

(PDC continued from page 1) reported by Dean W. C. Davison and by Dr. David T. Smith, who was serving as acting-professor of medicine in the absence of Dr. Harold L. Amoss on leave for six months teaching in China. The original organization was worked out by Drs. Hart, Davison and Smith. In 1931 the Private Diagnostic Clinic was established with all geographic full-time members participating voluntarily. During the first year Dr. E. L. Persons, then Medical Resident, assumed responsibility without pay for coordinating consultants' findings for a report to the referring doctor. This problem was later solved by designating a chief consultant for each patient. This physician then served as coordinator and received a proportionately larger fee. Two unique financial features have contributed to the success of PDC. First, all financial arrangements are handled by the business manager. No discussion of finances is necessary between doctor and patient, and the doctor accepts the business manager's estimate of the patient's ability to pay. Second, Dr. Hart, Dr. Davison, Dr. Smith, and Dr. Frederic M. Hanes, second professor of medicine, insisted that consultants' fees be kept low to encourage consultation and full use of available talent. Earlier efforts in other areas to establish multi-personnel clinics had foundered on excessive costs. With the inception of the PDC says Dr. Hart, "The officials of the school reasserted the rights of the staff to engage in private practice, gave them permission to develop the clinics as staff rather than University projects, and assured them that the institution would not use these organizations to restrict the rights of the individual in private practice or to delve into this part of his activity. This agreement has never been broken or questioned by the University." Thirty years later Duke Medical Center bears witness to what can be achieved with such freedom of initiative and mutual trust.

Two types of funds have been established. The first, a "development fund," is a cooperative effort of the clinical departments and was con-

ceived when the first PDC building was in the planning stage. In its early years PDC operated in improvised quarters. By 1938 need for a Private Clinic building was clear, and Duke University and the Duke Endowment made available \$600,000 to construct and equip two floors for ambulatory patients and three floors (118 beds) for in-patients. Although the University had agreed, originally, to provide quarters for the clinic staff, the University administration now felt that this investment in an additional facility would make a rental charge necessary. In lieu of rent the PDC staff established the development fund—the assessment to be not less than 4 per cent of gross income, a figure calculated to be greater than rental charged locally on a square foot basis. By 1946 when the need for additional facilities was so great and resources so inadequate, the staff made the suggestion that their assessment for the development fund be increased to not less than 8 per cent of gross income until the needs foreseen at that time could be met. The Duke Endowment responded with a grant of \$1,000,000 to be matched by the development fund on a ratio of one dollar from the development fund for each two dollars from the Duke Endowment grant. This increased assessment for the development fund is still in force because needs have continued to develop faster than funds have become available.

The second type of fund, "the departmental fund," is provided in each clinical department by additional staff assessments over and above the assessment for the development fund. These departmental funds may be used, on the recommendation of the department chairman and with University approval, to support teaching or research, to supplement building funds for special projects, or to meet departmental operating expenses not covered by the University budget.

Major contributions from PDC funds have included:

- (1) The Bell Building  
Unit No. 1, approximately 50%

- of the cost, departmental funds (50% from Duke Endowment)
- Unit No. 2, 100% of the cost, departmental funds
- Unit No. 3, 34% of the cost, development fund (66% government grant)
- Unit No. 4, 50% of the cost, departmental funds (50% government grant)
- (2) PDC addition, 1957  
\$3,140,000 from PDC funds out of a total cost of \$4,696,000  
PDC addition planned for 1964  
50% from departmental funds (50% government grant)
- (3) Diagnostic and Treatment Building  
45% of cost, departmental funds (55% government grant)
- (4) Clinical Research Building, Unit No. 1, 58% of cost, departmental funds (42% government grant)
- (5) PDC funds are committed to three buildings still in the planning stage:  
Clinical Research Building, Unit No. 2, 50% of cost, departmental funds (50% government grant)  
Cross wing with new Main Entrance Building, development fund

(Continued on page 3)

#### INTERCOM

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