

ROBERT M. CUNNINGHAM, JR.

In First Person: An Oral History

Lewis E. Weeks
Editor

HOSPITAL ADMINISTRATION ORAL HISTORY COLLECTION
Lewis E. Weeks Series

Produced in cooperation with

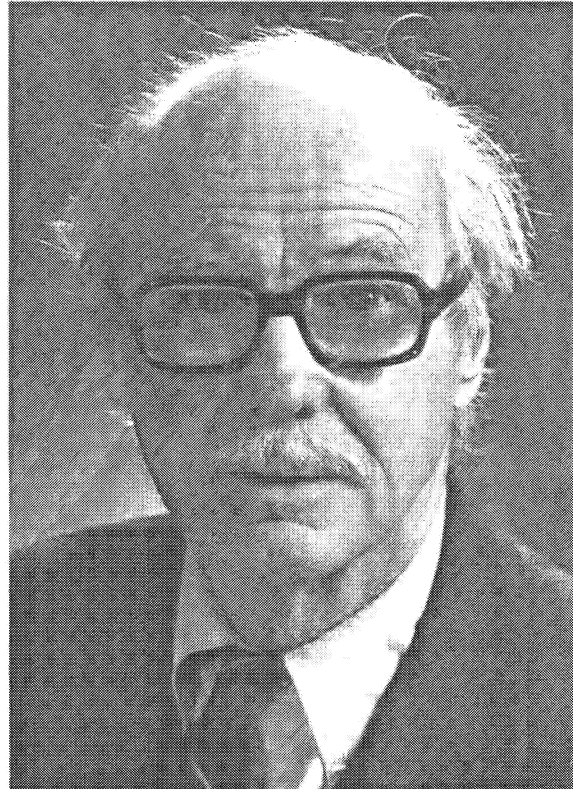
Library of the American Hospital Association
Asa S. Bacon Memorial

Sponsored by
American Hospital Association
and
Hospital Research and Educational Trust
Chicago, Illinois

LIBRARY OF THE AMERICAN HOSPITAL ASSOCIATION
AS A S. BACON MEMORIAL
840 S. MICHIGAN AVE.
CHICAGO, ILLINOIS 60605

Copyright (c) 1983 by Lewis E. Weeks. All rights reserved.
Manufactured in the United States of America

Lewis E. Weeks
2601 Hawthorn Road
Ann Arbor, Michigan 48104
(313) 662-4298



Robert M. Cunningham, Jr.

CHRONOLOG

1909 Chicago, born May 28

1931 University of Chicago, Ph.B.

1932-1934 Armour Institute of Technology, Assistant to the President

1934-1937 Shell Petroleum Corporation, Sales and sales promotion

1938-1941 Chicago Blue Cross, Director of Public Relations

1941-1945 American Medical Association, Associate Editor of Hygeia

1945-1951 Modern Hospital, Managing Editor

1951-1974 Editor

1963-1967 Editor and Publisher

1963-1967 Nation's Schools, Editorial Director and Publisher

1963-1974 Editorial Director

1963-1967 College & University Business, Editorial Director & Publisher

1963-1974 Editorial Director

1964-1967 Modern Nursing Home, Editorial Director and Publisher

1967-1974 Editorial Director

1974- Blue Cross Association, Editorial Consultant

1974-1980 McGraw-Hill Washington Newsletters on Health,
Contributing Editor

1978- Hospitals, Contributing Editor

1978- Trustee, Contributing Editor

MEMBERSHIPS and AFFILIATIONS

American Association of Hospital Consultants, Honorary Member

American College of Hospital Administrators, Honorary Fellow

American Hospital Association, Honorary Member

National Association of Science Writers, Member

AWARDS and HONORS

University of Chicago

Useful Citizen Award, 1956

American Hospital Association

Justin Ford Kimball Award, 1979

Hospital Association of Pennsylvania

Distinguished Service Award, 1978

New England Hospital Assembly

Distinguished Service Award, 1973

BOOKS

Hospitals, Doctors, and Dollars, 1961

The Third World of Medicine, 1968

Governing Hospitals, 1976

Asking and Giving: A Report on Hospital Philanthropy, 1980

Wellness at Work, 1982

The Healing Mission and The Business Ethic, 1982

WEEKS:

Why don't you begin by telling about how you happened to get into the health care field, and particularly into the publication end of it.

CUNNINGHAM:

When I first got out of college, which was during the Depression in 1931, I worked for a year or so for a man who was a professional fund raiser. He had run a couple of hospital fund raising campaigns in Chicago. At the time I worked for him he was running a fund raising campaign for the old Armour Institute of Technology, now Illinois Institute of Technology. After I worked for him a year or so I worked for the Institute itself as an assistant to the president, doing substantially the same thing.

During those years the fund raiser, Perry Addleman, did some work at the Chicago Hospital Council, and ultimately he was the principal organizer and the first director of the original Chicago group hospitalization prepayment plan, now Illinois Blue Cross, for which I later went to work.

Through Addelman I got a job in 1937 as an assistant to the superintendent at the Evanston Hospital, where they were doing some groundwork preparatory to putting on a capital fund drive. I spent a year at Evanston Hospital mostly interviewing trustees and physicians about what they saw

as their needs for additional facilities, carrying on the business end of the annual fund raising campaign, which was called Hospital Sunday and was organized through all the churches in the Evanston area, and doing public relations.

Evanston Hospital had a very enterprising advertising man who was a trustee of the hospital. He had started a monthly publication called The Pilot which, as far as I know, Evanston Hospital still publishes for its community. It was one of the first things of its kind.

I have often thought that back in 1937 I was probably the first and maybe the only hospital public relations person in existence. This has become commonplace, but at that time it was regarded as a very bizarre thing. People would ask me what I did and I'd say, "I do public relations for the Evanston Hospital."

They would say, "You do what?"

The superintendent of the hospital at that time was a woman named AdaBelle McCleery, who was a very well known and highly respected hospital administrator. She had been a nurse, of course, and a superintendent of nurses for a number of years, before she became administrator of the hospital. She was very good, and she ran the place with an absolutely iron hand. It was at that time close to 300 beds. She opened all the mail, signed all the checks, paid all the bills, called on patients, supervised the nursing service, told the board of trustees what to do, and wrestled with the physicians. Really an oldtime administrator. I became very fond of her. While she wasn't exactly what today's model calls for, she got the job done, and it was a good place.

It was a very progressive hospital, largely through her efforts and

insistence. They had what later became known as a joint conference committee, where members of the board of trustees and members of the medical staff would meet together and talk about their common problems. I used to attend those meetings as an observer and as a secretary, not as a participant. I never said a word. But I was astonished because this was my first exposure to medical affairs or hospitals, about which I knew nothing. I had come in to do this particular fund raising and publicity job. But I got educated. I remember some things that happened during that time that I'll never forget. The joint conference committee met at the Glenview Country Club. I remember being out there one night when one of the physician members was called to the telephone. That was Dr. William Danforth, who was an obstetrician and gynecologist, chairman of that department at Evanston Hospital and at the Northwestern University Medical School. Evanston was a full affiliate and the staff of the hospital was appointed by the faculty of the medical school.

Dr. Danforth came back from the phone call and said, "I am afraid I am going to have to excuse myself. Dr. so-and-so (and he named a Wilmette practitioner) is in trouble with a patient. I have got to go and bail him out."

I remember thinking to myself, with just a vague understanding of what might be involved, that here was a young couple having a baby--perhaps their first baby--and they put their faith in the doctor who was in over his head and didn't know what to do. Wasn't it wonderful that he had somebody to turn to to help him out. I encountered two or three things of that nature in that brief period. I was there just a year but I learned a great deal about hospitals that is basically still true.

The Depression had continued, and the intensive fund raising drive that

initially was the impetus that got me there was postponed. They did it later. I continued on a part-time basis as the public relations representative of the hospital, mostly concerned with that monthly publication. Instead of being based at Evanston I went back downtown to the prepayment plan, which my friend was then the director of. It was called the Plan for Hospital Care, and that was also regarded as a very bizarre thing. Nobody had ever heard of anything like that business.

The plan started operations in 1936. I went there full time in 1938, doing public relations and being a general errand boy for the director. I got involved in activities in hospital relations, such as they were. We had an obvious interest as the principal paying agent, even at that time, with maybe 10,000 or 20,000 subscribers in the Chicago metropolitan area. We contributed enough so that the hospitals were concerned about the rate of payment. We were concerned about setting up a sensible accounting base for payment so that it had some relationship to cost and ordinary charges.

My recollection is that our payments at that time amounted to about \$6.00 per patient day. However, the director of the plan was concerned about the rather casual cost accounting that he observed in some of the hospitals, so he hired a certified public accountant who had done some work for some of the hospitals to put on a series of lectures on cost accounting through the Chicago Hospital Council. I remember the president of the Chicago Hospital Council, who was the administrator of one of the respected hospitals and who also was a retired clergyman, as many administrators were in those days, expressing himself at the end of one of the lectures. He said, "I don't know if we have to go through all these details. You are either going along all right, or you are not going along all right, and that's all there is to it."

That always entertained me as an indication of the level of sophistication of cost accounting in hospitals at the time.

Another episode I have thought of happened at one of the Catholic hospitals. We had a complicated basis for payment even in those simple times. One of the hospitals, we discovered, had been overpaid. As one of my miscellaneous duties I was sent as an emissary to go out and explain to the Sisters that they had been overpaid and arrange for settlement of the account. This was a bizarre thing for me to be doing because I couldn't add or subtract. It was out of my line. This turned out to be an order of eastern European nuns who had come to this country fairly recently and had a little difficulty with the language. The administrator and the business manager, and it seems to me there were two or three there, were all Sisters. None of us understood what we were doing very well, and also we had a little language problem. Finally, we worked our way through this accounting statement and the Sisters agreed that, yes, indeed, it was four or five hundred dollars that they were overpaid.

I said, "You can either send us a check or we will take it out of your next payment."

The Sister Administrator said, "Oh, no. We owe, we pay."

She dug into her habit and pulled out a roll of bills and counted out \$400 or whatever it was, and insisted on me taking the money in cash. I have often thought about that. "We owe, we pay" is kind of outdated, but, nonetheless, a fairly sound basis for running a hospital, or any other business.

The Blue Cross movement was the only thing of its kind in those days. The insurance companies had always insisted that hospitalization was an uninsurable risk because it was initiated by the insured, and the companies

had stayed away from it. But, after the voluntary prepayment movement got started in Texas in 1929 and spread across the country fairly rapidly, the insurance companies got interested. Metropolitan was the first one that was active in Chicago. They used their hospitalization insurance as an addition to group life. Group life was the business they really were interested in writing, and they used the hospitalization plan, which was being talked about, as a means of getting into groups. We encountered them all over the place. I remember particularly at Marshall Field & Co. we offered the group hospitalization plan. Metropolitan was trying to get the group life and the group hospitalization plan, too. A member of the Marshall Field board of directors had been president of one of the hospitals and one of the organizers of the plan, so we got the hospitalization business. They decided to install the group hospitalization and the group life at the same time, at the same series of employee meetings. So I was there tangled up with a lot of high priced group life insurance salesmen from Metropolitan who looked upon me as an interloper, and I looked upon them as intimidators. We had some interesting encounters.

This same member of the Marshall Field board of directors, who had been an organizer of the plan, was chairman of the board of trustees at one of the hospitals. He arranged for the director of the Plan for Hospital Care to come to a meeting of the medical staff of the hospital to explain what the plan was doing and what it was all about. As it turned out I went along; it was part of my education. When the director started to explain what we were doing it became apparent that the doctors didn't want any part of it. After he got through with his original explanation and the question and answer period started, it became apparent not only that they didn't want anything to do with

it but that they thought it was probably Communistic. It was a very awkward situation, and an angry crowd. Of course, the chairman of the board, who was there and had arranged the whole thing, was upset about it. I was upset, but the director of the Plan took it all calmly.

As we went away from the place when the meeting was finally ended, he said, "Don't worry about that, don't worry about anything. It doesn't make any difference if those fellows don't like it. They will learn to like it. You know, I can foresee a time when there may be as many as a million members in hospital plans like this all over the country."

I thought he was smoking opium. Of course, today there are, give or take, one hundred million members of Blue Cross Plans, if you include the Medicare business.

I stayed at the Plan from 1938 to 1941. I had always considered that I was a writer, and this is what I wanted to do. I got a job to be a writer and editor, so I left. One of the reasons I left, too, was that I decided the prepayment plan wasn't going to get any place. I have thought about that a few times.

The job that I got was as associate editor of Hygeia, which was published by the American Medical Association and later became known as Today's Health. It is now extinct, but it lasted a long time. It had a circulation at the time I was there of around 600,000 or 700,000. Later it got to be well over a million. It was distributed at that time principally through doctors' offices and women's auxiliaries of county medical societies. It was good, basic, useful health education. The editor, Dr. Morris Fishbein, who also was editor of the Journal of the American Medical Association, was regarded as the principal spokesman for American medicine, as I am sure you know. He was the

first physician who became a household word. He had his Family Medical Adviser, a massive book, a kind of encyclopedic volume of medical advice that is still being distributed by the family. Dr. Fishbein lived to be 85; he died just a few years ago.

Dr. Fishbein taught me my business; he taught me how to be an editor. I had been fooling around with editing and writing in school publications and college publications, but he really taught me the business. I was there during the war years when Dr. Fishbein spent most of the time in Washington, where he helped to organize physician procurement for the armed services. Dr. Fishbein also was their link with the medical community. He used to come back to Chicago every week to close the Journal of the American Medical Association. Then he would do whatever was to be done with Hygeia, the magazine I was responsible for.

I always had a great deal of respect and affection for Dr. Fishbein because every now and then something would get away from me and we would publish something that would offend the doctors, and he would start getting letters from all over the country saying, "What are you people doing up there at AMA?"

He never once said, "Well, one of my assistants made a dumb mistake." Or, "It's that fellow Cunningham, he doesn't know what he is doing." He always stood behind me and took the responsibility, and said, "Well, that's the way we did it. What do you want me to do about it?" That's a wonderful kind of boss to have.

I didn't agree with him about everything, but I learned a lot from him and I respected him as a boss.

He really was an extraordinary intellect. He used to get all the mail for

the magazine--it came to him. He would call me up once every couple of weeks, and we would look over the manuscripts we had received. He would take a manuscript that had been submitted by a physician and go through it--so fast that an ordinary man could read only the page numbers. Then he would say, "That isn't any good. Write him a letter and tell him we can't use it." Or he might say, "This is fine. Let's get this in right away." Then sometimes three weeks later he would call me up and say, "I want to talk to you about that manuscript by Dr. Radcliff. Along about two-thirds of the way through it he said substantially the following, and I think we want to modify that."

He had an extraordinary capacity to absorb the intelligence on the printed page at a phenomenal rate. He was very proud of that. He often talked about the fact that he read three or four books a day, which he actually did. The thing that finally unseated him as editor of the Journal was the publicity he got. Doctors around the country didn't like him, because his manner was kind of overbearing, and he wanted everything to go his way. He ran everything and made it work, but he had a lot of enemies.

The principal charge against him was that he was a publicity seeker. He didn't mind getting publicity, but the fact of the matter was that he was the only physician of his time, of his generation, who could talk to reporters and who also understood what reporters wanted to know. For instance, there would be a bizarre case in Milwaukee and no physician would talk to anybody on the Milwaukee Journal. But they all knew who Dr. Fishbein was, so they would call him up, and he would say, "What do you want to know?" Then he would tell them, and, so course, he would be quoted. "Dr. Fishbein says..." Then all the physicians in Milwaukee would say, "There is that fellow Fishbein again trying to grab publicity!"

Every year at the annual meeting of the AMA--during the years I was there and for many years afterward when I went to the AMA meetings as a reporter--the California delegation, the Michigan delegation, and two or three from the East would come in with resolutions condemning Dr. Fishbein and urging that he be instructed not to answer questions from the press. Every year he explained what happened, and the resolutions were voted down. They finally got to him in 1949 or 1950, and he left.

Of course, he kept right on doing all the things he had been doing. He and Max Geffen founded Medical World News with a young man named Bill White, who became the editor, with practically instant success. Dr. Fishbein was also the editor of Postgraduate Medicine, which was published in Minneapolis and later became a McGraw-Hill paper, as did Medical World News.

I left the AMA after I had been there for four years to become the managing editor of Modern Hospital magazine, which had been founded in 1913 by a St. Louis physician named Otho Ball, an ophthalmologist who was interested in the business administration of hospitals. During World War I, Dr. Ball had helped with the procurement of supplies for the Army Medical Corps, and had been appalled at the confusion about the availability of medical supplies and the lack of organization in the industry. He had seen an opportunity and started publishing an annual catalog of medical supplies--listing the companies that supplied hospital furniture, medical and surgical equipment, instruments and materials. That originally was called the Hospital Year Book, and then it became the Hospital Purchasing File, which was an annual publication similar to Sweet's Catalog in the building industry. Through his interest in publishing the Hospital Year Book and the Hospital Purchasing File, Dr. Ball discovered also that on the professional side there was no

orderly means of communication, and he founded the magazine that he called Modern Hospital, which became the principal vehicle of communication in the hospital management or hospital administration field of its time.

It wasn't until the mid-1930s that the American Hospital Association converted what was a kind of newsletter or bulletin into the magazine Hospitals. Some time between the founding of Modern Hospital and the publication of Hospitals by AHA, the magazine Hospital Progress was started as a special publication for Catholic hospitals, and the magazine Hospital Management was founded by a Chicago publisher. So, by the time I got there, which was in 1945, it was already a pretty competitive field.

The AHA journal, the Catholic Hospital Association journal, Hospital Management, and Modern Hospital were pretty much alike. They were all vehicles for articles contributed by practitioners in the field, modeled in a general way on the clinical literature, supported by advertising, with subscription circulations. From the beginning the principal competitors were Modern Hospital, which was the oldest and most solidly established, and the AHA journal, which had all the authority of the professional association, an organization of institutional administrators. Dr. Ball had also started a magazine called Nation's Schools, which was a counterpart of Modern Hospital in the public school field. Shortly after I got there he started a third magazine called College and University Business, a management journal in higher education. So the company, which was then called the Modern Hospital Publishing Company consisted of: the Hospital Purchasing File, an annual publication; Modern Hospital, a monthly; Nation's Schools, also a monthly; and College and University Business, which started as a bimonthly and became a monthly two or three years later.

Dr. Ball, who was president of the company was chiefly concerned with the business side. He was the best advertising salesman, but he had a staff of salesmen working for him that sold advertising in all the publications. During the Depression when the business, like most others, had been in financial difficulty, Dr. Ball had been joined as a part owner and principal in the company by Raymond Sloan, who was a younger brother of Alfred Sloan, chairman of General Motors, and who had been interested as a young man in writing and publishing and had become an editor of one of the automobile industry journals. Mr. Sloan was also a hospital trustee, so he was interested in the hospital field and this venture appealed to him. He became the chief editor of the company publications, but he stayed in New York and was not active as a working editor. He moved around in the hospital field, as he did in the school field also, and made contacts for all the publications.

The content of the The Modern Hospital at that time was mostly how-to-do-it, case histories of successful programs in administration and finance, and in food service operations, and plant operations. A very substantial part of the content was in the design of hospital facilities. The hospital plant nationwide had been stagnant for all the Depression years and the war years. Starting immediately after the war, AHA through George Bugbee and others helped to formulate and promote the Hill-Burton Act, and thus there were federal funds available to stimulate hospital building. So, the whole complex of building interests became a very important part of journal content.

There was also a small news section. We had a part-time reporter Raymond Sloan had employed in Washington, and Washington news soon became a fairly substantial part of our content. We also expanded nationwide news reporting. We did a lot of that through personal contacts. We were always trying to set

up a system of correspondents--people who would contribute regularly. It never worked very well, because we couldn't pay them much of anything. But we did expand the news content of the magazine considerably. One of the things I initiated and enjoyed doing, principally because of my background in the AMA, was to report AMA annual meetings, figuring that what happened at AMA meetings ultimately became important to hospital operations.

Early on, as an example, we encountered the first controversy about the so-called corporate practice of medicine, which had to do for the most part with the radiologists, pathologists, and anesthesiologists who were employed by hospitals or retained by hospitals on a commission basis. This became a bone of contention in the organized medical profession. The professional societies wanted their members to be independent of hospitals. The hospitals, of course, felt the need to control those phases of hospital practice. The AMA was inevitably drawn into policy arguments about hospital-based specialty practices, so what happened at AMA meetings was lively news for the hospital field. Also it was part of our competitive journalistic enterprise.

One of the things we did that became a standard feature and lasted twenty years was to work with the people who were administering the Hill-Burton Act in Washington. The Department of Health, Education and Welfare wasn't started until the Eisenhower administration; earlier these people were in the U.S. Public Health Service. They had an architectural section which had specifications and model plans. I worked with them on a monthly feature in Modern Hospital called "Hospital of the Month," and we gave the hospitals an award. In the beginning we had a committee that consisted of representatives of the architectural section of the Public Health Service and some well-known hospital architects and a few administrative people. The committee looked

over plans of hospitals and made selections.

At that time and for a good many years thereafter, building products of one kind or another accounted for thirty-five percent of the advertising in the magazine. The other large classification, of course, was clinical equipment and supplies. So the building content was an important part of our business operation and an important part of our editorial interest. These were directly competitive with the AHA, and we had lively and sometimes heated competition most of it I would say on the advertising side, between advertising salesmen in the field, but some on the editorial side.

When I first started to move around as the managing editor of Modern Hospital I found that if I went to an AHA meeting or a meeting dominated by AHA people, I had a hard time finding out what was going on. I used to have to hide behind the pillars in the hotel ballrooms and steal copies of documents or get them bootlegged to me by friends, so I knew what resolutions they were talking about. It was that competitive and remained that way for some time. I think it was good for both of us, and it was basically between The Modern Hospital and Hospitals magazine. Hospital Management later became a factor because after fairly routine publication for a number of years they got a very bright, aggressive man who was a physician and hospital administrator, who had been head of professional services at the AHA. He became editor of Hospital Management and he was a formidable competitor. So it was good, lively stuff.

I remember in the summer of 1950 I was on the beach in Glencoe, IL. with a bunch of my kids and I ran into a friend of mine, Dick Jones, who also lived in Glencoe. He was executive director of the Blue Cross Commission or Commission on Prepayment of the American Hospital Association. He said, "Did

you hear that the AHA is negotiating with the American College of Surgeons to take over the Hospital Standardization Program?" That was the MacEachern hospital standardization program of the College.

I had not heard that. Dr. Paul Hawley was the director of the College. I didn't know it, but he and George Bugbee had been negotiating. The college was anxious to get the hospital standardization program off its back. George Bugbee, of course, with his enterprising, aggressive, and competent management of AHA affairs, had seen that as a proper function and a great asset to the AHA.

I got downtown the next morning and verified that this was indeed a fact. We tore an issue of The Modern Hospital apart and put in a half-page story saying that the AHA and the American College of Surgeons were negotiating. That really blew the lid off. The AMA got into the act, expressing a great deal of indignation that hospitals would be setting the standards and controlling the approval or accreditation of hospitals. They considered that improper. They editorialized on that subject, and we editorialized on it. I like to think the fact that we broke the story may have had some influence in the organization eventually of the Joint Commission on the Accreditation of Hospitals. It might have happened that way anyway; somebody would have known about it, obviously, and probably the same thing would have happened. At any rate that was one of the things I was mixed up in.

We also got involved in the controversy about corporate practice. We editorialized on such subjects, took a position and did articles. I remember going out to the Swedish Hospital in Seattle during a controversy with an anesthesiologist who was one of the principal advocates of independent practice. He and the hospital were involved in public debate, so I went out

to interview everybody and write the story. I interviewed the chief of surgery at the hospital, who was involved, naturally, although he wasn't a principal in the controversy. I sat down with him with a tape recorder between us in the lobby of the Olympia Hotel in Seattle. We talked for a couple of hours. In the article as it appeared I had used just one paragraph of that whole long interview, so I was astonished and dismayed to get a letter from this surgeon claiming, in the first place, that I had misquoted him, and in the second place, quoted him out of context, in the third place, betrayed him because he had considered the whole interview off the record. That was the first time this ever happened to me, and I really felt confused and distressed, so I called a friend of mine at the hospital and told him what had happened.

I said, "What do you suppose he thought we were doing there with a tape recorder for a couple of hours? That I had come all the way from Chicago for a confidential chat?"

He said, "Bob, don't worry about it. He got jumped on by his colleagues here for what he said. He had to write that letter to you and send copies to everybody in Seattle to get himself off the hook. Don't worry about it."

That was an education to me. It's happened since then, not just once, but often.

Another one of the projects I worked on that I think is worth reporting here had to do with the association I had with General Hawley. A good friend of mine, Greer Williams, who had been a reporter for the Chicago Tribune, and then was science editor of the Chicago Sun when it got started, before it became the Sun-Times, had spent some time working in Washington for the Veterans Administration, then came to Chicago right after General Hawley came

to the American College of Surgeons. For four or five years he was the director of public information for the College. He was there when General Hawley and Dr. Loyal Davis, who was a member of the college board of regents and a neurosurgeon at Northwestern, started to worry about fee-splitting and excessive surgery. Some of those problems have since become better known than they were then in the early 1950s when you didn't talk about those things except behind locked doors.

Greer Williams left in 1955, I forget why. The college decided they didn't need a full-time director of public information and publications. I had been doing some work with Greer and the college, and they asked me if I would take that on as a part-time job while I continued as editor of The Modern Hospital. There was a possible conflict involved, but there also was a possible joining of useful information sources, and I did take it--with the consent of my bosses and associates.

So, I worked with General Hawley when he finally went public with his campaign to eliminate unnecessary surgery. Of course, he was vilified as a consequence. One of the early articles about the subject appeared in Modern Hospital. It was written by Greer Williams, and we published it. At about the same time Dr. Hawley was interviewed in U.S. News and said substantially the same thing--that is, there is a lot of surgery that is questionable, both because it's being done by practitioners who aren't trained and qualified in surgery, and because it's done for a fee and not for the patient. We are going to the public about it and do everything we can to cut it down. This was extremely controversial both at the college and in the public press.

One of the tasks I did for the college was to go to the Clinical Congress every year and be in charge of the press room. Because Dr. Hawley was a

newsmaker, the press really attended those meetings. We would get as many as forty or fifty reporters including all the principal dailies and wire services. Television and radio people were also covering those meetings. At one meeting out in San Francisco, Dr. Hawley had sounded off in his characteristic fashion about unnecessary surgery and had criticized the AMA for not joining with him to eliminate this. I remember going out on the street after spending all day in the press room and seeing on the newsstands a headline in 72 point type, "Top Doctor Flays AMA," and thinking, "Oh boy, I don't want to go back and listen to the people who are going to get after Dr. Hawley for that."

Whether those public campaigns to eliminate fee-splitting and unnecessary surgery accomplished their objectives or not, I don't suppose anyone will ever know. These are not things that are susceptible of precise measurement, but I believed very strongly at the time in public information and in not regarding professional problems as secrets. I am not sure that I believe quite as strongly in that now as I did then.

Another interesting series of things that I got involved in, both in Modern Hospital and in the college, was with Carl Walter, who was a professor of surgery at Harvard and on the surgical staff at Peter Bent Brigham Hospital. He also was the world's foremost authority on operating room asepsis. He had written textbooks on the subject and lectured all over the country to surgeons and operating room nurses about careless practices in the operating room that resulted in high rates of postoperative wound infection. We published some of Dr. Walter's studies in Modern Hospital, and the college, with its practice of making college meetings open to the press, scheduled interviews with Dr. Walter in the press room when I was managing it. I

remember one episode when Dr. Walter gave a lecture to some 700 or 800 surgeons at the Conrad Hilton Hotel in Chicago, during which he showed a series of pictures he had taken in the operating rooms where he was called in as a consultant. It showed what was obviously improper and careless practice in operating rooms. In explaining one of the slides he used the expression, "This place is a pigsty."

There was a gasp in the audience but I remember hearing the surgeons as they filed out of the room saying, "You know, Carl says things pretty strongly, but he is right. We have got to clean up our practice."

Because of the way the college operated its business and because Carl Walter was who he was, he was immediately called into a press conference and the story was in all the afternoon papers. There was hell to pay. I came in for some of the heat because I was responsible to both the college and the press--and we had published basically the same things in Modern Hospital. But I felt absolutely certain there were administrators and operating room nurses and chiefs of surgery looking into closets and corners and tightening things up all over the country who never would have done anything if Dr. Walter had been discrete and the college had kept everything behind closed doors. Of course, the principal complaint about that kind of publicity was that it would destroy people's confidence in their doctors and hospitals. I am sure it didn't build confidence to have people read those things, but I think you have to balance the pressure it produces for improvement against the loss in confidence it causes, and I am not sure how you come out on that balance. At any rate, I was in that kind of situation repeatedly over the years, and I am sure of just one thing: The merit isn't all on one side or the other.

One of the projects I worked on with Greer Williams in Modern Hospital was

an essay on the principles of medical ethics. The principles of medical ethics, as you know, were first set forth in 1847, and over the years they have been added to and revised and monkeyed with repeatedly. In working with Greer and the college in the whole business of unnecessary surgery and publicity, it seemed to us--and Dr. Hawley was in agreement--that the principles of ethics sometimes got in the way of accomplishing a desirable objective in connection with what was basically unethical practice. The number of times a county medical society would do anything about fee-splitting or unnecessary surgery or surgery by unqualified practitioners you could count on the fingers of one hand among 2,000 county medical societies over a ten year period. But doctors would be called in right along and censured by county medical society ethics committees for getting their names in the paper; that happened all over the place. It seemed to us that they had things wrong end to, sometimes, and the way the principles were set up they were more concerned with protecting the physicians than they were with protecting the patients. So we published in Modern Hospital a long essay by Greer Williams on the principles of ethics, pointing out some of these inconsistencies and taking the view that the principles needed revision to return to basic concepts that really were ethical principles rather than matters of etiquette or courtesy or publicity. The ethics had been revised in 1949 and substantially improved, and then about ten years later they were improved again and divided into principles and interpretations. I wouldn't suggest and don't mean to suggest that publishing an essay on that subject in Modern Hospital had anything to do with what happened. I doubt that many people who were involved in what happened ever saw the essay. But it was something I was interested in and was a part of my association with the American College of

Surgeons and the magazine. That was the kind of thing that I liked to work on.

I think it was through the first article on unnecessary surgery that we established a relationship with the Readers' Digest that continued for some time. The Readers' Digest was then probably the most widely read and influential periodical publication in America, and maybe in the world. A large part of the content of Readers' Digest was originated by the Digest. They had many skilled and well-paid reporters and writers who would be assigned subjects or would think up one and get it accepted by the editors, and Readers' Digest would farm it out to another publication, and then reprint it in digest form in Readers' Digest. I think it was an unnecessary surgery article that got us started. At any rate we had that kind of relationship with Readers' Digest in Modern Hospital for a number of years. They had what they called a placement editor, Doris Blake, who became interested in Modern Hospital. Whenever they had a subject that related to medical affairs or hospitals they would place it with us and then print it in the Readers' Digest. This was very useful to us, because it made Modern Hospital a more attractive place for things to appear.

Another one of the projects that I worked on with Greer Williams was in 1970 after Greer had written several books and was located in Boston. He was always interested in the Kaiser plan on the West Coast. He got a foundation grant and took almost a year doing a study and writing a book about the Kaiser Health Plan (Kaiser-Permanente Health Plan: Why It Works). We took a whole issue of The Modern Hospital in February 1970 and published what was later published as the book. That Kaiser issue was the first time Modern Hospital devoted an entire issue to one feature.

At Modern Hospital, Nation's Schools, and College and University Business

we did reader studies, usually questionnaire studies, but once a year we would retain one of the readership research firms to do a series of reader interviews. We felt that this was a worthwhile way of keeping in touch with the information needs of the readers and their assessments of how well we were doing our jobs. Whatever kind of research we did, people would say: "There is too much to read. We want shorter articles. I haven't got time."

I was always suspicious of that as a general conclusion. My feeling was that if you were on the right subject at the right time, people didn't want to just skim over the top, what they wanted was detail. We tested that once when a firm of consultants had made a detailed study of food service operations in hospitals and wrote a report that was forty or fifty pages. I was talked into using this entire report in The Modern Hospital. It was good, new, solid information, and I had wanted to skim across the top of it and take out the principal findings and rewrite it in a journalistic fashion, but they said "all or nothing." So we bit the bullet. It was expensive; it took forty magazine pages--and our reader research showed it was the best read thing we had ever published at the time. People had to have it. That really taught me a lesson. So when this Kaiser report came along and we had the opportunity to do something with it; I figured we would do the whole thing. The whole editorial content was that Kaiser study, and it won prizes. It got tremendous correspondence. It was a good thing to do.

In 1954 Dr. Ball, the founder and president of the Modern Hospital Publishing Company died very suddenly of a heart attack. That was a turning point in our lives. I remember I was on the golf course in Glencoe on a Sunday. We came up to the green near the clubhouse, and I saw one of my sons walking across the green; obviously he was bringing a message to me. Someone

had called that Dr. Ball had died. I went downtown right away and we tore up an issue of the magazine and did a memorial issue. His death left the magazine and the business in a state of suspense. Dr. Ball had a daughter who was married to an Englishman and lived in London. Also there was a son who at one time had been a salesman for the publishing company, but was at that time in some other business and not terribly interested in the family business. Mr. Sloan was the other principal owner, but he was in New York and was going to stay in New York.

We drifted along for a couple of years and then the family decided they wanted to sell the business. They sold it to the F. W. Dodge Corporation, publishers of: Dodge Reports in the construction industry; the Architectural Record, which was their principal magazine publishing enterprise; and Sweet's Catalogue, an architectural and construction product catalog; and a daily construction newspaper. They were good people to work with. They made some changes in the business, and they talked about moving the whole thing to New York, but they decided not to.

However, I moved to New York in 1959 as a vice president and editorial director for the F. W. Dodge Corporation. It was an awkward time. I was in New York four years. My office was in New York and my principal responsibility was in Chicago, but I also had some responsibility for the Architectural Record.

In 1961 F. W. Dodge Corporation became a part of McGraw-Hill by acquisition. Shortly after we became a part of McGraw-Hill I was sitting in a meeting in the McGraw-Hill building and I was called out of the meeting to be informed that Modern Hospital was being sued for three million dollars for libel, and Modern Hospital and the American Society of Clinical Pathologists

were being sued for conspiracy in restraint of trade under the Antitrust Act.

The genesis of this action was that I had worked with a member of the staff of the American Society of Clinical Pathologists on an expose' of a chain of commercial schools for laboratory technicians. The base of the chain was in Cleveland, and it was a real scam. They had a group of commissioned salesmen who would go out in the country and recruit girls out of rural high schools, to come into the cities and take a six or ten weeks course in medical technology. Then they would be given certificates and foisted off on the market. Unsuspecting hospitals were employing these girls, who were inadequately trained. At that time they met the legal standards in the states they operated in, and they met the very loose and just beginning federal standards for that kind of education.

We collected some evidence. We put up some money and the American Society of Clinical Pathologists funded the study. We ran a big article. Again, we set aside the rule that people are not interested in detail and published the whole thing in one issue. I forget how many pages it was but it was a big deal. We had been working on it for a long time. I sat in my little office in Chicago and thought for a long time before I did it. I decided I wouldn't show it to the company lawyers. We were still being run by the F. W. Dodge Corporation; we really hadn't been integrated with McGraw-Hill Publications. I knew if I took it up with my boss, who was the group vice president, he would say I would have to show it to the lawyers, and they would object so we went ahead and published it. It was a real sensation. Of course, the American Society of Clinical Pathologists bought thousands of reprints and sent them all over--and it was a good thing to do. We virtually put the schools out of business, at least for a while. It was some months later just

at the time we were being integrated into McGraw-Hill when we got sued.

This was a very tender period for me. At about that time, there was a company meeting in Washington. I walked into the Mayflower Hotel and the first person I saw was a man named Paul Abbott, who had been chairman of the board of the F. W. Dodge Corporation and had been appointed a member of the finance committee of McGraw-Hill. I saw him in the lobby and didn't think fast enough to get out of sight.

He called to me and said, "Hey, Bob, I hear you are being sued."

I said, "That's right." I gulped and thought, "Here it comes."

He said, "Tell me, what is the total amount of the potential liability?"

I said, "Three million dollars."

He said, "Three million, eh? Well, remember, Bob, it's only 52% after taxes."

He laughed about that and it made all the difference in the world to me because I had been under a pretty severe strain. As it turned out, the suits were withdrawn six months later without ever going to court, but it cost us \$100,000 in lawyers' fees. When we were finally integrated into McGraw-Hill, I found the lawyers there were very sophisticated, and I never again published anything in question without showing it to the lawyers, who were very good.

They would look something over then they would say in effect, "Well, this could be actionable, or troublesome, and it doesn't really add anything to your story, so why don't you fix it?" But about something else they'd say, "This is questionable, or this can get you into trouble, but it really is essential to the story, so let's work on it."

They did stuff like this every day with fifty or sixty publications and a huge book business, so they knew what they were doing.

I should go back again now to a couple of other things that I like to remember. As a citizen of the North Shore of Chicago I got involved in community affairs, and I was active in a civil rights group--years before there was a civil rights movement. It wasn't strictly in our village, which was Glencoe; it included Evanston, Wilmette, Winnetka, Glencoe, and Highland Park. They had some small black populations, and Evanston had a big black population which had originated with the servants of the big houses along the lake front, the servants had cottages over on the west side of Evanston. That black population had grown over two or three generations. They had originally a little building that had been made into a hospital, and that had been replaced by a larger hospital building. Now the good people of Evanston and the North Shore decided that the black population, which by 1951, at the time I became involved, had become substantial, should have a good, new hospital. They proposed to raise a million or two million dollars and were going to build a community hospital--and subsequently did build it.

But this civil rights group that I was associated with, which had been concerning itself with the treatment of black populations of all these towns, decided that this was a bad thing to do, that there were plenty of beds in Evanston. If the Evanston Hospital and St. Francis Hospital, and the Highland Park Hospital at the other end of the North Shore would open up their facilities--they saw black people in the emergency rooms, and that was about it--the new hospital wouldn't be needed. We said that this was the proper way to take care of that population, but if they spent a million and a half dollars--I think there was federal grant involved, or at least they were negotiating for it--this would simply freeze the pattern of segregated care.

So we went public with the story. It was a very controversial issue.

Along the way I thought that if this is going on in Evanston, it's going on all over the country, and we had better do something about it in Modern Hospital. So we did. I forget what all the ingredients were, but we got something from New York and something from the South. We got together a very substantial feature on civil rights in hospitals. It was in the June 1951 issue of Modern Hospital. I knew it was going to cause trouble, and I knew if I talked with my bosses about it they would say, "Gee, Bob, what about our southern readers? What about this and what about that?" So I just didn't talk with them.

As it turned out, the reaction to it was very positive. I left town and went to an AMA meeting right after it was published, and came back and was astonished because we had mail from all over the country. There were a few "cancel my subscription" letters from Georgia, Alabama, and Mississippi, but the total reaction was really very good. I admire the hospital field. I think they have been on the right side on most issues. I don't know if they ever did very much about this one until the Civil Rights Act of 1964, but at least it was discussed.

Another one of the things I enjoyed was the beginning of something important. In 1957 Blue Cross of Western Pennsylvania applied to the state department of insurance for a rate increase, and, as was beginning to be the case in those days, the department had public hearings. The commissioner of insurance, Francis Smith, was concerned about unnecessary utilization of hospitals so at the hearings he called a number of doctors in and asked them all the same question: "Doctor, do you ever admit patients to the hospital just so their Blue Cross would pay the bill, even though they are not sick enough to be in the hospital?"

They all said, "Oh, no, that isn't the way I practice medicine. It couldn't happen that way."

The last doctor he called in was Isadore Ravdin, who was Chairman of the Board of Regents of the American College of Surgeons and chairman of the department and professor of surgery at the University of Pennsylvania. He was also President Eisenhower's personal physician.

The commissioner asked Dr. Ravdin, "Doctor, do you ever admit patients to the hospital just so Blue Cross would cover the diagnostic workup?"

Dr. Ravdin answered, "Certainly, doesn't everybody?"

This really blew the thing up, and the adjudication that was subsequently issued by Commissioner Smith ordered all the hospitals to organize utilization committees. We reported this in considerable detail; it was the beginning of the utilization review movement, really. It was the Sacred Heart Hospital at Allentown, PA that provided the prototype, and the Smith adjudication that initiated the utilization committees that were the forerunners of PSROs.

Those were the things over the years that interested me. I wasn't very excited about getting involved with the business side of things, but I did get involved because after we became part of McGraw-Hill and were integrated into the McGraw-Hill Publications Company, I came back to Chicago as publisher of the Chicago magazines. That got me involved in advertising and circulation and budgets and payrolls and all that business that I really wasn't interested in doing, and I wasn't very good at. After four difficult years my New York bosses came to the conclusion that I was not only not very good at it, I was awful.

They were very good to me, they said, "Bob, we are going to put a man out there in Chicago who is part of the McGraw-Hill organization in New York and

knows our ways of doing things. He is going to be publisher and you go back to being editor."

They never changed my compensation, which was very decent of them. I went back to being a full-time editor, and I became the editorial director of the whole operation. I had the Nation's Schools, and College and University Business, as well as other publications that were picked up along the way.

Not long after I was back in Chicago as publisher, the president of McGraw-Hill came out on a tour of the provinces. During the course of a luncheon meeting he said, "You know, we are interested in expanding. If there are any publications or any fields that are ripe for publication development and reasonably related to the fields you are operating magazines in, let me know and we will talk about an acquisition or starting something."

There obviously was going to be something done about health care of the aged, which everybody was talking about. So, I became interested in the nursing home field. With this encouragement I got busy then and picked out one of the nursing home journals, of which there were three at the time, and talked to the owner. We subsequently bought it and moved the whole thing from New York to Chicago as part of our operation.

When I had looked into this and written a proposal to the company, the president said, "You know, this is closely related to the field of Modern Hospital, and our lawyers are always concerned about antitrust, so we have got to have a meeting with the lawyers." Well, we did have. The antitrust people from McGraw-Hill's law firm came up. We all had a big session looking at this proposal for us to acquire the magazine, then called Nursing Home Administrator. We changed it to Modern Nursing Home after we got it. This was an interesting meeting, because the lawyers were dead set against it.

They said, "We don't know if this is close enough to what you are doing to be regarded as anticompetition if you acquired it. Section 7 of the Clayton Act says anything that has the effect of diminishing competition may be judged illegal, and this isn't big enough to take the risk."

I remember figuring that the members of the committee at the meeting would look through the magazine and say, "It's interesting but not very big--no money in it."

I took the position that this was something we owed our constituents: "The nursing home field is a mess, there are not standards, there is no movement for improvement. A good, vigorous communications effort is badly needed. It's the basis on which the whole industry can be improved." They listened, and were totally unimpressed. The meeting ended and I walked out with the president of the company and said, "I guess that is the end of it."

He said, "Not at all. We get the lawyers in here and listen to their advice. They give us legal advice, and we are bound to pay some attention to it, but this is a business judgment we make. We put the lawyer's opinion and our opinions all on the scale and weigh them and see what we come up with."

A few days later he called me and said, "We are going to buy it." So we did.

For a few years it was a good thing. Then the recession of the early seventies hit the advertising business and the nursing home magazine suffered the most because it was new and small. It was still alive at the time I retired. Later they combined it with Modern Hospital and sold the whole thing to Crain Communications, because the business had not prospered.

At the time I got started with Modern Hospital, it was the dominant publication of the field. Hospitals soon became the major competitor, and I

think for readership we were even. They were doing a good job; we were doing a little different job. We were both doing it well, and it was six of one and a half a dozen of the other. Advertisers continued to prefer the Modern Hospital, and we had almost twice as much advertising as they had. This bugged them. George Bugbee didn't like it; the guys that ran the magazine couldn't stand it. They thought they were the American Hospital Association, and they should be first in everything. So in 1956 they went from monthly to biweekly. They thought, "This will do it now; we'll be first in everything." But it didn't happen. Their advertising went up, but it didn't go up all that much. We continued to be the dominant advertising medium in the field. Then in 1969 they doubled their circulation. By this time everything had gone off the subscription base and it was all controlled circulation, so-called. Modern Hospital and Hospitals both had circulations of around 30,000, and then all of a sudden they were 65,000, just like that, by deciding to do it and paying for it. Then they started to catch up, and the advertising they got was advertising we didn't get, so ours started to go down. We had a series of very serious meetings with McGraw-Hill people, because trying to meet that circulation would have been very expensive. It was very expensive for AHA to do. They must have had some long thoughts about it too, because for a long time it cost them a lot of money.

Modern Hospital had been a very profitable magazine for most of its sixty years, but in the early seventies the profit was going down. In one of those years, I would say about 1972 or 1973, the AHA exceeded Modern Hospital in advertising volume. About the time I retired, early in 1974, they combined Modern Hospital and Modern Nursing Home and called it Modern Healthcare. Subsequently they decided there was no use competing with that kind of

circulation resource, so they sold it. The people that bought the magazine decided they could not compete that way either. The first thing they did was cut the circulation, which was very smart of them because they were losing money on it. They carved out the field of financial management as their particular interest--business and financial management--and they made the magazine over into a newsmagazine in the field of financial management, and it's beginning to show results.

WEEKS:

When we were talking before beginning the taping of this interview I asked you if at some time you would talk about some of the persons you worked with or knew otherwise in the health field.

CUNNINGHAM:

We mentioned Raymond Sloan briefly a couple of times. I would like to tell you a little more about him. I mentioned earlier that he was associated with Modern Hospital Publishing Company as a part owner and was interested primarily as an editor. His function was to keep our contacts alive with the hospital people in the East where he was very well known and respected. He was a man, obviously, of independent wealth. He spent a great deal of time as a lecturer at the Columbia University School of Public Health in the graduate program in hospital administration. As a result of that activity he got to know some of the young administrators. He was a friend and advisor to many of the Columbia graduates. As they got out into the field and the word spread, Raymond Sloan became a referral source for administrative talent, and he did this all on his own time. I think he probably did more referrals to administrative positions than most of the agencies and schools put together. Many of the people he referred into their first jobs later became leaders in

the field and heads of large, well-known, well-run institutions.

Raymond was a joy to work with as an editor, director, and an owner of the Modern Hospital Publishing Company. I don't recall that he ever issued an instruction or took an exception to anything we did editorially, and some of the things we did caused him a certain amount of pain and embarrassment. I guess I have been fortunate, because all along the way neither Dr. Ball nor Raymond Sloan, nor any of the bosses I had who were group vice presidents and presidents at McGraw-Hill and the F. W. Dodge Corporation ever interfered with editorial operations. Quite on the contrary, I was supported all along. I know lots of editors have had another kind of experience with publishers and owners, and I am grateful for the kind of support that I had, wherever I have been.

There is another well-known name in the hospital field that was associated with us in business: Everett Jones. Ev Jones was originally the director or chief administrator of the principal voluntary hospital in Albany, NY. He was an engineer by training, a graduate of the University of Wisconsin. During World War II he left his job at Albany and ran the government department which was involved in getting priorities for building materials for hospitals in defense-impacted areas where they needed to expand to take care of wartime population growth. He traveled all over the country visiting hospitals that had put in applications for materials priorities. He knew hospital people and the hospital situation in all parts of the country. He had been a hospital administrator himself and was a very dynamic and positive personality. So Dr. Ball, being bright and alert to business opportunities, asked him, "Why don't you come to work for us at the Modern Hospital Publishing Company?"

This Jones did. Basically his function was as publisher of the Hospital

Purchasing File because he was well connected in the industry, knew the building and construction and materials handling and materials procurement end of the business. He served a very useful function also as adviser to the advertising sales department of the Modern Hospital. So Everett Jones was a considerable factor in the business. He was always extremely helpful to me. He knew his way around when I didn't and introduced me to people and saw that I was headed in the right direction. I have always been grateful to him. He left right after the F. W. Dodge acquisition and set up a hospital consulting business with Ken Babcock, who had been the director of the Joint Commission on Accreditation of Hospitals, and one or two others. They carried on a very successful hospital consulting business from their home base, which was in Florida. Ev is still going. He is not doing active consulting anymore. He is 80 or 81 years old and still goes to AHA conventions. I get a letter from him every now or then criticizing or applauding something I have written some place. He is usually very generous in his judgment but never hesitates to say exactly what he thinks.

WEEKS:

Did you know Graham Davis, whom Andy Pattullo succeeded at Kellogg Foundation?

CUNNINGHAM:

It seems to me that when I first knew Graham Davis in the early days of my association with Modern Hospital he was still at Duke Endowment, where he had been, I believe, one of the originators of their program for rural hospitals. Of course, when he moved to Michigan he did the same thing for that group of southwestern Michigan hospitals that the Kellogg Foundation was interested in. My association with him was that he had written an introduction to a book

that was published by Modern Hospital Publishing Company on rural hospitals. It primarily was a book on architectural design, but Graham Davis wrote an essay which dealt with the nature of the governance of small voluntary hospitals in small communities. He recommended something that later was done increasingly--representation on the hospital board of all elements in the community, not just the bankers and lawyers and owners of business, but farmers, and representatives of labor and housewives and minorities. This was a very radical proposal in the forties when that book was published.

Graham Davis became president of the American Hospital Association, and I believe he was the first person who became president of the American Hospital Association without ever having been a hospital administrator. He may still be the only one. I have always admired the AHA for making him president, because he always stood for progress, and he was not an administrator as much as he was an adviser and consultant to administrators.

One of the other characters I remember who was interesting and helpful to me was George Woods. George Woods ran one of the hospitals in Oakland, California--it seems to me it was the Peralta. George Woods was a business man. His connection with the hospital and the field was strictly a business connection. He was our principal West Coast connection for a long time. He was on an editorial advisory board we had, and I remember getting my first impression of the difference between the position of the hospital in society on the West Coast and the position in the East. The East was dominated--in thought, that is--by the large teaching hospitals that were either university connected or independent voluntary hospitals that had the old-fashioned, large teaching wards and were basically humanitarian in purpose. In the early days, and as late as the 1940s and 1950s, their rates were below cost for the large

teaching wards. They didn't ignore good accounting and financial practice but, it was definitely subordinate to the humanitarian purpose of the hospital. George Woods represented a different culture. The hospitals in the West seemed to be much more business oriented, much more pay as you go in their attitude and orientation toward rate setting and toward the provision of services for the community. The entire field, the entire industry, as it is now called, has been moving in that direction slowly and gradually ever since, but I think the West Coast probably still has a somewhat different orientation from the East Coast and the Middle West.

Another one of the early characters that I knew slightly was Michael Davis, who was associated with Rufus Rorem; and who was the Julius Rosenwald Fund connection that got the Blue Cross Commission started at the AHA, and I think he and Rufus Rorem were responsible for getting the American Hospital Association to recognize the prepayment movement.

Michael Davis was also responsible for getting support for the first graduate program in hospital administration, which was established at the University of Chicago with Michael Davis either as director or as behind-the-scenes guide and adviser. The first class was graduated in the mid-thirties. Shortly afterwards there was a program at Northwestern University. Then after the war, they blossomed all over the place. At Modern Hospital we were in touch with the schools, principally the University of Chicago, because it was here, and Columbia because Ray Sloan was there, and some of the others because Everett Jones was familiar with many of them and had worked with some of the people who ended up directing those programs.

Another one of the people I got to know as a beginning editor was Dr. Malcolm MacEachern, who was everybody's mentor in the early days. He was a

benign, fatherly, humanitarian personality who was on every program, made speeches at every meeting. He and Jim Hamilton used to put on an act together all over the country. Jim Hamilton would be the devil's advocate and Dr. MacEachern would be the benign adviser and adjudicator. Dr. MacEachern had been the sponsor and the first director of the graduate program of hospital administration at Northwestern University here in Chicago. He also was the director for many years of the Hospital Standardization Program of the American College of Surgeons. It was near the end of Dr. MacEachern's career that the college gave up financing that program and it evolved into the Joint Commission.

Dr. Robin Buerki, I think, was also one of the outstanding personalities in the hospital field. When I was still at the Evanston Hospital in 1937 they used to have something called the TriState Hospital Assembly. Originally, Illinois, Wisconsin, and Indiana hospital people would meet together in Chicago, and a few years later Michigan joined them, so it was four states but they always kept the name, TriState. Dr. MacEachern was very active in that and Dr. Buerki, was one of the organizers of that particular regional conference that was held every year.

When I was at Evanston and the TriState Assembly was in Chicago, Miss McCleery sent me down to attend this. I went down there wide-eyed and looked at the exhibits and sat in the back of the room and listened to some of the lectures and meetings, which were dominated by Dr. MacEachern and Dr. Buerki. They had their own way of stimulating discussion and raising questions.

I remember going back and discussing them with Miss McCleery and her telling me particularly about Dr. Buerki, who had impressed me but he had also done a lot of talking in a very loud voice. I was suspicious of very loud

talking in very loud voices. I guess I conveyed some of that to Miss McCleery, and she stopped me right in my tracks.

She said, "Don't you pass judgment on anyone, young man. I'll tell you something about Dr. Buerki. He is very active and he spends a lot of time running all over the country going to meetings, helping other groups, and helping other people do their jobs, but he runs his own place, and believe me, he knows what he is doing. He is there at three o'clock in the morning just as often as he is there at three o'clock in the afternoon. When he has something to say, you listen!"

I never forgot that. I found out later that she was right. I forget what the occasion was, it had something to do with nurse education, as I recall it, but we did a piece in Modern Hospital that Dr. Buerki was very critical of. It took me quite a while to win my way back into his confidence.

Another one of the outstanding characters I remember was Arthur Bachmeyer who was the associate dean of the Division of Biological Sciences at the University of Chicago, which was a long way of saying that he ran the medical school and the hospital at that time. Dr. Bachmeyer was an M.D. and had been at the University of Cincinnati and had run the Cincinnati General Hospital. I knew him first as a member of the board of directors and one of the organizers of the Plan for Hospital Care. Then I knew him much better when I got into Modern Hospital, when he was, as we would call him today, a senior citizen of the hospital community and was very actively involved. He had been president of AHA, was actively involved in the discussions that led to formation of the Joint Commission on Accreditation of Hospitals. Originally he had been very skeptical of whether it would work to get the AMA and the American College of Surgeons, the American College of Physicians, the AHA, and

the Canadian Medical Association together in a working program. But he helped make it happen.

We have also talked briefly about Jim Hamilton, and George Bugbee. I had an interesting experience with them when I was still working for Dr. Fishbein at the AMA. Miss McCleery had been a good friend of mine when I was there at the Evanston Hospital and when I was at the AMA I was still working with her as the editor of a publication they had at the Evanston Hospital. About this time George Bugbee came to AHA and wanted to make something out of the magazine, Hospitals, which had been recently converted from a newsletter into a magazine. Miss McCleery recommended to Jim Hamilton the year he was president of AHA that he consider me for appointment as editor of the new magazine. This, of course, was Bugbee's business, not Jim Hamilton's, but Hamilton arranged for me to be interviewed by George Bugbee. I remember sitting down with George and talking to him. I later came to think that at the time he was talking to me he already had made up his mind he wanted to hire a Cleveland newspaper man by the name of John Storm, who did become the editor. I remember talking to Bugbee about the job and then not hearing from him again. It turned out to be for many years a kind of distant and difficult relationship, not at all on account of the job interview, but because we were competitors, and he's a tough competitor.

We were not only competitive, but at Modern Hospital we were critical of AHA. I considered that one of the functions of the press was to be critical. I used to say in justification of that position that I thought the function of the Modern Hospital in the hospital culture was indistinguishable from the function of the New York Times or the Washington Post in the political society and the political economy: to report what's going on and to take a position

on issues as they emerge, which we did. Sometimes our position was directly contrary to what George saw as the proper development of hospital interests, so he was critical of us as well as us being critical of him.

One continuing episode I know used to annoy him. There was a printers' strike in Chicago one year--it was fairly early in my association with the magazine, maybe 1948 or 1949--and publication was held up. That happened in the fall when the AHA convention was being held. The AHA convention was and still is one of the big news events in the hospital field. We always reported it in some detail. Because the printers' strike was holding up the publication of the journal, we decided we would get out a sixteen page news report, print it in the convention city, and mail it to all the Modern Hospital subscribers and call it the Modern Hospital Convention News (or Convention Report). We did. The whole staff, which amounted to three or four people, went to the meetings all day and stayed up all night writing stories, and took them to the printer so the type could be set every day during the convention. On the afternoon of the last day of the convention our report was printed and in the mail. It was critical reporting, interpretive reporting. If a meeting was poorly attended and not very well put together, we didn't conceal that fact from the readers. This didn't go down very well with the people in charge at AHA. Our report was on the desks of most of the readers when they got back to their jobs.

So, the next year when the time came around again we decided that we would do the same thing, get out that report as a special supplement to the magazine and get it in the mail the day the convention closed so it would be on our readers' desks when they got back, and then bind it into the next issue of the magazine so they would have a permanent record of it. We continued to do that

for about five years--much to the distress of our competitors because we were getting the news there a full month ahead of when they were, and it was their meeting! It was an annoyance not only to them but also it was an annoyance to our owners, because it was a considerable expense and there was no revenue attached to it; it was all outgo. Not only was it all outgo but it took something away from the convention issue of the magazine that advertisers were aware of. The convention issue in previous years had been a big sales issue, because, everybody wanted to read about the convention. So the advertisers would say to us, "Nobody wants to read about it the second time." We finally had to discontinue the special mailing. It seems to me we kept on doing that until the F. W. Dodge Corporation came along and took one look at it and said, "Nonsense!"

I did notice a difference when George Bugbee moved to the Health Information Foundation and Dr. Crosby came to AHA. They continued to be our competitors, but in a different way. Ed Crosby's basic position was: You are in the same business we are, providing information for this professional society, and if we can be of any help to you in any way, let us know. Taking his cue from Ed Crosby, Jim Hague, as editor, was the same way. The salesmen continued to cut each other's throats on the street, but we had a different relationship. I expect Crosby may have known what he was doing because, inevitably, we were not as critical as we had been in the past--not entirely so. I remember Dr. Crosby being pretty annoyed with me on a couple of occasions, and pretty tough because of something we did that he didn't like, but it was a different kind of relationship.

I had known Ed Crosby when he was at Johns Hopkins. This was even before he was director of Johns Hopkins, where Winford Smith had been senior director

and Ed was his assistant, and successor. Then Crosby came to the Joint Commission as its first director. He was in Chicago and I knew him better. Then, of course, when he moved to AHA, it was a different kind of relationship. I think that Ed Crosby's contribution was very significant. George Bugbee made the Association from a one man organization that lived in the shadow of the AMA into a real trade association with useful programs in all the major fields of interest and responsibility. I think Crosby moved it into a new and still larger sphere by adding more services and getting the AHA building built, and creating a continuing relationship with the medical profession.

I am sure it was never easy for Ed Crosby to comprehend both the young graduates of the hospital administration programs, who were inclined to be a little bit feisty about medical staffs, and Ed's need, as he felt it, to keep communications open between the AHA and the AMA, and between local medical societies and local hospital associations. Both groups used to keep saying, "We have the same interests; we are all interested in patient care." But often their interests are quite different. The hospital, of course, has collective responsibility for patient care; the physician has distributive responsibility: taking care of patients one at a time. These views collide all over the place. This is not an easy thing to manage, but I think Ed Crosby did it very adroitly. It never kept him from doing anything for fear of offending, but, on the other hand, he always knew how to mend fences and keep them tidy. I think that has been characteristic of AHA management as it exists now. Some people have said that they have become too concerned about AMA and physician views. On the other hand, I don't see how they can be anything else and still do their jobs.

Another one of the leaders of the field for whom I had enormous affection and respect was Ray Brown. He came to the University of Chicago from North Carolina just about the time I started working for Modern Hospital. He was the successor to Dr. Bachmeyer. He was really an extraordinary combination of shrewd business judgment and Aristotelian thought. He had a remarkable intellect. I remember being at one of the regional conferences down in Atlanta, where Ray Brown was leading a discussion of something having to do with cost accounting. I remember him saying something like this, "There are fourteen things you have to think about in connection with this subject. One..., two..., three..." When he got through, there was nothing left to think about. He had examined it, turned it this way and that way, right side up, inside out--the kind of thinking you associate with Aristotle. You look at a subject from every conceivable perspective.

Ray Brown could do that on his feet, and he also did it in writing. We published a lot of his papers and worked with him in many ways. He was so thorough that he was hell for an editor to work with, because he never would let go. He would keep revising and adding and restating. By the time he had finished writing a paper for the fifth or sixth or seventh time he still was not done with it.

Ray Brown went from being the director of the University of Chicago Clinics and became Vice President for Administration of the University. He never was satisfied with that job. I remember going out to the university to see him about something. I asked him how he was getting along.

He said, "I am not administering anything. I am in the real estate business." He was buying and selling apartment buildings in the property adjacent to the university, because they were running out of space in the

university buildings. They were buying property and converting it to university use in one way or another. He left finally and went back to North Carolina first, then to Harvard, and then back here to Northwestern. When he was still here in Chicago as director of the clinics, he wrote a series of articles on management for Modern Hospital. The continuing title of the series was "Judgment in Administration."

The series was so good that when he became vice president of the university and we had a university magazine, College and University Business, we pointed out that with very little change these articles would be just as useful for the university administrator as they were for the hospital administrator. We suggested that he could revise them and publish them in College and University Business. This he did. By that time we were associated with McGraw-Hill and we said, "Let's make a book out of it and McGraw-Hill will publish it." Which they did.

At every one of those junctures Ray had to go over every one of those articles, and he still was revising, not just to adapt to universities as opposed to hospitals and to book as opposed to magazine publication, but to make improvements in substance. It was murder, but it was a very useful and successful book. The last time I recall talking to Ray was after he came back to Northwestern University. After twenty years of talking at arms length across the street from each other, Ray Brown had gotten things together and in some way or another brought off the merger of the Wesley and Passavant Hospitals. I remember sitting in his office and asking, "How did you get that done?"

He had something to say about that. One of the things he said I remember very well, "You can't bring off that kind of deal if you start worrying about

everybody's job. Everybody will be concerned about what will become of Mary, or what will become of Joe. So you can't do it that way. We got a committee together with minimum representation of the boards, the administrations, and the staffs. We met until we made a deal. Then we got the lawyers in and the papers were signed before anybody else knew about it."

I know there are others who think just the opposite, that you have got to bring everybody in all the way along. Ray said you never get it done if you think that way. I don't think anybody had anything but admiration for the way he did that and most of the other things he did. I would say of all his contemporaries he was outstanding. He was the leading thinker in his field of his time, in my judgment.

WEEKS:

You were connected with the Hospital Industries Association, weren't you?

CUNNINGHAM:

Yes. This was a trade association of all the principal manufacturers and suppliers of hospital materials other than pharmaceuticals. Several pharmaceutical manufacturers such as Parke, Davis--now a part of Warner-Lambert--and Upjohn belonged to the association because they are in the clinical supplies business, too. The big memberships in HIA were Becton-Dickinson, American Hospital Supply, C. R. Bard, and other manufacturers of clinical equipment and supplies, and hospital furnishings. Some building equipment manufacturers were also in. Otis Elevator Company belonged because they sold a lot of elevators to hospitals. It seems to me Dick Stull was president of the Hospital Industries Association when some of my friends that I had done some work with at Johnson & Johnson got Dick to appoint me to a task force they had planning the association's future. I got

interested in that and went to meetings of that committee. Then I was on the board of directors of the association and then was president of it for a year. So, over a period of five or six years I was quite active in the industry. I learned a lot from it that I hadn't known over all those years when they were our customers, our advertisers. There was some question at the time, particularly at the AHA, about me getting appointed to the board of the Hospital Industries Association. It was seen as a conflict of interest. They were saying, "How can you report what's going on in this field when you are a director or officer of the association?"

The same kind of question had been raised earlier when I was doing some work at the American College of Surgeons. I was conscious of it, but I never was particularly bothered by it.

WEEKS:

How did you come to leave McGraw-Hill?

CUNNINGHAM:

In May 1974 I became 65 years old, and the Iron Curtain dropped on my employment thirty days before my birthday because that was the way it was done. As a matter of fact, I had been comparatively inactive in editorial operations for a whole year prior to then. This was when our competitive situation had deteriorated because of AHA's circulation policy, and because they were doing a good job. The McGraw-Hill hierarchy was concerned about red ink, and they were monkeying with the magazine. They changed the name and made some changes in design. I decided then that I was not really editor anymore. If they could change the name and make other changes, I really was not in charge. I didn't want to do it if I wasn't in charge. So I requested a different assignment for the last year. I wrote more for the magazine than

I had in the past, but I didn't have anything to do with the management. A man by the name of Ted Isaacman became the editor and did a good job, I thought.

WEEKS:

We are now talking in your office in the BCA/BSA headquarters in Chicago. How did this connection come about?

CUNNINGHAM:

Duane Carlson, who is vice president for communications here at the Blue Cross and Blue Shield Associations, had worked for us at Modern Hospital. We hired him as an assistant editor. He was a very bright reporter and editor, and worked for us maybe two or three years. He then came over here as director of public relations, or as an assistant in public relations and then became director and then vice president.

From time to time they had asked me to write something for Blue Cross; they knew about my earlier connection with the Chicago plan. At the time I was getting ready to retire they said, "Why don't you come over, we will give you an office here, and you can do some work for us."

I retired from Modern Hospital on April 30 and the following Monday I was over here with a desk, a typewriter and a kind of vague assignment that if I didn't make any noise and they wanted my help, they would ask for it. It worked that way and has ever since. I have used an increasingly large share of my time here, writing articles and speeches and getting mixed up in publications activities.

The first job I did when I came here was editing Odin Anderson's history of Blue Cross, which I enjoyed working on. Now I have been working on a book based on the symposium celebrating the Fiftieth Anniversary of the Blue Cross

and Blue Shield movement, a conference that was held in Washington last December.

I also made a contract to keep on writing for Modern Hospital--one piece a month. When the new owners took it over in the summer of 1976, I signed a year's contract with them and kept on doing just what I had been doing. I wasn't comfortable with it, though, because they were going in one direction and I was going in another. Also they were a little impatient with the things I wrote, so I stopped doing that after a year.

WEEKS:

You did begin working with AHA about this time, didn't you?

CUNNINGHAM:

After a few months I started working for the AHA, and I have enjoyed a very pleasant relationship with the AHA. At the time I agreed to start writing for the AHA, two or three people told me, "That's terrible, because all that stuff has to go through committees and be examined for AHA policy. You are never going to feel free." My experience has been exactly the opposite. Nobody has ever objected on the basis of policy. I have enjoyed doing it; it has been a very pleasant thing.

At the time I retired from McGraw-Hill I also made a deal with Jerry Brazda, who runs the Washington Health Newsletter group for McGraw-Hill, to write for his newsletters. I did that for five years after I left McGraw-Hill--until January 1, 1980. I am now spending more time at the Blue Cross and Blue Shield Associations.

Another activity that I have enjoyed in association with the AHA is a project on hospital trusteeship, talking to people and producing a book called Governing Hospitals. AHA published the book and they have done quite well

with it.

When I got through with that one they suggested another book on hospital philanthropy. I really didn't know anything about the subject, and I spent a lot more time on it than I had on the other one. It is not as good a book, but it has been published. Again it has been a nice relationship. Earlier I had written a couple of other books that McGraw-Hill published, that were basically stuff I had written for Modern Hospital, and speeches and articles that I had done for other publications. I enjoy doing that. When you get a book done, it's something you can feel and put on the shelf and keep. There is a satisfaction in it that is something more than the satisfaction of a periodical that lives a brief life and vanishes.

I spend some time now, too, mostly as a result of the book, Governing Hospitals, meeting with hospital trustees and talking with them about their problems. Usually these are learning experiences for me. I don't tell them very much of anything except, "Here's what a group in South Carolina, or wherever, told me they were doing. Maybe it will work for you." I try never to get into a position where I am posing as an authority. I tell them to begin with that I am a reporter. I say, "I can bring you a reporter's observations. If that is useful, fine. If it isn't useful, it's a waste of time for both of us." That's all I can do, and that is basically what I have been doing for forty years.

I have really been very lucky for all these years. I have enjoyed getting to work in the morning.

Interview in Chicago

March 25, 1980

INDEX

Abbott, Paul 25

Addleman, Perry 1

Alabama 27

Albany, NY 33

Allentown, PA 28

American College of Physicians 38

American College of Surgeons 15,17-18,20-21,28,37,38,39,46

American Hospital Association 11,14,15,31,34,35,36,38,39,40,41,42,
46,48

 Committee on Prepayment 14

American Hospital Supply Co. 45

American Medical Association 7,10,13,27,39,42,43

American Society of Clinical Pathologists 23,24

Anderson, Odin 47

Anesthesiologist 13,15-16

Architectural Record 23

Armour Institute of Technology 1

Army Medical Corps 10

Asepsis 18-19

Atlanta 43

Babcock, Kenneth 34

Bachmeyer, Arthur 38,43

Ball, Otho 10,11,12,22,23,33

Bard Company 45

Becton-Dickinson Co. 45

Blake, Doris 21

Blue Cross 5,7,28,47

 Chicago Plan 47

 Western Pennsylvania Plan 27

Blue Cross Commission 14,36

Blue Cross and Blue Shield Associations 47,48

Blue Cross Since 1929 47

Blue Shield 48

Brazda, Jerry 48

Brown, Ray 43,44-45

Buerki, Robin 37-38

Bugbee, George 15,31,39,40,43

California 10,35

Canadian Medical Association 39

Capital fund raising 1-2,4

Carlson, Duane 47

Catholic Hospital Association 11

Chicago 1,4,6,16,17,23,28,29,37,40,43

Chicago, University of 36,38,43

Chicago Hospital Council 1

Chicago North Shore 26

Chicago Sun 16

Chicago Sun-Times 16

Chicago Tribune 16

Cincinnati, University of 38
Cincinnati General Hospital 38
Civil Rights Act 27
Clayton Act 30
Cleveland 24,39
Clinical Congress 17-18
College & University Business 11,22,29,44
Columbia University 36
 School of Public Health 32
Corporate practice by physicians 15-16
Cost accounting 4,5
Crain Communications 30
Crosby, Edwin 41-42
Danforth, William 3
Davis, Graham 34,35
Davis, Loyal 17
Davis, Michael 36
Depression, see Great Depression
Dodge, F.W., Corporation 4,23,24,33-34
Dodge Reports 23
Duke Endowment 34
East Coast 36
Eisenhower, Dwight D. 13,28
Evanston Hospital 1-2,26,37,39
Evanston, IL 1-2,4,26,27
Family Medical Adviser 8

Fishbein, Morris 7-9,39
Geffen, Max 10
Georgia 27
Glencoe, IL 14,22,26
Glenview Country Club 3
Governing Hospitals 49
Great Depression 3,12
Group hospital prepayment plan 1
Group life insurance 6
Hague, James 41
Hamilton, James A. 37,39
Harvard University 18,44
Hawley, Paul 15,16,17-18,20
Health Information Foundation 41
Highland Park, IL 26
 Highland Park Hospital 26
Hill-Burton 13
Hilton Hotel, Chicago 19
Hospital Industries Association 45,46
Hospital Management 11,14
"Hospital of the Month" 13
Hospital Progress 11
Hospital Purchasing File 10,11,34
Hospital Standardization Program 15,37
Hospital Sunday 2
Hospital Year Book 10

Hospitals 11,14,31,39
Hygeia 7
Illinois 37
Illinois Blue Cross 1,4
Illinois Institute of Technology 1
Indiana 37
Johns Hopkins Hospital 41
Johnson & Johnson 45
Joint Commission on Accreditation of Hospitals 34,37,38,42
Joint Conference Committee 3
Jones, Everett 33-34, 36
Jones, Richard 14
Journal of the American Medical Association 7,9
"Judgment in Administration" 44
Kaiser-Permanente Health Plan: Why It Works 21
Kellogg, W.K., Foundation 34
London 23
McCleery, AdaBelle 2,37-38,39
MacEachern, Malcolm 36
McGraw-Hill 10,23,25,28,29,44,46,48
Marshall Field Co. 6
Mayflower Hotel, Washington 25
Medical World News 10
Metropolitan Insurance Co. 6
Michigan 10,34-35
Milwaukee 9

Milwaukee Journal 9
Minneapolis 10
Mississippi 27
Modern Healthcare 31
Modern Hospital 11,13,14,15,17,18-19,20,21,22,23-24,27,29,30,31,34,36,38,
39,40,43,44,47,48
Modern Hospital Convention News 40-41
Modern Hospital Publishing Co. 11,22,32,35
Modern Nursing Home 29,31
Nation's Schools 11,22,29
New York City 12,23,28,29
New York Times 39
North Carolina 43,44
Northwestern University 17,36,44
Nursing Home Administration 29
Oakland, CA 35
Olympia Hotel, Seattle 16
Otis Elevator Co. 45
Parke, Davis & Co. 45
Passavant Hospital, Chicago 44
Pathologists 13
Pattullo, Andrew 34
Pennsylvania, University of 28
Peralta Hospital, Oakland, CA 35
Peter Bent Brigham Hospital, Boston 18
The Pilot 2

Plan for Hospital Care 4,6,7,38
Professional Standards Review Organization (PSRO) 28
Postgraduate Medicine 10
Public relations 2,4
Radiologist 13
Ravdin, Isadore 28
Reader studies 22
Readers Digest 21
Rorem, C. Rufus 36
Rosenwald, Julius, Fund 36
Sacred Heart Hospital, Allentown, PA 28
St. Francis Hospital, Evanston, IL 26
St. Louis 10
Seattle 15-16
Sloan, Alfred 12
Sloan, Raymond 12,23,32,33,36
Smith, Francis 27,28
Smith, Winford 41
South 27
Storm, John 39
Stull, Richard 45-46
Swedish Hospital, Seattle 15
Sweet's Catalog 10,23
Surgery, unnecessary 17
Texas 6
Today's Health 7

TriState Hospital Assembly 37
U.S. Department Health, Education and Welfare 13
U.S. News 17
U.S. Public Health Service 13
Veterans Administration 16
Voluntary prepayment 6
Walter, Carl 18-19
Warner-Lambert 45
Washington, DC 12,16,25
Washington Health Newsletter 48
Washington Post 39
Wesley Hospital, Chicago 44
West Coast 35,36
Williams, Greer 16,17,20
Wilmette, IL 3,26
Winnetka, IL 26
Wisconsin 37
Wisconsin, University of 33
Woods, George 35-36
World War I 10
World War II 33