	79,343
<i>Federal excise tax on net investment income (Note 1)</i>	112,568	220,474
<i>Investment fees</i>	1,102,930	1,025,369
<i>Personnel salaries and benefits (Note 5)</i>	877,432	893,604
<i>Office and other expenses</i>	544,454	538,709
<i>Depreciation</i>	248,294	246,640
<i>Professional services</i>	55,468	86,128
<i>Total Grants and Expenses</i>	8,926,502	14,087,696
<i>Excess (deficiency) of revenues over grants and expenses</i>	3,614,592	(2,021,700)
<b>Net Realized and Increase (Decrease) in Unrealized</b>		
<i>Gain on Securities Transactions (Note 2)</i>	(10,929,593)	34,369,643
<i>Bequest from Distribution of Trust (Note 7)</i>		17,356
<i>Increase (Decrease) in Fund Balance</i>	(7,315,001)	32,365,299
<b>Fund Balance, Beginning of Year</b>	242,895,288	210,529,989
<b>Fund Balance, End of Year (Exhibit A)</b>	\$ 235,580,287	\$ 242,895,288

The accompanying notes to financial statements are and integral part of these statements.



## Notes to Financial Statements, December 31, 1990 and 1989

## 1. Summary of Significant Accounting Policies

*Method of Accounting*

The accounts of the Foundation are maintained, and the accompanying financial statements have been prepared, on the accrual basis of accounting. The liability for grants payable is recognized when specific grants are authorized by the Trustees and the recipients have been notified.

*Investments*

Investments in marketable securities are stated at quoted market prices. Investments in venture capital partnerships and real estate are carried at cost adjusted for the Foundation's share of undistributed realized earnings or losses. Convertible preferred stocks included in other investments are carried at the lower of cost, or estimated net realizable value. Realized gains and losses from the sale of marketable securities are recorded by comparison of proceeds to cost determined under the average cost method.

*Tax Status*

The Foundation is exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code and has been classified as a "private foundation." The Foundation is subject to an excise tax on net investment income at either a 1% or 2% rate depending on the amount of qualifying distributions. For 1990 and 1989 the Foundation's rate was 1% and 2%, respectively.

Deferred Federal excise taxes payable are also recorded on the unrealized appreciation of investments using the current year's excise tax rate.

The Foundation intends to distribute at least \$11,756,726 of undistributed income in grants or qualifying expenditures by December 31, 1991 to comply with I.R.S. regulations.

*Fixed Assets*

The Foundation's office condominium, furniture and fixtures are capitalized at cost. Depreciation is computed using the straight-line method over the estimated useful lives of the assets (office condominium - 20 years; office furniture and fixtures - 5 years)

## 2. Investments

The net gain on investments in 1990 is summarized as follows:

	Cost	Quoted Market Price	Appreciation
Balance, December 31, 1990	\$236,515,216	\$243,293,217	\$ 6,778,001
Balance, December 31, 1989	\$233,540,601	\$254,681,148	\$ 21,140,547
Increase (Decrease) in unrealized appreciation during the year, net of decrease in deferred Federal excise tax of \$355,030 (\$211,405 due to change to 1% rate)			\$ (14,007,516)
Realized gain, net of provision for Federal excise tax of \$31,090			\$ 3,077,923
Net realized and increase (decrease) in unrealized gain on securities transactions			\$ (10,929,593)

Receivables and payables on security sales and purchases pending settlement at December 31, 1990 and 1989 were as follows:

	1990	1989
Proceeds from sales	\$ 1,187,533	\$ 2,297,456
Payables from purchases	(967,482)	(1,913,945)
Net cash pending settlement	\$ 220,051	\$ 383,511

The net amounts have been included with short-term cash investments in the accompanying balance sheet.

The Foundation is a participant in four venture capital limited partnerships. As of December 31, 1990, \$6,466,667 had been invested in these partnerships and future commitments for additional investment aggregated \$1,533,333.

Real Estate investments included one limited partnership and two real estate investment trusts. The Foundation had invested \$4,429,200 at December 31, 1990 and future commitments for additional investment aggregated \$2,570,800.

Other investments included \$500,000 invested in a limited partnership and \$2,385,000 invested in convertible preferred stocks of closely held companies. At December 31, 1990 the Foundation had a future commitment for additional investment in the limited partnership of \$500,000.

### 3. Foreign Currency Purchase Commitments

At December 31, 1990 the Foundation's foreign currency forward purchase and sale contracts totaled \$923,605.

### 4. Office Condominium, Furniture and Equipment

At December 31, 1990 and 1989 the fixed assets of the Foundation were as follows:

	1990	1989
Office condominium	\$ 3,596,916	\$ 3,596,916
Furniture and equipment	345,366	338,644
	3,942,282	3,935,560
Less: Accumulated depreciation	1,079,335	831,041
Office condominium, furniture and equipment, net	\$ 2,862,947	\$ 3,104,519

### 5. Pension Plan

The Foundation has a defined contribution retirement plan covering all eligible employees under which the Foundation contributes 14% of salary for employees with at least one year of service. Pension expense under the plan for 1990 and 1989 amounted to \$76,008 and \$80,358, respectively. The Foundation also incurred additional pension costs of approximately \$33,000 in 1990 and 1989, for payments to certain retirees who began employment with the Foundation prior to the initiation of the formal retirement plan.

### 6. Grants Payable

The Foundation estimates that the non-current grants payable as of December 31, 1990 will be disbursed as follows:

1992	\$ 3,992,188
1993	909,680
1994	60,500
	\$ 4,962,368

### 7. Bequest Received

During 1986, the Foundation was advised that it was named the remainder beneficiary of the estate of Loretta B. Ehrigott, the wife of a former trustee. A total of \$2,442,356 had been received from the trust up to December 31, 1989 and no additional distributions are anticipated.



# Summary of Active Grants 1990

Health Care Cost and Quality	Balance Due January 1, 1990	Grants Authorized During Year	Amount Paid During Year	Balance Due December 31, 1990
<b>Beth Israel Hospital</b> <b>Boston, MA</b> <i>"Using a Computer-based, Patient Information System  for Quality Assurance: A Research and Demonstration  Program"</i> David R. Calkins, M.D.	\$ 502,637		\$ 158,814	\$ 343,823
<b>Brigham &amp; Women's Hospital</b> <b>Boston, MA</b> <i>"Development of Models for Predicting Adverse In-hospital  and Post-discharge Outcomes and Conference"</i> Barbara J. McNeil, M.D., Ph.D.	375,621		254,378	121,243
<b>The Center for Health Policy Development</b> <b>Washington, DC</b> <i>"Medicaid Managed Care: Advancing the State of the Art"</i> Patricia A. Riley	58,900		58,900	
<b>Center for Policy Studies</b> <b>Minneapolis, MN</b> <i>"Implementation of the 'Buy Right' Strategy"</i> Walter McClure, Ph.D.	200,000		200,000	
<b>Cleveland Tomorrow</b> <b>Cleveland, OH</b> <i>"Greater Cleveland Health Quality Choice"</i> John C. Morley		\$ 400,000	100,000	300,000
<b>Council of Medical Specialty Societies</b> <b>Lake Forest, IL</b> <i>"Project to Advance the Development of Practice Policies  by Medical Specialty Societies"</i> Richard S. Wilbur, M.D.	86,765		86,765	
<b>Dartmouth Medical School</b> <b>Hanover, NH</b> <i>"Product Development Activities of the Foundation for  Informed Medical Decision Making"</i> John E. Wennberg, M.D.	246,972		246,972	
<b>Dartmouth Medical School</b> <b>Hanover, NH</b> <i>"Multi-Institutional Technology Assessment Consortium"</i> Harold C. Sox, Jr., M.D.	126,159		90,003	36,156
<b>Foundation for Health Care Quality</b> <b>Seattle, WA</b> <i>"Health Care Effectiveness Information Utility - Obstetrics  Quality and Access Demonstration Project"</i> Keith L. McCandless		331,000	110,063	220,937
<b>The George Washington University Medical Center</b> <b>Washington, DC</b> <i>"Development of Prototype to Aid Physicians' Intensive  Care Decisions"</i> William A. Knaus, M.D.	118,063		118,063	
<b>Harvard Community Health Plan</b> <b>Brookline, MA</b> <i>"National Demonstration Project on Quality Improvement  in Health Care"</i> Donald M. Berwick, M.D.	300,084		199,911	100,173



	Balance Due January 1, 1990	Grants Authorized During Year	Amount Paid During Year	Balance Due December 31, 1990
<b>Health Care Purchasers Association of Puget Sound Seattle, WA</b> <i>"Employer-Sponsored Managed Care System"</i> Andrea B. Castell		\$ 100,000	\$ 100,000	
<b>Health Policy Corporation of Iowa Des Moines, IA</b> <i>"Development and Application of the Next Generation of Quality of Care Measurement Technology"</i> Sal Bognanni	\$ 191,512		191,512	
<b>Joint Commission on Accreditation of Healthcare Organizations Oakbrook Terrace, IL</b> <i>"Improving Health Care Quality by Reducing Medical Uncertainty: A Feasibility Study"</i> James A. Prevost, M.D.	98,760		98,760	
<b>Midwest Business Group on Health Chicago, IL</b> <i>"Value-managed Health Care Purchasing Demonstration Project"</i> James D. Mortimer	135,725		135,725	
<b>Minnesota Coalition on Health St. Paul, MN</b> <i>"Voluntary Health Care Information Project in the Twin Cities"</i> Patricia Drury	316,064		250,231	\$ 65,833
<b>National Academy of Sciences Institute of Medicine Washington, DC</b> <i>"Study on Improving the Patient Record in Response to Increasing Functional Requirements and Technological Advances"</i> Richard S. Dick, Ph.D.	50,000		50,000	
<b>National Academy of Sciences Institute of Medicine Washington, DC</b> <i>"Design of a Structured Approach to Medical Practice Guidelines"</i> Marilyn J. Field, Ph.D.		300,000	200,000	100,000
<b>National Fund for Medical Education Boston, MA</b> <i>"Management Education Program for Physician Leaders"</i> Norman S. Stearns, M.D.	509,101		72,610	436,491
<b>New England Medical Center Hospitals Boston, MA</b> <i>"A Flexible Approach to Optimizing the Delivery of Care in an Inpatient Setting"</i> Stephen C. Pauker, M.D.	295,090		178,830	116,260
<b>New England Medical Center Hospitals Boston, MA</b> <i>"A National Resource Center for Health Care Assessment"</i> John E. Ware, Jr., Ph.D.	486,027		112,939	373,088
<b>The RAND Corporation Santa Monica, CA</b> <i>"Developing Criteria of Appropriateness of Use for Operations and Procedures"</i> R. Brook, M.D., L. Leape, M.D., D. Solomon, M.D.	812,500		150,468	662,032
<b>The RAND Corporation Santa Monica, CA</b> <i>"Developing a Quality Assessment System in Prepaid Health Plans"</i> Robert Brook, M.D., Albert Siu, M.D.	549,633		205,833	343,800

	Balance Due January 1, 1990	Grants Authorized During Year	Amount Paid During Year	Balance Due December 31, 1990
<b>Rochester Area Hospitals Corporation</b> <b>Rochester, NY</b> <i>"Development and Evaluation of Severity Adjusted Outcome Measures in Assessing Hospital Inpatient Quality at the Community Level"</i> William J. Hall, M.D., Robert J. Panzer, M.D.	\$ 128,431		\$ 128,431	
<b>Stanford University</b> <b>Stanford, CA</b> <i>"Management Education Program for Physician Leaders"</i> Alain C. Enthoven, Ph.D.	243,272		113,798	\$ 129,474
<b>University of California, San Francisco School of Medicine</b> <b>San Francisco, CA</b> <i>"Improving Provider and Consumer Information about Surgical Care"</i> Harold S. Luft, Ph.D.		\$ 207,252	103,626	103,626
<b>The University of Michigan Medical Center</b> <b>Ann Arbor, MI</b> <i>"Integrated Inpatient Management Model"</i> Laurence F. McMahon, Jr., M.D., M.P.H.	198,785		118,789	79,996
<b>University of Pennsylvania</b> <b>Philadelphia, PA</b> <i>"Corporate Hospital Rating Project"</i> Mark V. Pauly, Ph.D.	142,440	750,000	267,440	625,000
<b>University of Rochester</b> <b>Rochester, NY</b> <i>"Research and Demonstration Project to Improve the Cost-effectiveness of Outpatient Care: Further Development and Dissemination of Findings"</i> Robert J. Panzer, M.D., Edgar R. Black, M.D.	501,097		155,187	345,910
<b>Subtotal</b>	\$ 6,673,638	\$ 2,088,252	\$ 4,258,048	\$ 4,503,842
<b>Aging and Health</b>				
<b>American Federation for Aging Research (AFAR), Inc.</b> <b>New York, NY</b> <i>"Geriatric Pharmacology Scholarships for Medical Students"</i> Harold Epstein		\$ 535,700	\$ 87,450	\$ 448,250
<b>American Federation for Aging Research (AFAR), Inc.</b> <b>New York, NY</b> <i>"Gero-Physician-Scientist Development Program"</i> Harold Epstein		598,400	65,450	532,950
<b>The American Geriatrics Society</b> <b>New York, NY</b> <i>"Academic Geriatrics Program Development Workshop"</i> Linda Barondess	\$ 24,907		24,907	
<b>Beth Israel Hospital</b> <b>Boston, MA</b> <i>"Medications and Aging: Research and Education in Geriatric Pharmacology"</i> Jerome L. Avorn, M.D.	221,308		46,252	175,056
<b>Bowman Gray School of Medicine</b> <b>Winston-Salem, NC</b> <i>"Academic Geriatrics Recruitment Initiative"</i> William R. Hazzard, M.D.	129,600		86,400	43,200
<b>Bowman Gray School of Medicine</b> <b>Winston-Salem, NC</b> <i>"HOPE Project Data Coordinating Center"</i> Curt D. Furberg, M.D., Ph.D.	475,553		172,306	303,247



	Balance Due January 1, 1990	Grants Authorized During Year	Amount Paid During Year	Balance Due December 31, 1990
<b>Brandeis University</b> <b>Waltham, MA</b> <i>"Development of a National Strategy for Strengthening Long-Term Care for the Elderly"</i> Walter N. Leutz, Ph.D.	\$ 47,750		\$ 47,750	
<b>The Carter Center of Emory University</b> <b>Atlanta, GA</b> <i>"The Development of a Health Risk Appraisal for Older Americans"</i> Edwin B. Hutchins, Ph.D.	254,427		120,468	\$ 133,959
<b>Cedars-Sinai Medical Center</b> <b>Los Angeles, CA</b> <i>"Physical Deconditioning: A Treatable Source of Functional Loss in Hospitalized Elderly Patients"</i> Hilary Siebens, M.D.	409,215		139,446	269,769
<b>County of Monroe</b> <b>Rochester, NY</b> <i>"Innovative Financing and Delivery Systems for Long-Term Care"</i> Kenneth J. Naples	70,564	\$ 626,544	271,348	425,760
<b>Duke University Medical Center</b> <b>Durham, NC</b> <i>"Academic Geriatrics Recruitment Initiative"</i> Harvey J. Cohen, M.D.	146,025		97,350	48,675
<b>Harvard Medical School</b> <b>Boston, MA</b> <i>"Academic Geriatrics Recruitment Initiative"</i> Lewis A. Lipsitz, M.D.	183,792		126,976	56,816
<b>Indiana University</b> <b>Indianapolis, IN</b> <i>"Medication Use and Depressed Elderly Patients in Primary Care"</i> William M. Tierney, M.D., Christopher M. Callahan, M.D.		623,511	114,588	508,923
<b>The Johns Hopkins University School of Medicine</b> <b>Baltimore, MD</b> <i>"Academic Geriatrics Recruitment Initiative"</i> John R. Burton, M.D.	148,500		49,500	99,000
<b>Mount Sinai School of Medicine</b> <b>New York, NY</b> <i>"Academic Geriatrics Recruitment Initiative"</i> Myron Miller, M.D.	124,875		83,250	41,625
<b>New York Community Trust/New York Center for Policy on Aging</b> <b>New York, NY</b> <i>"Study of Changing Lifestyles, Quality of Life, and Quality of Care of New York City Elders"</i> James R. Dumpson, Ph.D.	65,887		65,887	
<b>On Lok, Inc.</b> <b>San Francisco, CA</b> <i>"Implementation of a Multi-Site Initiative for Risk-based Long-Term Care"</i> John Shen, D.S.W.		214,122	194,656	19,466
<b>People-to-People Health Foundation, Inc.</b> <b>Project HOPE</b> <b>Millwood, VA</b> <i>"Special Issue of Health Affairs Devoted to Policy Issues in the Field of Medications and the Elderly"</i> John K. Iglehart	37,746		37,746	



	Balance Due January 1, 1990	Grants Authorized During Year	Amount Paid During Year	Balance Due December 31, 1990
<b>St. Marys Hospital Medical Center</b> <b>Madison, WI</b> <i>"Reducing Functional Deterioration in the Hospitalized Elderly Patient"</i> Mark A. Sager, M.D.	\$ 389,028		\$ 157,536	\$ 231,492
<b>San Diego Hospital Association (Sharp HealthCare)</b> <b>San Diego, CA</b> <i>"San Diego Senior Health Initiative"</i> Bettina Experton, M.D., M.P.H.		\$ 624,752	217,801	406,951
<b>Society for Academic Emergency Medicine</b> <b>(The University Association for Emergency Medicine)</b> <b>Lansing, MI</b> <i>"Emergency Department Care of the Elderly"</i> Arthur B. Sanders, M.D.		90,309	45,155	45,154
<b>Stanford University</b> <b>Stanford, CA</b> <i>"Reducing Functional Deterioration in the Hospitalized Elderly Patient"</i> Carol H. Winograd, M.D.	418,170		121,843	296,327
<b>United Seniors Health Cooperative</b> <b>Washington, DC</b> <i>"Standards of Excellence for Long-Term Care Insurance"</i> James P. Firman, Ed.D.	73,260		73,260	
<b>University Hospitals of Cleveland</b> <b>Cleveland, OH</b> <i>"The Dysfunctional Syndrome: Characterization and Prevention"</i> C. S. Landefeld, M.D., R. Palmer, M.D., M.P.H.	390,758		200,723	190,035
<b>University of California, Los Angeles School of Medicine</b> <b>Los Angeles, CA</b> <i>"Academic Geriatrics Recruitment Initiative"</i> John C. Beck, M.D.	201,267		75,918	125,349
<b>University of California, Los Angeles School of Medicine</b> <b>Los Angeles, CA</b> <i>"Improving the Appropriateness of Medication Prescribing in Nursing Homes"</i> Mark H. Beers, M.D.	205,443		45,551	159,892
<b>University of California, San Francisco</b> <b>San Francisco, CA</b> <i>"The Impact of Clinical Pharmacists' Consultations on Use of Drugs and Health Care Services"</i> Helene L. Lipton, Ph.D.	6,444		6,444	
<b>The University of Chicago</b> <b>Chicago, IL</b> <i>"Early Detection, Evaluation, and Treatment of Delirium in Hospitalized Elderly"</i> Christine Cassel, M.D., Peter Pompei, M.D.	245,200		128,589	116,611
<b>The University of Connecticut Health Center</b> <b>Farmington, CT</b> <i>"Academic Geriatrics Recruitment Initiative"</i> Richard W. Besdine, M.D.	148,284		93,341	54,943
<b>University of Florida at Gainesville</b> <b>Gainesville, FL</b> <i>"Pharmacist Intervention with Physician Prescribing and Medication Use in Elderly Patients"</i> Carole L. Kimberlin, Ph.D.	37,367		20,096	17,271
<b>University of Michigan Medical School</b> <b>Ann Arbor, MI</b> <i>"Academic Geriatrics Recruitment Initiative"</i> Jeffrey B. Halter, M.D.	194,586		115,660	78,926

	Balance Due January 1, 1990	Grants Authorized During Year	Amount Paid During Year	Balance Due December 31, 1990
<b>University of Michigan Medical School</b> <b>Ann Arbor, MI</b> <i>"Coordinating Center: Academic Geriatrics Recruitment Program"</i> <i>Jeffrey B. Halter, M.D.</i>	\$ 49,925	\$ 69,234	\$ 119,159	
<b>University of North Carolina</b> <b>Chapel Hill, NC</b> <i>"Strengthening the Links in the Drug Therapy Management Cycle in Rest Homes"</i> <i>Abraham G. Hartzema, Ph.D., M.S.P.H.</i>	439,384		225,766	\$ 213,618
<b>University of North Carolina</b> <b>Chapel Hill, NC</b> <i>"A Geriatric Continuing Medical Education Program for Established Practitioners"</i> <i>Mark E. Williams, M.D.</i>	294,782		101,696	193,086
<b>University of Pennsylvania School of Medicine</b> <b>Philadelphia, PA</b> <i>"Academic Geriatrics Recruitment Initiative"</i> <i>Allan I. Pack, M.D., Ch.B., Ph.D.</i>	187,530		127,418	60,112
<b>University of Southern California</b> <b>Los Angeles, CA</b> <i>"The Impact of Clinical Pharmacist Services on Drug Use in Residential Care Facilities for the Elderly"</i> <i>Bradley R. Williams, Pharm.D.</i>	362,296		177,381	184,915
<b>University of Washington School of Medicine</b> <b>Seattle, WA</b> <i>"Academic Geriatrics Recruitment Initiative"</i> <i>Itamar B. Abrass, M.D.</i>	200,662		121,347	79,315
<b>Vanderbilt University</b> <b>Nashville, TN</b> <i>"An Educational Intervention to Reduce Nursing Home Antipsychotic Drug Use"</i> <i>Wayne A. Ray, Ph.D.</i>	513,535		73,975	439,560
<b>Yale-New Haven Hospital</b> <b>New Haven, CT</b> <i>"Geriatric Care Program"</i> <i>L. Cooney, Jr., M.D., S. Inouye, M.D., M.P.H.</i>	349,334		198,113	151,221
<b>Subtotal</b>	<b>\$ 7,047,404</b>	<b>\$ 3,382,572</b>	<b>\$ 4,278,502</b>	<b>\$ 6,151,474</b>
<b>Development of Biomedical Technology</b>				
<b>University of Texas Southwestern Medical Center at Dallas</b> <b>Dallas, TX</b> <i>"Biotechnology Transfer Program"</i> <i>William B. Neaves, Ph.D.</i>	\$ 1,858,840		\$ 600,000	\$ 1,258,840
<b>Subtotal</b>	<b>\$ 1,858,840</b>		<b>\$ 600,000</b>	<b>\$ 1,258,840</b>
<b>New York Fund</b>				
<b>The Boys' Club of New York</b> <b>New York, NY</b>		\$ 5,000	\$ 5,000	
<b>Brookdale Center on Aging of Hunter College</b> <b>New York, NY</b>		2,000	2,000	
<b>Brooklyn Catholic Charities of the Diocese of Brooklyn</b> <b>Brooklyn, NY</b>		25,000	25,000	
<b>Episcopal Health Services</b> <b>Hempstead, NY</b>		25,000	25,000	
<b>The Hospital for Special Surgery</b> <b>New York, NY</b>		1,000	1,000	

	Balance Due January 1, 1990	Grants Authorized During Year	Amount Paid During Year	Balance Due December 31, 1990
Jewish Home & Hospital for Aged New York, NY		\$ 25,000	\$ 25,000	
The United Hospital Fund of New York New York, NY		2,000	2,000	
Visiting Nurse Service of New York New York, NY		10,000	10,000	
Subtotal		\$ 95,000	\$ 95,000	
<b>Other</b>				
American Institute of Medical Preventics Albany, CA	\$ 35,000		\$ 35,000	
The Foundation Center New York, NY		\$ 7,000	7,000	
Grantmakers in Health New York, NY		5,000	5,000	
National Foundation for Facial Reconstruction New York, NY	60,386		19,524	\$ 40,862
New York Regional Association of Grantmakers New York, NY		7,125	7,125	
Matching Grants*		292,745	292,745	
Subtotal	\$ 95,386	\$ 311,870	\$ 366,394	\$ 40,862
Grants Cancelled or Refunded	15,630	< 16,158 >	< 528 >	
Total (All Grants)	\$ 15,690,898	\$ 5,861,536	\$ 9,597,416	\$ 11,955,018

\*Grants made under the Foundation's program for matching charitable contributions of Trustees and staff.

#### Foundation-Administered Projects

	Expenses Authorized, Not Incurred January 1, 1990	Projects Authorized During Year	Expenses Incurred During Year	Expenses Authorized, Not Incurred December 31, 1990
<b>Health Care Cost and Quality</b>				
"Community Health Management Initiative"		\$ 150,000	\$ 9,498	\$ 140,502
<b>Aging and Health</b>				
"Improving the Fit Between Health Services for the Elderly and their Housing Environments"		51,500	36,500	15,000
<b>Totals</b>		\$ 201,500	\$ 45,998	\$ 155,502

#### Additional Active Projects

##### Aging and Health

##### Community Care Organization of Milwaukee County, Inc. Milwaukee, WI

*The Living-at-Home Program*

*Kirby G. Shoaf*

*1986; \$350,000; 4 years, 4 months*

##### Louis Harris and Associates, Inc. New York, NY

*National survey examining physician prescribing practices  
and subsequent compliance of older patients*

*Merl A. Baker*

*1985; \$215,211; 1 year, 4 months*



## Application Procedures

Organizations seeking grant awards from the Foundation may submit proposals at any time. No formal application forms are required. Proposed projects should be consistent with the Foundation's interests and within the scale of other Foundation-supported activities, as described in this Report.

Within each program area, preference is given to projects that seek to demonstrate and evaluate specific innovative solutions to clearly defined problems. There also is a preference for projects that, if successful, can serve as models for other organizations or decision-makers facing similar problems. Support is not provided for general research or for general activities not clearly linked to specific objectives. Foundation support rarely is provided for longer than three years.

Those seeking support should submit a brief letter describing the proposed project. However, if a project is adequately described in a prepared proposal, the Foundation will accept the proposal for review without further introduction.

Project descriptions and proposals should be concise and should outline: the nature and importance of the problem to be addressed; the specific solution to be designed or evaluated; how the proposed solution differs from other projects addressing the same problem; what the unique contributions of the project are anticipated to be; the criteria for measuring the project's success; the relevant experience and expertise of the persons and organizations proposing to conduct and sponsor the project; and the funds required.

The Foundation normally makes grants only to two types of organizations in the United States: those having tax exempt status under Section 501(c)(3) of the Internal Revenue Code which are not private foundations within the meaning of Section 509(a) of the Code, and States or political subdivisions thereof within the meaning of Section 170(c)(1) of the code, or state colleges or universities. The Foundation does not make grants to individuals.

**Initial inquiries should be made at least six months before funding is needed. The proposed project will be reviewed by members of the Foundation's staff and possibly by outside reviewers. Those submitting proposals will be notified of the results of this review in approximately one month and may be asked to supply additional information.**

#### **Program-Related Investments**

**The Foundation sometimes provides conventional financing on a loan, guarantee, or equity basis to organizations working in its program areas. Organizations conducting work in the Foundation's program areas are encouraged to inquire about the possibility of a program-related investment.**

#### **Further Information**

**Inquiries about the Foundation's programs should be addressed to:**

**Program Director  
The John A. Hartford Foundation, Inc.  
55 East 59th Street  
New York, NY 10022  
Phone: (212) 832-7788  
Fax: (212) 593-4913**

## **Credits**

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