



In the Works

STUDY OF NORTH CAROLINA'S FOR-PROFIT HOSPITALS

The North Carolina Center for Public Policy Research, Inc. is a private, non-profit policy research organization which examines and reports on policy issues affecting citizens of North Carolina. Currently, the Center is studying the development of for-profit hospitals in North Carolina.

During the last 10 years, the U.S. and the sunbelt in particular have seen the development of investor-owned multi-hospital chains. These "for-profit" organizations own, lease, or manage large numbers of hospitals. Out of 157 nonfederal hospitals in North Carolina, 20 are investor-owned and an additional 10 are managed by these companies.

The Center's study has two purposes: first, to examine the differences between these 30 hospitals and the other hospitals in the state; and second, to examine policy implications of the growth of these chains. To meet the first purpose of the study, differences in service, staffing patterns, size, costs, revenues, and types of hospitals will be examined. State licensure information and Medicaid cost reports will provide data.

The report on policy implications will be based largely on interviews of hospital administrators and trustees and local government officials. Through these interviews, researchers will try to discover reasons why hospitals join or consider joining the chains, and the level of satisfaction after a hospital joins one of the chains. The roles and views of various groups in the community will be documented, along with the type of decision making process used.

The Center anticipates that the final report will help local communities make better informed choices about whether to join a chain, based on the experiences of other hospitals in the state and a clear understanding of the issues involved. The Center will also examine what actions the state can take to influence further for-profit chain development in North Carolina; if appropriate, the Center may recommend changes in legislation, reimbursement regulations, or other strategies for the state to pursue.

For more information, contact Lacy Maddox, Senior Researcher, or Ran Coble, Executive Director, N.C. Center for Public Policy Research, Inc., P.O. Box 430, Raleigh, N.C. 27602, (919) 832-2839.

STATE AND AMTRAK INVESTIGATE RAIL SERVICE IMPROVEMENTS IN NORTH CAROLINA

More rail passenger service for North Carolina? Amtrak and the North Carolina Department of Transportation think it is a possibility. The Charlotte Observer recently ran a front page story describing the plan. The new service would leave Charlotte in the morning, going through Greensboro and Durham to Raleigh, and then on the Richmond where it would join the existing Amtrak "Palmetto" to provide service to the northeast. Southbound, the new service would split off the "Palmetto" at Richmond, arriving back in Charlotte in mid-evening. This spring the state spent \$5,000 to inspect the track and other facilities between Greensboro and Raleigh, a stretch which has not had regular passenger service since 1959.

Amtrak has conducted cost, revenue, and ridership projections and found this route to be promising. Initially the N.C. Department of Transportation had asked Amtrak to study a Norfolk to Memphis route across the state, but later focused on the Raleigh-Charlotte segment as the most promising. State transportation planner Fred Fravel said that "Combining it with the "Palmetto" enables us to increase ridership by adding through passengers to and from the northeast." Amtrak at this point is developing the inspection report in order to determine the amount of money needed to upgrade the track to passenger train standards, and to build stops in Burlington and Durham. The major consideration for Amtrak is the willingness of the state to contribute to the funding of the new service. Under the Amtrak 403(b) program, the state must contribute 45% of operating costs the first year and 65% every year after that, along with 50% of the capital costs.

The state of North Carolina is faced with the question of how much money to invest in this service. According to David King, Director of the Public Transportation Division of the N.C.

Department of Transportation, allocation of these funds would have to be approved by the General Assembly. King commented: "If costs come back high (for track improvements) we wouldn't be able to support the service on a cost-benefit basis." Ultimately, a key issue here is whether or not, and to what extent, state funds should be used to support intercity rail passenger service.

MONTGOMERY COUNTY'S TDR PROGRAM -- AN UPDATE

How is the transfer of development rights (TDR) program working out in Montgomery County one year after the first receiving areas were designated? Very well, according to the planners responsible for its design and implementation. The program works by identifying a preservation district (sending area) and a development district (receiving area). Owners of land in the sending area are assigned rights in a systematic manner, and their land is limited to low density use. Anyone can buy the development rights -- developers, real estate brokers, or individuals -- and use them to build at higher densities in the designated development districts.

There are now 435 TDR's "in the pipeline," which represent 2,175 acres in the county, since each development right is worth five acres. Approximately one-third of the county (89,000 acres) has been designated as a Rural Density Transfer Zone. It is applied in those areas where little subdivision activity has occurred and a major effort to protect agriculture is warranted. The average going price for a development right is \$5,000, and farmland with the TDR easement is selling for \$900 per acre. This demonstrates that the program has removed the speculative value from the land. Instead of moving away from the urban fringe, farmers are attracted to the area because of its fertile soil and proximity to markets

For further information, contact Melissa Banach, Coordinator of Community Plans, North Division, or Denis Canavan, Principle Planner, Development Review Division, Maryland-National Capital Park and Planning Commission, Silver Spring, MD.

NEW NEWSPAPER STARTS PUBLISHING

As of this spring, North Carolinians have a new and different kind of newspaper to read. The North Carolina Independent, a bi-weekly statewide paper, will provide the kind of in-depth, analytical, probing coverage of North Carolina issues not found in the dailies. A general interest paper with a focus on politics and economics, The N.C. Independent hopes to bring to North Carolina print journalism what NPR's "All Things Considered" and CBS' "Sunday

Morning" have brought to broadcast journalism at a national level -- thoughtfulness, thoroughness, hopefulness, and a sense of style. As its name indicates, the paper is proudly independent of any political party or group; in fact, concern over the number of local papers which have recently been acquired by out-of-state chains (32 of 55 dailies) provides part of the reason for the creation of the paper.

The Independent is the brainchild of two Durham residents, Steve Schewel and David Birkhead. Schewel, with years of business and organizing experience, will serve as the paper's publisher. Birkhead will use his typesetting, publishing, and production skills in his role as managing editor. The former city editor of The Greensboro Daily News and Record, Katherine Fulton, will serve as The Independent's editor.



Also on the staff are Dee Reid, an award-winning reporter from the Chatham County Herald, and Jim Overton, former research director at the Institute for Southern Studies. The current full-time staff totals eight, with many other freelance writers and photographers across the state interested in participating.

Unlike most papers, The Independent will shape its content from a reader's point of view. As a bi-weekly publication, it will not attempt to cover all the traditional beats. Instead, the publication will focus on such issues as the changing world of work in North Carolina, economic development, environmental problems, and consumer concerns. Since many North Carolinians are tied together by their religious beliefs, their love of sports, and their commitment to their families, The Independent will also explore the culture and the contradictions of this fascinating state.

Contact The N.C. Independent, P.O. Box 2690, Durham, N.C. 27705, for more information. Phone (919) 286-1972.