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B-164031(2)  
9-18-70

COMPTROLLER GENERAL OF THE UNITED STATES  
WASHINGTON DC 20548

AGH - NJH

RELEASED

B-164031(2)

September 18, 1970

Dear Mr. Teague.

In response to your request of May 1, 1970, we have inquired into certain issues raised by Dr. D. Gordon Johnston, a faculty member of the Department of Medicine of the University of California at Los Angeles, concerning a training grant awarded to the university by the National Institutes of Health, Department of Health, Education, and Welfare.

Under the grant, funds are provided for training physicians in hematology, a branch of medicine concerned with the formation, function, and diseases of the blood. The hematology training program at the university has been supported by the National Institutes of Health since fiscal year 1957, and grants awarded through fiscal year 1971 total about \$725,900.

In essence, the following statements were made by Dr. Johnston in his letter to you of April 23, 1970.

1. Two program participants expressed to him their dissatisfaction with the benefits obtained from the training they had received, a third participant, after completing 1 year, told him that she had no idea as to what she would be doing during her second year.
2. Some office personnel paid with grant funds are utilized primarily for work related to the private patients of the physician in charge of the training program, and participants in the program are unable to obtain needed typing services.
3. Under this training program, young physicians completely trained in a specialty are maintained in a sheltered environment for 1 or 2 years at Government expense, while the public is faced with a serious health crisis due to a shortage of physicians.

We discussed the training program with Dr. Johnston, the three participants referred to in his letter, and university officials directly responsible for the training grant. Also, we reviewed accounting and administrative records maintained by the university relative to the grant. As requested by Dr. Johnston, we did not disclose his identity to the university officials with whom we discussed his criticism. The information obtained by us regarding the issues raised by Dr. Johnston is presented as follows.

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Comments by program participants

Two of the three program participants interviewed by us expressed their general satisfaction with the program; the third did not offer any comments.

One participant, who had just completed the program, said that he was satisfied with the training received and felt qualified to practice in the field of hematology. He has been appointed assistant professor of medicine at a Midwest university and expects to teach hematology. Also, he stated that he had received no clerical assistance but was not aware that such services were available.

The other participant offering comments has completed her first year in the program during which she studied pediatric hematology. She is scheduled to work during her second year with the chairman of the Department of Medicine in conducting various research projects. She told us that the facilities and training have been very good and that she was satisfied with the program.

Salaries chargeable to grant

The program director informed us that he maintained a private practice two mornings a week as permitted by his employment contract with the university. The amount of his salary chargeable to the grant was stipulated at an annual rate (\$18,700 for fiscal year 1970). This rate was based on his spending 80 percent of the time--32 hours of a 40-hour week--on program activities.

The director's office staff consisted of a secretary, a typist, and a technician. The full salaries of the secretary and the typist as stipulated in the grant were charged to the grant. However, according to information furnished us by the director, they devoted about 30 percent of their stipulated time to his private practice and therefore only about 70 percent of their salaries should have been charged to the grant. Similarly, the technician's full salary was charged to the grant. We were told by the director that about 20 percent of the technician's time was devoted to the director's private practice.

On the basis of actual workloads as stated to us by the director, we estimated that about \$4,700 of the salaries of the director's office staff for the period July 1, 1969, through May 31, 1970, had been overcharged to the grant. After we inquired into this matter, university officials computed an adjustment of \$4,918 and reduced the charges to the grant for the period from July 1, 1969, through May 31, 1970.

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Merits of training program

In response to the issues raised by Dr. Johnston as to the merits of the federally supported training program in hematology, we inquired into the nature and objectives of the program carried out at the University of California, Los Angeles.

The purposes of the training program as stated in the grant application are to establish a firm foundation in hematology within the scope of the clinical, research and teaching programs of the Department of Medicine, stimulate creative and original research experience in the field of hematology, and provide a source of well-trained physicians capable of pursuing an academic career or clinical practice with hematology as a subspecialty.

Clinical experience is obtained by participants through taking part in the treatment of patients with hematological problems at the university's medical center. This experience includes consultations with patients at the time of their hospitalization, analysis of patients' problems with the program director or a senior staff member, and outpatient treatment of persons with various blood diseases.

The treatment of patients is a continuing part of the training program. The two participants, whose comments we obtained, confirmed taking part in the treatment of patients at the university's medical center.

In the research phase of the program, participants are exposed to various research projects being carried out at the university and are encouraged to participate in ongoing research activities in accordance with their particular interests.

In the teaching phase, participants take part in laboratory instruction of medical students during the hematology part of the clinical microscopy course and also participate in the teaching of house staff through presentation of patient cases during hospital rounds.

In further discussing the hematology training program with us, Dr. Johnston concurred that program participants are given the opportunity to treat a large number of patients during the program. He explained to us that the comments in his letter concerning specialty training were not specifically directed toward the hematology program but toward federally supported training programs in general which in his opinion encourage fully trained doctors to remain in an academic atmosphere rather than to enter into the practice of medicine.

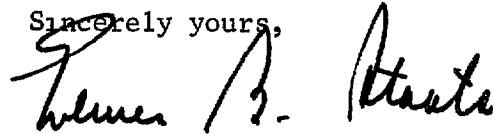
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We believe that an adequate evaluation of his opinion requires specialized knowledge as well as consideration of various facets of medical education which are not within the province of our Office.

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We plan to make no further distribution of this report unless we obtain your prior agreement; however, as discussed with Mr. Winkler of your office, we are informing the Director, National Institutes of Health, of the overcharges to the grant for personnel costs of university employees. We are suggesting to the Director that the National Institutes of Health may wish to review the procedures followed by this and other grantees in charging personnel costs to grants awarded by the National Institutes of Health.

Sincerely yours,

A handwritten signature in black ink, appearing to read "Thomas A. Blaine". The signature is written in a cursive style with a large initial "T".

Comptroller General  
of the United States

The Honorable Charles M. Teague  
House of Representatives