A recent visitor to St. Luke's Hospital, after a lengthy review of our activities, made an unusually pertinent observation. He said: "With a few notable exceptions, the management of a hospital like this is remarkably similar to that of a substantial industrial or commercial business."

That observation deserves more than a passing acknowledgment. The differences were enumerated as St. Luke's incorporation as a non-profit venture; the fact that the current technological and scientific progress in the health field appeared to be more rapid than in other fields; and the fact that our production volume—patient care—is not subject to schedules as in business for profit.

This conclusion dramatically illustrates the result of the recent revolution in health care. It has produced in a hospital such as St. Luke's a crucible into which are introduced the ever growing knowledge and skills of the medical, para-medical, and related professional groups to yield a growing number of men, women, and children restored to useful lives, often from ailments that formerly would have been fatal.

The year 1969 saw St. Luke's scoring continued achievements in these areas and others of equal import to the community. Included were the blossoming of evolving efforts to enhance efficiency and cost controls.

This hospital has long been aware that the upward spiral in the cost of patient care has exceeded the rate of gain of other price indices. Those who have bothered to analyze the facts have appre-
Special expensive equipment and trained personnel to man and interpret the findings of diagnostic and treatment procedures have imposed added costs. For example, more persons are required in pre-operative preparations, surgical suite, and post-operative care for cardiac patients than in years gone by when such life-saving treatment was either non-existent or under development. The cumulative effect of these considerations is apparent when it is realized that in 1969 St. Luke's cared for 377 cardiac surgical patients, a record high and contrasted with 290 in 1968, the previous peak.

Much the same applies to many other complex diagnostic and therapeutic activities carried out each day by the skilled professional and technical personnel at St. Luke's. From this it follows that hospitals have little opportunity to reduce the ratio of more than two employees per hospital bed that now exists.

Notwithstanding all this, every activity at St. Luke's is under constant review by

The hospital's volunteer program completed its first year of assistance in providing extra care to patients and visitors.

Merton E. Knisely, left, president; Lowell M. Vandervort, center, administrator; and John E. Koenitzer, chairman, board of directors, regularly reviewed all aspects of the hospital's operation.

Efficient use of highly skilled personnel was a task assigned to the hospital's methods engineering department throughout the year.
management in an effort to hold, reverse, or minimize costs.

To detail all the areas in which these efforts are directed would require a considerable amount of space. Two specific highlights will serve as examples of how the hospital is accomplishing this important task.

The year 1969 was the first full one during which the results of a highly complex piece of laboratory equipment could be evaluated. The equipment, 12 channel and 4 channel autoanalyzers with two computations, can provide a blood chemistry profile that includes 18 different test results. The system automates in the laboratory the previous step-by-step time consuming procedures of manual chemical analysis. With this electronic equipment attending physicians can have results within minutes at a cost to patients 85% lower than for individual manual tests.

Less dramatic but equally important to the overall cost of operating the hospital is the efficient use of highly skilled personnel. One such example is that of medical transcription—typing doctors' various medical reports required as part of patients' records. After a thorough study by the hospital's methods engineering department, certain standards were established for the typists including a report on utili-

Congressman Clement J. Zablocki was shown equipment used in one of the St. Luke's cardiac catheterization laboratories during a 1969 visit.

A 360 IBM computer was put into service in an effort to more quickly automate business procedures, enhance efficient management, and accommodate medical application.
zation and effectiveness of the transcription crew. In addition, transcription trainees were assigned to perform file search tasks formerly done by more advanced transcribers. The results of these and other modifications provided production increases of 35% and publication of a weekly report to apprise management of performance output trends. Annual savings exceed $13,000.

Those typical pioneering efforts, along with others under way and a number scheduled, are dedicated to providing the best possible care at the lowest possible cost. Activities in other areas are similarly oriented. To assure St. Luke's service to all patients seeking admission, we were able, during 1969, to professionally staff and open the south wing of the sixth floor. That action completed the final stage of the expansion program begun in September, 1963, and increased our capacity to 503 beds. Nonetheless, waiting lists were necessary most of the year with many patients regularly obliged to delay their admission for from several days to several weeks before a bed was available to them.

The hospital's role in the education of future doctors also expanded. Application has been made for approval of additional residency training in the fields of internal medicine, 4-year surgery, and obstetrics and gynecology. These will be in addition to 12 internships and 24 residencies currently approved. Also, a liaison committee between the Marquette School of Medicine and St. Luke's has been formed for the purpose of developing programs that will be of mutual benefit to both institutions.

All persons affiliated with St. Luke's remain keenly aware, too, that overlapping of major facilities and services is costly and inefficient when not dictated by broad medical or professional use. Therefore, in cooperation with the Hospital Area Planning Committee, meetings were held with other south side hospitals during 1969 to develop long term planning. These discussions are in conjunction with long term expansion programs that St. Luke's is developing to meet the needs of the community as providently in the future as in the past.

Those of us who are associated with St. Luke's Hospital, be it through the volunteer efforts of its 21 man board of directors, the volunteer workers, the professional managers, department heads, or employees, take pride in the fact that we are involved in an on-going program that is able to show positive results. The under-
WHERE DID THE MONEY COME FROM?

Income from patient services .................. $17,133,596
Coffee shop, gift shop, cafeteria, and other income .... 365,608
Donations ........................................... 203,475
Investment income ............................... 282,167
                               $17,984,846
Less free care and other allowances .......... 1,042,865
                               $16,941,981

WHERE DID THE MONEY GO?

Wages, salaries, fees, and fringe benefits ........ $ 9,589,204
Medical and surgical supplies .................. 2,147,153
Depreciation of buildings and equipment .......... 1,024,606
Laundry, linen, housekeeping, and general supplies .. 840,103
Food and dietary supplies ........................ 340,261
Fuel, water, electricity, and telephone .......... 325,405
Interest on indebtedness ........................ 331,735
Payment on long term indebtedness ............... 548,016
New equipment and building remodeling .......... 914,595
Increase in working capital .................... 880,903
                               $16,941,981

ADDITIONAL GIFTS RECEIVED FOR HEALTH CARE

Educational Foundation ....................... $ 12,082
Medical Library Foundation .................. 1,745
Medical Staff Foundation ..................... 4,135
Medically Indigent Foundation ............... 9,261
Research Foundation ........................... 82,202
                               $ 109,365

The department of hyperbaric medicine was used for 625 therapeutic compressions in 1969 as a vital adjunct to the community's health resources.
## COMPARATIVE SERVICE TO THE COMMUNITY

<table>
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<tbody>
<tr>
<td>Adult Admissions</td>
<td>11,028</td>
<td>13,313</td>
<td>12,989</td>
<td>14,457</td>
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<td>Newborn Admissions</td>
<td>2,315</td>
<td>2,324</td>
<td>1,966</td>
<td>1,942</td>
<td>1,694</td>
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<tr>
<td>Total Outpatient Admissions</td>
<td>38,350</td>
<td>41,689</td>
<td>45,274</td>
<td>58,119</td>
<td>70,850</td>
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<td>Surgical Procedures</td>
<td>5,337</td>
<td>6,058</td>
<td>5,474</td>
<td>5,750</td>
<td>6,047</td>
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<tr>
<td>Number of Laboratory Tests</td>
<td>199,884</td>
<td>248,777</td>
<td>308,464</td>
<td>389,483</td>
<td>475,617</td>
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<tr>
<td>Radiology — Diagnostic</td>
<td>35,791</td>
<td>36,580</td>
<td>41,574</td>
<td>53,706</td>
<td>65,651</td>
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<tr>
<td>Radiation Therapy</td>
<td>8,176</td>
<td>10,089</td>
<td>9,947</td>
<td>11,393</td>
<td>12,804</td>
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<td>Physical Medicine Treatments</td>
<td>38,934</td>
<td>54,180</td>
<td>64,295</td>
<td>72,358</td>
<td>73,822</td>
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<tr>
<td>Emergency Visits</td>
<td>4,413*</td>
<td>17,651</td>
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</tbody>
</table>

*24-hour emergency service began in August with the formation of M.D. Emergency Service of Milwaukee, S.C., a group of staff physicians.

An anniversary party for Mrs. John Anick, Wisconsin's only and one of the nation's longest living heart transplant patients, was held in October.

A new employee parking lot was opened.

Cultures of various types of viruses are placed in an incubator in the new virology laboratory.

The hospital's management development program was expanded with the hiring of a full-time director of training.
1969 MEDICAL STAFF

HONORARY STAFF

J. J. Adamkiewicz  
E. A. Bachhuber  
E. L. Baum  
E. A. Brzezinski  
P. L. Callan*  
B. E. Clarke  
M. F. Drozewski  
E. H. Ellison  
W. W. Engstrom  
G. S. Flaherty  
W. P. Glisch  
J. E. Habbe  
J. G. Halser  
M. Hardgrove  
J. V. Herzog  
J. Hirschboeck  
T. L. Johnston  
S. H. Kaal  
G. F. Kelly  
J. M. King  
M. Landsberg  
C. R. Marlewsic  
R. F. Mattingly  
P. J. Niland  
E. B. O'Leary  
A. H. Olsen  
E. J. O'Neill  
A. G. Schutte  
J. M. Sullivan  
E. L. Tharinger  
R. A. Toepfer  
L. J. Van Hecke  
A. Watts  
R. C. Wolf

DEPARTMENT OF INTERNAL MEDICINE

J. R. O'Connell, Chief

M. W. Bottum  
T. L. Calvy  
J. E. Cordes  
L. M. Feiges  
S. Fricano  
E. S. Friedrichs  
R. B. Fruchtman  
S. T. Gettelman  
T. N. Hart  
G. Inda  
M. A. Kottke  
J. R. Litzow  
W. G. Lange  
J. P. Loosje  
D. M. Luedke  
J. M. Meyer  
D. D. Miller  
C. R. Olson  
G. A. Oren  
B. J. Peters  
J. V. Pilliod  
W. D. Shapiro  
G. N. Spencer  
S. B. Stolp  
V. Turge  
W. C. Webb  
B. A. Waibren  
D. Williams  
A. P. Ziebert

Allergy — H. R. Well, Chairman
H. R. Karlin  
R. D. O'Connor

Arthritis and Rheumatology —
G. C. Bernhard, Chairman
M. J. Cicciandelli

Cardiology — J. A. Walker, Chairman
A. R. Baier  
J. H. Huston  
H. L. Correll  
D. G. Kamper  
H. D. Friedberg  
R. L. Lange  
H. H. Gale  
J. C. Manley

Dermatology —
R. Laubenheimer, Chairman
D. C. Bleil  
G. O. Stabenrauch  
D. E. Hackbart  
L. S. Markson

Gastroenterology —
H. J. Kanin, Chairman
M. C. F. Lindert

Hematology —
L. F. Jermain  
A. V. Piscotta  
G. J. Kallas

Neurology —
R. C. Danforth, Chairman
J. B. Baker  
A. J. Turner  
F. J. Millen

Preventive Medicine —
C. Zenz, Chairman
G. W. Fishburn  
O. A. Sander  
J. A. Palese

Pulmonary Disease —
W. H. Thiede, Chairman
E. F. Banaszak  
R. C. Kory  
C. W. Jordahl, Jr.

DEPARTMENT OF SURGERY

J. F. Zimmer, Chief

J. F. Berg  
J. D. Hurley  
V. M. Bernhard  
H. M. Kauffman  
J. A. Chasey  
A. J. Krygier  
L. C. Carey  
T. J. LaSusa  
J. A. Chopyak  
A. J. Levin  
J. C. Darin  
D. J. McGrath  
H. N. Dricken  
J. A. Manago  
W. E. Evans  
J. E. Morgan  
G. P. Flynn  
R. G. Mossey  
R. E. Galasinski  
J. J. Mueller  
U. E. Gebhard*  
T. J. Pendergast

B. J. Peters, M.D.
President

D. W. Calvy, M.D.
President-Elect
The hospital’s coronary care unit was expanded from four to nine beds resulting in the need for this enlarged monitoring station.

An entire nursing floor for pulmonary patients was placed in service during the year.

An expanded surgical monitoring laboratory was put into service as a further aid to surgeons and anesthesiologists.

Future hospital research will be conducted in this building located at South 26th Street and West Oklahoma Avenue which was purchased by the St. Luke’s Hospital Research Foundation.
A new program of exercise tolerance for individuals suffering from chronic obstructive lung disease was established during 1969.

A growing demand on the pharmacy department paralleled increased hospital services.

To help reduce a blood shortage in the community, a mobile unit of the Milwaukee Blood Center was set up at St. Luke's. Doctors, employees, and the public responded by contributing 148 pints of blood.

Close liaison is maintained between the hospital's medical staff, board of directors, and administration through an active coordinating committee shown here in session.

A new program of exercise tolerance for individuals suffering from chronic obstructive lung disease was established during 1969.
board of directors
William M. Chester, Jr.
Howard T. Foukse
Kenneth R. Geist
Robert Houston
Donald W. Kilps
Olaf Knudsen
John E. Koenitzer
Ebner F. Luetzow
Herman O. Menck
Clifford F. Messinger
Edward E. Olson
Wilbert G. Prasse
Stanley L. Rewey
Robert A. Rietz
Russell M. Rutter
Everett G. Smith
J. Robert Strassburger
Carl T. Swenson
Theodore R. Wieseman
Leonard E. Zastrow

honorary board
of directors
Arthur L. Grede
Carl E. Meyer
Otto G. Stoebe

officers
John E. Koenitzer
Chairman of the Board
Wilbert G. Prasse
1st Vice Chairman
Clifford F. Messinger
2nd Vice Chairman
Kenneth R. Geist
Secretary
Robert A. Rietz
Treasurer

administration
Merton E. Knisely
President
Lowell M. Vandervort
Administrator
Robert R. Tracht
Medical Administrator
Eugene C. Wood
Services Administrator
Miss Bernice Larson, R.N.
Nursing Administrator
Daniel J. Carlton
Financial Administrator
Robert J. Grams
Personnel Administrator
John A. Palese, M.D.
Director of Medical Education
L. Guy Moon
Resources and Development Administrator
John Schwartz
Assistant Administrator