The John A. Hartford Foundation

Annual Report

1995

"IT IS NECESSARY to carve from the whole vast spectrum of human needs one small band that the heart and mind together tell you is the area in which you can make your best contribution."

THIS HAS BEEN THE GUIDING PHILOSOPHY OF THE HARTFORD FOUNDATION SINCE ITS ESTABLISHMENT IN 1929. WITH FUNDS FROM THE BEQUESTS OF ITS FOUNDER, JOHN A. HARTFORD AND HIS BROTHER GEORGE L. HARTFORD, BOTH FORMER CHIEF EXECUTIVES OF THE GREAT ATLANTIC AND PACIFIC TEA COMPANY, THE HARTFORD FOUNDATION SEEKS TO MAKE ITS BEST CONTRIBUTION BY SUPPORTING EFFORTS TO IMPROVE HEALTH CARE IN AMERICA.

The John A. **HARTFORD** *Foundation*

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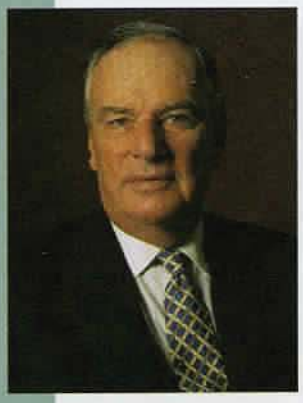

NINETEEN NINETY FIVE was a year of progress and accomplishment for the John A. Hartford Foundation. Our assets grew by $58.5 million after grant payments and administrative expenses of $18 million. An exciting new Interdisciplinary Team Training Initiative was approved by the Board under our Aging and Health Program and final grants were made under the Health Care Cost and Quality Program. Since its inception in 1979, the Foundation has made 195 grants totaling $77 million in the Health Care Cost and Quality area. This work has contributed greatly to the positive changes which are taking place across the country in organizing affordable health care without losing sight of quality. This latter initiative is being gradually wound down as the major impact by our Foundation in this area has been accomplished.

Most of our near term future will be directed toward exploring new avenues in the Aging and Health area, which is an exciting challenge for our Foundation. We consider this a "growth industry," with more opportunities for constructive grantmaking than we are capable of funding. In 1995, 69 percent of our grant payments were in this category and will continue to grow.

The inability of our Government to come to a resolution on the Federal Budget, and the implications thereunder for major health care programs such as Medicare and Medicaid, continues to cloud the future. We live more and more with an "edge of the precipice mentality" in this country with action coming split seconds before we fall over the cliff. This is not the way to resolve these major issues.

At our Annual Meeting last May, the Board elected Anson McC. Beard, Jr., a Trustee. Anson has had a long and distinguished career in banking and investment banking. With great sadness, I must report the death last May of our retired Trustee Matthew E. Welsh. Matt joined our Board in 1969, and served with great distinction until he retired in 1992.

In December, Corinne H. Rieder, Ed.D., accepted our invitation to join our staff as Associate Executive Director. For the past eight years, Cory has been Secretary of the University at Columbia. Our Program Director, Richard Sharpe, decided to pursue other directions in the health care field, and we thank him for his past contributions to the Foundation.

Let me close by thanking all my colleagues on our Board and our staff for their dedication and hard work over the year. We look to the future with confident anticipation.

James D. Farley

JAMES D. FARLEY

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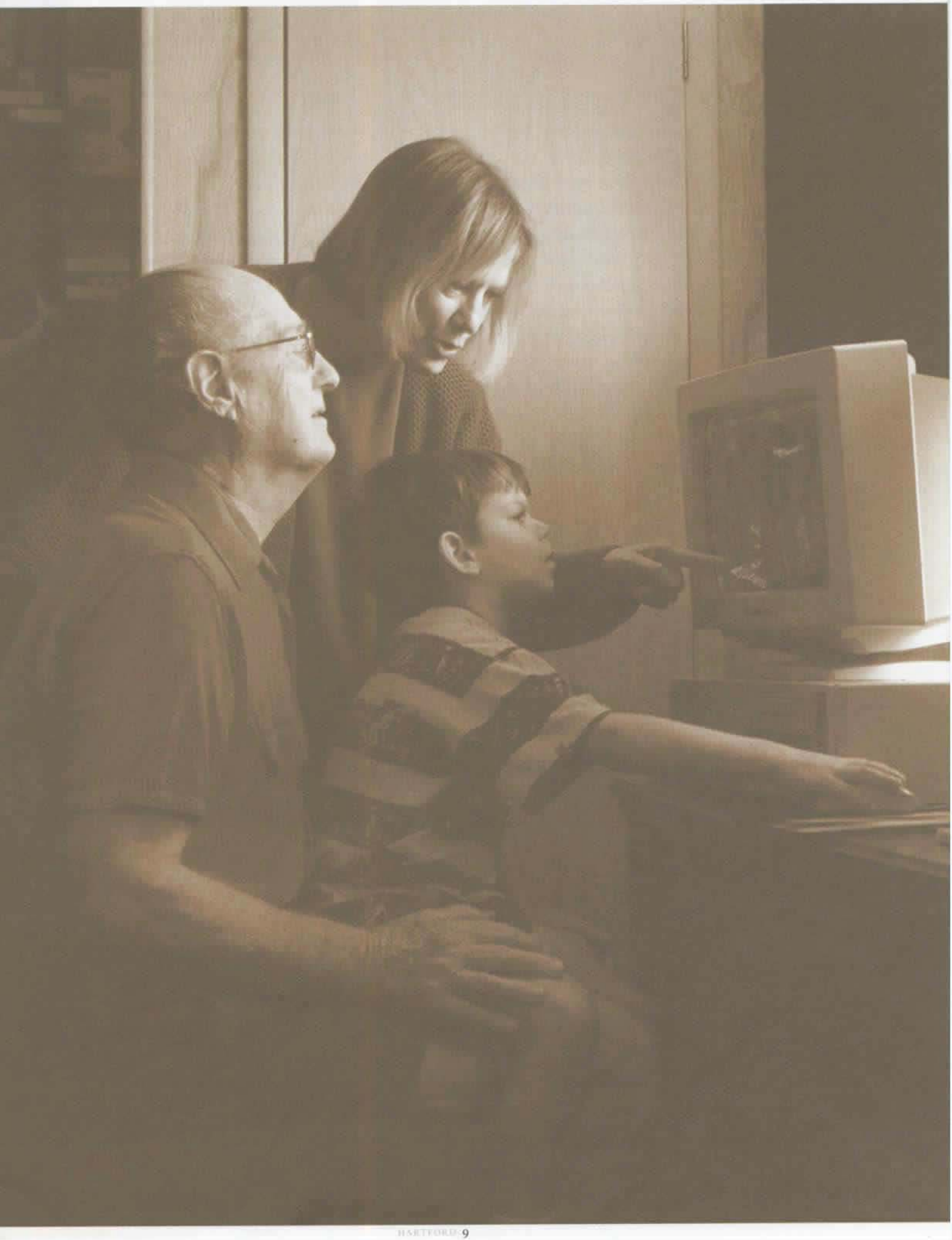
AGING AND HEALTH

OVER THE PAST YEAR, the looming crisis in access to affordable health care has been a recurrent theme in the media and is central to the federal budget debate. There are serious concerns about our ability to maintain a basic health-related safety net for all of our citizens. We have heard warnings of an impending struggle between the interests of young and old for access to a shrinking pie.



Rather than presume the inevitability of "intergenerational conflict," we should recognize the strength of "generational interdependence." As a society we are adept at generating and manipulating data, but not too good at finding wisdom, a skill which often resides with our older citizens. Many elders serve as major sources of emotional and financial support for younger generations and often as direct caretakers of the young. Generational reciprocity reflects the reality of our lives.

The Hartford Foundation has sought to promote vigorous longevity thereby conserving a precious resource as well as lessening the emotional and financial burden for elders' families and caregivers.

Regardless of the success of such efforts, our society faces critical financing and service challenges as we look ahead. Those over age 65, whose numbers will double by the year 2030, already use about half of our nation's hospital bed-days. A shortage of physicians and other health professionals who are well trained in geriatric care persists. Foundation efforts over the past decade have only partially alleviated this crisis.

As the elderly population burgeons and resources diminish relative to need, we must find ways to better integrate elder care provided by multiple health professionals in a broad array of settings. Further, safe alternatives to hospitals and nursing home care must be found not only because of impending cutbacks in Medicare and Medicaid, but also because such services respond to the stated preferences of many chronically ill elders and their caregivers.

In view of these current and emerging needs, in 1995 the Hartford Foundation turned a corner in its giving, increasing payments under its Aging and Health Program by $2.8 million to some $9.9 million. Funding in this area is expected to represent between 70 and 80 percent of the Foundation's total giving in the coming years.

In 1995 the Foundation continued its activities in the two major areas it has long sought to address: Academic Geriatrics and Training, and Integrating and Improving Services for Elders. It also embarked on a project, in collaboration with the John D. and Catherine T. MacArthur Foundation, to improve treatment of depression in the elderly.

ACADEMIC GERIATRICS AND TRAINING

THE FOUNDATION'S efforts to encourage current and future medical faculty to pursue advanced training in geriatric medicine date back to 1983. A Hartford-supported study by the Institute of Medicine, led to a focus on recruitment to careers in academic geriatrics through awards to 13 academic medical centers regarded as "Centers of Excellence" in geriatrics. Since 1993 the Hartford Foundation has supported geriatric research and career development for medical students and junior faculty.

It has also pursued strategies to infuse geriatrics into the training of primary care residents and of medical and surgical specialists and subspecialists, and to improve interdisciplinary team training for professionals involved in care of the elderly.

A major grant to the American Federation for Aging Research (AFAR) continues the work of the Medical Student Geriatric Scholars program that was begun in 1993. The scholars, selected competitively from medical schools across the U.S., will receive support for research as well as clinical experience and instruction at Hartford "Centers of Excellence." The Beeson Physician

"There are very few generalist physicians that are comfortable dealing with frail elderly patients, with their multiple problems and atypical symptoms. The Hartford Foundation has really taken the lead among foundations when it comes to innovations in the health care of the elderly. They've funded sites that have the resources to integrate geriatrics into the curriculum, so that the generalist physicians these schools produce will be equipped."

› *John R. Burton, M.D., Johns Hopkins University School of Medicine*

Housestaff Richard Wu, M.D. (left) and Gregory Prokopowicz, M.D., are guided by John R. Burton, M.D., Clinical Director of Geriatrics, in caring for Bette Albert at Johns Hopkins Geriatrics Center. Hopkins has one of seven projects, developing models to enhance the geriatrics content of primary care residency training.

"The Hartford Foundation has reopened the question of how teams can benefit older patients, at a time when the health care delivery system is completely in flux. This project enables us to look at the places across the country that have the strongest teams and export the lessons learned throughout the delivery system. When these students graduate and enter clinical life, they will be way ahead of the curve in terms of accessing and meshing with their colleagues in other disciplines."

-Terry Fulmer, R.N., Ph.D., FAAN, New York University

A meeting to kick off the Geriatric Interdisciplinary Team Training program began with a poster session featuring the 13 models under development. Here, Neville Strumpf, R.N., Ph.D., Professor of Nursing (right) and her colleague, Jerry Johnson, M.D., Associate Professor of Medicine (left) at the University of Pennsylvania explain their plans to New York University-based Resource Center leadership (center left to right) Terry Fulmer, R.N., Ph.D., FAAN, Mathy Mezey, R.N., Ed.D., FAAN, and Kathryn Hyer, M.P.P., Dr. P.A.

Faculty Scholars program, awarded in 1994 and also administered by AFAR, offers junior faculty development support to scholars doing aging research. The first cohort of ten Beeson scholars was selected in 1995.

Based upon findings from the Foundation's Generalist Physician Initiative and consultation with experts in the field, it was decided to look beyond the physician. Health services are being re-engineered, as medical care is increasingly provided in non-hospital settings. This program formalizes the Foundation's recognition that successful care of the elderly involves many professionals whose activities must be carefully articulated to one another. Explicit training in teamwork, including roles for patients and their caregivers is needed to produce a successful product.

An ambitious Hartford initiative was launched in 1995 to develop and implement models of geriatric interdisciplinary team training (GITT) for advanced practice nurses, masters-level social workers, residents in internal and family medicine, and other health professionals. Thirteen diverse sites across the country received planning grants to create gerontologically-oriented team curricula, coordinate coursework, arrange practicums and mentoring for students, and conduct meetings and retreats. Plans include selection by the end of 1996 of seven sites to receive three-year grants to implement their programs.

To support the GITT effort, a grant was made to New York University to create a Resource Center that will, during both the planning and implementation periods, provide technical assistance and foster cross-site synergy, and act as an information clearinghouse, even to sites beyond the narrow group selected to receive awards.

INTEGRATING AND IMPROVING SERVICES FOR ELDERS

THE FOUNDATION'S Hospital Outcomes Program for the Elderly (HOPE), initiated in 1989, documented and examined the hazards of hospitalization for frail elders. Good nursing care is critical to the safety and health of older hospital patients, yet only five percent of hospital nurses have ever taken a course in geriatric nursing. A Hartford grant was made to New York University to support the Nurses Improving Care to the Hospitalized Elderly program (NICHE).

NICHE seeks to help hospitals assess and improve their care of the elderly. Clinical guidelines and protocols to improve nursing management of problems common among hospitalized elderly—such as sleep disorders, chronic pain, bed sores, and the use of restraints—will be developed during the three-year award period.

Even with substantial improvement in certain aspects of hospital care, hospitals are likely to remain a toxic environment for the elderly. A 1994 award for a project at Johns Hopkins Bayview Medical Center found that bringing hospital care into the home appeared to be both a feasible and preferable alternative to hospitalization for certain elderly patients. In 1995 a Foundation renewal grant to support further development of "Johns Hopkins Home Hospital" will test the safety and efficacy of hospital care at home more intensively, using a larger population. If successful, the approach could be more broadly replicated in the future.

"The beauty of the foundation's Generalist Physician Program is its recognition that physicians can't serve the whole range of patient needs working alone. Here at Mt. Sinai in Miami Beach, over one third of our patients are seniors. Physicians and nurse practitioners team in offices, with social workers nearby. We hope to prove that together, they offer better care and greater satisfaction for both patients and staff."

› *Gloria B. Weinberg, M.D., Mount Sinai Hospital Center of Greater Miami, Inc.*

Robert Furlong, M.D. (left) partners with Maribel Valmocina, R.N., A.R.N.P., (2nd from right) to care for a panel of senior patients, including Vera Varello (right). This project at Mount Sinai Medical Center of Greater Miami, Inc., led by Gloria B. Weinberg, M.D., (2nd from left) is one of nine projects in the Generalist Physician Initiative which explore the ways that such partnerships can improve the effectiveness and affordability of care, and enhance satisfaction of all involved.

OTHER GRANTS

DEPRESSIVE DISORDERS are associated with increased morbidity and mortality. A three-year Hartford award in 1990 to Indiana University sought to help primary care physicians better identify and treat depression in their elderly patients.

In 1993, on a parallel program track, the John D. and Catherine T. MacArthur Foundation began to focus on the recognition and treatment of depression by primary care physicians, since three-fourths of depressed patients do not seek treatment from specialist physicians. Late in 1994 MacArthur funded a project, coordinated at Dartmouth Medical School, to examine current practices in primary care treatment of depression, assess the therapeutic effectiveness of alternative treatments, and develop educational interventions for the recognition and treatment of depression.

Taking advantage of this opportunity to mesh its interests in seniors with the MacArthur Foundation initiative, Hartford made a 1995 grant to Dartmouth Medical School, directed specifically at assessing treatment effectiveness in depressed older patients through a multi-site randomized controlled trial. Subsequent application of the study results will be coordinated with MacArthur's physician education efforts.

IN ALL, THE HARTFORD FOUNDATION awarded 18 grants in 1995 under its Aging and Health Program, with commitments totaling $7,852,620.

AGING AND HEALTH GRANTS

Academic Geriatrics and Training

Geriatric Interdisciplinary Team Training

Based upon findings from the Foundation's Generalist Physician Initiative as well as consultation with experts in the field, Hartford decided to investigate the crucial role played by non-physician professionals in the care of the elderly. All need to be trained to also work together in community and home settings, as managed care has brought decreased hospital utilization.

In May 1995 the Hartford Trustees approved an initiative to develop and implement models of geriatric interdisciplinary team training (GITT) for advanced practice nurses, masters-level social workers, residents in internal and/or family medicine, and other professionals involved in elder care.

The thirteen planning grants provide diversity in geographic location, sponsoring organization, clinical setting, elderly patients (from well to frail), disciplines and planning-year activities. In addition to the core disciplines, projects include dentistry, pharmacy, business and health administration, psychologists, physical/speech/occupational therapists, physician assistants, nutrition and dietetics, and pastoral care.

Planning grant funds will be used to organize and coordinate practicum experiences and to develop a three-year implementation proposal. Implementation will require at least 25 percent local support beyond that requested from the Foundation. A list of awardees follows.

Baylor College of Medicine
Houston, TX
Grant Award: $100,000; 1 year
Starting Date: January 1, 1996

Harvard Medical School
Boston, MA
Grant Award: $100,000; 1 year
Starting Date: January 1, 1996

Henry Ford Health System
Detroit, MI
Grant Award: $100,000; 1 year
Starting Date: January 1, 1996

Kaiser Foundation Hospitals
Pasadena, CA
Grant Award: $100,000; 1 year
Starting Date: January 1, 1996

Mount Sinai School of Medicine
New York, NY
Grant Award: $100,000; 1 year
Starting Date: January 1, 1996

On Lok, Inc.
San Francisco, CA
Grant Award: $100,000; 1 year
Starting Date: January 1, 1996

Rush-Presbyterian-St. Luke's Medical Center
Chicago, IL
Grant Award: $100,000; 1 year
Starting Date: January 1, 1996

University of Colorado
Denver, CO
Grant Award: $100,000; 1 year
Starting Date: January 1, 1996

University Hospitals Health System
Cleveland, OH
Grant Award: $100,000; 1 year
Starting Date: January 1, 1996

University of Minnesota
Minneapolis, MN
Grant Award: $100,000; 1 year
Starting Date: January 1, 1996

University of North Carolina
Chapel Hill, NC
Grant Award: $100,000; 1 year
Starting Date: January 1, 1996

University of Pennsylvania
Philadelphia, PA
Grant Award: $100,000; 1 year
Starting Date: January 1, 1996

University of South Florida Foundation, Inc.
Tampa, FL
Grant Award: $100,000; 1 year
Starting Date: January 1, 1996

New York University
New York, NY
Terry Fulmer, R.N., Ph.D., FAAN

Geriatric Interdisciplinary Team Training Program: Resource Center

The Hartford Foundation has successfully used resource centers in the past to assist individual projects and enhance the overall program impact. To support its Geriatric Interdisciplinary Team Training (GITT) Initiative, Hartford will fund a GITT Resource Center for the planned four-year duration of the Initiative.

During both the planning and implementation periods, the GITT Resource Center will provide technical assistance to the GITT sites, act as a clearinghouse for curriculum and practicum training information, and increase communication and synergy among the participants. Group meetings and written, verbal, and Internet communication will be used to accomplish these tasks. During the implementation phase the Center will continue to organize meetings of the GITT sites, continue the first year's collaboration, cross-fertilization and external communication, track enrollment by discipline, and develop a consensus on such overall project outcomes as student satisfaction, attitudinal change, and curricular content. The Resource Center will also assist in evaluation and dissemination of new models.

The Center may also provide more limited assistance to promising sites that did not receive awards but that still intend to pursue training activities.

Grant Award: $1,549,981; 4 years
Starting Date: October 1, 1995

American Federation for Aging Research (AFAR), Inc.
New York, NY
Odette van der Willik

Medical Student Geriatric Scholars Program

This grant renewed the Medical Student Geriatric Scholars program which began in 1993. Its goal is to develop future geriatric faculty by providing research opportunities to medical students and nurturing their subsequent career development. Results of a survey of medical students who have received Hartford support since the inception of the Foundation's Academic Geriatrics Recruitment Initiative in 1988 indicate that the awards are stimulating career interests in geriatrics.

Applicants from any U.S. medical school will be invited to compete for these awards, which will fund from eight to twelve weeks of geriatric research, as well as clinical experience and instruction at designated training sites, previously identified and supported as Hartford "Centers of Excellence." Scholarship stipends and expenses will be provided as needed.

AFAR will coordinate student poster sessions, at annual meetings of the American Geriatrics Society, and produce a semi-annual newsletter. The project's impact will be tracked by an ongoing survey of students' careers to be conducted in 1998.

Grant Award: $1,481,439; 3 years
Starting Date: January 1, 1996

INTEGRATING AND IMPROVING SERVICES FOR ELDERS

Johns Hopkins Bayview Medical Center, Inc.
Baltimore, MD
John R. Burton, M.D.

Johns Hopkins Home Hospital

The Hartford Foundation's Hospital Outcomes Program for the Elderly confirmed the high risks of hospitalization for the elderly. While continuing in its efforts to improve inpatient care, the Foundation also decided to explore ways in which this potentially toxic environment might be avoided, by bringing the hospital into the homes of appropriate patients. The first phase of this effort, a March 1994 grant for "Community-based Acute Care" to Johns Hopkins Bayview Medical Center, confirmed the feasibility of that approach.

This second phase will enable establishment of "Johns Hopkins Home Hospital," which will test the safety and efficacy of hospital care at home. Selected older patients will be offered at-home treatment for pneumonia, congestive heart failure, and chronic obstructive airway disease. Comparative measures of health outcomes (including those related to infections and other adverse events), satisfaction and cost will be obtained.

Grant Award: $770,803; 18 months
Starting Date: January 1, 1996

New York University
New York, NY
Mathy Mezey, R.N., Ed.D., FAAN

Nurses Improving Care to the Hospitalized Elderly

This grant builds upon the achievements of a 1992 award to Columbia University's School of Nursing, to improve hospital care for elders through the dissemination of effective inpatient nursing models. The project has four goals. First, the Institutional Assessment Protocol, a tool developed under the prior grant which assists hospitals in assessing the range and quality of their geriatric care, will be further validated and strengthened. Second, nine "best practice" inpatient protocols for geriatric nursing care will be added to the four already developed, to include procedures for pain management, falls, and medication use, among others. All 13 protocols will be made available in the form of a geriatric nursing handbook for hospital nurses. Third, an implementation guide for geriatric care improvement will be made available to hospitals. Finally, a national invitational conference will be held for 150 key nurse executives deemed likeliest to achieve beneficial changes at their institutions using these tools and approaches.

Grant Award: $750,397; 3 years
Starting Date: May 1, 1995

Dartmouth Medical School
Hanover, NH
James Barrett, M.D.

A Program to Improve Treatment of Depression in the Elderly

Depression among the elderly is associated with increased morbidity and mortality. A previous Hartford award to Indiana University helped physicians identify depressed elders and assisted them in choosing pharmaceutical treatments. Meanwhile, the John D. and Catherine T. MacArthur Foundation had decided to fund an effort coordinated through Dartmouth Medical School to work in several areas, including current practices, education, and effectiveness of alternative treatments for depression.

With this grant, the Hartford Foundation will mesh its interests with the MacArthur initiative. Hartford will support a four-site randomized trial of alternative treatments for elders with mild to moderate depression. Dissemination of the study results will be coordinated with planned MacArthur Foundation physician education efforts.

Grant Award: $2,000,000; 3 years
Starting Date: April 1, 1995

HEALTH CARE COST AND QUALITY

WITH THE FAILURE of the federal health care reform initiative, community-based health care purchasing organizations have taken center stage. The market pressure caused by employers demanding competitive prices has controlled and even reduced health care premiums for businesses in many parts of the United States.

But cost containment is only part of the story. Still uncertain is the impact that these fast-moving changes are having on the quality of health care. The capacity of employers and purchasing groups to address this issue was a major concern for the Hartford Foundation in 1995. With the benefit of lessons learned from earlier work of the Foundation, organizations already receiving Hartford funding and others moved forward with market-based solutions. In 1995, the Hartford Foundation entered into agreements with grantees to complete its mission in this area of grantmaking.

COMMUNITY HEALTH REFORM

COMMUNITY HEALTH REFORM is based on four principles: (1) purchasing the highest quality health care at the most reasonable cost; (2) measuring the comparative quality and efficiency of hospitals and physicians in the community to find the best value; (3) creating new incentives to provide better value through the integration of service delivery and the continuous improvement of quality; and (4) improving the overall health of the community as well as the health care delivery system. The Hartford Foundation was an early supporter of this movement, granting funds of more than $10.6 million since 1990.

A threat to the success of the Community Health Reform movement is the inability of local purchasing groups to validly compare the quality of competing plans and providers. Three Hartford grantees currently provide assistance to such groups — the National Business Coalition on Health, the Institute for Health Policy Solutions, and the Community Health Management Information System (CHMIS) Resource Center, operated by the Foundation for Health Care Quality. In evaluating their activities and goals, the three organizations agreed that their most pressing shared concern was to provide more expert guidance in the area of quality measurement.

"In the early years of health reform there was an effort to focus strictly on containing cost, but cost containment, by definition, focuses on the short term. Since the late 1980s, there has been much more emphasis on improving quality. CHMIS is all about trying to develop cost-effective, standardized sources of information that allow us to measure quality. It's one of the many important tools in the tool kit that the Hartford Foundation has developed for the health care industry." *›Richard D. Rubin, Foundation for Health Care Quality*

As part of the management team for the Health Care Quality Measurement Advisory Service, (left to right) Richard D. Rubin, President and Chief Executive Officer of the Foundation for Health Care Quality, Sean Sullivan, Chief Executive Officer of the National Business Coalition on Health and Richard E. Curtis, President of the Institute for Health Policy Solutions, confer on the issues relating to the Service. The Foundation for Health Care Quality will administer the Service which is to provide various forms of technical assistance to organizations hoping to purchase quality health care for their participants.

A grant to the Foundation for Health Care Quality in 1995 funds the creation of the Health Care Quality Measurement Advisory Service, which will enlist leading experts to guide the quality measurement efforts of these three grantees' constituents and other such groups. The service will provide on-site assistance to the local groups, organize two major national meetings on quality measurement each year, act as a clearinghouse for information, and publish a guide on quality measurement methods and vendors.

Hartford continued its support to the National Business Coalition on Health in 1995. Started in 1989 by twelve local business groups, the coalition has grown to become a national leader in the purchaser-led movement. Its over 90 member groups represent more than 7,000 employers, who are responsible for nearly 35 million lives. Last year, Coalition leaders focused attention on the potential of such community-based groups for addressing many of the questions raised in the national health care reform debate.

The Institute for Health Policy Solutions has received Hartford funding since 1992 to assist the development of community-based, consumer-choice purchasing organizations, focusing primarily on the needs of small employers. The demand for this assistance has grown geometrically, and so in 1995 the Foundation made a renewal grant to sustain the Institute's Health Plan Purchasing Cooperative Resource Center for four more years. This will enable the Institute to handle a heavier load of technical assistance and continue to offer a wide range of information exchange services, meetings, and other educational activities.

COMMUNITY HEALTH MANAGEMENT INFORMATION SYSTEM

THE NEED FOR ACCURATE information permeates every area of Community Health Reform. The computer revolution offers great new possibilities for integrating and delivering health care information. But the challenges are also great–gathering information from many and disparate sources, and translating that information so it can be useful to a very diverse audience, from physicians who want to deliver better care, to consumers who want to make better choices.

Since 1991 the Hartford Foundation has directed over $16.7 million to support its Community Health Management Information System (CHMIS) initiative. CHMIS was conceived with two goals: (1) facilitating the acquisition and analysis of data needed by all health care stakeholders, and (2) improving the efficiency of the financial and administrative transactions associated with health care.

While the initial vision of the Foundation's ambitious CHMIS effort has endured, the methodology has changed in response to dramatic developments in both health care delivery and networking technology. In some CHMIS sites, new proprietary information networks developed by emerging giant health plans have been very successful in gathering and organizing health care data.

The role for CHMIS at these sites is to establish a "network of networks," to make sure that the proprietary networks can exchange information among themselves, and that the community has access to and benefits from that information.

Yet any attempt to develop the "health care information highway" will fail if it does not confront the sensitive issues of privacy and confidentiality. Through a 1995 grant to the Foundation for Health Care Quality, Hartford continues to support a project, initiated under a contract with the American Civil Liberties Union and now residing at the Center for Democracy and Technology, to give the CHMIS sites legal and technical assistance on personal privacy protection.

The Hartford Foundation is winding down its involvement in individual CHMIS sites, while continuing to leverage its investment by funding the development and dissemination of a variety of tools, such as reports, guides and educational videos, needed to carry on the mission.

Three final renewal awards were made in 1995 to assist sites implement their individual CHMIS projects. A three-year grant was given to the Minnesota Institute for Community Health Information for the implementation of MedNet, a "network of networks" strategy. This CHMIS site will be one of the first to demonstrate this adaptation.

The Foundation for Health Care Quality received a three-year award to implement the Washington State CHMIS. This will also be a "network of networks," linking four proprietary health care information networks, beginning with the verification of patients' eligibility for benefits. Over the course of the grant, a wide range of capabilities benefiting both the member groups and the general public will be added.

Initially, Iowa's CHMIS adhered closely to the Foundation's original "top-down" approach, serving as a central data repository. Hartford's 1995 one-year grant will permit the Iowa CHMIS to move closer to a "network of networks" implementation.

CHMIS has been a bold and risky undertaking that has sought to address a serious informational deficit by building a far-reaching and comprehensive information structure. Although everyone appears to agree in principle on the need to integrate and disseminate information, in practice it can be a very difficult matter. Yet the CHMIS program as a whole has established exemplary projects, and has provided leadership and guidance to the nation's emerging community health information networks, including some not receiving direct support from the Foundation. An experiment that was visionary in its concept, objectives, and ideals, CHMIS has also proven its flexibility in adapting to a dramatically changing environment.

In 1995 the Hartford Foundation awarded eight grants under its Health Care Cost and Quality Program, with commitments totaling $9,870,004.

HEALTH CARE COST AND QUALITY GRANTS

COMMUNITY HEALTH REFORM

Foundation for Health Care Quality
Seattle, WA
Richard D. Rubin

Health Care Quality Measurement Advisory Service

The inability of local purchasing groups to validly compare the quality of competing plans and providers threatens to undermine the success of the Community Health Reform Movement. Three Foundation grantees working on community health reform – the National Business Coalition on Health, the Institute for Health Policy Solutions, and the CHMIS Resource Center, operated by the Foundation for Health Care Quality (FHCQ) – agreed that their most pressing shared concern was to provide more expert guidance in the area of quality measurement. The Health Care Quality Measurement Advisory Service will tap leading experts to guide such efforts. The Service, operated by the FHCQ, under a management committee of the three sponsors, will provide: (1) on-site assistance to the local groups, including introductory training on quality measurement methods and help in planning quality measurement projects and in selecting appropriate vendors; (2) two major national meetings on quality measurement each year; (3) an information clearinghouse on quality measurement methods and vendors; and (4) a guide to selection of quality measurement vendors.

Grant Award: $2,552,170; 3 years
Starting Date: January 1, 1996

Institute for Health Policy Solutions
Washington, DC
Richard E. Curtis

Health Plan Purchasing Cooperative Resource Center

In 1992 the Hartford Trustees approved a one-year grant to the Institute for Health Policy Solutions to assist the development of community-based purchasing organizations, focusing primarily on needs of small employers. With renewal support in 1993, the Institute continued to provide hands-on assistance to sites pursuing market reform through health-purchasing cooperatives, including organizations formed by small and large employers and hybrids designed for both groups. Due to a geometric growth in the demand for assistance, the Foundation accelerated expenditures under the 1993 grant and made a renewal grant in1995 to sustain the Institute for four more years. This will enable it to handle a heavier load of technical assistance than is now possible, and continue to offer a variety of services.

Grant Award: $2,588,481; 4 years
Starting Date: May 1, 1995

National Business Coalition on Health
Washington, DC
Sean Sullivan

Expanding and Strengthening the Community Health Reform Movement

The National Business Coalition on Health is the one of the engines of a movement devoted to market-based reform. The Coalition, with over 90 local business groups as members, has as its goal to foster and bring together organizations engaged in purchaser-led, community-oriented health care reform.

This renewal grant supports Coalition efforts to expand and strengthen the Community Health Reform movement and gain financial self-sufficiency. The Coalition will offer a range of services including videos, publications, and other educational activities aimed at supporting current members and recruiting new groups. There will be an annual meeting and periodic workshops in areas such as quality assessment and value-based purchasing, some organized in collaboration with the Institute for Health Policy Solutions and the Foundation for Health Care Quality. The award will also support the continuation of consultant assistance to local groups interested in forming purchasing coalitions and begin a new on-line information exchange network.

Grant Award: $1,981,189; 4 years
Starting Date: August 1, 1995

Foundation for Health Care Quality
Seattle, WA
Richard D. Rubin

Legal and Technical Assistance to CHMIS Sites on Personal Privacy Protection

Of all the privacy issues connected with information networks, the sensitivity of health care information is among the most pressing. In 1994 the Hartford Trustees approved a two-year grant to the Electronic Frontier Foundation (EFF) to provide legal and technical assistance in the area of personal privacy protection to the CHMIS sites and others planning health information networks, under the leadership of privacy advocate Janlori Goldman. The project was shifted to the Center for Democracy and Technology (CDT) in December of 1994. All remaining funds have been regranted to the Foundation for Health Care Quality to assure continuation of the project. Under a sub-contract to CDT, Ms. Goldman will continue to assist the CHMIS sites in this critical area.

Grant Award: $371,343; 19 months
Starting Date: December 10, 1994

COMMUNITY HEALTH MANAGEMENT INFORMATION SYSTEM (CHMIS)

COMMUNITY HEALTH MANAGEMENT INFORMATION SYSTEM (CHMIS)

Foundation for Health Care Quality
Seattle, WA
Richard D. Rubin

Implementing the Washington State Community Health Management Information System (CHMIS)

In 1993 it appeared that Washington State would lead the country in implementing CHMIS, but both legislative action and dramatic changes in the marketplace have necessitated a major adjustment. With the emergence in Washington State of four proprietary health care electronic data interchange (EDI) networks, the original, centralized CHMIS model has given way to a decentralized approach that links the proprietary networks to meet shared information needs, known as the "network of networks" CHMIS model.

This grant will continue the Foundation for Health Care Quality (FHCQ)'s work in implementing the Washington State CHMIS. Early on, the existing EDI networks will be linked and the capacity to verify patients' eligibility for benefits will be established. As needs are identified, other capabilities will be developed, expected to include referrals, enrollment, reimbursement advice, laboratory results, and claims. A consumer advisory board will be established to focus on privacy, on improving consumer information, and on linking consumers to providers and health plans through the statewide network or the Internet.

Grant Award: $1,049,141; 3 years
Starting Date: January 1, 1996

Iowa Community Health Management Information System
Des Moines, IA
Sheila Gregan

Implementation of Iowa's CHMIS

In 1994 Iowa's governor signed the Community Health Management Information System Act, establishing the Iowa CHMIS and requiring that all providers, payers, and employers begin submitting specified data through the system on July 1, 1996. This legislation was the culmination of a three-year process of consensus-building among Iowa's health care stakeholders, a process driven by strong purchaser leadership and sustained by Hartford's support via the Health Policy Corporation of Iowa.

Initially, Iowa's CHMIS planned to adhere closely to the Foundation's original functional specifications, with a central data repository and heavy reliance on claims data submitted through electronic claims processing networks. However, recent developments indicate that Iowa will also be implemented as a "network of networks"-type CHMIS.

Grant Award: $197,680; 1 year
Starting Date: July 1, 1995

MidSouth Health Care Alliance
Memphis, TN
G. Henry Smith

Implementation of the MidSouth Health Care Alliance: A Community Health Management Information System

The Memphis Business Group on Health (MBGH) received Hartford Foundation funding over several years to develop market-based reforms for the health care system in the Memphis area. One aspect of that effort was the organization of the MidSouth Health Care Alliance (MHCA), dedicated to planning and operating the Memphis CHMIS. In 1994, the Foundation awarded a grant to MBGH to fund the efforts of MHCA. In 1995 MHCA became a stand-alone nonprofit organization, and funds granted to MBGH were transferred to MHCA. Late in 1995, the MHCA Board of Directors decided to reconsider the implementation of a CHMIS in the Memphis area and the grant was terminated.

Grant Award: $387,829; 20 months, reduced to $80,000; 6 months
Starting Date: April 1, 1995

Minnesota Institute for Community Health Information
St. Paul, MN
Dale V. Shaller

Implementation of MedNet: A Statewide Public-Private Electronic Health Care Information Network in Minnesota

Minnesota may be the first site to demonstrate the "network of networks" approach to the CHMIS concept. Major employers in the area are committed to the concept, and their commitment is shared by leading health plans, providers, legislators, and state officials.

The Minnesota Institute for Community Health Information is building a health information infrastructure, drawing on an array of task forces which involve several hundred volunteers. Its centerpiece is MedNet, which aims to link all of the state's enterprise-based health information networks and access their data to meet shared information needs. This grant renews Hartford support to cover the costs of implementing MedNet and associated activities.

Grant Award: $1,050,000; 3 years
Starting Date: July 1, 1995

Financial Reports

FINANCIAL SUMMARY

THE ANNUAL FINANCIAL STATEMENTS, which have been audited by Owen J. Flanagan & Co., appear on pages 39 to 55.

On December 31, 1995, the Foundation's assets were $384.3 million, an increase of $58.5 million for the year after cash payments of $18.0 million for grants, expenses and Federal excise tax. Total return on the investments, income plus realized and unrealized capital gains, was 24.7 percent. In 1995 revenues totaled $11.5 million, a yield of approximately 3.0 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.

Recognizing that this goal has historically been hard to achieve through investments in the traditional asset classes alone, in 1995 the Foundation increased its investments in venture capital and private equity through new commitments to several comingled funds. At the end of 1995 the Foundation's asset mix was 70 percent equities, 26 percent fixed income and a combined 4 percent in venture capital and real estate funds.

As of December 31, 1995 the Foundation's investments were managed by Capital Guardian Trust Company, Towneley Capital Management, Sound Shore 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 and VI, Brentwood Associates IV and VI, Mayfield V, Middlewest Ventures II, Tullis-Dickerson Capital Focus and William Blair Capital Partners V venture capital limited partnerships. Also included with these venture capital investments are the Foundation's limited partnership interests in the GE Investment Partners II and Brentwood Associates Buyout Fund II private equity funds. Real estate investments consist of funds managed by TA Associates Realty and Heitman/JMB Advisory Corporation. 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 Auditors' 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 NewYork not-for-profit corporation) as of December 31, 1995 and 1994 and the related statements of revenues, grants and expenses and changes in net assets and cash flows 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 audits provide 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, 1995 and 1994 and the results of its operations and changes in net assets and cash flows 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 46 to 55, 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 5, 1996

Exhibit A

The John A. Hartford Foundation, Inc. **Balance Sheets December 31, 1995 and 1994**	1995	As Restated (Note 8) 1994
Assets		
Cash in operating accounts	$ 2,084	$ 7,712
Interest and dividends receivable	1,879,542	1,566,031
Prepayments and deposits	49,370	26,741
	1,930,996	1,600,484
Investments, at market or adjusted cost (Notes 2 and 3)		
Short-term cash investments	31,967,539	18,273,859
Stocks	264,520,525	227,646,380
Long-term bonds	68,761,327	61,997,415
Venture capital partnerships	6,986,273	5,788,823
Real estate pooled funds	8,142,382	7,758,089
Total Investments	380,378,046	321,464,566
Program loan receivable	—	625,657
Office condominium, furniture and equipment (net of accumulated depreciation of $2,038,059 in 1995 and $1,895,590 in 1994)	1,970,853	2,132,773
Total Assets	$384,279,895	$325,823,480
Liabilities and Net Assets		
Liabilities:		
Grants payable (Note 2)		
Current	$ 9,378,955	$ 7,188,164
Non-current (Note 7)	14,486,864	12,833,208
Accounts payable	508,095	416,873
Deferred Federal excise tax (Note 2)	609, 317	239,388
Total Liabilities	24,983,231	20,677,633
Net Assets-Unrestricted		
Board designated (Note 2)	1,882,431	1,975,249
Undesignated	357,414,233	303,170,598
Total Net Assets (Exhibit B)	359,296,664	305,145,847
Total Liabilities and Net Assets	$384,279,895	$325,823,480

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

Exhibit B

The John A. Hartford Foundation, Inc. **Statements of Revenues, Grants and Expenses and Changes in Net Assets** **Years Ended December 31, 1995 and 1994**	1995	As Restated (Note 8) 1994
Revenues		
Dividends and partnership earnings	$ 4,330,017	$ 4,087,292
Long-term bond interest	5,815,384	4,810,010
Short-term investment earnings	1,364,441	1,177,707
Total Revenues	11,509,842	10,075,009
Grants and Expenses		
Grant expense (less cancellations and refunds of $941,288 in 1995 and $365,216 in 1994)	18,327,969	20,654,239
Foundation-Administered Projects	157,030	317,254
Grant-related direct expenses	80,983	82,217
Federal excise tax on net investment income (Note 2)	97,250	84,105
Investment fees	1,649,631	1,577,084
Personnel salaries and benefits (Note 6)	1,138,673	1,078,248
Office and other expenses	619,045	547,248
Depreciation	198,465	195,129
Professional services	164,035	88,392
Total Grants and Expenses	22,433,081	24,623,916
Excess (deficiency) of revenues over grants and expenses	(10,923,239)	(14,548,907)
Net Realized and Change in Unrealized Gain on Securites Transactions (Note 3)	65,074,056	(5,649,980)
Increase (Decrease) in Net Assets	54,150,817	(20,198,887)
Net Assets, beginning of year	305,145,847	325,344,734
Net Assets, End of Year (Exhibit A)	$359,296,664	$305,145,847

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

Exhibit C

The John A. Hartford Foundation, Inc. Statements of Cash Flows Years Ended December 31, 1995 and 1994	1995	1994
Cash Flows Provided (Used)		
From Operating Activities		
Interest and dividends received	$ 10,797,923	$ 9,877,050
Cash distributions from venture capital partnerships and real estate pooled funds	1,453,960	615,091
Grants and Foundation-Administered projects paid (net of refunds)	(14,006,609)	(13,677,717)
Program loan repayments	—	22,649
Expenses and Federal excise tax paid	(3,976,695)	(3,899,426)
Net Cash Flows Provided (Used) By Operating Activities	(5,731,421)	(7,062,353)
From Investing Activities		
Proceeds from sale of investments	326,973,080	284,637,980
Purchases of investments	(308,067,507)	(277,299,221)
Purchase of fixed assets	(36,545)	(13,312)
Net Cash Flows Provided By Investing Activities	18,869,028	7,325,447
Net Increase in Cash and Cash Equivalents	13,137,607	263,094
Cash and equivalents, beginning of year	18,342,351	18,079,257
Cash and equivalents, end of year	$ 31,479,958	$ 18,342,351
Reconciliation of Increase (Decrease) in Net Assets to Net Cash Used by Operating Activities		
Increase (Decrease) in Net Assets	$ 54,150,817	$(20,198,887)
Adjustment to reconcile increase (decrease) in net assets to net cash used by operating activities:		
Depreciation	198,465	195,129
Decrease (increase) in interest and dividends receivable	(313,511)	82,588
Decrease (increase) in prepayments and deposits (net of prepaid Federal excise tax)	(11,264)	75,247
Decrease in program loan receivable	625,657	22,649
Increase in grants payable	3,844,447	7,225,652
Decrease (increase) in accounts payable	91,222	(232,938)
Net realized and change in unrealized gain on securities transactions	(65,074,056)	5,649,980
Other	756,802	118,227
	$ (5,731,421)	$ (7,062,353)

Exhibit C

The John A. Hartford Foundation, Inc. **Statements of Cash Flows** **Years Ended December 31, 1995 and 1994**	1995	1994
Supplemental Information:		
Detail of other:		
Venture capital partnerships and real estate pooled funds:		
Cash distributions	$ 1,453,960	$ 615,091
Less: reported income	398,408	280,548
	1,055,552	334,543
Federal excise tax expense	97,250	84,105
Less: Federal excise taxes paid	396,000	300,421
Excess (tax on realized gains and change in prepaid)	(298,750)	(216,316)
Total - Other	$ 756,802	$ 118,227
Composition of Cash and Equivalents:		
Cash in operating accounts	$ 2,084	$ 7,712
Short-term cash investments	31,967,539	18,273,859
Unrealized (gain) loss on forward currency contracts	(489,665)	60,780
	$31,479,958	$18,342,351

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

Exhibit D

The John A. Hartford Foundation, Inc.
Notes to Financial Statements December 31, 1995 and 1994

1. Purpose of Foundation

The John A. Hartford Foundation was established in 1929 and originally funded with bequests from its founder, John A. Hartford, and his brother, George L. Hartford. The Foundation supports efforts to improve health care in America through grants and Foundation-Administered Projects.

2. 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 preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

All net assets of the Foundation are unrestricted.

Investments
Investments in marketable securities are stated at quoted market prices. Investments in venture capital and real estate partnerships or REIT's, are carried at cost adjusted annually for the Foundation's share of distributions and undistributed realized income or loss; cost is also adjusted for overall unrealized losses of any group of such entities. Realized gains and losses from the sale of marketable securities are recorded by comparison of proceeds to cost determined under the average cost method.

Grants
The liability for grants payable is recognized when specific grants are authorized by the Board of Trustees and the recipients have been notified. Annually the Foundation reviews its estimated payment schedule of long-term grants and discounts the grants payable to present value using the prime rate as quoted in the Wall Street Journal at December 31 to reflect the time value of money. The amount of the discount is then recorded as designated net assets.

Definition of Cash
For purposes of the statements of cash flows, the Foundation defines cash and equivalents as cash and short-term cash investments. Short-term cash investments are comprised of foreign denominated cash, master notes and discounted short-term notes. Short-term cash investments also include the unrealized gain or loss of open foreign currency forward contracts.

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 percent or 2 percent rate depending on the amount of qualifying distributions. For 1995 and 1994 the Foundation's rate was 1 percent.

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 $17,100,306 of undistributed income in grants or qualifying expenditures by December 31, 1996 to comply with Internal Revenue Service 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).

Exhibit D

The John A. Hartford Foundation, Inc.
Notes to Financial Statements December 31, 1995 and 1994

3. Investments

The net gain on investments in 1995 is summarized as follows:

	Cost	Quoted Market Price	Appreciation
Balance, December 31, 1995	$319,446,334	$380,378,046	$ 60,931,712
Balance, December 31, 1994	$297,525,816	$321,464,566	$ 23,938,750
Increase in unrealized appreciation during the year, net of increased deferred Federal excise tax of $369,929			$ 36,623,033
Realized gain, net of provision for Federal excise tax of $287,385			28,451,023
Net realized and change in unrealized gain on securities transactions			$ 65,074,056

Receivables and payables on security sales and purchases pending settlement at December 31, 1995 and 1994 were as follows:

	1995	1994
Proceeds from sales and distributions	$ 4,918,421	$ 705,940
Payables from purchases	(7,606,265)	(8,863,276)
Net cash pending settlement	$(2,687,844)	$(8,157,336)

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

The Foundation is a participant in ten venture capital limited partnerships. As of December 31, 1995, $12,643,900 had been invested in these partnerships and future commitments for additional investment aggregated $13,156,100.

Real estate investments included one limited partnership and three real estate investment trusts. The Foundation had invested $8,640,000 at December 31, 1995 and future commitments for additional investment aggregated $360,000.

4. Foreign Currency Forward Contract Commitments

The Foundation uses foreign currency forward contracts as a hedge against currency fluctuations in foreign denominated investments. At December 31, 1995 the Foundation's foreign currency forward sale and purchase contracts totaled $4,404,315. Total foreign denominated investments at the same date were $45,285,416.

5. Office Condominium, Furniture and Equipment

At December 31, 1995 and 1994 the fixed assets of the Foundation were as follows:

	1995	1994
Office condominium	$3,616,815	$3,616,815
Furniture and equipment	392,097	411,548
	4,008,912	4,028,363
Less: Accumulated depreciation	2,038,059	1,895,590
Office condominium, furniture and equipment, net	$1,970,853	$2,132,773

Exhibit D

The John A. Hartford Foundation, Inc.
Notes to Financial Statements December 31, 1995 and 1994

6. Pension Plan

The Foundation has a defined contribution retirement plan covering all eligible employees under which the Foundation contributes 14 percent of salary for employees with at least one year of service. Pension expense under the plan for 1995 and 1994 amounted to $104,507 and $102,951, respectively. The Foundation also incurred additional pension costs of approximately $35,000 in 1995 and 1994 for payments to certain retirees who began employment with the Foundation prior to the initiation of the formal retirement plan.

7. Grants Payable

The Foundation estimates that the non-current grants payable as of December 31, 1995 will be disbursed as follows:

1997	$ 9,622,440
1998	5,127,675
1999	1,535,318
2000	83,862
	16,369,295
Discount to present value	1,882,431
	$14,486,864

The amount of the discount to present value is calculated using the prime rate as quoted in the Wall Street Journal. For 1995 and 1994 the prime rate was 8.5 percent.

8. Restatement

During 1995, the Foundation implemented Statement of Financial Accounting Standards No. 116 regarding accounting for grants made. This Statement requires that long-term grants payable be shown at fair value taking into account the time value of money. As a result of this new accounting policy, the net assets as of January 1, 1994 have been increased by $382,181. The new accounting policy also resulted in a $1,593,068 decrease in grant expense in 1994 and a $92,818 increase in 1995.

Summary of Active Grants

AGING AND HEALTH	*Balance Due January 1, 1995*	*Grants Authorized During Year*	*Amount Paid During Year*	*Balance Due December 31, 1995*
Academic Geriatrics and Training				
The American Academy of Family Physicians Foundation Kansas City, MO "Improving Geriatric Medicine Education in Community Hospital Family Practice Residency Programs" Gregg Warshaw, M.D.	$ 432,520		$ 67,540	$ 364,980
American Federation for Aging Research (AFAR), Inc. New York, NY "Physician Faculty Scholars in Aging Research" Stephanie Lederman	7,602,466		694,154	6,908,312
American Federation for Aging Research (AFAR), Inc. New York, NY "Medical Student Geriatric Scholars Program" Odette van der Willik	372,829	$ 1,481,439	466,911	1,387,357
The American Geriatrics Society, Inc. New York, NY "Increasing Geriatrics Expertise in Non-Primary Care Specialties" Dennis W. Jahnigen, M.D.	379,280		115,793	263,487
The American Geriatrics Society, Inc. New York, NY "Integrating Geriatrics into the Subspecialties of Internal Medicine" William R. Hazzard, M.D.	810,060		291,618	518,442
Baylor College of Medicine Houston, TX "Geriatric Interdisciplinary Team Training" Nancy L. Wilson, Sc.D.		100,000	100,000	
Baylor College of Medicine Houston, TX "Competency-Based Curriculum in Geriatrics for Residency Training in Internal Medicine and Family Medicine" Robert J. Luchi, M.D.	414,191		167,989	246,202

	Balance Due January 1, 1995	*Grants Authorized During Year*	*Amount Paid During Year*	*Balance Due December 31, 1995*
Harvard Medical School Boston, MA "Hartford Primary Care/Geriatrics Initiative" Thomas S. Inui, Sc.M., M.D.	$ 393,783		$ 173,931	$ 219,852
Harvard Medical School Boston, MA "Geriatric Interdisciplinary Team Training" Sue Levkoff, M.S.W., Sc.D.		$ 100,000	100,000	
Henry Ford Health System Detroit, MI "Geriatric Interdisciplinary Team Training" Nancy A. Whitelaw, Ph.D.		100,000	100,000	
The Johns Hopkins University School of Medicine Baltimore, MD "Geriatrics in Primary Care Training Initiative at Johns Hopkins" John R. Burton, M.D.	418,483		163,537	254,946
Kaiser Foundation Hospitals Pasadena, CA "Geriatric Interdisciplinary Team Training" Richard Della Penna, M.D.		100,000	100,000	
Mount Sinai School of Medicine New York, NY "Geriatric Interdisciplinary Team Training" Christine K. Cassel, M.D.		100,000	100,000	
New York University New York, NY "Geriatric Interdisciplinary Team Training Program: Resource Center" Terry T. Fulmer, R.N., Ph.D., FAAN		1,549,981	320,534	1,229,447
On Lok, Inc. San Francisco, CA "Interdisciplinary Training for Comprehensive Care of the Elderly" Jennie Chin Hansen, M.S., R.N.		100,000	100,000	
Rush-Presbyterian-St. Luke's Medical Center Chicago, IL "Geriatric Interdisciplinary Team Training" Denis A. Evans, M.D.		100,000	100,000	
Stanford University Palo Alto, CA "Geriatrics Educational Resource and Dissemination Center" Kelley M. Skeff, M.D., Ph.D.	971,824		359,238	612,586

	Balance Due January 1, 1995	Grants Authorized During Year	Amount Paid During Year	Balance Due December 31, 1995
University of California, Los Angeles School of Medicine Los Angeles, CA "Increasing Geriatrics Training for Primary Care Residents" Alan M. Fogelman, M.D.	$ 417,980		$ 164,965	$ 253,015
University of California, Los Angeles School of Medicine Los Angeles, CA "Academic Geriatrics Recruitment Initiative" David B. Reuben, M.D.	27,685		27,685	
The University of Chicago Chicago, IL "Geriatrics in Primary Care Training" Greg Sachs, M.D.	420,657		162,910	257,747
University of Colorado Denver, CO "Geriatric Interdisciplinary Team Training" Dennis W. Jahnigen, M.D.		$ 100,000	100,000	
The University of Connecticut Health Center Farmington, CT "Geriatrics in Primary Care Training Initiative" Gail Sullivan, M.D.	416,122		165,549	250,573
University Hospitals Health System Cleveland, OH "Improving Geriatric Care Through Learning Teams" M. Orry Jacobs		100,000	100,000	
University of Minnesota Minneapolis, MN "Geriatric Interdisciplinary Team Training" Robert L. Kane, M.D.		100,000	100,000	
The University of North Carolina Chapel Hill, NC "Geriatric Interdisciplinary Team Training" Mark E. Williams, M.D.		100,000	100,000	
University of Pennsylvania Philadelphia, PA "Geriatric Interdisciplinary Team Training" Neville E. Strumpf, R.N., Ph.D.		100,000	100,000	

	Balance Due January 1, 1995	*Grants Authorized During Year*	*Amount Paid During Year*	*Balance Due December 31, 1995*
The University of Rochester School of Medicine and Dentistry Rochester, NY "A Program to Improve the Geriatric Content of Generalist Physician Residency Programs" William J. Hall, M.D.	$ 419,986		$ 79,928	$ 340,058
University of South Florida Foundation Tampa, FL "Geriatric Interdisciplinary Team Training" Eric Pfeiffer, M.D.		$ 100,000	100,000	
Subtotal	$13,497,866	$ 4,331,420	$ 4,722,282	$13,107,004
Integrating and Improving Services For Elders				
Arizona State University School of Health Administration and Policy Tempe, AZ "Enhancing Generalist Physician Project Implementation and Program Impact" Frank G. Williams, Ph.D.	$ 270,064		$ 132,117	$ 137,947
Carle Foundation Hospital Urbana, IL "A Generalist Physician Model for Geriatric Collaborative Practice" Cheryl D. Schraeder, R.N., Ph.D.	154,860		154,860	
Dartmouth Medical School Hanover, NH "Community Centers of Excellence in Aging" John H. Wasson, M.D.	247,204		247,204	
Henry Ford Health System Detroit, MI "Complementary Geriatric Generalist Practice Model" Nancy A. Whitelaw, Ph.D.	219,005		106,393	112,612
Interfaith Health Care Ministries Providence, RI "Aging 2000: Systemic Change in Care for the Elderly in Rhode Island" Edward W. Zesk	176,300		176,300	
Johns Hopkins Bayview Medical Center, Inc. Baltimore, MD "Johns Hopkins Home Hospital" John R. Burton, M.D.	157,960	$ 770,803	418,120	510,643

	Balance Due January 1, 1995	*Grants Authorized During Year*	*Amount Paid During Year*	*Balance Due December 31, 1995*
Mount Sinai Hospital of Greater Miami, Inc. Miami Beach, FL "Intervention Pathways to Integrate Eldercare Through Generalist Physician Offices" Gloria B. Weinberg, M.D.	$ 319,229		$ 159,615	$ 159,614
National Chronic Care Consortium Bloomington, MN "Capacity Building in Geriatric Chronic Care" Richard J. Bringewatt	86,521		86,521	
New York University New York, NY "Nurses Improving Care to the Hospitalized Elderly" Mathy Mezey, R.N., Ed.D., FAAN		$ 750,397	265,986	484,411
Society for Academic Emergency Medicine (The Univ. Assoc. for Emergency Med.) Lansing, MI "Emergency Care of the Elderly: Meeting the Needs" Arthur B. Sanders, M.D.	148,252		148,252	
South Carolina Department of Health and Environmental Control Columbia, SC "Integration of Care in Rural South Carolina Generalist Physician Practices" Michael Byrd, M.S.W., M.P.H.	325,086		65,631	259,455
St. Joseph Healthcare System Albuquerque, NM "Coordinated Care Partnership" Lynne Anker-Unnever	235,601		235,601	
United Health Services, Inc. Binghamton, NY "System Case Management" Linda J. Battaglini	158,343		158,343	
University of California, Los Angeles School of Public Health Los Angeles, CA "Development of an Elder Health Risk Appraisal" Lester Breslow, M.D., M.P.H.	201,410		125,203	76,207

	Balance Due January 1, 1995	Grants Authorized During Year	Amount Paid During Year	Balance Due December 31, 1995
University Hospitals of Cleveland Cleveland, OH "Senior Care" Philip A. Anderson, M.D.	$ 291,555		$ 291,555	
Subtotal	$ 2,991,390	$ 1,521,200	$ 2,771,701	$ 1,740,889
Aging and Health–Other				
Dartmouth Medical School Hanover, NH "A Program to Improve Treatment of Depression in the Elderly" James Barrett, M.D.		$ 2,000,000	$ 2,000,000	
Vanderbilt University School of Medicine Nashville, TN "Improving Pharmacotherapy in Home Health Patients" Wayne A. Ray, Ph.D.	$ 1,070,059		374,633	$ 695,426
Subtotal	$ 1,070,059	$ 2,000,000	$ 2,374,633	$ 695,426
Total Aging and Health	$17,559,315	$ 7,852,620	$ 9,868,616	$15,543,319
HEALTH CARE COST AND QUALITY				
Community Health Reform				
Foundation for Health Care Quality Seattle, WA "Health Care Quality Measurement Advisory Service" Richard D. Rubin		$ 2,552,170	$ 223,771	$ 2,328,399
Institute for Health Policy Solutions Washington, DC "Health Plan Purchasing Cooperative Resource Center" Richard E. Curtis		2,588,481	485,985	2,102,496
National Business Coalition on Health, Inc. Washington, DC "Expanding and Strengthening the Community Health Reform Movement" Sean Sullivan		1,981,189	373,317	1,607,872
Subtotal		$ 7,121,840	$ 1,083,073	$ 6,038,767

	Balance Due January 1, 1995	*Grants Authorized During Year*	*Amount Paid During Year*	*Balance Due December 31, 1995*
Community Health Management Information System (CHMIS)				
Columbia University New York, NY "The Washington Heights-Inwood Community Health Information System (WHICHIS): A Demonstration Project" Paul D. Clayton, Ph.D.	$ 874,588		$ 325,899	$ 548,689
Foundation for Health Care Quality Seattle, WA "Implementing the Washington State Community Health Management Information System (CHMIS)" Richard D. Rubin	150,250	$ 1,049,141	325,088	874,303
Foundation for Health Care Quality Seattle, WA "Community Health Management Information System (CHMIS) National Resource Center" Richard D. Rubin	1,804,000		576,875	1,227,125
Foundation for Health Care Quality Seattle, WA "Legal and Technical Assistance to CHMIS Sites on Personal Privacy Protection" Richard D. Rubin		371,343	249,224	122,119
Health Research, Inc. Albany, NY "The New York State Community Health Management Information System Program" Elysa Ferrara	190,072		190,072	
Indiana University Regenstrief Institute Indianapolis, IN "Coordination of a Unified Set of Standards for Health Care Information Messages" Clement J. McDonald, M.D.	61,750		61,750	
Iowa Community Health Management Information System Des Moines, IA "Implementation of Iowa's CHMIS" Sheila Gregan		197,680	197,680	

	Balance Due January 1, 1995	*Grants Authorized During Year*	*Amount Paid During Year*	*Balance Due December 31, 1995*
MidSouth Health Care Alliance Memphis, TN "Implementation of the MidSouth Health Care Alliance: A Community Health Management Information System" G. Henry Smith		$ 80,000	$ 80,000	
Minnesota Institute for Community Health Information St. Paul, MN "Implementation of MedNet: A Statewide Public-Private Electronic Health Care Information Network in Minnesota" Dale V. Shaller		1,050,000	175,000	$ 875,000
Ohio Corporation for Health Information Columbus, OH "The Ohio CHMIS Demonstration Project" John Richards	$ 462,340		268,501	193,839
The Rand Corporation Santa Monica, CA "Technical Support for CHMIS Data and Reporting" Elizabeth A. McGlynn, Ph.D.	539,591		269,796	269,795
Subtotal	$ 4,082,591	$ 2,748,164	$ 2,719,885	$ 4,110,870
Total Health Care Cost and Quality	$ 4,082,591	$ 9,870,004	$ 3,802,958	$ 10,149,637
New York Fund				
Boys' Club of New York New York, NY		$ 10,000	$ 10,000	
Central Park Conservancy New York, NY		20,000	20,000	
Classroom, Inc. New York, NY		10,000	10,000	
French American Foundation New York, NY		15,000	15,000	
Helen Keller International New York, NY		15,000	15,000	
The Hospital for Special Surgery Fund, Inc. New York, NY		2,500	2,500	
Parkside School New York, NY		15,000	15,000	
United Hospital Fund of New York New York, NY		2,500	2,500	
Total New York Fund		$ 90,000	$ 90,000	

	Balance Due January 1, 1995	*Grants Authorized During Year*	*Amount Paid During Year*	*Balance Due December 31, 1995*
Other				
The Foundation Center New York, NY		$ 8,000	$ 8,000	
Gateway Rehabilitation Center Aliquippa, PA	$ 55,294			$ 55,294
Grantmakers in Health Washington, DC		8,000	8,000	
National Foundation for Facial Reconstruction New York, NY	60,000		60,000	
New York Regional Association of Grantmakers New York, NY		9,000	9,000	
Vincennes University Foundation, Inc. Vincennes, IN		5,000	5,000	
Matching Grants*		400,330	400,330	
Total Other	$ 115,294	$ 430,330	$ 490,330	$ 55,294
Grants Cancelled or Refunded	239,421	(633,460)	(394,039)	
Discount to Present Value	(1,975,249)	92,818		(1,882,431)
Forgiveness of Program Loan		625,657		
Total (All Grants)	$20,021,372	$18,327,969	$13,857,865	$23,865,819

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

	Expenses Authorized, Not Incurred January 1, 1995	*Projects Authorized During Year*	*Expenses Incurred During Year*	*Expenses Authorized, Not Incurred Dec. 31, 1995*
Foundation-Administered Projects				
Health Care Cost and Quality				
Community Health Management Initiative	$ 16,931		$ 16,931	
Aging and Health				
"Strengthening the Elder Care-giving Team"	147,991		140,099	$7,892
Projects Cancelled	13,835	$(13,835)		
Totals	$178,757	$(13,835)	$157,030	$7,892

Additional Active Grants

Abt Health Care Research Foundation
Cambridge, MA
"The Effect of Type of Insurance on the Use and Cost of Health Care Among Frail Elders"
Laurence Branch, Ph.D.
1994; $351,404; 2 years, 8 months

California Pacific Medical Center
San Francisco, CA.
"Senior Care Connections"
Lucia S. Sommers, Dr. P.H.
1992; $809,099; 4 years

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 a budget showing 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:

Executive Director
The John A. Hartford Foundation, Inc.
55 East 59th Street
New York, NY 10022
Phone: (212) 832-7788
Fax: (212) 593-4913
Email: mail@jhartfound.com

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