

uals can be declared exempt from the law. All exempt employees fall into one of three categories: professional, administrative, or executive."

How has the law changed payment of overtime at the Medical Center?

"We have three different systems going. The law basically states that when a person works beyond 44 hours a week he must be paid for time and a half. There are two other options provided in the law that allow for slight deviations. All three are in effect in the Medical Center at this time.

"The overtime provisions became a little ironic where the Personnel Office was concerned, for we had to pay time and a half to our girls in order to process the payrolls in March. Of course, that was the first month of having to deal with the new methods of payment; and, hopefully, by now we've ironed out most of the problems."

Was the Medical Center given enough advance notice about the new provisions of the law to make the necessary preparations?

"We had adequate advance warning the new provisions had passed, but we did not have adequate guidelines to follow in putting them into effect. Of course, the reason we did not have adequate guidelines was because there was no precedence. Hospitals and educational institutions had never been covered by the law before."

Has the law been expensive to enforce here at the Medical Center?

"It has cost us thousands of dollars to comply with the law, primarily because of overtime provisions. However, as I have already said, we were not greatly affected by the minimum wage provision, for with very few exceptions we were already in compliance."

How will the minimum wage law affect the Medical Center in the future?

"The government is permitting us to 'phase in' to compliance with the minimum wage law. This means that for the next four years the minimum wage will continue to increase a little at a time until the desired minimum wage is reached.

"Specifically, the minimum wage will be increasing at 15¢ an hour from February 1 of each year until February 1, 1971, when the minimum wage will be \$1.60 an hour.

"The rate of overtime pay will not be greatly affected in the next four years, but what is considered as overtime will change. Any time over 44 hours is considered overtime now. Any time over 42 hours will be considered overtime in 1968, and any time over 40 hours will be considered overtime by 1969."

Has the law produced any good results other than increased pay for a few?

"I think so. Because of the law, we have had to examine carefully certain things, such as overtime use of employees."



When the new director of personnel, Frank N. Gay, arrived on the Medical Center scene in January, he was "greeted" with the then perplexing provisions of the minimum wage law that were to go into effect February 1. He is shown with Mrs. Janice Minyard, whose headache it was to figure out the first payrolls being covered by the new provisions of the law.

Financing of Hospitals Is Concern of Forum

The sources and concerns of capital financing of hospitals were discussed at the annual National Forum on Hospital and Health Affairs, held at Duke in May.

About 100 experts from across the country attended, at the invitation of the Forum's sponsor, the Duke Graduate Program in Hospital Administration.

"The capital financing of health facilities in this country traditionally has been from a diversity of sources," noted Mr. Ray E. Brown, director of the sponsoring Duke Graduate Program. Two aims of the 1967 Forum were to try and determine the potential of each of these sources for the future, relative to the total needs for capital, and to provide guidelines for a national policy.

Financed by the Duke Endowment, the Forum was the third of its kind to be held here.

This year's Forum examined capital needs and sources for hospitals, term obligations against patient revenues, term obligations against tax revenues, federal grant programs, proprietary capital, depreciation, fund raising, and many other topics.

"The rapid growth and changing nature of hospital and medical care is precipitating obsolescence of existing facilities as well as increasing demands for additional facilities," said Mr. Brown.

Currently, new construction of health facilities is costing about \$1.5 billion a year. It is estimated that this will have to be hiked to about \$2 billion a year just to keep up with increased demands caused by population growth and more utilization of facilities.

Professor Brown said a recent Public Health Service report disclosed that overcoming the obsolescence of existing health facilities would require a minimum of \$10 billion. This would be in addition to the current construction needed to keep up with the demands.

Speakers at the Forum included: Mr. Brown; Donald M. Rosenberger of United Hospitals of Newark, N.J.; William Henderson of North Carolina Medical Care Commission; Dr. H. M. Graning, Assistant Surgeon General; and Robert M. Sigmund of the Hospital Planning Association of Allegheny County, Pittsburgh.

Highland Hospital Now Part of Duke

Highland Hospital in Asheville, N.C., a psychiatric institution in operation for 42 years, has become a full-fledged unit of the Duke University Medical Center.

Duke University has owned the Hospital since 1939, when the Hospital's founder, Dr. Robert Carroll, donated it to the University. But it has been a self-supporting institution operated by a corporate organization, Highland Hospital, Inc., whose board of directors was appointed by Duke's board of trustees.