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Dr. Edward J. Spanier interview (3) conducted on February 18, 1985 about the Boonshoft School of Medicine at Wright State University

Edward J. Spanier

James St. Peter

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WRIGHT STATE UNIVERSITY

School of Medicine Oral History Project

INTERVIEW INFORMATION

Interview date: February 18, 1985

Interviewer: James St. Peter (JS)

Interviewee: Edward Spanier (ES)
Assistant Dean for Administration, School of Medicine
Interview 1

INTERVIEW TRANSCRIPTION

[Beginning of recorded material]

JS: My name is James St. Peter and this is the third in a series of interviews with Dr. Edward Spanier, first Assistant Dean for administration in the Wright State University School of Medicine. The date is February 18, 1985, the time is 11:00 AM and Dr. Spanier and I are in room 013B of the television center here Wright State University. Dr. Spanier, to cover a few areas that we did not cover in enough depth last time. What was the search committee effort itself? In your capacity as staff to that committee did you see any discussion of the candidates that were involved in the search process?

ES: Yes, I think in the sense of the committee deliberating, yes.

JS: Was there a great deal of discussion on the merits of the three finalists?

ES: A great deal of discussion-yes, I would say that there was discussion. What one would consider a great deal is subjective. Maybe the simplest answer would be to simply say yes, there was.

JS: What types of areas were discussed, the basic developmental areas of the candidates?

ES: The most obvious thing I guess would be that most folks on the committee or any committee, most folks eventually interface with a candidate for about a half-hour, 45 minutes, an hour, and it's pretty difficult to come to an assessment of the candidate's capabilities in that relatively short time. Particularly when you're involved in a sort of a group process. Therefore, many of the folks who rely on an opinion or judgment based on a CV, looking at the three candidates then, John Beljan in particular, was maybe a cause for concern because of his

specialty area of surgery and it was inconsistent with maybe the- not maybe, but clearly the stated objectives of the school: primary care. We had another candidate who is a pediatrician and of course the specialty area of pediatrics fell clearly within the charge or direction the school had set forth for itself. And the third candidate was in the area family practice. He also would fall within the major thrust or orientation of the school. So I think there was discussion with respect to the dichotomy that Beljan presented.

JS: If two of the major candidates of the three fell within the areas of primary care, why was Dr. Beljan singled out? Why did he become the choice of the committee? Was there another first choice?

ES: In my recollection no. The other two were received, obviously based on their credentials [and] experience, more favorable to the committee. The pediatrician in particular had previous experience as a Dean at another institution so the fact that he was his specialty area was very - and that he was pediatrician I think, I'm sorry, I mean that he was a Dean, I'd say it's a given that if he was interested in us, then he would be the candidate of choice. I can't really say from firsthand experience what happened. Insofar as that particular individual. There was a period during some aspects of the interview, largely involving maybe the community and Board or the community leaders that that individual did not represent himself in an appropriate fashion. But then again, I can't talk to a firsthand perspective as to what the individual did or did not do. The second individual that was in the specialty area, family practice, also as I recall had some experience in the Dean's office as an assistant or associate. Was perceived as a very strong candidate but again, effectively I think their demise to their chances by essentially taking the position that they would come, if they would be able to bring on a colleague who essentially serve as a co-dean, at least a principal player on a team and again for some reason but also as unacceptable when building an institution that would rely on a team as opposed to what was more the part he'd have this single individual identified as being. So again my recollection is that in the process of the deliberations, the two other candidates might be at first glance viewed as stronger candidates were essentially sorted out, then Beljan despite his specialty area, became the candidate of choice. So we could save the deliberations of the search process and the committee did what it was supposed to do.

JS: What were the perceived strengths that Dr. Beljan showed to the search committee?

ES: I think different people would see him in different ways. Again the search committee had perhaps three maybe four or five factions if you will. Though it's not really appropriate to talk about factions. I think they were there. One is of course Wright State's interests, the second is the the other two institutions that were involved in appointing the Dean-Central State and Miami. Third maybe the community leaders. Fourth might be organized medicine in respect to the medical society. So insofar then as the various constituencies that were represented on that search committee I think Beljan undoubtedly had to speak if you will take each of those interest groups and satisfy them. I think as far as organized medicine and as a surgeon and active in the AMA. He clearly was sympathetic or at least understood the concerns of the local practitioners with respect to the community leaders and hospital. Again from the perspective of a dynamic salesman Beljan clearly represented himself in outstanding fashion. He is a skilled politician with respect to the two other institutions I would have said I don't know. In so far as the university

itself he was able to based on his experience in developing a school, draw some parallels with Wright State and there were some areas of mutual interest in the bioengineering areas and the needs of science and engineering where those folks could relate to his background. So Beljan than in the sense of his publication, clinical orientation, his experience in engineering mathematics as well as a medicine, I think offered some things to the institution that they could relate to, that a traditional position or classical physician could not offer.

JS: Do you feel like there was an alignment in those groups in the search committee at any time?

ES: Sure. I think all things being equal, I would bet that before any of the candidates came in based on the resumes and the inputs from letters of recommendation, I suspect there was a consensus that the Dean would've been the pediatrician was the best candidate. If that person defaulted then the family practice would see that the second choice with Dr. Beljan bringing up third. So yeah I think there was undoubtedly perceptions or alignment, preconceptions whatever one might categorize them changed. I don't think it's good or bad. What I would like to reiterate is that I think the committee did its job well starting with perhaps preconceptions with with who the best candidate was, realistically looked at what the folks and when they came in here how they acted, and after they evaluated those folks, even in hindsight, I think they picked the best person.

JS: When the committee was meeting what was the role of Dr. Kegerreis? He is the president on the search committee.

ES: My particular recollection would be that Bob Kegerreis at least in the open the committee open sessions was effectively a body that was there in that the recommendations of the committee were to be delivered to the president. I have no recollection that Bob Kegerreis would take an active role to direct. Maybe just coming in to respond to questions or making some sort of courtesy appearance to show he was committed or reinforce the charge but I do recall that Kegerreis took an active role or should take an active role.

JS: What about the provost of the University at that time? Dr. Spiegel.

ES: I did the same thing. I'd say Conley and Dick Wall chaired the deliberations and I may be incorrect but my recollection is that at least to the deliberations of the committee Spiegel took largely a low-key approach to the interface.

JS: Did his interaction pick up at any other stage?

ES: Again, when it came down to making the offer to Beljan, again I think it was Andy Spiegel who literally made the offer.

JS: How many visits did the candidates make to Wright State?

ES: I'd say at least two. Then again may have been three. Or it may have varied. Beljan may have been here three times, the other is made then your two times. Essentially as I recall, largely going through the community University folks but almost have to categorize to the middle to low

management. Undoubtedly visits to the provost and president, but all the things that are expected. Essentially going through a sorting process, and then subsequently it turned to meet with trustees and community leaders, essentially the Dayton power structure.

JS: How long did the search committee deliberate? Was there a lot of discussion after the visits took place? Before the final candidate was announced?

ES: You have to tell me what a lot of time is. [*Laughing*] But remember- what I do remember is maybe the surprise and an internal- perhaps- concern as a result of going in to the search of the expectation that candidate A would prevail and be the candidate of choice. And if A didn't happen or prevail it would be B. And I'm being charitable, but it's the most descriptive cavalier attitude towards C. Having gone through the process and having made the decision to have C maybe looked to be the candidate of choice, B being marginally unacceptable and a having apparently stumbled over himself was not acceptable. So in a sense of what do we do now is I think there was discussion concerned particularly again because of the what shall we say still the concern about Beljan and his specialty of surgery. What will Columbus say, what will the other schools say? Again, Wright State, having represented itself as primary care, family practice, community oriented. And now that we would go off and effectively chooses a Dean, a founding Dean, a surgeon no less. The area of specialty and we been given an option was undoubtedly the lowest on the list. Could've been worse, could've been neurosurgery I guess. It's in the same ballgame though I think once we had surgery. So that itself presented an obstacle or concern.

JS: Did you make the offer to Dr. Beljan before you came up with a recommendation?

ES: I think the offer happened essentially after Bob Kegerreis I guess. Since the recommendations went to him I think the offer was made after that.

JS: So, the committee didn't make the offer?

ES: No, the offer was with Kegerreis in his concurrence through Andy's people.

JS: Did Dr. Beljan accept right away?

ES: No [*laughing*]. I think he indicated interest but again I think my recollection is that he came back again to essentially negotiate firsthand.

JS: Is that usual? Or was expected?

ES: Well, is it usual? I don't know if there is a norm. Was it expected? Probably not. Was it smart? Probably.

JS: Why wasn't it expected?

ES: Perhaps we were doing the institution a disservice. We were relatively young, immature, and we are moving into a high-powered ballgame in trying to recruit the Dean of a scope the school of medicine. The question again of why would someone come to Dayton, Ohio. What kind of

assurances did they want to have? Looking at the scope of the task set before them, I think if someone resented such an opportunity to meet, any reasonable person would essentially have to move two thirds of the way across country, start from scratch a new community to build a new school, recognizing the scope task at hand. Before I say yes. I think I would want to talk to the president, probably the chairman of the Board of Trustees and so the community folks. What I would want if I come is to understand what you expected me to do what kind of support you are willing to give me. And I want to firm commitments. So I think at that level of job I think appropriate for him to refine negotiations a little bit on the terms of the evidence before embarking on the endeavor with a telephone call.

JS: Who did he negotiate with?

ES: Again, I can't tell you. He didn't negotiate with me [*laughing*]. I suspect Bob Kegerreis and Andy Spiegel.

JS: How long a period was that?

ES: Again, I'd say a couple weeks probably.

JS: What was the reaction in the community when the choice was made. When the announcement was made that he accepted the position?

ES: Again, I think favorable. Nothing comes to my mind either positively or negatively. For me personally, I was sort about anti-climax. When the announcement is made when earlier there was a commitment and a sense of getting on with the job. Once he said I will, or I do, the issue of the formalities and the niceties are almost secondary.

JS: How long did it take to get him to Dayton on a permanent footing? How long was the period where he shuffled back and forth?

ES: Again, I think the commitment was made somewhere in the timeframe of February or March. Beljan essentially commuted regularly through probably early August if I remember probably essentially using July to travel, to relocate coming here first. So I'd say the beginning of August or toward the end of July.

JS: So, in the interim. Who was-took care of most of the groundwork?

ES: Oh, Conley was still active, and Conley, Kegerreis- again Beljan was commuting. Again I think roughly every other week in Dayton. There was adequate time I think to sit with him and review and say we're planning a proposal. For him to provide direction or to validate at that time.

JS: When did he make the offer to you?

ES: I don't think it ever was an offer [*laughing*]. More like an offer that you can't refuse. Or else maybe from my perspective, well not being asked it was almost like a foregone conclusion.

JS: When did you make the physical move on your part from point A, which was Dr. Conley's office, to point B, which was with the Dean?

ES: Well, I think Beljan when he initially started out-Conley was where [Joe Hamlin] is today. The small adjacent office that faces the parking lot I was in their adjacent to Conley. Beljan's office is I think where [Gavin Pitts] is today so Beljan physically coming to campus and taking up space it was a question of then walking 6 feet or 50 feet. And the question of what Beljan's here, so support Beljan or write a proposal, work, prepare interim space. The question of that shift was gradual and it only came to furniture and when we moved down to the Kettering center where the ultimate what shall we say break happens. I moved to the Kettering center with Beljan. At that point we had crossed the bridge and someone else had burned it up behind me.

JS: When you moved to Kettering Center, when the staff moved there, was there the usual organizational shuffling and striving for specific spaces in the company? Or was it just moving from one point to another? Who allocated the space?

ES: Well, again you have to remember we went down-I guess I have to take the blame or the credit for the space. But at that time the third floor of the Kettering Center was essentially unfinished space. So the area that we occupied which faces on Monument Avenue, it literally was an open room, and there was a need to put walls up and to do something. We did that, and the folks that initially occupied that space were Beljan, myself, and Beljan's assistant, Sharon Holling. So, in the framework of who gets what or the biggest window or the biggest office, it really was... there was lots of space there, and there were, as I recall, a couple other folks that probably came along. But early on, there was no jockeying. There was no reason to do many of the traditional things. I would say that in all honesty, again, the period of developing the school, and the question of turf, or "mine", or who goes first kind of thing, really up to the time that I left medicine- so, '74 through essentially '80- there was precious little of that. People, I think in general, put the development of this school- recruiting students, the development of the academic program, the accreditation- ahead of all of the usual infighting- politicking- over office space, money, or resources. Folks were of course looking for resources to develop programs and to buy equipment and to recruit faculty. But I think in general, the interest was basically the school, as opposed to relatively provincial kinds of concerns.

JS: What percentage of the operations of the development of the school took place at the Kettering Center?

ES: At that point, essentially the whole thing. Beljan moved to the Kettering Center. Clearly, of course, there were faculty appointed who resided largely on campus. The chairmen of the basic sciences were appointed, and those folks were housed downtown, and had to commute back and forth to meet their teaching duties on campus.

JS: In that period of time, you started developing your own office staff, did you have a... or was it a general you are helping out in all of the areas-how did your office start taking shape?

ES: I guess I never thought about it that way, and part of that is maybe my way of working, in the sense of “mine”, or the folks who reported to me. The only person that I would point to that was specifically recruited by me was Joe Frankie. Even at that time I don't recall I had a secretary on board. Obviously, I got the typing done, so in that sense of doing, of writing the proposal or the VA, the grants reports, the dean's reports or the other in-house documents- Frankie we used largely for fiscal-space-inventory kinds of things. And the other work just kinda got done by using the folks who were available. So again, in the sense of staffing, Joe Frankie was at the time- was it.

JS: When did he come on board? And what was his background?

ES: Frankie was a... gosh, had been a relatively long-term employee. I would probably say he had been for four - five years at the institution, when he joined us in medicine. Had worked in plant had been involved in the campus utilization board space and other activities and fiscal plans. Joined the school of medicine primarily to help with the budget and financial operations.

JS: Was there a specific division of responsibilities? What would you say were your primary and secondary responsibilities?

ES: Me?

JS: Yes.

ES: I never had a job description so I guess I really don't know. Facetiously I guess I would say expeditor. Facilitator on the sense of-for one week it may be-to keep track of budget, financial planning, allocation of resources, on the other hand it could just as well be to watch the construction project equipment, selection write grant applications, forge for the grants with examiners-whatever surfaced in nonacademic arena. My perception would be largely that. Maybe I was expected to do that or did. That could be arranging parking space for a meeting or again dealing with relocation, or making additional space available, moving people to the VA, or telephones or what have you.

JS: So, you literally did whatever was necessary at any given moment?

ES: In general, I think, yes.

JS: In the initial hierarchy or structural organization of the school of medicine there were quite a few deans, associate deans. Was that intentional or was that a structure of organization which developed as the school developed?

ES: I think it was intentional. Yeah, I think so. John Beljan used to talk about the deans in the military model because, as you know, he served in the Air Force for a number of years and he used to talk about his general staff. I would say it didn't necessarily make a great deal of sense to me. It seemed at times inefficient. Maybe at times even overstaffed. On the other hand, on balance I would have to say it worked. Those that could did, and those that did not got kind of pushed to the side overridden or minimized. But nevertheless, there was a proliferation of

assistant and associate deans as you probably-part of it might be marketing in the sense of when the accrediting agency comes in if you have a associate dean or assistant Dean for administration and one for admissions and one for research and academic affairs and so on-maybe that's what they were looking for. And one brought the overhead simply to say that you had experienced people that were shepherding the areas.

JS: From the people I've talked to, virtually everyone I've talked to, they've all describe Dr. Beljan as a very dynamic always moving type of person. Who are the members of that initial staff who kept up with him. Did everyone keep up with him in the same pace did some move quicker than others?

ES: I think the ladies who he brought with him from California. I think most of the folks who worked with him probably did the work was Sharon Holley-she was superb and she was I think a peer of Beljan's in respects to dedication and commitment, drive. There were other folks I think, Sam Kolmen, and in his chair of physiology was a sort of mover, doer, kind of person. Soriano from who was recruited from Toledo. I think Bob again did a superb job in the affairs admissions. Develop theory without a vast amount of direction or handholding. Palmer who came in from Harvard for the library was again a person who knew the direction we were going and did it. Frankie a ball of fire and you just turn him loose and pointed the right direction and he would do the job. So again, I think he attracted people like that or consciously selected folks-I don't know-there were clearly a number of people who have the same disposition. And as you reflect on that you would say well, what personalities would you attract to effectively come to Dayton Ohio to build a new school? Again, I think the folks that would be attracted to that kind of challenge probably have some things in common as opposed to the folks who'd be attracted to a chairmanship or deanship in institution that has 100 years of history behind it. Again, it's not terribly surprising that given the nature of Beljan and the nature of the challenge, would serve to essentially select or sort out at least a number of some unique type of personalities.

JS: When did Regina Borum come on board as the new executive assistant?

ES: Oh, about I'd say probably in the second year. I'd have to check my notes but off the top of my head I'd have to say 1975, recognizing that I may have an error, it could've been '76, but fairly early on.

JS: Was after you moved to the VA?

ES: No, I think she came on at the Kettering Center?

JS: Why did you make the move to the VA?

ES: Space.

JS: There was more space available?

ES: Well, with Beljan we rapidly filled up the Kettering Center. We went there and developed half the floor largely with administrative offices. When Suriano's operations- student affairs,

admissions- began to gear up, we took the other side of the hall, essentially refurbished it. Beljan quickly moved to point, chairman in the basic sciences or recruited early Doug Moore in family practice so quickly. Space in the Kettering Center was basically filled and it became necessary to find more space. The VA had available a building, an old building, 115, essentially empty that they would allow us to use the top floor of. There was also I think, is also a choice and a political statement there, recognizing the amount of money that was flowing in to the school from the VA grant. The presence on the VA - campus and the commitment to the VA center in addition to solving a space problem for the school of medicine, also I think, made a statement in terms of the commitment to the VA. So, in itself that was very appropriate.

JS: When you moved to the VA, what effect did that have on the campus here at Wright State? - moving farther away from the campus instead of closer. Did you feel that had any impact on the integration of the school of medicine in the campus?

ES: Well, it would obviously do nothing for it on the other hand I wouldn't see it as good or bad or having an effect. It wasn't really clear to me at the time that the campus was ready or wanted to clutch medicine to its breast, so the fact that Kettering and now was that moving to the VA, in general, I don't think most folks on campus really cared about that. And that the elephant if you will, was off campus and was not threatening. On the other hand from the perspective of the institution's long-term goals-integration, in coming to terms with medicine, I'd think that delayed some things which really should have been done early on but again the realities of space-there were no alternatives.

JS: Did you serve not only on the school of medicine but on any other university committees?

ES: Probably. The budget review committee for one comes to mind. Probably on others I'd have to go check my laundry list.

JS: Did you report regularly on committees like that, on the funding of the school of medicine?

ES: No. I don't think anyone. I do recall people asking for a report from medicine as to what we were doing. Fiscally I guess the concern was that medicine was not bleeding the institution or taking resources from the institution.

JS: During the development phase did all of the department appointments come off as smoothly as anticipated?

ES: No. Development of the school of medicine? No, by no means.

JS: What were some of the problems that you encountered?

ES: It differentiated between clinical and basic science. One, it's easy to talk about without space matrix science. Clearly, there were folks on university staff who imagine themselves to be candidates for chair. And therefore, there was- if used well- some process to allow folks to aspire to test themselves for these positions to see if they cared about the development, about department and the school of medicine, at the same time meeting the needs of the institution and

the Department of Science and Engineering. On the clinical side, similar kinds of problems as far as folks in the community having aspiration to chair. The relative stature of people in the community, where someone from outside the community was brought to Dayton having to obtain hospital privileges, and perhaps being received as a competitor to again physicians who were practicing in Dayton. Questions of a specialty that was perceived to be adequately served and again bringing in someone else who would obviously have an economic impact on the individual practices which existed in the community. Eventually of course it comes down to beds in the hospital and essentially to control emissions. Again, ultimately the economic realities of the profession. I think there was a stretch of process negotiations. It was not a piece of cake for Beljan.

JS: In recruiting the faculty that was necessary to develop the specific departments in the school of medicine did you work within that ceiling, that ceiling set by the state?

ES: Uh-huh. Sure.

JS: Did that prove to be difficult at all?

ES: Oh yeah. In fact, Beljan himself maintained that coming here from California, he took a salary cut. I can remember again and again, since he's deceased's, one fellow, a true gentleman, the first chairman of obstetrics and gynecology, Nick Thompson. Nick had a thriving practice in OB/GYN in the Dayton community Nick came on and signed on for \$55,000 and work for 55 for several years. And that's all he got. And so again I think that clearly was a problem in recruiting and that gentleman in particular he made a sacrifice because coming in he operated his practice as part of the school of medicine and even if he would make a profit he essentially turned over the proceeds of the practice to the institution.

JS: That's incredible that somebody making that large amount of money can make that kind of sacrifice to the school of medicine.

ES: Yeah, he was a superb gentleman. One of the founding fathers of the school of medicine and again indicates the level of commitment to the program in some quarters. So there's no question that he in particular I think made an economic sacrifice to do what he felt was necessary and appropriate for the community and the program of medicine. I think most of the folks that came on in the early days before there was a practice plan, before the arrangements with hospitals and practice outlets were negotiated, probably suffered some economic hardship. Folks like [Longanecker] I said who came on early on in family practice. Even if the folks had a clinical outlet they were so preoccupied with recruiting, curriculum and development, and interfacing with accrediting agencies that the opportunity for practice and associated income was fairly insignificant.

JS: What were the practicing classes that you mentioned?

ES: Well, at that point there were none. So again, part of one of the early development or needs were, again this is a multifaceted problem-docs have to have a practice outlet. I think again if you have a physician who can't practice, they can't teach, because obviously they teach by

essentially using an apprenticeship. You bring a student along and he watches what you do and gradually he wears to do it himself so he must have some control of that outlet. Obviously once you deliver services, even if it's in an educational setting you want to collect a fee. How do you do that without a university hospital? When does the institution or the school of medicine practice environment. That again was probably one of the most difficult problems that Beljan confronted. Forgetting the hospital side of the question one of the things then what was necessary, was to develop a mechanism to allowed the physicians to practice, to provide malpractice insurance, to be able to get out bills to give the physicians some share of the monies generated by the practice. And at the same time you want to control it. So individual docs would not lose sight of their primary reason for the school of medicine and Dayton and the educational program from a political perspective, you didn't want those guys going out to the community and essentially trying to take over practices, to antagonize, upset the voluntary physicians. So the issue of control is very very important. And Beljan spent a great deal of time negotiating with the faculty committee and ultimately retaining counsel to develop a corporation that gradually became known as University Medical Services Association Inc.

[break in recording]

JS: The practice plans developed by the school of medicine, were they tied in with the agreements of cooperation between the university and the hospital?

ES: Not directly per se, but again it's part of it. Obviously, there's a symbiotic kind of relationship. If you talk about the specialties, if you talk about somebody in OB/GYN, if you talk about surgeons, radiologists, it if you want to give those people a practice outlet for the most part of the specialties have to get into hospital. So now maybe not fundamentally part of the basic agreement between the University and the hospitals but they were at least part of an implicit part of the thing. Once you give us certain privileges in the hospital obviously he has to go in and do surgeries. Once he begins to do surgery then he talks about billing for again his services. The same problem exists I think for most of the specialty areas and in turn most the time he would practice or be able to practice he also had to hospitalize patients and must resolve the issue of who bills, who gets the money, and how is it done.

JS: So, the University Medical Association Inc. was set up to resolve some of these issues?

ES: To provide a controlled- and I do mean controlled- practice outlet for the clinical faculty. Although honestly one of the almost innovative things that John Beljan did early on was to say that we want to build an integrated faculty. Therefore, the basic science folks would also be members of UMSA and I think that was really sort of indicative of Belgians insight and planning. He did not want to end up with a two-class faculty, one which was in the practice game getting money and the other that was just teaching on the University salary. So that everyone was going to be in the program and if the basic science folks consulted or had other income, but those proceeds also would flow to them through the practice Corporation.

JS: What percentage of basic science faculty took advantage of that?

ES: Everyone was a member. It was a given right everyone was a member.

JS: How many practice within UMSA?

ES: I can't give you a number. Anyone can have a contract and the impact of the contract would be to say the full-time university employees were full-time employees of the school of medicine. And if you go outside and practice you cannot retain any income from that practice. That was the number one rule. So effectively basic scientists, clinicians, whoever going outside and generating some money the money, then went to the corporation.

JS: Was there a percentage then that was given back to the individual?

ES: There was essentially-Yes-a share, an overhead. But everyone, I think, through the corporation saw some benefit. Early on, again, one of the things we had a problem addressing was for instance disability insurance. You bring a new employee in and they say, well I've become unable to work what does the state or this university offer and essentially at the time nothing. So, one of the things that Beljan did to the corporation was buy disability insurance for the people. The basic science and clinical people so until the estate coverage under the state teacher's public employees retirement plan took effect, that Beljan through the practice corporation ensured the faculty was provided a vehicle to provide for professional liability insurance for physicians to practice.

JS: What was the maximum percentage that a physician could get back in remuneration for-

ES: I don't remember any more. I don't have the documents in front of me. And those things have changed-it devolved over time.

JS: Was that considered part of the fringe benefits package that was developed?

ES: No, because it was separate and distinct. The general process would be when the physicians' federal compensation was made up of two parts. One the part that flowed from the institution is salary. And two, a second contract to the corporation which allow the physician to earn up to a fixed dollar amount through the corporation through essentially the services were the absolute Of course some of the two is that by some review of published norms for clinical faculty and really is environments and various geographic locations. The scheme was complicated, not complicated but again after essentially seven or eight years away from it particularly in the early stages-there was a sliding scale. So, a surgeon might be able to say make with a base salary of \$55,000 in the education institution maybe the surgeon was allowed to earn up to \$30,000 outside, a family practitioner \$20,000, again to provide an incentive, a disincentive at various times there were various things they might get 80% of the first dollar, or they may get 20% of the first dollar and maybe 80% of the 10,000th dollar. There was again a strategy there in terms of carrot and stick. It again we went through various iterations, trying to adopt a happy medium. The overall compensation was reasonable. The community would not abide to perceive the school subsidizing a bunch of subsidized docs who would take away their patient base. Controls are the doc was encouraged to practice where money would flow to the benefit of the corporation itself and be available for other kinds of purposes and at the same time that the doc be compensated for his effort that he was getting where he was getting a fair return so in many ways the Corporation

is sort of like the internal revenue service. We say, okay is it smarter to take 10% of my first 50,000 earnings and then 20% of my next 10 or am I better off saying take 80% of the first 10, or 70% of the second 10,000? I don't know, but we worked through those kind of learning exercises.

JS: Would it be safe to say that not only is it presenting a useful outlet for his practice for the physicians involved, it was necessary for their professional development, it also provided a marketplace adjustment? For the school of medicine in particular?

ES: Sure. Allow the docs a vehicle, or provide a vehicle, whereby they could augment their income. Some, on the other hand, despite the existence of the corporation, never really managed to achieve any practice outlet. The two that come to mind that were particularly troubling were radiology and pathology.

JS: Why those two?

ES: Well, again, we had a very small department. A fellow came up from Cincinnati, and if you think about radiology and you say 'where is that practiced', -well it's only in two places. One, hospitals, and then usually in a highly centralized, multi-member group in two or three locations. Hospitals, again, are traditionally provided by a group, so that there is 24 hour a day/ seven-day coverage. And maybe that same group is essentially running a shop down the street for referred services. So, there's only two locations where the activities are carried out. If they are a multimember group but also have an investment in equipment, probably on the order of 1 million to a half-million dollars, if there's no need for radiologists or perceived need because of the control, the hospitals and to control the base you don't want the economic competition a one or two man department isn't really able to compete even if they were perceived to be competing, it might lose their voluntary clinical base for the department. So, I think that was one area that was particularly difficult to address in the community because of the economic realities of the market. Pathology, if you reflect on pathology there's a similar problem here. Pathologist function in hospitals or essentially set up a laboratory that depends on physician referrals largely for outpatient kinds of activities. Again, large capital investment, large referral patterns, again recognizing that the school was dependent upon the voluntary clinical faculty from the community to support the educational program. One could not move forward and aggressively man a pathology don't because again of the economic realities that would proceed to undercut the market-the claim could be made that the institution is putting state dollars, the tax monies into effectively competition with a few, well, private enterprise. And it wasn't reasonable to do that for a number of reasons.

JS: Did the school of medicine in effect contract the services out?

ES: Well, we had no reason for those services. We had no clinical base so the answer would be no. If you want to bring a pathologist or group of pathologists to chair of the department or to underwrite the academic program for radiologists, or the people supplement their income or how today effectively maintain their clinical skills? If there is no market, no place for those folks to function because of the marketplace or the Dayton hospital environment. The same thing can be said for a general surgeon. You bring a surgeon and if you look around general surgery at the

time, it was a fairly well supplied specialty in the Dayton area. Well, will the school of medicine go out and bring in general surgeons, who presumably would want to practice in this community? To address those kinds of problems he was superb, and was perhaps not recognized for his diplomacy and the things he accomplished. I think clearly in some areas where the community could not for instance recruit another pathologist, they might be very enthused about having the school of medicine go out and recruit such a specialist. On the other hand, this school doesn't need more pathologist, they need a pathologist first. They might be more enthused about recruiting a neurosurgeon because again perhaps they weren't able to accomplish that. Some of the neonatal areas in pediatrics-same thing-or an OB/GYN. They look to the school to recruit these esoteric specialties, but for the most part there was not a great need for those things, and the importance of those subspecialties to the curriculum, while real, were really less than a general surgeon or general pediatrician, and so on.

JS: Let's take an example of a particular department, let's take pathology. Was the agreement between Greene Memorial Hospital and Wright State, which gave a certain percentage of say Dr. Rodin services to Greene in return for compensation. Was that an example of some of the arrangements that were made to deal with the problem of not having a practice?

ES: Yes and no. Before you even go to Al Rodin and Green, you have to recognize that the first chair of the department was a voluntary clinical faculty member who headed up the pathology department at Miami Valley. Subsequently then, Al was brought in, but then again, my recollection is he was not under contract to Greene as a pathologist, but rather as head of continuing education. So again, you have a sort of backdoor kind of arrangement that indeed Dr. Rodin was paid, but if pathology was his principal specialty, I don't believe that he had significant practice at Greene with Tony Mannarino's group. Ultimately, I think Al found an outlet for in the pediatric pathology at Children's. But the initial placement, I think, at Greene was largely continuing ed.

JS: Who were the chief officers of UMSA?

ES: Well, first there was Beljan.

JS: Was he the president of the corporation?

ES: Yeah, I think that's right, president. I guess I was the treasurer. I think Sam Kolmen was an officer. Dan Elliott, chairman of surgery. It seems I'm missing someone. Basically, each chair sat on the board, and that chair effectively appointed a... I guess a chairman, and president, vice president, a secretary, and a treasurer.

JS: How much of the administration of that organization was performed by the medical school? Was it more or less an auxiliary role? An auxiliary of the school of medicine?

ES: Yeah, I think the corporation basically hired its own full-time staff. First off, the first executive director- again, from memory- was a fellow by the name of Richard Grassie, who also hired another, a CPA, Jerry Lagle. Again, we established offices in the Talbott Tower, and largely, the corporation... I won't say ran itself, but there were officers who handled the day-in-

day-out kind of operations, and the board- the president, vice president- met with them periodically to review performance and essentially make decisions.

JS: Is that still all in the medical school?

ES: To the best of my knowledge, yeah.

JS: Well, I think it's time to roll. Thank you very much for this interview. In the next interview I would very much like to cover areas of the early development and perhaps go over some of the individuals.

ES: Okay thank you.

[End of recording].